



Siam Cement

Siam Cement
Public Company Limited

SCC

Bloomberg SCC TB
Reuters SCC.BK

1Q22: Slightly above estimates

1Q22 net profit was Bt8.8bn, -41% YoY but +7% QoQ, a slight beat from operational hedging gain for the chemical unit. We expect 2Q22F core earnings to be stable or slip QoQ and soften YoY from high energy and raw material costs. SCGC has submitted the appropriate documents to the SEC to obtain approval for listing on the SET, with the issue and offer of SCGC IPO shares subject to the SEC's permission. We keep our 3-month tactical rating as NEUTRAL with end-2022 SOTP TP of Bt420.

1Q22 net profit was Bt8.8bn, -41% YoY but +7% QoQ, 5-6% above SCBS and consensus estimates from Bt800-900mn operational hedging gain for the chemical unit. The YoY drop reflects weaker earnings in all main units. The slight rise QoQ was due to seasonally higher earnings in cement and building materials (CBM) and packaging units and more equity income from Kubota in other units.

1Q22 highlights. Chemical unit reported core earnings of Bt3.6bn, -59% YoY, with narrowed PE/PP-naphtha spread (-23-39% YoY) and PVC-EDC/ethylene spread (-29% YoY) as higher feedstock cost and 1Q21's high base from the harsh winter that led to supply shortage in the US and lower equity income (-43% YoY) offset the higher polyolefin sales volume (+2% YoY), Bt1.1bn inventory gain and Bt800-900mn operational hedging gain in other income. CBM unit reported core earnings of Bt2.3bn, -19% YoY on lower margin from higher raw material & energy costs. Local cement demand and product price fell 3% YoY but grew 7% YoY. Local housing product and ceramic tile demand fell 1% YoY but rose 2% YoY. SCC's ceramic tile sales in Thailand, Vietnam, Indonesia and the Philippines grew 6% YoY by volume and 9% YoY by price. Packaging unit reported core earnings of Bt1.7bn (-22% YoY) from weaker margin from higher raw material & freight costs.

Plans to list SCG Chemical (SCGC). SCGC was the largest producer of PE, PP and PVC in ASEAN with 19% capacity share in 2021, according to Nexant Energy & Chemicals Advisory. In 2021, SCGC's revenue and earnings (before the elimination of intersegment transaction) accounted for 45% and 61% of SCC's. On January 26, SCC's board approved a plan to list SCGC shares on the SET. On April 27, SCGC submitted an application to issue and offer new shares, a registration statement and draft prospectus to the SEC. SCGC expects to offer up to 3,854.7mn newly issued shares (no more than 25.2% of SCGC's paid-up capital after IPO) at par value of Bt10/share. Post-IPO, SCC will remain as the major and controlling shareholder of SCGC, and SCGC will continue as a SCC subsidiary. SCGC intends to use the IPO proceeds to 1) invest in business expansion, i.e., increase production capacity, improve potential for SCGC and its subsidiaries (organic growth), setup and acquire businesses and assets (inorganic growth) and/or invest in maintenance; 2) repay loans to financial institutions and/or SCC; and 3) as working capital.

Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Revenue	(Btmn)	399,939	530,112	575,706	609,102	643,680
EBITDA	(Btmn)	70,839	83,984	76,352	89,154	100,981
Core profit	(Btmn)	36,526	48,979	36,033	42,946	48,809
Reported profit	(Btmn)	34,144	47,174	36,033	42,946	48,809
Core EPS	(Bt)	30.44	40.82	30.03	35.79	40.67
DPS	(Bt)	14.00	18.50	15.01	16.10	18.30
P/E, core	(x)	11.7	8.7	11.9	9.9	8.8
EPS growth, core	(%)	0.7	34.1	(26.4)	19.2	13.7
P/BV, core	(x)	1.1	0.9	0.9	0.9	0.8
ROE	(%)	10.1	11.6	7.9	9.0	9.7
Dividend yield	(%)	3.9	5.2	4.2	4.5	5.1
FCF yield	(x)	(0.2)	(6.2)	9.8	6.4	14.5
EV/EBIT	(x)	13.2	12.0	13.6	11.3	9.3
EBIT growth, core	(%)	14.4	26.9	(15.8)	18.3	13.7
EV/CE	(x)	1.2	1.1	1.1	1.0	1.0
ROCE	(%)	6.4	6.4	4.8	5.9	7.1
EV/EBITDA	(x)	8.1	7.9	8.3	7.0	5.8
EBITDA growth	(%)	14.4	18.6	(9.1)	16.8	13.3

Source: SCBS Investment Research

Tactical: NEUTRAL

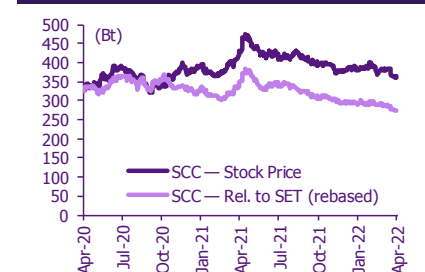
(3-month)

Stock data

Last close (Apr 27) (Bt)	356.00
Target price (Bt)	420.00
Mkt cap (Btbn)	427.20
Mkt cap (US\$mn)	12,453

Beta	M
Mkt cap (%) SET	2.17
Sector % SET	3.53
Shares issued (mn)	1,200
Par value (Bt)	1.00
12-m high / low (Bt)	474 / 356
Avg. daily 6m (US\$mn)	35.72
Foreign limit / actual (%)	25 / 12
Free float (%)	66.2
Dividend policy (%)	40-50

Price performance



Source: SET, SCBS Investment Research

Share performance

(%)	1M	3M	12M
Absolute	(6.3)	(8.2)	(21.2)
Relative to SET	(5.1)	(9.5)	(25.3)

Source: SET, SCBS Investment Research

Analyst

Sirima Dissara, CFA
Fundamental Investment
Analyst on Securities
(66-2) 949-1004
sirima.dissara@scb.co.th

Financial statement

Profit and Loss Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total revenue	(Btmn)	450,921	478,438	437,980	399,939	530,112	575,706	609,102	643,680
Cost of goods sold	(Btmn)	349,307	383,463	355,752	309,947	421,000	472,406	493,504	517,713
Gross profit	(Btmn)	101,614	94,974	82,228	89,992	109,112	103,300	115,598	125,967
SG&A	(Btmn)	(52,576)	(53,423)	(53,212)	(53,808)	(63,170)	(67,226)	(70,761)	(73,965)
Other income	(Btmn)	10,326	10,263	8,992	7,278	9,208	10,387	10,135	10,481
Interest expense	(Btmn)	7,112	6,835	6,587	6,890	6,757	8,068	8,631	8,756
Pre-tax profit	(Btmn)	52,252	44,979	31,421	36,572	48,392	38,392	46,342	53,727
Corporate tax	(Btmn)	5,694	7,269	5,606	6,346	9,394	8,385	9,329	10,174
Equity a/c profits	(Btmn)	18,212	15,047	11,632	9,456	17,543	13,398	13,938	14,501
Minority interests	(Btmn)	(12,718)	(7,899)	(1,182)	(3,156)	(7,562)	(7,372)	(8,006)	(9,245)
Core profit	(Btmn)	52,051	44,858	36,265	36,526	48,979	36,033	42,946	48,809
Extra-ordinary items	(Btmn)	2,990	(110)	(4,250)	(2,382)	(1,805)	0	0	0
Net Profit	(Btmn)	55,041	44,748	32,014	34,144	47,174	36,033	42,946	48,809
EBITDA	(Btmn)	82,646	75,562	61,938	70,839	83,984	76,352	89,154	100,981
Core EPS	(Btmn)	43.38	37.38	30.22	30.44	40.82	30.03	35.79	40.67
Net EPS	(Bt)	45.87	37.29	26.68	28.45	39.31	30.03	35.79	40.67
DPS	(Bt)	19.00	18.00	14.00	14.00	18.50	15.01	16.10	18.30

Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total current assets	(Btmn)	171,619	177,271	164,386	214,017	233,016	257,117	290,273	336,981
Total fixed assets	(Btmn)	401,793	412,517	470,347	535,364	628,085	658,683	673,212	658,515
Total assets	(Btmn)	573,412	589,787	634,733	749,381	861,101	915,800	963,485	995,496
Total loans	(Btmn)	208,966	204,996	226,625	248,645	303,114	298,467	313,467	308,467
Total current liabilities	(Btmn)	110,348	102,672	127,324	153,365	161,416	148,960	154,410	140,053
Total long-term liabilities	(Btmn)	161,239	169,246	179,666	199,889	249,676	300,907	318,867	337,071
Total liabilities	(Btmn)	271,587	271,918	306,990	353,255	411,093	449,867	473,277	477,124
Paid-up capital	(Btmn)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total equity	(Btmn)	301,825	317,869	327,743	396,126	450,008	465,933	490,208	518,372
BVPS	(Bt)	251.52	264.89	273.12	330.11	375.01	388.28	408.51	431.98

Cash Flow Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Core Profit	(Btmn)	52,051	44,858	36,265	36,526	48,979	36,033	42,946	48,809
Depreciation and amortization	(Btmn)	23,282	23,747	23,931	27,377	28,835	29,892	34,182	38,498
Operating cash flow	(Btmn)	60,692	61,687	59,817	70,415	38,800	102,444	76,109	85,863
Investing cash flow	(Btmn)	(5,122)	(31,576)	(45,054)	(71,185)	(65,399)	(60,489)	(48,711)	(23,801)
Financing cash flow	(Btmn)	(38,700)	(44,985)	(15,282)	37,471	(3,238)	(16,910)	(2,671)	(24,497)
Net cash flow	(Btmn)	16,869	(14,875)	(520)	36,701	(29,837)	25,045	24,727	37,565

Key Financial Ratios

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Gross margin	(%)	22.5	19.9	18.8	22.5	20.6	17.9	19.0	19.6
Operating margin	(%)	10.9	8.7	6.6	9.0	8.7	6.3	7.4	8.1
EBITDA margin	(%)	18.3	15.8	14.1	17.7	15.8	13.3	14.6	15.7
EBIT margin	(%)	13.2	10.8	8.7	10.9	10.4	8.1	9.0	9.7
Net profit margin	(%)	12.2	9.4	7.3	8.5	8.9	6.3	7.1	7.6
ROE	(%)	17.8	14.5	11.2	10.1	11.6	7.9	9.0	9.7
ROA	(%)	9.4	7.7	5.9	5.3	6.1	4.1	4.6	5.0
Net D/E	(x)	0.5	0.5	0.6	0.4	0.5	0.4	0.4	0.3
Interest coverage	(x)	11.6	11.1	9.4	10.3	12.4	9.5	10.3	11.5
Debt service coverage	(x)	1.2	1.2	0.8	0.7	0.9	1.2	1.4	2.3
Payout Ratio	(%)	41.4	48.3	52.5	49.2	47.1	50.0	45.0	45.0

Main Assumptions

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Local cement sales	(mn tons)	12.2	12.6	12.8	12.6	12.2	12.4	12.8	13.2
Domestic cement price	(Bt/ton)	1,675	1,725	1,775	1,775	1,744	2,000	2,020	2,041
PE-naphtha spread	(US\$/ton)	673	716	468	500	536	430	480	505
PP-naphtha spread	(US\$/ton)	659	655	579	616	652	425	480	505
PVC-EDC/C2 spread	(US\$/ton)	415	388	389	453	577	510	510	515
FX	(Bt/US\$1)	33.9	32.3	31.0	31.3	32.0	32.0	32.0	32.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total revenue	(Btmn)	96,010	100,938	97,250	122,066	133,555	131,825	142,665	152,494
Cost of goods sold	(Btmn)	74,145	76,129	73,892	91,692	101,311	108,182	119,815	128,396
Gross profit	(Btmn)	21,865	24,810	23,359	30,374	32,243	23,644	22,850	24,098
SG&A	(Btmn)	(12,417)	(14,330)	(12,220)	(15,295)	(15,791)	(16,019)	(16,065)	(17,542)
Other income	(Btmn)	3,325	1,589	304	1,562	2,861	1,843	2,942	2,686
Interest expense	(Btmn)	2,258	1,664	1,721	1,691	1,694	1,681	1,691	1,647
Pre-tax profit	(Btmn)	10,516	10,405	9,721	14,951	17,619	7,786	8,037	7,596
Corporate tax	(Btmn)	1,515	1,802	2,058	2,322	2,929	1,893	2,251	1,625
Equity a/c profits	(Btmn)	1,705	3,041	3,465	5,697	5,708	3,890	2,248	3,419
Minority interests	(Btmn)	(1,282)	(1,330)	(1,514)	(3,363)	(3,261)	(717)	(221)	(546)
Core profit	(Btmn)	9,424	10,313	9,614	14,964	17,136	9,066	7,813	8,844
Extra-ordinary items	(Btmn)	(40)	(572)	(1,567)	(50)	0	(2,249)	494	0
Net Profit	(Btmn)	9,384	9,741	8,047	14,914	17,136	6,817	8,307	8,844
EBITDA	(Btmn)	19,603	18,957	18,331	23,504	26,418	16,919	17,144	16,372
Core EPS	(Btmn)	7.85	8.59	8.01	12.47	14.28	7.56	6.51	7.37
Net EPS	(Bt)	7.82	8.12	6.71	12.43	14.28	5.68	6.92	7.37

Balance Sheet

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total current assets	(Btmn)	199,037	198,883	214,017	235,213	235,592	224,091	233,016	254,417
Total fixed assets	(Btmn)	507,615	524,264	535,364	565,719	576,460	626,248	628,085	635,124
Total assets	(Btmn)	706,652	723,147	749,381	800,932	812,051	850,339	861,101	889,540
Total loans	(Btmn)	274,271	240,833	248,645	273,325	272,775	292,905	303,114	320,466
Total current liabilities	(Btmn)	173,340	178,928	161,420	188,997	179,617	183,286	168,386	199,965
Total long-term liabilities	(Btmn)	189,361	193,089	191,834	200,370	200,326	223,864	242,706	243,480
Total liabilities	(Btmn)	362,701	372,017	353,255	389,367	379,944	407,150	411,093	443,445
Paid-up capital	(Btmn)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total equity	(Btmn)	343,951	351,130	396,126	411,565	432,108	443,188	450,008	446,095
BVPS	(Bt)	286.63	292.61	330.11	342.97	360.09	369.32	375.01	371.75

Cash Flow Statement

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Core Profit	(Btmn)	9,384	9,741	8,047	14,914	17,136	6,817	8,307	8,844
Depreciation and amortization	(Btmn)	6,829	6,888	6,889	6,862	7,105	7,451	7,416	7,130
Operating cash flow	(Btmn)	18,780	19,991	17,822	11,336	10,680	9,193	7,591	7,897
Investing cash flow	(Btmn)	(887)	(27,340)	(19,815)	(32,484)	(6,361)	(14,039)	(12,515)	1,219
Financing cash flow	(Btmn)	505	1,694	1,505	9,316	(18,002)	(1,527)	6,974	13,967
Net cash flow	(Btmn)	18,398	(5,655)	(488)	(11,833)	(13,682)	(6,372)	2,050	23,084

Key Financial Ratios

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Gross margin	(%)	22.8	24.6	24.0	24.9	24.1	17.9	16.0	15.8
Operating margin	(%)	9.8	10.4	11.5	12.4	12.3	5.8	4.8	4.3
EBITDA margin	(%)	20.4	18.8	18.8	19.3	19.8	12.8	12.0	10.7
EBIT margin	(%)	13.3	12.0	11.8	13.6	14.5	7.2	6.8	6.1
Net profit margin	(%)	9.8	9.7	8.3	12.2	12.8	5.2	5.8	5.8
ROE	(%)	11.1	11.9	10.3	14.8	16.2	8.3	7.0	7.9
ROA	(%)	5.3	5.8	5.2	7.7	8.5	4.4	3.7	4.0
Net D/E	(x)	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.5
Interest coverage	(x)	8.7	11.4	10.6	13.9	15.6	10.1	10.1	9.9
Debt service coverage	(x)	0.7	1.0	0.8	0.9	1.0	0.7	0.7	0.6

Key statistics

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Local cement sales	(mn tons)	3.1	3.1	3.1	3.4	3.1	2.7	2.9	3.3
Domestic cement price	(Bt/ton)	1,775	1,775	1,725	1,725	1,725	1,725	1,800	1,850
PE-naphtha spread	(US\$/ton)	486	522	592	588	585	462	507	453
PP-naphtha spread	(US\$/ton)	601	577	736	791	702	551	563	479
PVC-EDC/C2 spread	(US\$/ton)	398	455	524	534	700	478	597	377
FX	(Bt/US\$1)	31.9	31.3	30.6	30.3	31.3	32.9	33.4	33.1

Figure 1: Earnings review

P & L (Btmn)	1Q21	2Q21	3Q21	4Q21	1Q22	% Chg YoY	% Chg QoQ
Total revenue	122,066	133,555	131,825	142,665	152,494	24.9	6.9
Gross profit	30,374	32,243	23,644	22,850	24,098	(20.7)	5.5
SG&A expense	(15,295)	(15,791)	(16,019)	(16,065)	(17,542)	14.7	9.2
Net other income/expense	1,562	2,861	1,843	2,942	2,686	71.9	(8.7)
Interest expense	(1,691)	(1,694)	(1,681)	(1,691)	(1,647)	(2.6)	(2.6)
Pre-tax profit	14,951	17,619	7,786	8,037	7,596	(49.2)	(5.5)
Corporate tax	(2,322)	(2,929)	(1,893)	(2,251)	(1,625)	(30.0)	(27.8)
Equity a/c profits	5,697	5,708	3,890	2,248	3,419	(40.0)	52.1
Core profit	14,964	17,136	9,066	7,813	8,844	(40.9)	13.2
Extra. Gain (Loss)	(50)	0	(2,249)	494	0	n.a.	n.a.
Net Profit	14,914	17,136	6,817	8,307	8,844	(40.7)	6.5
EPS	12.43	14.28	5.68	6.92	7.37	(40.7)	6.5
EBITDA	23,504	26,418	16,919	17,144	16,372	(30.3)	(4.5)
B/S (Btmn)							
Total assets	800,932	812,051	850,339	861,101	889,540	11.1	3.3
Total liabilities	389,367	379,944	407,150	411,093	443,445	13.9	7.9
Total equity	411,565	432,108	443,188	450,008	446,095	8.4	(0.9)
BVPS (Bt)	343.0	360.1	369.3	375.0	371.7	8.4	(0.9)
Financial ratio (%)							
Gross margin	24.9	24.1	17.9	16.0	15.8	(9.1)	(0.2)
Net profit margin	12.2	12.8	5.2	5.8	5.8	(6.4)	(0.0)
EBITDA margin	19.3	19.8	12.8	12.0	10.7	(8.5)	(1.3)
SG&A expense/Revenue	12.5	11.8	12.2	11.3	11.5	(1.0)	0.2

Source: SCBS Investment Research

Figure 2: Earnings breakdown by business units

Bt mn	1Q21	2Q21	3Q21	4Q21	1Q22	% Chg YoY	% Chg QoQ
Sales	122,066	133,555	131,825	142,665	152,494	24.9	6.9
- Petrochemical	51,607	60,740	60,060	65,983	69,162	34.0	4.8
- Packaging	27,253	29,895	31,930	35,145	36,634	34.4	4.2
- Cement&Building Material	46,185	46,416	44,059	45,869	50,890	10.2	10.9
- Others	37	32	40	110	225	508.1	104.5
Core profit	14,964	17,136	9,066	7,813	8,844	(40.9)	13.2
- Petrochemical	8,829	10,392	5,210	4,399	3,588	(59.4)	(18.4)
- Packaging	2,135	2,263	1,781	1,151	1,658	(22.3)	44.0
- Cement&Building Material	2,859	2,468	1,235	1,485	2,308	(19.3)	55.4
- Others	1,736	2,682	1,352	954	1,784	2.8	87.0
Net profit	14,914	17,136	6,817	8,307	8,844	(40.7)	6.5
- Petrochemical	8,829	10,392	5,210	4,500	3,588	(59.4)	(20.3)
- Packaging	2,135	2,263	1,781	2,115	1,658	(22.3)	(21.6)
- Cement&Building Material	2,809	2,468	(2,400)	1,385	2,308	(17.8)	66.6
- Others	1,736	2,682	2,738	954	1,784	2.8	87.0
EBITDA from operation	23,504	26,418	16,919	17,144	16,372	(30.3)	(4.5)
- Petrochemical	10,858	12,418	6,220	5,608	4,655	(57.1)	(17.0)
- Packaging	5,267	5,564	4,910	4,338	4,887	(7.2)	12.6
- Cement&Building Material	6,557	6,251	4,658	4,636	5,893	(10.1)	27.1
- Others	917	2,287	1,235	1,638	1,059	15.5	(35.3)
EBITDA margin (%)	19.3	19.8	12.8	12.0	10.7	(8.5)	(1.3)
- Petrochemical	21.0	20.4	10.4	8.5	6.7	(14.3)	(1.8)
- Packaging	19.3	18.6	15.4	12.3	13.3	(6.0)	1.0
- Cement&Building Material	14.2	13.5	10.6	10.1	11.6	(2.6)	1.5
- Others	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.

Source: SCBS Investment Research

Figure 3: Valuation summary (price as of Apr 27, 2022)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F	21A	22F	23F
DCC	Neutral	3.02	3.0	5.7	15.6	15.7	15.1	(4)	(1)	4	4.6	4.7	4.6	32	30	31	6.1	6.1	6.3	10.0	10.0	9.6
SCC	Neutral	356.00	420.0	22.5	8.7	11.9	9.9	34	(26)	20	0.9	1.0	0.9	12	8	10	5.2	4.2	4.5	7.9	8.2	6.9
SCCC	Neutral	149.50	185.0	29.8	12.7	12.4	12.2	(4)	2	1	1.1	1.1	1.1	10	9	9	6.0	6.0	6.0	7.7	7.7	7.4
Average					12.3	13.3	12.4	9	(8)	8	2.2	2.3	2.2	18	16	16	5.8	5.4	5.6	8.6	8.6	7.9

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 acts as financial advisor of the SCG Chemicals Public Company Limited (SCGC). 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 may be appointed to act as financial advisor in relation to transactions to be carried out by Thai Oil Company Limited. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. SCBS and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and SCBS cannot guarantee the accuracy, completeness and/or correctness of the Information.

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

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

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

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

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

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

CG Rating 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, HMPCO, 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, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, RS, S, S & J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFSCO, SEAOL, SE-ED, SELIC, SENA, SHR, SIRI, SIS, SITHAI, SMK, SMPC, 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, TIP¹, 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, JCHK, 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, NCH, NETBAY, NEX, NINE, NRV, NTV, 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, TITL, 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, RCI², 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.

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

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

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อจำกัดว่าประกอบด้วย

Anti-corruption Progress Indicator

Certified (ได้รับการรับรอง)

2S, 7UP, ADVANC, AF, AI, AIE, AIRA, AKP, ALPHAX, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AQUA, ARROW, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBL, BCH, BCP, BCPG, BE8, 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, HENG, HMPCO, 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, KWI, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAKRO, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, 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, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RATCH, 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, 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, WACOAL, WHA, WHAUP, WICE, WIJK, XO, ZEN

Declared (ประกาศเจตนารมณ์)

AJ, ALT, APCO, B52, BEC, CHG, CPL, CPR, CPW, CRC, DDD, DHOUSE, DOHOME, ECF, EKH, ETC, FLOYD, GULF, III, INOX, JR, JTS, KEX, KUMWEL, LDC, MAJOR, NCAP, NCL, NOVA, NRF, NUSA, NYT, OR, PIMO, PLE, RS, SAK, SCGP, SCM, SIS, SSS, STECH, STGT, TKN, TMI, TQM, TSI, VARO, VCOM, VIBHA, YUASA, ZIGA

N/A

3K-BAT, A, A5, AAV, ABICO, 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, BA, BBGI, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIZ, BJC, BKD, 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, IRC, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DITTO, DMT, DOD, DPAINT, DTCI, DV8, EASON, EE, EFORL, EMC, ESSO, EVER, F&D, FANCY, FMT, FN, FORTH, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GLOCON, GLORY, GRAMMY, GRAND, GREEN, GSC, GTB, GYT, HFT, HL, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, IIG, ILM, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, J, JAK, JAS, JCK, JCHK, JCT, JDF, JMART, JMT, JP, JSP, 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, NCH, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NPK, NSL, NTV, NV, NVD, OHTL, OISHI, ONEE, OSP, OTO, PACE, PACO, PAE, PAF, PEACE, PERM, PF, PICO, PIN, PJW, PMTA, POLAR, POMPUI, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSG, PTC, 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, SHC, 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, STER, STHAI, STI, STPI, SUC, SUN, SUPER, 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, TIPH, TITL, TK, TKC, TM, TMC, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPCS, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TRV, TSE, TSG, TSR, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPA, UPOIC, UREKA, UTP, UVAN, VL, VNG, VPO, VRANDA, W, WAVE, WFX, WGE, WIN, 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 January 6, 2022) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.