



Thai Union Group

Thai Union Group
Public Company Limited

TU

Bloomberg TU TB
Reuters TU.BK

Red Lobster to hit 2Q22F earnings

We estimate 2Q22F net profit at Bt1.47bn, -37% YoY and -16% QoQ, off a weaker operating margin, lower equity income and one-off expenses from Red Lobster. With potential non-recurring loss from fair value adjustment for preferred shares from a higher interest rate in 2H22F (not yet in our projection) and recurring share of loss from Red Lobster from inflationary pressure that will hammer the healthy seafood operations, we expect 2H22F net profit to fall YoY and be flat or slip HoH. NEUTRAL with an end-2022 TP of Bt22, based on 15x PE.

Expect 2Q22F net profit of Bt1.47bn, -37% YoY and -16% QoQ. Net non-recurring expense is estimated at Bt320mn: Bt450mn from fair value adjustment for preferred shares (after-tax income) on a higher interest rate and Bt250mn from closure of a Rugen Fisch plant offsetting a Bt380mn FX gain. 2Q22F core profit is put at Bt1.8bn, -20% YoY on: 1) weaker operating margin from a lower gross margin and higher SG&A/sales; and 2) larger recurring loss contribution from Red Lobster; flat QoQ.

2Q22F highlights. Sales are expected to grow 8% YoY from a 10% YoY depreciation of the THB against the USD and better ambient seafood and pet care units that will outpace a fall in the frozen seafood unit off 2Q21's high base of US sales. Gross margin is estimated at 17.5%, -140bps YoY, on a narrower frozen seafood margin off low sales. SG&A/sales is estimated at 13%, +130bps YoY, off a rise in logistics, marketing and labor costs (SG&A was +38% YoY). Recurring share of loss from Red Lobster is expected at Bt240mn (vs -Bt49mn in 2Q21 and -Bt243mn in 1Q22) off weak guest counts from fragile purchasing power amid high inflation and higher raw material and labor costs.

Outlook. Seafood operations. Spot skipjack tuna price was US\$1,425/ton in June (+6% YoY but -11% MoM) on better catches MoM and US\$1,663/ton in 2022TD (+18% YoY) from higher fuel costs for fishing vessels. TU expects skipjack tuna price to edge up from June to US\$1,600/ton in 3Q22F as supply will be diminished by a ban on fish aggregating devices (FADs) in July-September. TU is keeping its 2022F targets for sales growth at 7-8% YoY, gross margin at 17.5-18% and SG&A/sales at 12-12.5%. Red Lobster. With a higher discount rate assumption in tandem with a higher interest rate in the US, TU expects dividend income from Red Lobster (calculated from PV of fair value of its preferred shares) to be zero in 2022F (vs Bt1.2bn in 2021). TU thus expects to book a reversal expense of dividend income of Bt300mn in 2Q22 and zero dividend income in 3Q22 and 4Q22 (vs dividend income of Bt300mn/quarter for 1Q21-1Q22), implying one-off expenses (lower dividend income YoY) in 2Q22-4Q22F. For recurring items, TU expects a larger share of loss from Red Lobster than expected YTD to exert downside risk on its 2022F target for recurring equity income from Red Lobster at -Bt600-700mn (vs -Bt261mn in 2021 and our 1H22F estimate at -Bt483mn).

Key risks: inflationary pressure, higher interest rate, and appreciation in the THB.

Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Revenue	(Btmn)	132,402	141,048	150,924	155,482	160,178
EBITDA	(Btmn)	13,705	14,579	14,303	14,484	14,664
Core profit	(Btmn)	6,511	7,467	7,016	7,171	7,244
Reported profit	(Btmn)	6,246	8,013	7,020	7,171	7,244
Core EPS	(Bt)	1.32	1.54	1.44	1.48	1.49
DPS	(Bt)	0.72	0.95	0.95	0.95	0.95
P/E, core	(x)	12.6	10.8	11.5	11.2	11.1
EPS growth, core	(%)	20.3	16.9	(6.3)	2.3	1.1
P/BV, core	(x)	1.4	1.2	1.2	1.1	1.1
ROE	(%)	12.1	12.7	11.0	10.8	10.5
Dividend yield	(%)	4.3	5.7	5.7	5.7	5.7
FCF yield	(x)	6.9	(10.8)	5.9	6.9	7.1
EV/EBIT	(x)	13.4	13.3	13.9	13.8	13.6
EBIT growth, core	(%)	26.3	6.6	(3.9)	0.5	0.5
EV/CE	(x)	1.7	1.8	1.7	1.6	1.6
ROCE	(%)	9.4	9.9	9.1	8.8	8.5
EV/EBITDA	(x)	9.5	9.5	9.7	9.5	9.4
EBITDA growth	(%)	20.1	6.4	(1.9)	1.3	1.2

Source: SCBS Investment Research

See the end of this report for disclaimer

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Jul 1) (Bt)	16.60
Target price (Bt)	22.00
Mkt cap (Btmn)	79.21
Mkt cap (US\$mn)	2,223

Beta	M
Mkt cap (%) SET	0.42
Sector % SET	0.51
Shares issued (mn)	4,772
Par value (Bt)	0.25
12-m high / low (Bt)	23 / 16
Avg. daily 6m (US\$mn)	14.26
Foreign limit / actual (%)	45 / 27
Free float (%)	67.8
Dividend policy (%)	≥ 50

Sustainability / ESG Score

2021 Sustainability Index (THSI) Not Included

ESG Bloomberg Score	64.21
Environmental Score	50.08
Social Score	52.60
Governance Score	89.86

Source: Bloomberg Finance L.P.

Share performance

(%)	1M	3M	12M
Absolute	(5.1)	(12.6)	(15.7)
Relative to SET	(0.6)	(5.5)	(15.4)

Source: SET, SCBS Investment Research

Analyst

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

Value proposition

Thai Union Group (TU) is one of the world's leading seafood producers and is the largest producer of shelf-stable tuna products. Its global brand portfolio includes market-leading international brands such as Chicken of the Sea, John West, Petit Navire, Parmentier, Mareblu, King Oscar, and Rügen Fisch and leading Thai brands SEAELECT, Fisho, Qfresh, Monori, Bellotta and Marvo.

Of 2021 sales, 42% came from the ambient seafood unit, 41% from the frozen & chilled seafood unit and 17% from the pet care & value-added unit. Of 2021 sales, 59% came from OEM and 41% from branded businesses. Of total 2021 sales, 45% came from the US and Canada, 28% from Europe, 10% from Thailand and 17% from others.

Business outlook

In 2022F, TU maintains its target for sales growth at 7-8% YoY, backed by THB depreciation and hikes in product prices to cope with higher costs, with a gross margin of 17.5-18% (vs 18.4% in 2021) to factor in a high-cost environment and SG&A/sales of 12-12.5% (vs 12.3% in 2021) off higher sales and lower freight costs in 2H22.

TU is standing by its 2022F target for recurring equity income (excluding lease expenses of ~-Bt400mn/year) from Red Lobster of -Bt600-700mn (vs -Bt261mn in 2021). However, it does anticipate downside risk from the recent larger share of loss from Red Lobster than expected YTD (our 1H22F estimate is -Bt483mn) as the cut in guest count from omicron and inflationary pressure was aggravated by higher raw material and labor costs.

After listing TFM in 4Q21, TU plans to list I-tail Corporation (its pet food subsidiary) on the SET in 2022, subject to SEC approval and market conditions, and Red Lobster on the New York Stock Exchange in 3-4 years (if the turnaround continues as planned).

Bullish views	Bearish views
1. Gross margin to stay high from a short-term rise in raw material costs such as skipjack tuna, sunflower oil	1. Gross margin to soften from a prolonged rise in raw material costs, i.e., skipjack tuna, sunflower oil (from the war in Ukraine)
2. Better contribution from Red Lobster in tandem with better revenue from the revived restaurant industry post COVID	2. Prolonged sharing of losses from Red Lobster from weak guest count from inflationary pressure, higher labor costs and raw material costs

Key catalysts

Factor	Event	Impact	Comment
2H22F outlook	Weak operations and one-off expense from higher interest rate from Red Lobster	Down YoY and be flat or slip HoH	We expect 2H22F net profit to fall YoY and be flat or slip HoH from potential non-recurring loss from fair value adjustment in preferred shared from the higher interest rate in the US in 2H22F (not yet in our projection) and recurring share of loss from Red Lobster from inflationary pressure, beating down healthy seafood operations.
Plans to unlock its hidden value through IPOs	Completion within next few years	Unlocking value to support future growth	TU plans to list I-tail Corporation (pet food subsidiary) on the SET in 2022 subject to SEC approval and market conditions and Red Lobster on the New York Stock Exchange in 3-4 years.

Sensitivity analysis

Factor	Earnings impact	TP impact
The weakening of 1THB/US\$	8-10%	Bt1/share

ESG Disclosure Score

	2020	2021	Peer Compare
ESG Disclosure Score	63.74	64.21	
Environment	48.66	50.08	Leading
Total GHG Emissions	494.48	511.61	
Total Water Use	15,349.60	26,333.10	
Hazardous Waste	1.48	3.33	
Total Waste	84.23	66.42	
Social	52.60	52.60	Below Median
Number of Employees	44,101.00	44,705.00	
Workforce Accidents	-	-	
Lost Time from Accidents	-	-	
Fatalities - Contractors	-	-	
Fatalities - Employees	-	-	
Fatalities - Total	-	-	
Community Spending	65.08	68.32	
Governance	89.86	89.86	
Size of the Board	12.00	12.00	
Indep Directors	4.00	5.00	
% Indep Directors	33.33	41.67	
Board Duration (Years)	3.00	3.00	
# Board Meetings	7.00	5.00	
Board Mtg Attendance	92.00	95.16	

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance such as energy consumption, board composition, and workforce accidents

Company ESG reporting has evolved since our ESG Disclosure Score was originally created in 2010. In order to reflect the evolution in corporate reporting, in early 2022 Bloomberg updated its ESG disclosure scores methodology. The methodology changes were implemented for all years of data for all companies in the ESG Coverage universe.

To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg

Financial statement

Profit and Loss

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total revenue	(Btmn)	134,937	133,285	126,275	132,402	141,048	150,924	155,482	160,178
Cost of goods sold	(Btmn)	(115,628)	(114,393)	(106,041)	(108,985)	(115,167)	(124,006)	(127,967)	(132,054)
Gross profit	(Btmn)	19,310	18,892	20,234	23,418	25,881	26,919	27,515	28,123
SG&A	(Btmn)	(14,078)	(14,386)	(14,327)	(15,596)	(17,366)	(18,866)	(19,435)	(20,022)
Other income	(Btmn)	1,980	1,861	1,812	1,928	1,881	1,940	1,965	1,991
Interest expense	(Btmn)	(2,136)	(2,025)	(2,056)	(1,724)	(1,730)	(1,707)	(1,686)	(1,661)
Pre-tax profit	(Btmn)	5,075	4,341	5,664	8,025	8,665	8,286	8,359	8,431
Corporate tax	(Btmn)	(305)	(208)	(676)	(724)	(795)	(559)	(669)	(759)
Equity a/c profits	(Btmn)	456	292	591	(527)	(145)	(434)	(234)	(134)
Minority interests	(Btmn)	(471)	(398)	(352)	(263)	(259)	(277)	(285)	(294)
Core profit	(Btmn)	4,755	4,027	5,227	6,511	7,467	7,016	7,171	7,244
Extra-ordinary items	(Btmn)	1,234	(771)	(1,412)	(264)	546	4	0	0
Net Profit	(Btmn)	5,989	3,256	3,816	6,246	8,013	7,020	7,171	7,244
EBITDA	(Btmn)	9,972	9,356	11,410	13,705	14,579	14,303	14,484	14,664
Core EPS (Bt)	(Btmn)	1.00	0.84	1.10	1.32	1.54	1.44	1.48	1.49
Net EPS (Bt)	(Bt)	1.26	0.68	0.80	1.26	1.66	1.44	1.48	1.49
DPS (Bt)	(Bt)	0.66	0.40	0.47	0.72	0.95	0.95	0.95	0.95

Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total current assets	(Btmn)	62,571	59,021	59,547	60,465	74,863	77,389	78,821	80,139
Total fixed assets	(Btmn)	83,521	82,895	82,362	84,110	91,741	92,517	93,256	93,867
Total assets	(Btmn)	146,092	141,916	141,909	144,575	166,604	169,906	172,077	174,006
Total loans	(Btmn)	67,142	64,346	59,905	58,415	71,041	69,266	67,566	65,516
Total current liabilities	(Btmn)	36,657	43,527	35,808	44,013	48,081	36,826	42,679	37,457
Total long-term liabilities	(Btmn)	61,383	51,895	54,306	44,825	56,309	68,269	61,838	66,167
Total liabilities	(Btmn)	98,040	95,422	90,114	88,838	104,391	105,095	104,517	103,624
Paid-up capital	(Btmn)	1,193	1,193	1,193	1,193	1,193	1,193	1,193	1,193
Total equity	(Btmn)	48,051	46,494	51,795	55,737	62,213	64,811	67,560	70,382
BVPS (Bt)	(Bt)	10.07	9.74	10.85	11.82	13.36	13.92	14.51	15.12

Cash Flow Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Core Profit	(Btmn)	4,755	4,027	5,227	6,511	7,467	7,016	7,171	7,244
Depreciation and amortization	(Btmn)	2,761	2,989	3,691	3,955	4,184	4,309	4,439	4,572
Operating cash flow	(Btmn)	6,818	12,866	11,755	13,432	6,292	8,934	10,530	10,702
Investing cash flow	(Btmn)	(2,424)	(3,403)	(4,485)	(3,736)	(8,104)	(4,385)	(5,178)	(5,183)
Financing cash flow	(Btmn)	(4,552)	(8,704)	(4,028)	(8,203)	4,583	(6,197)	(6,122)	(6,472)
Net cash flow	(Btmn)	(158)	759	3,242	1,597	2,737	(1,648)	(770)	(953)

Key Financial Ratios

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Gross margin	(%)	14.3	14.2	16.0	17.7	18.3	17.8	17.7	17.6
Operating margin	(%)	3.9	3.4	4.7	5.9	6.0	5.3	5.2	5.1
EBITDA margin	(%)	7.4	7.0	9.0	10.4	10.3	9.5	9.3	9.2
EBIT margin	(%)	5.3	4.8	6.1	7.4	7.4	6.6	6.5	6.3
Net profit margin	(%)	4.4	2.4	3.0	4.7	5.7	4.7	4.6	4.5
ROE	(%)	10.0	8.5	10.6	12.1	12.7	11.0	10.8	10.5
ROA	(%)	3.3	2.8	3.7	4.5	4.8	4.2	4.2	4.2
Net D/E	(x)	1.4	1.3	1.1	0.9	1.0	1.0	0.9	0.9
Interest coverage	(x)	4.7	4.6	5.6	7.9	8.4	8.4	8.6	8.8
Debt service coverage	(x)	0.5	0.4	0.7	0.6	0.6	1.1	0.8	1.2
Payout Ratio	(%)	52.6	58.6	58.8	57.1	57.3	65.8	64.4	63.7

Main Assumptions

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Sales growth in THB	(%)	0.4	(1.2)	(5.3)	4.9	6.5	7.0	3.0	3.0
Sales value	(mn US\$)	3,976	4,126	4,073	4,230	4,410	4,716	4,859	5,006
Sales volume	('000 tons)	762	876	892	942	930	940	949	959
Sales volume growth	(%)	0.9	15.0	1.9	5.6	(1.2)	1.0	1.0	1.0
GPM (%)	(US\$/ton)	14.3	14.3	16.0	17.7	18.3	17.8	17.7	17.6
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

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total revenue	(Btmn)	33,051	34,784	33,464	31,125	35,883	35,539	38,501	36,272
Cost of goods sold	(Btmn)	(27,024)	(28,457)	(27,441)	(25,617)	(29,078)	(29,148)	(31,324)	(29,917)
Gross profit	(Btmn)	6,027	6,327	6,023	5,507	6,805	6,391	7,177	6,355
SG&A	(Btmn)	(3,671)	(4,146)	(4,267)	(3,637)	(4,176)	(4,506)	(5,047)	(4,688)
Other income	(Btmn)	387	533	579	424	436	452	568	524
Interest expense	(Btmn)	(438)	(437)	(415)	(397)	(434)	(444)	(455)	(445)
Pre-tax profit	(Btmn)	2,305	2,277	1,920	1,898	2,631	1,893	2,244	1,746
Corporate tax	(Btmn)	(140)	(292)	(143)	(252)	(231)	(251)	(61)	188
Equity a/c profits	(Btmn)	(579)	258	(189)	175	(74)	(3)	(244)	(177)
Minority interests	(Btmn)	(62)	(72)	(67)	(36)	(93)	(78)	(51)	(15)
Core profit	(Btmn)	1,524	2,171	1,521	1,786	2,233	1,561	1,887	1,741
Extra-ordinary items	(Btmn)	192	(114)	(64)	17	110	376	43	4
Net Profit	(Btmn)	1,716	2,056	1,458	1,803	2,343	1,937	1,930	1,746
EBITDA	(Btmn)	3,723	3,710	3,348	3,286	4,099	3,406	3,787	3,212
Core EPS (Bt)	(Btmn)	0.31	0.44	0.31	0.37	0.46	0.32	0.39	0.36
Net EPS (Bt)	(Bt)	0.35	0.42	0.30	0.37	0.49	0.40	0.40	0.36

Balance Sheet

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Total current assets	(Btmn)	56,211	59,535	60,465	59,263	66,724	68,594	74,863	72,241
Total fixed assets	(Btmn)	83,113	85,254	84,110	84,599	87,146	93,092	91,741	91,431
Total assets	(Btmn)	139,323	144,789	144,575	143,862	153,870	161,687	166,604	163,672
Total loans	(Btmn)	56,846	58,554	58,415	57,258	63,327	67,696	71,041	66,931
Total current liabilities	(Btmn)	33,032	42,619	44,013	50,252	51,868	52,302	48,081	39,506
Total long-term liabilities	(Btmn)	52,813	48,019	44,825	36,482	43,776	50,871	56,309	59,610
Total liabilities	(Btmn)	85,846	90,639	88,838	86,734	95,644	103,174	104,391	99,116
Paid-up capital	(Btmn)	33,041	33,531	33,384	36,631	37,038	36,805	36,927	40,098
Total equity	(Btmn)	53,478	54,150	55,737	57,128	58,226	58,513	62,213	64,556
BVPS (Bt)	(Bt)	11.30	11.44	11.97	12.27	12.51	12.57	13.36	13.86

Cash Flow Statement

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Core Profit	(Btmn)	1,716	2,056	1,458	1,803	2,343	1,937	1,930	1,746
Depreciation and amortization	(Btmn)	980	996	1,014	992	1,034	1,069	1,089	1,022
Operating cash flow	(Btmn)	6,203	3,055	1,921	633	2,497	882	2,281	(2,860)
Investing cash flow	(Btmn)	(772)	(997)	(877)	(846)	(1,533)	(3,920)	(1,803)	(556)
Financing cash flow	(Btmn)	(2,430)	(1,693)	(471)	(2,057)	1,251	989	4,400	(4,447)
Net cash flow	(Btmn)	3,001	365	572	(2,271)	2,214	(2,050)	4,877	(7,863)

Key Financial Ratios

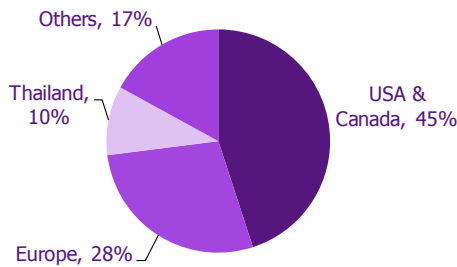
FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Gross margin	(%)	18.2	18.2	18.0	17.7	19.0	18.0	18.6	17.5
Operating margin	(%)	7.1	6.3	5.2	6.0	7.3	5.3	5.5	4.6
EBITDA margin	(%)	11.3	10.7	10.0	10.6	11.4	9.6	9.8	8.9
EBIT margin	(%)	8.3	7.8	7.0	7.4	8.5	6.6	7.0	6.0
Net profit margin	(%)	5.2	5.9	4.4	5.8	6.5	5.4	5.0	4.8
ROE	(%)	11.5	16.1	11.1	12.7	15.5	10.7	12.5	11.0
ROA	(%)	4.4	6.1	4.2	5.0	6.0	4.0	4.6	4.2
Net D/E	(x)	1.0	1.0	0.9	0.9	1.0	1.1	1.0	1.0
Interest coverage	(x)	8.5	8.5	8.1	8.3	9.4	7.7	8.3	7.2
Debt service coverage	(x)	1.0	0.7	0.6	0.4	0.5	0.5	0.6	0.7

Key statistics

FY December 31	Unit	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22
Sales growth in THB	(%)	2.6	9.3	1.9	0.1	8.6	2.2	15.1	16.5
Sales value	(mn US\$)	1,035	1,111	1,094	1,029	1,144	1,080	1,153	1,097
Sales volume	('000 tons)	236	244	238	222	242	231	236	235
Sales volume growth	(%)	10.1	5.2	0.8	(0.6)	2.8	(5.7)	(0.9)	5.7
GPM (%)	(US\$/ton)	18.2	18.2	18.0	17.7	19.0	18.0	18.6	17.5
FX	(Bt/US\$1)	31.9	31.3	30.6	30.3	31.4	32.9	33.4	33.1

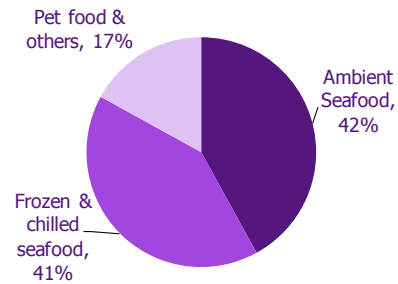
Appendix

Figure 1: TU's sales breakdown by market in 2021



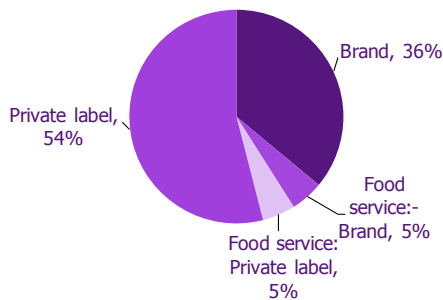
Source: SCBS Investment Research

Figure 2: TU's sales breakdown by business in 2021



Source: SCBS Investment Research

Figure 3: TU's sales breakdown by business unit in 2021



Source: SCBS Investment Research

Figure 4: TU's sales value growth and gross margin breakdown by business unit

	1Q21	2Q21	3Q21	4Q21	1Q22
Sales growth YoY (%)					
Ambient Seafood	-13%	-7%	-8%	5%	14%
Frozen seafood	3%	29%	11%	21%	14%
Pet food & others	16%	13%	11%	27%	27%
Total sales growth	-1%	9%	2%	15%	17%
GPM (%)					
Ambient Seafood	20.2%	22.0%	20.7%	22.7%	21.7%
Frozen seafood	10.5%	11.5%	13.1%	11.7%	9.3%
Pet food & others	27.4%	30.1%	23.6%	24.4%	24.4%
Total GPM (%)	17.7%	19.0%	18.0%	18.2%	17.5%

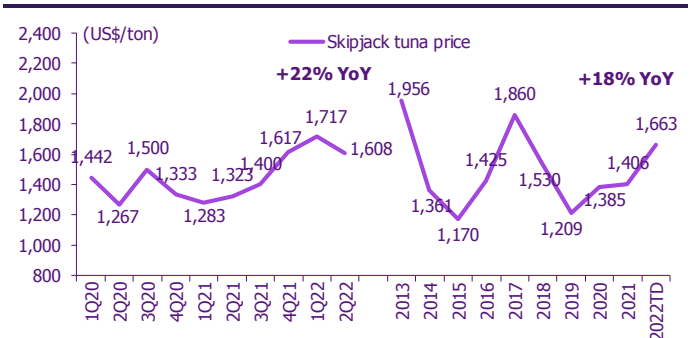
Source: SCBS Investment Research

Figure 5: Red Lobster's net income contribution to TU (share of profit/loss, other income, and finance costs)

Bt mn	1Q21	2Q21	3Q21	4Q21	1Q22
Share of profit: operations	81	(49)	(63)	(230)	(243)
Share of profit: lease adjustment	(100)	(113)	(108)	(109)	(92)
Other income	304	298	295	319	318
Finance costs	(104)	(105)	(106)	(105)	(114)
Income tax	37	136	57	45	206
Recurring contribution	218	167	75	(80)	75
Extra gain (loss)	(154)			83	0
Net income contribution	64	167	75	3	75

Source: SCBS Investment Research

Figure 6: Spot skipjack tuna price has grown YoY 2022TD



Source: Company data and SCBS Investment Research

Figure 7: Valuation summary (price as of Jul 1, 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
CPF	Outperform	26.00	30.0	17.9	n.m.	29.7	18.0	(100)	9,540	65	0.7	0.7	0.7	0	3	4	2.5	2.5	2.5	13.0	11.4	11.0
GFPT	Outperform	17.50	18.5	7.2	152.5	14.3	12.6	(87)	964	14	1.5	1.4	1.2	1	10	10	0.6	1.4	1.6	20.6	11.0	10.1
TU	Neutral	16.60	22.0	38.3	10.8	11.5	11.2	17	(6)	2	1.2	1.2	1.1	13	11	11	5.7	5.7	5.7	9.5	9.7	9.5
Average					81.6	18.5	13.9	(57)	3,499	27	1.2	1.1	1.0	5	8	8	2.9	3.2	3.3	14.4	10.7	10.2

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, AUCT, 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, SGGP, SCM, SDC, SEAFCO, SEAOIL, 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, 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, LRH, LST, M, MATCH, MBAX, MEGA, META, MFC*, MGT, MICRO, MILL, MITSIB, MK, MODERN, MTI, NBC, NCAP, NCH, NETBAY, NEX, NINE, NRF, NTU, OCC, OGC, PATO, PB, PIBO, 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, SPGG, SR, SRICHA, SSC, SSF, STANLY, STGT, STOWER*, STPI, SUC, SWC, SYNEX, T, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TFG, TFI, TIGER, TITTLE, 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, SG, 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

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการศึกษาเกี่ยวกับลูกจ้าง เช่น การกระทหาผิดเกี่ยวกับหลักกการ เช่น การกระทำความผิดเกี่ยวกับหลักกการ กการทุจริต คอร์รัปชั่น เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข่าวดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator

Certified (ได้รับการรับรอง)

2S, 7UP, ADVANC, AF, AI, AIE, AIRA, AKP, 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, 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, GULF, GUNKUL, HANA, HARN, HEMP, HENG, HMPRO, HTC, ICC, ICHI, IFS, ILINK, INET, INSURE, INTUCH, IRC, IRPC, ITEL, IVL, JKN, JR, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, 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, NATION, NBC, NEP, NINE, NKI, NOBLE, NOK, NSI, NWR, OCC, OGC, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, 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, SGGP, SCM, SCN, SEAOIL, 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, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOPP, TPA, TPCS, 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, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนารมณ์)

AH, AJ, ALT, APCO, B52, BEC, CHG, CI, CPL, CPR, CPW, CRC, DDD, DHOUSE, DOHOME, ECF, EKH, ETC, EVER, FLOYD, GLOBAL, III, ILM, INOX, JTS, KEX, KUMWEL, LDC, MAJOR, MEGA, NCAP, NOVA, NRF, NUSA, NYT, OR, PIMO, PLE, RS, SAK, SIS, STECH, STGT, SUPER, SVT, TKN, TMI, TQM, TSI, VARO, VCOM, VIBHA, WIN

N/A

3K-BAT, A, A5, AAV, ABICO, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, ALL, ALLA, ALPHAX, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASW, ATP30, AU, AUCT, BA, BBGI, BBK, BC, BCT, BDMS, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLAND, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CEYE, CGD, CHARAN, CHAYO, CHO, CITY, CIVIL, CK, CIP, CMAN, CMO, CMR, CNT, COLOR, COMAN, CPANEL, CPH, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DITTO, DMT, DOD, DPAINT, DTCT, DV8, EASON, EE, EFORL, EMC, ESSO, F&D, FANCY, FMT, FN, FORTH, FTI, FVC, GENCO, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GREEN, GSC, GTB, GYT, HFT, HL, HPT, HTECH, HUMAN, HYDRO, ICN, IFEC, IHL, IIG, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, J, JAK, JAS, JCK, JCKH, JCT, JDF, JMART, JMT, JP, JUBILE, JWD, KAMART, KC, KCC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWC, KWM, IYEE, LALIN, LEE, LEO, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MATI, MAX, M-CHAI, MCS, MDX, MENA, METCO, MGT, MICRO, MIDA, MITSIB, MJD, MK, ML, MODERN, MORE, MPIC, MUD, MVP, NC, NCH, NCL, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NNCL, NPK, NSL, NTU, NV, NVD, OHTL, OISHI, ONEE, OSP, OTO, PACE, PACO, PAE, PAF, PEACE, PERM, PF, PICO, PIN, PJW, PLUS, PMTA, POLAR, POMPU, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSC, PTC, PTECH, 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, SEAFCO, SECURE, SENAJ, SFLEX, SFP, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SK, SKE, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNPN, SO, SOLAR, SONIC, SPA, SPGG, SPG, SPVI, SQ, SR, SSC, SSS, STANLY, STARK, STC, STEC, STHAI, STI, STP, STPI, SUC, SUN, SUTHA, SVH, SVOA, SWC, SYNEX, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITTLE, TK, TKC, TM, TMC, TMD, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TRV, TSE, TSF, TSR, TTI, TTT, TTV, TWP, TWV, TYCN, UAC, UMI, UMS, UNIQ, UP, UPA, UPOIC, UREKA, UTP, UVAN, 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 May 9, 2022) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.