



Quality Houses

Quality Houses
Public Company Limited

QH

Bloomberg QH.TB
Reuters QH.BK

2Q22: As expected by the market

QH reported 2Q22 net profit of Bt515mn (+96% YoY but -12% QoQ), in line with consensus on healthy revenue on transfer of two high-margin units of Q Sukhumvit; SG&A was a drag from provision. We maintain our 2022F of 40% growth in net profit and 14% in revenue, backed by 23% YoY growth in contribution from subsidiaries. We expect 3Q22F to grow YoY but be flat QoQ. We see the recovery as already priced in. With limited upside and uninteresting valuation, we stay Underperform with TP of Bt2.30/share (+0.25SD, PE 9.5).

2Q22 earnings up YoY but down QoQ. QH reported 2Q22 earnings of Bt515mn (+96% YoY but -12% QoQ), in line with consensus, on revenue of Bt2.19bn (+38% YoY and +5% QoQ), 77% from low-rise, 13% from condos and 10% from rentals. It transferred two units of its super-luxury condominium, Q Sukhumvit, to foreign buyers with a high gross margin of 37-38%, giving 2Q22 average gross margin of 34.3% vs 34.4% in 1Q22 and 29.9% in 2Q21. SG&A/sales rose to 24.2% from 21.5% in 1Q22 and 21.2% in 2Q21 from booking Bt54mn in extra provisions. Contribution from subsidiaries was Bt363mn (+26.4% YoY but -9% QoQ, down mostly at LHFG). 1H22 net profit came to Bt1.1bn (+21% YoY) on revenue of Bt4.2bn (+3.6% YoY).

Presales to improve in 2H22. QH launched one TH project in 2Q22, Q District Chaiyapruet Ratchapruet (project value Bt1.31bn, 6% sold), bringing 1H22 presales to Bt4.1bn (+5% YoY), 90% from low-rise and 10% from sale of condo inventory, notably Q Sukhumvit. 1H22 presales accounted for 45% of its 2022 target of Bt9.2bn (+23% YoY). QH plans four more launches in 2H22 with total value of Bt5.6bn, which we believe will support presales in 2H22.

Maintain 2022; 3Q22F to grow YoY and be flat QoQ. 1H22 accounted for 47% of our revenue forecast with current backlog at Bt966mn, expected to be booked in 2H22. We thus maintain our 2022 revenue forecast at Bt9.26bn (+14.1% YoY). 1H22 accounted for 50% of our net profit forecast of Bt2.23bn (+40% YoY); contribution by subsidiaries (HMPRO, LHFG, QHPF and QHHR), comprising 76% of net profit, is expected to grow 23% YoY.

Maintain Underperform. Although we expect QH's net profit to recover in 2022 backed by high growth in new launches, especially of its core brands *Prukpirom* and *Laddarom*, we see the recovery as already priced in. With limited upside and uninteresting valuation, we maintain our tactical call of Underperform with 2023 TP of Bt2.30/share (+0.25SD, PE 9.5). QH announced a 1H22 dividend of Bt0.04/share, XD on Aug 24, 2022.

Forecasts and valuation

Year to 31 Dec	Unit	2020	2021	2022F	2023F	2024F
Revenue	(Btmn)	9,138	8,120	9,263	10,136	11,987
EBITDA	(Btmn)	2,993	2,408	3,044	3,464	3,584
Core profit	(Btmn)	2,123	1,670	2,235	2,625	2,929
Reported profit	(Btmn)	2,123	1,670	2,235	2,625	2,929
Core EPS	(Bt)	0.20	0.16	0.21	0.24	0.27
DPS	(Bt)	0.12	0.09	0.13	0.15	0.16
P/E, core	(x)	10.9	13.9	10.4	8.8	7.9
EPS growth, core	(%)	(25.6)	(21.4)	33.8	17.5	11.6
P/BV, core	(x)	0.9	0.8	0.8	0.8	0.7
ROE	(%)	7.9	6.1	7.9	8.9	9.5
Dividend yield	(%)	5.5	4.3	5.8	6.8	7.6
FCF yield	(%)	13.1	28.5	16.3	1.2	7.1
EV/EBIT	(x)	4.9	6.8	1.3	3.2	2.7
EBIT growth, core	(%)	(20.9)	(20.7)	27.4	14.9	10.3
EV/CE	(x)	0.8	0.9	0.4	0.8	0.7
ROCE	(%)	5.2	2.8	8.4	7.5	9.9
EV/EBITDA	(x)	3.5	4.7	1.0	2.4	2.2
EBITDA growth	(%)	(20.4)	(19.6)	26.4	13.8	3.4

Source: SCBS Investment Research

Tactical: UNDERPERFORM

(3-month)

Stock data

Last close (Aug 11) (Bt)	2.16
Target price (Bt)	2.30
Mkt cap (Btbn)	23.14
Mkt cap (US\$mn)	658

Beta	H
Mkt cap (%) SET	0.12
Sector % SET	5.65
Shares issued (mn)	10,714
Par value (Bt)	1.00
12-m high / low (Bt)	2.4 / 2.1
Avg. daily 6m (US\$mn)	1.83
Foreign limit / actual (%)	40 / 10
Free float (%)	74.9
Dividend policy (%)	≤ 50

2021 Sustainability / ESG Score

Sustainability Index (THSI)	Not Included
-----------------------------	--------------

ESG Bloomberg Score	32.24
Environmental Score	1.27
Social Score	11.67
Governance Score	83.59

Source: Bloomberg Finance LP

Share performance

(%)	1M	3M	12M
Absolute	3.8	0.0	(1.8)
Relative to SET	(1.0)	(2.3)	(7.2)

Source: SET, SCBS Investment Research

Analyst

Termporn Tantivat

Fundamental Investment Analyst on Securities

(662) 949-1020

termporn.tantivat@scb.co.th

ESG Disclosure Score

	2020	2021
ESG Disclosure Score	32.24	n.a.
Environment	1.27	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.
Social	11.67	n.a.
Number of Employees	1,002.00	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.
Governance	83.59	n.a.
Size of the Board	11.00	n.a.
Indep Directors	4.00	n.a.
% Indep Directors	36.36	n.a.
Board Duration (Years)	3.00	n.a.
# Board Meetings	10.00	n.a.
Board Mtg Attendance (%)	100.00	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
Total revenue	(Btmn)	17,106	15,888	10,680	9,138	8,120	9,263	10,136	11,987
Cost of goods sold	(Btmn)	12,011	10,334	7,083	6,318	5,702	6,281	7,040	8,253
Gross profit	(Btmn)	5,095	5,553	3,596	2,820	2,418	2,982	3,095	3,735
SG&A	(Btmn)	3,571	2,896	2,255	1,790	1,816	2,007	1,989	2,335
Other income	(Btmn)	283	261	270	239	236	193	158	174
Interest expense	(Btmn)	357	356	390	392	330	327	388	388
Pre-tax profit	(Btmn)	1,450	2,562	1,220	877	508	841	876	1,186
Corporate tax	(Btmn)	343	541	294	284	220	266	235	267
Equity a/c profits	(Btmn)	1,642	1,776	1,927	1,530	1,382	1,659	1,984	2,009
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	3,462	3,797	2,854	2,123	1,670	2,235	2,625	2,929
Extra-ordinary items	(Btmn)	712	0	0	0	0	0	0	0
Net Profit	(Btmn)	3,462	3,797	2,854	2,123	1,670	2,235	2,625	2,929
EBITDA	(Btmn)	3,624	4,867	3,760	2,993	2,408	3,044	3,464	3,584
Core EPS (Bt)	(Bt)	0.26	0.35	0.27	0.20	0.16	0.21	0.24	0.27
Net EPS (Bt)	(Bt)	0.32	0.35	0.27	0.20	0.16	0.21	0.24	0.27
DPS (Bt)	(Bt)	0.20	0.22	0.16	0.12	0.09	0.13	0.15	0.16

Balance Sheet

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Total current assets	(Btmn)	32,349	29,649	29,845	27,507	25,227	23,364	26,261	26,358
Total fixed assets	(Btmn)	20,665	23,410	24,303	23,395	22,440	22,871	21,788	22,183
Total assets	(Btmn)	53,014	53,059	54,148	50,902	47,667	46,236	48,049	48,541
Total loans	(Btmn)	18,987	15,190	12,590	12,588	11,637	6,038	11,656	11,656
Total current liabilities	(Btmn)	11,083	11,912	14,223	10,860	8,663	11,322	7,371	6,531
Total long-term liabilities	(Btmn)	18,992	16,345	13,656	13,178	12,436	7,929	11,865	11,914
Total liabilities	(Btmn)	30,075	28,257	27,878	24,038	21,099	19,251	19,236	18,445
Paid-up capital	(Btmn)	10,714	10,714	10,714	10,714	10,714	10,714	10,714	10,714
Total equity	(Btmn)	24,784	26,330	26,950	27,125	27,580	28,813	30,097	31,450
BVPS (Bt)	(Bt)	2.31	2.46	2.52	2.53	2.57	2.69	2.81	2.94

Cash Flow Statement

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Core Profit	(Btmn)	2,750	3,797	2,854	2,123	1,670	2,235	2,625	2,929
Depreciation and amortization	(Btmn)	175	173	223	194	188	196	216	216
Operating cash flow	(Btmn)	3,762	5,709	4,522	3,535	5,497	3,898	(382)	1,366
Investing cash flow	(Btmn)	(780)	(1,263)	(1,741)	(509)	1,092	(126)	648	277
Financing cash flow	(Btmn)	(2,931)	(3,525)	(2,772)	(4,632)	(5,973)	(3,393)	193	(2,341)
Net cash flow	(Btmn)	3,762	5,709	4,522	3,535	5,497	3,898	(382)	1,366

Key Financial Ratios

FY December 31	Unit	2017	2018	2019	2020	2021	2022F	2023F	2024F
Gross margin	(%)	29.8	35.0	33.7	30.9	29.8	32.2	30.5	31.2
Operating margin	(%)	8.9	16.7	12.6	11.3	7.4	10.5	10.9	11.7
EBITDA margin	(%)	21.2	30.6	35.2	32.8	29.7	32.9	34.2	29.9
EBIT margin	(%)	10.6	18.4	15.1	13.9	10.3	12.6	12.5	13.1
Net profit margin	(%)	20.2	23.9	26.7	23.2	20.6	24.1	25.9	24.4
ROE	(%)	11.5	14.9	10.7	7.9	6.1	7.9	8.9	9.5
ROA	(%)	5.2	7.2	5.3	4.0	3.4	4.8	5.6	6.1
Net D/E	(x)	(0.4)	(0.6)	(0.6)	(0.5)	(0.4)	(0.7)	(0.5)	(0.5)
Interest coverage	(x)	2.7	13.7	9.6	3.4	1.8	9.3	4.7	4.9
Debt service coverage	(x)	62.0	62.0	60.0	60.0	60.0	60.0	60.0	60.0
Payout Ratio	(x)	29.8	35.0	33.7	30.9	29.8	32.2	30.5	31.2

Financial statement

Profit and Loss Statement

FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Total revenue	(Btmn)	2,490	2,422	2,032	2,106	1,588	2,394	2,091	2,195
Cost of goods sold	(Btmn)	1,765	1,665	1,452	1,477	1,127	1,647	1,371	1,441
Gross profit	(Btmn)	725	758	580	629	461	748	719	754
SG&A	(Btmn)	456	412	466	447	428	475	450	531
Other income	(Btmn)	60	63	63	60	57	61	52	65
Interest expense	(Btmn)	98	93	84	82	84	84	71	62
Pre-tax profit	(Btmn)	231	316	92	161	6	249	250	225
Corporate tax	(Btmn)	66	115	48	61	31	81	64	73
Equity a/c profits	(Btmn)	409	379	387	381	288	326	399	363
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	575	580	431	482	263	494	585	515
Extra-ordinary items	(Btmn)	0	0	0	0	0	0	0	0
Net Profit	(Btmn)	575	580	431	482	263	494	585	515
EBITDA	(Btmn)	775	826	611	669	425	707	766	697
Core EPS	(Bt/sh)	0.05	0.05	0.04	0.04	0.02	0.05	0.05	0.05

Balance Sheet

FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Total current assets	(Btmn)	27,559	25,227	24,969	24,752	24,170	23,364	24,213	21,415
Total fixed assets	(Btmn)	22,126	22,440	22,726	21,605	22,258	22,871	22,438	22,066
Total assets	(Btmn)	49,685	47,667	47,695	46,358	46,427	46,236	46,651	43,481
Total loans	(Btmn)	20,935	14,317	17,097	16,381	16,753	15,465	15,076	13,201
Total current liabilities	(Btmn)	12,244	8,663	5,890	7,336	7,576	11,322	11,600	8,471
Total long-term liabilities	(Btmn)	11,419	12,436	14,901	12,451	12,397	7,929	7,494	7,970
Total liabilities	(Btmn)	23,662	21,099	20,790	19,787	19,973	19,251	19,093	16,441
Paid-up capital	(Btmn)	10,714	10,714	10,714	10,714	10,714	10,714	10,714	10,714
Total equity	(Btmn)	26,022	26,568	26,905	26,570	26,454	26,985	27,558	27,041
BVPS (Bt)	(Bt)	2.43	2.48	2.51	2.48	2.47	2.52	2.57	2.52

Cash Flow Statement

FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Core Profit	(Btmn)	575	580	431	482	263	494	585	515
Depreciation and amortization	(Btmn)	37	38	48	45	47	48	46	46
Operating cash flow	(Btmn)	3,640	5,497	843	1,842	1,964	3,331	1,098	1,099
Investing cash flow	(Btmn)	1	1,092	33	696	1,138	1,186	24	25
Financing cash flow	(Btmn)	(3,250)	(5,973)	(277)	(2,096)	(2,690)	(3,534)	(469)	(469)
Net cash flow	(Btmn)	391	615	599	442	412	984	652	654

Key Financial Ratios

FY December 31	Unit	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Gross margin	(%)	29.1	31.3	28.5	29.9	29.0	31.2	34.4	34.3
Operating margin	(%)	10.8	14.3	5.6	8.7	2.1	11.4	12.9	10.2
EBITDA margin	(%)	31.1	34.1	30.1	31.8	26.8	29.5	36.6	31.8
EBIT margin	(%)	29.7	32.5	27.7	29.6	23.8	27.5	34.4	29.7
Net profit margin	(%)	23.1	23.9	21.2	22.9	16.5	20.7	28.0	23.5
ROE	(%)	8.8	8.8	6.4	7.2	4.0	7.4	8.6	7.5
ROA	(%)	4.6	4.8	3.6	4.1	2.3	4.3	5.0	4.6
Net D/E	(x)	0.7	0.4	0.5	0.5	0.5	0.5	0.4	0.4
Interest coverage	(x)	7.9	8.9	7.3	8.2	5.0	8.4	10.8	11.2
Debt service coverage	(x)	0.3	0.5	0.6	0.5	0.3	0.3	0.3	0.4

Figure 1: Earnings Review

Profit and Loss Statement

FY December 31	2Q21	3Q21	4Q21	1Q22	2Q22	YoY%Chg	QoQ%Chg	1H21	1H22	% Chg
Sales	2,106	1,588	2,394	2,091	2,195	38.2%	5.0%	4,138	4,285	3.6%
Costs of Sales	(1,477)	(1,127)	(1,647)	(1,371)	(1,441)	27.9%	5.1%	(2,929)	(2,812)	-4.0%
Gross Profit	629	461	748	719	754	63.4%	4.8%	1,209	1,473	21.8%
SG&A Expense	(447)	(428)	(475)	(450)	(531)	24.0%	17.8%	(913)	(981)	7.5%
EBIT	183	33	272	269	223	568.0%	-17.0%	296	492	66.1%
Depreciation Expense	47	47	48	46	42	-11.9%	-9.7%	93	88	-5.6%
EBITDA	229	81	320	315	265	227.8%	-16.0%	389	580	48.9%
Interest Expense	(82)	(84)	(80)	(71)	(62)	-26.1%	-12.1%	(166)	(133)	-19.5%
Other Income (Expense)	60	57	56	52	65	12.5%	25.0%	123	116	-5.4%
Pre-tax Profit	161	6	248	250	225	3451.6%	-9.7%	253	475	87.4%
Corporate Tax	(61)	(31)	(81)	(64)	(73)	137.4%	14.3%	(109)	(138)	26.5%
Pre-exceptional Profit	100	(25)	167	185	152	-718.2%	-18.1%	145	337	133.1%
Gn (Ls) from Affiliates	381	288	326	399	363	26.4%	-9.0%	768	763	-0.7%
Net Profit	482	263	494	585	515	95.9%	-11.9%	913	1,100	20.5%
Normalized Profit	482	263	494	585	515	95.9%	-11.9%	913	1,100	20.5%
EPS (Bt)	0.04	0.02	0.05	0.05	0.05	95.9%	-11.9%	0.09	0.10	20.5%
Financial Ratio										
Gross Margin (%)	29.9%	29.0%	31.2%	34.4%	34.3%			29.2%	34.4%	
EBIT Margin (%)	8.7%	2.1%	11.4%	12.9%	10.2%			7.2%	11.5%	
EBITDA Margin (%)	10.9%	5.1%	13.4%	15.1%	12.1%			9.4%	13.5%	
Net Margin (%)	22.9%	16.6%	20.6%	28.0%	23.5%			22.1%	25.7%	

Source: QH, SCBS Investment Research

Figure 2: Valuation summary (price as of Aug 11, 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
AP	Outperform	10.50	13.90	38.0	7.3	6.2	5.9	7	18	5	1.0	0.9	0.8	15	16	15	4.7	5.7	5.9	9.6	7.5	7.2
LH	Outperform	8.80	10.50	25.8	15.2	13.2	12.5	0	15	5	2.1	2.1	2.0	14	16	16	5.7	6.5	6.9	12.9	11.4	10.9
LPN	Underperform	4.60	4.50	4.5	22.5	11.2	9.8	(58)	101	14	0.6	0.6	0.6	3	5	6	3.3	6.7	7.7	26.1	17.6	11.7
PSH	Underperform	12.50	13.40	15.1	12.2	8.9	9.9	(19)	37	(11)	0.6	0.6	0.6	5	7	6	7.7	7.9	7.0	9.0	8.1	9.0
QH	Underperform	2.16	2.30	12.3	13.9	10.4	8.8	(21)	34	17	0.8	0.8	0.8	6	8	9	4.3	5.8	6.8	4.7	1.0	2.4
SIRI	Neutral	1.01	1.42	47.4	8.0	5.9	5.9	19	36	(1)	0.4	0.4	0.4	5	7	6	5.6	6.8	6.8	27.3	22.2	18.7
SPALI	Neutral	20.40	23.50	21.4	6.2	6.4	6.1	66	(3)	5	1.0	0.9	0.9	18	15	15	6.1	6.2	6.6	7.8	7.0	6.4
Average					12.2	8.9	8.4	(1)	34	5	1.0	0.9	0.9	9	10	10	5.4	6.5	6.8	13.9	10.7	9.5

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, 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, 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, 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, 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, TITLE, TKN, TKS, TM, TMC, TMD, TMI, TMILL, TNL, TNP, TOG, TPA, TPAC, TPCS, TPS, TRITN, TRT, TSE, TVT, TWP, UEC, UMI, UOBKH, UP, UPF, UPOIC, UTP, VCOM, VL, VNT, VPO, VRANDA, WGE, WIJK, WP, XO, XPG, YUASA

Companies with Good CG Scoring

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

Corporate Governance Report

The material contained in this publication is for general information only and is not intended as advice on any of the matters discussed herein. Readers and others should perform their own independent analysis as to the accuracy or completeness or legality of such information. The Thai Institute of Directors, its officers, the authors and editor make no representation or warranty as to the accuracy, completeness or legality of any of the information contained herein. By accepting this document, each recipient agrees that the Thai Institute of Directors Association, its officers, the authors and editor shall not have any liability for any information contained in, or for any omission from, this publication.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. SCB Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2020 to 26 October 2021) is publicized.

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 ควรตระหนักถึงข้อจำกัดดังกล่าวประกอบด้วย

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, SCB, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, 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, TOP, TOPP, TPA, TPCS, TRU, TRU, TRU, TRUE, TSC, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVI, TVO, TWPC, U, UBE, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

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, AUCTION, 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, CHIC, 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, 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, PAF, PEACE, PERM, PF, PICO, PIN, PJW, PLUS, PMTA, POLAR, POMPU, PORT, POST, PPM, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PSG, 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, 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, TGPPO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITLE, TK, TKT, TLI, 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, TT, TTW, TVT, TWP, 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, YONG

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.