

SET ESG Rating of AA

**Outperform** • Maintained

Price as of 23 Apr 2024	14.80
12M target price (Bt/shr)	20.60
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	39.2

**Key messages**

MAJOR is expected to report a 1Q24F net profit of Bt117mn (+67% YoY, -65% QoQ). Growth YoY would be from better revenue and margin, including tax benefit. The decline QoQ would be from seasonality. Going forward, we expect MAJOR's operations to improve QoQ in 2Q24F supported by a stronger movie lineup, especially domestic films. We maintain a rating of Outperform with a 2024 target price of Bt20.60 (PE at 21x).

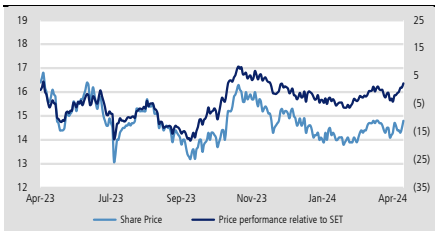
**Trading data**

Mkt cap (Btbn/US\$bn)	13,241/331		
Outstanding shares (mn)	895		
Foreign ownership (mn)	270		
3M avg. daily trading (mn)	3		
52-week trading range (Bt)	13.1-16.8		
Performance (%)	3M	6M	12M
Absolute	4.2	5.7	-9.8
Relative	6.0	6.8	3.6

**Quarterly EPS**

	Bt	1Q	2Q	3Q	4Q
2021	(0.13)	(0.24)	2.03	N.A	
2022	0.03	0.15	0.02	0.08	
2023	0.08	0.59	0.12	0.37	

**Share price chart**



Source: SET

Panthip Apai  
66.2658.8888 Ext. 8856  
panthipa@kgi.co.th

# Major Cineplex Group

(MAJOR.BK/MAJOR.TB)



## 1Q24F earnings preview: Thai movies continue to show positive momentum

**Event**

1Q24F earnings preview.

**Impact**

**Earnings to grow 67% YoY, but decline 65% QoQ**

MAJOR is estimated to report a 1Q24F net profit of Bt117mn (+67% YoY, -65% QoQ). The improvement YoY would be from i) greater revenues from almost all segments, ii) better gross margin, and iii) tax income of around Bt60mn related to selling Zalekta (ZAA.BK/ZAA.TB) shares (previously MPIC). The decline QoQ would be due to i) decreased revenues on seasonality and many successful local movies in 4Q23, and ii) lower margin. As the first quarter is typically the low season for MAJOR, its 1Q24F net profit should account for only 13% of our full-year forecast.

**Operations to improve YoY, but drop QoQ on seasonality**

Revenue should improve 7% YoY but decline 42% QoQ to Bt1.7bn. With guest counts increasing YoY and gaining momentum from local movies (Pee Nak 4, Hor Taew Tak10), ticket and concession revenues (76% of total revenue) should increase to Bt1.3bn (+9% YoY). Cinema revenues should decline 46% QoQ as it was the low season. Advertising revenue (12% of total revenue) should align with audience numbers and improve 8% YoY but decline 43% QoQ to Bt110mn. GPM should also improve YoY to 30.7%, improving from 29.2% in 1Q23, but declining from 39.1% in 4Q23 due to a drop in revenues. SG&A expenses are expected to increase YoY, but decrease QoQ due to marketing expenses to boost local movies in 4Q23. SG&A/sales should be at 28.1% (vs. 25.3% in 1Q23 and 24.4% in 4Q23).

**Entering high seasonal in 2Q24F**

With a stronger movie line-up in 2Q24F (Figure 4), we believe cinema revenues and other operations should improve QoQ. Note that ticket sales for the domestic movie Lahn Mah are currently at Bt200mn and Godzilla x Kong The New Empire are at Bt150mn. Together with better margin, MAJOR's earnings should grow QoQ in 2Q24F. However, net profit should decline YoY in 2Q24F due to extra gain from selling ZAA shares in 2Q23. The company will book further tax income of around Bt80mn during 2Q24F-3Q24F.

**Valuation & Action**

We maintain a rating of Outperform with a 2024 target price of Bt20.60 (PE at 21x, +1 S.D. its historical average).

**Risks**

Lower-than-expected cinema revenues.

**Key financials and valuations**

	Dec-21A	Dec-22A	Dec-23A	Dec-24F	Dec-25F
Revenue (Btmn)	3,010	6,388	8,551	9,655	10,494
Gross Profit (Btmn)	151	1,777	2,868	3,293	3,733
EBIT (Btmn)	(1,704)	44	709	947	1,194
Net Profit (Btmn)	1,581	252	1,042	874	1,010
Normalized Profit (Btmn)	(710)	151	670	874	1,010
EPS (Bt)	1.77	0.28	1.16	0.98	1.13
DPS (Bt)	1.60	0.25	0.65	0.73	0.85
EPS growth (%)	NM	(84.1)	313.3	(16.2)	15.6
P/E (x)	11.3	64.6	12.8	15.2	13.1
P/B (x)	2.5	2.3	2.2	2.0	1.9
Net debt/Equity (x)	0.2	0.1	0.3	0.1	Net cash
Dividend yield (%)	8.0	1.4	4.4	4.9	5.7
Return on Average Equity (%)	22.7	3.5	15.6	13.8	15.0

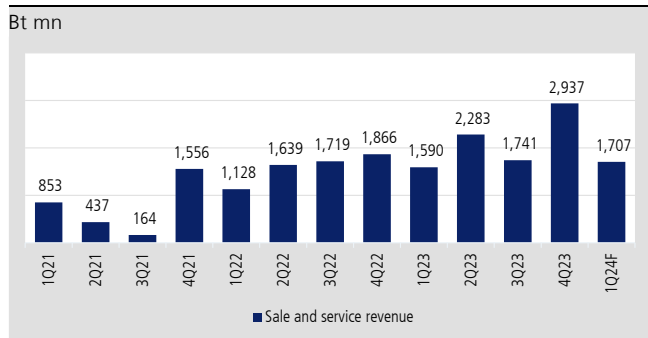
Source: Company data, KGI Securities Research

Figure 1: MAJOR's 1Q24F earnings preview

Bt mn	1Q24F	1Q23	YoY (%)	4Q23	QoQ (%)	2024F	2023	YoY (%)
<b>Revenue</b>	<b>1,707</b>	<b>1,590</b>	<b>7.3</b>	<b>2,937</b>	<b>(41.9)</b>	<b>9,655</b>	<b>8,551</b>	<b>12.9</b>
Gross Profit	524	464	13.0	1,148	(54.3)	3,293	2,868	14.9
SG&A	(479)	(403)	18.9	(718)	(33.3)	(2,346)	(2,169)	8.2
Operating Profit	45	61	(26.0)	430	(89.5)	947	699	35.6
Operating EBITDA	359	353	NM	744	(52)	2,245	1,919	17
Pre-tax Profit	85	130	(34.7)	463	(81.6)	1,517	1,314	15.5
<b>Net Profit</b>	<b>117</b>	<b>70</b>	<b>66.9</b>	<b>335</b>	<b>(65.2)</b>	<b>874</b>	<b>1,042</b>	<b>(16.1)</b>
EPS (Bt)	0.13	0.08	66.9	0.37	(65.2)	0.98	1.16	(16.1)
<b>Core Profit</b>	<b>117</b>	<b>70</b>	<b>66.9</b>	<b>335</b>	<b>(65.2)</b>	<b>874</b>	<b>611</b>	<b>43.0</b>
Key factors	1Q24F	1Q23	YoY (ppts)	4Q23	QoQ (ppts)	2024F	2023	YoY (ppts)
Gross margin (%)	30.7	29.2	1.5	39.1	(8.4)	34.1	33.5	0.6
SG&A/sales (%)	28.1	25.3	2.7	24.4	3.6	24.3	25.4	(1.1)

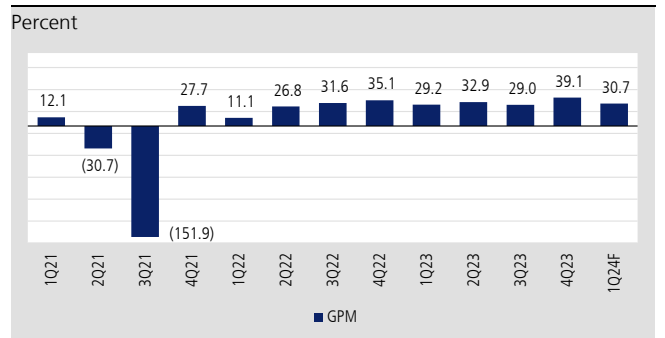
Source: Company data, KGI Securities Research  
 Note that 1Q23 SG&A expenses were below normal levels as there was some cost reversal

Figure 2: Revenue



Source: Company data, KGI Securities Research

Figure 3: Gross margin



Source: Company data, KGI Securities Research

Figure 4: 2Q24 movie line-up

Lahn-Mah	Godzilla x Kong The new empire	Dune 2	Kingdom Of The Planet Of The Apes	A Quiet Place Day One

Source: Company data, KGI Securities Research

**Figure 5: Key assumptions**

	2021A	2022A	2023A	2024F	2025F
<b>Revenue (Btmn)</b>	<b>3,010</b>	<b>6,388</b>	<b>8,551</b>	<b>9,655</b>	<b>10,494</b>
Cinema	2,255	4,960	6,708	7,595	8,283
Admission	1,470	3,243	4,368	4,894	5,353
Concession	786	1,717	2,340	2,701	2,930
Advertising	294	675	974	1,120	1,232
Bowling	78	325	444	470	493
Rental	273	236	245	251	256
Movie content	109	192	181	220	230
GPM (%)	5.0	27.8	33.5	34.1	35.6
SG&A to sales (%)	61.6	27.1	25.2	24.3	24.2
Number of guest (mn person)	6.7	21.3	33.2	36.5	38.3
Average ticket price (Bt)	166	176	151	152	156

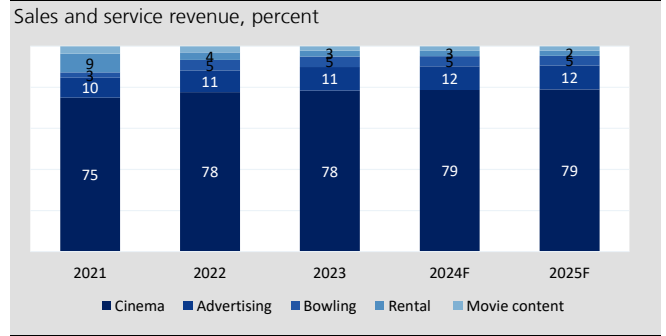
Source: Company data, KGI Securities Research

**Figure 6: Company profile**

Major Cineplex Group Public Company Limited (MAJOR) is a leading cinema service provider in Thailand. The company also provides other businesses that are advertising business, bowling business, rental business and movie content business. The company's core revenue comes from cinema business which represented 78% of total sales and services revenue in 2023, followed by advertising business that accounted for 11%.

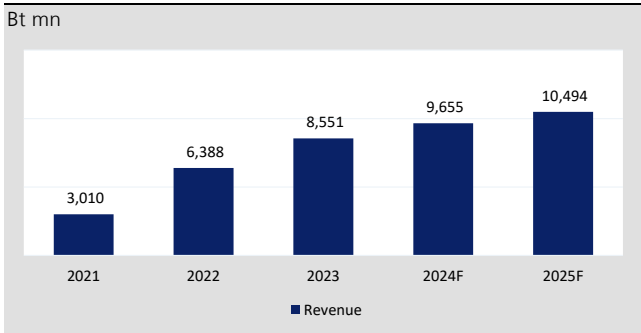
Source: Company data, KGI Securities Research

**Figure 7: Breakdown of sales and service revenue**



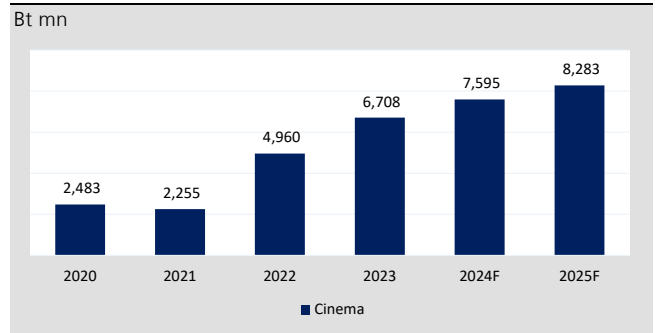
Source: Company data, KGI Securities Research

**Figure 8: Sales and service revenues**



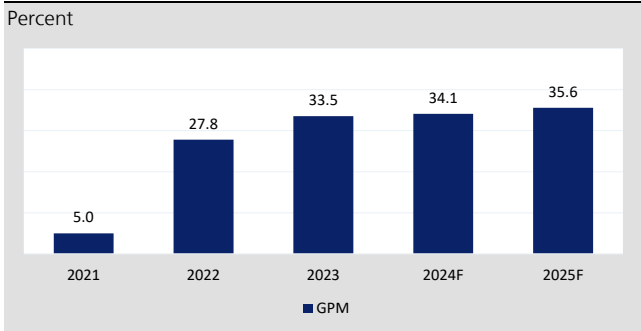
Source: Company data, KGI Securities Research

**Figure 9: Cinema revenue (80% of total revenue)**



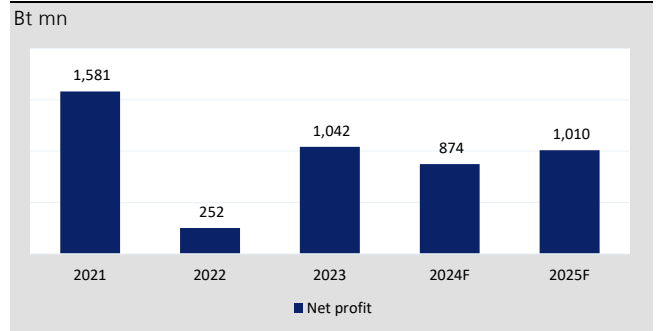
Source: Company data, KGI Securities Research

**Figure 10: Gross profit margin**



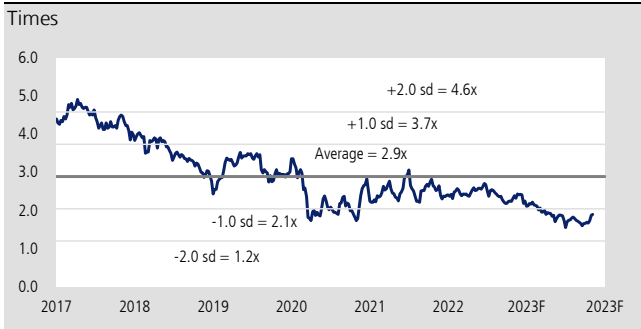
Source: Company data, KGI Securities Research

**Figure 11: Net profit**



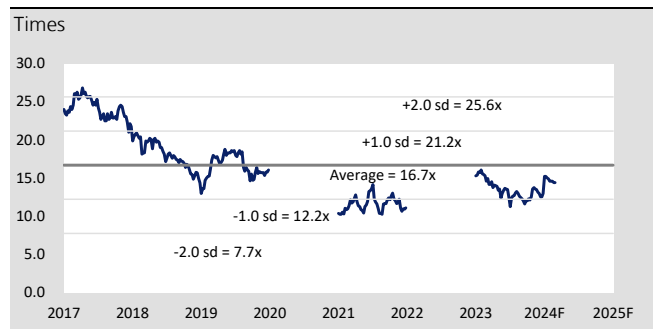
Source: Company data, KGI Securities Research

**Figure 12: PBV**



Source: Company data, KGI Securities Research

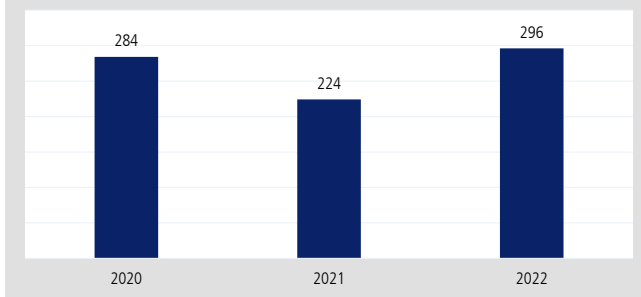
**Figure 13: PER**



Source: KGI Securities Research

**Figure 14: Total water withdrawal**

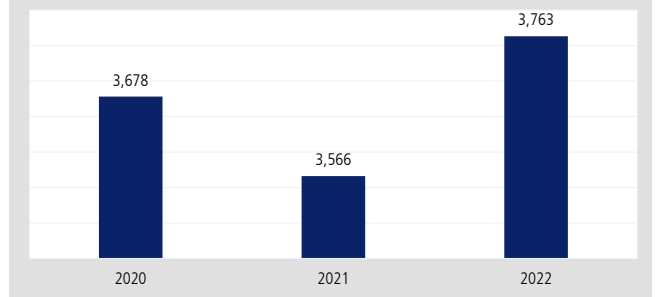
Water withdrawal, '000 m3



Source: Company data, SETSMART, KGI Securities Research

**Figure 15: Total waste**

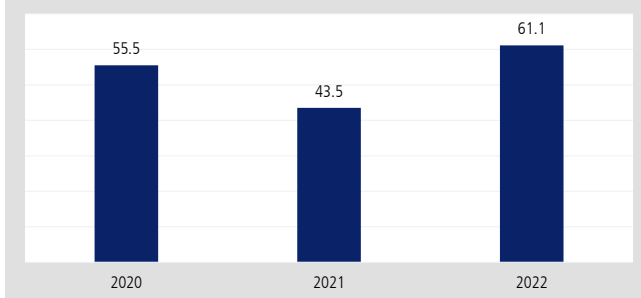
Waste generated, tons



Source: Company data, SETSMART, KGI Securities Research

**Figure 16: Employee turnover**

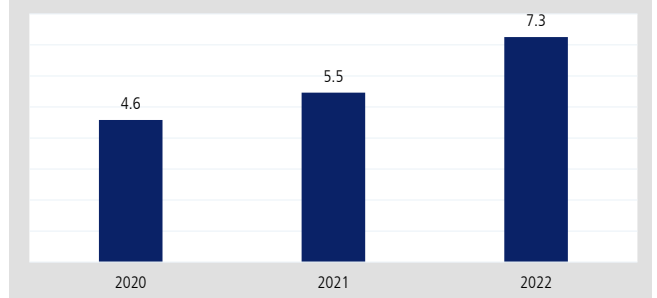
Employee turnover, percent



Source: Company data, SETSMART, KGI Securities Research

**Figure 17: Average employee training hours**

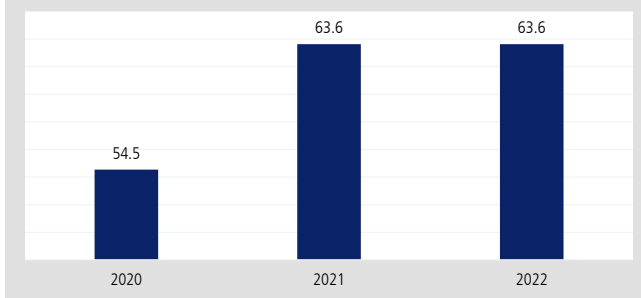
Average employee training hour, hours per person per year



Source: Company data, SETSMART, KGI Securities Research

**Figure 18: Proportion of independent directors**

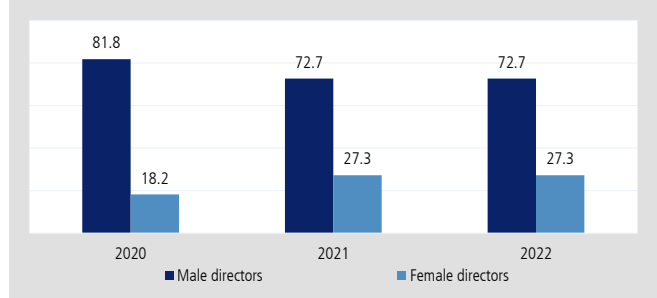
Independent directors, percent



Source: Company data, SETSMART, KGI Securities Research

**Figure 19: Gender diversification of directors**

Gender diversification, percent



Source: Company data, SETSMART, KGI Securities Research

**Quarterly Income Statement**

	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A	Dec-23A	Mar-24F
<b>Income Statement (Bt mn)</b>													
<b>Revenue</b>	853	437	164	1,556	1,128	1,639	1,719	1,902	1,590	2,283	1,741	2,937	1,707
Cost of Goods Sold	(750)	(571)	(412)	(1,125)	(1,003)	(1,201)	(1,175)	(1,234)	(1,127)	(1,532)	(1,236)	(1,789)	(1,183)
<b>Gross Profit</b>	103	(134)	(248)	431	126	439	544	668	464	751	505	1,148	524
<b>Operating Expenses</b>	(361)	(327)	(423)	(444)	(190)	(456)	(472)	(607)	(403)	(527)	(521)	(718)	(479)
Other incomes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	(259)	(461)	(672)	(14)	(64)	(17)	71	61	61	224	(16)	430	45
Depreciation of fixed assets	(302)	(311)	(277)	(360)	(341)	(314)	(327)	(330)	(292)	(302)	(312)	(314)	(314)
<b>Operating EBITDA</b>	43	(151)	(394)	347	277	297	398	391	353	526	296	744	359
<b>Non-Operating Income</b>	92	83	2,918	117	85	177	225	26	47	390	60	14	-
Other Non-op Income	-	-	2,837	16	22	11	120	(1)	3	342	11	-	-
<b>Non-Operating Expenses</b>	(70)	(69)	(66)	(53)	(50)	(47)	(51)	(53)	(52)	(50)	(50)	(51)	(51)
Interest Expense	(70)	(69)	(66)	(53)	(50)	(47)	(51)	(53)	(52)	(50)	(50)	(51)	(51)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net investment Income/(Loss)</b>	94	210	45	42	18	47	(172)	63	23	24	39	19	40
<b>Pre-tax Profit</b>	(143)	(237)	2,225	93	(11)	159	74	98	130	638	83	463	85
Current taxation	23	30	(415)	8	37	(21)	(49)	(17)	(7)	(45)	77	(100)	38
Minorities	8	25	9	(0)	(2)	(6)	(4)	(5)	(2)	(10)	(5)	(5)	(5)
Extraordinary items	(9)	(35)	2,291	-	-	56	(19)	0	-	346	85	-	-
<b>Net Profit</b>	(120)	(218)	1,819	100	24	131	21	76	70	532	104	335	117
EPS (Bt)	(0.13)	(0.24)	2.03	0.11	0.03	0.15	0.02	0.09	0.08	0.60	0.12	0.37	0.13
<b>Margins (%)</b>													
Gross profit margin	12.1	(30.7)	(151.9)	27.7	11.1	26.8	31.6	35.1	29.2	32.9	29.0	39.1	30.7
Operating margin	(30.3)	(105.5)	(410.7)	(0.9)	(5.7)	(1.0)	4.2	3.2	3.8	9.8	(0.9)	14.6	2.6
Operating EBITDA margin	5.1	(34.5)	(241.2)	22.3	24.5	18.1	23.2	20.6	22.2	23.0	17.0	25.3	21.1
Net profit margin	(14.1)	(49.9)	1,112.2	6.5	2.1	8.0	1.2	4.0	4.4	23.3	6.0	11.4	6.8
<b>Growth (%)</b>													
Revenue growth	(35.4)	109.7	(81.7)	16.2	32.3	275.1	950.7	22.3	40.9	39.3	1.3	54.4	7.3
Operating growth	(17.6)	(23.5)	202.4	(91.6)	NM	NM	NM	NM	NM	NM	(122.4)	601.1	(26.0)
Operating EBITDA growth	770.5	(46.1)	NM	101.0	540.3	NM	NM	12.8	27.7	77.1	(25.6)	90.2	1.8
Net profit growth	NM	NM	NM	(69.4)	NM	NM	(98.9)	(24.2)	190.1	305.5	405.5	340.1	66.9

Source: Company data, KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2021A	2022A	2023A	2024F	2025F
<b>Total Assets</b>	<b>16,519</b>	<b>14,847</b>	<b>14,426</b>	<b>13,799</b>	<b>14,354</b>
<b>Current Assets</b>	6,160	4,659	3,742	3,486	4,491
Cash & ST Investments	5,401	3,745	2,724	2,394	3,306
Inventories	111	151	189	193	210
Accounts Receivable	356	532	622	676	735
Others	291	231	207	223	240
<b>Non-current Assets</b>	10,360	10,188	10,684	10,313	9,863
LT Investments	2,236	2,269	2,354	2,354	2,354
Net fixed Assets	4,719	4,476	4,463	4,311	4,099
Others	3,405	3,443	3,867	3,648	3,410
<b>Total Liabilities</b>	<b>9,233</b>	<b>7,625</b>	<b>8,314</b>	<b>7,111</b>	<b>7,184</b>
<b>Current Liabilities</b>	5,107	2,805	3,964	3,903	4,117
Accounts Payable	2,034	1,992	2,401	2,584	2,746
ST Borrowings	2,314	748	1,448	1,194	1,238
Others	760	65	115	124	134
<b>Long-term Liabilities</b>	4,126	4,820	4,350	3,208	3,067
Long-term Debts	915	1,416	993	-	-
Others	3,211	3,404	3,357	3,208	3,067
<b>Shareholders' Equity</b>	<b>7,287</b>	<b>7,221</b>	<b>6,112</b>	<b>6,549</b>	<b>6,882</b>
Common Stock	895	895	895	895	895
Capital Surplus	4,056	4,056	4,056	4,056	4,056
Retained Earnings	2,308	2,022	1,070	1,481	1,785
Others	29	249	92	117	146

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec (Bt mn)	2021A	2022A	2023A	2024F	2025F
<b>Forecast Drivers</b>					
Number of guest (mn)	6.7	21.3	33.2	36.5	38.3
<b>Growth (YoY)</b>					
Sales	(20.1)	112.3	33.9	12.9	8.7
OP	N.A.	N.A.	1,511.5	33.6	26.0
EBITDA	N.A.	N.A.	42.3	16.3	14.5
NP	N.A.	(84.1)	313.3	(16.2)	15.6
EPS	N.A.	(84.1)	313.3	(16.2)	15.6
<b>Profitability (%)</b>					
Gross Margin	5.0	27.8	33.5	34.1	35.6
Operating Margin	(56.6)	0.7	8.3	9.8	11.4
EBITDA Margin	(15.1)	21.2	22.6	23.2	24.5
Net Profit Margin	52.5	3.9	12.2	9.0	9.6
ROAA	9.2	1.6	7.1	6.2	7.2
ROAE	22.7	3.5	15.6	13.8	15.0
<b>Stability</b>					
Gross Debt/Equity (%)	0.0	0.0	0.0	0.0	0.0
Net Debt/Equity (%)	16.7	13.8	26.7	11.8	(0.6)
Interest Coverage (x)	(6.6)	0.2	3.5	4.6	5.9
Interest & ST Debt Coverage (x)	(0.7)	0.0	0.4	0.7	0.8
Cash Flow/Interest Coverage (x)	1.4	(6.1)	(11.9)	(10.5)	(11.6)
Cash Flow/Interest & ST Debt (x)	(0.2)	2.2	1.9	2.2	2.3
Current Ratio (x)	1.2	1.7	0.9	0.9	1.1
Quick Ratio (x)	1.2	1.6	0.9	0.8	1.0
Net Debt (Bt mn)	1,214.8	997.3	1,628.9	770.2	Net cash
<b>Per Share Data (Bt)</b>					
EPS	1.8	0.3	1.2	1.0	1.1
CFPS	(0.4)	1.4	2.7	2.4	2.6
BVPS	8.1	8.1	6.8	7.3	7.7
SPS	3.4	7.1	9.6	10.8	11.7
EBITDA/Share	(0.5)	1.5	2.2	2.5	2.9
DPS	1.6	0.3	0.7	0.7	0.8

Source: KGI Securities Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2021A	2022A	2023	2024F	2025F
<b>Revenue</b>	<b>3,010</b>	<b>6,388</b>	<b>8,551</b>	<b>9,655</b>	<b>10,494</b>
Cost of Goods Sold	(2,858)	(4,612)	(5,684)	(6,362)	(6,761)
<b>Gross Profit</b>	<b>151</b>	<b>1,777</b>	<b>2,868</b>	<b>3,293</b>	<b>3,733</b>
Operating Expenses	(1,855)	(1,733)	(2,159)	(2,346)	(2,539)
Other incomes	-	-	-	-	-
<b>Operating Profit</b>	<b>(1,704)</b>	<b>44</b>	<b>709</b>	<b>947</b>	<b>1,194</b>
Depreciation of fixed assets	1,250	1,311	1,221	1,297	1,377
<b>Operating EBITDA</b>	<b>(454)</b>	<b>1,355</b>	<b>1,929</b>	<b>2,245</b>	<b>2,571</b>
Non-Operating Income	<b>3,464</b>	<b>521</b>	<b>530</b>	<b>230</b>	<b>200</b>
Interest Income	20	14	15	230	200
Other Non-op Income	3,444	506	514	-	-
Non-Operating Expenses	<b>(258)</b>	<b>(201)</b>	<b>(204)</b>	<b>(204)</b>	<b>(204)</b>
Interest Expense	(258)	(201)	(204)	(204)	(204)
Other Non-op Expenses	-	-	-	-	-
Equity Income/(Loss)	392	(44)	105	136	109
<b>Pre-tax Profit</b>	<b>1,894</b>	<b>320</b>	<b>1,139</b>	<b>1,110</b>	<b>1,299</b>
Current taxation	(354)	(51)	(75)	(211)	(260)
Minorities	42	(17)	(22)	(25)	(29)
Extraordinary items	-	-	-	-	-
<b>Net Profit</b>	<b>1,581</b>	<b>252</b>	<b>1,042</b>	<b>874</b>	<b>1,010</b>
EPS (Bt)	1.77	0.28	1.16	0.98	1.13

Source: KGI Securities Research

**Cash Flow**

Year to 31 Dec (Bt mn)	2021A	2022A	2023A	2024F	2025F
<b>Operating Cash Flow</b>	(369)	1,217	2,426	2,136	2,354
Net Profit	1,894	320	1,139	1,110	1,299
Depreciation & Amortization	911	1,311	1,221	952	1,022
Change in Working Capital	(422)	(460)	166	74	34
Others	(2,752)	45	(99)	-	-
<b>Investment Cash Flow</b>	4,014	605	(493)	(853)	(854)
Net CAPEX	(157)	(528)	(709)	(600)	(600)
Change in LT Investment	(3,360)	3,319	31	(57)	(59)
Change in Other Assets	7,531	(2,186)	185	(195)	(195)
<b>Free Cash Flow</b>	3,645	1,822	1,933	1,283	1,500
<b>Financing Cash Flow</b>	(3,267)	(1,831)	(1,957)	(1,844)	(792)
Change in Share Capital	-	-	-	-	-
Net Change in Debt	(2,377)	(1,289)	(335)	(1,382)	(86)
Change in Other LT Liab.	(890)	(542)	(1,623)	(462)	(706)
<b>Net Cash Flow</b>	378	(9)	(24)	(561)	708

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= <b>Operating Margin</b>		
Dec-21A	95.0%	41.5%	61.6%	-98.2%		
Dec-22A	72.2%	20.5%	27.1%	-19.8%		
Dec-23A	66.5%	14.3%	25.2%	-6.0%		
Dec-24F	65.9%	13.4%	24.3%	-3.6%		
Dec-25F	64.4%	13.1%	24.2%	-1.8%		
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= <b>Capital Turnover</b>		
Dec-21A	-0.14	1.57	1.23	0.38		
Dec-22A	-0.07	0.70	0.58	0.83		
Dec-23A	0.02	0.52	0.48	0.98		
Dec-24F	0.01	0.45	0.40	1.17		
Dec-25F	0.00	0.39	0.35	1.35		
Year	<b>Operating Margin</b>	x	<b>Capital Turnover</b>	x	<b>Cash Tax Rate</b>	= <b>After-tax Return on Inv. Capital</b>
Dec-21A	-98.2%		0.4		81.3	-30.0
Dec-22A	-19.8%		0.8		83.9	-13.8
Dec-23A	-6.0%		1.0		93.4	-5.5
Dec-24F	-3.6%		1.2		81.0	-3.4
Dec-25F	-1.8%		1.3		80.0	-1.9

Source: KGI Securities Research

Major Cineplex Group - Recommendation & target price history



Source: KGI Securities Research



## Company's ESG details

### Environment

- The company emphasizes sustainable water management to optimize water use efficiency and prevent risks and mitigate impacts that could arise from the lack of water. On average, 0.066 cubic meters of water was consumed per one movie goer at stand-alone branches, down 15% from the average water use per movie goer over the prior three years (2020-2022).
- MAJOR undertook to use paper bags in place of biodegradable plastic bags starting from 2020. In 2023, over 605,000 paper bags were used.
- The company under the "Green Cinema Project" emphasized plastic waste management to encourage environmental and social responsibilities with a campaign to raise awareness, starting from "one own self" from easy matters today by just thinking before discarding, and by sorting wastes to generate benefits.
- In 2023, the company replaced a total of 5,452 light bulbs and determined KPI to control energy consumption each year and set a goal to reduce energy use when compared with total energy consumption of 38,500 MW in 2016. According to the 2023 operation results, the company consumed 34.56mn units of electricity, achieving the established goal.
- MAJOR emphasizes keeping overall emissions to not exceed the amount of greenhouse gas emissions in 2016 (19,282.49 tons carbon-dioxide equivalent). In the previous year, MAJOR succeeded in reducing greenhouse gas emissions to 17,052 carbon-dioxide equivalent, a 12% decrease from the level in 2016. In addition, the company has set long-term goals to reduce greenhouse gas emissions to net zero (Net-zero Commitment) by 2050.
- In 2023, solar cells have overall production capacities of more than 0.144 MW per year (Bt213,582.82).

### Social

- The company under the policy of respect to human rights and practices related to human rights, emphasizes the promotion of respect to basic human rights. It found from current monitoring of human rights that there were no complaints on human right infringement in 2023.
- In 2023, there were expenses related to employee research and development in the form of internal training in the total amount of Bt3.46mn and development in the form of attending training, seminars, and visiting outside the company. The total amount is Bt375,360, including personnel development totaling Bt4.3mn (year 2022: Bt2mn). There are 1,079 employees who have undergone training per year.
- Major Care Foundation took underprivileged children to watch movies 199 times, 316 schools, and underprivileged seniors aged 60 years and over to watch movies 11 times, totaling 11,941 people in 2023, both in Bangkok and other provinces.
- In 2023, Major Care Foundation has awarded 20 scholarships at Bt10,000 each to children. Currently, Major Care Foundation has awarded a total of 160 scholarships.
- In 2023, Major Care Foundation has prepared and delivered a movie room for learning to schools in remote areas with underprivileged children and are schools in the center of the community, totaling 7 schools in 7 provinces.

### Governance

- MAJOR maintains annual "Excellent" CG scoring From Thai Institute of Directors Association (IOD).

Source: Company data, KGI Securities Research

## SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALAI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GFPT	GFPT	SAK	SAKSIAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	GLOBAL GREEN CHEMICALS	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	SIAM GLOBAL HOUSE	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GLOBAL POWER SYNERGY	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	GULF ENERGY DEVELOPMENT	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HENG LEASING AND CAPITAL	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	HOME PRODUCT CENTER	SEAFCO	SEAFCO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	INTUCH	INTOUCH HOLDINGS	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IRPC	IRPC	SHR	S HOTELS AND RESORTS
BANPU	BANPU	ITC	i-Tail Corporation	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	IVL	INDORAMA VENTURES	SMPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KCE	KCE ELECTRONICS	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SPALI	SUPALAI
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	KTC	KRUNGTHAI CARD	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LH	LAND AND HOUSES	SUN	SUNSWEEP
BGRIM	B. GRIMM POWER	LPN	L. P. N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	M	MK RESTAURANT GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MBK	MBK	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MEGA	MEGA LIFESCIENCES	THCOM	THAICOM
CENDEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	ORI	ORIGIN PROPERTY	TOP	THAI OIL
CPALL	CP ALL	OSP	OSOTSPA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	VGI	VGI
CPN	CENTRAL PATTANA	PTT	PTT	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTEP	PTT EXPLORATION AND PRODUCTION	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOME	PTTGC	PTT GLOBAL CHEMICAL	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	QH	QUALITY HOUSES		
ERW	THE ERAWAN GROUP	RATCH	RATCH GROUP		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BSRC	BANGCHAK SRIRACHA	JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
CHG	CHULARAT HOSPITAL	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		
NETBAY	NETBAY	SISB	SISB		

Source: www.thai-iod.com

**Disclaimer:** The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

## Anti-corruption Progress Indicator

### Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFSCO	SEAFSCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BPCG	BPCG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

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**KGI Locations**

<b>China</b>	Shanghai	Room 2703B-2704, Tower A , Shanghai Dawning Centre,500 Hongbaoshi Road Shanghai, PRC 201103
	Shenzhen	Room 24D1, 24/F, A Unit, Zhen Ye Building, 2014 Bao'annan Road, Shenzhen, PRC 518008
<b>Taiwan</b>	Taipei	700 Mingshui Road, Taipei, Taiwan Telephone 886.2.2181.8888 • Facsimile 886.2.8501.1691
<b>Hong Kong</b>		41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
<b>Thailand</b>	Bangkok	195 One Bangkok Tower 4 18th - 19th floors Witthayu Road Lumpini, Pathumwan, Bangkok 10330, Thailand Telephone 66.2658.8888 Facsimile 66.2658.8014
<b>Singapore</b>		4 Shenton Way #13-01 SGX Centre 2 Singapore 068807 Telephone 65.6202.1188 Facsimile 65.6534.4826

**KGI's Ratings**

<b>Rating</b>	<b>Definition</b>
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances.  Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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