

# Berli Jucker

Berli Jucker  
Public Company Limited

## BJC

Bloomberg BJC TB  
Reuters BJC.BK

## Expect slower growth in 2H19F

**We expect less exciting YoY earnings growth in 2H19F than 1H19, with a softer MSC unit (weak SSS growth in 3Q19TD with more low-margin B2B sales), slightly better PSC unit (higher sales but weak margin) and solid CSC unit (better sales and margin). Effective tax in 2H19F is set to stay low, similar to 2H18 and 1H19. We stay NEUTRAL with a new mid-2020 DCF TP of Bt56, rolling over from end-2019 TP of Bt54.**

**Muted modern supply chain unit (MSC; 71% of 2Q19 sales).** In 1H19, MSC sales grew 5% YoY and gross margin widened by 90bps YoY. However, 3Q19TD, SSS has been worse than the -0.3% YoY in 2Q19, partly off last year's high base from sales related to football's World Cup in July, though B2B sales have grown QTD. BJC has revised its 2019F store expansion plans. 1) It now plans to open only four hypermarket stores (3 in Thailand and a first store in Poipet, Cambodia in October) rather than the eight originally planned, being more selective on store location and delays in permits for some stores. 2) It is raising expansion of Mini Big C to 300 (gross) stores from 200; it opened 90 stores (gross) in 1H19, for a net addition of 52 stores. 3) It still plans to open one Big Food Place store. We expect gross margin to be upheld by lower damage and shrinkage expenses and inventory provision expenses on better stock management – already seen in 2Q19 – but margin improvement YoY will be less than in 1H19 because of the addition of more low-margin B2B sales in 2H19F (vs 6% of sales in 1H19 and 7.2% of sales in 2018).

**Slowly reviving packaging supply chain unit (PSC; 12% of 2Q19 sales).** In 1H19, PSC sales slid 3% YoY on lower can packaging sales (-7% YoY; 44% of PSC sales) and gross margin dropped 110bps YoY from less favorable can packaging sales mix. BJC targets flat PSC sales growth in 2019F, implying some small growth in 2H19F. This will come from better can packaging sales as it transitions from an old customer (Carabao group which switched to in-house production) to new customers (local clients and exports to Vietnam). During the transition, margin is being eroded by lower economies of scale from the initial production of new can sizes for the new clients plus more low-margin export sales. With production for new customers ramping up and exports normalizing, BJC expects margin to be better next year.

**Solid consumer supply chain unit (CSC; 12% of 2Q19 sales).** In 1H19, CSC sales grew 8% YoY, and gross margin expanded by 110bps YoY. In 2H19F, BJC expects sales growth to continue solid, while margin will improve from lower raw material prices (potatoes, palm oil, coconut oil and pulp).

**Low tax.** BJC expects its effective tax rate to be low in 2H19 (close to 1H19's 13.5% and 2H18's 12.5%) and to be 15% in 2020F from increasing benefits from the group tax restructuring after the acquisition of BIGC and tax savings from solar rooftop.

### Forecasts and valuation

Year to 31 Dec	Unit	2017	2018	2019F	2020F	2021F
Revenue	(Btmn)	149,158	156,142	161,220	168,315	175,461
EBITDA	(Btmn)	20,040	21,032	21,621	22,506	23,443
Core profit	(Btmn)	5,122	6,444	7,091	7,589	8,203
Reported profit	(Btmn)	5,211	6,650	6,825	7,589	8,203
Core EPS	(Bt)	1.28	1.61	1.77	1.90	2.05
DPS	(Bt)	0.57	0.73	0.71	0.76	0.82
P/E, core	(x)	41.5	33.1	30.0	28.1	26.0
EPS growth, core	(%)	35.5	25.6	10.0	7.0	8.1
P/BV, core	(x)	1.9	1.9	1.8	1.8	1.8
ROE	(%)	4.6	5.7	6.1	6.5	7.0
Dividend yield	(%)	1.1	1.4	1.3	1.4	1.5
FCF yield	(x)	1.2	2.8	3.9	4.0	4.5
EV/EBIT	(x)	28.9	27.3	26.6	25.4	24.2
EBIT growth, core	(%)	33.5	6.5	2.1	4.2	4.2
EV/CE	(x)	1.3	1.3	1.3	1.3	1.3
ROCE	(%)	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)
EV/EBITDA	(x)	18.2	17.5	16.9	16.2	15.4
EBITDA growth	(%)	28.7	5.0	2.8	4.1	4.2

Source: SCBS Investment Research



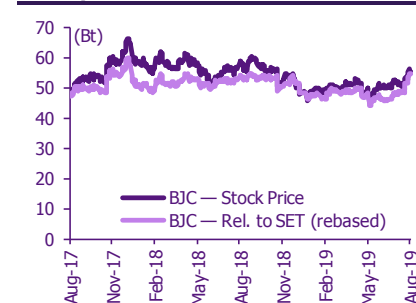
## NEUTRAL

### Stock data

Last close (Aug 28) (Bt)	53.25
12-m target price (Bt)	56.00
Upside (Downside) to TP (%)	5.16
Mkt cap (Btmn)	213.29
Mkt cap (US\$mn)	6,966

Risk rating	L
Mkt cap (%) SET	1.28
Sector % SET	10.19
Shares issued (mn)	4,005
Par value (Bt)	1.00
12-m high / low (Bt)	61.5 / 44.8
Avg. daily 6m (US\$mn)	12.10
Foreign limit / actual (%)	49 / 12
Free float (%)	25.7
Dividend policy (%)	≥ 50

### Price performance



Source: SET, SCBS Investment Research

### Share performance

(%)	1M	3M	12M
Absolute	2.9	8.1	(9.0)
Relative to SET	9.3	8.7	(3.3)

Source: SET, SCBS Investment Research

### Expected total return (ETR)

Target price	(Bt)	56.00
12-month dividend	(Bt)	0.71
Capital gain	(%)	5.16
Dividend yield	(%)	1.33
Total return	(%)	6.50

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	161,220	168,315	175,461
Cost of goods sold	(Btmn)	(32,363)	(33,071)	(102,735)	(120,706)	(126,173)	(129,621)	(135,150)	(140,717)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>9,333</b>	<b>9,822</b>	<b>22,595</b>	<b>28,452</b>	<b>29,968</b>	<b>31,599</b>	<b>33,165</b>	<b>34,744</b>
SG&A	(Btmn)	(7,011)	(7,179)	(24,324)	(30,686)	(32,263)	(34,057)	(35,806)	(37,554)
Other income	(Btmn)	693	1,500	11,204	14,885	15,771	16,224	16,979	17,752
Interest expense	(Btmn)	(556)	(493)	(5,203)	(4,528)	(4,719)	(4,951)	(4,897)	(4,796)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>2,459</b>	<b>3,650</b>	<b>4,272</b>	<b>8,122</b>	<b>8,757</b>	<b>8,815</b>	<b>9,440</b>	<b>10,146</b>
Corporate tax	(Btmn)	(398)	(400)	(983)	(2,260)	(1,569)	(1,190)	(1,416)	(1,522)
Equity a/c profits	(Btmn)	(26)	87	181	24	(110)	(80)	20	35
Minority interests	(Btmn)	(367)	(661)	(1,015)	(764)	(634)	(454)	(455)	(456)
<b>Core profit</b>	<b>(Btmn)</b>	<b>1,668</b>	<b>2,676</b>	<b>2,455</b>	<b>5,122</b>	<b>6,444</b>	<b>7,091</b>	<b>7,589</b>	<b>8,203</b>
Extra-ordinary items	(Btmn)	12	116	851	88	206	(266)	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>1,679</b>	<b>2,792</b>	<b>3,307</b>	<b>5,211</b>	<b>6,650</b>	<b>6,825</b>	<b>7,589</b>	<b>8,203</b>
EBITDA	(Btmn)	4,996	6,263	15,570	20,040	21,032	21,621	22,506	23,443
<b>Core EPS (Bt)</b>	<b>(Btmn)</b>	<b>1.05</b>	<b>1.68</b>	<b>0.95</b>	<b>1.28</b>	<b>1.61</b>	<b>1.77</b>	<b>1.90</b>	<b>2.05</b>
Net EPS (Bt)	(Bt)	1.05	1.75	1.28	1.31	1.66	1.71	1.90	2.05
DPS (Bt)	(Bt)	0.60	0.84	0.50	0.57	0.73	0.71	0.76	0.82

### 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	42,338	43,453	44,479
Total fixed assets	(Btmn)	25,665	26,320	272,708	276,517	279,661	278,750	278,164	277,247
<b>Total assets</b>	<b>(Btmn)</b>	<b>43,428</b>	<b>44,701</b>	<b>308,701</b>	<b>315,059</b>	<b>323,021</b>	<b>321,087</b>	<b>321,617</b>	<b>321,726</b>
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	74,826	84,755	66,414
Total long-term liabilities	(Btmn)	7,208	8,637	145,701	153,631	117,651	130,162	119,837	136,946
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>25,411</b>	<b>23,950</b>	<b>197,553</b>	<b>203,886</b>	<b>207,937</b>	<b>204,988</b>	<b>204,592</b>	<b>203,360</b>
Paid-up capital	(Btmn)	1,592	1,592	3,990	3,996	4,003	4,570	4,570	4,570
<b>Total equity</b>	<b>(Btmn)</b>	<b>18,017</b>	<b>20,750</b>	<b>111,148</b>	<b>111,173</b>	<b>115,084</b>	<b>116,100</b>	<b>117,026</b>	<b>118,366</b>
<b>BVPS (Bt)</b>	<b>(Bt)</b>	<b>11.31</b>	<b>13.03</b>	<b>42.87</b>	<b>27.85</b>	<b>28.77</b>	<b>29.03</b>	<b>29.26</b>	<b>29.59</b>

### 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	7,091	7,589	8,203
Depreciation and amortization	(Btmn)	1,982	2,121	6,095	7,389	7,556	7,856	8,168	8,501
Operating cash flow	(Btmn)	4,396	4,693	17,938	17,380	17,636	15,329	16,185	17,134
Investing cash flow	(Btmn)	(3,284)	(1,611)	(208,512)	(14,846)	(11,641)	(6,945)	(7,583)	(7,583)
Financing cash flow	(Btmn)	(1,352)	(3,151)	192,912	(1,390)	(4,683)	(10,521)	(9,163)	(10,213)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>(240)</b>	<b>(69)</b>	<b>2,338</b>	<b>1,145</b>	<b>1,312</b>	<b>(2,137)</b>	<b>(561)</b>	<b>(662)</b>

### 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	19.6	19.7	19.8
Operating margin	(%)	5.6	6.2	(1.4)	(1.5)	(1.5)	(1.5)	(1.6)	(1.6)
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	8.5	8.5	8.5
Net profit margin	(%)	4.0	6.5	2.6	3.5	4.3	4.2	4.5	4.7
ROE	(%)	9.3	13.8	3.7	4.6	5.7	6.1	6.5	7.0
ROA	(%)	3.8	6.1	1.4	1.6	2.0	2.2	2.4	2.6
Net D/E	(x)	0.7	0.7	1.3	1.4	1.3	1.3	1.3	1.2
Interest coverage	(x)	9.0	12.7	3.0	4.4	4.5	4.4	4.6	4.9
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	0.5	1.5	1.5
New stores, all formats (MSC)	(Stores)	77	98	63	180	154	205	157	157
Ending stores, all formats (MSC)	(Stores)	636	734	797	977	1,131	1,336	1,493	1,650
New stores, hypermarket (MSC)	(Stores)	4	2	6	9	7	4	6	6
Ending stores, hypermarket (MSC)	(Stores)	123	125	131	140	147	151	157	163
Gross profit margin (MSC)	(%)	15.0	13.7	14.7	16.7	16.5	17.1	17.2	17.3

## Financial statement

## Profit and Loss Statement

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Total revenue	(Btmn)	37,067	39,307	37,069	39,024	38,823	41,226	38,389	40,435
Cost of goods sold	(Btmn)	(29,799)	(31,505)	(30,055)	(31,707)	(31,414)	(32,998)	(30,969)	(32,368)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>7,268</b>	<b>7,802</b>	<b>7,014</b>	<b>7,317</b>	<b>7,409</b>	<b>8,228</b>	<b>7,421</b>	<b>8,067</b>
SG&A	(Btmn)	(7,662)	(8,169)	(7,597)	(8,030)	(8,096)	(8,539)	(8,227)	(8,571)
Other income	(Btmn)	3,661	4,018	3,737	3,925	3,923	4,186	3,929	4,044
Interest expense	(Btmn)	(1,116)	(1,174)	(1,146)	(1,170)	(1,193)	(1,211)	(1,197)	(1,245)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>2,151</b>	<b>2,477</b>	<b>2,008</b>	<b>2,042</b>	<b>2,043</b>	<b>2,664</b>	<b>1,925</b>	<b>2,294</b>
Corporate tax	(Btmn)	(576)	(558)	(506)	(456)	(195)	(412)	(289)	(274)
Equity a/c profits	(Btmn)	7	0	(6)	(76)	(39)	10	6	(81)
Minority interests	(Btmn)	(203)	(188)	(184)	(195)	(115)	(140)	(146)	(138)
<b>Core profit</b>	<b>(Btmn)</b>	<b>1,378</b>	<b>1,731</b>	<b>1,312</b>	<b>1,316</b>	<b>1,694</b>	<b>2,122</b>	<b>1,496</b>	<b>1,802</b>
Extra-ordinary items	(Btmn)	9	132	133	80	(11)	3	8	(274)
<b>Net Profit</b>	<b>(Btmn)</b>	<b>1,387</b>	<b>1,863</b>	<b>1,445</b>	<b>1,396</b>	<b>1,683</b>	<b>2,126</b>	<b>1,504</b>	<b>1,528</b>
EBITDA	(Btmn)	5,156	5,571	5,020	5,109	5,110	5,794	5,005	5,443
<b>Core EPS (Bt)</b>	<b>(Btmn)</b>	<b>0.35</b>	<b>0.43</b>	<b>0.33</b>	<b>0.33</b>	<b>0.42</b>	<b>0.53</b>	<b>0.37</b>	<b>0.45</b>
Net EPS (Bt)	(Bt)	0.35	0.47	0.36	0.35	0.42	0.53	0.38	0.38

## Balance Sheet

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Total current assets	(Btmn)	35,789	38,542	38,491	38,190	38,876	43,360	43,120	41,138
Total fixed assets	(Btmn)	276,767	276,517	276,842	276,968	278,273	279,661	279,656	278,863
<b>Total assets</b>	<b>(Btmn)</b>	<b>312,556</b>	<b>315,059</b>	<b>315,332</b>	<b>315,159</b>	<b>317,148</b>	<b>323,021</b>	<b>322,775</b>	<b>320,002</b>
Total loans	(Btmn)	158,278	157,180	156,973	157,453	159,195	160,917	160,572	158,288
Total current liabilities	(Btmn)	53,030	50,254	61,514	59,247	85,047	90,286	83,156	93,724
Total long-term liabilities	(Btmn)	150,483	153,631	141,574	143,673	118,985	117,651	123,203	110,681
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>203,513</b>	<b>203,886</b>	<b>203,088</b>	<b>202,920</b>	<b>204,032</b>	<b>207,937</b>	<b>206,359</b>	<b>204,406</b>
Paid-up capital	(Btmn)	3,993	3,996	3,997	4,000	4,002	4,003	4,003	4,005
<b>Total equity</b>	<b>(Btmn)</b>	<b>109,043</b>	<b>111,173</b>	<b>112,245</b>	<b>112,239</b>	<b>113,117</b>	<b>115,084</b>	<b>116,416</b>	<b>115,596</b>
<b>BVPS (Bt)</b>	<b>(Bt)</b>	<b>27.31</b>	<b>27.84</b>	<b>28.08</b>	<b>28.07</b>	<b>28.27</b>	<b>28.76</b>	<b>29.10</b>	<b>28.89</b>

## Cash Flow Statement

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Core Profit	(Btmn)	1,387	1,863	1,445	1,396	1,683	2,126	1,504	1,528
Depreciation and amortization	(Btmn)	1,889	1,920	1,867	1,896	1,874	1,919	1,883	1,903
Operating cash flow	(Btmn)	4,738	6,792	2,637	4,214	4,790	5,995	3,925	5,258
Investing cash flow	(Btmn)	(7,650)	(3,453)	(2,205)	(2,136)	(3,002)	(4,298)	(2,150)	5,912
Financing cash flow	(Btmn)	3,490	(1,668)	(1,653)	(1,899)	(1,035)	(96)	(1,096)	(5,513)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>577</b>	<b>1,671</b>	<b>(1,221)</b>	<b>179</b>	<b>753</b>	<b>1,601</b>	<b>679</b>	<b>5,656</b>

## Key Financial Ratios

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Gross margin	(%)	19.6	19.8	18.9	18.8	19.1	20.0	19.3	19.9
Operating margin	(%)	(1.1)	(0.9)	(1.6)	(1.8)	(1.8)	(0.8)	(2.1)	(1.2)
EBITDA margin	(%)	13.9	14.2	13.5	13.1	13.2	14.1	13.0	13.5
EBIT margin	(%)	8.8	9.3	8.5	8.2	8.3	9.4	8.1	8.8
Net profit margin	(%)	3.7	4.7	3.9	3.6	4.3	5.2	3.9	3.8
ROE	(%)	5.0	6.3	4.7	4.7	6.0	7.4	5.2	6.2
ROA	(%)	1.8	2.2	1.7	1.7	2.1	2.7	1.9	2.2
Net D/E	(x)	1.4	1.4	1.4	1.4	1.4	1.3	1.3	1.3
Interest coverage	(x)	4.6	4.7	4.4	4.4	4.3	4.8	4.2	4.4
Debt service coverage	(x)	0.8	1.0	0.6	0.6	0.3	0.4	0.4	0.3

## Main Assumptions

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
SSS growth (MSC)	(%)	9.2	3.8	0.3	(0.5)	2.5	1.8	1.0	(0.3)
New stores, all formats (MSC)	(Stores)	59	73	26	27	28	73	14	38
Ending stores, all formats (MSC)	(Stores)	904	977	1,003	1,030	1,058	1,131	1,145	1,183
New stores, hypermarket (MSC)	(Stores)	3	5	2	1	2	2	0	0
Ending stores, hypermarket (MSC)	(Stores)	135	140	142	143	145	147	147	147
Gross profit margin (MSC)	(%)	17.7	17.3	15.9	16.1	16.8	17.2	16.3	17.4

**Figure 1: Valuation summary** (price as of Aug 28, 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	53.25	56.0	6.5	33.1	30.0	28.1	26	10	7	1.9	1.8	1.8	6	6	7	1.4	1.3	1.4	17.5	16.9	16.2
CPALL	Buy	83.25	98.0	19.2	38.9	37.0	32.7	16	5	13	9.3	7.5	6.7	28	24	23	1.3	1.4	1.6	21.5	20.2	18.3
GLOBAL	Buy	15.00	19.0	28.0	39.2	31.5	33.1	(4)	25	(5)	4.7	4.2	4.0	13	14	12	1.1	1.4	0.9	25.7	21.3	21.6
HMPRO	Buy	17.30	19.5	15.0	40.2	34.9	31.0	16	15	13	11.4	10.4	9.5	29	31	32	2.0	2.3	2.6	22.9	20.5	18.7
MAKRO	Neutral	35.50	40.0	15.4	27.6	28.7	27.7	14	(4)	3	9.5	8.8	8.2	37	32	31	2.7	2.7	2.7	16.8	17.0	16.6
ROBINS	Buy	63.75	70.0	12.1	23.7	21.7	19.3	7	11	9	3.8	3.5	3.2	16	17	17	2.2	2.3	2.6	13.1	12.5	11.2
<b>Average</b>					<b>33.8</b>	<b>30.6</b>	<b>28.7</b>	<b>13</b>	<b>10</b>	<b>7</b>	<b>6.8</b>	<b>6.1</b>	<b>5.6</b>	<b>22</b>	<b>21</b>	<b>20</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>19.6</b>	<b>18.1</b>	<b>17.1</b>

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, SEAOIL, 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, WIIK, 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, CCET, CCP, CGD, CHARAN, CHAYO, CIFT, 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, ITCL, J, JCK, JMART, JMT, JTS, JUBILE, KASET, KCM, KIAT, KWC, KWG, 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, SEG, 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

\* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข้อขัดข้องเกี่ยวกับการดำเนินการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อดังกล่าวประกอบไปด้วย

**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, GSTEEL, GUNKUL, HANA, HARN, HMPRO, HTC, ICC, IFEC, IFS, INET, INTUCH, IRPC, IVL, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, L&E, 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, TASCO, 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, WIIK

**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, CDD, EFORL, EKH, ESTAR, ETE, FLOYD, FN, FPI, FTE, GPI, GYT, ICHI, ILINK, INSURE, IRC, ITCL, 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, UP, UREKA, UV, UWC, VIH, XO, YUASA

**N/A**

2S, 7UP, AAV, ABM, ACAP, ACC, ACG, 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, ARIN, 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, DOHOME, DTCL, EA, EARTH, EASON, ECF, EE, EIC, EMC, EPG, ERW, ESSO, EVER, F&D, FANCY, PRIME, FMT, PROUD, FORTH, FSMART, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GRAMMY, GRAND, GREEN, GSC, GTB, GULF, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, III, ILM, 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, KUMWEL, KWM, KYE, LALIN, LH, LOXLEY, LPH, LST, MACO, MAJOR, MANRIN, MAX, M-CHAI, MCS, MDX, MEGA, METCO, MGT, MIDA, MITSIB, 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, POMPU, 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, SEAOIL, SF, SFP, SGF, SIAM, SIMAT, SISB, SKE, SKN, SKR, SLP, SMART, STARK, 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, TGPRO, TH, THAI, THANA, THG, THL, THMUI, SEG, TIGER, TITLE, 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, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPF, UPOIC, UT, UTP, UVAN, VARO, VCOM, VI, VIBHA, VL, VNG, VPO, VRANDA, WAVE, WG, WHAUP, WIN, WINNER, WORK, WORLD, WP, WPH, WR, YCI, 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.