



# Bank of Ayudhya

Bank of Ayudhya  
Public Company Limited

## BAY

Bloomberg BAY TB  
Reuters BAY.BK

## 1Q20: Beat on NII; TP raised

**BAY's 1Q20 result beat our expectations, with higher NII, good loan growth and NIM expansion. However, deterioration in asset quality remains a concern. We maintain Buy with a hike in TP to Bt26 from Bt25. We see valuation as overly discounted to the impact from the economic downturn.**

**1Q20: Beat on NII.** 1Q20 net profit of Bt7.03bn (-45% YoY, +9% QoQ) was 17% above SCBS and consensus forecast of around Bt6bn. The variance was mainly from larger NII than expected. The 45% YoY fall in 1Q20 earnings was mainly due to no repetition of gain from the sale of its investment in Ngern Tid Lor. The 9% QoQ rise in 1Q20 earnings was mainly due to a 17% QoQ growth in NII.

### Highlights:

- 1) Loan growth: Better than expected at 9% YoY and 3% QoQ in 1Q20. Its YTD loan growth was mainly from corporate loans (+7% YTD) and SME loans (2% YTD) with retail loans stagnant. We revised our 2020F loan growth to 5% from -2%. We expect to see rising loan demand from the soft loan program and corporate bond rollovers.
- 2) NIM: Expanded 39 bps QoQ as a result of a 32 bps fall in cost of funds (from an easing in deposit cost and a reduction in FIDF cost to 0.23% from 0.46%) and a 13 bps QoQ rise in yield on earning assets from the adoption of the effective interest rate method under TFRS9.
- 3) Non-NII: Fell by 52% YoY (lower gain on investment and fee income) and 9% QoQ (lower fee income). Net fee income fell 14% YoY (on lower card-related, loan-related and collection fees) and 21% QoQ (on lower card-related, bancassurance and loan related fees).
- 4) Asset quality: Saw a 16% rise in reported NPLs with a 16% QoQ hike in provisions, leading to a fall in LLR coverage to 150% from 163% at 4Q19.

**2020F outlook.** We expect earnings to fall 21% in 2020F, with higher provisions and smaller gain on investment (no repetition of gain from the sale of its investment in Ngern Tid Lor). We expect a QoQ softening in 2Q20 earnings from higher provisions and narrowed NIM.

**Maintain Buy with a slight hike in TP.** We maintain Buy with a slight hike in TP to Bt26 (0.65x 2020F BVPS) from Bt25 to reflect our upward revision in loan growth. Trading at 0.5x PBV relative to 9% ROE, BAY is undervalued in our opinion.

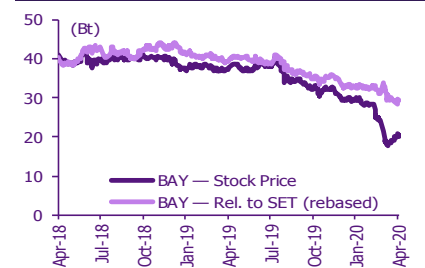
## BUY

### Stock data

Last close (Apr 21) (Bt)	21.10
12-m target price (Bt)	26.00
Upside (Downside) to TP (%)	23.22
Mkt cap (Btbn)	155.21
Mkt cap (US\$mn)	4,774

Risk rating	L
Mkt cap (%) SET	1.15
Sector % SET	9.35
Shares issued (mn)	7,356
Par value (Bt)	10.00
12-m high / low (Bt)	40.5 / 17.7
Avg. daily 6m (US\$mn)	0.30
Foreign limit / actual (%)	25 / 25
Free float (%)	23.1
Dividend policy (%)	≥ 30

### Price performance



Source: SET, SCBS Investment Research

### Share performance

(%)	1M	3M	12M
Absolute	18.5	(29.1)	(44.8)
Relative to SET	(3.1)	(10.9)	(26.3)

Source: SET, SCBS Investment Research

### Expected total return (ETR)

Target price	(Bt)	26.00
12-month dividend	(Bt)	0.70
Capital gain	(%)	23.22
Dividend yield	(%)	3.32
Total return	(%)	26.54

Source: SET, SCBS Investment Research

### Forecasts and valuation

Year to 31 Dec	Unit	2018	2019	2020F	2021F	2022F
Pre-provision profit	(Bt mn)	57,447	68,030	68,180	67,547	69,775
Net profit	(Bt mn)	24,813	32,749	25,757	27,172	31,171
PPP/Sh	(Bt)	7.81	9.25	9.27	9.18	9.49
EPS	(Bt)	3.37	4.45	3.50	3.69	4.24
BVPS	(Bt)	32.99	36.81	39.45	42.44	45.94
DPS	(Bt)	0.85	0.85	0.70	0.74	0.85
P/PPP	(x)	2.70	2.28	2.28	2.30	2.22
PPP growth	(%)	10.54	18.42	0.22	(0.93)	3.30
P/E	(x)	6.26	4.74	6.03	5.71	4.98
EPS growth	(%)	6.91	31.98	(21.35)	5.49	14.72
P/BV	(x)	0.64	0.57	0.53	0.50	0.46
ROE	(%)	10.61	12.76	9.18	9.02	9.59
Dividend yield	(%)	4.03	4.03	3.32	3.50	4.02

Source: SCBS Investment Research

### Analyst

**Kittima Sattayapan, CFA**

Fundamental Investment

Analyst on Securities

(66-2) 949-1003

kittima.sattayapan@scb.co.th

## Financial statement

## Profit and Loss Statement

FY December 31	Unit	2015	2016	2017	2018	2019	2020F	2021F	2022F
Interest & dividend income	(Btmn)	81,947	85,925	94,998	107,132	110,455	115,114	120,474	126,192
Interest expense	(Btmn)	25,596	23,948	26,463	31,803	34,032	30,466	36,059	39,337
<b>Net interest income</b>	(Btmn)	<b>56,350</b>	<b>61,977</b>	<b>68,535</b>	<b>75,328</b>	<b>76,423</b>	<b>84,648</b>	<b>84,415</b>	<b>86,854</b>
Non-interest income	(Btmn)	26,064	29,162	31,644	33,860	43,776	33,889	34,997	36,361
Non-interest expenses	(Btmn)	38,947	43,080	48,210	51,741	52,169	50,357	51,865	53,440
Pre-provision profit	(Btmn)	43,468	48,059	51,968	57,447	68,030	68,180	67,547	69,775
Provision	(Btmn)	20,186	21,315	22,970	26,180	28,203	37,266	35,217	32,869
Pre-tax profit	(Btmn)	23,282	26,745	28,998	31,267	39,827	30,914	32,330	36,906
Tax	(Btmn)	4,788	5,409	5,739	6,467	8,105	6,183	6,466	7,381
Equities & minority interest	(Btmn)	(140)	(68)	50	(13)	(1,026)	(1,026)	(1,308)	(1,646)
<b>Core net profit</b>	(Btmn)	<b>18,634</b>	<b>21,404</b>	<b>23,209</b>	<b>24,813</b>	<b>32,749</b>	<b>25,757</b>	<b>27,172</b>	<b>31,171</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>18,634</b>	<b>21,404</b>	<b>23,209</b>	<b>24,813</b>	<b>32,749</b>	<b>25,757</b>	<b>27,172</b>	<b>31,171</b>
<b>EPS</b>	(Bt)	<b>2.53</b>	<b>2.91</b>	<b>3.16</b>	<b>3.37</b>	<b>4.45</b>	<b>3.50</b>	<b>3.69</b>	<b>4.24</b>
<b>DPS</b>	(Bt)	<b>0.80</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>	<b>0.70</b>	<b>0.74</b>	<b>0.85</b>

## Balance Sheet

FY December 31	Unit	2015	2016	2017	2018	2019	2020F	2021F	2022F
Cash	(Btmn)	33,690	36,142	38,244	34,679	33,830	34,548	36,246	37,573
Interbank assets	(Btmn)	194,094	200,283	330,797	245,553	331,431	364,575	364,575	364,575
Investments	(Btmn)	111,602	133,701	86,157	137,369	130,292	130,292	130,292	130,292
<b>Gross loans</b>	(Btmn)	<b>1,303,454</b>	<b>1,448,882</b>	<b>1,550,404</b>	<b>1,672,018</b>	<b>1,817,877</b>	<b>1,908,770</b>	<b>2,004,209</b>	<b>2,104,419</b>
Accrued interest receivable	(Btmn)	3,572	3,864	3,917	4,326	4,484	4,484	4,484	4,484
Loan loss reserve	(Btmn)	44,944	49,462	55,476	61,360	67,384	76,019	91,194	105,123
<b>Net loans</b>	(Btmn)	<b>1,262,083</b>	<b>1,403,285</b>	<b>1,498,845</b>	<b>1,614,984</b>	<b>1,754,976</b>	<b>1,837,235</b>	<b>1,917,499</b>	<b>2,003,780</b>
<b>Total assets</b>	(Btmn)	<b>1,705,517</b>	<b>1,883,188</b>	<b>2,088,772</b>	<b>2,173,622</b>	<b>2,359,592</b>	<b>2,476,437</b>	<b>2,559,143</b>	<b>2,647,514</b>
Deposits	(Btmn)	1,046,290	1,108,288	1,319,229	1,426,348	1,566,885	1,667,165	1,727,850	1,790,485
Interbank liabilities	(Btmn)	275,060	314,400	279,721	244,097	252,121	252,121	252,121	252,121
Borrowings	(Btmn)	108,121	160,326	142,866	155,650	175,667	175,667	175,667	175,667
<b>Total liabilities</b>	(Btmn)	<b>1,514,769</b>	<b>1,674,420</b>	<b>1,862,785</b>	<b>1,929,904</b>	<b>2,087,476</b>	<b>2,184,955</b>	<b>2,245,639</b>	<b>2,308,274</b>
Minority interest	(Btmn)	393	589	857	1,081	1,326	1,326	1,326	1,326
Paid-up capital	(Btmn)	73,558	73,558	73,558	73,558	73,558	73,558	73,558	73,558
<b>Total Equities</b>	(Btmn)	<b>190,355</b>	<b>208,179</b>	<b>225,131</b>	<b>242,637</b>	<b>270,790</b>	<b>290,157</b>	<b>312,178</b>	<b>337,914</b>
<b>BVPS</b>	(Bt)	<b>25.88</b>	<b>28.30</b>	<b>30.61</b>	<b>32.99</b>	<b>36.81</b>	<b>39.45</b>	<b>42.44</b>	<b>45.94</b>

## Key Assumptions and Financial Ratios

FY December 31	Unit	2015	2016	2017	2018	2019	2020F	2021F	2022F
<b>Growth</b>									
YoY loan growth	(%)	28.70	11.16	7.01	7.84	8.72	5.00	5.00	5.00
YoY non-NII growth	(%)	15.04	11.89	8.51	7.00	29.29	(22.59)	3.27	3.90
<b>Profitability</b>									
Yield on earn'g assets	(%)	5.93	5.05	4.99	5.25	5.07	4.90	4.90	4.93
Cost on int-bear'g liab	(%)	2.08	1.59	1.59	1.78	1.78	1.49	1.70	1.80
Spread	(%)	3.85	3.46	3.39	3.47	3.29	3.41	3.20	3.13
Net interest margin	(%)	4.08	3.64	3.60	3.69	3.51	3.60	3.43	3.39
ROE	(%)	11.59	10.74	10.71	10.61	12.76	9.18	9.02	9.59
ROA	(%)	1.28	1.19	1.17	1.16	1.44	1.07	1.08	1.20
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	2.47	2.40	2.43	2.30	2.27	3.12	3.16	3.20
LLR/NPLs	(%)	139.41	141.99	147.46	159.60	163.02	127.74	144.00	156.11
Provision expense/Total loans	(%)	1.55	1.47	1.48	1.57	1.55	1.95	1.76	1.56
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	112.91	114.21	106.04	105.69	104.32	103.58	105.29	107.03
<b>Efficiency</b>									
Cost to income ratio	(%)	48.08	47.58	48.81	47.67	47.27	42.84	43.73	43.65
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	14.38	15.07	16.39	16.14	17.80	16.98	17.47	17.80
Tier-1	(%)	12.22	12.24	12.56	12.52	13.26	12.64	13.29	13.79
Tier-2	(%)	2.16	2.83	3.83	3.62	4.54	4.35	4.18	4.01

## Financial statement

## Profit and Loss Statement

FY December 31	Unit	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Interest & dividend income	(Btmn)	26,365	27,151	28,091	27,488	27,445	27,775	27,746	29,818
Interest expense	(Btmn)	7,877	8,068	8,356	8,077	8,683	8,655	8,618	7,485
<b>Net interest income</b>	(Btmn)	<b>18,488</b>	<b>19,083</b>	<b>19,735</b>	<b>19,412</b>	<b>18,762</b>	<b>19,121</b>	<b>19,128</b>	<b>22,333</b>
Non-interest income	(Btmn)	8,322	8,113	8,673	17,142	8,866	8,698	9,069	8,215
Non-interest expenses	(Btmn)	12,578	12,888	13,876	14,221	12,460	12,981	12,507	12,689
Earnings before tax & provision	(Btmn)	14,232	14,308	14,532	22,333	15,169	14,838	15,690	17,859
Provision	(Btmn)	6,404	6,303	6,790	6,349	6,725	6,942	8,187	9,510
Pre-tax profit	(Btmn)	7,828	8,005	7,742	15,984	8,443	7,897	7,503	8,349
Tax	(Btmn)	1,551	1,783	1,617	3,361	1,738	1,623	1,383	1,653
Equities & minority interest	(Btmn)	3	8	14	(114)	(304)	(291)	(317)	(337)
<b>Core net profit</b>	(Btmn)	<b>6,273</b>	<b>6,215</b>	<b>6,110</b>	<b>12,737</b>	<b>7,010</b>	<b>6,564</b>	<b>6,437</b>	<b>7,033</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>6,273</b>	<b>6,215</b>	<b>6,110</b>	<b>12,737</b>	<b>7,010</b>	<b>6,564</b>	<b>6,437</b>	<b>7,033</b>
<b>EPS</b>	(Bt)	<b>0.85</b>	<b>0.84</b>	<b>0.83</b>	<b>1.73</b>	<b>0.95</b>	<b>0.89</b>	<b>0.88</b>	<b>0.96</b>

## Balance Sheet

FY December 31	Unit	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Cash	(Btmn)	31,752	30,139	34,679	32,792	30,735	30,503	33,830	32,956
Interbank assets	(Btmn)	260,024	238,955	245,553	289,535	279,486	275,165	331,431	388,574
Investments	(Btmn)	111,474	118,009	137,369	147,014	154,485	127,313	130,292	156,645
<b>Gross loans</b>	(Btmn)	<b>1,642,298</b>	<b>1,666,879</b>	<b>1,672,018</b>	<b>1,709,668</b>	<b>1,756,363</b>	<b>1,778,561</b>	<b>1,817,877</b>	<b>1,869,963</b>
Accrued interest receivable	(Btmn)	4,007	4,509	4,326	4,596	4,450	4,789	4,484	0
Loan loss reserve	(Btmn)	59,987	62,676	61,360	63,450	63,983	66,488	67,384	72,012
<b>Net loans</b>	(Btmn)	<b>1,586,317</b>	<b>1,608,712</b>	<b>1,614,984</b>	<b>1,650,814</b>	<b>1,696,830</b>	<b>1,716,861</b>	<b>1,754,976</b>	<b>1,797,951</b>
<b>Total assets</b>	(Btmn)	<b>2,100,941</b>	<b>2,093,284</b>	<b>2,173,622</b>	<b>2,241,330</b>	<b>2,277,211</b>	<b>2,269,188</b>	<b>2,359,592</b>	<b>2,514,415</b>
Deposits	(Btmn)	1,367,531	1,376,585	1,426,348	1,465,377	1,497,469	1,495,047	1,566,885	1,667,371
Interbank liabilities	(Btmn)	243,980	209,197	244,097	272,870	243,767	243,143	252,121	308,937
Borrowings	(Btmn)	165,329	185,083	155,650	137,476	163,553	164,242	175,667	166,750
<b>Total liabilities</b>	(Btmn)	<b>1,866,378</b>	<b>1,855,507</b>	<b>1,929,904</b>	<b>1,984,505</b>	<b>2,017,039</b>	<b>2,005,518</b>	<b>2,087,476</b>	<b>2,241,332</b>
Minority interest	(Btmn)	886	991	1,081	1,159	1,131	1,237	1,326	1,382
Paid-up capital	(Btmn)	73,558	73,558	73,558	73,558	73,558	73,558	73,558	73,558
<b>Total Equities</b>	(Btmn)	<b>233,676</b>	<b>236,786</b>	<b>242,637</b>	<b>255,665</b>	<b>259,041</b>	<b>262,433</b>	<b>270,790</b>	<b>271,701</b>
<b>BVPS</b>	(Bt)	<b>31.77</b>	<b>32.19</b>	<b>32.99</b>	<b>34.76</b>	<b>35.22</b>	<b>35.68</b>	<b>36.81</b>	<b>36.94</b>

## Financial Ratios

FY December 31	Unit	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
<b>Growth</b>									
YoY loan growth	(%)	11.30	11.41	7.84	8.68	6.95	6.70	8.72	9.38
YoY non-NII growth	(%)	13.65	(0.17)	0.91	95.86	6.54	7.22	4.57	(52.07)
<b>Profitability</b>									
Yield on earn'g assets	(%)	5.12	5.35	5.48	5.18	5.01	5.04	4.94	5.07
Cost on int-bear'g liab	(%)	1.76	1.82	1.86	1.75	1.84	1.82	1.77	1.45
Spread	(%)	3.37	3.53	3.62	3.44	3.17	3.22	3.17	3.62
Net interest margin	(%)	3.59	3.76	3.85	3.66	3.43	3.47	3.41	3.80
ROE	(%)	10.80	10.57	10.20	20.45	10.90	10.07	9.66	10.37
ROA	(%)	1.19	1.19	1.12	2.27	1.23	1.16	1.09	1.12
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	2.28	2.34	2.30	2.25	2.18	2.25	2.27	2.57
LLR/NPLs	(%)	160.32	161.01	159.60	164.60	167.40	166.05	163.02	149.87
Provision expense/Total loans	(%)	1.56	1.51	1.62	1.49	1.53	1.56	1.80	2.03
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	107.14	106.74	105.69	106.66	105.74	107.19	104.32	101.95
<b>Efficiency</b>									
Cost to income ratio	(%)	47.35	47.39	48.79	51.42	46.14	47.21	44.35	41.61
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	15.73	16.50	16.14	15.83	16.98	17.81	17.80	15.66
Tier-1	(%)	12.02	12.82	12.52	12.21	12.37	13.23	13.26	11.01
Tier-2	(%)	3.71	3.68	3.62	3.62	4.62	4.58	4.54	4.65

Figure 1: Quarterly results

P & L (Bt mn)	1Q19	4Q19	1Q20	%YoY ch	%QoQ ch	% full year
Interest income	27,488	27,746	29,818	8	7	26
Interest expense	8,077	8,618	7,485	(7)	(13)	25
Net interest income	19,412	19,128	22,333	15	17	26
Non-interest income	17,142	9,069	8,215	(52)	(9)	24
Operating expenses	14,221	12,507	12,689	(11)	1	25
Pre-provision profit	22,333	15,690	17,859	(20)	14	26
Provision	6,349	8,187	9,510	50	16	26
Pre-tax profit	15,984	7,503	8,349	(48)	11	27
Income tax	3,361	1,383	1,653	(51)	20	27
MI and equity	114	317	337	196	6	NA
Net profit	12,737	6,437	7,033	(45)	9	27
EPS (Bt)	1.73	0.88	0.96	(45)	9	27
B/S (Bt mn)	1Q19	4Q19	1Q20	%YoY ch	%QoQ ch	% full year
Gross loans	1,709,668	1,817,877	1,869,963	9	3	NM
Deposits	1,465,377	1,566,885	1,667,371	14	6	NM
BVPS (Bt)	34.76	36.81	36.94	6	0	NM
Ratios (%)	1Q19	4Q19	1Q20	%YoY ch*	%QoQ ch*	% full year
Yield on earn. asset	5.18	4.94	5.07	(0.11)	0.13	NM
Cost of funds	1.75	1.77	1.45	(0.30)	(0.32)	NM
Net interest margin	3.66	3.41	3.80	0.14	0.39	NM
Cost to income	51.42	44.35	41.61	(9.81)	(2.74)	NM
NPLs/total loans	2.25	2.27	2.57	0.31	0.30	NM
LLR/NPLs	164.60	163.02	149.87	(14.73)	(13.15)	NM

Source: SCBS Investment Research

Note: \* Percentage points

Figure 2: Valuation summary (price as of Apr 21, 2020)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					19A	20F	21F	19A	20F	21F	19A	20F	21F	19A	20F	21F	19A	20F	21F
BAY	Buy	21.10	26.0	26.5	4.7	6.0	5.7	32	(21)	5	0.6	0.5	0.5	12.8	9.2	9.0	4.0	3.3	3.5
BBL	Buy	111.00	135.0	27.9	5.9	7.5	5.8	1	(22)	30	0.5	0.5	0.5	9	7	8	6.3	6.3	6.3
KBANK	Neutral	97.00	97.0	5.2	6.0	8.8	6.4	1	(32)	38	0.6	0.6	0.5	10	6	8	5.2	5.2	5.4
KKP	Neutral	42.50	42.0	5.7	6.0	8.7	6.9	(1)	(31)	27	0.8	0.8	0.8	14	9	11	10.0	6.9	8.7
KTB	Buy	10.90	14.0	34.0	5.2	6.8	5.3	3	(23)	27	0.5	0.4	0.4	9	7	8	6.9	5.6	7.1
LHFG	Sell	1.04	0.80	(18.9)	6.9	12.0	8.5	3	(43)	41	0.5	0.5	0.5	8	4	6	7.7	4.2	5.9
TCAP	Buy	35.75	42.0	28.2	3.9	5.6	7.1	38	(31)	(21)	0.6	0.6	0.6	16	11	9	19.6	10.7	8.5
TISCO	Neutral	81.50	84.0	11.1	9.0	10.0	8.9	4	(10)	12	1.7	1.7	1.6	19	17	18	9.5	8.0	9.0
TMB	Buy	0.92	1.20	35.0	12.3	6.6	5.3	(72)	86	24	0.5	0.4	0.4	4.9	6.7	7.8	4.3	4.5	5.7
<b>Average</b>					<b>6.6</b>	<b>8.0</b>	<b>6.7</b>	<b>6</b>	<b>(26)</b>	<b>19</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>11</b>	<b>8</b>	<b>9</b>	<b>8.2</b>	<b>6.0</b>	<b>6.6</b>

Source: SCBS Investment Research

**Disclaimer**

The information in this report has been obtained from sources believed to be reliable. However, its accuracy or completeness is not guaranteed. Any opinions expressed herein reflect our judgment at this date and are subject to change without notice. This report is for information only. It is not to be construed as an offer, or solicitation of an offer to sell or buy any securities. We accept no liability for any loss arising from the use of this document. We or our associates may have an interest in the companies mentioned therein.

SCB Securities Company Limited ("SCBS") is a wholly-owned subsidiary of The Siam Commercial Bank Public Company Limited ("SCB"). Any information related to SCB is for sector comparison purposes.

SCB Securities Company Limited ("SCBS") acts as market maker and issuer of Derivative Warrants on the ordinary shares INTUCH.

Before making an investment decision over a derivative warrant, an investor should carefully read the prospectus for the details of the said derivative warrants. Any opinion, news, research, analyse, price, statement, forecast, projection and/or other information contained in this document (the "Information") is provided as general purpose information only, and shall not be construed as a recommendation to any person of an offer to buy or sell, or the solicitation of an offer to buy or sell, any securities. SCBS and/or its directors, officers, employees, and agents shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of, or reliance on, the Information, including without limitation, damages for loss of profits. The investor should use the Information in association with other information and opinion, including his/her own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

SCBS reserves the right to modify the Information from time to time at its sole discretion without giving any notice. This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of SCBS.

This document is prepared by SCB Securities Company Limited ("SCBS") which is wholly-owned by The Siam Commercial Bank Public Company Limited ("SCB"). SCB has acted as Financial Advisor of SCG Packaging Public Company Limited. SCBS has acted as Joint Lead Underwriter of SCG Packaging Public Company Limited. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only, and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. SCBS and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by SCB Securities Company Limited ("SCBS") which is wholly-owned by The Siam Commercial Bank Public Company Limited ("SCB"). SCB has acted as Financial Advisor of Charoen Pokphand Group Company Limited. and its affiliates including CP All Public Company Limited. and Charoen Pokphand Foods Public Company Limited. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only, and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. SCBS and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by SCB Securities Company Limited ("SCBS") which is wholly-owned by The Siam Commercial Bank Public Company Limited ("SCB"). SCB has acted as Financial Advisor, Lead Arranger of Global Power Synergy Public Company Limited. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only, and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. SCBS and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by SCB Securities Company Limited ("SCBS") which is wholly-owned by The Siam Commercial Bank Public Company Limited ("SCB"). SCB Asset Management Company Limited ("SCBAM") which is wholly-owned by The Siam Commercial Bank Public Company Limited ("SCB"). SCB has acted as Financial Advisor of Digital Telecommunications Infrastructure Fund. SCBAM has acted as Fund Manager of Digital Telecommunications Infrastructure Fund. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only, and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. SCBS and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

SCBS reserves the right to modify the Information from time to time without notice and in its sole discretion. This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of SCBS.

Futures and Options trading carry a high level of risk with the potential for substantial losses, and are not suitable for all persons. Before deciding to trade Futures and Options, you should carefully consider your financial position, investment objectives, level of experience, and risk appetite if Futures and Options trading are appropriate. The possibility exists that you could sustain a loss of some or all of your initial investment. You should be aware of all the risks associated with Futures and Options trading, and you are advised to rely on your own judgment while making investment decision and/or should seek advice from professional investment advisor if you have any doubts.

This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of SCBS.

Copyright©2012 SCB Securities Company Limited. All rights reserved.

**CG Rating 2019 Companies with CG Rating****Companies with Excellent CG Scoring**

AAV, ADVANC, AIRA, AKP, AKR, AMA, AMATA, AMATAV, ANAN, AOT, AP, ARROW, BAFS, BANPU, BAY, BCP, BCPG, BOL, BRR, BTS, BTW, BWG, CFRESH, CHEWA, CHO, CK, CKP, CM, CNT, COL, COMAN, CPALL, CPF, CPI, CPN, CSS, DELTA, DEMCO, DRT, DTAC, DTC, EA, EASTW, ECF, EGCO, GBX, GC, GCAP, GEL, GFPT, GGC, GOLD, GPSC, GRAMMY, GUNKUL, HANA, HARN, HMPRO, ICC, ICHI, III, ILINK, INTUCH, IRPC, IVL, JKN, JSP, K, KBANK, KCE, KKP, KSL, KTB, KTC, KTIS, LH, LHFG, LIT, LPN, MAKRO, MALEE, MBK, MBKET, MC, MCOT, MFEC, MINT, MONO\*, MTC, NCH, NCL, NKI, NSI, NVD, NYT, OISHI, OTO, PAP, PCSGH, PDJ, PG, PHOL, PJW, PLANB, PLANET, PORT, PPS, PR9, PREB, PRG, PRM, PSH, PSL, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, ROBINS, RS, S, S & J, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCN, SDC, SEAFSCO, SEAOL, SE-ED, SELIC, SENA, SIS, SITHAI, SNC, SORKON, SPALI, SPI, SPRC, SSSC, STA, STEC, SVI, SYNTEC, TASCO, TCAP, THAI, THANA, THANI, THCOM, THIP, THREL, TIP, TISCO, TK, TKT, TMB, TMILL, TNDT, TOA, TOP, TRC, TRU, TRUE, TSC, TSR, TSTH, TTA, TTCL, TTW, TU, TVD, TVO, U, UAC, UV, VGI, VIH, WACOAL, WAVE, WHA, WHAUP, WICE, WINNER

**Companies with Very Good CG Scoring**

2S, ABM, ADB, AF, AGE, AH, AHC, AIT, ALLA, ALT, AMANAH, AMARIN, APCO, APCS, AQUA, ARIP, ASAP, ASIA, ASIAN, ASIMAR, ASK, ASN, ASP, ATP30, AUCT, AYUD, B, BA, BBL, BDMS, BEC, BEM, BFIT, BGC, BGRIM, BIZ, BJC, BJCHI, BLA, BPP, BROOK, CBG, CEN, CENTEL, CGH, CHG, CHOTI, CHOW, CI, CIMBT, CNS, COLOR, COM7, COTTO, CRD, CSC, CSP, DCC, DCON, DDD, DOD, EASON, ECL, EE, EPG, ERW, ESTAR, ETE, FLOYD, FN, FNS, FORTH, FPI, FPT, FSMART, FSS, FVC, GENCO, GJS, GL, GLOBAL, GLOW, GULF, HPT, HTC, HYDRO, ICN, IFS, INET, INSURE, IRC, IRCP, IT, ITD\*, ITEL, J, JAS\*, JCK, JCKH, JMART, JMT, JWD, KBS, KCAR, KGI, KIAT, KOOL, KWC, KWM, L&E, LALIN, LANNA, LDC, LHK, LOXLEY, LRH, LST, M, MACO, MAJOR, MBAX, MEGA, METCO, MFC, MK, MODERN, MOONG, MPG, MSC, MTI, NEP, NETBAY, NEX, NINE, NOBLE, NOK, NTV, NWR, OCC, OGC, ORI, OSP, PATO, PB, PDG, PDI, PL, PLAT, PM, PPP, PRECHA, PRIN, PRINC, PSTC, PT, QLT, RCL, RICHY, RML, RWI, S11, SAAM, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCG, SCI, SGP, SE, SFP, SIAM, SINGER, SIRI, SKE, SKR, SKY, SMIT, SMK, SMPC, SMT, SNP, SONIC, SPA, SPC, SPCG, SPVI, SR, SRICHA, SSC, SSF, SST, STANLY, SUC, SUN, SUSCO, SUTHA, SWC, SYMC, SYNEX, T, TACC, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TEAMG, TFG, TFMAMA, THG, THRE, TIPCO, TITLE, TIW, TKN, TKS, TM, TMC, TMD, TMI, TMT, TNITY, TNL, TNP, TNR, TOG, TPA, TPAC, TPBI, TPCORP, TPOLY, TRITN, TRT, TSE, TSTE, TVI, TVT, TWP, TWPC, UBIS, UEC, UMI, UOBKH, UP, UPF, UPOIC, UT, UWC, VNT, WIUK, XO, YUASA, ZEN, ZMICO

**Companies with Good CG Scoring**

A, ABICO, ACAP\*, AEC, AEONTS, AJ, ALUCON, AMC, APURE, AS, ASEFA, AU, B52, BCH, BEAUTY, BGT, BH, BIG, BLAND, BM, BR, BROCK, BSBM, BSM, BTNC, CCET, CCP, CGD, CHARAN, CHAYO, CITY, CMAN, CMC, CMO, CMR, CPL, CPT, CSR, CTW, CWT, D, DIMET, EKH, EMC, EPCO, ESSO, FE, FTE, GIFT, GLAND, GLOCON, GPI, GREEN, GTB, GYT, HTECH, HUMAN, IHL, INGRS, INOX, JTS, JUBILE, KASET, KCM, KKC, KWG, KYE, LEE, LPH, MATCH, MATI, M-CHAI, MCS, MDX, META, MGT, MJD, MM, MVP, NC, NDR, NER, NNCL, NPK, NUSA, OCEAN, PAF, PF, PICO, PIMO, PK, PLE, PMTA, POST, PPM, PROUD, PTL, RCI, RJH, ROJNA, RPC, RPH, SF, SGF, SGP, SKN, SLP, SMART, SOLAR, SPG, SQ, SSP, STI, SUPER, SVOA, TCCC, THE, THMUI, TIC, TIGER, TNH, TOPP, TPCH, TPIPP, TPLAS, TQM, TTI, TYCN, UTP, VCOM, VIBHA, VPO, WIN, WORK, WP, WPH, ZIGA

**Corporate Governance Report**

The material contained in this publication is for general information only and is not intended as advice on any of the matters discussed herein. Readers and others should perform their own independent analysis as to the accuracy or completeness or legality of such information. The Thai Institute of Directors, its officers, the authors and editor make no representation or warranty as to the accuracy, completeness or legality of any of the information contained herein. By accepting this document, each recipient agrees that the Thai Institute of Directors Association, its officers, the authors and editor shall not have any liability for any information contained in, or for any omission from, this publication.

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 2018 to 25 October 2019) is publicized.

\* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข้อขัดข้องในการกำกับดูแลกิจการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คลอรัปชั่น เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อดังกล่าวประกอบด้วย

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

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

**Declared (ประกาศเจตนารมณ์)**

2S, ABICO, AF, AI, AIRA, ALT, AMA, AMARIN, AMATA, ANAN, B, BM, BPP, BUI, CHG, CHO, CHOTI, CHOW, CI, CMC, COL, DDD, DELTA, EFORL, EPCO, ESTAR, ETE, FPI, FTE, ICHI, INOX, IRC, ITEL, JAS, JSP, JTS, KWG, LDC, LIT, META, MFEC, MPG, NEP, NOK, NWR, ORI, PRM, PSL, ROJNA, RWI, SAAM, SAPPE, SCI, SEAOL, SHANG, SKR, SPALI, STANLY, SYNEX, TAE, TAKUNI, TMC, TOPP, TPP, TRITN, TVO, UV, UWC, WHAUP, XO

**N/A**

7UP, A, A5, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, AEC, AEONTS, AFC, AGE, AH, AHC, AIT, AJ, AJA, AKR, ALL, ALLA, ALUCON, AMATAV, AMC, AOT, APCO, APEX, APP, APURE, AQ, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIAN, ASIMAR, ASN, ATP30, AU, AUCT, AWC, B52, BA, BAM, BAT-3K, BC, BCT, BDMS, BEAUTY, BEC, BEM, BFIT, BGC, BGT, BH, BIG, BIZ, BJC, BKD, BLAND, BLISS, BOL, BR, BROCK, BSM, BTNC, BTW, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHUO, CITY, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, COTTO, CPH, CPL, CPR, CPT, CPW, CRANE, CRC, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DCORP, DOD, DOHOME, DTCL, EA, EASON, ECF, EE, EIC, EKH, EMC, EPG, ERW, ESSO, EVER, F&D, FANCY, FLOYD, FMT, FN, FORTH, FPT, FSMART, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GLOCON, GPI, GRAMMY, GRAND, GREEN, GSC, GTB, GULF, GYT, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IFEC, IHL, III, ILINK, ILM, IMH, INGRS, INSET, IP, IRPC, IT, ITD, J, JCK, JCKH, JCT, JKN, JMART, JMT, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KKC, KOOL, KTECH, KTIS, KUMWEL, KUN, KWM, KYE, LALIN, LEE, LH, LHFG, LOXLEY, LPH, LST, MACO, MAJOR, MANRIN, MATCH, MATI, MAX, M-CHAI, MCS, MDX, MEGA, METCO, MGT, MIDA, MILL, MITSIB, MJD, MK, ML, MM, MODERN, MORE, MPIC, MTC, MVP, NC, NCH, NCL, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NOBLE, NPK, NTV, NUSA, NVD, NYT, OHTL, OISHI, OSP, OTO, PACE, PAE, PAF, PERM, PF, PICO, PIMO, PJW, PK, PLE, PMTA, POLAR, POMPU, PORT, POST, PPM, PPPM, PR9, PRAKIT, PRECHA, PRIME, PRIN, PRO, PROUD, PTL, RAM, RBF, RCI, RCL, RICH, RICHY, RJH, ROCK, ROH, RP, RPC, RPH, RS, RSP, S, S11, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCP, SDC, SE, SEAFSCO, SEG, SF, SFLEX, SFP, SGF, SHR, SIAM, SIMAT, SINGER, SISB, SKE, SKN, SKY, SLP, SMART, SMT, SOLAR, SONIC, SPA, SPCG, SPG, SPORT, SPVI, SQ, SR, SSC, SSP, STAR, STARK, STC, STEC, STHAI, STI, STPI, SUC, SUN, SUPER, SUTHA, SVH, SVOA, SWC, SYMC, T, TACC, TAPAC, TBSP, TC, TCC, TCCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TITLE, TIW, TK, TKN, TKS, TM, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQM, TR, TRC, TRT, TRUBB, TSE, TSF, TSI, TSR, TSTE, TTA, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPA, UPF, UPOIC, UREKA, UT, UTP, UVAN, VARO, VCOM, VI, VIBHA, VL, VNG, VPO, VRANDA, WAVE, WG, WIN, WINNER, WORK, WORLD, WP, WPH, WR, YCI, YGG, 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 June 24, 2019) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.