

# Kasikornbank

Kasikornbank  
Public Company Limited

# KBANK

Bloomberg KBANK TB  
Reuters KBANK.BK



## 2022 financial targets: In line

**KBANK disclosed its 2022 financial targets. Within these are a slight drop in credit cost, moderate loan growth, stable NIM, flat fee income and stable cost to income ratio. Our forecast lines up fairly well with guidance. We keep KBANK as our top pick in the sector on the back of its attractive valuation, decent earnings recovery expected in 2022 and leadership in digital banking.**

**2022 financial guidance.** At the analyst meeting KBANK disclosed its 2022 financial targets which are pretty much in line with expectation, as below.

- 1) Credit cost: Up to 160 bps vs. 173 bps in 2021. This is in line with our forecast of 160 bps. Note that 2022 credit cost guidance is the same as the 2021 guidance. This reflects its prudent stance and its increased focus on high-yield loans. The bank estimates a normalized credit cost of 130-150 bps, potentially to be seen in 2023.
- 2) NPL ratio: 3.7-4% vs. 3.8% (based on the bank's calculation) at YE2021. KBANK will continue to be proactive in asset quality management and plans to set up a joint venture AMC to carve out some NPLs.
- 3) Loan growth: 6-8% vs. 8% in 2021, in line with our forecast of 6%. It expects the majority of 2022 loan growth to come from small-ticket (retail and SME) lending, using effective data analytics capability with an ongoing regional expansion strategy.
- 4) NIM: 3.15-3.3% vs. 3.2% in 2021, in line with our forecast of 3.15% (-6 bps)
- 5) Net fee income growth: Flat vs. 7% in 2021, in line with our forecast of +1%. Net fee income growth may drop from lower conventional transaction fees caused by changing consumer behavior and large base effect.
- 6) Cost to income ratio: Low to mid-40% vs. 43.5% in 2021, in line with our forecast of 42.5%. The bank expects potentially higher IT expenses (3-5% of total revenue) to accommodate future growth with continuing cost management and productivity improvements.

**Maintain Outperform.** We maintain our Outperform rating with an unchanged TP of Bt173 (0.8x 2022F BVPS), undergirded by a cheap valuation (0.68x PBV vs. 9% ROE of 9% and 7.8x 2022F PE, an expected decent recovery at 16% for 2022 and its leadership in digital banking.

### Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Pre-provision profit	(Bt mn)	85,088	92,999	99,593	103,787	111,690
Net profit	(Bt mn)	29,487	38,053	44,150	47,593	52,726
PPP/Sh	(Bt)	35.91	39.25	42.03	43.80	47.14
EPS	(Bt)	12.45	16.06	18.63	20.09	22.25
BVPS	(Bt)	185.57	201.20	216.62	232.98	251.22
DPS	(Bt)	2.50	3.21	3.73	4.02	4.45
P/PPP	(x)	4.12	3.77	3.52	3.38	3.14
PPP growth	(%)	(3.00)	9.30	7.09	4.21	7.62
P/E	(x)	11.89	9.22	7.94	7.37	6.65
EPS growth	(%)	(23.09)	29.05	16.02	7.80	10.78
P/BV	(x)	0.80	0.74	0.68	0.64	0.59
ROE	(%)	6.97	8.30	8.92	8.94	9.19
Dividend yield	(%)	1.69	2.17	2.52	2.71	3.01

Source: SCBS Investment Research

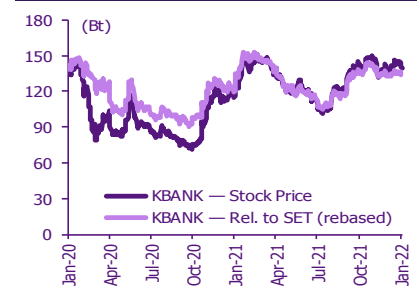
## Tactical: OUTPERFORM (3-month)

### Stock data

Last close (Jan 28) (Bt)	148.00
Target price (Bt)	173.00
Mkt cap (Btbn)	350.66
Mkt cap (US\$mn)	10,493

Risk rating	L
Mkt cap (%) SET	1.81
Sector % SET	9.64
Shares issued (mn)	2,369
Par value (Bt)	10.00
12-m high / low (Bt)	153 / 101
Avg. daily 6m (US\$mn)	111.58
Foreign limit / actual (%)	49 / 39
Free float (%)	79.6
Dividend policy (%)	NA

### Price performance



Source: SET, SCBS Investment Research

### Share performance

(%)	1M	3M	12M
Absolute	4.2	5.0	16.5
Relative to SET	5.1	3.9	4.3

Source: SET, SCBS Investment Research

### Analyst

**Kittima Sattayapan, CFA**

Fundamental Investment  
Analyst on Securities  
(66-2) 949-1003  
kittima.sattayapan@scb.co.th

**Value proposition**

KBANK is Thailand's fourth largest bank in terms of consolidated assets. Its loan breakdown shows 35% large corporate, 34% SMEs (the largest market share), and 31% retail loans. Its deposit mix is comprised of 82% current & savings deposits (the sector's highest) and 18% term deposits. It is a leader in digital banking with the greatest number of mobile banking users at Bt17.1mn at YE2021.

**Business outlook**

In 2022, we expect a 16% recovery in earnings, underpinned by an expected 13 bps fall in credit cost, 6% loan growth, a 6 bps slip in NIM and a flat fee income.

<b>Bullish views</b>	<b>Bearish views</b>
1. Easing provisions after bulking up provisions in 2020 and 2021.	1. Flattish outlook for fee income.
2. Moderate loan growth of 6-8%	2. NIM under pressure from comprehensive debt restructuring.

**Key catalysts**

<b>Factor</b>	<b>Event</b>	<b>Impact</b>	<b>Comment</b>
NPL surge	The end of the relief program in 2022	Negative	We expect a rise in NPLs in 2022.
End of a reduction in FIDF cost.	The reduction of FIDF cost from 0.46% to 0.23% will end at YE2023.	Negative	We believe there is potential for a hike in lending rate to offset the rise in FIDF cost.

**Sensitivity analysis**

<b>Factor</b>	<b>Earnings impact TP impact</b>	
1ppt change in loan growth	1.1%	Bt0.2/sh.
5 bps change in NIM	3.4%	Bt0.5/sh.
10 bps change in credit cost	5.2%	Bt1/sh.

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2017	2018	2019	2020	2021F	2022F	2023F	2024F
Interest & dividend income	(Btmn)	119,337	123,922	130,178	127,592	135,415	144,071	156,003	165,780
Interest expense	(Btmn)	25,176	25,384	27,490	18,570	16,024	17,480	24,371	25,434
<b>Net interest income</b>	(Btmn)	<b>94,161</b>	<b>98,538</b>	<b>102,688</b>	<b>109,022</b>	<b>119,390</b>	<b>126,591</b>	<b>131,632</b>	<b>140,346</b>
Non-interest income	(Btmn)	62,538	56,896	57,759	46,063	44,653	45,952	47,164	48,412
Non-interest expenses	(Btmn)	66,372	68,348	72,729	69,997	71,044	72,950	75,009	77,068
Pre-provision profit	(Btmn)	90,327	87,085	87,718	85,088	92,999	99,593	103,787	111,690
Provision	(Btmn)	41,810	32,532	34,012	43,548	40,332	39,911	39,855	41,422
Pre-tax profit	(Btmn)	48,517	54,553	53,706	41,540	52,667	59,682	63,932	70,268
Tax	(Btmn)	9,028	10,395	10,309	7,656	9,729	11,340	12,147	13,351
Equities & minority interest	(Btmn)	5,151	5,700	4,670	4,397	4,886	4,192	4,192	4,192
<b>Core net profit</b>	(Btmn)	<b>34,338</b>	<b>38,459</b>	<b>38,727</b>	<b>29,487</b>	<b>38,053</b>	<b>44,150</b>	<b>47,593</b>	<b>52,726</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>34,338</b>	<b>38,459</b>	<b>38,727</b>	<b>29,487</b>	<b>38,053</b>	<b>44,150</b>	<b>47,593</b>	<b>52,726</b>
<b>EPS</b>	(Bt)	14.35	16.07	16.18	12.45	16.06	18.63	20.09	22.25
<b>DPS</b>	(Bt)	4.00	4.00	5.00	2.50	3.21	3.73	4.02	4.45

### Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021F	2022F	2023F	2024F
Cash	(Btmn)	67,825	66,740	61,385	61,962	59,972	59,916	60,901	61,568
Interbank assets	(Btmn)	426,092	461,987	385,940	417,420	420,494	428,904	437,482	446,231
Investments	(Btmn)	536,406	662,572	776,700	824,456	1,097,872	1,097,872	1,097,872	1,097,872
<b>Gross loans</b>	(Btmn)	<b>1,802,783</b>	<b>1,914,073</b>	<b>2,001,956</b>	<b>2,244,821</b>	<b>2,421,813</b>	<b>2,567,122</b>	<b>2,746,820</b>	<b>2,966,566</b>
Accrued interest receivable	(Btmn)	3,391	3,387	2,830	11,272	16,599	16,599	16,599	16,599
Loan loss reserve	(Btmn)	103,434	119,486	124,879	134,393	144,772	169,078	193,639	220,150
<b>Net loans</b>	(Btmn)	<b>1,702,740</b>	<b>1,797,974</b>	<b>1,879,907</b>	<b>2,121,700</b>	<b>2,293,640</b>	<b>2,414,643</b>	<b>2,569,780</b>	<b>2,763,014</b>
<b>Total assets</b>	(Btmn)	<b>2,900,841</b>	<b>3,155,091</b>	<b>3,293,889</b>	<b>3,658,798</b>	<b>4,103,399</b>	<b>4,232,756</b>	<b>4,397,456</b>	<b>4,600,107</b>
Deposits	(Btmn)	1,878,672	1,995,001	2,072,049	2,344,998	2,598,630	2,688,932	2,812,354	2,969,284
Interbank liabilities	(Btmn)	69,289	128,003	81,628	87,797	186,449	186,449	186,449	186,449
Borrowings	(Btmn)	70,575	70,567	81,824	69,390	103,886	103,886	103,886	103,886
<b>Total liabilities</b>	(Btmn)	<b>2,513,018</b>	<b>2,737,269</b>	<b>2,840,174</b>	<b>3,167,512</b>	<b>3,566,724</b>	<b>3,657,026</b>	<b>3,780,448</b>	<b>3,937,377</b>
Minority interest	(Btmn)	39,197	41,524	47,357	51,616	59,961	62,476	64,991	67,506
Paid-up capital	(Btmn)	23,933	23,933	23,933	23,693	23,693	23,693	23,693	23,693
<b>Total Equities</b>	(Btmn)	<b>348,625</b>	<b>376,298</b>	<b>406,358</b>	<b>439,670</b>	<b>476,714</b>	<b>513,254</b>	<b>552,017</b>	<b>595,224</b>
<b>BVPS</b>	(Bt)	<b>145.67</b>	<b>157.23</b>	<b>169.79</b>	<b>185.57</b>	<b>201.20</b>	<b>216.62</b>	<b>232.98</b>	<b>251.22</b>

### Key Assumptions and Financial Ratios

FY December 31	Unit	2017	2018	2019	2020	2021F	2022F	2023F	2024F
<b>Growth</b>									
YoY loan growth	(%)	6.20	6.17	4.59	12.13	7.88	6.00	7.00	8.00
YoY non-NII growth	(%)	(1.68)	(9.02)	1.52	(20.25)	(3.06)	2.91	2.64	2.65
<b>Profitability</b>									
Yield on earn'g assets	(%)	4.37	4.27	4.20	3.84	3.65	3.59	3.72	3.77
Cost on int-bear'g liab	(%)	1.24	1.21	1.24	0.78	0.59	0.60	0.80	0.80
Spread	(%)	3.13	3.06	2.96	3.05	3.05	2.99	2.92	2.97
Net interest margin	(%)	3.45	3.40	3.31	3.28	3.22	3.15	3.14	3.19
ROE	(%)	10.24	10.61	9.90	6.97	8.30	8.92	8.94	9.19
ROA	(%)	1.20	1.27	1.20	0.85	0.98	1.06	1.10	1.17
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	3.86	3.89	4.20	4.50	4.30	4.26	4.18	4.06
LLR/NPLs	(%)	148.45	160.60	148.60	133.05	139.16	154.78	168.82	182.80
Provision expense/Total loans	(%)	2.39	1.75	1.74	2.05	1.73	1.60	1.50	1.45
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	92.49	92.67	92.95	92.98	89.61	91.92	94.19	96.53
<b>Efficiency</b>									
Cost to income ratio	(%)	43.32	44.74	47.84	45.52	43.52	42.48	42.14	41.01
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	17.20	18.32	19.62	18.80	17.83	19.03	19.37	19.55
Tier-1	(%)	14.62	15.90	16.19	16.13	15.42	16.69	17.15	17.46
Tier-2	(%)	2.58	2.42	3.43	2.67	2.41	2.34	2.22	2.09

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
Interest & dividend income	(Btmn)	33,779	31,954	31,386	30,473	31,972	33,605	34,828	35,010
Interest expense	(Btmn)	5,697	4,872	4,131	3,870	3,840	3,888	4,087	4,210
<b>Net interest income</b>	(Btmn)	<b>28,082</b>	<b>27,082</b>	<b>27,255</b>	<b>26,603</b>	<b>28,133</b>	<b>29,717</b>	<b>30,741</b>	<b>30,800</b>
Non-interest income	(Btmn)	9,959	14,085	9,507	12,511	12,019	11,228	9,368	12,038
Non-interest expenses	(Btmn)	17,482	15,796	16,447	20,272	16,531	17,069	16,965	20,479
Earnings before tax & provision	(Btmn)	20,559	25,372	20,315	18,842	23,620	23,876	23,144	22,360
Provision	(Btmn)	11,872	20,192	10,815	669	8,650	10,807	11,296	9,580
Pre-tax profit	(Btmn)	8,687	5,180	9,500	18,173	14,970	13,070	11,848	12,780
Tax	(Btmn)	1,349	901	2,048	3,358	3,035	2,548	2,026	2,120
Equities & minority interest	(Btmn)	(37)	2,104	774	1,556	1,308	1,628	1,191	760
<b>Core net profit</b>	(Btmn)	<b>7,375</b>	<b>2,175</b>	<b>6,679</b>	<b>13,258</b>	<b>10,627</b>	<b>8,894</b>	<b>8,631</b>	<b>9,901</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>7,375</b>	<b>2,175</b>	<b>6,679</b>	<b>13,258</b>	<b>10,627</b>	<b>8,894</b>	<b>8,631</b>	<b>9,901</b>
<b>EPS</b>	(Bt)	<b>3.08</b>	<b>0.91</b>	<b>2.82</b>	<b>5.60</b>	<b>4.49</b>	<b>3.75</b>	<b>3.64</b>	<b>4.18</b>

### Balance Sheet

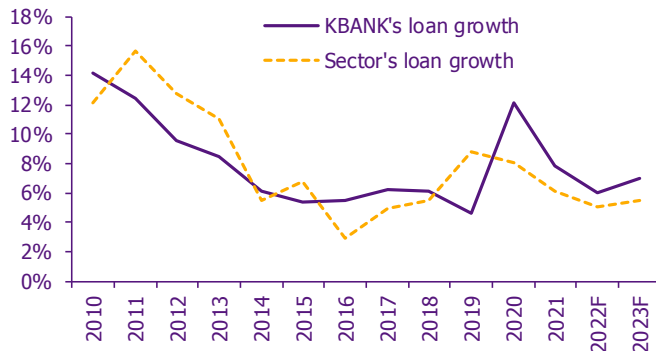
FY December 31	Unit	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
Cash	(Btmn)	77,393	48,572	43,665	61,962	48,620	57,574	53,051	59,972
Interbank assets	(Btmn)	439,673	449,489	384,214	417,420	392,668	406,151	391,467	420,494
Investments	(Btmn)	787,628	866,582	871,659	824,456	928,249	945,219	1,018,724	1,097,872
<b>Gross loans</b>	(Btmn)	<b>2,043,093</b>	<b>2,126,753</b>	<b>2,156,650</b>	<b>2,244,821</b>	<b>2,302,352</b>	<b>2,383,320</b>	<b>2,444,018</b>	<b>2,421,813</b>
Accrued interest receivable	(Btmn)	4,132	8,328	13,351	11,272	12,884	14,242	16,717	16,599
Loan loss reserve	(Btmn)	118,064	133,104	137,215	134,393	139,688	145,923	146,518	144,772
<b>Net loans</b>	(Btmn)	<b>1,929,161</b>	<b>2,001,977</b>	<b>2,032,786</b>	<b>2,121,700</b>	<b>2,175,548</b>	<b>2,251,639</b>	<b>2,314,217</b>	<b>2,293,640</b>
<b>Total assets</b>	(Btmn)	<b>3,483,527</b>	<b>3,585,800</b>	<b>3,545,648</b>	<b>3,658,798</b>	<b>3,767,115</b>	<b>3,886,863</b>	<b>4,029,831</b>	<b>4,103,399</b>
Deposits	(Btmn)	2,202,112	2,307,997	2,273,850	2,344,998	2,400,615	2,480,781	2,531,290	2,598,630
Interbank liabilities	(Btmn)	104,027	127,767	113,938	87,797	137,649	150,158	181,890	186,449
Borrowings	(Btmn)	87,937	71,427	73,406	69,390	69,254	74,328	100,362	103,886
<b>Total liabilities</b>	(Btmn)	<b>3,033,814</b>	<b>3,135,108</b>	<b>3,089,066</b>	<b>3,167,512</b>	<b>3,260,149</b>	<b>3,373,323</b>	<b>3,507,795</b>	<b>3,566,724</b>
Minority interest	(Btmn)	42,924	48,306	47,866	51,616	54,937	56,712	57,669	59,961
Paid-up capital	(Btmn)	23,933	23,933	23,693	23,693	23,693	23,693	23,693	23,693
<b>Total Equities</b>	(Btmn)	<b>406,789</b>	<b>402,386</b>	<b>408,716</b>	<b>439,670</b>	<b>452,029</b>	<b>456,829</b>	<b>464,367</b>	<b>476,714</b>
<b>BVPS</b>	(Bt)	<b>169.97</b>	<b>168.13</b>	<b>172.50</b>	<b>185.57</b>	<b>190.78</b>	<b>192.81</b>	<b>195.99</b>	<b>201.20</b>

### Financial Ratios

FY December 31	Unit	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
<b>Growth</b>									
YoY loan growth	(%)	6.70	10.01	10.68	12.13	12.69	12.06	13.32	7.88
YoY non-NII growth	(%)	(18.54)	3.66	(39.72)	(22.65)	20.69	(20.28)	(1.47)	(3.78)
<b>Profitability</b>									
Yield on earn'g assets	(%)	4.20	3.81	3.66	3.53	3.60	3.65	3.67	3.59
Cost on int-bear'g liab	(%)	0.98	0.80	0.67	0.62	0.60	0.59	0.59	0.59
Spread	(%)	3.21	3.01	3.00	2.91	3.00	3.07	3.08	3.00
Net interest margin	(%)	3.49	3.23	3.18	3.08	3.17	3.23	3.24	3.16
ROE	(%)	7.26	2.15	6.59	12.50	9.53	7.83	7.50	8.42
ROA	(%)	0.85	0.24	0.75	1.45	1.13	0.92	0.86	0.97
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	4.46	4.44	4.49	4.50	4.44	4.49	4.33	4.30
LLR/NPLs	(%)	129.58	140.94	141.83	133.05	136.53	136.48	138.32	139.16
Provision expense/Total loans	(%)	2.35	3.87	2.02	0.12	1.52	1.85	1.87	1.58
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	89.22	89.38	91.88	92.98	93.22	93.28	92.87	89.61
<b>Efficiency</b>									
Cost to income ratio	(%)	46.13	38.56	45.19	52.63	41.29	42.03	42.60	47.90
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	18.54	16.98	18.25	18.80	18.55	18.19	18.82	17.83
Tier-1	(%)	15.17	14.15	15.57	16.13	15.80	15.86	16.53	15.42
Tier-2	(%)	3.36	2.83	2.68	2.67	2.75	2.33	2.29	2.41

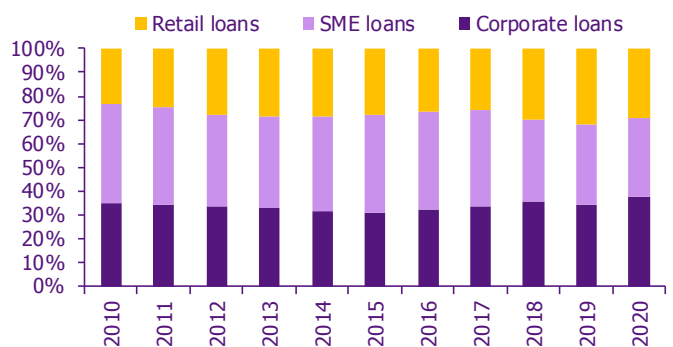
## Appendix

Figure 1: Loan growth



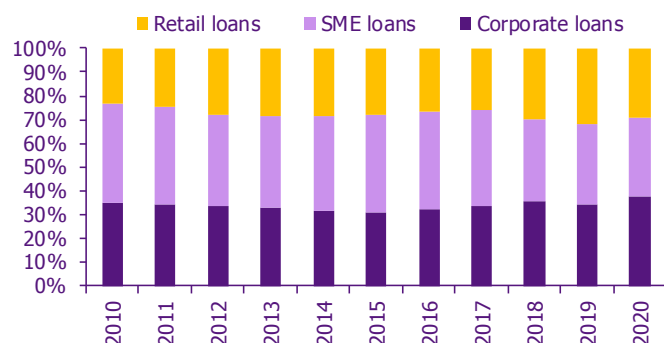
Source: Banks and SCBS Investment Research

Figure 2: Loan breakdown



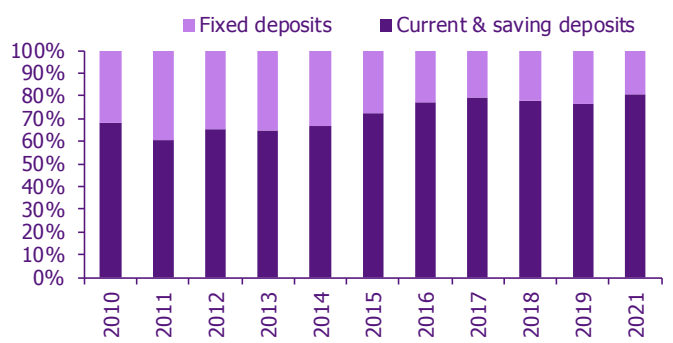
Source: Banks and SCBS Investment Research

Figure 3: NIM, yield on earning assets, cost of funds



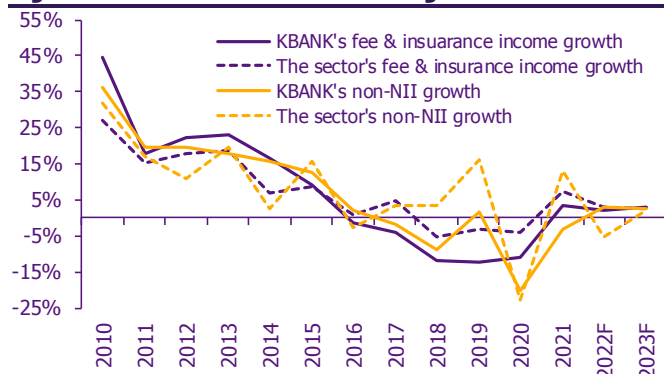
Source: Banks and SCBS Investment Research

Figure 4: Deposit mix



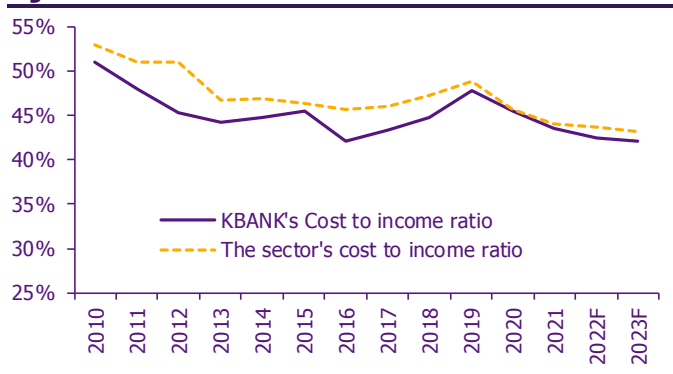
Source: Banks and SCBS Investment Research

Figure 5: Non-NII and fee income growth



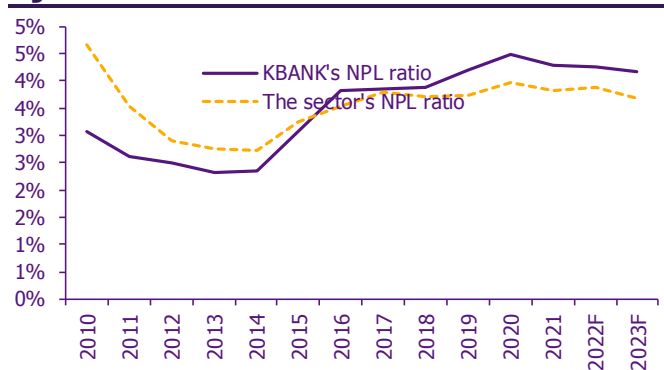
Source: Banks and SCBS Investment Research

Figure 6: Cost to income ratio



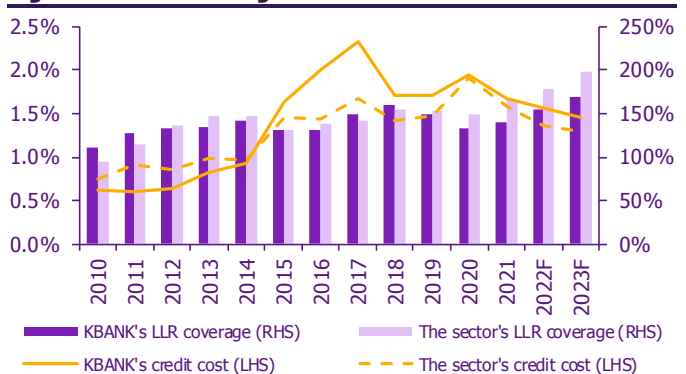
Source: Banks and SCBS Investment Research

Figure 7: NPL ratio



Source: Banks and SCBS Investment Research

Figure 8: LLR coverage



Source: Banks and SCBS Investment Research

**Figure 9: Valuation summary** (price as of Jan 28, 2022)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F
BAY	Neutral	36.50	38.0	6.3	7.9	10.0	9.0	47	(20)	11	0.8	0.8	0.7	11	8	9	2.4	2.0	2.2
BBL	Outperform	135.00	165.0	27.0	9.7	7.5	6.7	54	30	11	0.5	0.5	0.5	6	7	7	3.0	3.7	4.8
KBANK	Outperform	148.00	173.0	19.6	9.2	7.9	7.4	29	16	8	0.7	0.7	0.6	8	9	9	2.2	2.5	2.7
KKP	Outperform	69.50	75.0	12.6	9.3	8.6	7.9	23	8	9	1.2	1.1	1.0	13	13	13	4.0	4.3	4.7
KTB	Outperform	13.80	16.0	20.9	8.9	7.3	7.0	29	22	4	0.5	0.5	0.5	6	7	7	3.4	4.8	5.0
TCAP	Neutral	40.50	34.0	(8.6)	10.3	9.5	8.7	(31)	8	9	0.7	0.7	0.7	7	8	8	7.4	7.4	7.4
TISCO	Neutral	98.00	98.0	7.5	11.6	11.4	11.4	12	1	0	1.9	1.9	1.8	17	16	16	7.3	7.4	7.5
TTB	Neutral	1.36	1.3	(1.5)	12.5	11.9	10.4	3	5	15	0.6	0.6	0.6	5	5	6	2.4	2.5	2.9
<b>Average</b>					<b>10.2</b>	<b>9.3</b>	<b>8.6</b>	<b>25</b>	<b>15</b>	<b>8</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>3.8</b>	<b>4.2</b>	<b>4.5</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.

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, ITTEL, 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, SEAFSCO, SEAOIL, SE-ED, SELIC, SENA, SHR, SIRI, SIS, SITHAI, SMK, SMPK, SNC, SONIC, SPALI, SPI, SPRC, SPVI, SSSC, SST, STA, STEC\*, STI, SUN, SUSCO, SUTHA, SVI\*, SYMC, SYNTec, TACC, TASCO, 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, 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, LPH, LST, M, MATCH, MBAX, MEGA, META, MFC\*, MGT, MICRO, MILL, MITSIB, MK, MODERN, MTI, NBC, NCA, NETBAY, NEX, NINE, NRF, NTV, CPN, OGC, PATO, PB, PICO, PIMO, PJW, PL, PM, PMTA, PPP, 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, TNL, 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, ALPHAX, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AQUA, ARROW, ASIAN, ASK, ASP, AWC, 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, COLOR, 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, ITTEL, IVL, JKN, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, KWI, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAKRO, MALEE, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NBC, NEP, NINE, NKI, NMG, NNCL, NOBLE, NOK, NSI, NWR, OCC, 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, PTTEP, PTTCG, PYLON, Q-CON, QH, QLT, QTC, RATCH, RML, RWI, S & J, SAAM, SABINA, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SEAOIL, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SITHAI, SKR, SMIT, SMK, SMPK, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STOWER, SUSCO, SVI, SYMC, SYNTec, TAE, TAKUNI, TASCO, 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, TTA, TTB, TTCL, TU, TVD, TVI, TVO, TWPC, U, UBE, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, VNT, WACOAL, WHA, WHAUP, WICE, WIJK, XO, ZEN

**Declared (ประกาศเจตนารมณ์)**

7UP, ABICO, AJ, ALT, APCO, AS, BEC, BKD, CHG, CPL, CPR, CPW, CRC, DDD, DHOUSE, DOHOME, ECF, EKH, ETC, EVER, GULF, III, INOX, J, JMART, JMT, JR, KEX, KUMWEL, LDC, MAJOR, MATCH, MILL, NCL, NOVA, NRF, NUSA, PIMO, PR9, RS, SAK, SCGP, SCM, SIS, STAR, STECH, STGT, SUPER, TQM, TSI, VCOM, VIBHA, WIN, YUASA, ZIGA

**N/A**

3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AH, AHC, AIT, AJA, AKR, ALL, ALLA, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASW, ATP30, AU, AUCTION, B52, BA, BBIK, BC, BCT, BDMS, BE8, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIZ, BJC, BLAND, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, CPANEL, CPH, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DITTO, DMT, DOD, DPAINT, 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, HL, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, IIG, ILM, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, JAK, JAS, JCK, JCKH, JCT, JP, JSP, JTS, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWM, KYE, LALIN, LEE, LEO, 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, NCA, NCH, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NPK, NSL, NTV, NV, NVD, NYT, OHTL, OISHI, ONEE, OR, OSP, OTK, PACE, PACO, PAE, PERM, PF, PICO, PIN, PJW, PLE, PMTA, POLAR, POMPUI, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSG, PTL, RAM, 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, SEAFSCO, SECURE, SF, SFLEX, SFP, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SK, SKE, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNPN, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SSC, STANLY, STARK, STC, STEC, STHAI, STI, STPI, SUC, SUN, SUTHA, SVH, SVOA, SVT, SWC, SYNEX, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TFM, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPI, TITLE, TK, TKC, TKN, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPCS, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TRV, TSE, TSF, TSR, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPA, UPOIC, UREKA, UT, UTP, UVAN, VARO, VL, VNG, VPO, VRANDA, W, WAVE, WFX, 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 October 24, 2021) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.