

KCE ELECTRONICS

THAILAND / ELECTRONIC COMPONENT

KCE TB**HOLD**

UNCHANGED

Key takeaways from meeting

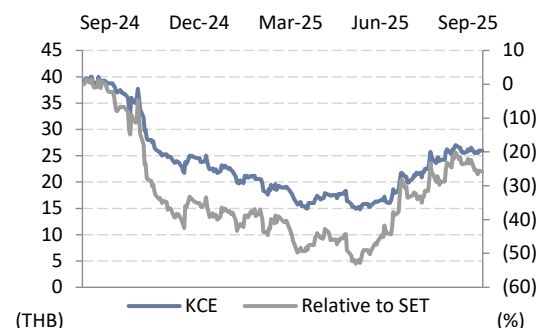
Highlights and comments

- We have a Neutral view following the Finansia Exclusive Talk event.
- Management reaffirmed that USD revenue in 3Q25 should recover by 8–10% q-q, with potential to be flat to slightly positive y-y. Orders from the US continued to recover in 3Q25, with customers bearing the full tariff burden. The company has already seen 1–2 months of advance orders for 4Q25, though these may soften q-q due to seasonality.
- The US is considering setting a minimum requirement for local content in export products. If set at not less than 50%, this would benefit KCE, which currently uses 55–56%, higher than competitors (40%). Even if raised to 60%, management sees room to adjust, with only limited impact expected.
- Management targets 5–10% y-y revenue growth in 2026, noting that the downturn in electronic components has ended as the oversupply situation eases. A key driver is strong demand for PCB for AI and servers, which supports overall PCB demand and reduces pricing pressure.
- Headwinds remain from a stronger baht, higher copper prices (20% of revenue), and gold (2%). However, management is confident that ongoing cost-saving measures—such as in-house chemical production, supplier negotiations, labor cost reductions, and efficiency improvements—will offset these pressures. Gross margin is expected to improve gradually from 18.1% in 2Q25 to 21.6% by 2Q26.
- KCE's revenue still comes mainly from automotive (75%), with 25% from industrial and consumer segments. There are no near-term plans to enter PCB for AI, which requires 4–5 years of product development and customer qualification. Instead, the company may expand into PCB for servers earlier, while also pursuing PCB for military, a niche market with long product life cycles and low prices sensitivity.
- PCB players from China and Taiwan have increasingly invested in building PCB plants in Thailand, partly to relocate production from China due to rising trade barriers, and also supported by the Thai government's efforts to attract foreign investment in order to raise Thailand's share in the global PCB market.
- Management believes the impact on KCE is limited, since the cost of producing and exporting PCBs from Thailand remains higher than in China and Taiwan. However, this trend is seen as a positive in terms of increasing sourcing opportunities for raw materials and equipment from Chinese suppliers, which could support further cost savings in the future.
- From another perspective, most of the new entrants are focused on PCB for AI, servers, data centers, and consumer products, which may not be KCE's direct competitors.
- We forecast 3Q25 core profit at THB294m (+61% q-q, -24% y-y), 2025E profit at THB1b (-39% y-y), and a recovery to THB1.46b in 2026. Our estimates assume an FX of THB33/USD; every THB1 appreciation versus USD would impact profit by around 6.5%.

TARGET PRICE	THB27.00
CLOSE	THB26.00
UP/DOWNSIDE	+3.8%
TP vs CONSENSUS	+13.5%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	14,833	13,695	14,380	15,099
Net profit	1,648	1,009	1,458	1,611
EPS (THB)	1.39	0.85	1.23	1.36
vs Consensus (%)	-	(11.7)	4.1	3.9
EBITDA	2,883	2,275	2,802	3,033
Recurring net profit	1,587	963	1,458	1,611
Core EPS (THB)	1.34	0.81	1.23	1.36
EPS growth (%)	1.1	(39.3)	51.4	10.5
Core P/E (x)	19.4	31.9	21.1	19.1
Dividend yield (%)	4.6	3.8	4.1	4.5
EV/EBITDA (x)	10.5	13.7	10.9	10.1
Price/book (x)	2.2	2.3	2.2	2.2
Net debt/Equity (%)	(2.9)	2.0	(2.0)	(0.6)
ROE (%)	11.6	7.0	10.7	11.6



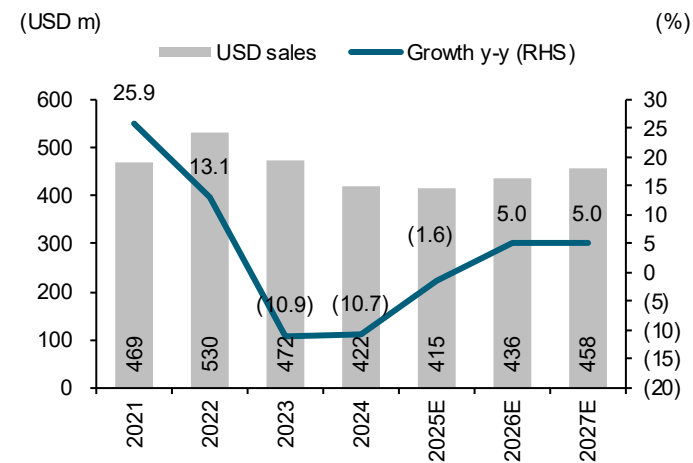
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.0	58.5	(31.1)
Relative to country (%)	(3.1)	36.9	(24.5)
Mkt cap (USD m)	964		
3m avg. daily turnover (USD m)	10.9		
Free float (%)	0		
Major shareholder	Ongkosit Group (34%)		
12m high/low (THB)	40.75/13.70		
Issued shares (m)	1,182.06		

Sources: Bloomberg consensus; FSSIA estimates

**Sureeporn Teewasuwet**

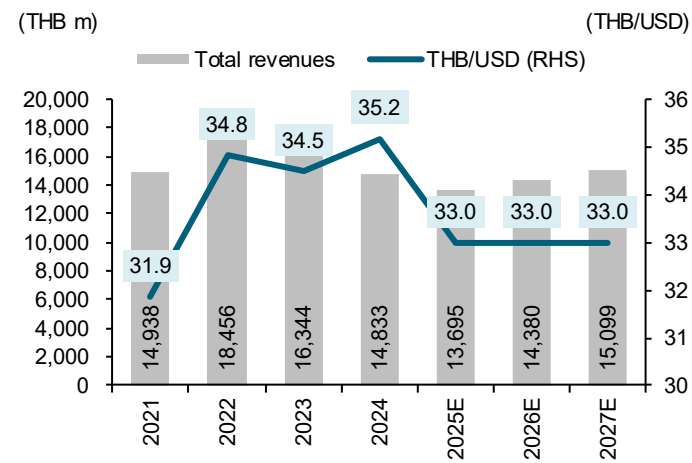
Fundamental Investment Analyst on Securities; License no. 040694
sureeporn.t@fssia.com, +66 2646 9972

Exhibit 1: USD sales and growth



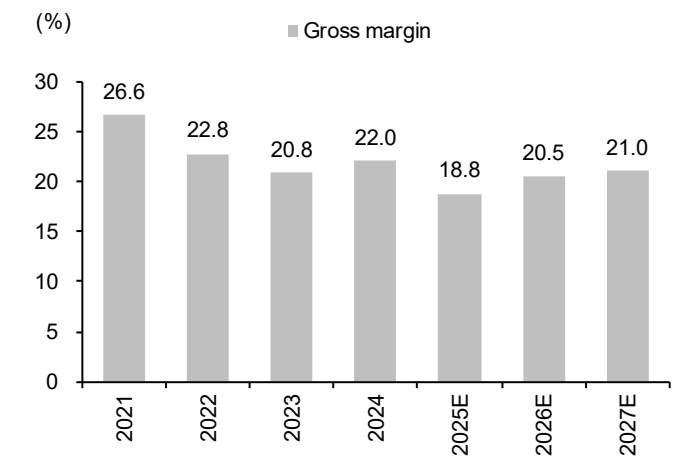
Sources: KCE; FSSIA estimates

Exhibit 2: Total revenue and THB/USD



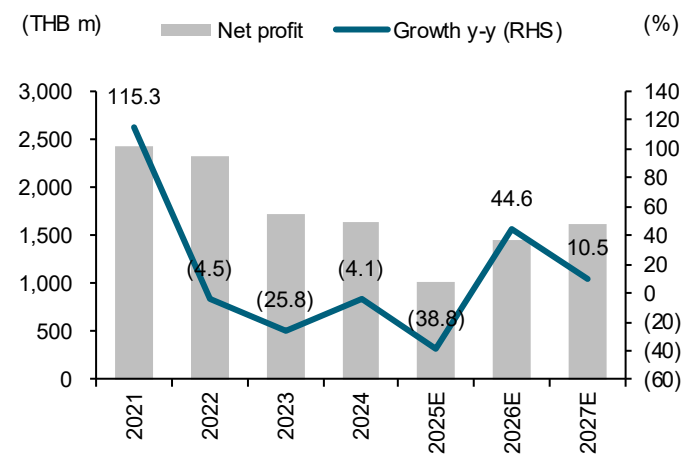
Sources: KCE; FSSIA estimates

Exhibit 3: Yearly gross margin



Sources: KCE; FSSIA estimates

Exhibit 4: Yearly net profit and growth



Sources: KCE; FSSIA estimates

Financial Statements

KCE Electronics

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	16,344	14,833	13,695	14,380	15,099
Cost of goods sold	(12,941)	(11,571)	(11,120)	(11,432)	(11,928)
Gross profit	3,403	3,262	2,575	2,948	3,171
Other operating income	190	265	233	259	272
Operating costs	(1,774)	(1,756)	(1,684)	(1,582)	(1,661)
Operating EBITDA	2,944	2,883	2,275	2,802	3,033
Depreciation	(1,126)	(1,112)	(1,152)	(1,177)	(1,252)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,818	1,772	1,123	1,625	1,782
Net financing costs	(104)	(52)	(41)	(33)	(27)
Associates	14	17	12	15	19
Recurring non-operating income	14	17	12	15	19
Non-recurring items	150	61	46	0	0
Profit before tax	1,879	1,798	1,140	1,607	1,774
Tax	(131)	(120)	(110)	(127)	(140)
Profit after tax	1,747	1,678	1,029	1,480	1,634
Minority interests	(28)	(30)	(21)	(22)	(23)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,720	1,648	1,009	1,458	1,611
Non-recurring items & goodwill (net)	(150)	(61)	(46)	0	0
Recurring net profit	1,569	1,587	963	1,458	1,611
Per share (THB)					
Recurring EPS *	1.33	1.34	0.81	1.23	1.36
Reported EPS	1.45	1.39	0.85	1.23	1.36
DPS	1.30	1.20	1.00	1.06	1.16
Diluted shares (used to calculate per share data)	1,182	1,182	1,182	1,182	1,182
Growth					
Revenue (%)	(11.4)	(9.2)	(7.7)	5.0	5.0
Operating EBITDA (%)	(18.7)	(2.1)	(21.1)	23.2	8.3
Operating EBIT (%)	(27.5)	(2.6)	(36.6)	44.7	9.6
Recurring EPS (%)	(31.2)	1.1	(39.3)	51.4	10.5
Reported EPS (%)	(25.8)	(4.1)	(38.8)	44.6	10.5
Operating performance					
Gross margin inc. depreciation (%)	20.8	22.0	18.8	20.5	21.0
Gross margin exc. depreciation (%)	27.7	29.5	27.2	28.7	29.3
Operating EBITDA margin (%)	18.0	19.4	16.6	19.5	20.1
Operating EBIT margin (%)	11.1	11.9	8.2	11.3	11.8
Net margin (%)	9.6	10.7	7.0	10.1	10.7
Effective tax rate (%)	7.0	6.7	9.7	7.9	7.9
Dividend payout on recurring profit (%)	97.9	89.4	122.7	86.0	85.0
Interest cover (X)	17.7	34.5	28.0	49.5	67.1
Inventory days	134.4	130.3	128.6	120.9	120.3
Debtor days	103.6	98.7	93.6	87.9	87.9
Creditor days	92.3	97.2	102.2	96.2	93.0
Operating ROIC (%)	10.0	11.0	7.6	11.6	12.7
ROIC (%)	9.4	10.0	6.4	9.3	10.1
ROE (%)	11.6	11.6	7.0	10.7	11.6
ROA (%)	8.4	8.8	5.6	8.4	9.1

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
PCB	13,554	12,664	11,385	11,954	12,552
Non PCB	2,790	2,169	2,310	2,426	2,547

Sources: KCE Electronics; FSSIA estimates

Financial Statements

KCE Electronics

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	1,569	1,587	963	1,458	1,611
Depreciation	1,126	1,112	1,152	1,177	1,252
Associates & minorities	-	-	-	-	-
Other non-cash items	(14)	(22)	(1)	(15)	(19)
Change in working capital	832	631	480	(343)	(212)
Cash flow from operations	3,513	3,309	2,594	2,276	2,631
Capex - maintenance	-	-	-	-	-
Capex - new investment	(402)	(661)	(800)	(500)	(1,500)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	76	(797)	(1,212)	(7)	(7)
Cash flow from investing	(325)	(1,458)	(2,012)	(507)	(1,507)
Dividends paid	(1,419)	(1,551)	(1,182)	(1,254)	(1,369)
Equity finance	4	0	0	0	0
Debt finance	(1,150)	(476)	(45)	(103)	(100)
Other financing cash flows	(1)	(29)	(1)	(1)	(1)
Cash flow from financing	(2,566)	(2,056)	(1,228)	(1,358)	(1,471)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	4	0	0	0
Net other adjustments	0	4	(11)	0	0
Movement in cash	622	(201)	(658)	411	(347)
Free cash flow to firm (FCFF)	3,291.81	1,902.67	621.99	1,802.60	1,151.09
Free cash flow to equity (FCFE)	2,036.57	1,349.72	524.23	1,665.10	1,022.83

Per share (THB)

FCFF per share	2.78	1.61	0.53	1.52	0.97
FCFE per share	1.72	1.14	0.44	1.41	0.87
Recurring cash flow per share	2.27	2.27	1.79	2.22	2.41

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	18,912	19,019	19,819	20,319	21,819
Less: Accumulated depreciation	(10,758)	(11,315)	(12,467)	(13,644)	(14,895)
Tangible fixed assets (net)	8,154	7,704	7,352	6,676	6,924
Intangible fixed assets (net)	284	1,082	1,082	1,082	1,082
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	554	524	1,750	1,750	1,750
Cash & equivalents	1,767	1,566	908	1,320	973
A/C receivable	4,379	3,646	3,377	3,546	3,723
Inventories	3,793	3,675	3,351	3,445	3,595
Other current assets	141	68	68	72	75
Current assets	10,079	8,955	7,705	8,382	8,366
Other assets	122	151	137	144	151
Total assets	19,193	18,416	18,026	18,034	18,273
Common equity	13,689	13,756	13,583	13,787	14,028
Minorities etc.	61	62	61	60	58
Total shareholders' equity	13,749	13,818	13,643	13,846	14,087
Long term debt	515	85	80	80	80
Other long-term liabilities	367	527	411	431	453
Long-term liabilities	882	612	491	511	533
A/C payable	2,728	2,843	2,742	2,662	2,778
Short term debt	1,748	1,078	1,095	956	815
Other current liabilities	85	65	55	58	60
Current liabilities	4,562	3,986	3,892	3,676	3,653
Total liabilities and shareholders' equity	19,193	18,416	18,026	18,034	18,273
Net working capital	5,499	4,482	4,000	4,343	4,555
Invested capital	14,613	13,942	14,321	13,994	14,462

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

Per share (THB)

Book value per share	11.58	11.64	11.49	11.66	11.87
Tangible book value per share	11.34	10.72	10.58	10.75	10.95

Financial strength

Net debt/equity (%)	3.6	(2.9)	2.0	(2.0)	(0.6)
Net debt/total assets (%)	2.6	(2.2)	1.5	(1.6)	(0.4)
Current ratio (x)	2.2	2.2	2.0	2.3	2.3
CF interest cover (x)	24.5	39.8	33.7	66.3	95.0

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	19.6	19.4	31.9	21.1	19.1
Recurring P/E @ target price (x) *	20.3	20.1	33.1	21.9	19.8
Reported P/E (x)	17.9	18.6	30.5	21.1	19.1
Dividend yield (%)	5.0	4.6	3.8	4.1	4.5
Price/book (x)	2.2	2.2	2.3	2.2	2.2
Price/tangible book (x)	2.3	2.4	2.5	2.4	2.4
EV/EBITDA (x) **	10.6	10.5	13.7	10.9	10.1
EV/EBITDA @ target price (x) **	11.0	11.0	14.2	11.3	10.5
EV/invested capital (x)	2.1	2.2	2.2	2.2	2.1

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

Sources: KCE Electronics; FSSIA estimates

KCE Electronics PCL (KCE TB)

FSSIA ESG rating

★ ★ ★

Exhibit 5: FSSIA ESG score implication

45.77 /100

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 6: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings						Bloomberg	
	ESG score	DJSI	SET THSI	THSI	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
DELTA	87.59	Y	Y	Y	5.00	5.00	Certified	Low	68.81	AA	--	91.19	74.00	4.15	--
HANA	56.35	--	Y	Y	5.00	5.00	Certified	Negligible	56.93	BBB	--	44.01	31.00	1.81	--
KCE	45.77	--	--	--	5.00	5.00	Certified	Medium	52.70	--	--	61.53	16.00	2.16	52.98

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 7: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	1.34	1.35	1.35	1.36	1.37	1.70	2.06	2.16
BESG environmental pillar score	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
BESG social pillar score	0.80	0.80	0.80	0.80	0.80	1.44	1.45	1.58
BESG governance pillar score	4.64	4.67	4.67	4.77	4.83	4.83	4.71	4.90
ESG disclosure score	40.30	41.69	40.30	40.64	46.82	53.50	54.91	52.98
Environmental disclosure score	19.21	19.21	19.21	19.21	33.59	49.50	53.76	52.13
Social disclosure score	20.44	24.61	20.44	21.46	25.63	29.78	29.78	25.60
Governance disclosure score	81.10	81.10	81.10	81.10	81.10	81.10	81.10	81.10
Environmental								
Emissions reduction initiatives	No	No	No	No	No	No	No	Yes
Climate change policy	No	No	No	No	No	No	No	No
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	No	No	No
GHG scope 1	—	—	—	—	—	—	3	3
GHG scope 2 location-based	—	—	—	—	—	—	64	70
GHG Scope 3	—	—	—	—	—	—	—	—
Carbon per unit of production	—	—	—	—	—	—	4	4
Biodiversity policy	No	No	No	No	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	—	—	—	—	121	152	163
Renewable energy use	—	—	—	—	—	1	2	4
Electricity used	—	—	—	—	—	112	140	152
Fuel used - natural gas	—	—	—	—	—	850	1,100	1,130

Sources: Bloomberg; FSSIA's compilation

Exhibit 8: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	6	8	9	12	8	3	5	—
Total waste	7	11	13	15	12	13	17	20
Waste recycled	—	—	—	—	—	11	15	16
Waste sent to landfills	—	—	—	—	—	2	3	3
Environmental supply chain management	No	No	No	No	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	1,650	2,232	2,612
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	—	—	—	—	—	52	46	52
Pct disabled in workforce	—	—	—	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	—	—	1
Total recordable incident rate - employees	3	1	1	1	1	1	1	—
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	2,388	2,696	1,021	1,042	1,019	984	974	1,049
Employee turnover pct	—	—	—	—	—	11	10	11
Total hours spent by firm - employee training	176,855	198,156	187,310	229,906	83,545	33,247	44,164	67,795
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	9	9	9	9	9	9	9	9
No. of independent directors (ID)	3	3	3	3	3	3	3	3
No. of women on board	4	3	3	3	3	3	3	3
No. of non-executive directors on board	6	6	6	6	6	6	6	6
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	12	12	12	12	12	13	12	12
Board meeting attendance pct	99	97	97	94	95	96	99	99
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	35	36	37	38	39	40	41	42
Age of the oldest director	78	79	80	81	82	74	75	76
No. of executives / company managers	9	9	10	10	10	10	10	11
No. of female executives	2	2	2	3	3	3	3	3
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	3	3	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3	3	3	3
Audit committee meetings	4	4	5	5	6	5	4	5
Audit meeting attendance %	100	92	100	100	83	100	75	93
Size of compensation committee	3	3	3	3	3	3	3	3
No. of ID on compensation committee	2	2	2	2	2	2	2	2
No. of compensation committee meetings	2	2	2	2	3	2	3	1
Compensation meeting attendance %	100	100	100	83	89	100	100	100
Size of nomination committee	3	3	3	3	3	3	3	3
No. of nomination committee meetings	2	2	2	2	3	2	3	1
Nomination meeting attendance %	100	100	100	83	89	100	100	100
Sustainability governance								
Verification type	No	No	No	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+										
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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

Sureeporn Teewasuwet FSS International Investment Advisory Securities Co., Ltd

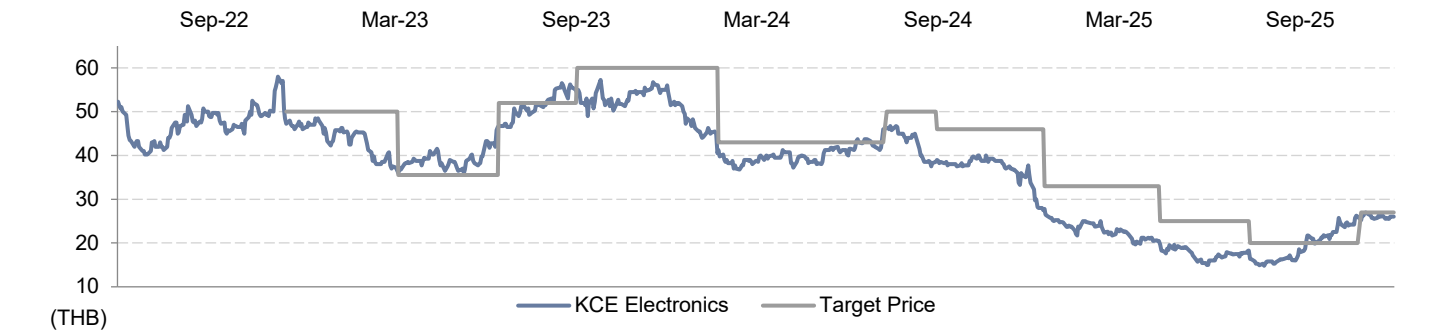
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

KCE Electronics (KCE TB)



Sureeporn Teewasuwet started covering this stock from 09-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
KCE Electronics	KCE TB	THB 26.00	HOLD	Downside and upside risks to our P/E-based TP include 1) slower or faster-than-expected global economic and car sales recoveries; 2) higher or lower-than-expected decrease in raw material costs; 3) baht strength or weakness; and 4) a minimum wage increase or a labor shortage.

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 15-Sep-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.