

CH.KARNCHANG CK TB

THAILAND / CONSTRUCTION SERVICES

BUY
 UNCHANGED

Key takeaways from analyst meeting

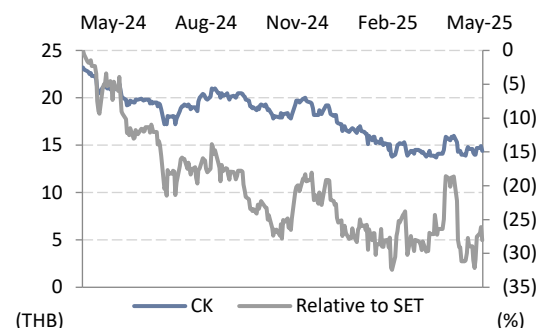
TARGET PRICE	THB20.00
CLOSE	THB14.40
UP/DOWNSIDE	+38.9%
TP vs CONSENSUS	-0.5%

Highlights

- We have a slightly positive view of the meeting today. CK's backlog remained strong at THB200b, enough to generate an annual revenue of over THB30-40b for the next 4-5 years. The company maintained its 2025 target revenue of THB40-45b, delivering growth of 7-20% y-y, in line with our estimate of THB40b, and targeted a gross margin of 7-8% (vs 7.3% in 2024 and 7.7% in 1Q25).
- The crucial growth driver for the contractor unit should come from the initial works of the Orange Line project, comprising M&E works on the east side and civil works on the west side, which should progress and reach 30% (THB8b) and 10-15% (THB8b-12b) of the project value by end-2025, respectively. Moreover, progress on the South Purple Line, the Den Chai double-track rail, which is in its main construction phase, the Luang Prabang power plant, and M&E works on the Blue Line project would support revenue.
- Despite no new bidding in the past months, two public projects have made some progress, including The Songkhla Lake Bridge (THB4.7b) and The Koh Lanta Bridge project (THB1.8b), both of which are currently in the process of drafting a TOR. Meanwhile, several government projects may progress in 2H25. CK's main target is the double-deck expressway project (THB35b), for which BEM might sign contracts in 2H25. Moreover, CK has the potential to participate in new auctions, such as motorways (M5 and M9), double tracks, the high-speed train Phase 2 (Ko Rat-Nong Khai section), and Suvarnabhumi airport's east expansion.
- TTW's shareholders approved the sale of shares in LPCL, reducing its stake from 20% to 10% on 10 April. CK should complete the transaction in 3Q-4Q25, potentially resulting in extra gains.
- We anticipate a profit acceleration q-q in 2Q25, driven by 1) construction revenue growth y-y on the higher backlog, with an expected GPM of 7-8%, led by the high-margin Orange Line project, 2) dividend income from TTW of THB232m, and 3) higher profit sharing from associates, especially from CKP, aligning with seasonally higher water levels.
- We maintain our 2025 core profit forecast of THB1.5b (+4% y-y). We retain our BUY rating with a TP of THB20 (SOTP), supported by the positive earnings momentum in 2Q-3Q25. CK traded on a 2025E P/BV of only 0.9x (-2SD of its five-year average). Additionally, the current share price implies a whopping 50% discount from the NAV of its subsidiaries and associates (BEM, CKP, and TTW).

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	37,458	40,051	41,424	42,596
Net profit	1,446	1,498	1,647	1,787
EPS (THB)	0.85	0.88	0.97	1.06
vs Consensus (%)	-	(7.0)	(14.2)	(17.8)
EBITDA	2,653	2,991	3,022	3,007
Recurring net profit	1,446	1,498	1,647	1,787
Core EPS (THB)	0.85	0.88	0.97	1.06
EPS growth (%)	(0.4)	3.6	9.9	8.5
Core P/E (x)	16.9	16.3	14.8	13.6
Dividend yield (%)	2.1	2.1	2.4	2.8
EV/EBITDA (x)	26.1	21.6	21.1	20.8
Price/book (x)	0.9	0.9	0.9	0.8
Net debt/Equity (%)	167.2	144.0	135.9	126.8
ROE (%)	5.6	5.7	6.0	6.3



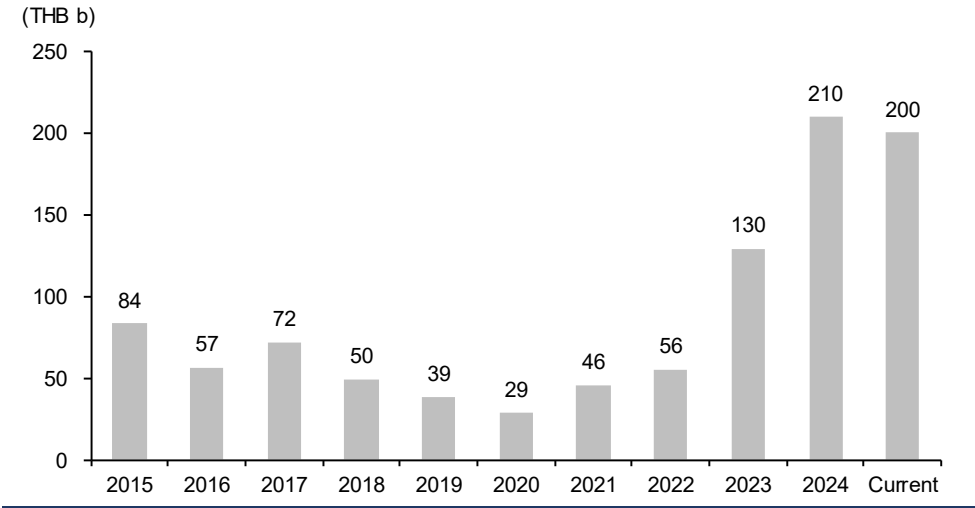
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.7)	(5.3)	(36.0)
Relative to country (%)	(11.2)	0.1	(25.6)
Mkt cap (USD m)	738		
3m avg. daily turnover (USD m)	1.8		
Free float (%)	65		
Major shareholder	Trivisvavet Family (32%)		
12m high/low (THB)	23.30/11.60		
Issued shares (m)	1,693.90		

Sources: Bloomberg consensus; FSSIA estimates


Thanyatorn Songwutti

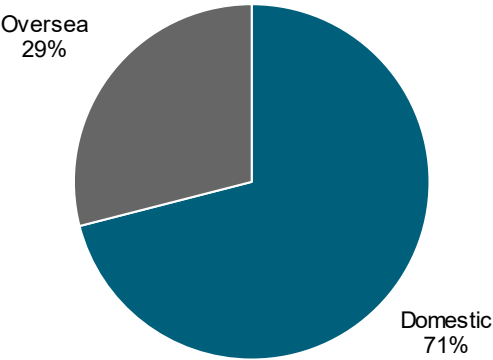
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Exhibit 1: Strong Backlog



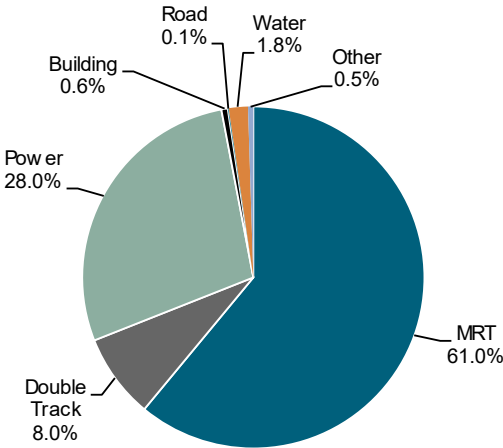
Sources: CK; FSSIA's compilation

Exhibit 2: Backlog breakdown by region



Source: CK

Exhibit 3: Backlog breakdown by type of work



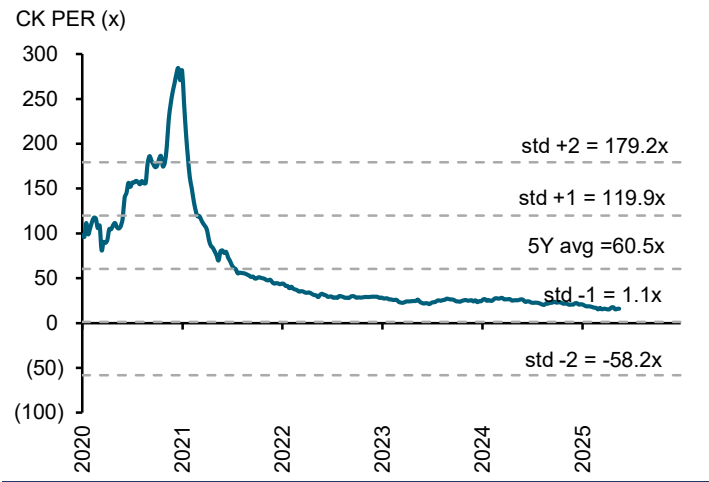
Source: CK

Exhibit 4: Key targets

Projects	Construction Value (MB)	Project Owner	Project Progress	Activities			
				Q1/25	Q2/25	Q3/25	Q4/25
Red Line : Taling chan - Siriraj Hospital - Salaya	10,800	SRT	To Submit to Cabinet	Waiting for Cabinet Approval		TOR & Bidding	
Red Line : Rangsit - Thammasat University	4,000		Cabinet Approved	TOR & Bidding		Contract Award	
High Speed Train Phase 2 : Ko Rat – Nong Khai	235,000		Cabinet Approved	TOR & Bidding		Contract Award	
Double Track : Chira Junction - Ubonratchathani	42,900	SRT	To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Pak nam Pho – Den Chai	77,800		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Hat Yai – Padang Besar	7,500		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Chum Phon – Surat Thani	29,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Surat Thani – Had Yai – Song Khla	64,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Den Chai – Chiang Mai	63,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Motorway : Western Outer Ring Road - Bang Khun Thian - Bang Bua Thong (M9)	48,000	DOH	Cabinet Approved	TOR & Bidding			Contract Award
Motorway : Rangsit- Bang pa - in (M5)	25,000		Cabinet Approved	TOR & Bidding			Contract Award
Don Mueang International Airport Phase 3	30,000	AOT	To Submit to Cabinet	Design Process		Waiting for Cabinet approval	TOR & Bidding
Suvarnabhumi International Airport Expansion (East Expansion)	10,000		To Resubmit to Cabinet	Design Process		Waiting for Cabinet approval	TOR & Bidding
Chiang Mai Airport Expansion	20,000		To Submit to MOT	Design Process		Waiting for Cabinet approval	TOR & Bidding
N2 Expressway : ORR - Kaset Nawamin	14,000	EXAT	To Submit to Cabinet	Waiting for Cabinet approval			
Double Deck : Ngam Wong Wan – Rama 9	35,000	BEM	To Submit to Cabinet	Waiting for Cabinet approval		Contract Signing	
Total	716,000						

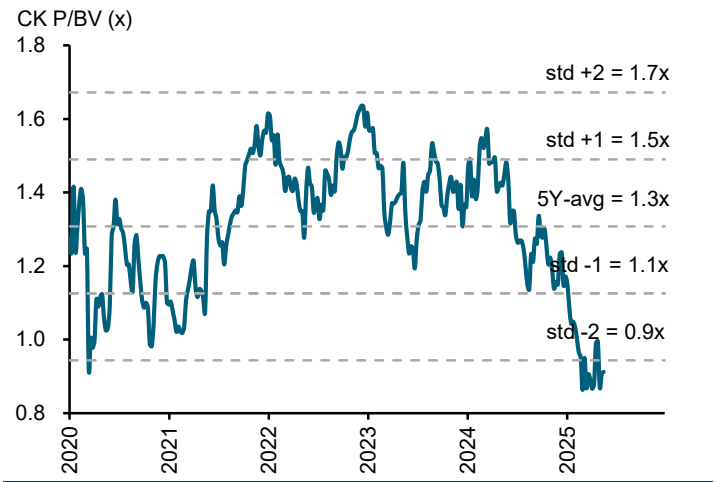
Source: CK

Exhibit 5: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 6: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

CH.Karnchang

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	36,485	37,458	40,051	41,424	42,596
Cost of goods sold	(33,917)	(34,742)	(37,127)	(38,400)	(39,486)
Gross profit	2,568	2,716	2,924	3,024	3,110
Other operating income	1,422	1,312	1,296	1,278	1,231
Operating costs	(2,051)	(2,229)	(2,285)	(2,342)	(2,401)
Operating EBITDA	3,057	2,653	2,991	3,022	3,007
Depreciation	(1,117)	(854)	(1,056)	(1,062)	(1,067)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,939	1,799	1,935	1,960	1,940
Net financing costs	(1,830)	(2,020)	(2,022)	(1,918)	(1,879)
Associates	1,520	1,875	1,944	1,993	2,142
Recurring non-operating income	1,520	1,875	1,944	1,993	2,142
Non-recurring items	49	0	0	0	0
Profit before tax	1,678	1,654	1,857	2,036	2,203
Tax	(83)	(119)	(279)	(305)	(330)
Profit after tax	1,594	1,535	1,578	1,730	1,872
Minority interests	(93)	(89)	(80)	(83)	(85)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,501	1,446	1,498	1,647	1,787
Non-recurring items & goodwill (net)	(49)	0	0	0	0
Recurring net profit	1,452	1,446	1,498	1,647	1,787
Per share (THB)					
Recurring EPS *	0.86	0.85	0.88	0.97	1.06
Reported EPS	0.89	0.85	0.88	0.97	1.06
DPS	0.30	0.30	0.30	0.35	0.40
Diluted shares (used to calculate per share data)	1,694	1,694	1,694	1,694	1,694
Growth					
Revenue (%)	101.6	2.7	6.9	3.4	2.8
Operating EBITDA (%)	112.5	(13.2)	12.7	1.0	(0.5)
Operating EBIT (%)	142.3	(7.2)	7.6	1.3	(1.0)
Recurring EPS (%)	64.6	(0.4)	3.6	9.9	8.5
Reported EPS (%)	35.9	(3.7)	3.6	9.9	8.5
Operating performance					
Gross margin inc. depreciation (%)	7.0	7.3	7.3	7.3	7.3
Gross margin exc. depreciation (%)	10.1	9.5	9.9	9.9	9.8
Operating EBITDA margin (%)	8.4	7.1	7.5	7.3	7.1
Operating EBIT margin (%)	5.3	4.8	4.8	4.7	4.6
Net margin (%)	4.0	3.9	3.7	4.0	4.2
Effective tax rate (%)	5.0	7.2	15.0	15.0	15.0
Dividend payout on recurring profit (%)	35.0	35.1	34.0	36.0	38.0
Interest cover (X)	1.9	1.8	1.9	2.1	2.2
Inventory days	100.6	125.0	134.6	132.9	133.2
Debtor days	33.8	47.2	52.3	53.8	54.0
Creditor days	38.4	45.4	44.7	44.3	44.4
Operating ROIC (%)	7.7	6.8	8.5	8.5	8.6
ROIC (%)	3.9	3.9	4.3	4.5	4.6
ROE (%)	5.9	5.6	5.7	6.0	6.3
ROA (%)	3.3	3.0	2.9	3.1	3.3

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Construction services	36,485	37,458	40,051	41,424	42,596
Others					

Sources: CH.Karnchang; FSSIA estimates

Financial Statements

CH.Karnchang

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	1,452	1,446	1,498	1,647	1,787
Depreciation	1,117	854	1,056	1,062	1,067
Associates & minorities	(24)	235	25	23	21
Other non-cash items	-	-	-	-	-
Change in working capital	(8,391)	5,965	(2,204)	(648)	(296)
Cash flow from operations	(5,846)	8,500	375	2,085	2,580
Capex - maintenance	-	-	-	-	-
Capex - new investment	(2,742)	(3,883)	-	(654)	(656)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	4,825	-	-
Cash flow from investing	(2,742)	(3,883)	4,825	(654)	(656)
Dividends paid	(508)	(725)	(590)	(676)	(764)
Equity finance	(270)	(340)	40	21	18
Debt finance	9,416	(1,148)	(3,898)	(1,495)	(495)
Other financing cash flows	774	-	-	-	-
Cash flow from financing	9,413	(2,213)	(4,448)	(2,150)	(1,242)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	824	2,404	752	(720)	683
Free cash flow to firm (FCFF)	(6,758.11)	6,637.28	7,221.69	3,348.15	3,803.97
Free cash flow to equity (FCFE)	1,602.17	3,469.05	1,301.90	(64.63)	1,429.50

Per share (THB)					
FCFF per share	(3.99)	3.92	4.26	1.98	2.25
FCFE per share	0.95	2.05	0.77	(0.04)	0.84
Recurring cash flow per share	1.50	1.50	1.52	1.61	1.70

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	18,722	19,020	18,352	18,459	18,565
Less: Accumulated depreciation	(6,788)	(7,662)	(8,821)	(9,785)	(10,755)
Tangible fixed assets (net)	11,934	11,358	9,532	8,673	7,810
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	51,584	55,044	51,044	51,554	52,070
Cash & equivalents	7,784	10,188	10,941	10,221	10,904
A/C receivable	4,215	5,472	6,008	6,214	6,389
Inventories	9,975	13,235	13,366	13,824	14,215
Other current assets	10,692	17,258	16,020	12,427	10,649
Current assets	32,666	46,154	46,334	42,685	42,157
Other assets	561	546	574	602	633
Total assets	96,745	113,102	107,484	103,516	102,670
Common equity	25,482	25,910	26,899	27,953	29,061
Minorities etc.	526	569	609	630	647
Total shareholders' equity	26,008	26,479	27,507	28,583	29,708
Long term debt	40,771	38,039	36,583	35,836	35,589
Other long-term liabilities	2,708	2,949	2,933	3,034	3,040
Long-term liabilities	43,479	40,988	39,516	38,869	38,629
A/C payable	4,058	4,376	4,455	4,608	4,738
Short term debt	14,835	16,419	13,977	13,229	12,982
Other current liabilities	8,365	24,840	22,028	18,226	16,612
Current liabilities	27,258	45,635	40,460	36,064	34,332
Total liabilities and shareholders' equity	96,745	113,102	107,484	103,516	102,670
Net working capital	12,460	6,749	8,911	9,630	9,903
Invested capital	76,539	73,697	70,060	70,460	70,415

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)					
Book value per share	15.04	15.30	15.88	16.50	17.16
Tangible book value per share	15.04	15.30	15.88	16.50	17.16

Financial strength					
Net debt/equity (%)	183.9	167.2	144.0	135.9	126.8
Net debt/total assets (%)	49.4	39.1	36.9	37.5	36.7
Current ratio (x)	1.2	1.0	1.1	1.2	1.2
CF interest cover (x)	3.4	4.6	1.6	1.3	2.1

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	16.8	16.9	16.3	14.8	13.6
Recurring P/E @ target price (x) *	23.3	23.4	22.6	20.6	19.0
Reported P/E (x)	16.3	16.9	16.3	14.8	13.6
Dividend yield (%)	2.1	2.1	2.1	2.4	2.8
Price/book (x)	1.0	0.9	0.9	0.9	0.8
Price/tangible book (x)	1.0	0.9	0.9	0.9	0.8
EV/EBITDA (x) **	23.8	26.1	21.6	21.1	20.8
EV/EBITDA @ target price (x) **	26.9	29.7	24.8	24.3	24.0
EV/invested capital (x)	1.0	0.9	0.9	0.9	0.9

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: CH.Karnchang; FSSIA estimates

CH Karnchang PCL (CK TB)

FSSIA ESG rating


42.81 /100

Exhibit 7: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 8: ESG – peer comparison

	FSSIA ESG score	----- Domestic ratings -----						----- Global ratings -----						--- Bloomberg ---	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
CK	42.81	--	--	AA	5.00	4.00	--	High	51.88	B	--	49.11	22.00	2.58	57.10
ITD	10.63	--	--	--	--	4.00	--	Severe	--	--	--	--	13.00	--	--
PYLON	18.00	--	--	--	4.00	4.00	Certified	--	--	--	--	--	--	--	--
SEAFCO	14.00	--	--	--	5.00	4.00	--	--	--	--	--	--	--	--	--
STECON	17.26	--	--	AA	--	--	--	--	--	--	--	--	22.00	3.01	52.54

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 9: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	—	—	2.08	2.52	2.58
BESG environmental pillar score	—	—	0.57	0.73	1.28
BESG social pillar score	—	—	3.85	4.96	4.10
BESG governance pillar score	—	—	3.00	3.23	3.16
ESG disclosure score	32.81	33.67	41.90	47.50	57.10
Environmental disclosure score	0.91	0.91	16.55	30.93	46.54
Social disclosure score	16.26	18.83	27.90	30.35	43.56
Governance disclosure score	81.10	81.10	81.10	81.10	81.10
Environmental					
Emissions reduction initiatives	No	No	Yes	Yes	Yes
Climate change policy	No	No	No	No	Yes
Climate change opportunities discussed	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No
GHG scope 1	—	—	2	2	9
GHG scope 2 location-based	—	—	2	2	8
GHG Scope 3	—	—	—	—	222
Carbon per unit of production	—	—	—	—	—
Biodiversity policy	No	No	No	No	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	—	643	3	141
Renewable energy use	—	—	—	—	0
Electricity used	—	—	1	1	88
Fuel used - natural gas	—	—	—	—	0

Sources: Bloomberg; FSSIA's compilation

Exhibit 10: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	0	0	0
Total waste	—	—	0	0	0
Waste recycled	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—
Environmental supply chain management	No	No	No	Yes	Yes
Water policy	No	No	No	No	Yes
Water consumption	—	—	—	—	1,299
Social					
Human rights policy	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	No	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No
Pct women in workforce	—	—	28	26	26
Pct disabled in workforce	—	—	—	—	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	0	0	0
Total recordable incident rate - employees	0	0	—	—	4
Training policy	No	No	No	Yes	Yes
Fair remuneration policy	No	No	No	No	No
Number of employees – CSR	—	2,380	1,969	2,304	2,126
Employee turnover pct	—	—	—	—	13
Total hours spent by firm - employee training	—	—	13,785	17,303	20,176
Social supply chain management	No	No	No	Yes	Yes
Governance					
Board size	10	9	10	10	10
No. of independent directors (ID)	4	3	4	4	4
No. of women on board	1	1	1	1	1
No. of non-executive directors on board	4	3	4	4	4
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	7	7	7	8	6
Board meeting attendance pct	100	100	100	100	100
Board duration (years)	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No
Age of the youngest director	45	46	47	43	44
Age of the oldest director	82	80	81	82	83
No. of executives / company managers	17	16	14	14	14
No. of female executives	2	2	2	1	1
Executive share ownership guidelines	No	No	No	No	No
Size of audit committee	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3
Audit committee meetings	4	4	4	4	4
Audit meeting attendance %	100	100	100	100	100
Size of compensation committee	4	3	3	3	3
No. of ID on compensation committee	3	1	1	1	1
No. of compensation committee meetings	2	2	3	4	2
Compensation meeting attendance %	100	100	100	100	100
Size of nomination committee	4	3	3	3	3
No. of nomination committee meetings	2	2	3	4	2
Nomination meeting attendance %	100	100	100	100	100
Sustainability governance					
Verification type	No	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) 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.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG 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 SETESG inclusion , 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. SETESG Index is extended from the SET ESG Ratings 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.																			
CG Score 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%).																			
AGM level 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&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.																			
Thai CAC 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. <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.																			
Morningstar Sustainabilitys	The Sustainabilitys' 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 & 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+									
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ESG Book	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.																			
MSCI	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>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	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.																				
Refinitiv ESG rating	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; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	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.																				
Bloomberg	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

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

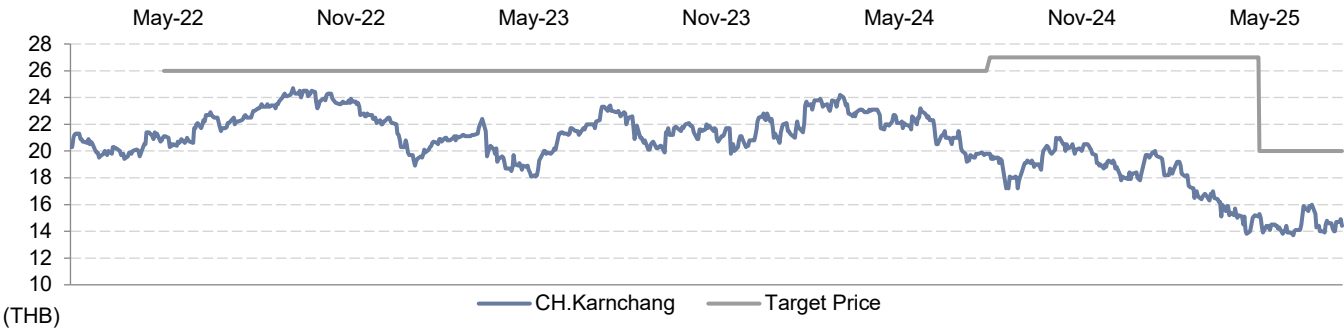
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

CH.Karnchang (CK TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Aug-2022	BUY	26.00	19-Jul-2024	BUY	27.00	10-Mar-2025	BUY	20.00

Thanyatorn Songwutti started covering this stock from 11-Apr-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
CH.Karnchang	CK TB	THB 14.40	BUY	Key downside risks to our SoTP-based TP include 1) delays in the signing of the Orange Line project; 2) auction delays and fewer new projects than expected; 3) political uncertainty; 4) slower-than-expected construction progress and cost overrun; 5) increased building material costs, labor shortages, and a minimum wage hike; and 6) weaker-than-expected performance of associates (BEM, CKP, and LPCL).

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 21-May-2025 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.