

CH.KARNCHANG CK TB

THAILAND / CONSTRUCTION SERVICES

BUY
 UNCHANGED

Brighter outlook for 3Q25

- CK's sale of its stake in LPCL to TTW, expected to be completed by end-3Q25, could generate one-time gains of THB 700–800m in 3Q25.
- Reaffirms 2025 revenue target of THB40b; 2H25 GPM to remain solid at 7.7–7.9%, in line with 1H25.
- Earnings upgrade and attractive valuation; maintain BUY.

TARGET PRICE	THB20.00
CLOSE	THB14.40
UP/DOWNSIDE	+38.9%
PRIOR TP	THB20.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+1.0%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	37,458	40,051	41,424	42,596
Net profit	1,446	1,800	1,956	2,029
EPS (THB)	0.85	1.06	1.15	1.20
vs Consensus (%)	-	6.4	0.4	(6.5)
EBITDA	2,653	3,275	3,230	3,159
Recurring net profit	1,446	1,800	1,956	2,029
Core EPS (THB)	0.85	1.06	1.15	1.20
Chg. In EPS est. (%)	-	20.2	18.7	13.5
EPS growth (%)	(0.4)	24.5	8.7	3.7
Core P/E (x)	16.9	13.5	12.5	12.0
Dividend yield (%)	2.1	2.6	2.8	2.9
EV/EBITDA (x)	26.1	19.7	19.6	19.7
Price/book (x)	0.9	0.9	0.9	0.8
Net debt/Equity (%)	167.2	142.3	132.6	122.2
ROE (%)	5.6	6.8	7.1	7.0

Positive update on LPCL share sale in 3Q25

We received a positive update from the meeting yesterday. The transaction involving CK's sale of shares in LPCL to TTW — reducing its stake from 20% to 10% — is expected to be completed by end-3Q25. This could result in two types of extra gains being booked in 3Q25: 1) a gain from the sale of the investment; and 2) a gain from the reclassification of the investment, with a preliminary estimate totaling THB700–800m (pre-tax). Following the transaction, CK will no longer recognize equity income from LPCL starting from 4Q25, and the impact of foreign exchange volatility from LPCL should be reduced in CK's financial statements.

Solid backlog and upcoming project opportunities

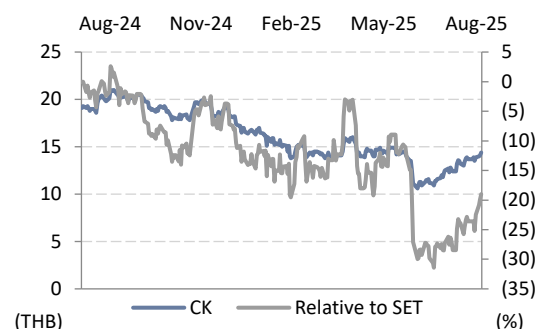
CK's backlog remains strong at THB192b. The key new project target is the double-deck expressway (THB35b), for which BEM might sign contracts by late 2025 and commence construction in early 2026. In addition, new auctions are expected to progress in late 2025 and CK has the potential to participate, including the Red Line extension (Rangsit–Thammasat University) valued at THB4b, the high-speed railway Phase 2 (Korat–Nong Khai) valued at THB235b, and the M5 motorway project (Rangsit-Bang pa-in) valued at THB25b.

On track to meet 2025 revenue and GPM targets

The company still believes it will achieve its 2025 revenue target of THB40b (+7% y-y), in line with our assumption, with 1H25 already securing 57% of the full-year target. The gross margin in 2H25 is expected to be similar to that of 1H25, at 7.7–7.9%, supported by the recognition of progress from the high-margin Orange Line project. We anticipate profit acceleration in 3Q25, driven by solid profit sharing from associates, especially CKP and BEM following the peak season, as well as gains from the sale of shares in LPCL. CK should also record dividend income from TTW amounting to THB232m, similar to 2Q25.

Earnings upgrade, BUY rating reaffirmed

We revise up our 2025–27 core profit forecast by 14–20%, with 2025E core profit now at THB1.8b (+25% y-y), which may have upside potential from one-time gains from the LPCL sale. The key adjustments are due to a higher GPM and lower interest expense assumptions, with minimal impact from GMT. Despite the upward revision in our projections, we maintain our TP at THB20 (SOTP), due to a lower value for BEM. We reiterate our BUY rating, as the stock is trading at 0.9x 2025E P/BV (–2SD of its five-year average) and remains a laggard compared to STECON's –19%.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	15.2	(3.4)	(23.8)
Relative to country (%)	11.4	(7.9)	(18.9)
Mkt cap (USD m)	743		
3m avg. daily turnover (USD m)	1.3		
Free float (%)	65		
Major shareholder	Trivisvavet Family (32%)		
12m high/low (THB)	21.10/10.20		
Issued shares (m)	1,693.90		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

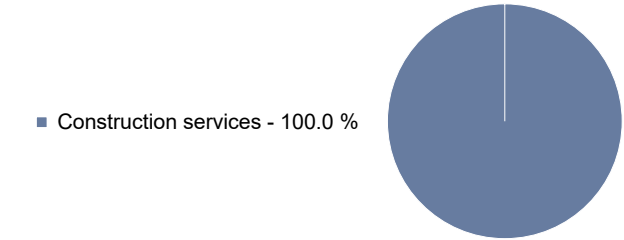
We have a positive view of CK’s construction business outlook on a record high backlog of THB210b at end-2024, equal to its five-year revenue total. CK targets 2025 revenue growth of 7% to THB40b, the highest in eight years, and a stable gross margin of 7-8% (vs 7.3% in 2024). This should be led by the progress of the main works at sizable projects such as the South Purple Line, Den Chai double-track rail, and Luang Prabang power plant project, as well as the initial works of the Orange Line project. CK should also have support from growth in the investments in its associates (BEM, CKP).

Company profile

CH. Karnchang (CK) was incorporated in 1972 as a construction contractor. The company has experience and expertise in engineering and construction of all categories, such as infrastructure construction work. Moreover, the company has invested in the comprehensive infrastructure project development business, which includes Bangkok Expressway and Metro (BEM TB, NR), CK Power (CKP TB, NR), and TTW (TTW TB, NR) as associated companies.

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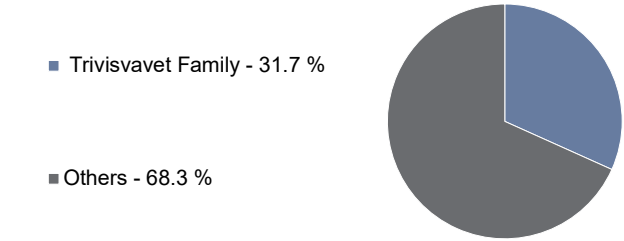
Principal activities (revenue, 2024)



Activity	Percentage
Construction services	100.0 %

Source: CH.Karnchang

Major shareholders



Shareholder	Percentage
Trivisvavet Family	31.7 %
Others	68.3 %

Source: CH.Karnchang

Catalysts

Contracts for new projects, higher expected contributions from associates, and one-time gains from the LPCL sale and are key potential growth drivers.

Risks to our call

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).

Event calendar

Date	Event
November 2025	3Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Construction revenue (THB m)	40,051	41,424	42,596
GPM (%)	7.7	7.7	7.5
SG&A to sales (%)	5.7	5.6	5.6
Associates (THB m)	1,948	2,069	2,187

Source: FSSIA estimates

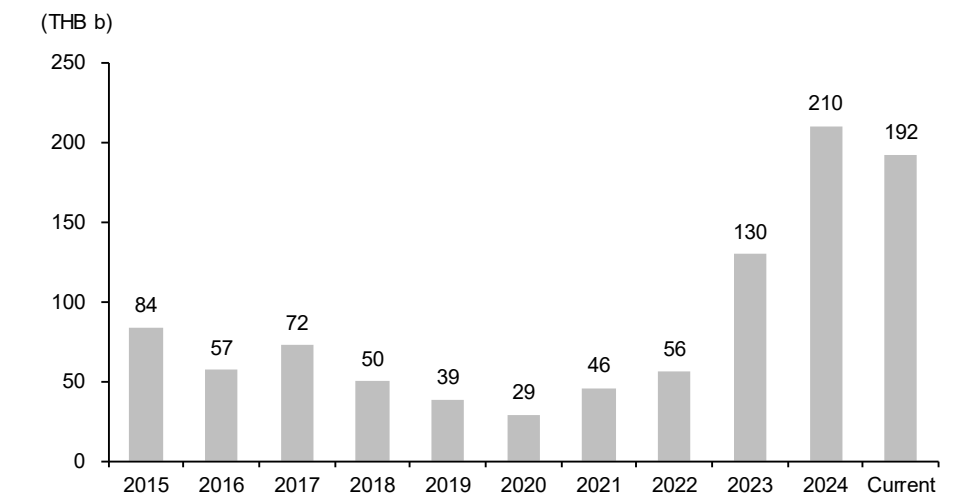
- ### Earnings sensitivity
- For every 5% increase in revenue, we estimate 2025 net profit to rise by 8%, and vice versa, all else being equal.
 - For every 0.25% increase in GPM, we estimate 2025 net profit to rise by 5%, and vice versa, all else being equal.
 - For every 5% increase in SG&A, we estimate 2025 net profit to fall by 6%, and vice versa, all else being equal.
 - For every 5% increase in share of profit from associates, we estimate 2025 net profit to rise by 5%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Key assumptions for CK

	Actual	Current			Previous			Change		
	2024 (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Construction revenue (THB m)	37,458	40,051	41,424	42,596	40,051	41,424	42,596	0	0	0
Cost of construction services (THB m)	34,742	36,967	38,234	39,401	37,127	38,400	39,486	(0)	(0)	(0)
Gross margin (%)	7.3	7.7	7.7	7.5	7.3	7.3	7.3	0.4	0.4	0.2
SG&A (THB m)	2,229	2,285	2,331	2,366	2,285	2,342	2,401	0	(0)	(1)
SG&A to revenue (%)	6.0	5.7	5.6	5.6	5.7	5.7	5.6	0	(0.0)	(0.1)
Other income (THB m)	1,312	1,420	1,310	1,262	1,296	1,278	1,231	10	2	3
Interest expense (THB m)	2,020	2,153	2,042	2,002	2,022	1,918	1,879	6	6	6
Share from associates (THB m)	1,875	1,948	2,069	2,187	1,944	1,993	2,142	0.2	3.8	2.1
Tax expense (THB m)	119	141	165	171	279	305	330	(49)	(46)	(48)
Core profit (THB m)	1,446	1,800	1,956	2,029	1,498	1,647	1,787	20	19	14
Net profit (THB m)	1,446	1,800	1,956	2,029	1,498	1,647	1,787	20	19	14

Source: FSSIA estimates

Exhibit 2: Backlog

Sources: CK; FSSIA's compilation

Exhibit 3: Key projects targeted in 2025-2026

Projects	Construction Value (MB)	Project Owner	Project Progress	Activities			
				Q3/2025	Q4/2025	Q1/2026	Q2/2026
Red Line : Taling chan - Siriraj Hospital - Salaya	10,700	SRT	Cabinet Approved		TOR & Bidding	Contract Award	
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	43,000	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	64,500		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Den Chai – Chiang Mai	63,500		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 : Srinakarindra – SBIA (M7)	19,000		Under Feasibility Study by EXAT				
Motorway : Rangsit- Bang pa - in (M5)	25,000		Cabinet Approved	TOR & Bidding			
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)	13,000		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 : Chalong Rat - ORR	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	
Siriraj International Medical Institute (Bang Pho)	7,700	MU	Cabinet Approved		TOR & Bidding	Contract Award	
Total	746,000						

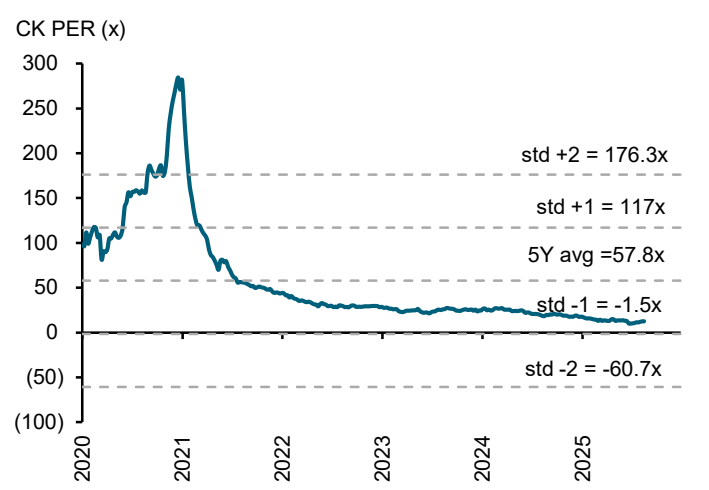
Source: CK

Exhibit 4: SoTP-based valuation

	Target EV/EBITDA	Holding	TP	Discount	EV	Per share
	(x)	(%)	(THB/shr)	(%)	(THB m)	(THB)
Construction	10				28,102	16.6
Subsidiaries						
BEM TB		41.15	8.7	35	60,856	35.9
CKP TB		30.0	3.4	40	11,877	7.0
TTW TB		19.4	9	50	3,904	2.3
Less net debt					69,388	41.0
SoTP					35,351	20.9

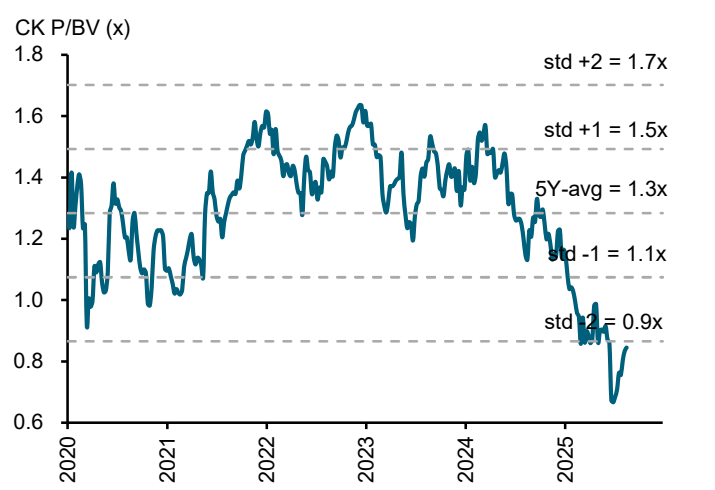
Source: FSSIA estimates

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)	(36,967)	(38,234)	(39,401)
Gross profit	2,568	2,716	3,084	3,190	3,195
Other operating income	1,422	1,312	1,420	1,310	1,262
Operating costs	(2,051)	(2,229)	(2,285)	(2,331)	(2,366)
Operating EBITDA	3,057	2,653	3,275	3,230	3,159
Depreciation	(1,117)	(854)	(1,056)	(1,062)	(1,067)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,939	1,799	2,219	2,169	2,092
Net financing costs	(1,830)	(2,020)	(2,153)	(2,042)	(2,002)
Associates	1,520	1,875	1,948	2,069	2,187
Recurring non-operating income	1,520	1,875	1,948	2,069	2,187
Non-recurring items	49	0	0	0	0
Profit before tax	1,678	1,654	2,013	2,195	2,277
Tax	(83)	(119)	(141)	(165)	(171)
Profit after tax	1,594	1,535	1,872	2,031	2,106
Minority interests	(93)	(89)	(72)	(75)	(77)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,501	1,446	1,800	1,956	2,029
Non-recurring items & goodwill (net)	(49)	0	0	0	0
Recurring net profit	1,452	1,446	1,800	1,956	2,029
Per share (THB)					
Recurring EPS *	0.86	0.85	1.06	1.15	1.20
Reported EPS	0.89	0.85	1.06	1.15	1.20
DPS	0.30	0.30	0.37	0.40	0.42
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)	23.5	(1.4)	(2.2)
Operating EBIT (%)	142.3	(7.2)	23.3	(2.3)	(3.6)
Recurring EPS (%)	64.6	(0.4)	24.5	8.7	3.7
Reported EPS (%)	35.9	(3.7)	24.5	8.7	3.7
Operating performance					
Gross margin inc. depreciation (%)	7.0	7.3	7.7	7.7	7.5
Gross margin exc. depreciation (%)	10.1	9.5	10.3	10.3	10.0
Operating EBITDA margin (%)	8.4	7.1	8.2	7.8	7.4
Operating EBIT margin (%)	5.3	4.8	5.5	5.2	4.9
Net margin (%)	4.0	3.9	4.5	4.7	4.8
Effective tax rate (%)	5.0	7.2	7.0	7.5	7.5
Dividend payout on recurring profit (%)	35.0	35.1	35.0	35.0	35.0
Interest cover (X)	1.9	1.8	1.9	2.1	2.1
Inventory days	100.6	125.0	134.9	132.9	133.1
Debtor days	33.8	47.2	52.3	53.8	54.0
Creditor days	38.4	45.4	44.8	44.3	44.4
Operating ROIC (%)	7.7	6.8	9.7	9.5	9.3
ROIC (%)	3.9	3.9	4.6	4.8	4.9
ROE (%)	5.9	5.6	6.8	7.1	7.0
ROA (%)	3.3	3.0	3.3	3.5	3.6

* 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	1,800	1,956	2,029
Depreciation	1,117	854	1,056	1,062	1,067
Associates & minorities	(24)	235	17	15	13
Other non-cash items	-	-	-	-	-
Change in working capital	(8,391)	5,965	(2,179)	(647)	(309)
Cash flow from operations	(5,846)	8,500	695	2,386	2,801
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)	(702)	(759)	(787)
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)	(4,561)	(2,233)	(1,264)
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	959	(502)	881
Free cash flow to firm (FCFF)	(6,758.11)	6,637.28	7,672.75	3,774.07	4,146.76
Free cash flow to equity (FCFE)	1,602.17	3,469.05	1,621.68	236.76	1,650.25

Per share (THB)

FCFF per share	(3.99)	3.92	4.53	2.23	2.45
FCFE per share	0.95	2.05	0.96	0.14	0.97
Recurring cash flow per share	1.50	1.50	1.70	1.79	1.84

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	11,148	10,646	11,527
A/C receivable	4,215	5,472	6,008	6,214	6,389
Inventories	9,975	13,235	13,308	13,764	14,184
Other current assets	10,692	17,258	16,020	12,427	10,649
Current assets	32,666	46,154	46,484	43,051	42,750
Other assets	561	546	574	602	633
Total assets	96,745	113,102	107,633	103,881	103,262
Common equity	25,482	25,910	27,080	28,351	29,670
Minorities etc.	526	569	609	630	647
Total shareholders' equity	26,008	26,479	27,689	28,981	30,318
Long term debt	40,771	38,039	36,583	35,836	35,589
Other long-term liabilities	2,708	2,949	2,920	3,020	3,034
Long-term liabilities	43,479	40,988	39,503	38,856	38,622
A/C payable	4,058	4,376	4,436	4,588	4,728
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	40,441	36,044	34,322
Total liabilities and shareholders' equity	96,745	113,102	107,633	103,881	103,262
Net working capital	12,460	6,749	8,872	9,590	9,882
Invested capital	76,539	73,697	70,021	70,421	70,395

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

Per share (THB)

Book value per share	15.04	15.30	15.99	16.74	17.52
Tangible book value per share	15.04	15.30	15.99	16.74	17.52

Financial strength

Net debt/equity (%)	183.9	167.2	142.3	132.6	122.2
Net debt/total assets (%)	49.4	39.1	36.6	37.0	35.9
Current ratio (x)	1.2	1.0	1.1	1.2	1.2
CF interest cover (x)	3.4	4.6	1.8	1.4	2.2

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	16.8	16.9	13.5	12.5	12.0
Recurring P/E @ target price (x) *	23.3	23.4	18.8	17.3	16.7
Reported P/E (x)	16.3	16.9	13.5	12.5	12.0
Dividend yield (%)	2.1	2.1	2.6	2.8	2.9
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	19.7	19.6	19.7
EV/EBITDA @ target price (x) **	26.9	29.7	22.6	22.6	22.7
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 Sustainalytics	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 & 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+																	
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

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ANALYST(S) CERTIFICATION

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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
08-Nov-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 20-Aug-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.