



## B.Grimm Power

B.Grimm Power  
Public Company Limited

## BGRIM

Bloomberg BGRIM TB  
Reuters BGRIM.BK

### Still threatened by high gas cost

**BGRIM's fall in share price (-12% from the end of Aug vs. the SET's -2%) reflects concern on the impact of higher gas prices on its SPPs in Thailand. Despite the ERC's recent decision to increase the Ft rate, which will help earnings, its near-term outlook is pressured since the new Ft is effective Jan-Apr 2022. Besides, we believe gas price rises will outpace the adjustment of electricity tariff, at least for the next four months, as higher LNG price in winter will raise PTT's gas pool price. Although our DCF-based TP of Bt60/share still offers attractive return, we stay Neutral as market concern on a higher cost burden overhang.**

**Higher gas price partly offset by increase in Ft rate.** Management expects gas price to rise 25% QoQ in 4Q21 to Bt336.02/mmbtu, eroding earnings since Ft rate is still -Bt0.1532/kWh, which will slice Bt252mn off its profit in 4Q21. The impact of higher gas cost will be alleviated in 2022 by the increase in Ft rate from Jan 2022, mainly for electricity sales to IUs, which usually are at a discount to the PEA's tariff. The Energy Regulatory Commission (ERC) recently announced an increase in Ft rate by Bt0.1671/kWh to Bt0.0139/kWh for Jan-Apr 2022 to reflect higher gas cost. If gas price stabilizes, which is unlikely, this could bring its profit up Bt75mn in 1Q22, still less than losses in the prior quarter. Management expects Ft to gradually rise to reflect higher gas cost throughout 2022 given the huge burden on EGAT from higher gas cost.

**Imported LNG to cut gas cost but not soon.** BGRIM plans to start importing LNG at a competitive price in 2023, though some could come in 2022 (0.5mt) to supply to new SPPs (five SPP replacements) that will gradually start up from Aug 2022. It expects the contracted price of imported LNG to be 5-10% less than pool price as it was able to set the pricing formula before the current global hike in gas price. We do not expect much help from imported LNG in 2022.

**Sales to IUs to rise in 2022.** New PPAs with IUs will be signed and synchronized with BGRIM's grid in 2022, +55MW vs. +50MW in 2021. It will sign more PPAs with IU clients in coming years to replace lower volume committed to EGAT for its SPP replacement.

**New M&As in 4Q21-1H22.** BGRIM's installed capacity has increased 510MW from four new M&A projects announced recently. Committed capacity also increased to 3,918MW by 2025 (+11% from previous plan) and 4,015MW by 2030. It maintains its target of 7,200MW by 2025 with several projects either under negotiation or pending new PDPs. BGRIM says more acquisitions will be concluded in 4Q21 to 1H22, including gas power plants in Malaysia and wind power in Vietnam. Management also expects to get in on huge opportunities in Eastern Europe for gas-fired and renewable power plants to replace existing coal-fired power plants. It has already entered Poland via a renewable power project to explore more investment opportunities in the region.

**Financing plan in place with low risk of cash call.** Despite the 5-year planned investment of Bt200-250bn, management says a new cash call in 2022 is unlikely given its internal target of consolidated net IBD/E of <2x, vs. 1.5x at end-3Q21. Its finance cost remains manageable with average cost of debt of 3.9-4% in 2022.

#### Forecasts and valuation

Year to 31 Dec	Unit	2019	2020	2021F	2022F	2023F
Revenue	(Btmn)	44,132	44,087	47,785	51,547	52,508
EBITDA	(Btmn)	11,580	13,040	13,487	15,046	16,920
Core profit	(Btmn)	2,194	2,509	2,347	3,392	4,317
Reported profit	(Btmn)	2,331	2,175	3,076	3,392	4,317
Core EPS	(Bt)	0.84	0.96	0.90	1.30	1.66
DPS	(Bt)	0.37	0.45	0.50	0.50	0.80
P/E, core	(x)	47.8	41.8	44.7	30.9	24.3
EPS growth, core	(%)	17.4	14.4	(6.4)	44.5	27.3
P/BV, core	(x)	3.7	3.8	3.6	3.3	3.1
ROE	(%)	9.3	9.0	8.3	11.2	13.2
Dividend yield	(%)	0.9	1.1	1.2	1.2	2.0
FCF yield	(x)	2.6	(9.4)	(4.6)	(8.4)	5.5
EV/EBIT	(x)	25.2	25.5	26.6	25.4	20.5
EBIT growth, core	(%)	5.5	9.1	4.2	13.5	20.1
EV/CE	(x)	2.8	2.3	2.3	2.2	2.1
ROCE	(%)	10.0	8.3	7.9	7.9	9.5
EV/EBITDA	(x)	15.0	14.7	15.5	15.1	13.0
EBITDA growth	(%)	17.0	12.6	3.4	11.6	12.5

Source: SCBS Investment Research

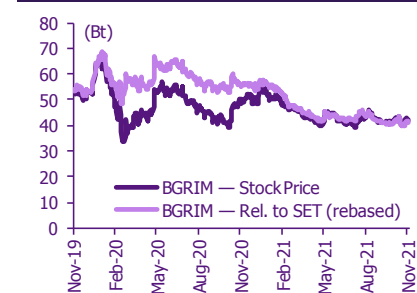
### Tactical: NEUTRAL (3-month)

#### Stock data

Last close (Nov 29) (Bt)	40.25
Target price (Bt)	60.00
Mkt cap (Btbn)	104.93
Mkt cap (US\$mn)	3,112

Beta	L
Mkt cap (%) SET	0.56
Sector % SET	21.15
Shares issued (mn)	2,607
Par value (Bt)	2.00
12-m high / low (Bt)	56 / 39
Avg. daily 6m (US\$mn)	11.84
Foreign limit / actual (%)	49 / 40
Free float (%)	36.0
Dividend policy (%)	≥ 40

#### Price Performance



Source: SET, SCBS Investment Research

#### Share performance

(%)	1M	3M	12M
Absolute	(5.3)	(10.1)	(17.9)
Relative to SET	(3.3)	(7.6)	(27.2)

Source: SET, SCBS Investment Research

#### Analyst

**Chaipat Thanawattano**

Fundamental Investment

Analyst on Securities

(66-2) 949-1005

chaipat.thanawattano@scb.co.th

### Value proposition

BGRIM is one of Thailand's leading Small Power Project (SPP) producers, with 17 operating gas-fired power plants in seven industrial estates located in the central provinces and the eastern seaboard. Five of these power plants will be replaced by the new ones under SPP Replacement scheme which will commence operation gradually from Aug 2022 onwards. The company recently announced the acquisition of two more operating SPPs, with combined capacity of 360MW, via a 45%-owned joint venture, Univenture BGP (UVBGP). Adding several renewable power projects in Thailand and neighboring countries gives total installed capacity of 3,254MW (or 2,110MW based on equity holding) at the end of 2021, comprised of 72% in conventional and 28% in renewable power plants. Its revenue and cash flow stream are secured by long-term PPAs with the government electricity authorities, with weighted-average remaining life of >18 years.

### Business outlook

BGRIM's earnings growth is driven by capacity expansion, lower gas cost and higher demand from industrial customers. Its installed capacity will increase to 3,918MW (2,669MW equity) by 2025 based on committed projects. BGRIM is working to conclude new investment projects that will increase capacity to 7,200MW by 2025 as targeted. These capacity additions are expected to be finalized gradually over 2021-22. We estimate its net profit to rise at a CAGR of 26% during 2021-23F. BGRIM is also actively expanding its renewable power business in ASEAN, supported by strong partnership with local partners, i.e., governments and private operators.

Bullish views	Bearish views
1. Long-term PPAs with electricity authorities secure revenue and cash flow stream.	1. Rapid capacity expansion could spark investor concern about a possible cash call. Management has already reaffirmed that its committed investment plan will be fully funded without making another cash call.
2. Capacity expansion over 2020-25 is expected to boost its earnings growth over the next five years.	2. Dividend yield will be less attractive than other power companies during its expansion phase.
3. Earnings bottomed in 1H20 when electricity demand from industrial customers was hit when they had to cut operations, chiefly the auto parts industry. These customers gradually resumed normal operations from Jun 2020.	3. Stretched valuation with 2021 PE of > 30x
4. BGRIM's LNG shipper license will increase its flexibility in gas sourcing to maximize profitability.	

### Key catalysts

Factor	Event	Impact	Comment
Higher gas cost	Indicative gas cost shows that the average gas cost in 4Q21 will increase 25% QoQ.	Negative	BGRIM may be affected by higher cost of pooled gas from the Gulf of Thailand in the near term but this can be passed through under PPAs with EGAT. It can also adjust steam price to reflect higher gas cost. It can lower effective gas cost in the longer term via its LNG shipper license.
Near-term earnings outlook	4Q21F earnings momentum	Lower QoQ and YoY	We expect 4Q21F operating earnings to remain under pressure by higher gas cost and slower electricity demand from industrial customers due to seasonal effect. Earnings hiccup in the solar power business in Vietnam could continue due to the country's lockdown.
Factors to watch in 2022	Capacity additions to achieve target of 7.2GW by 2025	Positive	Management expects most of its potential new capacity to be concluded in 4Q21-1H22, as a less stringent economic lockdown should enable the company to pursue further discussions with the owners of targeted assets.

### Key catalysts

Factor	Earnings impact	TP impact
Gas price (+Bt1/mmbtu)	-0.4%	-Bt0.3/share
Ft rate (-Bt0.01/KWh)	-0.5%	-Bt0.4/share

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Total revenue	(Btmn)	27,747	31,482	36,585	44,132	44,087	47,785	51,547	52,508
Cost of goods sold	(Btmn)	21,632	24,013	29,079	35,637	34,753	38,450	40,985	40,186
<b>Gross profit</b>	<b>(Btmn)</b>	<b>6,115</b>	<b>7,469</b>	<b>7,506</b>	<b>8,495</b>	<b>9,334</b>	<b>9,335</b>	<b>10,561</b>	<b>12,322</b>
SG&A	(Btmn)	1,100	1,263	1,409	1,865	2,039	1,672	1,804	1,838
Other income	(Btmn)	172	187	460	289	251	198	162	226
Interest expense	(Btmn)	2,563	2,053	2,928	2,630	3,186	4,106	3,057	3,152
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>2,624</b>	<b>4,341</b>	<b>3,629</b>	<b>4,290</b>	<b>4,360</b>	<b>3,754</b>	<b>5,863</b>	<b>7,559</b>
Corporate tax	(Btmn)	225	235	177	235	233	206	319	487
Equity a/c profits	(Btmn)	261	256	182	101	58	63	64	64
Minority interests	(Btmn)	(936)	(1,467)	(1,113)	(1,646)	(1,581)	(1,264)	(2,215)	(2,819)
<b>Core profit</b>	<b>(Btmn)</b>	<b>1,295</b>	<b>2,165</b>	<b>1,868</b>	<b>2,194</b>	<b>2,509</b>	<b>2,347</b>	<b>3,392</b>	<b>4,317</b>
Extra-ordinary items	(Btmn)	85	(38)	(6)	138	(334)	729	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>1,380</b>	<b>2,127</b>	<b>1,863</b>	<b>2,331</b>	<b>2,175</b>	<b>3,076</b>	<b>3,392</b>	<b>4,317</b>
EBITDA	(Btmn)	7,662	9,151	9,898	11,580	13,040	13,487	15,046	16,920
<b>Core EPS</b>	<b>(Btmn)</b>	<b>0.69</b>	<b>0.83</b>	<b>0.72</b>	<b>0.84</b>	<b>0.96</b>	<b>0.90</b>	<b>1.30</b>	<b>1.66</b>
Net EPS	(Bt)	0.73	0.82	0.71	0.89	0.83	1.18	1.30	1.66
DPS	(Bt)	0.06	0.30	0.32	0.37	0.45	0.50	0.50	0.80

### Balance Sheet

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Total current assets	(Btmn)	16,615	25,837	23,822	33,493	29,879	19,408	21,727	26,105
Total fixed assets	(Btmn)	59,432	63,403	76,814	88,200	100,817	112,222	124,627	123,218
<b>Total assets</b>	<b>(Btmn)</b>	<b>76,047</b>	<b>89,241</b>	<b>100,636</b>	<b>121,693</b>	<b>130,696</b>	<b>131,630</b>	<b>146,354</b>	<b>149,323</b>
Total loans	(Btmn)	65,200	72,580	94,170	92,537	107,223	112,978	131,978	128,898
Total current liabilities	(Btmn)	7,076	9,447	8,189	25,832	26,993	13,212	15,033	14,822
Total long-term liabilities	(Btmn)	57,436	54,050	64,708	57,184	64,399	75,999	84,599	82,259
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>64,512</b>	<b>63,497</b>	<b>72,897</b>	<b>83,016</b>	<b>91,392</b>	<b>89,211</b>	<b>99,631</b>	<b>97,081</b>
Paid-up capital	(Btmn)	3,780	5,214	5,214	5,214	5,214	5,214	5,214	5,214
<b>Total equity</b>	<b>(Btmn)</b>	<b>5,900</b>	<b>18,653</b>	<b>19,253</b>	<b>28,144</b>	<b>27,470</b>	<b>29,322</b>	<b>31,410</b>	<b>34,111</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>3.12</b>	<b>7.16</b>	<b>7.39</b>	<b>10.80</b>	<b>10.54</b>	<b>11.25</b>	<b>12.05</b>	<b>13.08</b>

### Cash Flow Statement

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Core Profit	(Btmn)	1,295	2,165	1,868	2,194	2,509	2,347	3,392	4,317
Depreciation and amortization	(Btmn)	2,475	2,758	3,341	4,660	5,494	5,626	6,127	6,209
Operating cash flow	(Btmn)	6,776	7,381	7,614	9,593	6,826	12,184	9,754	10,419
Investing cash flow	(Btmn)	(13,055)	(4,804)	(9,973)	(6,902)	(16,639)	(17,031)	(18,532)	(4,632)
Financing cash flow	(Btmn)	9,562	7,310	(3,290)	5,910	7,762	(6,707)	10,411	(1,538)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>3,284</b>	<b>9,887</b>	<b>(5,650)</b>	<b>8,601</b>	<b>(2,051)</b>	<b>(11,554)</b>	<b>1,634</b>	<b>4,249</b>

### Key Financial Ratios

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Gross margin	(%)	22.0	23.7	20.5	19.2	21.2	19.5	20.5	23.5
Operating margin	(%)	18.1	19.7	16.7	15.0	16.5	16.0	17.0	20.0
EBITDA margin	(%)	27.6	29.1	27.1	26.2	29.6	28.2	29.2	32.2
EBIT margin	(%)	18.7	20.3	17.9	15.7	17.1	16.5	17.3	20.4
Net profit margin	(%)	5.0	6.8	5.1	5.3	4.9	6.4	6.6	8.2
ROE	(%)	30.0	17.6	9.9	9.3	9.0	8.3	11.2	13.2
ROA	(%)	1.9	2.6	2.0	2.0	2.0	1.8	2.4	2.9
Net D/E	(x)	4.8	2.1	2.9	1.8	2.2	2.5	2.6	2.2
Interest coverage	(x)	3.0	4.5	3.4	4.4	4.1	3.3	4.9	5.4
Debt service coverage	(x)	1.3	1.4	2.0	1.2	0.5	2.1	2.4	2.8
Payout Ratio	(%)	8.8	36.8	44.8	41.4	53.9	42.4	38.4	48.3

### Main Assumptions

FY December 31	Unit	2016	2017	2018	2019	2020	2021F	2022F	2023F
Electricity sales - EGAT	(GWh)	5,805	6,706	7,702	9,100	9,497	9,387	9,171	8,874
Electricity sales - IU (Thailand)	(GWh)	2,568	2,949	3,057	3,084	3,451	4,035	5,358	7,461
Steam sales - IU (Thailand)	(kt)	509	512	501	855	784	913	907	1,083
Electricity tariff - IU (Thailand)	(Bt/KWh)	3.31	3.19	3.28	3.30	3.31	3.31	3.17	2.66
Steam price - IU (Thailand)	(Bt/KWh)	1,059	1,034	1,106	1,084	1,003	1,013	1,036	1,012
Effective gas cost	(Bt/MMBTU)	240	235	259	273	247	265	262	241

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Total revenue	(Btmn)	11,197	11,223	11,243	11,186	10,323	10,453	11,475	11,714
Cost of goods sold	(Btmn)	9,097	8,910	9,033	8,737	8,072	8,127	8,885	9,584
<b>Gross profit</b>	<b>(Btmn)</b>	<b>2,100</b>	<b>2,313</b>	<b>2,210</b>	<b>2,449</b>	<b>2,250</b>	<b>2,326</b>	<b>2,590</b>	<b>2,130</b>
SG&A	(Btmn)	650	476	486	478	583	411	409	413
Other income	(Btmn)	136	92	76	40	42	28	45	57
Interest expense	(Btmn)	732	1,530	327	982	347	1,337	945	1,227
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>855</b>	<b>398</b>	<b>1,474</b>	<b>1,030</b>	<b>1,362</b>	<b>605</b>	<b>1,280</b>	<b>547</b>
Corporate tax	(Btmn)	48	54	20	59	100	110	128	55
Equity a/c profits	(Btmn)	24	27	27	(10)	15	50	(9)	14
Minority interests	(Btmn)	(406)	(78)	(664)	(358)	(480)	(237)	(449)	(158)
<b>Core profit</b>	<b>(Btmn)</b>	<b>425</b>	<b>293</b>	<b>816</b>	<b>603</b>	<b>797</b>	<b>309</b>	<b>695</b>	<b>348</b>
Extra-ordinary items	(Btmn)	(15)	(213)	202	(102)	(221)	302	327	100
<b>Net Profit</b>	<b>(Btmn)</b>	<b>409</b>	<b>81</b>	<b>1,017</b>	<b>501</b>	<b>576</b>	<b>611</b>	<b>1,022</b>	<b>447</b>
EBITDA	(Btmn)	2,896	3,251	3,195	3,406	3,092	3,244	3,533	3,065
<b>Core EPS</b>	<b>(Btmn)</b>	<b>0.16</b>	<b>0.11</b>	<b>0.31</b>	<b>0.23</b>	<b>0.31</b>	<b>0.12</b>	<b>0.27</b>	<b>0.13</b>
Net EPS	(Bt)	0.16	0.03	0.39	0.19	0.22	0.23	0.39	0.17

### Balance Sheet

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Total current assets	(Btmn)	33,493	33,774	30,985	30,397	29,879	30,118	34,489	38,854
Total fixed assets	(Btmn)	88,200	96,134	95,182	96,581	100,817	103,033	104,658	103,658
<b>Total assets</b>	<b>(Btmn)</b>	<b>121,693</b>	<b>129,907</b>	<b>126,167</b>	<b>126,978</b>	<b>130,696</b>	<b>133,151</b>	<b>139,147</b>	<b>142,512</b>
Total loans	(Btmn)	58,261	65,032	62,163	69,611	78,001	78,979	84,703	88,517
Total current liabilities	(Btmn)	25,832	25,381	22,803	23,339	26,993	28,257	24,116	15,251
Total long-term liabilities	(Btmn)	57,184	68,289	66,588	65,895	64,399	63,749	73,960	87,043
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>83,016</b>	<b>93,670</b>	<b>89,391</b>	<b>89,234</b>	<b>91,392</b>	<b>92,006</b>	<b>98,077</b>	<b>102,295</b>
Paid-up capital	(Btmn)	5,214	5,214	5,214	5,214	5,214	5,214	5,214	5,214
<b>Total equity</b>	<b>(Btmn)</b>	<b>28,144</b>	<b>26,735</b>	<b>26,746</b>	<b>27,181</b>	<b>27,470</b>	<b>28,975</b>	<b>28,788</b>	<b>29,414</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>10.80</b>	<b>10.26</b>	<b>10.26</b>	<b>10.43</b>	<b>10.54</b>	<b>11.11</b>	<b>11.04</b>	<b>11.28</b>

### Cash Flow Statement

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Core Profit	(Btmn)	425	293	816	603	797	309	695	348
Depreciation and amortization	(Btmn)	1,310	1,323	1,394	1,394	1,383	1,301	1,307	1,291
Operating cash flow	(Btmn)	3,245	4,041	3,295	3,261	(3,772)	4,501	1,403	3,006
Investing cash flow	(Btmn)	(790)	(2,577)	(1,361)	(9,015)	(3,686)	(2,233)	(2,664)	(3,482)
Financing cash flow	(Btmn)	6,778	(1,643)	(4,352)	5,809	7,947	(769)	2,686	4,325
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>9,233</b>	<b>(178)</b>	<b>(2,417)</b>	<b>55</b>	<b>489</b>	<b>1,499</b>	<b>1,425</b>	<b>3,850</b>

### Key Financial Ratios

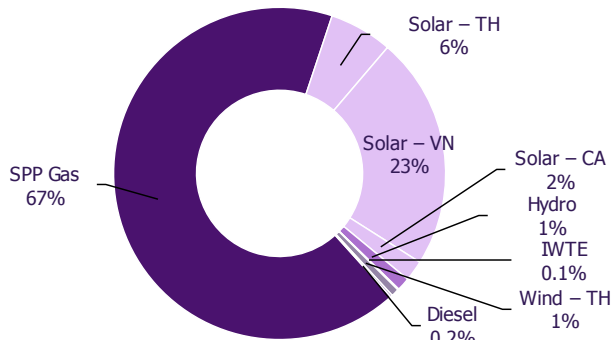
FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Gross margin	(%)	18.8	20.6	19.7	21.9	21.8	22.3	22.6	18.2
Operating margin	(%)	13.0	16.4	15.3	17.6	16.2	18.3	19.0	14.7
EBITDA margin	(%)	25.9	29.0	28.4	30.5	30.0	31.0	30.8	26.2
EBIT margin	(%)	14.2	17.2	16.0	18.0	16.6	18.6	19.4	15.1
Net profit margin	(%)	3.7	0.7	9.0	4.5	5.6	5.8	8.9	3.8
ROE	(%)	7.1	4.3	12.2	8.9	11.7	4.4	9.6	4.8
ROA	(%)	1.4	0.9	2.5	1.9	2.5	0.9	2.0	1.0
Net D/E	(x)	1.2	1.6	1.6	1.8	2.1	2.0	2.1	2.1
Interest coverage	(x)	4.0	2.1	9.8	3.5	8.9	2.4	3.7	2.5
Debt service coverage	(x)	1.6	1.2	2.7	0.9	0.6	0.5	0.7	1.0

### Key Statistics

FY December 31	Unit	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
Electricity sales - EGAT	(GWh)	2,355	2,265	2,557	2,507	2,384	2,300	2,516	2,445
Electricity sales - IU (Thailand)	(GWh)	731	772	563	721	764	814	831	844
Steam sales - IU (Thailand)	('000 tons)	215	227	189	238	253	248	240	284
Electricity tariff - IU (Thailand)	(Bt/KWh)	3.31	3.31	3.32	3.28	3.24	3.23	3.23	3.27
Steam price - IU (Thailand)	(Bt/ton)	1,058	1,058	1,057	935	916	808	786	734
Effective gas cost	(Bt/mmbtu)	266	267	262	235	214	221	239	268

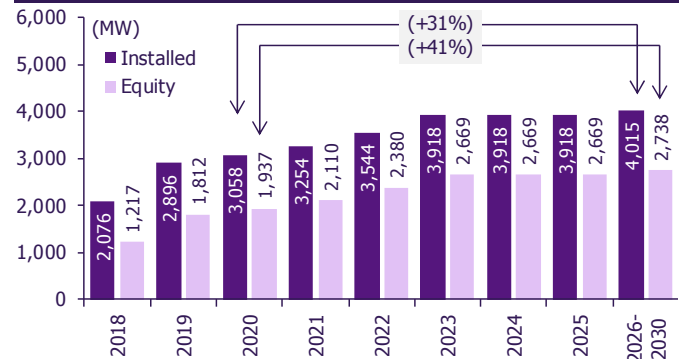
## Appendix:

Figure 1: Equity capacity breakdown (Operating)



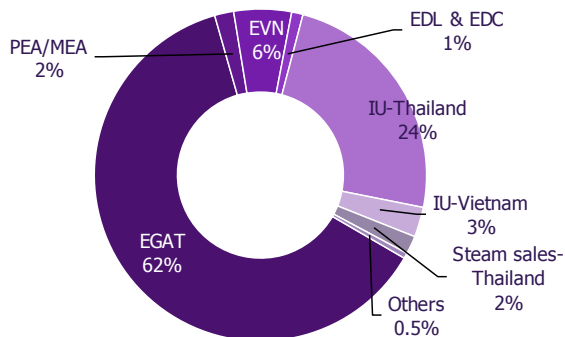
Source: BGRIM, SCBS Investment Research

Figure 2: Capacity growth (2020 to 2030)



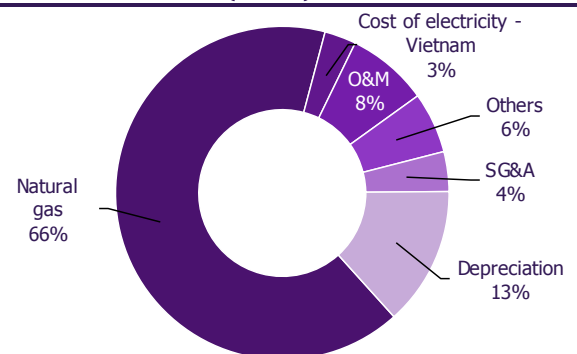
Source: BGRIM, SCBS Investment Research

Figure 3: Revenue breakdown by customer (9M21)



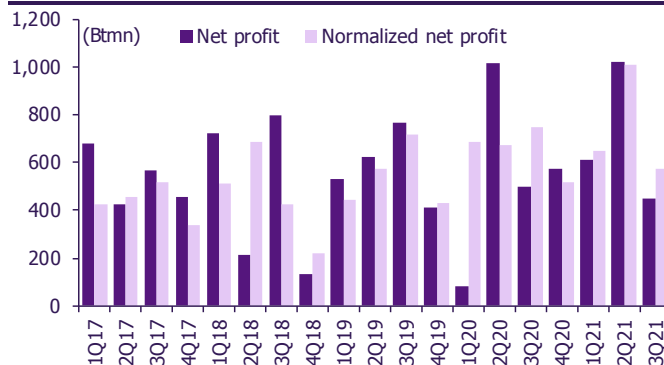
Source: BGRIM, SCBS Investment Research

Figure 4: Cost structure (9M21)



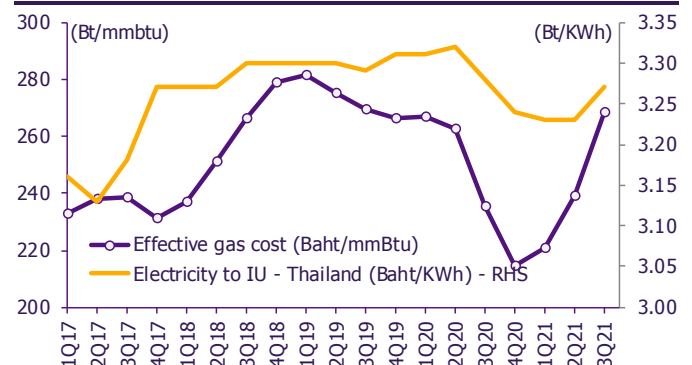
Source: BGRIM, SCBS Investment Research

Figure 5: Quarterly net profit



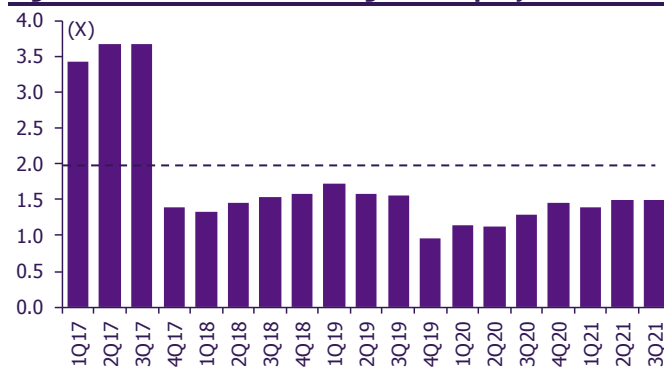
Source: BGRIM, SCBS Investment Research

Figure 6: Effective gas cost vs. tariff to IU



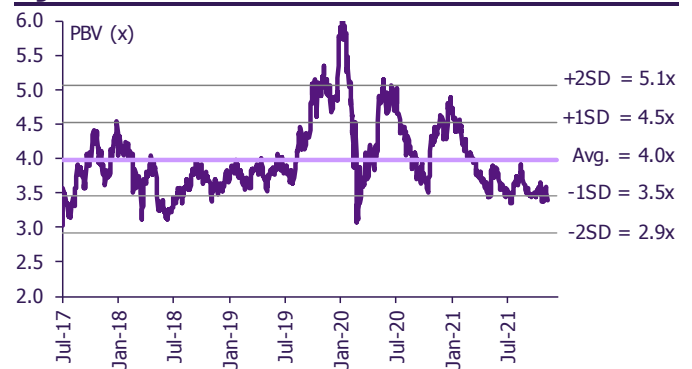
Source: BGRIM, SCBS Investment Research

Figure 7: Net interest-bearing debt/Equity



Source: BGRIM, SCBS Investment Research

Figure 8: PBV band



Source: Bloomberg Finance LP, 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 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 2021 Companies with CG Rating

### Companies with Excellent CG Scoring

AAV, ADVANC, AF, AH, AIRA, AKP, AKR, ALT, AMA, AMATA, AMATAV, ANAN, AOT, AP, ARIP, ARROW, ASP, AUCTION, AWC, AYUD, BAFS, BANPU, BAY, BBL, BCP, BCPG, BDMS, BEM, BGC, BGRIM, BIZ, BKI, BOL, BPP, BRR, BTS, BTW, BWG, CENTEL, CFRESH, CHEWA, CHO, CIMBT, CK, CKP, CM, CNT, COM7, COMAN, COTTO, CPALL, CPF, CPI, CPN, CRC, CSS, DDD, DELTA, DEMCO, DRT, DTAC, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ETC, FPI, FPT, FSMART, GBX, GC, GCAP, GFPT, GGC\*, GLAND, GLOBAL, GPI, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HMPRO, ICC, ICHI, III, ILINK, ILM, INTUCH, IP, IRPC, ITEL, IVL, JSP, JWD, K, KBANK, KCE, KKP, KSL, KTB, KTC, LALIN, LANNA, LH, LHFG, LIT, LPN, MACO, MAJOR, MAKRO, MALEE, MBK, MBKET, MC, MCOT, METCO, MFEC, MINT, MONO, MOONG, MSC, MTC, MVP, NCL, NEP, NER, NKI, NOBLE, NSI, NVD, NWR, NYT, OISHI, OR, ORI, OSP, OTO, PAP, PCSGH, PDG, PDJ, PG, PHOL\*, PLANB, PLANET, PLAT, PORT, PPS, PR9, PREB, PRG, PRM, PROUD, PSH, PSL, PTG, PTT, PTTEP, PTTCG, PYLON, Q-CON, QH, QTC, RATCH, RS, S, S & J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SE-ED, SELIC, SENA, SHR, SIRI, SIS, SITHAI, SMK, SMP, SNC, SONIC, SPALI, SPI, SPRC, SPVI, SSSC, SST, STA, STEC\*, STI, SUN, SUSCO, SUTHA, SVI\*, SYMC, SYNTEC, TACC, TASC, TCAP, TEAMG, TFMAMA, TGH, THANA, THANI, THCOM, THG, THIP, THRE, THREL, TIP\*, TIPCO, TISCO, TK, TKT, TMT, TNDT, TNITY, TOA, TOP, TPBI, TQM, TRC, TRU, TRUE, TSC, TSR, TSTE, TSTH, TTA, TTB, TTCL, TTW, TU, TVD, TVI, TVO, TWPC, U, UAC, UBIS, UV, VGI, VIH, WACOAL, WAVE, WHA, WHAUP, WICE, WINNER, ZEN

### Companies with Very Good CG Scoring

2S, 7UP, ABICO, ABM, ACE, ACG, ADB, AEONTS, AGE, AHC, AIT, ALL, ALLA, ALUCON, AMANAH, AMARIN, APCO, APCS, APURE, AQUA, ASEFA, ASIAN, ASK, ATP30, BA, BC, BEC, BFIT, BJCHI, BR, CBG, CGH, CHAYO, CHOTI, CI, CMC, CPL, CRD, CSP, DCC, ASAP, ASIA, ASIMAR, ASN, B, BAM, BCH, BEYOND, BJC, BLA, BROOK, CEN, CHARAN, CHG, CHOW, CIG, COLOR, CPW, CSC, CWT, DCON, DHOUSE, DOD, DOHOME, DV8, EASON, EFORL, ERW, ESSO, ESTAR, ETE, FE, FLOYD, FN, FNS, FORTH, FSS, FTE, FVC, GEL, GENCO, GJS, GYT, HEMP, HPT, HTC, HYDRO, ICN, IFS, IMH, IND, INET, INSET, INSURE, IRC, IRCP, IT, ITD\*, J, JAS, JCK, JCKH, JMART, JMT, KBS, KCAR, KEX, KGI, KIAT\*, KISS, KOOL, KTIS, KUMWEL, KUN, KWC, KWM, L&E, LDC, LEO, LHK, LOXLEY, LRH, LST, M, MATCH, MBAX, MEGA, META, MFC\*, MGT, MICRO, MILL, MITSIB, MK, MODERN, MTI, NBC, NCAP, NETBAY, NEX, NINE, NRF, NTV, OGC, PATO, PB, PICO, PIMO, PJW, PL, PM, PMTA, PMP, PPPM, PRIME, PRIN, PRINC, PSTC, PT, QLT, RBF, RCL, RICHY, RML, ROJNA, RPC, RT, RWI, S11, SA, SAK, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCI, SCN, SCP, SE, SFLEX, SFP, SFT, SGF, SIAM, SINGER, SKE, SKN, SKR, SKY, SLP, SMIT, SMT, SNP, SO, SORKON, SPA, SPC, SPCG, SR, SRICHA, SSC, SSF, STANLY, STGT, STOWER\*, STPI, SUC, SWC, SYNEX, T, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TFG, TFI, TIGER, TITLE, TKN, TKS, TM, TMC, TMD, TMI, TMILL, TMT, TN, TNP, TOG, TPA, TPAC, TPCS, TPS, TRITN, TRT, TSE, TVT, TWP, UEC, UMI, UOBKH, UP, UPF, UPOIC, UTP, VCOM, VL, VNT, VPO, VRANDA, WGE, WIJK, WP, XO, XPG, YUASA

### Companies with Good CG Scoring

A, AI, AIE, AJ, AMC, APP, AQ, ARIN, AS, AU, B52, BEAUTY, BGT, BH, BIG, BLAND, BM, BROCK, BSBM, BSM, BYD\*, CCP, CITY, CMO, CPT, CSR, EKH, EP, FMT, GLOCON\*, GSC, HTECH, IHL, INGRS, JAK, JTS, KASET, KK, KWG, LEE, BTNC, CAZ, CGD, CMAN, CMR, CRANE, D, EMC, F&D, GIFT, GREEN, GTB, HUMAN, IIG, INOX, JR, JUBILE, KCM, KKC, KYE, LPH, MATI, M-CHAI, MCS, MDX, MJD, MORE, MUD, NC, NDR, NFC, NNCL, NOVA, NPK, NUSA, OCEAN, PAF, PF, PK, PLE, PPM, PRAKIT, PRAPAT, PRECHA, PTL, RCI\*, RJH, RP, RPH, RSP, SABUY, SF, SGP, SICT, SIMAT, SISB, SK, SMART, SOLAR, SPACK, SPG, SQ, SSP, STARK, STC, SUPER, SVOA, TC, TCCC, THMUI, TNH, TNR, TOPP, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TQR, TTI, TYCN, UKEM, UMS, UNIQ, UPA, UREKA, VIBHA, W, WIN, WORK, WPH, YGG, 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 2020 to 26 October 2021) is publicized.

<sup>1</sup> TIP was voluntarily delisted from the Stock Exchange of Thailand effectively on July 24, 2021

<sup>2</sup> RCI was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 16, 2021

\* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรระมัดระวังข่าวดังกล่าวประกอบด้วย

### Anti-corruption Progress Indicator

#### Certified (ได้รับการรับรอง)

2S, ADVANC, AF, AI, AIE, AIRA, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AQUA, ARROW, ASK, AYUD, B, BAFS, BAM, BANPU, BAY, BBL, BCH, BCP, BCPG, BEYOND, 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, 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, PDJ, PE, PG, PHOL, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTG, PTT, PTTCG, 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, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASC, TBSP, TCAP, TCMC, TFG, TFI, TFMAMA, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, 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, TVO, TWPC, U, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, VNT, WACOAL, WHA, WHAUP, WICE, WIJK, 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, NCL, 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, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASP, ASW, ATP30, AU, AUCTION, B52, BA, BBIK, BC, BCT, BDMS, BEB, 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, JP, 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, NYTE, OHTL, OISHI, ONEE, OR, OSP, OTO, PACE, PACO, PAE, PAF, PERM, PF, PICO, PIN, PJW, PLE, PMTA, POLAR, POMPU, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSG, 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, SVI, SVOA, SVT, SWC, SYNEX, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIGH, 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.