

1 March 2016

Property | Real Estate

## Sansiri PCL

**Neutral** (Maintained)

### วางเป้าอันดับหนึ่งด้านยอดพีริเซลส์คอนโดมิเนียม

จากผู้ประกอบการอสังหาริมทรัพย์ทั้งหมด SIRI วางเป้าโครงการเปิดตัวใหม่และพีริเซลส์เชิงรุกที่สุดท่ามกลางสภาพแวดล้อมที่ท้าทาย SIRI เน้นการเปิดตัวโครงการใหม่ภายใต้ JV มากขึ้น ทำให้แนวโน้มรายได้ไม่น่าตื่นเต้น ในขณะที่ประเมินอัตรากำไรสุทธิยังเป็นตัวเลขหลักเดียวเนื่องจากโครงการ JV จะยังบันทึกขาดทุนต่อไปในรอบปี 2015-17 ยังคงแนะนำ "ถือ" ที่ราคาเป้าหมายปรับลดลงเป็น 1.64 บาท (เดิม 1.76 บาท, 1% downside) อิงจากระดับ PE ปี 2016 ที่ 8x (-0.5SD ต่ำกว่าค่าเฉลี่ย)

#### เป้าปี 2016 เชิงรุก

SIRI วางเป้าการเติบโตของโครงการใหม่และพีริเซลส์เติบโตอย่างมีนัยสำคัญถึง 128% และ 50% ในรอบปี 2016 ตามลำดับ จากโครงการคอนโดมิเนียมในเขตใจกลางเมืองเป็นหลัก โดยประเมินโครงการคอนโดมิเนียม JV ใหม่เพิ่มขึ้นสองเท่า (y-o-y) เป็น 6 โครงการมูลค่ารวม 2.3 หมื่นล้านบาทจากเดิม 3 โครงการด้วยมูลค่าเพียง 1.1 พันล้านบาทในปีที่ผ่านมา

#### แนวโน้มกำไรอ่อนแอ

SIRI วางเป้ารายได้ในรอบปี 2016 ทรงตัวที่ 3.6 หมื่นล้านบาทซึ่งอยู่ใน backlog แล้วในสัดส่วน 30% ดังนั้น บริษัทจึงจำเป็นต้องกระตุนยอดขายจากโครงการที่แล้วเสร็จ โดยเราประเมินส่วนแบ่งขาดทุนจากบริษัทในเครือในรอบ 2 ปีข้างหน้าจากการเปิดตัวโครงการ JV ใหม่มหาศาล เราจึงปรับประมาณการกำไรในรอบปี 2016 ลดลงราว 6% เป็น 2.93 พันล้านบาทจากราคาเป้าหมายลง ดังนั้นประเมินอัตรากำไรสุทธิอยู่ในระดับต่ำกว่า 10% ในระยะสั้น ส่วนความเสี่ยงต่อการ downside มาจาก อัตราการยกเลิกจอง/ไม่ผ่านกฏที่สูงจากหนี้สินครัวเรือน ยอดขายต่างจังหวัดที่ชะลอตัว การแข่งขันกลุ่มผลิตภัณฑ์ระดับกลาง-บนที่รุนแรง และการวางเป้ายอดพีริเซลส์คอนโดมิเนียมสูงเป็นอันดับหนึ่งของอุตสาหกรรม ส่วน upside มาจากการต่อมาตรการช่วยเหลือภาคอสังหาริมทรัพย์ไปยังปลายเดือนธันวาคม 2015

#### 4Q15 earnings: above expectations

THBm	4Q15	3Q15	QoQ (%)	4Q14	YoY (%)	Comments
Residential sales	9,505	10,037	(5.3)	10,124	(6.1)	Housing sales surged 41% QoQ
Total revenue	10,110	10,550	(4.2)	10,372	(2.5)	
Gross profit	3,225	3,009	7.2	3,414	(5.5)	
GPM (%)	31.9%	28.5%		32.9%		
EBIT	1,708	1,384	23.4	2,001	(14.6)	
EBIT (%)	16.9%	13.1%		19.3%		Higher GPM and other income
NI	1,003	1,061	(5.5)	1,232	(18.6)	Better than expected
NI (%)	9.9%	10.1%		11.9%		

Source: Company data, RHB

#### สรุปผลประกอบการ

ยอดขายโครงการแนวราบเติบโต 41% q-o-q แต่ยอดขายทาวน์เฮ้าส์และคอนโดมิเนียมปรับลดลงเล็กน้อย โดย EBIT margin พื้นตัวดีขึ้นในรอบ q-o-q จากอัตรากำไรขั้นต้นและรายได้อื่นๆที่เพิ่มขึ้น (y-o-y) แต่ EBIT และกำไรสุทธิลดลงอย่างมีนัยสำคัญเนื่องจากสัดส่วนค่าใช้จ่าย SG&A/รายได้ที่เพิ่มขึ้น

Forecasts and Valuations	Dec-13	Dec-14	Dec-15	Dec-16F	Dec-17F
Total turnover (THBm)	28,596	28,093	36,955	36,315	33,966
Reported net profit (THBm)	1,929	3,393	3,506	2,927	2,848
Recurring net profit (THBm)	1,914	2,659	2,886	2,927	2,848
Recurring net profit growth (%)	(33.7)	38.9	8.6	1.4	(2.7)
Recurring EPS (THB)	0.22	0.23	0.21	0.20	0.20
DPS (THB)	0.10	0.12	0.11	0.10	0.09
Recurring P/E (x)	7.55	7.23	8.03	8.10	8.33
P/B (x)	0.93	0.91	0.87	0.83	0.80
Dividend Yield (%)	6.0	7.2	6.6	6.0	5.4
Return on average equity (%)	11.9	16.2	13.5	10.5	9.8
Return on average assets (%)	3.6	5.1	4.9	4.2	3.9
Net debt to equity (%)	190.5	143.0	112.9	116.4	120.0
Our vs consensus EPS (adjusted) (%)				(3.8)	(12.5)

Target Price:	THB1.64
Price:	THB1.66
Market Cap:	USD665m

#### Share Data

Avg Daily Turnover (THB/USD)	73.6m/1.93m
52-wk Price low/high (THB)	1.45 - 2.12
Free Float (%)	86
Shares outstanding (m)	14,286
Estimated Return	-1%

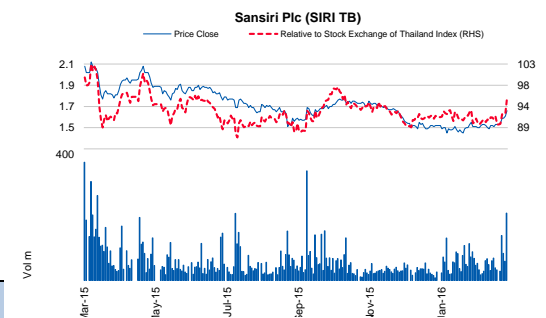
#### Shareholders (%)

Viriyah Insurance	6.3
UBS AG Singapore	4.7

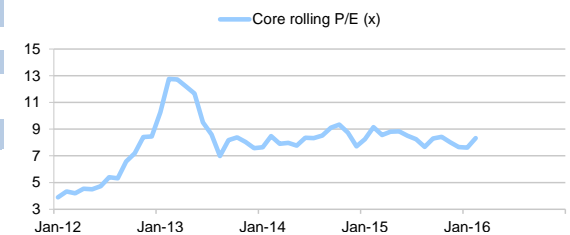
#### Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	9.2	9.9	1.8	6.4	(17.0)
Relative	5.8	7.5	4.1	8.9	(0.9)

Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

#### Analyst

Wanida Geisler  
+66 2862 9748

[wanida.ge@rhbgroup.com](mailto:wanida.ge@rhbgroup.com)

## Financial Exhibits

Profit & Loss (THBm)	Dec-13	Dec-14	Dec-15	Dec-16F	Dec-17F
<b>Total turnover</b>	<b>28,596</b>	<b>28,093</b>	<b>36,955</b>	<b>36,315</b>	<b>33,966</b>
Cost of sales	(19,268)	(18,905)	(26,114)	(25,513)	(23,763)
<b>Gross profit</b>	<b>9,328</b>	<b>9,188</b>	<b>10,841</b>	<b>10,802</b>	<b>10,203</b>
Other operating costs	(6,807)	(5,506)	(6,460)	(6,355)	(5,944)
<b>Operating profit</b>	<b>2,521</b>	<b>3,682</b>	<b>4,381</b>	<b>4,447</b>	<b>4,258</b>
EBITDA	2,801	4,151	4,651	4,858	4,727
Depreciation of fixed assets	(280)	(330)	(270)	(411)	(469)
Amortisation of intangible assets	-	(139)	-	-	-
<b>Operating profit</b>	<b>2,521</b>	<b>3,682</b>	<b>4,381</b>	<b>4,447</b>	<b>4,258</b>
Net income from investments	-	-	(234)	(570)	(490)
Other recurring income	390	357	490	539	593
Interest expense	(616)	(646)	(728)	(615)	(679)
Exceptional income - net	18	937	839	-	-
<b>Pre-tax profit</b>	<b>2,313</b>	<b>4,330</b>	<b>4,748</b>	<b>3,801</b>	<b>3,683</b>
Taxation	(384)	(937)	(1,242)	(874)	(835)
<b>Reported net profit</b>	<b>1,929</b>	<b>3,393</b>	<b>3,506</b>	<b>2,927</b>	<b>2,848</b>
<b>Recurring net profit</b>	<b>1,914</b>	<b>2,659</b>	<b>2,886</b>	<b>2,927</b>	<b>2,848</b>

Source: Company data, RHB

Key Ratios	Dec-13	Dec-14	Dec-15	Dec-16F	Dec-17F
Revenue growth (%)	(4.1)	(1.8)	31.5	(1.7)	(6.5)
Operating profit growth (%)	(35.1)	46.1	19.0	1.5	(4.2)
Recurring net profit growth (%)	(33.7)	38.9	8.6	1.4	(2.7)
Recurrent EPS growth (%)	(43.1)	4.5	(9.9)	(0.9)	(2.7)
Gross margin (%)	32.6	32.7	29.3	29.7	30.0
Operating EBITDA margin (%)	9.8	14.8	12.6	13.4	13.9
Operating margin (%)	8.8	13.1	11.9	12.2	12.5
Recurring net profit margin (%)	6.7	9.5	7.8	8.1	8.4
Return on average assets (%)	3.6	5.1	4.9	4.2	3.9
Return on average equity (%)	11.9	16.2	13.5	10.5	9.8
Net debt to equity (%)	190.5	143.0	112.9	116.4	120.0
Interest cover (x)	4.09	5.70	6.02	7.23	6.28
Capex/Free cash flow (%)	2.8	44.7	6.0	181.5	(310.5)
BVPS (THB)	1.79	1.82	1.90	1.99	2.08
DPS (THB)	0.10	0.12	0.11	0.10	0.09
Dividend payout ratio (%)	73.9	28.2	48.9	48.9	48.9
Free cash flow per share (THB)	(1.36)	(0.25)	0.54	(0.02)	(0.06)

Source: Company data, RHB

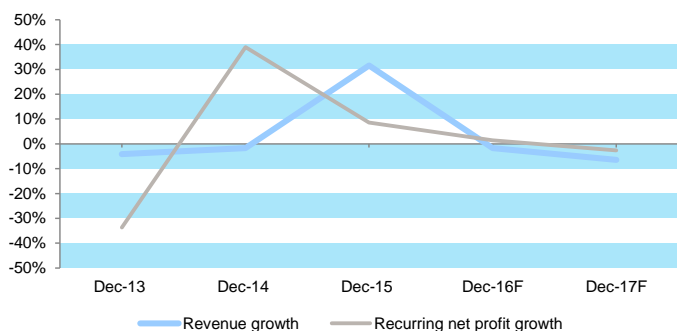
Cash flow (THBm)	Dec-13	Dec-14	Dec-15	Dec-16F	Dec-17F
<b>Operating profit</b>	<b>2,521</b>	<b>3,682</b>	<b>4,381</b>	<b>4,447</b>	<b>4,258</b>
Depreciation & amortisation	280	469	270	411	469
Change in working capital	(12,494)	(10,663)	3,028	(3,452)	(3,534)
Other operating cash flow	(1,236)	2,582	2,362	406	133
<b>Operating cash flow</b>	<b>(10,929)</b>	<b>(3,930)</b>	<b>10,041</b>	<b>1,812</b>	<b>1,326</b>
Interest paid	(616)	(646)	(728)	(615)	(679)
Tax paid	(645)	(626)	(1,266)	(882)	(865)
<b>Cash flow from operations</b>	<b>(12,190)</b>	<b>(5,202)</b>	<b>8,047</b>	<b>315</b>	<b>(217)</b>
Capex	338	2,325	(486)	(571)	(673)
Other investing cash flow	(1,071)	(1,508)	(318)	(570)	-
<b>Cash flow from investing activities</b>	<b>(733)</b>	<b>817</b>	<b>(804)</b>	<b>(1,141)</b>	<b>(673)</b>
Dividends paid	(1,425)	(956)	(1,713)	(1,637)	(1,617)
Proceeds from issue of shares	1,840	5,194	703	-	-
Increase in debt	11,220	204	31	414	3,500
Other financing cash flow	-	874	(6,643)	-	-
<b>Cash flow from financing activities</b>	<b>11,635</b>	<b>5,316</b>	<b>(7,622)</b>	<b>(1,223)</b>	<b>1,883</b>
Cash at beginning of period	3,408	2,120	3,051	2,672	623
<b>Total cash generated</b>	<b>(1,288)</b>	<b>931</b>	<b>(379)</b>	<b>(2,049)</b>	<b>993</b>
<b>Implied cash at end of period</b>	<b>2,120</b>	<b>3,051</b>	<b>2,672</b>	<b>623</b>	<b>1,616</b>

Source: Company data, RHB

Balance Sheet (THBm)	Dec-13	Dec-14	Dec-15	Dec-16F	Dec-17F
<b>Total cash and equivalents</b>	<b>2,156</b>	<b>3,607</b>	<b>2,672</b>	<b>623</b>	<b>1,616</b>
Accounts receivable	44	51	81	80	74
Other current assets	50,757	61,622	56,381	58,566	61,248
<b>Total current assets</b>	<b>52,957</b>	<b>65,280</b>	<b>59,134</b>	<b>59,268</b>	<b>62,938</b>
Total investments	597	97	88	82	82
Tangible fixed assets	5,124	5,839	6,472	6,780	6,983
Intangible assets	601	447	431	431	431
Total other assets	761	1,484	3,326	3,991	4,590
Total non-current assets	7,083	7,867	10,317	11,284	12,086
<b>Total assets</b>	<b>60,040</b>	<b>73,147</b>	<b>69,451</b>	<b>70,552</b>	<b>75,024</b>
Short-term debt	11,853	19,117	12,723	11,783	11,283
Accounts payable	2,251	2,009	1,371	1,347	1,260
Other current liabilities	5,284	6,442	5,855	5,275	5,104
<b>Total current liabilities</b>	<b>19,388</b>	<b>27,568</b>	<b>19,949</b>	<b>18,406</b>	<b>17,647</b>
Total long-term debt	22,816	19,979	20,646	22,000	26,000
Other liabilities	768	784	1,657	1,657	1,657
<b>Total non-current liabilities</b>	<b>23,584</b>	<b>20,763</b>	<b>22,303</b>	<b>23,657</b>	<b>27,657</b>
<b>Total liabilities</b>	<b>42,972</b>	<b>48,331</b>	<b>42,252</b>	<b>42,063</b>	<b>45,304</b>
Share capital	10,201	14,582	15,285	15,285	15,285
Retained earnings reserve	6,173	8,610	10,381	11,671	12,902
Other reserves	694	1,623	1,533	1,533	1,533
<b>Shareholders' equity</b>	<b>17,068</b>	<b>24,815</b>	<b>27,199</b>	<b>28,489</b>	<b>29,720</b>
Minority interests	(0)	1	(0)	0	0
Other equity	(0)	(0)	(0)	0	0
<b>Total equity</b>	<b>17,068</b>	<b>24,816</b>	<b>27,199</b>	<b>28,489</b>	<b>29,720</b>
<b>Total liabilities &amp; equity</b>	<b>60,040</b>	<b>73,147</b>	<b>69,451</b>	<b>70,552</b>	<b>75,024</b>

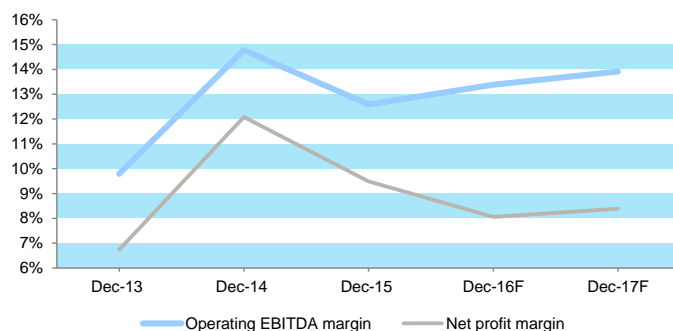
Source: Company data, RHB

Revenue growth vs Recurring net profit growth



Source: Company data, RHB

EBITDA margin vs Net profit margin



Source: Company data, RHB

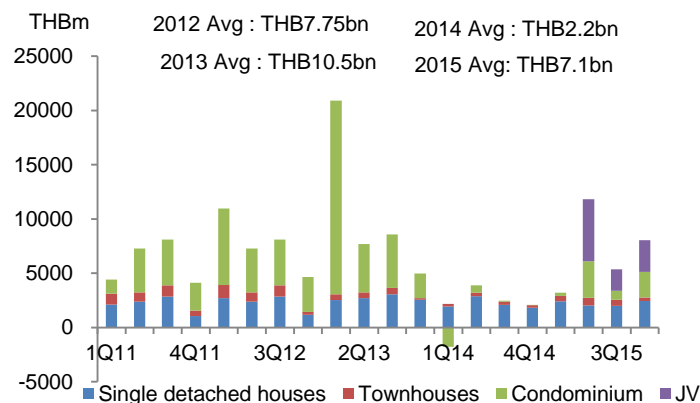
Figure 1: 4Q15 and 2015 results

FYE Dec (THBm)	4Q14	3Q15	4Q15	YoY (%)	QoQ (%)	2015	2014	YoY (%)	2015 Comments
Residential sales	10,124	10,037	9,505	(6.1)	(5.3)	35,152	27,174	29.4	In line with the company's guidance
Service income	248	513	605	144.0	17.9	1,803	919	96.2	Mainly from management fees charged to its JV condo projects
Total revenue	10,372	10,550	10,110	(2.5)	(4.2)	36,955	28,093	31.5	
Gross profit	3,414	3,009	3,225	(5.5)	7.2	10,842	9,189	18.0	
EBIT	2,001	1,384	1,708	(14.6)	23.4	4,872	4,042	20.5	
EBIT margin (%)	19.8	13.8	18.0			13.9	14.9		
Interest expense	(182)	(212)	(115)	(36.8)	(45.8)	(728)	(646)	12.7	
Pretax profit	1,819	1,172	1,593	(12.4)	35.9	4,144	3,396	22.0	
Net profit	1,232	1,061	1,003	(18.6)	(5.5)	3,506	3,393	3.3	5% above our estimate but 10% above Bloomberg's consensus estimate
Gross margin (%)	32.9%	28.5%	31.9%			29.3%	32.7%		
SG&A to sales ratio (%)	14.8%	16.4%	17.0%			17.5%	19.6%		Better efficiency and cost control
Net margin (%)	11.9%	10.1%	9.9%			9.5%	12.1%		Dipped below 10% again

FYE Dec (THBm)	4Q14	3Q15	4Q15	YoY (%)	QoQ (%)	2015	2014	Chg. (%)	2015 Comments
<b>Presales</b>									
SDH	1827	2016	2445	33.8	21.3	8,924	8,774	1.7	
Townhouse	250	558	319	27.6	(42.8)	2,066	1,095	88.7	
Condominium	3	817	2377	n.a.	190.9	6,870	(1,022)	(772.2)	Three projects worth THB10.6bn were 100% sold
JV with BTS	0	1990	2925	n.a.	47.0	10,642	-	n.a.	
<b>Total</b>	<b>2,080</b>	<b>5,381</b>	<b>8,066</b>	<b>287.8</b>	<b>49.9</b>	<b>28,502</b>	<b>8,847</b>	<b>222.2</b>	Below its guidance of THB30bn
<b>Realized sales (Turnover)</b>									
SDH	3,746	2,232	3,151	(15.9)	41.2	10,107	11,488	(12.0)	
Townhouse	422	553	406	(3.8)	(26.6)	1,996	1,621	23.1	
Condominium	5,950	7,252	5,974	0.4	(17.6)	23,048	14,045	64.1	Transfer of 42 completed projects
<b>Total</b>	<b>10,118</b>	<b>10,037</b>	<b>9,531</b>	<b>(5.8)</b>	<b>(5.0)</b>	<b>35,151</b>	<b>27,154</b>	<b>29.4</b>	In line with its guidance

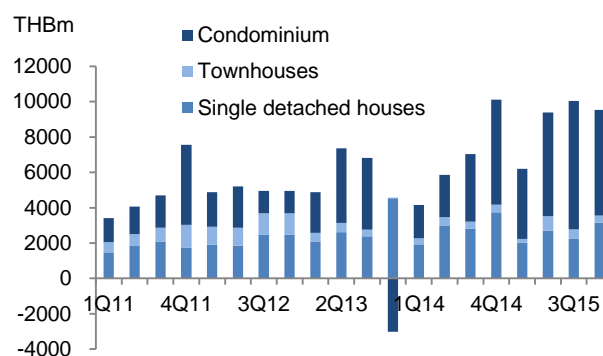
Source: Company data, RHB

Figure 2: Quarterly presales



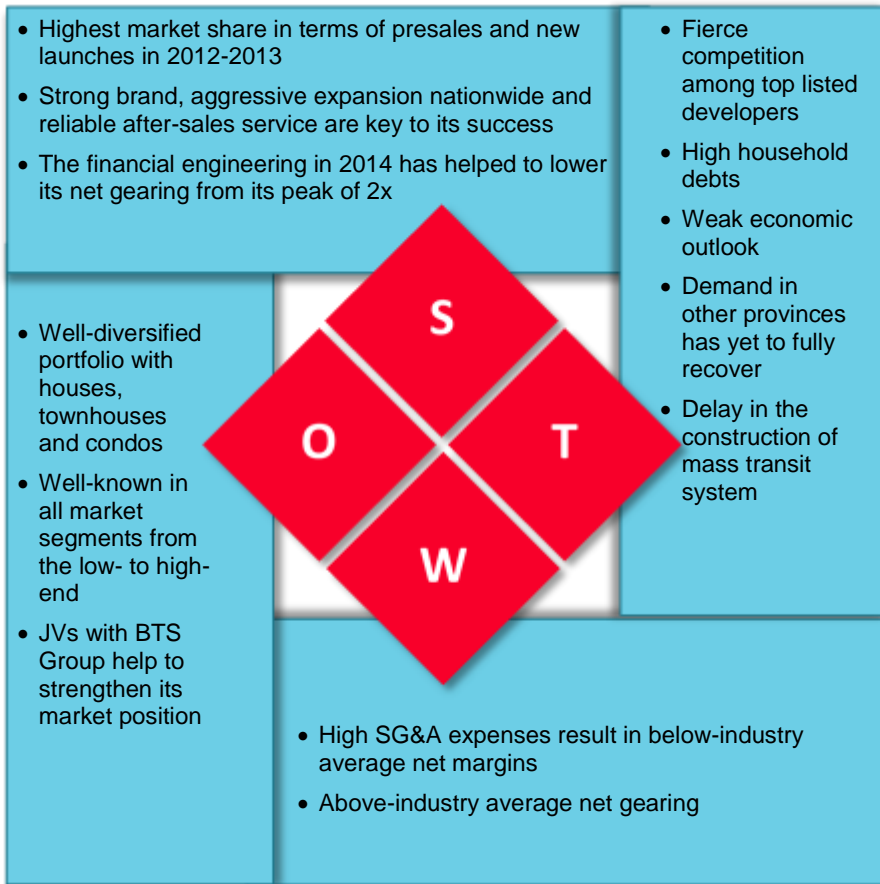
Source: Company data, RHB

Figure 3: Quarterly realised sales



Source: Company data, RHB

## SWOT Analysis



## Recommendation Chart



Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2015-11-18	Neutral	1.76	1.67
2015-09-23	Buy	2.00	1.68
2015-05-19	Buy	2.30	1.87
2015-03-02	Buy	2.60	2.08
2014-11-25	Buy	2.60	1.95
2014-10-20	Buy	2.50	1.98
2014-08-15	Trading Buy	2.34	1.84
2014-07-30	Trading Buy	2.34	1.84
2014-07-16	Trading Buy	2.70	2.09
2014-05-16	Neutral	2.10	1.62

Source: RHB, Bloomberg

## RHB Guide to Investment Ratings

**Buy:** Share price may exceed 10% over the next 12 months

**Trading Buy:** Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain

**Neutral:** Share price may fall within the range of +/- 10% over the next 12 months

**Take Profit:** Target price has been attained. Look to accumulate at lower levels

**Sell:** Share price may fall by more than 10% over the next 12 months

**Not Rated:** Stock is not within regular research coverage

## Investment Research Disclaimers

RHB has issued this report for information purposes only. This report is intended for circulation amongst RHB and its affiliates' clients generally or such persons as may be deemed eligible by RHB to receive this report and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. This report is not intended, and should not under any circumstances be construed as, an offer or a solicitation of an offer to buy or sell the securities referred to herein or any related financial instruments.

This report may further consist of, whether in whole or in part, summaries, research, compilations, extracts or analysis that has been prepared by RHB's strategic, joint venture and/or business partners. No representation or warranty (express or implied) is given as to the accuracy or completeness of such information and accordingly investors should make their own informed decisions before relying on the same.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to the applicable laws or regulations. By accepting this report, the recipient hereof (i) represents and warrants that it is lawfully able to receive this document under the laws and regulations of the jurisdiction in which it is located or other applicable laws and (ii) acknowledges and agrees to be bound by the limitations contained herein. Any failure to comply with these limitations may constitute a violation of applicable laws.

All the information contained herein is based upon publicly available information and has been obtained from sources that RHB believes to be reliable and correct at the time of issue of this report. However, such sources have not been independently verified by RHB and/or its affiliates and this report does not purport to contain all information that a prospective investor may require. The opinions expressed herein are RHB's present opinions only and are subject to change without prior notice. RHB is not under any obligation to update or keep current the information and opinions expressed herein or to provide the recipient with access to any additional information. Consequently, RHB does not guarantee, represent or warrant, expressly or impliedly, as to the adequacy, accuracy, reliability, fairness or completeness of the information and opinion contained in this report. Neither RHB (including its officers, directors, associates, connected parties, and/or employees) nor does any of its agents accept any liability for any direct, indirect or consequential losses, loss of profits and/or damages that may arise from the use or reliance of this research report and/or further communications given in relation to this report. Any such responsibility or liability is hereby expressly disclaimed.

Whilst every effort is made to ensure that statement of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable and must not be construed as a representation that the matters referred to therein will occur. Different assumptions by RHB or any other source may yield substantially different results and recommendations contained on one type of research product may differ from recommendations contained in other types of research. The performance of currencies may affect the value of, or income from, the securities or any other financial instruments referenced in this report. Holders of depositary receipts backed by the securities discussed in this report assume currency risk. Past performance is not a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this report relates, either directly or indirectly, may fall or rise against the interest of investors.

This report does not purport to be comprehensive or to contain all the information that a prospective investor may need in order to make an investment decision. The recipient of this report is making its own independent assessment and decisions regarding any securities or financial instruments referenced herein. Any investment discussed or recommended in this report may be unsuitable for an investor depending on the investor's specific investment objectives and financial position. The material in this report is general information intended for recipients who understand the risks of investing in financial instruments. This report does not take into account whether an investment or course of action and any associated risks are suitable for the recipient. Any recommendations contained in this report must therefore not be relied upon as investment advice based on the recipient's personal circumstances. Investors should make their own independent evaluation of the information contained herein, consider their own investment objective, financial situation and particular needs and seek their own financial, business, legal, tax and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to RHB and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this

report should not place undue reliance on any such forward-looking statements. RHB expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

The use of any website to access this report electronically is done at the recipient's own risk, and it is the recipient's sole responsibility to take precautions to ensure that it is free from viruses or other items of a destructive nature. This report may also provide the addresses of, or contain hyperlinks to, websites. RHB takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to RHB own website material) are provided solely for the recipient's convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or RHB website shall be at the recipient's own risk.

This report may contain information obtained from third parties. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of their content.

The research analysts responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. The research analysts that authored this report are precluded by RHB in all circumstances from trading in the securities or other financial instruments referenced in the report, or from having an interest in the company(ies) that they cover.

RHB and/or its affiliates and/or their directors, officers, associates, connected parties and/or employees, may have, or have had, interests in the securities or qualified holdings, in subject company(ies) mentioned in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities. Further, RHB and/or its affiliates may have, or have had, business relationships with the subject company(ies) mentioned in this report and may from time to time seek to provide investment banking or other services to the subject company(ies) referred to in this research report. As a result, investors should be aware that a conflict of interest may exist.

The contents of this report is strictly confidential and may not be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, to any other person without the prior express written consent of RHB and/or its affiliates. This report has been delivered to RHB and its affiliates' clients for information purposes only and upon the express understanding that such parties will use it only for the purposes set forth above. By electing to view or accepting a copy of this report, the recipients have agreed that they will not print, copy, videotape, record, hyperlink, download, or otherwise attempt to reproduce or re-transmit (in any form including hard copy or electronic distribution format) the contents of this report. RHB and/or its affiliates accepts no liability whatsoever for the actions of third parties in this respect.

The contents of this report are subject to copyright. Please refer to Restrictions on Distribution below for information regarding the distributors of this report. Recipients must not reproduce or disseminate any content or findings of this report without the express permission of RHB and the distributors.

The securities mentioned in this publication may not be eligible for sale in some states or countries or certain categories of investors. The recipient of this report should have regard to the laws of the recipient's place of domicile when contemplating transactions in the securities or other financial instruments referred to herein. The securities discussed in this report may not have been registered in such jurisdiction. Without prejudice to the foregoing, the recipient is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

## **RESTRICTIONS ON DISTRIBUTION**

### **Malaysia**

This report is issued and distributed in Malaysia by RHB Research Institute Sdn Bhd. The views and opinions in this report are our own as of the date hereof and is subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. RHB Research Institute Sdn Bhd has no obligation to update its opinion or the information in this report.

### **Thailand**

This report is issued and distributed in the Kingdom of Thailand by RHB Securities (Thailand) PCL, a licensed securities company that is authorised by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is a member of the Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. RHB Securities (Thailand) PCL does not endorse, confirm nor certify the result of the Corporate Governance Report of Thai Listed Companies.

**Indonesia**

This report is issued and distributed in Indonesia by PT RHB Securities Indonesia. This research does not constitute an offering document and it should not be construed as an offer of securities in Indonesia. Any securities offered or sold, directly or indirectly, in Indonesia or to any Indonesian citizen or corporation (wherever located) or to any Indonesian resident in a manner which constitutes a public offering under Indonesian laws and regulations must comply with the prevailing Indonesian laws and regulations.

**Singapore**

This report is issued and distributed in Singapore by RHB Research Institute Singapore Pte Ltd and it may only be distributed in Singapore to accredited investors, expert investors and institutional investors as defined in the Financial Advisers Regulations and the Securities and Futures Act (Chapter 289), as amended from time to time. By virtue of distribution to these categories of investors, RHB Research Institute Singapore Pte Ltd and its representatives are not required to comply with Section 36 of the Financial Advisers Act (Chapter 110) (Section 36 relates to disclosure of RHB Research Institute Singapore Pte Ltd's interest and/or its representative's interest in securities). Recipients of this report in Singapore may contact RHB Research Institute Singapore Pte Ltd in respect of any matter arising from or in connection with the report.

**Hong Kong**

This report is issued and distributed in Hong Kong by RHB Securities Hong Kong Limited (興業僑豐證券有限公司) (CE No.: ADU220) ("RHBSHK") which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact RHB Securities Hong Kong Limited.

**United States**

This report was prepared by RHB and is being distributed solely and directly to "major" U.S. institutional investors as defined under, and pursuant to, the requirements of Rule 15a-6 under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act"). RHB is not registered as a broker-dealer in the United States and does not offer brokerage services to U.S. persons. Any order for the purchase or sale of the securities discussed herein that are listed on Bursa Malaysia Securities Berhad must be placed with and through Auerbach Grayson ("AG"). Any order for the purchase or sale of all other securities discussed herein must be placed with and through such other registered U.S. broker-dealer as appointed by RHB from time to time as required by the Exchange Act Rule 15a-6.

This report is confidential and not intended for distribution to, or use by, persons other than the recipient and its employees, agents and advisors, as applicable.

Additionally, where research is distributed via Electronic Service Provider, the analysts whose names appear in this report are not registered or qualified as research analysts in the United States and are not associated persons of Auerbach Grayson AG or such other registered U.S. broker-dealer as appointed by RHB from time to time and therefore may not be subject to any applicable restrictions under Financial Industry Regulatory Authority ("FINRA") rules on communications with a subject company, public appearances and personal trading.

Investing in any non-U.S. securities or related financial instruments discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the U.S. Securities and Exchange Commission. Information on non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in the United States.

The financial instruments discussed in this report may not be suitable for all investors.

Transactions in foreign markets may be subject to regulations that differ from or offer less protection than those in the United States.

**OWNERSHIP AND MATERIAL CONFLICTS OF INTEREST****Malaysia**

RHB does not have qualified shareholding (1% or more) in the subject company (ies) covered in this report except for:

a) -

RHB and/or its subsidiaries are not liquidity providers or market makers for the subject company (ies) covered in this report except for:

a) -

RHB and/or its subsidiaries have not participated as a syndicate member in share offerings and/or bond issues in securities covered in this report in the last 12 months except for:

a) -

RHB has not provided investment banking services to the company/companies covered in this report in the last 12 months except for:

a) -

**Thailand**

RHB Securities (Thailand) PCL and/or its directors, officers, associates, connected parties and/or employees, may have, or have had, interests and/or commitments in the securities in subject company(ies) mentioned in this report or any securities related thereto. Further, RHB Securities (Thailand) PCL may have, or have had, business relationships with the subject company(ies) mentioned in this report. As a result, investors should exercise their own judgment carefully before making any investment decisions.

**Indonesia**

PT RHB Securities Indonesia is not affiliated with the subject company(ies) covered in this report both directly or indirectly as per the definitions of affiliation above.

Pursuant to the Capital Market Law (Law Number 8 Year 1995) and the supporting regulations thereof, what constitutes as affiliated parties are as follows:

1. Familial relationship due to marriage or blood up to the second degree, both horizontally or vertically;
2. Affiliation between parties to the employees, Directors or Commissioners of the parties concerned;
3. Affiliation between 2 companies whereby one or more member of the Board of Directors or the Commissioners are the same;
4. Affiliation between the Company and the parties, both directly or indirectly, controlling or being controlled by the Company;
5. Affiliation between 2 companies which are controlled, directly or indirectly, by the same party; or
6. Affiliation between the Company and the main Shareholders.

PT RHB Securities Indonesia is not an insider as defined in the Capital Market Law and the information contained in this report is not considered as insider information prohibited by law.

Insider means:

- a. a commissioner, director or employee of an Issuer or Public Company;
- b. a substantial shareholder of an Issuer or Public Company;
- c. an individual, who because of his position or profession, or because of a business relationship with an Issuer or Public Company, has access to inside information; and
- d. an individual who within the last six months was a Person defined in letters a, b or c, above.

**Singapore**

RHB Research Institute Singapore Pte Ltd and/or its subsidiaries and/or associated companies do not make a market in any securities covered in this report, except for:

- (a) -

The staff of RHB Research Institute Singapore Pte Ltd and its subsidiaries and/or its associated companies do not serve on any board or trustee positions of any issuer whose securities are covered in this report, except for:

- (a) -

RHB Research Institute Singapore Pte Ltd and/or its subsidiaries and/or its associated companies do not have and have not within the last 12 months had any corporate finance advisory relationship with the issuer of the securities covered in this report or any other relationship (including a shareholding of 1% or more in the securities covered in this report) that may create a potential conflict of interest, except for:

- (a) -

**Hong Kong**

RHBSHK or any of its group companies may have financial interests in relation to an issuer or a new listing applicant (as the case may be) the securities in respect of which are reviewed in the report, and such interests aggregate to an amount equal to or more than (a) 1% of the subject company's market capitalization (in the case of an issuer as defined under paragraph 16 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "Code of Conduct"); and/or (b) an amount equal to or more than 1% of the subject company's issued share capital, or issued units, as applicable (in the case of a new listing applicant as defined in the Code of Conduct). Further, the analysts named in this report or their associates may have financial interests in relation to an issuer or a new listing applicant (as the case may be) in the securities which are reviewed in the report.



RHBSHK or any of its group companies may make a market in the securities covered by this report.

RHBSHK or any of its group companies may have analysts or their associates, individual(s) employed by or associated with RHBSHK or any of its group companies serving as an officer of the company or any of the companies covered by this report.

RHBSHK or any of its group companies may have received compensation or a mandate for investment banking services to the company or any of the companies covered by this report within the past 12 months.

Note: The reference to "group companies" above refers to a group company of RHBSHK that carries on a business in Hong Kong in (a) investment banking; (b) proprietary trading or market making; or (c) agency broking, in relation to securities listed or traded on The Stock Exchange of Hong Kong Limited.

Kuala Lumpur	Hong Kong	Singapore
<p><b>RHB Research Institute Sdn Bhd</b> Level 11, Tower One, RHB Centre Jalan Tun Razak Kuala Lumpur Malaysia Tel : +(60) 3 9280 2185 Fax : +(60) 3 9284 8693</p>	<p><b>RHB Securities Hong Kong Ltd.</b> 12<sup>th</sup> Floor World-Wide House 19 Des Voeux Road Central, Hong Kong Tel : +(852) 2525 1118 Fax : +(852) 2810 0908</p>	<p><b>RHB Research Institute Singapore Pte Ltd (formerly known as DMG &amp; Partners Research Pte Ltd)</b> 10 Collyer Quay #09-08 Ocean Financial Centre Singapore 049315 Tel : +(65) 6533 1818 Fax : +(65) 6532 6211</p>
Jakarta	Shanghai	Bangkok
<p><b>PT RHB Securities Indonesia</b> Wisma Mulia, 20th Floor Jl. Jenderal Gatot Subroto No. 42 Jakarta 12710, Indonesia Tel : +(6221) 2783 0888 Fax : +(6221) 2783 0777</p>	<p><b>RHB (China) Investment Advisory Co. Ltd.</b> Suite 4005, CITIC Square 1168 Nanjing West Road Shanghai 20041 China Tel : +(8621) 6288 9611 Fax : +(8621) 6288 9633</p>	<p><b>RHB Securities (Thailand) PCL</b> 10th Floor, Sathorn Square Office Tower 98, North Sathorn Road, Silom Bangrak, Bangkok 10500 Thailand Tel: +(66) 2 862 9999 Fax : +(66) 2 862 9799</p>

## Thai Institute of Directors Association (IOD) – Corporate Governance Report Rating 2015



### Excellent

ADVANC	CPN	GRAMMY	KBANK	MCOT	PS	RATCH	SCB	THCOM	WACOAL
BAFS	DRT	HANA	KCE	MINT	PSL	ROBINS	SCC	TISCO	
BCP	DTAC	HMPRO	KKP	MONO	PTT	SAMART	SE-ED	TKT	
BIGC	DTC	INTUCH	KTB	NKI	PTTEP	SAMTEL	SIM	TMB	
BTS	EASTW	IRPC	LHBANK	PHOL	PTTGC	SAT	SNC	TOP	
CK	EGCO	IVL	LPN	PPS	QTC	SC	SPALI	VGI	



### Very Good

AAV	BBL	COL	HEMRAJ	MC	PG	SCG	SST	THIP	TPC	TWS
ACAP	BDMS	CPF	HOTPOT	MEGA	PJW	SEAFCO	STA	THRE	TPCORP	UAC
AGE	BECL	CPI	HYDRO	MFEC	PM	SFP	STEC	THREL	TRC	UT
AHC	BKI	CSL	ICC	NBC	PPP	SIAM	SVI	TICON	TRU	UV
AKP	BLA	DCC	ICHI	NCH	PR	SINGER	SWC	TIP	TRUE	VNT
AMATA	BMCL	DELTA	INET	NINE	PRANDA	SIS	SYMC	TIPCO	TSC	WAVE
ANAN	BOL	DEMCO	IRC	NSI	PREB	SITHAI	SYNTEC	TK	TSTE	WINNER
AOT	BROOK	ECF	KSL	NTV	PT	SMK	TASCO	TKS	TSTH	YUASA
APCS	BWG	EE	KTC	OCC	PTG	SMPC	TBSP	TMI	TTA	ZMICO
ARIP	CENDEL	ERW	LANNA	OGC	Q-CON	SMT	TCAP	TMILL	TTCL	
ASIMAR	CFRESH	GBX	LH	OISHI	QH	SNP	TF	TMT	TTW	
ASK	CHO	GC	LOXLEY	OTO	RS	SPI	TGCI	TNDT	TU	
ASP	CIMBT	GFPT	LRH	PAP	S&J	SSF	THAI	TNITY	TVD	
BANPU	CM	GLOBAL	MACO	PDI	SABINA	SSI	THANA	TNL	TVO	
BAY	CNT	GUNKUL	MBK	PE	SAMCO	SSSC	THANI	TOG	TWFP*	

\* On Oct 1, 2015 TWFP TWFP merged with TWS resulting in a new company, TWPC



### Good

2S	AS	CBG	DNA	GCAP	ITD	LHK	MK	PATO	PTL	SEAOIL	STPI
AEC	ASIA	CGD	EARTH	GENCO	JSP	LIT	MODERN	PB	PYLON	SIRI	SUC
AEONTS	AUCT	CHG	EASON	GL	JTS	LIVE	MOONG	PCA	QLT	SKR	SUSCO
AF	AYUD	CHOW	ECL	GLAND	JUBILE	LST	MPG	PCSGH	RCL	SMG	SUTHA
AH	BA	CI	EFORL	GLOW	KASET	M	MSC	PDG	RICHY	SOLAR	SYNTEC
AIRA	BEAUTY	CITY	ESSO	GOLD	KBS	MAJOR	MTI	PF	RML	SORKON	TAE
AIT	BEC	CKP	FE	GYT	KCAR	MAKRO	MTLS	PICO	RPC	SPA	TAKUNI
AJ	BFIT	CNS	FIRE	HTC	KGI	MATCH	NC	PL	S	SPC	TCC
AKR	BH	CPALL	FOCUS	HTECH	KKC	MATI	NOK	PLANB	SALEE	SPCG	TCCC
AMANAH	BIG	CPL	FORTH	IEC	KTIS	MBKET	NUSA	PLAT	SAPPE	SPPT	TCJ
AMARIN	BJC	CSC	FPI	IFEC	KWC	M-CHAI	NWR	PPM	SAWAD	SPVI	TEAM
AP	BJCHI	CSP	FSMART	IFS	KYE	MFC	NYT	PRG	SCCC	SRICHA	TFD
APCO	BKD	CSS	FSS	IHL	L&E	MILL	OCEAN	PRIN	SCN	SSC	TFI
AQUA	BTNC	CTW	FVC	IRCP	LALIN	MJD	PACE	PSTC	SCP	STANLY	TIC
								TIW	TPIPL	UPF	VPO
								TLUXE	TRT	UPOIC	WHA
								TMC	TSE	UREKA	WIN
								TMD	TSR	UWC	XO
								TOPP	UMI	VIBHA	
								TPCH	UP	VIH	

ช่วงคะแนน	Score Range	สัญลักษณ์ Number of Logo	ความหมาย	Description
90 - 100		▲▲▲▲▲	ดีเลิศ	Excellent
80 - 89		▲▲▲▲	ดีมาก	Very Good
70 - 79		▲▲▲	ดี	Good
60 - 69		▲▲	ดีพอใช้	Satisfactory
50 - 59		▲	ผ่าน	Pass
ต่ำกว่า 50		No logo given	N/A	N/A
		จะทำการเผยแพร่รายชื่อเฉพาะบริษัทที่ได้คะแนนอยู่ในระดับ "ดี" ขึ้นไป ซึ่งมี 3 กลุ่มคือ "ดีมาก" และ "ดีเลิศ" โดยประกาศรายชื่อบริษัทในแต่ละกลุ่มไว้บนหน้าเว็บไซต์ของบริษัทในภาษาอังกฤษ		In order to recognize well performed companies, companies classified into the three highest score groups (Good, Very Good, and Excellent) will be announced to the public.

### IOD (IOD Disclaimer)

การเปิดเผยผลการสำรวจของสมาคมส่งเสริมสถาบันกรรมการบริษัทไทย (IOD) ในเรื่องการกำกับดูแลกิจการ (Corporate Governance) นี้เป็นการดำเนินการตามนโยบายของสำนักงานคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์ โดยการสำรวจของ IOD เป็นการสำรวจและประเมินจากข้อมูลของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทยและตลาดหลักทรัพย์เอ็มเอไอ ที่มีการเปิดเผยต่อสาธารณะและเป็นข้อมูลให้ผู้ลงทุนทั่วไปสามารถเข้าถึงได้ ดังนั้นผลสำรวจดังกล่าวจึงเป็นการนำเสนอในมุมมองของบุคคลภายนอกโดยไม่ได้เป็นการประเมินการปฏิบัติและมีได้มีการใช้ข้อมูลภายในในการประเมิน

อนึ่ง ผลการสำรวจดังกล่าว เป็นผลการสำรวจ ณ วันที่ปรากฏในรายงานการกำกับดูแลกิจการบริษัทจดทะเบียนไทยเท่านั้น ดังนั้นผลการสำรวจจึงอาจเปลี่ยนแปลงได้ภายหลังจากดังกล่าว ทั้งนี้บริษัทหลักทรัพย์ อาร์เอสบี จำกัด (มหาชน) มิได้ยืนยันหรือรับรองถึงความถูกต้องของผลการสำรวจดังกล่าวแต่อย่างใด

## การเปิดเผยข้อมูล Anti-corruption Progress Indicator

ระดับ 5	Extended	ขยายผลสู่ผู้ที่เกี่ยวข้อง	มีการขยายผลการดำเนินนโยบายต่อต้านการทุจริตสู่ผู้ที่เกี่ยวข้องในห่วงโซ่อุปทาน และการเปิดเผยข้อมูลที่เกี่ยวข้องกับกรณีทุจริตที่เกิดขึ้น
ระดับ 4	Certified	ได้รับการรับรอง	มีการสอบทานจากคณะกรรมการตรวจสอบหรือผู้สอบบัญชีที่สำนักงาน ก.ล.ด. ให้ความเห็นชอบ และได้รับการรับรองหรือผ่านการตรวจสอบเพื่อให้ความเชื่อมั่นอย่างเป็นทางการจากหน่วยงานภายนอก (เช่น CAC)
ระดับ 3	Established	มีมาตรการป้องกัน	มีมาตรการป้องกัน การประเมินความเสี่ยง การสื่อสารและฝึกอบรมแก่พนักงาน รวมทั้งการดูแลให้มีการดำเนินการและการทบทวนความเหมาะสมของมาตรการอย่างสม่ำเสมอ
		- ระดับ 3A	บริษัทมีการประกาศเจตนารมณ์เข้าร่วมโครงการ CAC หรือภาคี
		- ระดับ 3B	บริษัทมีค่านิยมและนโยบายของบริษัท แต่มิได้ประกาศเจตนารมณ์เข้าร่วมโครงการ CAC หรือภาคี
ระดับ 2	Declared	ประกาศเจตนารมณ์	มีการประกาศเจตนารมณ์เข้าเป็นแนวร่วมปฏิบัติของภาคเอกชนไทยในการต่อต้านการทุจริต (CAC) หรือโครงการต่อต้านทุจริตที่กำหนดให้องค์กรต้องมีกระบวนการในตนเองเดียวกัน
ระดับ 1	Committed	มีนโยบาย	มีค่านิยมหรือค่านิยมในการดำเนินการด้านธุรกิจที่จะไม่มีส่วนเกี่ยวข้องกับการทุจริต และการดูแลให้บริษัทปฏิบัติให้เป็นไปตามกฎหมายที่เกี่ยวข้อง

ข้อมูล Anti-corruption Progress Indicator จากสถาบันไทยพัฒน์ (ข้อมูล ณ วันที่ 6 พฤศจิกายน 2558)