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Public Company Limited

BJC

Bloomberg BJC TB
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Weak can packaging unit slowing growth

After yesterday's analyst meeting, we cut BJC's 2019-20F earnings by 6% to incorporate: 1) Bt300mn one-time employee benefit reserve in 2Q19F; 2) a rise in effective tax rate to 17.5% (vs 15% in 1Q19 in which it recorded the majority of the tax privileges for solar rooftop); 3) client change causing a lengthier hit than expected on sales and margin of the PSC unit. With the continued slow PSC unit and higher effective tax rate, we expect core operations to be unexciting in 2H19F. We downgrade our rating to NEUTRAL from BUY with a new DCF TP of Bt53 (from Bt60).

Weak packaging supply chain unit (PSC; 14% of 1Q19 sales, 23% of net profit). In 1Q19, PSC sales fell 8% YoY on lower can packaging sales as it transitioned from an old customer (Carabao group, which went to in-house production) to a new customer. Lower sales volume slimmed gross margin 100bps YoY and EBIT margin 80bps YoY. The Carabao group accounted for 15% of its can packaging sales volume. Of this, one-third is gradually being replaced by a new local customer as of 1Q19 and the remainder will be taken up by two new customers (domestic market and export to Vietnam) in 2H19F. BJC expects the change to reduce margin for can packaging, as the export portion contributes a lower margin and it hopes to optimize production efficiency within 12 months after the client change. We estimate its can packaging sales to normalize late this year and margin in 2H20.

Modern supply chain unit doing okay. (MSC; 70% of 1Q19 sales, 57% of net profit). In 1Q19, MSC sales grew 5% YoY and gross margin widened by 40bps YoY from lower B2B sales, but EBIT margin dropped by 50bps YoY from high SG&A/sales (+80bps YoY) on more personnel and utilities expenses. In 2Q19TD, we estimate SSS growth at 1% YoY, stable from 1Q19. In 2019, BJC plans to open eight hypermarket stores (seven in Thailand and its first in Poipet, Cambodia in October), a Big Food Place store (Samyan Mitrtown) and 200 Mini Big C stores. In Laos, it converted 21 convenience stores from M-Point Mart to Mini Big C and plans to convert the remaining 22 stores within 2Q19F. Gross margin will improve steadily from continued lower B2B sales (accounting for about 6% of sales in 1Q19 and 2Q19TD vs 7.2% of sales in 2018). It also plans to keep SG&A/sales at a slower YoY growth than in 1Q19 over the rest of 2019F.

Solid consumer supply chain unit (CSC; 12% of 1Q19 sales and net profit). In 1Q19, CSC sales grew 6% YoY, with lower raw material costs widening gross margin 80 bps YoY and EBIT margin 70bps YoY. BJC expects solid sales growth at the CSC unit from food, non-food and trading businesses to continue. Margin for CSC will improve further from low raw material prices (potato, palm oil, coconut oil and pulp) for food and non-food production.

Forecasts and valuation

Year to 31 Dec	Unit	2017	2018	2019F	2020F	2021F
Revenue	(Btmn)	149,158	156,142	162,592	170,387	178,641
EBITDA	(Btmn)	20,040	21,032	21,859	22,931	23,996
Core profit	(Btmn)	5,122	6,444	6,803	7,431	8,129
Reported profit	(Btmn)	5,211	6,650	6,511	7,431	8,129
Core EPS	(Bt)	1.28	1.61	1.70	1.86	2.03
DPS	(Bt)	0.57	0.73	0.68	0.74	0.81
P/E, core	(x)	37.4	29.8	28.2	25.8	23.6
EPS growth, core	(%)	35.5	25.6	5.6	9.2	9.4
P/BV, core	(x)	1.7	1.7	1.7	1.6	1.6
ROE	(%)	4.6	5.7	5.9	6.4	6.9
Dividend yield	(%)	1.2	1.5	1.4	1.5	1.7
FCF yield	(x)	1.3	3.1	3.8	4.5	5.0
EV/EBIT	(x)	27.2	25.8	24.8	23.5	22.1
EBIT growth, core	(%)	33.5	6.5	3.5	5.0	5.1
EV/CE	(x)	1.3	1.3	1.2	1.2	1.2
ROCE	(%)	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)
EV/EBITDA	(x)	17.2	16.5	15.8	15.0	14.2
EBITDA growth	(%)	28.7	5.0	3.9	4.9	4.6

Source: SCBS Investment Research



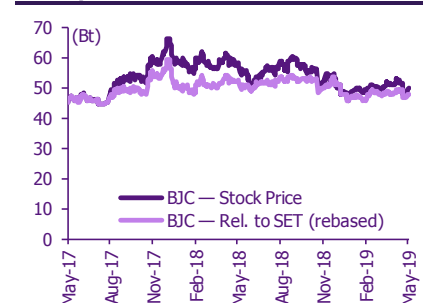
NEUTRAL

Stock data

Last close (May 28) (Bt)	48.00
12-m target price (Bt)	53.00
Upside (Downside) to TP (%)	10.42
Mkt cap (Btbn)	192.22
Mkt cap (US\$mn)	6,043

Risk rating	L
Mkt cap (%) SET	1.15
Sector % SET	9.60
Shares issued (mn)	4,005
Par value (Bt)	1.00
12-m high / low (Bt)	61.5 / 45.3
Avg. daily 6m (US\$mn)	11.72
Foreign limit / actual (%)	49 / 13
Free float (%)	25.7
Dividend policy (%)	≥ 50

Price performance



Source: SET, SCBS Investment Research

Share performance

(%)	1M	3M	12M
Absolute	(5.9)	(3.0)	(17.2)
Relative to SET	(3.1)	(1.0)	(11.4)

Source: SET, SCBS Investment Research

Expected total return (ETR)

Target price	(Bt)	53.00
12-month dividend	(Bt)	0.68
Capital gain	(%)	10.42
Dividend yield	(%)	1.42
Total return	(%)	11.83

Source: SET, SCBS Investment Research

Analyst

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Financial statement

Profit and Loss Statement

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Total revenue	(Btmn)	41,695	42,893	125,330	149,158	156,142	162,592	170,387	178,641
Cost of goods sold	(Btmn)	(32,363)	(33,071)	(102,735)	(120,706)	(126,173)	(131,069)	(137,209)	(143,707)
Gross profit	(Btmn)	9,333	9,822	22,595	28,452	29,968	31,522	33,177	34,934
SG&A	(Btmn)	(7,011)	(7,179)	(24,324)	(30,686)	(32,263)	(34,154)	(36,084)	(38,023)
Other income	(Btmn)	693	1,500	11,204	14,885	15,771	16,579	17,502	18,422
Interest expense	(Btmn)	(556)	(493)	(5,203)	(4,528)	(4,719)	(4,951)	(4,897)	(4,796)
Pre-tax profit	(Btmn)	2,459	3,650	4,272	8,122	8,757	8,996	9,699	10,537
Corporate tax	(Btmn)	(398)	(400)	(983)	(2,260)	(1,569)	(1,574)	(1,697)	(1,844)
Equity a/c profits	(Btmn)	(26)	87	181	24	(110)	25	28	30
Minority interests	(Btmn)	(367)	(661)	(1,015)	(764)	(634)	(655)	(656)	(657)
Core profit	(Btmn)	1,668	2,676	2,455	5,122	6,444	6,792	7,373	8,067
Extra-ordinary items	(Btmn)	12	116	851	88	206	(292)	0	0
Net Profit	(Btmn)	1,679	2,792	3,307	5,211	6,650	6,500	7,373	8,067
EBITDA	(Btmn)	4,996	6,263	15,570	20,040	21,032	21,859	22,876	23,937
Core EPS (Bt)	(Btmn)	1.05	1.68	0.95	1.28	1.61	1.70	1.84	2.02
Net EPS (Bt)	(Bt)	1.05	1.75	1.28	1.31	1.66	1.63	1.84	2.02
DPS (Bt)	(Bt)	0.60	0.84	0.50	0.57	0.73	0.68	0.74	0.81

Balance Sheet

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Total current assets	(Btmn)	17,763	18,380	35,993	38,542	43,360	41,561	42,908	44,321
Total fixed assets	(Btmn)	25,665	26,320	272,708	276,517	279,661	279,709	279,021	278,013
Total assets	(Btmn)	43,428	44,701	308,701	315,059	323,021	321,270	321,929	322,334
Total loans	(Btmn)	14,332	14,975	152,476	157,180	160,917	156,122	153,622	150,272
Total current liabilities	(Btmn)	18,204	15,313	51,851	50,254	90,286	75,216	85,311	67,222
Total long-term liabilities	(Btmn)	7,208	8,637	145,701	153,631	117,651	130,279	120,014	137,217
Total liabilities	(Btmn)	25,411	23,950	197,553	203,886	207,937	205,495	205,324	204,439
Paid-up capital	(Btmn)	1,592	1,592	3,990	3,996	4,003	4,570	4,570	4,570
Total equity	(Btmn)	18,017	20,750	111,148	111,173	115,084	115,775	116,604	117,895
BVPS (Bt)	(Bt)	11.31	13.03	42.87	27.85	28.77	28.95	29.15	29.48

Cash Flow Statement

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Core Profit	(Btmn)	1,668	2,676	2,455	5,122	6,444	6,792	7,373	8,067
Depreciation and amortization	(Btmn)	1,982	2,121	6,095	7,389	7,556	7,912	8,279	8,604
Operating cash flow	(Btmn)	4,396	4,693	17,938	17,380	17,636	15,180	16,129	17,174
Investing cash flow	(Btmn)	(3,284)	(1,611)	(208,512)	(14,846)	(11,641)	(7,961)	(7,591)	(7,596)
Financing cash flow	(Btmn)	(1,352)	(3,151)	192,912	(1,390)	(4,683)	(10,521)	(9,044)	(10,126)
Net cash flow	(Btmn)	(240)	(69)	2,338	1,145	1,312	(3,301)	(506)	(548)

Key Financial Ratios

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Gross margin	(%)	22.4	22.9	18.0	19.1	19.2	19.4	19.5	19.6
Operating margin	(%)	5.6	6.2	(1.4)	(1.5)	(1.5)	(1.6)	(1.7)	(1.7)
EBITDA margin	(%)	12.0	14.6	12.4	13.4	13.5	13.4	13.4	13.4
EBIT margin	(%)	7.2	9.7	7.6	8.5	8.6	8.6	8.6	8.6
Net profit margin	(%)	4.0	6.5	2.6	3.5	4.3	4.0	4.3	4.5
ROE	(%)	9.3	13.8	3.7	4.6	5.7	5.9	6.3	6.9
ROA	(%)	3.8	6.1	1.4	1.6	2.0	2.1	2.3	2.5
Net D/E	(x)	0.7	0.7	1.3	1.4	1.3	1.3	1.3	1.3
Interest coverage	(x)	9.0	12.7	3.0	4.4	4.5	4.4	4.7	5.0
Debt service coverage	(x)	0.6	0.8	0.6	0.9	0.3	0.5	0.4	0.7
Payout Ratio	(%)	56.9	47.9	39.2	43.7	43.9	40.0	40.0	40.0

Main Assumptions

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
SSS growth (MSC)	(%)	(1.5)	(3.0)	(12.8)	(5.6)	1.0	1.0	2.0	2.0
New stores, all formats (MSC)	(Stores)	77	98	63	180	154	209	157	157
Ending stores, all formats (MSC)	(Stores)	636	734	797	977	1,131	1,340	1,497	1,654
New stores, hypermarket (MSC)	(Stores)	4	2	6	9	7	8	6	6
Ending stores, hypermarket (MSC)	(Stores)	123	125	131	140	147	155	161	167
Gross profit margin (MSC)	(%)	15.0	13.7	14.7	16.7	16.5	16.8	16.9	17.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Total revenue	(Btmn)	37,107	37,067	39,307	37,069	39,024	38,823	41,226	38,389
Cost of goods sold	(Btmn)	(30,328)	(29,799)	(31,505)	(30,055)	(31,707)	(31,414)	(32,998)	(30,969)
Gross profit	(Btmn)	6,779	7,268	7,802	7,014	7,317	7,409	8,228	7,421
SG&A	(Btmn)	(7,497)	(7,662)	(8,169)	(7,597)	(8,030)	(8,096)	(8,539)	(8,227)
Other income	(Btmn)	3,651	3,661	4,018	3,737	3,925	3,923	4,186	3,929
Interest expense	(Btmn)	(1,113)	(1,116)	(1,174)	(1,146)	(1,170)	(1,193)	(1,211)	(1,197)
Pre-tax profit	(Btmn)	1,820	2,151	2,477	2,008	2,042	2,043	2,664	1,925
Corporate tax	(Btmn)	(595)	(576)	(558)	(506)	(456)	(195)	(412)	(289)
Equity a/c profits	(Btmn)	(7)	7	0	(6)	(76)	(39)	10	6
Minority interests	(Btmn)	(222)	(203)	(188)	(184)	(195)	(115)	(140)	(146)
Core profit	(Btmn)	997	1,378	1,731	1,312	1,316	1,694	2,122	1,496
Extra-ordinary items	(Btmn)	(1)	9	132	133	80	(11)	3	8
Net Profit	(Btmn)	996	1,387	1,863	1,445	1,396	1,683	2,126	1,504
EBITDA	(Btmn)	4,733	5,156	5,571	5,020	5,109	5,110	5,794	5,005
Core EPS (Bt)	(Btmn)	0.25	0.35	0.43	0.33	0.33	0.42	0.53	0.37
Net EPS (Bt)	(Bt)	0.25	0.35	0.47	0.36	0.35	0.42	0.53	0.38

Balance Sheet

FY December 31	Unit	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Total current assets	(Btmn)	33,949	35,789	38,542	38,491	38,190	38,876	43,360	43,120
Total fixed assets	(Btmn)	273,817	276,767	276,517	276,842	276,968	278,273	279,661	279,656
Total assets	(Btmn)	307,766	312,556	315,059	315,332	315,159	317,148	323,021	322,775
Total loans	(Btmn)	152,197	158,278	157,180	156,973	157,453	159,195	160,917	160,572
Total current liabilities	(Btmn)	47,881	53,030	50,254	61,514	59,247	85,047	90,286	83,156
Total long-term liabilities	(Btmn)	148,169	150,483	153,631	141,574	143,673	118,985	117,651	123,203
Total liabilities	(Btmn)	196,050	203,513	203,886	203,088	202,920	204,032	207,937	206,359
Paid-up capital	(Btmn)	3,992	3,993	3,996	3,997	4,000	4,002	4,003	4,003
Total equity	(Btmn)	111,716	109,043	111,173	112,245	112,239	113,117	115,084	116,416
BVPS (Bt)	(Bt)	27.99	27.31	27.84	28.08	28.07	28.27	28.76	29.10

Cash Flow Statement

FY December 31	Unit	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Core Profit	(Btmn)	996	1,387	1,863	1,445	1,396	1,683	2,126	1,504
Depreciation and amortization	(Btmn)	1,800	1,889	1,920	1,867	1,896	1,874	1,919	1,883
Operating cash flow	(Btmn)	4,685	4,738	6,792	2,637	4,214	4,790	5,995	3,925
Investing cash flow	(Btmn)	(2,067)	(7,650)	(3,453)	(2,205)	(2,136)	(3,002)	(4,298)	(2,150)
Financing cash flow	(Btmn)	(2,514)	3,490	(1,668)	(1,653)	(1,899)	(1,035)	(96)	(1,096)
Net cash flow	(Btmn)	105	577	1,671	(1,221)	179	753	1,601	679

Key Financial Ratios

FY December 31	Unit	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Gross margin	(%)	18.3	19.6	19.8	18.9	18.8	19.1	20.0	19.3
Operating margin	(%)	(1.9)	(1.1)	(0.9)	(1.6)	(1.8)	(1.8)	(0.8)	(2.1)
EBITDA margin	(%)	12.8	13.9	14.2	13.5	13.1	13.2	14.1	13.0
EBIT margin	(%)	7.9	8.8	9.3	8.5	8.2	8.3	9.4	8.1
Net profit margin	(%)	2.7	3.7	4.7	3.9	3.6	4.3	5.2	3.9
ROE	(%)	3.6	5.0	6.3	4.7	4.7	6.0	7.4	5.2
ROA	(%)	1.3	1.8	2.2	1.7	1.7	2.1	2.7	1.9
Net D/E	(x)	1.3	1.4	1.4	1.4	1.4	1.4	1.3	1.3
Interest coverage	(x)	4.3	4.6	4.7	4.4	4.4	4.3	4.8	4.2
Debt service coverage	(x)	0.8	0.8	1.0	0.6	0.6	0.3	0.4	0.4

Main Assumptions

FY December 31	Unit	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
SSS growth (MSC)	(%)	(15.2)	9.2	3.8	0.3	(0.5)	2.5	1.8	1.0
New stores, all formats (MSC)	(Stores)	38	59	73	26	27	28	73	14
Ending stores, all formats (MSC)	(Stores)	845	904	977	1,003	1,030	1,058	1,131	1,145
New stores, hypermarket (MSC)	(Stores)	1	3	5	2	1	2	2	0
Ending stores, hypermarket (MSC)	(Stores)	132	135	140	142	143	145	147	147
Gross profit margin (MSC)	(%)	15.6	17.7	17.3	15.9	16.1	16.8	17.2	16.3

Figure 1: Valuation summary (price as of May 29, 2019)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F
BJC	Neutral	48.00	53.0	11.8	29.8	28.2	25.8	26	6	9	1.7	1.7	1.6	6	6	6	1.5	1.4	1.5	16.5	15.8	15.0
CPALL	Buy	79.00	90.0	15.4	36.9	35.1	31.0	16	5	13	8.8	7.1	6.3	28	24	23	1.4	1.5	1.7	20.6	19.3	17.4
GLOBAL	Buy	16.10	20.0	25.5	42.1	33.8	31.0	(4)	25	9	5.1	4.5	4.2	13	14	14	1.0	1.3	1.0	27.3	22.6	20.9
HMPRO	Buy	16.70	18.0	10.2	38.8	33.6	29.7	16	16	13	11.0	10.1	9.1	29	31	32	2.1	2.4	2.7	22.1	19.8	18.0
MAKRO	Neutral	33.50	40.0	22.3	26.0	27.1	26.2	14	(4)	3	8.9	8.4	7.8	37	32	31	2.9	2.9	2.9	15.9	16.1	15.7
ROBINS	Buy	54.25	70.0	31.7	20.2	18.5	16.5	7	11	9	3.2	2.9	2.7	16	17	17	2.5	2.7	3.0	11.1	10.6	9.5
Average					32.3	29.4	26.7	13	10	9	6.5	5.8	5.3	22	21	20	1.9	2.0	2.1	18.9	17.4	16.1

Source: SCBS Investment Research

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CG Rating 2018 Companies with CG Rating

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ADVANC, AKP, AMATA, AMATAV, ANAN, AOT, AP, BAFS, BANPU, BAY, BCP, BCPG, BRR, BTS, BWG, CFRESH, CHO, CK, CKP, CM, CNT, COL, CPF, CPI, CPN, CSL, CSS, DELTA, DEMCO, DRT, DTAC, DTC, EA, EASTW, EGCO, GC, GEL, GFPT, GGC*, GOLD, GPSC, GRAMMY, GUNKUL, HANA, HMPRO, ICC, ICHI, INTUCH, IRPC, IVL, JSP, KBANK, KCE, KKP, KSL, KTB, KTC, LHFG, LIT, LPN, MAKRO, MBK, MCOT, MINT, MONO, MTC, NCL, NKI, NVD, NYT, OISHI, OTO, PCSGH, PDJ, PG, PHOL, PLANB, PLANET, PPS, PRG, PSH, PSL, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, ROBINS, S & J, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SDC, SE-ED, SIS, SITHAI, SNC, SPALI, SPRC, SSSC, STEC, SVI, SYNTEC, TASCO, TCAP, THAI, THANA, THANI, THCOM, THIP, THREL, TIP, TISCO, TKT, TMB, TNDT, TOP, TRC, TRU, TRUE, TSC, TSTH, TTCL, TU, TVD, UAC, UV, VGI, VIH, WACOAL, WAVE, WHA, WINNER

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2S, AAV, ACAP, AGE, AH, AHC, AIRA, AIT, AKR, ALLA, ALT, AMA, AMANAH, APCO, AQUA, ARIP, ARROW, ASIA, ASIMAR, ASK, ASN, ASP, ATP30, AU, AUCT, AYUD, BA, BBL, BDMS, BEC, BEM, BFIT, BGRIM, BIZ, BJC, BJCHI, BLA, BOL, BPP, BROOK, BTW, CBG, CEN, CENTEL, CGH, CHEWA, CHG, CHOW, CI, CIMBT, CNS, COM7, COMAN, CPALL, CSC, CSP, DCC, DCORP, DDD, EASON, ECF, ECL, EE, EPG, ERW, ETE, FN, FNS, FORTH, FPI, FSMART, FVC, GBX, GCAP, GLOBAL, GLOW, GULF, HARN, HPT, HTC, HYDRO, ICN, ILINK, INET, IRC, ITD*, JAS, JCKH, JKN, JWD, K, KBS, KCAR, KGI, KKC, KOOL, KTIS, L&E, LANNA, LDC, LH, LHK, LOXLEY, LRH, LST, M, MACO, MAJOR, MALEE, MBKET, MC, MEGA, METCO, MFC, MFEC, MK, MOONG, MSC, MTI, NCH, NEP, NINE, NOBLE, NOK, NSI, NTV, NWR, OCC, OGC, ORI, PAP, PATO, PB, PDI, PJW, PLAT, PM, PORT, PPP, PREB, PRECHA, PRINC, PRM, PT, QLT, RICHY, RML, RS, RWI, S, S11, SALEE, SANKO, SAWAD, SCG, SCI, SCN, SE, SEAFCO, SEAOL, SELIC, SENA, SFP, SIAM, SINGER, SIRI, SKE, SMK, SMPC, SMT, SNP, SORKON, SPC, SPI, NEX, SPVI, SR, SSF, SST, STA, SUC, SUSCO, SUTHA, SWC, SYMC, SYNEX, TACC, TAE, TAKUNI, TBSP, TCC, TEAM, TFG, TFMAMA, THRE, TICON, TIPCO, TK, TKN, TKS, TM, TMC, TMI, TMILL, TMT, TNITY, TNL, TNP, TNR, TOA, TOG, TPA, TPAC, TPBI, TPCORP, TRITN, TRT, TSE, TSR, TSTE, TTA, TTW, TVI, TVO, TWP, TWPC, U, UMI, UOBKH, UP, UPF, UPOIC, UT, UWC, VNT, WHAUP, WICE, WIUK, XO, YUASA, ZMICO

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7UP, ABICO, ABM, AEC, AEONTS, AF, AJ, ALUCON, AMARIN, AMC, AS, ASAP, ASEFA, ASIAN, BCH, BEAUTY, BGT, BH, BIG, BLAND, BM, BR, BROCK, BSBM, BTNC, CUPET, CCP, CGD, CHARAN, CHAYO, CITY, CMO, CMR, COLOR, CPL, CPT, CRD, CSR, CTW, CWT, D, DCON, B52, DIMET, EKH, EMC, EPCO, ESSO, ESTAR, FE, FLOYD, PROUD, FSS, FTE, GENCO, GIFT, GJS, GLAND, GPI, GREEN, GTB, GYT, HTECH, IFS, IHL, III, INOX, INSURE, IRCP, IT, ITEL, J, JCK, JMART, JMT, JTS, JUBILE, KASET, KCM, KIAT, KWC, KYE, LALIN, LEE, LPH, MATCH, MATI, MBAX, M-CHAI, MDX, META, MILL, MJD, MM, MODERN, MPG, NC, NDR, NETBAY, NNCL, NPK, OCEAN, PAF, PDG, PF, PICO, PIMO, PK, PL, PLE, PMTA, PPPM, PRIN, PSTC, PTL, RCI, RCL, RJH, ROJNA, RPC, RPH, SAMCO, SAPPE, SCP, SF, SGF, SGP, SKN, SKR, SKY, SLP, SMIT, SOLAR, SPA, SPCG, SPG, SQ, SRICHA, SSC, SSP, STANLY, STPI, SUN, SUPER, SVOA, T, TCCC, TCMC, THE, THG, THMUI, TIC, TITLE, TIW, TMD, TOPP, TPCH, TPIPP, TPOLY, TTI, TVT, TYCN, UEC, UMS, UNIQ, VCOM, VIBHA, VPO, WIN, WORK, WP, WPH, ZIGA

Corporate Governance Report

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 evaluation 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. SCB Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2017 to 19 October 2018) is publicized.

CSL was voluntarily delisted from the Stock Exchange of Thailand effectively on July 26, 2018

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข้อขัดข้องในการกำกับดูแลกิจการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อจำกัดกล่าวประกอบด้วย

Anti-corruption Progress Indicator**Certified (ได้รับการรับรอง)**

ADVANC, AKP, AMANAH, AP, APCS, ASK, ASP, AYUD, BAFS, BANPU, BAY, BBL, BCH, BCP, BCPG, BGRIM, BJCHI, BKI, BLA, BROOK, BRR, BSBM, BTS, BWG, CENTEL, CFRESH, CHEWA, CIG, CM, CNS, COM7, CPALL, CPF, CPI, CPN, CSC, DCC, DEMCO, DIMET, DRT, DTAC, DTC, EASTW, ECL, EGCO, EPCO, FE, FNS, FPT, FSS, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOW, GOLD, GPSC, GSTEL, GUNKUL, HANA, HARN, HMPRO, HTC, ICC, IFEC, IFS, INET, INTUCH, IRPC, IVL, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, KYE, LANNA, LHFG, LHK, LPN, M, MAKRO, MALEE, MBAX, MBK, MBKET, MC, MCOT, MFC, MINT, MONO, MOONG, MSC, MTI, NBC, NINE, NKI, NMG, NNCL, NSI, OCC, OCEAN, OGC, PATO, PB, PCSGH, PDG, PDI, PDJ, PE, PG, PHOL, PL, PLANET, PLAT, PM, PPP, PPPM, PPS, PREB, PRG, PRINC, PSH, PSTC, PT, PTG, PTT, PTTEP, PTTGC, Q-CON, QH, QLT, RATCH, RML, ROBINS, S & J, SABINA, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SIS, SITHAI, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPC, SPI, SPRC, SRICHA, SSF, SSI, SSSC, STA, SUSCO, SVI, SYNTEC, TAE, TASC, TCAP, TCMC, TFG, TFI, TFMAMA, THANI, THCOM, THRE, THREL, TIP, TIPCO, TISCO, TKT, TMB, TMD, TMILL, TMT, TNITY, TNL, TNP, TOG, TOP, TPA, TPCORP, TRU, TRUE, TSC, TSTH, TTCL, TU, TVD, TVI, TWPC, U, UBIS, UOBKH, VGI, VNT, WACOAL, WHA, WICE, WIUK

Declared (ประกาศเจตนารมณ์)

A, ABICO, AIE, AJ, AMATA, AMATAV, ANAN, AOT, APCO, ARROW, ASIAN, B, BJC, BLAND, BLISS, BM, BPP, BR, BUI, CEN, CGH, CHG, CHO, CHOTI, CI, CIMBT, CITY, COL, CPR, DDD, EFORL, EKH, ESTAR, ETE, FLOYD, FN, FPI, FTE, GPI, GYT, ICHI, ILINK, INSURE, IRC, ITEL, JAS, JTS, KWG, LDC, LEE, LIT, LRH, MATCH, MATI, META, MFEC, MILL, MTC, NCL, NEP, NWR, ORI, PAP, PK, PLANB, POST, PRM, PRO, PSL, PYLON, QTC, ROJNA, RWI, SAPPE, SCI, SHANG, SPALI, SST, STANLY, SUPER, SWC, SYMC, SYNEX, TAKUNI, THE, THIP, TKN, TMC, TNR, TOPP, TPP, TRITN, TTI, TVO, UEC, UKEM, UPA, UREKA, UV, UWC, VIH, XO, YUASA

N/A

2S, 7UP, AAV, ABM, ACAP, ACC, ADAM, ADB, AEC, AEONTS, AF, AFC, AGE, AH, AHC, AI, AIRA, AIT, AJA, AKR, ALL, ALLA, ALT, ALUCON, AMA, AMARIN, AMC, APEX, APURE, AQ, AQUA, ARIP, AS, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, BA, BAT-3K, BCT, BDMS, BEAUTY, BEC, BEM, BFIT, BGC, BGT, BH, BIG, BIZ, BKD, BOL, BROCK, BSM, BTNC, BTW, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHOW, CHUO, CK, CKP, CMAN, CMC, CMO, CMR, CNT, COLOR, COMAN, COTTO, CPH, CPL, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DCORP, DELTA, B52, DOD, DTCI, EA, EARTH, EASON, ECF, EE, EIC, EMC, EPG, ERW, ESSO, EVER, F&D, FANCY, FC, FMT, PROUD, FORTH, FSMART, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GRAMMY, GRAND, GREEN, GSC, GTB, GULF, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IEC, IHL, III, INGRS, INOX, IRCP, IT, ITD, J, JCK, JCKH, JCT, JKN, JMART, JMT, JSP, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KKC, KOOL, KTECH, KTIS, KWM, KYE, LALIN, LH, LOXLEY, LPH, LST, LTX, LVT, MACO, MAJOR, MANRIN, MAX, M-CHAI, MCS, MDX, MEGA, METCO, MGT, MIDA, MJD, MK, ML, MM, MODERN, MORE, MPG, MPIC, MVP, NC, NCH, NDR, NER, NETBAY, NEW, NEWS, NFC, NOBLE, NOK, NPK, NPPG, NTV, NUSA, NVD, NYT, OHTL, OISHI, OSP, OTO, PACE, PAE, PAF, PERM, PF, PICO, PIMO, PJW, PLE, PMTA, POLAR, POMPI, PORT, PPM, PR9, PRAKIT, PRECHA, PRIN, PTL, RAM, RCI, RCL, RICH, RICHY, RJH, ROCK, ROH, RP, RPC, RPH, RS, RSP, S, S11, SAAM, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCP, SDC, SE, SEAFCO, SEAOL, SF, SFP, SGF, SIAM, SIMAT, SISB, SKE, SKN, SKR, SKY, SLP, SMART, SMM, SMT, SOLAR, SONIC, SPA, SPCG, SPG, SPORT, NEX, SPVI, SQ, SR, SSC, SSP, STAR, STEC, STHAI, STI, STPI, SUC, SUN, SUTHA, SVH, SVOA, T, TACC, TAPAC, TBSP, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TPRO, TH, THAI, THANA, THG, THL, THMUI, TIC, TIGER, TITILE, TIW, TK, TKS, TM, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TQM, TR, TRC, TRT, TRUBB, TSE, TSF, TSI, TSR, TSTE, TTA, TTL, TTITM, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPF, UPOIC, UT, UTP, UVAN, VARO, VCOM, VI, VIBHA, VNG, VPO, VRANDA, WAVE, WG, WHAUP, WIN, WINNER, WORK, WORLD, WP, WPH, WR, YCI, YNP, ZEN, ZIGA, ZMICO

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.