

KCG CORPORATION  
THAILAND / FOOD & BEVERAGE

## KCG TB

BUY  
UNCHANGED

## คาดการณ์ได้ 3Q24 ยังดีต่อเนื่องเข้าสู่พีค 4Q24

- คาดการณ์ได้ 3Q24 ยังเติบโตทั้ง q-q, y-y จากการออกสินค้าใหม่ และจะเข้า Festive Season ใน 4Q24 อีกทั้งยังได้ประโยชน์จากเงินบาทแข็งต่อการนำเข้าเนยและชีส
- คงคาดการณ์กำไรสุทธิปี 2024 เติบโต 27% y-y ทำ All time high
- ราคาเป้าหมาย 13 บาท Valuation ถูก คงคำแนะนำ “ซื้อ”

|                 |           |
|-----------------|-----------|
| TARGET PRICE    | THB13.00  |
| CLOSE           | THB10.50  |
| UP/DOWNSIDE     | +23.8%    |
| PRIOR TP        | THB13.00  |
| CHANGE IN TP    | UNCHANGED |
| TP vs CONSENSUS | +1.8%     |

## คาดการณ์กำไรสุทธิ 3Q24 ชะลอตัว q-q และเพิ่มขึ้นสูง y-y

เรคาดกำไรสุทธิ 3Q24 ที่ 75 ล้านบาท เติบโต 35.7% y-y โดยคาดการณ์ได้เพิ่มขึ้น 5.5% y-y จากการออกสินค้าใหม่และอัตราการใช้กำลังผลิตเพิ่มขึ้นต่อเนื่องทำให้เกิดการประหยัดเนื่องจากขนาด ขณะที่อัตรากำไรขั้นต้นทรงตัว y-y ส่วนกำไรที่ลดลง 20% q-q ต่ำกว่าที่เราคาดก่อนหน้านี้ เนื่องจากต้นทุนวัตถุดิบที่สูงขึ้นมากกว่าคาด โดยเฉพาะน้ำมันเนยที่คิดเป็นประมาณ 15% ของต้นทุนรวมมีราคาแพงขึ้นกว่า 20% q-q ขณะที่ราคาวัตถุดิบอื่นปรับลงแต่ไม่สามารถชดเชยได้หมด จึงกดดันให้อัตรากำไรขั้นต้นปรับลงมาอยู่ที่ 30% จาก 31.8% ใน 2Q24 รวมถึงค่าใช้จ่ายในการดำเนินงานยังอยู่ระดับสูง จากค่าใช้จ่ายในการขนย้ายสินค้าเข้าสู่คลังใหม่ของโครงการ Logistic Park ในช่วงแรก

## แนวโน้ม 4Q24 จะโตก้าวกระโดด q-q จาก Festive Season

แนวโน้มกำไรสุทธิ 4Q24 ที่ 147 ล้านบาท เพิ่มขึ้น 96% q-q, +4% y-y ส่วนใหญ่มาจากรายได้ที่เติบโตสูงตามปัจจัยฤดูกาลที่เป็น Peak Season ของธุรกิจ และการใช้อัตรากำลังผลิตที่เพิ่มขึ้นจะทำให้ต้นทุนต่อหน่วยลดลง อีกทั้งเชื่อว่าอัตรากำไรขั้นต้นจะดีขึ้นจากต้นทุนราคาวัตถุดิบที่ลดลงจากผลบวกของค่าเงินบาทแข็ง นอกจากนี้บริษัทยังมีออกผลิตภัณฑ์ใหม่ต่อเนื่อง รวมถึงค่าใช้จ่ายในการขายและบริการจะลดลงหลังโครงการ Logistic Park ดำเนินการผลิตเต็มที่

## คงคาดการณ์กำไรปี 2025 +16% y-y จากความต้องการเนยชีสที่เพิ่มขึ้นและSG&amp;A ที่ลดลง

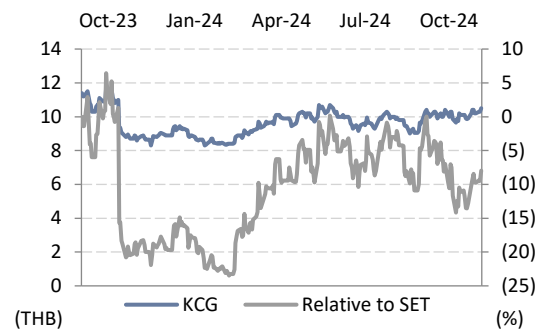
เรายังคงประมาณการกำไรสุทธิปี 2025 ที่ 447 ล้านบาท +16% y-y และปี 2026 +15.7% y-y จากความต้องการเนยและชีสยังเติบโตต่อเนื่องเฉลี่ย 5-7% ต่อปี เนื่องจากคนไทยนิยมบริโภคมากขึ้นจากทั้งการนำเข้าชีสไปใช้เป็นวัตถุดิบในการทำพวกเบเกอรี่ อาทิ แชนดวีซ ครัวซองต์ และขนมปังชีสยัด ที่ได้รับความนิยมสูง และการนำไปเป็นวัตถุดิบในอาหารหลักประเภทปัง ย่าง ซาหรูสกี เป็นต้น และนักท่องเที่ยวต่างชาติที่เพิ่มขึ้นจะช่วยหนุนความต้องการเนยชีสที่ต่างชาตินิยมทานด้วย KCG ตั้งเป้าหมายได้ปี 2025 เติบโต 10% y-y เน้นขยายลูกค้า B2B และ B2C กลุ่มลูกค้ารายใหญ่และการออกสินค้าใหม่ และคาดหวัง Gross Margin ไม่ต่ำกว่าระดับ 30% ซึ่งเป็นระดับภาวะปกติของบริษัทจากการใช้กำลังผลิตที่เพิ่มขึ้น และเชื่อว่าแนวโน้มราคาวัตถุดิบมีโอกาสรปรับลงหลังราคาน้ำมันเนยปรับสูงผิดปกติในปี 2024 จากอุปทานน้ำมันดิบที่เพิ่มขึ้น นอกจากนี้ยังถูกชดเชยบางส่วนจากค่าเงินบาทที่แข็งค่าทำให้นำเข้าวัตถุดิบในราคาที่ถูกลง

## หุ้นเติบโตดี แต่เทรด PE ต่ำ คงคำแนะนำ “ซื้อ” ราคาเป้าหมาย 13 บาท

เรายังแนะนำ ซื้อ ราคาเป้าหมาย 13 บาท ราคาหุ้นปัจจุบันเทรด P/E ปี 2025 ที่ 13.4 เท่า ต่ำกว่าค่าเฉลี่ย 16 เท่า ของกลุ่มอาหารและเครื่องดื่ม

## KEY STOCK DATA

| YE Dec (THB m)       | 2023  | 2024E | 2025E | 2026E  |
|----------------------|-------|-------|-------|--------|
| Revenue              | 7,157 | 8,143 | 9,364 | 10,768 |
| Net profit           | 306   | 388   | 447   | 514    |
| EPS (THB)            | 0.56  | 0.71  | 0.82  | 0.94   |
| vs Consensus (%)     | -     | -     | (1.2) | 0.3    |
| EBITDA               | 599   | 694   | 778   | 871    |
| Recurring net profit | 293   | 369   | 428   | 495    |
| Core EPS (THB)       | 0.54  | 0.68  | 0.79  | 0.91   |
| Chg. In EPS est. (%) | -     | -     | -     | -      |
| EPS growth (%)       | 5.3   | 25.8  | 16.1  | 15.7   |
| Core P/E (x)         | 19.5  | 15.5  | 13.4  | 11.6   |
| Dividend yield (%)   | 2.9   | 3.4   | 3.9   | 4.5    |
| EV/EBITDA (x)        | 12.2  | 10.5  | 9.1   | 7.9    |
| Price/book (x)       | 2.1   | 2.0   | 1.8   | 1.7    |
| Net debt/Equity (%)  | 59.8  | 53.3  | 43.3  | 33.3   |
| ROE (%)              | 15.1  | 13.2  | 14.1  | 15.0   |



| Share price performance        | 1 Month                  | 3 Month | 12 Month |
|--------------------------------|--------------------------|---------|----------|
| Absolute (%)                   | 4.0                      | 5.5     | (7.1)    |
| Relative to country (%)        | 2.1                      | (4.4)   | (8.7)    |
| Mkt cap (USD m)                | 171                      |         |          |
| 3m avg. daily turnover (USD m) | 0.7                      |         |          |
| Free float (%)                 | 27                       |         |          |
| Major shareholder              | Family of founders (72%) |         |          |
| 12m high/low (THB)             | 12.30/8.25               |         |          |
| Issued shares (m)              | 545.00                   |         |          |

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

KCG ถือว่าเป็นหุ้น Defensive จากการเป็นผู้นำตลาดเนยและชีสที่มีส่วนแบ่งตลาดราว 55% และ 31.6% ตามลำดับ เป็นทั้ง Manufacturing และ trading และเป็นแบรนด์ที่แข็งแกร่งที่อยู่ในตลาดมายาวนานกว่า 60 ปี ผลการดำเนินงานที่ผ่านมาค่อนข้างมีเสถียรภาพแม้จะได้รับผลกระทบจากโควิดในช่วงที่ผ่านมา แนวโน้มอัตราการเติบโตของตลาดเนยและชีสต่อเนื่องเฉลี่ยปีละ 5-7% เราคาดว่าจะทำกำไรสุทธิปี 2024-26 เติบโตเฉลี่ยปีละ 19% จากความต้องการที่เพิ่มขึ้นต่อเนื่อง การออกสินค้าใหม่ที่ทำให้ Margin สูง รวมถึง การขยายกำลังการผลิตสายการผลิต IWS และเนย อีกหนึ่งเท่าตัว

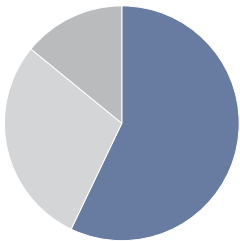
Company profile

KCG ผลิตและจัดจำหน่ายผลิตภัณฑ์เพื่อการบริโภค ซึ่งเน้นผลิตภัณฑ์ประเภทอาหารและขนมตะวันตก โดยมี 3 กลุ่มผลิตภัณฑ์หลัก ได้แก่ กลุ่มผลิตภัณฑ์ที่ทำทุกวัน กลุ่มผลิตภัณฑ์ที่เกี่ยวข้องกับการประกอบอาหารและเบเกอรี่ และผลิตภัณฑ์อื่นๆ และกลุ่มผลิตภัณฑ์ปิสกีต

[www.kcgcorporation.com](http://www.kcgcorporation.com)

Principal activities (revenue, 2023)

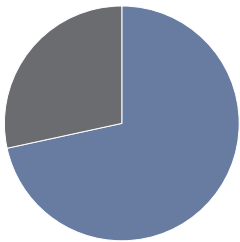
- Daily products - 57.1 %
- Food and bakery ingredients - 28.8 %
- Biscuits - 14.1 %



Source: KCG Corporation

Major shareholders

- Family of founders - 71.6 %
- Others - 28.4 %



Source: KCG Corporation

Catalysts

- 1) การขยายกำลังการผลิตสายการผลิต IWS จาก 2,106 ตัน/ปี เป็น 4,212 ตัน/ปี เริ่มเปิดดำเนินการในเชิงพาณิชย์แล้วบางส่วนตั้งแต่เดือนต.ค. 2023และคาดว่าจะสามารถผลิตได้เต็มที่ในอีก 3-5 ปี ข้างหน้า และมีแผนขยายกำลังผลิตเนยอีกหนึ่งเท่าตัวเริ่มปลายปี 2025
- 2) การออกสินค้าใหม่ และตลาดเนยมีอัตราการเติบโตต่อเนื่องปีละ 7%
- 3) ต้นทุนวัตถุดิบที่มีแนวโน้มปรับลงและค่าเงินบาทแข็งค่า

Risks to our call

- 1) ราคาวัตถุดิบปรับขึ้นมากกว่าคาด
- 2) ค่าเงินบาทอ่อนค่าจะกระทบต่อต้นทุนนำเข้าสินค้าและวัตถุดิบที่สูงขึ้น
- 3) แผนการขยายกำลังผลิตไม่เป็นไปตามแผน

Event calendar

| Date          | Event                     |
|---------------|---------------------------|
| November 2024 | 3Q24 results announcement |

Key assumptions

|                | 2023  | 2024E | 2025E | 2026E |
|----------------|-------|-------|-------|-------|
| Sales Growth   | 16.2% | 13.8% | 15.0% | 15.0% |
| Gross Margin   | 30.0% | 30.5% | 30.5% | 30.5% |
| SG&A/Net Sales | 24.1% | 24.4% | 24.4% | 24.4% |
| FX (THB/USD)   | 34.00 | 35.00 | 34.50 | 34.50 |

Source: FSSIA estimates

Earnings sensitivity

|                         | -1%  | 2024E | 1%   |
|-------------------------|------|-------|------|
| Gross profit margin (%) | 29.5 | 30.5  | 31.5 |
| Net profits (THB m)     | 357  | 388   | 419  |
| Change (%)              | -8%  | -     | 8%   |

Source: FSSIA estimates

## Exhibit 1: KCG - 3Q24E Earnings Preview

| Profit & Loss Statement    | 1Q23       | 2Q23       | 3Q23       | 4Q23       | 1Q24       | 2Q24       | 3Q24E      | ----- Change ----- |              | ----- 9M24E----- |              |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|--------------------|--------------|------------------|--------------|
| Year to Dec 31             | (THB m)    | (THB m)    | (THB m)    | (THB m)    | (THB m)    | (THB m)    | (THB m)    | (q-q %)            | (y-y %)      | (THB m)          | (y-y%)       |
| Revenue                    | 1,708      | 1,561      | 1,681      | 2,207      | 1,786      | 1,689      | 1,773      | 5.0                | 5.5          | 5,247            | 6            |
| Gross profit               | 461        | 463        | 502        | 721        | 545        | 537        | 530        | (1.4)              | 5.5          | 1,612            | 13           |
| Operating costs            | 379        | 383        | 424        | 543        | 431        | 415        | 430        | 3.4                | 1.4          | 1,276            | 8            |
| Operating profit           | 82         | 80         | 78         | 179        | 114        | 122        | 100        | (17.8)             | 28.0         | 337              | 40           |
| Other income               | 15         | 10         | 13         | 10         | 12         | 10         | 10         | 5.3                | (21.3)       | 32               | (16)         |
| Interest expense           | 23         | 23         | 18         | 16         | 14         | 12         | 11         | (8.7)              | (42.9)       | 36               | (43)         |
| Profit before tax          | 74         | 67         | 73         | 173        | 91         | 120        | 100        | (16.9)             | 37.4         | 311              | 46           |
| Tax                        | 16         | 16         | 17         | 31         | 20         | 26         | 25         | (3.9)              | 42.8         | 70               | 43           |
| <b>Reported net profit</b> | <b>58</b>  | <b>51</b>  | <b>55</b>  | <b>141</b> | <b>72</b>  | <b>94</b>  | <b>75</b>  | <b>(20.4)</b>      | <b>35.7</b>  | <b>241</b>       | <b>46</b>    |
| <b>Key Ratios (%)</b>      | <b>(%)</b> | <b>(%)</b> | <b>(%)</b> | <b>(%)</b> | <b>(%)</b> | <b>(%)</b> | <b>(%)</b> | <b>(ppt)</b>       | <b>(ppt)</b> | <b>(%)</b>       | <b>(ppt)</b> |
| Gross margin               | 27.0       | 29.6       | 29.9       | 32.7       | 30.5       | 31.8       | 29.9       | 1.3                | 2.2          | 30.7             | 1.9          |
| SG&A / Sales               | 22.2       | 24.5       | 25.2       | 24.6       | 24.1       | 24.6       | 24.2       | 0.5                | 0.1          | 24.3             | 0.4          |
| Effective tax rate         | 21.2       | 23.8       | 23.8       | 18.2       | 21.4       | 21.4       | 24.8       | 0.0                | (2.4)        | 22.5             | (0.4)        |

Sources: KCG, FSSIA estimate

## Exhibit 2: Valuation and Peers as of 9 October 2024

| Company                   | BBG      | Market       | --- EPS growth --- |             | ----- PE ----- |             | ----- ROE ----- |             | ----- PBV ----- |            | ----- DivYld ----- |            |
|---------------------------|----------|--------------|--------------------|-------------|----------------|-------------|-----------------|-------------|-----------------|------------|--------------------|------------|
|                           |          | Cap          | 24E                | 25E         | 24E            | 25E         | 24E             | 25E         | 24E             | 25E        | 24E                | 25E        |
|                           |          | (USD m)      | (%)                | (%)         | (x)            | (x)         | (%)             | (%)         | (x)             | (x)        | (x)                | (x)        |
| <b>Beverage</b>           |          |              |                    |             |                |             |                 |             |                 |            |                    |            |
| Carabao Group             | CBG TB   | 2,364        | 49.1               | 9.5         | 27.5           | 25.1        | 23.2            | 22.4        | 6.0             | 5.3        | 1.8                | 2.0        |
| Osotspa                   | OSP TB   | 2,013        | 36.2               | 8.2         | 22.7           | 21.0        | 17.6            | 18.3        | 3.9             | 3.8        | 4.0                | 4.3        |
| Sappe                     | SAPPE TB | 611          | 22.6               | 3.0         | 15.4           | 14.9        | 33.4            | 31.7        | 4.9             | 4.6        | 4.9                | 5.0        |
| Ichitan Group             | ICHI TB  | 615          | 22.7               | 5.0         | 15.2           | 14.5        | 23.4            | 25.1        | 3.6             | 3.7        | 7.2                | 7.6        |
| <b>Beverage average</b>   |          | <b>5,602</b> | <b>31.3</b>        | <b>5.8</b>  | <b>20.2</b>    | <b>18.9</b> | <b>24.4</b>     | <b>24.4</b> | <b>4.6</b>      | <b>4.3</b> | <b>4.5</b>         | <b>4.7</b> |
| <b>Food</b>               |          |              |                    |             |                |             |                 |             |                 |            |                    |            |
| Thai union Group          | TU TB    | 1,871        | (136.2)            | 10.9        | 13.6           | 12.2        | 8.7             | 9.5         | 1.2             | 1.1        | 4.1                | 4.5        |
| R&B Food Supply           | RBF TB   | 350          | 0.6                | 20.8        | 17.5           | 14.5        | 13.6            | 15.4        | 2.3             | 2.2        | 3.1                | 3.8        |
| Srinanaporn Marketing     | SNNP TB  | 376          | 4.7                | 14.2        | 18.9           | 16.5        | 20.3            | 22.3        | 3.8             | 3.6        | 3.7                | 4.2        |
| NSL Food                  | NSL TB   | 319          | 56.9               | 13.1        | 20.4           | 18.0        | 31.3            | 31.0        | 6.0             | 5.2        | 2.8                | 3.2        |
| KCG Corporation           | KCG TB   | 171          | 25.8               | 16.1        | 15.5           | 13.4        | 13.2            | 14.1        | 2.0             | 1.8        | 3.4                | 3.9        |
| Taokaenoi Food&Marketing* | TKN TB   | 428          | 13.2               | 5.6         | 17.5           | 16.5        | 35.1            | 35.7        | 6.0             | 5.5        | 4.7                | 5.0        |
| EXOTIC Food*              | XO TB    | 303          | 4.0                | 1.8         | 12.9           | 12.8        | 37.6            | 34.4        | 4.6             | 4.6        | 3.9                | 6.2        |
| <b>Food average</b>       |          | <b>3,818</b> | <b>(1,763.7)</b>   | <b>13.6</b> | <b>16.6</b>    | <b>14.8</b> | <b>22.8</b>     | <b>23.2</b> | <b>3.7</b>      | <b>3.4</b> | <b>3.7</b>         | <b>4.4</b> |
| <b>Total average</b>      |          | <b>9,420</b> | <b>(51.7)</b>      | <b>7.2</b>  | <b>17.9</b>    | <b>16.3</b> | <b>23.4</b>     | <b>23.6</b> | <b>4.0</b>      | <b>3.8</b> | <b>4.0</b>         | <b>4.5</b> |

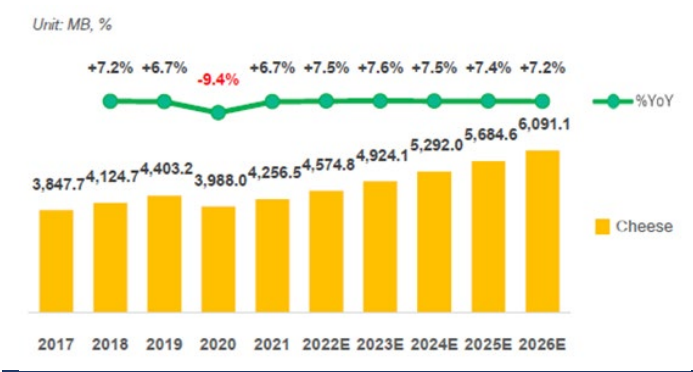
Sources: \*Bloomberg consensus, FSSIA estimates

## Exhibit 3: 2024 New Product Highlights



Source: KCG

Exhibit 4: คาดการณ์มูลค่ายอดขายของตลาดเนยและการเติบโตของไทย



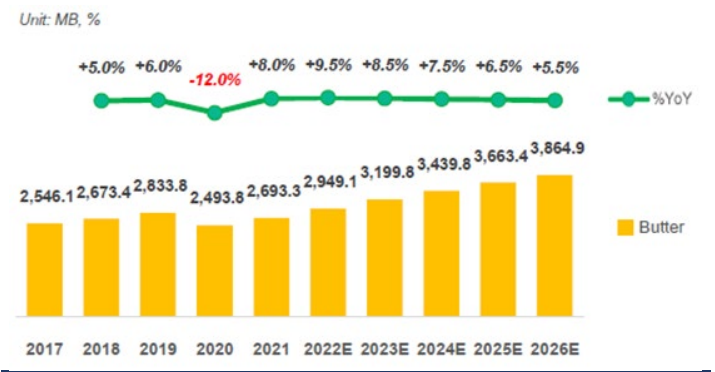
Sources: Euromonitor, KCG

Exhibit 6: B2C Innovation/Health/Convenience



Source: KCG

Exhibit 5: คาดการณ์มูลค่ายอดขายของตลาดชีสและการเติบโตของไทย



Sources: Euromonitor, KCG

Exhibit 7: B2B Products: Solution Provider



Source: KCG

## Financial Statements

### KCG Corporation

| Profit and Loss (THB m) Year Ending Dec           | 2022         | 2023         | 2024E        | 2025E        | 2026E        |
|---------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue                                           | 6,157        | 7,157        | 8,143        | 9,364        | 10,768       |
| Cost of goods sold                                | (4,391)      | (5,010)      | (5,659)      | (6,508)      | (7,484)      |
| <b>Gross profit</b>                               | <b>1,766</b> | <b>2,146</b> | <b>2,483</b> | <b>2,856</b> | <b>3,284</b> |
| Other operating income                            | 0            | 0            | 0            | 0            | 0            |
| Operating costs                                   | (1,475)      | (1,728)      | (1,987)      | (2,285)      | (2,628)      |
| <b>Operating EBITDA</b>                           | <b>476</b>   | <b>599</b>   | <b>694</b>   | <b>778</b>   | <b>871</b>   |
| Depreciation                                      | (185)        | (181)        | (197)        | (207)        | (214)        |
| Goodwill amortisation                             | 0            | 0            | 0            | 0            | 0            |
| <b>Operating EBIT</b>                             | <b>291</b>   | <b>418</b>   | <b>497</b>   | <b>571</b>   | <b>657</b>   |
| Net financing costs                               | (53)         | (80)         | (80)         | (80)         | (80)         |
| Associates                                        | 0            | 0            | 0            | 0            | 0            |
| Recurring non-operating income                    | 34           | 35           | 53           | 54           | 54           |
| Non-recurring items                               | 42           | 13           | 19           | 19           | 19           |
| <b>Profit before tax</b>                          | <b>315</b>   | <b>386</b>   | <b>489</b>   | <b>564</b>   | <b>650</b>   |
| Tax                                               | (74)         | (80)         | (101)        | (117)        | (136)        |
| <b>Profit after tax</b>                           | <b>241</b>   | <b>306</b>   | <b>388</b>   | <b>447</b>   | <b>514</b>   |
| Minority interests                                | 0            | 0            | 0            | 0            | 0            |
| Preferred dividends                               | 0            | 0            | 0            | 0            | 0            |
| Other items                                       | 0            | 0            | 0            | 0            | 0            |
| <b>Reported net profit</b>                        | <b>241</b>   | <b>306</b>   | <b>388</b>   | <b>447</b>   | <b>514</b>   |
| <b>Non-recurring items &amp; goodwill (net)</b>   | <b>(42)</b>  | <b>(13)</b>  | <b>(19)</b>  | <b>(19)</b>  | <b>(19)</b>  |
| <b>Recurring net profit</b>                       | <b>199</b>   | <b>293</b>   | <b>369</b>   | <b>428</b>   | <b>495</b>   |
| <b>Per share (THB)</b>                            |              |              |              |              |              |
| Recurring EPS *                                   | 0.51         | 0.54         | 0.68         | 0.79         | 0.91         |
| Reported EPS                                      | 0.62         | 0.56         | 0.71         | 0.82         | 0.94         |
| DPS                                               | 1.35         | 0.30         | 0.36         | 0.41         | 0.47         |
| Diluted shares (used to calculate per share data) | 390          | 545          | 545          | 545          | 545          |
| <b>Growth</b>                                     |              |              |              |              |              |
| Revenue (%)                                       | 17.4         | 16.2         | 13.8         | 15.0         | 15.0         |
| Operating EBITDA (%)                              | (19.5)       | 25.8         | 15.8         | 12.2         | 11.9         |
| Operating EBIT (%)                                | (29.9)       | 43.5         | 18.8         | 15.0         | 15.0         |
| Recurring EPS (%)                                 | (34.2)       | 5.3          | 25.8         | 16.1         | 15.7         |
| Reported EPS (%)                                  | (20.5)       | (9.3)        | 26.9         | 15.3         | 15.0         |
| <b>Operating performance</b>                      |              |              |              |              |              |
| Gross margin inc. depreciation (%)                | 28.7         | 30.0         | 30.5         | 30.5         | 30.5         |
| Gross margin exc. depreciation (%)                | 31.7         | 32.5         | 32.9         | 32.7         | 32.5         |
| Operating EBITDA margin (%)                       | 7.7          | 8.4          | 8.5          | 8.3          | 8.1          |
| Operating EBIT margin (%)                         | 4.7          | 5.8          | 6.1          | 6.1          | 6.1          |
| Net margin (%)                                    | 3.2          | 4.1          | 4.5          | 4.6          | 4.6          |
| Effective tax rate (%)                            | 27.0         | 21.5         | 21.5         | 21.5         | 21.5         |
| Dividend payout on recurring profit (%)           | 263.5        | 55.8         | 52.6         | 52.2         | 51.9         |
| Interest cover (X)                                | 6.2          | 5.7          | 6.9          | 7.8          | 8.9          |
| Inventory days                                    | 108.7        | 106.5        | 86.1         | 74.6         | 64.7         |
| Debtor days                                       | 72.5         | 74.6         | 77.8         | 77.4         | 77.4         |
| Creditor days                                     | 97.7         | 79.9         | 69.5         | 68.7         | 68.5         |
| Operating ROIC (%)                                | 6.6          | 8.3          | 8.9          | 10.0         | 11.4         |
| ROIC (%)                                          | 6.8          | 8.4          | 9.4          | 10.4         | 11.6         |
| ROE (%)                                           | 14.9         | 15.1         | 13.2         | 14.1         | 15.0         |
| ROA (%)                                           | 4.7          | 6.2          | 7.1          | 7.6          | 8.0          |
| * Pre-exceptional, pre-goodwill and fully diluted |              |              |              |              |              |
| <b>Revenue by Division (THB m)</b>                |              |              |              |              |              |
| Daily products                                    | 3,598        | 4,087        | 4,886        | 5,618        | 6,461        |
| Food and bakery ingredients                       | 1,734        | 2,061        | 2,280        | 2,622        | 3,015        |
| Biscuits                                          | 825          | 1,009        | 977          | 1,124        | 1,292        |

Sources: KCG Corporation; FSSIA estimates

## Financial Statements

### KCG Corporation

| Cash Flow (THB m) Year Ending Dec                                                                                           | 2022         | 2023         | 2024E        | 2025E        | 2026E        |
|-----------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Recurring net profit                                                                                                        | 199          | 293          | 369          | 428          | 495          |
| Depreciation                                                                                                                | 185          | 181          | 197          | 207          | 214          |
| Associates & minorities                                                                                                     | 0            | 0            | 0            | 0            | 0            |
| Other non-cash items                                                                                                        | 0            | 0            | 0            | 0            | 0            |
| Change in working capital                                                                                                   | (216)        | (433)        | (80)         | (118)        | (120)        |
| <b>Cash flow from operations</b>                                                                                            | <b>168</b>   | <b>41</b>    | <b>486</b>   | <b>517</b>   | <b>589</b>   |
| Capex - maintenance                                                                                                         | (200)        | (653)        | (275)        | (150)        | (150)        |
| Capex - new investment                                                                                                      | 0            | 0            | 0            | 0            | 0            |
| Net acquisitions & disposals                                                                                                | (666)        | 379          | (3)          | (4)          | (4)          |
| Other investments (net)                                                                                                     | 0            | 0            | 0            | 0            | 0            |
| <b>Cash flow from investing</b>                                                                                             | <b>(867)</b> | <b>(275)</b> | <b>(278)</b> | <b>(154)</b> | <b>(154)</b> |
| Dividends paid                                                                                                              | (525)        | (164)        | (194)        | (224)        | (257)        |
| Equity finance                                                                                                              | (24)         | 1,368        | 25           | 25           | 25           |
| Debt finance                                                                                                                | 1,227        | (1,023)      | (8)          | (3)          | (3)          |
| Other financing cash flows                                                                                                  | 0            | 0            | 0            | 0            | 0            |
| <b>Cash flow from financing</b>                                                                                             | <b>679</b>   | <b>181</b>   | <b>(176)</b> | <b>(202)</b> | <b>(235)</b> |
| Non-recurring cash flows                                                                                                    | -            | -            | -            | -            | -            |
| Other adjustments                                                                                                           | 42           | 13           | 19           | 19           | 19           |
| <b>Net other adjustments</b>                                                                                                | <b>42</b>    | <b>13</b>    | <b>19</b>    | <b>19</b>    | <b>19</b>    |
| <b>Movement in cash</b>                                                                                                     | <b>21</b>    | <b>(40)</b>  | <b>50</b>    | <b>181</b>   | <b>219</b>   |
| Free cash flow to firm (FCFF)                                                                                               | (646.65)     | (153.89)     | 287.79       | 443.52       | 514.59       |
| Free cash flow to equity (FCFE)                                                                                             | 569.66       | (1,244.50)   | 219.39       | 379.32       | 450.93       |
| <b>Per share (THB)</b>                                                                                                      |              |              |              |              |              |
| FCFF per share                                                                                                              | (1.19)       | (0.28)       | 0.53         | 0.81         | 0.94         |
| FCFE per share                                                                                                              | 1.05         | (2.28)       | 0.40         | 0.70         | 0.83         |
| Recurring cash flow per share                                                                                               | 0.98         | 0.87         | 1.04         | 1.17         | 1.30         |
| <b>Balance Sheet (THB m) Year Ending Dec</b>                                                                                |              |              |              |              |              |
|                                                                                                                             | 2022         | 2023         | 2024E        | 2025E        | 2026E        |
| Tangible fixed assets (gross)                                                                                               | 3,525        | 4,055        | 4,330        | 4,480        | 4,630        |
| Less: Accumulated depreciation                                                                                              | (1,643)      | (1,701)      | (1,898)      | (2,105)      | (2,319)      |
| <b>Tangible fixed assets (net)</b>                                                                                          | <b>1,881</b> | <b>2,354</b> | <b>2,432</b> | <b>2,375</b> | <b>2,311</b> |
| <b>Intangible fixed assets (net)</b>                                                                                        | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     | <b>0</b>     |
| Long-term financial assets                                                                                                  | 0            | 0            | 0            | 0            | 0            |
| Invest. in associates & subsidiaries                                                                                        | 0            | 0            | 0            | 0            | 0            |
| Cash & equivalents                                                                                                          | 375          | 334          | 384          | 565          | 784          |
| A/C receivable                                                                                                              | 1,302        | 1,623        | 1,846        | 2,123        | 2,442        |
| Inventories                                                                                                                 | 1,531        | 1,288        | 1,288        | 1,288        | 1,288        |
| Other current assets                                                                                                        | 125          | 61           | 70           | 80           | 92           |
| <b>Current assets</b>                                                                                                       | <b>3,332</b> | <b>3,307</b> | <b>3,589</b> | <b>4,057</b> | <b>4,607</b> |
| Other assets                                                                                                                | 326          | 210          | 239          | 275          | 316          |
| <b>Total assets</b>                                                                                                         | <b>5,540</b> | <b>5,871</b> | <b>6,260</b> | <b>6,707</b> | <b>7,234</b> |
| Common equity                                                                                                               | 1,184        | 2,695        | 2,913        | 3,162        | 3,444        |
| Minorities etc.                                                                                                             | 0            | 0            | 0            | 0            | 0            |
| <b>Total shareholders' equity</b>                                                                                           | <b>1,184</b> | <b>2,695</b> | <b>2,913</b> | <b>3,162</b> | <b>3,444</b> |
| Long term debt                                                                                                              | 283          | 65           | 58           | 54           | 51           |
| Other long-term liabilities                                                                                                 | 168          | 188          | 214          | 246          | 283          |
| <b>Long-term liabilities</b>                                                                                                | <b>450</b>   | <b>253</b>   | <b>271</b>   | <b>300</b>   | <b>334</b>   |
| A/C payable                                                                                                                 | 1,137        | 977          | 1,103        | 1,268        | 1,459        |
| Short term debt                                                                                                             | 2,686        | 1,881        | 1,881        | 1,881        | 1,881        |
| Other current liabilities                                                                                                   | 83           | 67           | 93           | 97           | 117          |
| <b>Current liabilities</b>                                                                                                  | <b>3,906</b> | <b>2,924</b> | <b>3,077</b> | <b>3,246</b> | <b>3,457</b> |
| <b>Total liabilities and shareholders' equity</b>                                                                           | <b>5,540</b> | <b>5,872</b> | <b>6,261</b> | <b>6,708</b> | <b>7,235</b> |
| Net working capital                                                                                                         | 1,738        | 1,929        | 2,009        | 2,126        | 2,246        |
| Invested capital                                                                                                            | 3,946        | 4,493        | 4,680        | 4,776        | 4,874        |
| * Includes convertibles and preferred stock which is being treated as debt                                                  |              |              |              |              |              |
| <b>Per share (THB)</b>                                                                                                      |              |              |              |              |              |
| Book value per share                                                                                                        | 3.03         | 4.94         | 5.35         | 5.80         | 6.32         |
| Tangible book value per share                                                                                               | 3.03         | 4.94         | 5.35         | 5.80         | 6.32         |
| <b>Financial strength</b>                                                                                                   |              |              |              |              |              |
| Net debt/equity (%)                                                                                                         | 219.2        | 59.8         | 53.3         | 43.3         | 33.3         |
| Net debt/total assets (%)                                                                                                   | 46.8         | 27.4         | 24.8         | 20.4         | 15.9         |
| Current ratio (x)                                                                                                           | 0.9          | 1.1          | 1.2          | 1.2          | 1.3          |
| CF interest cover (x)                                                                                                       | 11.8         | (14.6)       | 3.7          | 5.7          | 6.6          |
| <b>Valuation</b>                                                                                                            |              |              |              |              |              |
|                                                                                                                             | 2022         | 2023         | 2024E        | 2025E        | 2026E        |
| <b>Recurring P/E (x) *</b>                                                                                                  | <b>20.6</b>  | <b>19.5</b>  | <b>15.5</b>  | <b>13.4</b>  | <b>11.6</b>  |
| <b>Recurring P/E @ target price (x) *</b>                                                                                   | <b>25.5</b>  | <b>24.2</b>  | <b>19.2</b>  | <b>16.6</b>  | <b>14.3</b>  |
| Reported P/E (x)                                                                                                            | 17.0         | 18.7         | 14.8         | 12.8         | 11.1         |
| Dividend yield (%)                                                                                                          | 12.8         | 2.9          | 3.4          | 3.9          | 4.5          |
| Price/book (x)                                                                                                              | 3.5          | 2.1          | 2.0          | 1.8          | 1.7          |
| Price/tangible book (x)                                                                                                     | 3.5          | 2.1          | 2.0          | 1.8          | 1.7          |
| EV/EBITDA (x) **                                                                                                            | 14.1         | 12.2         | 10.5         | 9.1          | 7.9          |
| EV/EBITDA @ target price (x) **                                                                                             | 16.1         | 14.5         | 12.5         | 10.9         | 9.5          |
| EV/invested capital (x)                                                                                                     | 1.7          | 1.6          | 1.6          | 1.5          | 1.4          |
| * Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income |              |              |              |              |              |

Sources: KCG Corporation; FSSIA estimates



## Disclaimer for ESG scoring

| ESG score                                                                                                         | Methodology                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|-----------------------------------------------------------------------------------|-----------|-------------|----------|-------------|------------|-------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------|-----------|-------------|----------|-------------|-----------------|---------------------------------------------------------------------------------------------|------------|-------------|
| The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) By S&P Global                                       | The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| Sustainability Investment List ( <a href="#">THSI</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> ) | THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.                                                                                                                                                                                                                                                                                                                                                                                                                                                              | To be eligible for <a href="#">THSI inclusion</a> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality.<br><a href="#">SETTHSI Index</a> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks. |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)                                             | An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).                                                                                                                                                                                                                                              |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC                                    | It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>                                                                                                                                                                                                                                                                                                                                    | The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">Thai CAC</a> By Thai Private Sector Collective Action Against Corruption (CAC)                        | The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years.<br><i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">Morningstar Sustainalytics</a>                                                                        | The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>                                                                                                                                                                                                                                                                                                                                                 | NEGL                                                                                                                          | Low          | Medium         | High                                                                              | Severe    | 0-10        | 10-20    | 20-30       | 30-40      | 40+         |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| NEGL                                                                                                              | Low                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Medium                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | High                                                                                                                          | Severe       |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| 0-10                                                                                                              | 10-20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 20-30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 30-40                                                                                                                         | 40+          |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">ESG Book</a>                                                                                          | The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">MSCI</a>                                                                                              | MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="2"><b>Average:</b></td><td rowspan="2">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td><td rowspan="2"><b>Laggard:</b></td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td></tr></table> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>AAA</b>                                                                                                                    | 8.571-10.000 | <b>Leader:</b> | leading its industry in managing the most significant ESG risks and opportunities | <b>AA</b> | 7.143-8.570 | <b>A</b> | 5.714-7.142 | <b>BBB</b> | 4.286-5.713 | <b>Average:</b> | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers | <b>BB</b> | 2.857-4.285 | <b>B</b> | 1.429-2.856 | <b>Laggard:</b> | lagging its industry based on its high exposure and failure to manage significant ESG risks | <b>CCC</b> | 0.000-1.428 |
| <b>AAA</b>                                                                                                        | 8.571-10.000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Leader:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | leading its industry in managing the most significant ESG risks and opportunities                                             |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>AA</b>                                                                                                         | 7.143-8.570                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>A</b>                                                                                                          | 5.714-7.142                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>BBB</b>                                                                                                        | 4.286-5.713                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Average:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>BB</b>                                                                                                         | 2.857-4.285                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>B</b>                                                                                                          | 1.429-2.856                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Laggard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | lagging its industry based on its high exposure and failure to manage significant ESG risks                                   |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>CCC</b>                                                                                                        | 0.000-1.428                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">Moody's ESG solutions</a>                                                                             | Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">Refinitiv ESG rating</a>                                                                              | Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <a href="#">S&amp;P Global</a>                                                                                    | The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| <b>Bloomberg</b>                                                                                                  | ESG Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.                                                                                                                                                                                                                                                                                |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |
| Bloomberg                                                                                                         | ESG Disclosure Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                               |              |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |                 |                                                                                             |            |             |

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) **CG Score**; 2) **AGM Level**; 3) **Thai CAC**; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Songklod Wongchai FSS International Investment Advisory Securities Co., Ltd

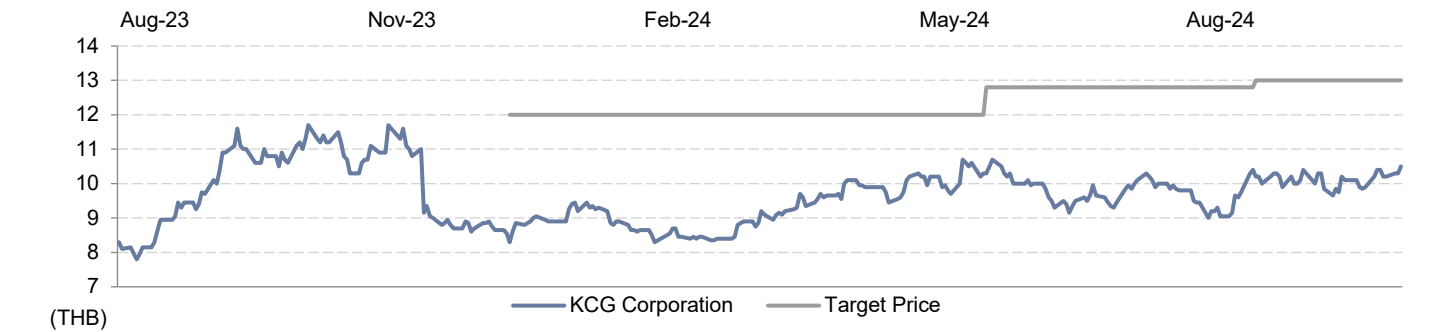
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History of change in investment rating and/or target price

KCG Corporation (KCG TB)



| Date        | Rating | Target price | Date        | Rating | Target price | Date        | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 12-Dec-2023 | BUY    | 12.00        | 21-May-2024 | BUY    | 12.80        | 20-Aug-2024 | BUY    | 13.00        |

Songklod Wongchai started covering this stock from 12-Dec-2023

Price and TP are in local currency

Source: FSSIA estimates

| Company         | Ticker | Price     | Rating | Valuation & Risks                                                                                                                                   |
|-----------------|--------|-----------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| KCG Corporation | KCG TB | THB 10.50 | BUY    | 1) ราคาวัตถุดิบปรับขึ้นมากกว่าคาด<br>2) ค่าเงินบาทอ่อนค่าจะกระทบต่อต้นทุนนำเข้าสินค้าและวัตถุดิบที่สูงขึ้น<br>3) แผนการขยายกำลังผลิตไม่เป็นไปตามแผน |

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.

All share prices are as at market close on 09-Oct-2024 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.