



Bank of Ayudhya

Bank of Ayudhya
Public Company Limited

BAY

Bloomberg
Reuters

BAY.TB
BAY.BK

3Q21: Lower provisions lead to beat

BAY's 3Q21 profit (-56% QoQ, +4% YoY) beat SCBS and consensus estimates on lower-than-expected provisioning. Within the results we see stable asset quality (better than expected), a pick-up in loans, better NIM, stable fee income and lower opex. We maintain NEUTRAL with an unchanged TP of Bt38.

3Q21: Beat on lower provisions. BAY reported 3Q21 net profit of Bt6.36bn (-56% QoQ, +4% YoY), 26% above SCBS forecast and 8% above consensus as it made lower provisions than anticipated. Excluding the one-off gain on TIDLOR in 2Q21, 3Q21 net profit would be stagnant QoQ.

Highlights:

- 1) Asset quality: Credit cost rose 2 bps QoQ (-12 bps YoY) to 1.77%, lower than expected. NPL ratio was stable QoQ at 2.63%. LLR coverage increased to 170% from 168% at 2Q21. We estimate 2021F credit cost at 1.75% vs. 1.7% in 9M21 as we anticipate higher provisions in 4Q21.
- 2) Loan growth: +1.8% QoQ, +0.6% YoY, +1.2% YTD. Corporate loans grew 5.4% QoQ, 1% YoY and 4.2% YTD. SME loans grew 0.8% QoQ, 3.8% YoY and 4.4% YTD. Retail loans contracted 0.4% QoQ, 0.7% YoY and 2% YTD.
- 3) NIM: Up 15 bps QoQ on a 14 bps QoQ rise in loan yield and a 1 bps QoQ slide in cost of funds.
- 4) Non-NII: Down 58% QoQ (+4% YoY) due to the absence of gain from the sale of TIDLOR shares via the IPO. Net fee income rose 2% QoQ (-3% YoY).
- 5) Cost to income ratio: Eased 307 bps QoQ (+108 bps YoY) as a result of a 7% QoQ decrease in opex.

4Q21 and 2022 outlook. 9M21 earnings account for 84% of our full-year forecast (+41%). We expect 4Q21 earnings to fall QoQ (higher provisions) but rise YoY (lower provisions). In 2022, we expect a 13% decrease in earnings without the gain from the sale of TIDLOR shares.

Rate Neutral. We maintain our rating at Neutral with an unchanged TP of Bt38 (0.8x 2022F BVPS).

Tactical: NEUTRAL

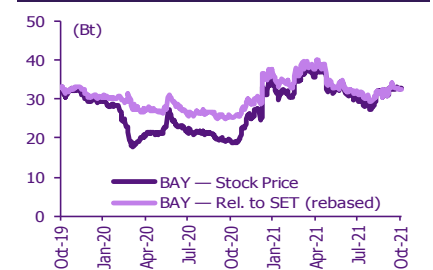
(3-month)

Stock data

Last close (Oct 20) (Bt)	32.75
Target price (Bt)	38.00
Mkt cap (Btbn)	240.90
Mkt cap (US\$mn)	7,223

Beta	L
Mkt cap (%) SET	1.28
Sector % SET	9.16
Shares issued (mn)	7,356
Par value (Bt)	10.00
12-m high / low (Bt)	40.8 / 18.7
Avg. daily 6m (US\$mn)	1.46
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	4.8	11.0	73.3
Relative to SET	3.3	4.5	28.7

Source: SET, SCBS Investment Research

Forecasts and valuation

Year to 31 Dec	Unit	2019	2020	2021F	2022F	2023F
Pre-provision profit	(Bt mn)	68,030	63,999	71,086	64,026	67,579
Net profit	(Bt mn)	32,749	23,040	32,448	28,184	31,883
PPP/Sh	(Bt)	9.25	8.70	9.66	8.70	9.19
EPS	(Bt)	4.45	3.13	4.41	3.83	4.33
BVPS	(Bt)	36.81	39.09	43.18	46.18	49.74
DPS	(Bt)	0.85	0.35	0.84	0.77	0.87
P/PPP	(x)	3.54	3.76	3.39	3.76	3.56
PPP growth	(%)	18.42	(5.93)	11.07	(9.93)	5.55
P/E	(x)	7.36	10.46	7.42	8.55	7.56
EPS growth	(%)	31.98	(29.65)	40.84	(13.14)	13.12
P/BV	(x)	0.89	0.84	0.76	0.71	0.66
ROE	(%)	12.76	8.25	10.72	8.58	9.04
Dividend yield	(%)	2.60	1.07	2.56	2.34	2.65

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	2016	2017	2018	2019	2020	2021F	2022F	2023F
Interest & dividend income	(Btmn)	85,925	94,998	107,132	110,455	108,062	100,426	102,348	109,975
Interest expense	(Btmn)	23,948	26,463	31,803	34,032	26,758	22,664	23,006	27,785
Net interest income	(Btmn)	61,977	68,535	75,328	76,423	81,304	77,762	79,342	82,191
Non-interest income	(Btmn)	29,162	31,644	33,860	43,776	31,160	42,639	33,511	34,602
Non-interest expenses	(Btmn)	43,080	48,210	51,741	52,169	48,465	49,316	48,827	49,213
Pre-provision profit	(Btmn)	48,059	51,968	57,447	68,030	63,999	71,086	64,026	67,579
Provision	(Btmn)	21,315	22,970	26,180	28,203	36,644	32,397	31,620	31,188
Pre-tax profit	(Btmn)	26,745	28,998	31,267	39,827	27,355	38,689	32,407	36,390
Tax	(Btmn)	5,409	5,739	6,467	8,105	5,538	8,072	6,481	7,278
Equities & minority interest	(Btmn)	(68)	50	(13)	(1,026)	(1,223)	(1,832)	(2,259)	(2,770)
Core net profit	(Btmn)	21,404	23,209	24,813	32,749	23,040	32,448	28,184	31,883
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	21,404	23,209	24,813	32,749	23,040	32,448	28,184	31,883
EPS	(Bt)	2.91	3.16	3.37	4.45	3.13	4.41	3.83	4.33
DPS	(Bt)	0.85	0.85	0.85	0.85	0.35	0.84	0.77	0.87

Balance Sheet

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Cash	(Btmn)	36,142	38,244	34,679	33,830	30,333	32,229	31,623	32,701
Interbank assets	(Btmn)	200,283	330,797	245,553	331,431	523,385	523,385	523,385	523,385
Investments	(Btmn)	133,701	86,157	137,369	130,292	177,251	197,251	197,251	197,251
Gross loans	(Btmn)	1,448,882	1,550,404	1,672,018	1,817,877	1,832,935	1,869,594	1,963,073	2,061,227
Accrued interest receivable	(Btmn)	3,864	3,917	4,326	4,484	9,095	9,095	9,095	9,095
Loan loss reserve	(Btmn)	49,462	55,476	61,360	67,384	76,407	92,819	107,063	118,815
Net loans	(Btmn)	1,403,285	1,498,845	1,614,984	1,754,976	1,765,623	1,785,870	1,865,105	1,951,507
Total assets	(Btmn)	1,883,188	2,088,772	2,173,622	2,359,592	2,609,374	2,652,297	2,731,726	2,820,025
Deposits	(Btmn)	1,108,288	1,319,229	1,426,348	1,566,885	1,834,505	1,851,933	1,909,343	1,971,397
Interbank liabilities	(Btmn)	314,400	279,721	244,097	252,121	243,570	243,570	243,570	243,570
Borrowings	(Btmn)	160,326	142,866	155,650	175,667	146,119	146,119	146,119	146,119
Total liabilities	(Btmn)	1,674,420	1,862,785	1,929,904	2,087,476	2,320,195	2,333,015	2,390,425	2,452,479
Minority interest	(Btmn)	589	857	1,081	1,326	1,635	1,635	1,635	1,635
Paid-up capital	(Btmn)	73,558	73,558	73,558	73,558	73,558	73,558	73,558	73,558
Total Equities	(Btmn)	208,179	225,131	242,637	270,790	287,544	317,647	339,665	365,911
BVPS	(Bt)	28.30	30.61	32.99	36.81	39.09	43.18	46.18	49.74

Key Assumptions and Financial Ratios

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Growth									
YoY loan growth	(%)	11.16	7.01	7.84	8.72	0.83	2.00	5.00	5.00
YoY non-NII growth	(%)	11.89	8.51	7.00	29.29	(28.82)	36.84	(21.41)	3.25
Profitability									
Yield on earn'g assets	(%)	5.05	4.99	5.25	5.07	4.48	3.92	3.88	4.02
Cost on int-bear'g liab	(%)	1.59	1.59	1.78	1.78	1.27	1.01	1.01	1.19
Spread	(%)	3.46	3.39	3.47	3.29	3.21	2.90	2.87	2.83
Net interest margin	(%)	3.64	3.60	3.69	3.51	3.37	3.04	3.01	3.01
ROE	(%)	10.74	10.71	10.61	12.76	8.25	10.72	8.58	9.04
ROA	(%)	1.19	1.17	1.16	1.44	0.93	1.23	1.05	1.15
Asset Quality									
NPLs/Total Loans	(%)	2.40	2.43	2.30	2.27	2.49	3.72	3.96	3.62
LLR/NPLs	(%)	141.99	147.46	159.60	163.02	167.30	133.55	137.71	159.19
Provision expense/Total loans	(%)	1.55	1.53	1.62	1.62	2.01	1.75	1.65	1.55
Liquidity									
Loans/Deposits & borrowings	(%)	114.21	106.04	105.69	104.32	92.54	93.57	95.51	97.34
Efficiency									
Cost to income ratio	(%)	47.58	48.81	47.67	47.27	43.14	45.08	43.46	42.32
Capital Fund									
Capital adequacy ratio	(%)	15.07	16.39	16.14	17.80	19.10	18.08	18.65	19.16
Tier-1	(%)	12.24	12.56	12.52	13.26	14.51	13.73	14.45	15.14
Tier-2	(%)	2.83	3.83	3.62	4.54	4.59	4.35	4.20	4.02

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Interest & dividend income	(Btmn)	27,746	29,818	27,271	26,034	24,939	24,952	25,016	24,831
Interest expense	(Btmn)	8,618	7,485	6,853	6,405	6,016	5,763	5,653	5,339
Net interest income	(Btmn)	19,128	22,333	20,418	19,629	18,923	19,189	19,363	19,492
Non-interest income	(Btmn)	9,069	8,215	6,959	7,584	8,402	7,880	18,778	7,876
Non-interest expenses	(Btmn)	12,507	12,689	11,577	11,342	12,856	12,098	12,538	11,684
Earnings before tax & provision	(Btmn)	15,690	17,859	15,800	15,871	14,469	14,971	25,603	15,684
Provision	(Btmn)	8,187	9,510	7,845	8,733	10,555	7,314	8,028	8,134
Pre-tax profit	(Btmn)	7,503	8,349	7,955	7,137	3,914	7,657	17,575	7,549
Tax	(Btmn)	1,383	1,653	1,675	1,448	762	1,647	3,512	1,545
Equities & minority interest	(Btmn)	(317)	(337)	(228)	(425)	(233)	(495)	(480)	(357)
Core net profit	(Btmn)	6,437	7,033	6,508	6,115	3,385	6,505	14,543	6,362
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	6,437	7,033	6,508	6,115	3,385	6,505	14,543	6,362
EPS	(Bt)	0.88	0.96	0.88	0.83	0.46	0.88	1.98	0.86

Balance Sheet

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Cash	(Btmn)	33,830	32,956	29,212	28,088	30,333	28,213	27,739	26,781
Interbank assets	(Btmn)	331,431	388,574	418,338	391,068	523,385	594,316	581,292	364,910
Investments	(Btmn)	130,292	156,645	160,122	187,323	177,251	190,468	185,594	184,432
Gross loans	(Btmn)	1,817,877	1,869,962	1,854,738	1,843,620	1,832,935	1,839,300	1,820,731	1,854,229
Accrued interest receivable	(Btmn)	4,484	5,707	7,870	9,342	9,095	9,413	9,572	10,558
Loan loss reserve	(Btmn)	67,384	0	(8,312)	(5,656)	(8,770)	(5,999)	(5,545)	0
Net loans	(Btmn)	1,754,976	1,875,669	1,870,920	1,858,618	1,850,800	1,854,712	1,835,848	1,864,787
Total assets	(Btmn)	2,359,592	2,514,415	2,509,908	2,492,131	2,609,374	2,695,268	2,659,303	2,489,288
Deposits	(Btmn)	1,566,885	1,667,371	1,698,706	1,729,141	1,834,505	1,888,464	1,890,939	1,782,941
Interbank liabilities	(Btmn)	252,121	308,937	275,742	243,502	243,570	284,569	231,909	176,163
Borrowings	(Btmn)	175,667	166,750	167,345	157,003	146,119	140,770	144,839	125,562
Total liabilities	(Btmn)	2,087,476	2,241,332	2,229,905	2,206,167	2,320,195	2,398,887	2,352,249	2,178,097
Minority interest	(Btmn)	1,326	1,382	1,463	1,550	1,635	1,711	616	668
Paid-up capital	(Btmn)	73,558	73,558	73,558	73,558	73,558	73,558	73,558	73,558
Total Equities	(Btmn)	270,790	271,701	278,540	284,413	287,544	294,670	306,437	310,523
BVPS	(Bt)	36.81	36.94	37.87	38.67	39.09	40.06	41.66	42.21

Financial Ratios

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Growth									
YoY loan growth	(%)	8.72	9.38	5.60	3.66	0.83	(1.64)	(1.83)	0.58
YoY non-NII growth	(%)	4.57	(52.07)	(21.51)	(12.82)	(7.36)	(4.08)	169.84	3.86
Profitability									
Yield on earn'g assets	(%)	4.94	5.07	4.50	4.29	4.03	3.87	3.84	3.98
Cost on int-bear'g liab	(%)	1.77	1.45	1.28	1.20	1.11	1.02	0.99	0.98
Spread	(%)	3.17	3.62	3.22	3.09	2.92	2.85	2.85	3.00
Net interest margin	(%)	3.41	3.80	3.37	3.23	3.05	2.98	2.97	3.12
ROE	(%)	9.66	10.37	9.46	8.69	4.73	8.94	19.35	8.25
ROA	(%)	1.09	1.12	1.04	0.98	0.52	0.97	2.19	1.02
Asset Quality									
NPLs/Total Loans	(%)	2.27	2.54	2.59	2.64	2.49	2.53	2.63	2.63
LLR/NPLs	(%)	163.02	151.43	149.01	153.19	167.30	167.25	167.77	170.16
Provision expense/Total loans	(%)	1.82	2.06	1.69	1.89	2.30	1.59	1.75	1.77
Liquidity									
Loans/Deposits & borrowings	(%)	104.32	101.95	99.39	97.75	92.54	90.64	89.44	97.16
Efficiency									
Cost to income ratio	(%)	44.35	41.61	42.31	41.72	47.08	44.75	45.88	42.80
Capital Fund									
Capital adequacy ratio	(%)	17.80	16.66	17.69	18.64	19.10	19.04	17.80	18.46
Tier-1	(%)	13.26	12.33	13.23	14.14	14.51	14.47	12.76	13.50
Tier-2	(%)	4.54	4.33	4.46	4.50	4.59	4.57	5.04	4.96

Figure 1: Quarterly results

P & L (Bt mn)	3Q20	2Q21	3Q21	%YoY ch	%QoQ ch	9M20	9M21	% YoY ch	% full year
Interest income	26,034	25,016	24,831	(5)	(1)	83,123	74,799	(10)	74
Interest expense	6,405	5,653	5,339	(17)	(6)	20,743	16,755	(19)	74
Net interest income	19,629	19,363	19,492	(1)	1	62,381	58,044	(7)	75
Non-interest income	7,584	18,778	7,876	4	(58)	22,758	34,534	52	81
Operating expenses	11,342	12,538	11,684	3	(7)	35,609	36,321	2	74
Pre-provision profit	15,871	25,603	15,684	(1)	(39)	49,530	56,257	14	79
Provision	8,733	8,028	8,134	(7)	1	26,089	23,476	(10)	72
Pre-tax profit	7,137	17,575	7,549	6	(57)	23,441	32,781	40	85
Income tax	1,448	3,512	1,545	7	(56)	4,776	6,703	40	83
MI and equity	425	480	357	(16)	(26)	990	1,332	35	NA
Net profit	6,115	14,543	6,362	4	(56)	19,655	27,409	39	84
EPS (Bt)	0.83	1.98	0.86	4	(56)	2.67	3.73	39	84
B/S (Bt mn)	3Q20	2Q21	3Q21	%YoY ch	%QoQ ch	9M20	9M21	%YoY ch	% full year
Gross loans	1,843,620	1,820,731	1,854,229	1	2	1,843,620	1,854,229	1	NM
Deposits	1,729,141	1,890,939	1,782,941	3	(6)	1,729,141	1,782,941	3	NM
BVPS (Bt)	38.67	41.66	42.21	9	1	38.67	42.21	9	NM
Ratios (%)	3Q20	2Q21	3Q21	%YoY ch*	%QoQ ch*	9M20	9M21	YoY ch*	% full year
Yield on earn. asset	4.29	3.84	3.98	(0.31)	0.14	4.64	3.93	(0.71)	NM
Cost of funds	1.20	0.99	0.98	(0.22)	(0.01)	1.32	1.01	(0.31)	NM
Net interest margin	3.23	2.97	3.12	(0.11)	0.15	3.48	3.05	(0.43)	NM
Cost to income	41.72	45.88	42.80	1.08	(3.07)	41.87	44.48	2.61	NM
Credit cost	1.89	1.75	1.77	(0.12)	0.02	1.90	1.70	(0.20)	NM
NPLs/total loans	2.64	2.63	2.63	(0.01)	0.01	2.64	2.63	(0.01)	NM
LLR/NPLs	153.19	167.77	170.16	16.97	2.39	153.19	170.16	16.97	NM

Source: SCBS Investment Research

Note: * Percentage points

Figure 2: Valuation summary (price as of Oct 20, 2021)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					20A	21F	22F	20A	21F	22F	20A	21F	22F	20A	21F	22F	20A	21F	22F
BAY	Neutral	32.75	38.0	18.6	10.5	7.4	8.5	(30)	41	(13)	0.8	0.8	0.7	8	11	9	1.1	2.6	2.3
BBL	Outperform	120.50	165.0	40.2	13.4	9.5	7.5	(52)	41	27	0.5	0.5	0.5	4	5	6	2.1	3.3	4.1
KBANK	Outperform	142.50	171.0	22.1	11.5	9.4	7.9	(23)	21	19	0.8	0.7	0.7	7	8	9	1.8	2.1	2.5
KKP	Outperform	58.00	66.0	18.0	9.6	8.8	8.1	(14)	8	10	1.1	1.0	0.9	11	12	12	3.9	4.2	4.6
KTB	Outperform	11.70	14.5	28.6	9.8	7.5	6.3	(43)	30	19	0.5	0.5	0.4	5	6	7	2.4	4.6	5.5
LHFG	Underperform	1.44	1.0	(27.7)	14.8	17.2	15.1	(36)	(14)	14	0.8	0.8	0.7	5	5	5	2.8	2.9	3.3
TCAP	Neutral	34.75	34.0	6.5	6.1	9.9	8.9	(38)	(39)	11	0.6	0.6	0.6	10	6	7	8.6	8.6	8.6
TISCO	Neutral	92.25	95.0	10.6	12.2	11.2	10.8	(17)	9	3	1.9	1.8	1.7	15	16	16	6.8	7.6	7.8
TTB	Neutral	1.14	1.3	12.3	10.9	11.2	9.0	40	(3)	24	0.5	0.5	0.5	5	5	6	3.9	2.7	3.3
Average					11.4	10.5	9.3	(33)	16	15	0.9	0.8	0.8	8	8	9	3.5	4.1	4.5

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"). SCBS may be appointed to act as co-underwriter of IPO's newly issued ordinary shares of Thai Union Feedmill Public Company Limited (TFM). 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 been appointed by CPALL, and may be further appointed by other corporate entities as referred to in this document, to act as financial advisor in relation to the transaction as set out in this document. 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 2020 Companies with CG Rating**Companies with Excellent CG Scoring**

AAV, ADVANC, AF, AIRA, AKP, AKR, ALT, AMA, AMATA, AMATAV, ANAN, AOT, AP, ARIP, ARROW, ASP, BAFS, BANPU, BAY, BCP, BCPG, BDMS, BEC, BEM, BGRIM, BIZ, BKI, BLA, BOL, BPP, BRR, BTS, BWG, CENTEL, CFRESH, CHEWA, CHO*, CIMBT, CK, CKP, CM, CNT, COL, COMAN, COTTO, CPALL, CPF, CPI, CPN, CSS, DELTA, DEMCO, DRT, DTAC, DTC, DV8, EA, EASTW, ECF, ECL, EGCO, EPG, ETE, FNS, FPI, FPT, FSMART, GBX, GC, GCAP, GEL, GFPT, GGC, GPSC, GRAMMY, GUNKUL, HANA, HARN, HMPRO, ICC, ICHI*, III, ILINK, INTUCH, IRPC, IVL, JKN, JSP, JWD, K, KBANK, KCE, KKP, KSL, KTB, KTC, LANNA, LH, LHFG, LIT, LPN, MAKRO, MALEE, MBK, MBKET, MC, MCOT, METCO, MFEC, MINT, MONO, MOONG, MSC, MTC, NCH, NCL, NEP, NKI, NOBLE*, NSI, NVD, NYT, OISHI, ORI, OTO, PAP, PCSGH, PDJ, PG, PHOL, PLANB, PLANET, PLAT, PORT, PPS, PR9, PREB, PRG, PRM, PSH, PSL, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, RS, S, S & J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SDC, SEAFCO, SEAOL, SE-ED, SELIC, SENA, SIRI, SIS, SITHAI, SMK, SMPC, SNC, SONIC, SORKON, SPALI, SPI, SPRC, SPVI, SSSC, SST, STA, SUSCO, SUTHA, SVI, SYMC, SYNTEC, TACC, TASCO, TCAP, TFMAMA, THANA, THANI, THCOM, THG, THIP, THRE, THREL, TIP, TIPCO, TISCO, TK, TKT, TMB, TMILL, TNDT, TNL, TOA, TOP, TPBI, TQM, TRC, TRUE, TSC, TSR, TSTE, TSTH, UAC, TTA, UBIS, TTCL, UV, TTW, VGI, TU, VIH, TVD, WACOAL, TVI, WAVE, TWO, WHA, TWPC, WHAUP, U, WICE, WINNER

Companies with Very Good CG Scoring

2S, ABM, ACE, ACG, ADB, AEC, AEONTS, AGE, AH, AHC, AIT, ALLA, AMANAH, AMARIN, APCO, APCS, APURE, AQUA, ASAP, ASEFA, ASIA, ASIAN, ASIMAR, ASK, ASN, ATP30, AUCT, AWC, AYUD, B, BA, BAM, BBL, BFIT, BGC, BJC, BJCHI, BROOK, BTW, CBG, CEN, CGH, CHARAN, CHAYO, CHG, CHOTI, CHOW, CI, CIG, CMC, COLOR, COM7, CPL, CRC, CRD, CSC, CSP, CWT, DCC, DCON, DDD, DOD, DOHOME, EASON, EE, ERW, ESTAR, FE, FLOYD, FN, FORTH, FSS, FTE, FVC, GENCO, GJS, GL, GLAND, GLOBAL, GLOCON, GPI, GULF, GYT, HPT, HTC, ICN, IFS, ILM, IMH, INET, INSURE, IRC, IRCP, IT, ITD*, ITEL, J, JAS, JCK, JCKH, JMART, JMT, KBS, KCAR, KGI, KIAT, KOOL, KTIS, KWC, KWM, L&E, LALIN, LDC, LHK, LOXLEY, LPH, LRH, LST, M, MACO, MAJOR, MBAX, MEGA, META, MFC, MGT, MILL, MITSIB, MK, MODERN, MTI, MVP, NETBAY, NEX, NINE, NTV, NWR, OCC, OGC, OSP, PATO, PB, PDG, PDI, PICO, PIMO, PJW, PL, PM, PPP, PRIN, PRINC, PSTC, PT, QLT, RCL, RICHY, RML, RPC, RWI, S11, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCI, SCP, SE, SEG, SFP, SGF, SHR, SIAM, SINGER, SKE, SKR, SKY, SMIT, SMT, SNP, SPA, SPC, SPCG, SR, SRICHA, SSC, SSF, STANLY, STI, STPI, SUC, SUN, SYNEX, T, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TEAMG, TFG, TIGER, TITLE, TKN, TKS, TM, TMC, TMD, TMI, TMT, TNITY, TNP, TNR, TOG, TPA, TPAC, TPCORP, TPOLY, TPS, TRITN, TRT, TRU, TSE, TVT, TWP, UEC, UMI, UOBKH, UP, UPF, UPOIC, UT, UTP, UWC, VL, VNT, VPO, WIIC, WP, XO, YUASA, ZEN, ZIGA, ZMICO

Companies with Good CG Scoring

7UP, A, ABICO, AJ, ALL, ALUCON, AMC*, APP, ARIN, AS, AU, B52, BC, BCH, BEAUTY, BGT, BH, BIG, BKD, BLAND, BM, BR, BROCK, BSBM, BSM, BTNC, CAZ, CCP, CGD, CITY, CMAN, CMO, CMR, CPT, CPW, CRANE, CSR, D, EKH, EP, ESSO, FMT, GIFT, GREEN, GSC*, GTB, HTECH, HUMAN, IHL, INOX, INSET, IP, JTS, JUBILE, KASET, KCM, KKC, KUMWEL, KUN, KWG, KYE, LEE, MATCH, MATI, M-CHAI, MCS, MDX, MJD, MM, MORE, NC, NDR, NER, NFC, NNCL, NPK, NUSA, OCEAN, PAF, PF, PK, PLE, PMTA, POST, PPM, PRAKIT, PRECHA, PRIME, PROUD, PTL, RBF, RCI, RJH, ROJNA, RP, RPH, RSP, SF, SFLEX, SGP, SISB, SKN, SLP, SMART, SOLAR, SPG, SSP, STARK, STC, SUPER, SVOA, TC, TCCC, THMUI, TIW, TNH, TOPP, TPCH, TPIPP, TPLAS, TTI, TYCN, UKEM, UMS, VCOM, VRANDA, WIN, WORK, WPH

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 2019 to 19 November 2020) is publicized.

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อจำกัดกล่าวประกอบด้วย

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

2S, ADVANC, AF, AI, AIE, AIRA, AKP, AMANAH, AMATA, AMATAV, AP, APCS, AQUA, ARROW, ASK, AYUD, B, BAFS, BAM, BANPU, BAY, BBL, BCH, BCP, BCPG, BGC, BGRIM, BJCHI, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, COTTO, CPALL, CPF, CPI, CPN, CSC, DCC, DELTA, DEMCO, DIMET, DRT, DTAC, DUSIT, EA, EASTW, ECL, EGCO, EP, EPG, ERW, ESTAR, ETE, FE, FNS, FPI, FPT, FSMART, FSS, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GUNKUL, HANA, HARN, HEMP, HMPRO, HTC, ICC, ICHI, IFEC, IFS, ILINK, INET, INSURE, INTUCH, IRC, IRPC, ITEL, IVL, JKN, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, KWG, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAKRO, MALEE, MBAX, MBK, MBKET, MC, MCOT, META, MFC, MFEC, MINT, MONO, MOONG, MSC, MTC, MTI, NBC, NEP, NINE, NKI, NMG, NNCL, NOBLE, NOK, NSI, NWR, OCC, OCEAN, OGC, ORI, PAP, PATO, PB, PCSGH, PDG, PDI, PDJ, PE, PG, PHOL, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTG, PTT, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RML, RWI, S & J, SAAM, SABINA, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SEAOL, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TBSP, TCAP, TCMC, TFG, TFI, TFMAMA, TGH, THANI, THCOM, THIP, THRE, THREL, TIDOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPP, TRU, TRUE, TSC, TSTE, TSTH, TTB, TTCL, TU, TVD, TVI, TWO, TWPC, U, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, VNT, WACOAL, WHA, WHAUP, WICE, WIIC, XO, ZEN

Declared (ประกาศเจตนารมณ์)

7UP, ABICO, APCO, ASIAN, AWC, BEC, BKD, CPL, CPW, CRC, DOHOME, ECF, EKH, ETC, EVER, GULF, III, INOX, JR, KEX, KUMWEL, LDC, MAJOR, MATCH, MILL, N/A, NRF, NUSA, PIMO, PR9, RS, SAK, SCGP, SCM, SIS, STAR, STECH, SUPER, TQM, TTA, VCOM, WIN, YUASA, ZIGA

N/A

3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AH, AHC, AIT, AJ, AJA, AKR, ALL, ALLA, ALT, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASP, ASW, ATP30, AU, AUCT, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIZ, BJC, BLAND, BLISS, BM, BOL, BR, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHG, CHO, CI, CITY, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DDD, DHOUSE, DITTO, DMT, DOD, DTCL, DV8, EASON, EE, EFORL, EMC, ESSO, F&D, FANCY, FLOYD, FMT, FN, FORTH, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GLOCON, GLORY, GRAMMY, GRAND, GREEN, GSC, GTB, GYT, HENG, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, IIG, ILM, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, J, JAK, JAS, JCK, JCKH, JCT, JMART, JMT, JSP, JTS, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWM, KYE, LALIN, LEE, LEO, LH, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MATI, MAX, M-CHAI, MCS, MDX, MEGA, MENA, METCO, MGT, MICRO, MIDA, MITSIB, MJD, MK, ML, MODERN, MORE, MPIC, MUD, MVP, NC, NCAP, NCH, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NOVA, NPK, NSL, NTV, NVD, NYT, OHTL, OISHI, OR, OSP, OTO, PACE, PACO, PAE, PAF, PERM, PF, PICO, PJW, PLE, PMTA, POLAR, POMPU, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PTL, PTTEP, RAM, RATCH, RBF, RCL, RICHY, RJH, ROCK, ROH, ROJNA, RP, RPC, RPH, RSP, RT, S, S11, SA, SABUY, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCI, SCP, SDC, SE, SEAFCO, SECURE, SF, SFLEX, SFP, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SK, SKE, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SSC, STANLY, STARK, STC, STEC, STGT, STHAI, STI, STOWER, STPI, SUC, SUN, SUTHA, SVH, SVOA, SVT, SWC, SYNEX, T, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITLE, TK, TKN, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPCS, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TSE, TSF, TSI, TSR, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UBE, UMI, UMS, UNIQ, UP, UPA, UPOIC, UREKA, UT, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, W, WAVE, WGE, WINMED, WINNER, WORK, WORLD, WP, WPH, XPG, YGG

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of August 5, 2021) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.