



Kiatnakin Bank

Kiatnakin Bank
Public Company Limited

KKP

Bloomberg KKP.TB
Reuters KKP.BK

Raised loan growth but cut provision targets

At the analyst meeting, KKP revised 2022 guidance that includes a downward revision in NPLs and credit cost and an upward revision in loan growth. We maintain our 2022F earnings growth at 18%, expecting 2H22 earnings to be higher YoY but weaker HoH (on higher provisions and lower NIM). We maintain our Outperform rating with an unchanged TP at Bt81 on an attractive valuation and an outperforming loan growth.

Revised 2022 guidance. At the analyst meeting, KKP revised its 2022 guidance in which it lowered its NPLs and credit cost and raised loan growth. Its revisions are summarized below.

- 1) Credit cost: Toned down to 2% from <2.2% vs. 1.63% in 1H22 and 2.65% in 2021. Note that credit cost guidance comprises expected credit loss plus loss from sale of repossessed cars (excluding reversal of general provisions). This suggests a HoH rise in provisions in 2H22 likely for inflation headwinds. It also cut NPL ratio target to 3.1% from 3.3% vs. 3% at 2Q22 and YE2021 (based on the bank's calculations), suggesting an expected small increase in NPLs in 2H22. We maintain our 2022F credit cost (including loss from sale of repossessed cars and net of reversal of general provisions) at 1.85% vs. 1.47% in 1H22 and 2.48% in 2021.
- 2) Loan growth: Raised to 16% from 12% (9.7% YTD and 16.5% in 2021). KKP expects decelerating loan growth in 2H22 as it becomes more cautious on new loan extension due to inflation. It will continue its concentration on secured loans such as hire-purchase and mortgages and will engage in car title loans more. We raise our 2022F loan growth to 16% from 14%.
- 3) Loan spread: Maintained at 5.1% vs. 5.3% in 1H22 and 5.3% in 2021. This suggests an expected squeeze in NIM in 2H22 due to negative impact from the probable interest rate hikes. KKP has raised its new car hire-purchase interest rate by 25 bps to cope with the upcoming rise in cost of funds.
- 4) ROAE (comprehensive income): Maintained at ~13% vs. 14.5% in 1H22 and 2021 due to unsustainable capital market-related fees.

Maintain 2022F with HoH lower earnings in 2H22. 1H22 earnings accounted for 55% of our full-year forecast. We expect 2H22 earnings to have a decent YoY growth but be lower HoH as a result of higher provisioning and lower NIM from rising cost of funds. We maintained 2022F earnings. We forecast 2022F earnings growth of 18%, underpinned by 16% loan growth, an 8 bps squeeze in NIM, a 63 bps reduction in credit cost and a 12% fall in non-NII.

Maintain Outperform. We maintain our Outperform rating with an unchanged TP of Bt81 (1.15x 2023F BVPS) on the back of an attractive valuation (0.9x PBV relative to 13.98% ROE and 7.3x PE in 2022) and decent earnings growth driven by the strongest loan growth in the sector and easing credit cost.

Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Pre-provision profit	(Bt mn)	10,581	12,998	14,012	14,778	15,790
Net profit	(Bt mn)	5,123	6,318	7,473	7,679	8,149
PPP/Sh	(Bt)	12.50	15.35	16.55	17.45	18.65
EPS	(Bt)	6.05	7.46	8.83	9.07	9.62
BVPS	(Bt)	54.94	60.28	65.98	70.64	75.73
DPS	(Bt)	2.25	2.70	4.41	4.53	4.81
P/PPP	(x)	5.18	4.22	3.91	3.71	3.47
PPP growth	(%)	17.92	22.83	7.80	5.47	6.85
P/E	(x)	10.70	8.68	7.34	7.14	6.73
EPS growth	(%)	(14.45)	23.32	18.28	2.76	6.12
P/BV	(x)	1.18	1.07	0.98	0.92	0.86
ROE	(%)	11.33	12.95	13.98	13.28	13.15
Dividend yield	(%)	3.47	4.17	6.82	7.00	7.43

Source: SCBS Investment Research

Tactical: OUTPERFORM

(3-month)

Stock data

Last close (Jul 25) (Bt)	64.75
Target price (Bt)	81.00
Mkt cap (Btbn)	54.83
Mkt cap (US\$mn)	1,498

Beta	L
Mkt cap (%) SET	0.30
Sector % SET	9.19
Shares issued (mn)	847
Par value (Bt)	10.00
12-m high / low (Bt)	76.3 / 50.5
Avg. daily 6m (US\$mn)	10.52
Foreign limit / actual (%)	44 / 14
Free float (%)	92.7
Dividend policy (%)	60

2021 Sustainability / ESG Score

Sustainability Index (THSI)	Included
-----------------------------	----------

ESG Bloomberg Score	n.a.
Environmental Score	n.a.
Social Score	n.a.
Governance Score	n.a.

Source: Bloomberg Finance L.P.

Share performance

(%)	1M	3M	12M
Absolute	3.2	(13.4)	23.9
Relative to SET	3.7	(7.3)	22.7

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

KKP is a Financial Group comprising Kiatnakin Phatra Bank PCL, KKP Capital PCL, Kiatnakin Phatra Securities PCL and Kiatnakin Phatra Asset Management Co., Ltd. to achieve seamless integration. KKP is a small bank (#10 in terms of consolidated total assets) with a market share in total loans of ~2%. Its loan breakdown shows 50% hire-purchase loans, 17% SME loans (7% in the property sector), 14% corporate, 11% mortgage loans and 8% other loans (Lombard, micro SMEs, personal loans, distressed asset management). Its funding mix comprises 49% current & savings deposits, 34% term deposits, 12% debentures and 5% interbank. Kiatnakin Phatra Securities had the highest brokerage market share of 14% in 2021.

Business outlook

We forecast 2022F earnings growth of 18%, underpinned by 16% loan growth, an 8 bps squeeze in NIM, a 63 bps reduction in credit cost and a 12% fall in non-NII. We expect 2H22 earnings to have decent YoY growth but be lower HoH as a result of higher provisioning and lower NIM from rising cost of funds.

Bullish views	Bearish views
1. Easing credit cost from easing asset quality risk.	1. Falling NIM from upcoming interest rate hikes.
2. Robust loan growth	

Key catalysts

Factor	Event	Impact	Comment
NPL surge	The end of the relief program and inflation headwinds	Negative	We expect a rise in NPLs in 2022 but at manageable level.
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 partially offset the rise in FIDF cost.

Sensitivity analysis

Factor	Earnings impact	TP impact
1ppt change in loan growth	0.6%	Bt0.3/sh.
5 bps change in NIM	2%	Bt1/sh.
10 bps change in credit cost	4%	Bt2/sh.

ESG Disclosure Score

	2020	2021
ESG Disclosure Score	n.a.	n.a.
Environment	n.a.	n.a.
Total GHG Emissions (thousands of metric tonnes)	n.a.	n.a.
Total Water Use (thousands of cubic meters)	n.a.	n.a.
Hazardous Waste (thousands of metric tonnes)	n.a.	n.a.
Total Waste (thousands of metric tonnes)	n.a.	n.a.
	n.a.	n.a.
Social	n.a.	n.a.
Number of Employees	n.a.	n.a.
Workforce Accidents	n.a.	n.a.
Lost Time from Accidents	n.a.	n.a.
Fatalities - Contractors	n.a.	n.a.
Fatalities - Employees	n.a.	n.a.
Fatalities - Total	n.a.	n.a.
Community Spending	n.a.	n.a.
	n.a.	n.a.
Governance	n.a.	n.a.
Size of the Board	n.a.	n.a.
Indep Directors	n.a.	n.a.
% Indep Directors	n.a.	n.a.
Board Duration (Years)	n.a.	n.a.
# Board Meetings	n.a.	n.a.
Board Mtg Attendance (%)	n.a.	n.a.

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 Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Interest & dividend income	(Btmn)	14,844	16,294	18,036	19,584	19,489	22,492	26,777	29,189
Interest expense	(Btmn)	4,216	5,033	5,720	4,905	3,788	4,633	7,540	8,619
Net interest income	(Btmn)	10,628	11,262	12,316	14,679	15,701	17,859	19,237	20,570
Non-interest income	(Btmn)	5,669	6,841	6,852	6,554	8,545	7,489	7,201	7,003
Non-interest expenses	(Btmn)	8,578	9,470	10,194	10,652	11,248	11,337	11,660	11,783
Pre-provision profit	(Btmn)	7,719	8,633	8,974	10,581	12,998	14,012	14,778	15,790
Provision	(Btmn)	763	1,245	1,676	4,095	5,201	4,740	5,132	5,557
Pre-tax profit	(Btmn)	6,956	7,387	7,297	6,487	7,797	9,272	9,646	10,233
Tax	(Btmn)	1,190	1,343	1,307	1,344	1,442	1,762	1,929	2,047
Equities & minority interest	(Btmn)	29	2	1	20	37	37	37	37
Core net profit	(Btmn)	5,737	6,042	5,988	5,123	6,318	7,473	7,679	8,149
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	5,737	6,042	5,988	5,123	6,318	7,473	7,679	8,149
EPS	(Bt)	6.78	7.14	7.07	6.05	7.46	8.83	9.07	9.62
DPS	(Bt)	5.00	5.00	4.25	2.25	2.70	4.41	4.53	4.81

Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Cash	(Btmn)	1,425	1,336	1,110	1,491	1,242	1,256	1,322	1,070
Interbank assets	(Btmn)	11,511	28,200	11,982	32,771	55,238	55,238	55,238	55,238
Investments	(Btmn)	34,048	29,781	39,201	34,603	39,205	39,205	39,205	39,205
Gross loans	(Btmn)	192,107	227,896	237,139	264,773	306,910	356,015	398,737	430,636
Accrued interest receivable	(Btmn)	980	1,170	1,128	7,178	8,743	8,743	8,743	8,743
Loan loss reserve	(Btmn)	10,576	10,760	10,589	13,105	16,505	20,346	24,193	28,047
Net loans	(Btmn)	182,511	218,306	227,677	258,846	299,148	344,413	383,287	411,332
Total assets	(Btmn)	259,335	306,329	311,690	363,411	436,123	483,198	524,021	553,790
Deposits	(Btmn)	132,878	181,694	172,174	251,526	288,382	329,390	364,964	389,052
Interbank liabilities	(Btmn)	8,290	13,157	17,339	10,264	16,664	16,664	16,664	16,664
Borrowings	(Btmn)	56,658	49,008	55,415	28,344	43,805	43,805	43,805	43,805
Total liabilities	(Btmn)	217,787	263,989	267,679	316,785	384,961	427,213	464,093	489,553
Minority interest	(Btmn)	216	160	109	109	116	116	116	116
Paid-up capital	(Btmn)	8,468	8,468	8,468	8,468	8,468	8,468	8,468	8,468
Total Equities	(Btmn)	41,332	42,180	43,902	46,517	51,046	55,868	59,811	64,121
BVPS	(Bt)	48.81	49.81	51.85	54.94	60.28	65.98	70.64	75.73

Key Assumptions and Financial Ratios

	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Growth									
YoY loan growth	(%)	8.93	18.63	4.06	11.65	15.91	16.00	12.00	8.00
YoY non-NII growth	(%)	(0.93)	20.67	0.15	(4.34)	30.38	(12.36)	(3.85)	(2.75)
Profitability									
Yield on earn'g assets	(%)	6.47	6.18	6.25	6.28	5.30	5.27	5.66	5.72
Cost on int-bear'g liab	(%)	2.27	2.28	2.34	1.83	1.19	1.25	1.85	1.97
Spread	(%)	4.21	3.90	3.90	4.45	4.11	4.01	3.82	3.75
Net interest margin	(%)	4.64	4.27	4.26	4.71	4.27	4.18	4.07	4.03
ROE	(%)	14.06	14.47	13.91	11.33	12.95	13.98	13.28	13.15
ROA	(%)	2.33	2.14	1.94	1.52	1.58	1.63	1.52	1.51
Asset Quality									
NPLs/Total Loans	(%)	5.02	4.13	4.03	2.93	3.09	3.07	3.01	2.93
LLR/NPLs	(%)	109.63	114.43	110.77	169.07	173.78	186.27	201.36	222.32
Provision expense/Total loans	(%)	0.41	0.59	0.72	1.63	1.82	1.43	1.36	1.34
Liquidity									
Loans/Deposits & borrowings	(%)	101.36	98.78	104.20	94.61	92.39	95.40	97.55	99.49
Efficiency									
Cost to income ratio	(%)	49.66	49.65	48.16	41.96	39.94	40.38	40.32	39.83
Capital Fund									
Capital adequacy ratio	(%)	17.74	17.27	17.21	18.44	17.35	16.76	16.39	16.51
Tier-1	(%)	14.61	13.56	13.61	14.45	13.62	14.36	14.19	14.44
Tier-2	(%)	3.13	3.71	3.59	3.99	3.74	2.40	2.20	2.07

Financial statement

Profit and Loss Statement

FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Interest & dividend income	(Btmn)	4,705	5,101	4,815	4,744	4,749	5,181	5,270	5,547
Interest expense	(Btmn)	1,175	1,106	985	950	926	928	967	1,071
Net interest income	(Btmn)	3,530	3,996	3,830	3,794	3,823	4,253	4,304	4,475
Non-interest income	(Btmn)	1,283	1,979	1,785	1,941	1,978	2,841	2,137	1,672
Non-interest expenses	(Btmn)	2,130	2,545	2,583	2,678	2,951	3,036	2,793	2,818
Earnings before tax & provision	(Btmn)	2,682	3,430	3,032	3,058	2,850	4,058	3,648	3,329
Provision	(Btmn)	1,017	2,077	1,234	1,378	1,007	1,582	1,066	812
Pre-tax profit	(Btmn)	1,665	1,353	1,798	1,680	1,844	2,476	2,582	2,517
Tax	(Btmn)	310	235	305	322	364	450	521	481
Equities & minority interest	(Btmn)	8	10	30	4	1	3	6	2
Core net profit	(Btmn)	1,347	1,108	1,463	1,354	1,478	2,023	2,055	2,033
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	1,347	1,108	1,463	1,354	1,478	2,023	2,055	2,033
EPS	(Bt)	1.59	1.31	1.73	1.60	1.75	2.39	2.43	2.40

Balance Sheet

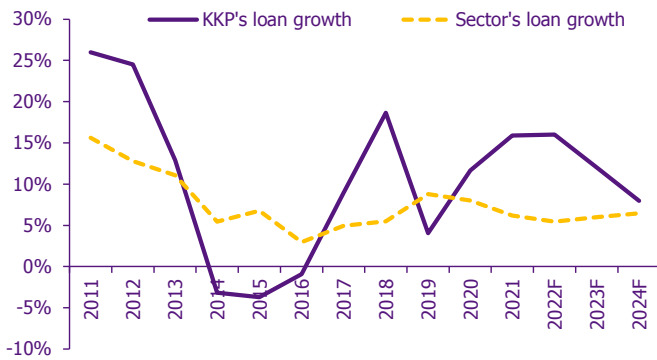
FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Cash	(Btmn)	1,092	1,491	1,176	1,159	1,133	1,242	1,123	1,106
Interbank assets	(Btmn)	38,868	32,771	39,868	29,618	36,242	55,238	60,261	55,235
Investments	(Btmn)	32,026	34,603	44,837	44,186	43,292	39,205	38,683	59,544
Gross loans	(Btmn)	254,980	264,773	270,246	282,244	287,341	306,910	326,921	336,680
Accrued interest receivable	(Btmn)	7,015	7,178	7,511	7,946	8,309	8,743	9,317	9,419
Loan loss reserve	(Btmn)	11,249	13,105	14,088	15,287	15,759	16,505	17,060	17,367
Net loans	(Btmn)	250,747	258,846	263,669	274,903	279,891	299,148	319,179	328,733
Total assets	(Btmn)	357,660	363,411	393,443	390,145	411,008	436,123	462,388	494,300
Deposits	(Btmn)	242,032	251,526	252,388	249,259	260,757	288,382	299,459	320,941
Interbank liabilities	(Btmn)	16,899	10,264	13,771	18,100	18,071	16,664	21,368	14,486
Borrowings	(Btmn)	28,887	28,344	32,844	42,855	42,435	43,805	50,101	59,961
Total liabilities	(Btmn)	312,563	316,785	345,281	342,083	361,950	384,961	409,292	441,237
Minority interest	(Btmn)	110	109	114	113	114	116	95	97
Paid-up capital	(Btmn)	8,468	8,468	8,468	8,468	8,468	8,468	8,468	8,468
Total Equities	(Btmn)	44,987	46,517	48,048	47,950	48,944	51,046	53,000	52,966
BVPS	(Bt)	53.13	54.94	56.74	56.63	57.80	60.28	62.59	62.55

Financial Ratios

		3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Growth									
YoY loan growth	(%)	7.33	11.65	9.30	13.95	12.69	15.91	20.97	19.29
YoY non-NII growth	(%)	(26.92)	4.59	(13.16)	56.87	54.20	43.59	19.76	(13.87)
Profitability									
Yield on earn'g assets	(%)	5.63	6.20	5.60	5.34	5.26	5.39	5.09	5.06
Cost on int-bear'g liab	(%)	1.61	1.53	1.34	1.25	1.17	1.11	1.07	1.12
Spread	(%)	4.02	4.67	4.26	4.09	4.08	4.29	4.02	3.94
Net interest margin	(%)	4.23	4.86	4.45	4.27	4.23	4.43	4.16	4.08
ROE	(%)	12.17	9.69	12.37	11.29	12.20	16.19	15.80	15.35
ROA	(%)	1.51	1.22	1.49	1.39	1.44	1.86	1.78	1.65
Asset Quality									
NPLs/Total Loans	(%)	2.95	2.93	3.23	3.42	3.50	3.09	2.90	3.05
LLR/NPLs	(%)	149.63	169.07	161.61	158.38	156.85	173.78	179.90	169.10
Provision expense/Total loans	(%)	1.62	3.20	1.85	2.00	1.41	2.13	1.35	0.98
Liquidity									
Loans/Deposits & borrowings	(%)	94.12	94.61	94.75	96.62	94.77	92.39	93.52	88.39
Efficiency									
Cost to income ratio	(%)	47.85	37.83	39.58	39.87	41.40	39.10	38.58	41.53
Capital Fund									
Capital adequacy ratio	(%)	18.16	18.44	17.77	18.08	17.81	17.35	17.35	16.66
Tier-1	(%)	13.70	14.45	13.99	13.79	14.04	13.62	13.62	13.03
Tier-2	(%)	4.46	3.99	3.78	4.29	3.77	3.74	3.73	3.63

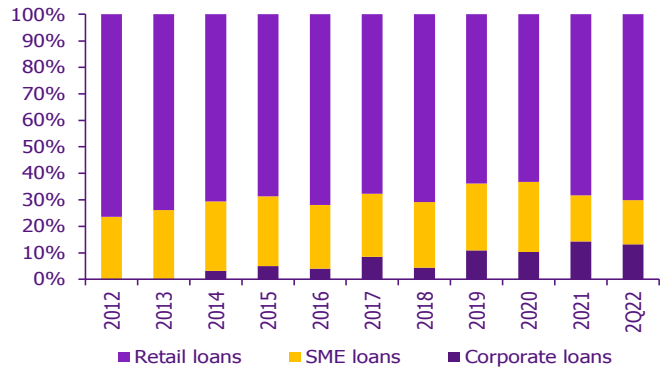
Appendix

Figure 1: Loan growth



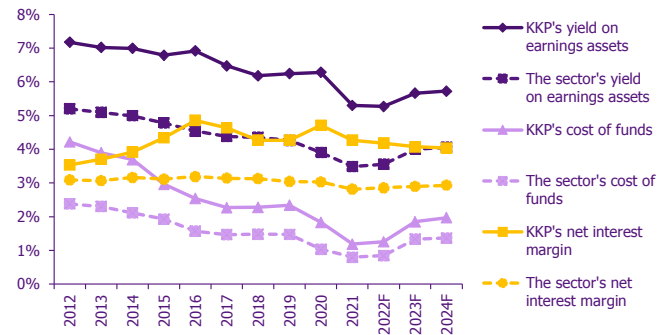
Source: Banks and SCBS Investment Research

Figure 2: Loan breakdown



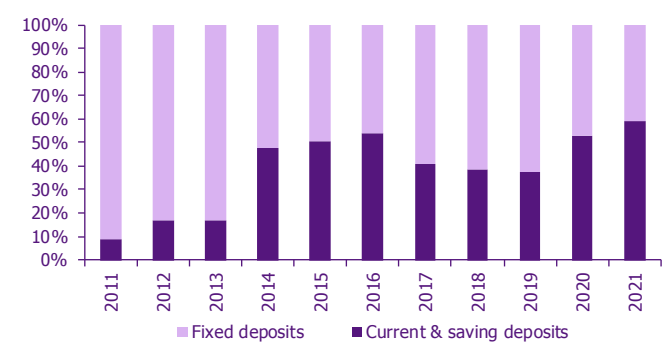
Source: Banks and SCBS Investment Research

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



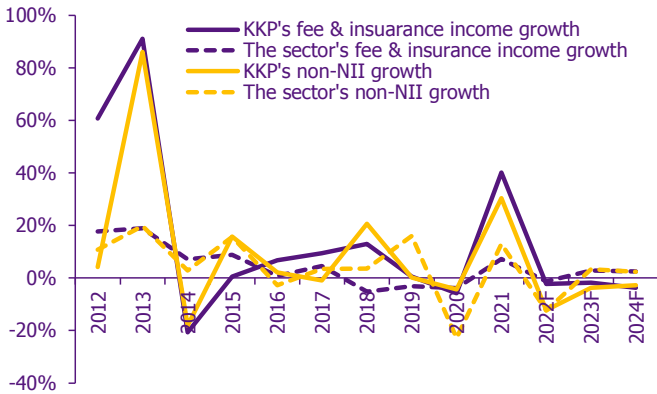
Source: Banks and SCBS Investment Research

Figure 4: Deposit mix



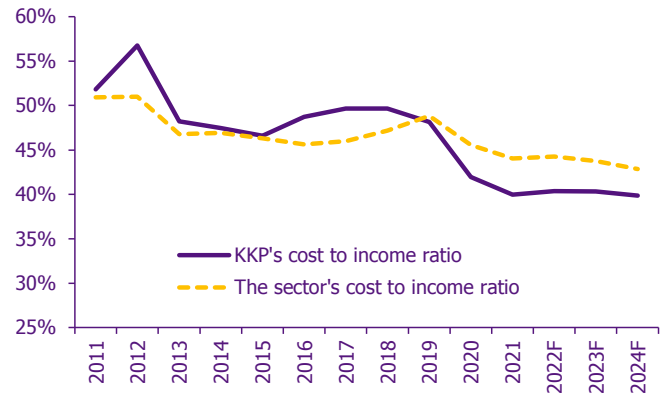
Source: Banks and SCBS Investment Research

Figure 5: Non-NII and fee income growth



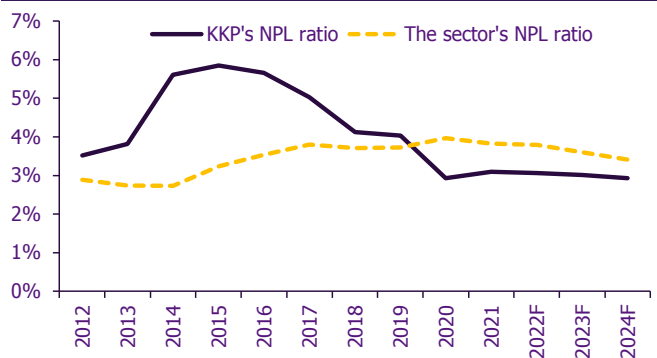
Source: Banks and SCBS Investment Research

Figure 6: Cost to income ratio



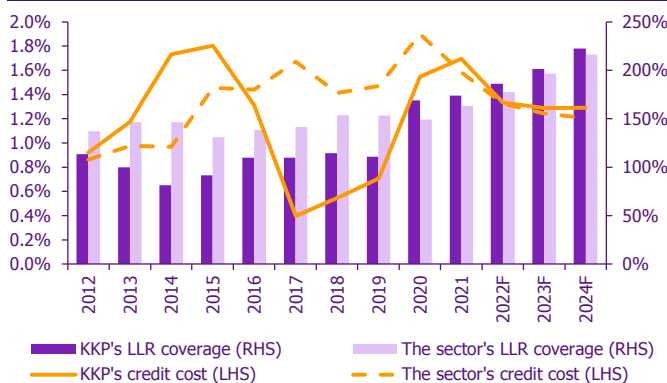
Source: Banks and SCBS Investment Research

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 Jul 25, 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	31.50	38.0	23.3	6.9	7.6	7.5	47	(10)	2	0.7	0.7	0.6	11	9	9	2.7	2.6	2.7
BBL	Outperform	132.50	168.0	30.6	9.5	8.0	6.8	54	20	18	0.5	0.5	0.5	6	6	7	2.6	3.8	4.9
KBANK	Outperform	143.00	176.0	26.4	8.9	7.6	6.5	29	17	18	0.7	0.7	0.6	8	9	10	2.3	3.3	3.9
KKP	Outperform	64.75	81.0	31.9	8.7	7.3	7.1	23	18	3	1.1	1.0	0.9	13	14	13	4.2	6.8	7.0
KTB	Outperform	15.90	18.0	18.0	10.3	7.3	6.7	29	40	10	0.6	0.6	0.6	6	8	9	2.6	4.8	5.2
TCAP	Neutral	38.25	40.0	12.4	8.4	8.5	7.7	(21)	(0)	9	0.7	0.7	0.6	8	8	8	7.8	7.8	7.8
TISCO	Neutral	88.75	103.0	24.7	10.5	9.8	10.2	12	7	(4)	1.7	1.7	1.6	17	17	16	8.1	8.7	8.3
TTB	Neutral	1.20	1.3	11.7	11.1	10.4	9.2	3	6	13	0.5	0.5	0.5	5	5	6	3.2	3.4	3.8
Average					9.3	8.4	7.7	26	13	11	0.8	0.8	0.7	9	10	10	4.2	5.0	5.4

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, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, RS, S, S & J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SE-ED, SELIC, SENA, SHR, SIRI, SIS, SITHAI, SMK, 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, 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, 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, JKH, 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, NTV, OCC, OGC, PATO, PB, BIP, 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, SG, SICT, SIMAT, SISB, SK, SMART, SOLAR, SPACK, SPG, SPP, SSP, STARK, STC, SUPER, SVOA, TC, TCCC, THMUI, TNH, TNR, TOPP, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TQR, TTI, TYCN, UKEM, UMS, UNIQ, UP, UREA, 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

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการศึกษาเกี่ยวกับธุรกิจการ เช่น การกระทำผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อข้างดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator
Certified (ได้รับการรับรอง)

2S, 7UP, ADVANC, AF, AI, AIE, AIRA, AKP, AM, 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, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RATCH, RML, RWI, S & J, SAAM, SABINA, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, 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, 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, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CEYE, CGD, CHARAN, CHAYO, CHO, 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, 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, JKH, JCT, JDF, JMART, JMT, JP, JUBILE, JWD, KAMART, KC, KCC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWC, KWM, KYE, 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, NTV, 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, SNNP, SO, SOLAR, SONIC, SPA, SPCG, 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, TITL, 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, TTW, TWT, TWV, TYCN, UAC, UMI, UMS, UNIQ, UP, UP, UPOIC, UREA, 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.