

TISCO Financial Group

TISCO Financial Group
Public Company Limited

TISCO

Bloomberg
Reuters
TISCO TB
TISCO.BK



1Q23: In line with estimates

As expected, TISCO's 1Q23 results showed stable asset quality with an easing in credit cost, modest YTD loan growth, narrowed NIM, weaker non-NII and higher cost to income ratio. We maintain our Neutral rating with an unchanged TP of Bt105 on expectation of stable 2Q23F earnings and a modest 4% earnings growth in 2023.

1Q23: As expected. TISCO reported 1Q23 net profit of Bt1.79bn (-1% QoQ, stable YoY), in line with estimates. Highlights are summarized below:

- 1) Asset quality: NPLs rose 2.6% QoQ with a 4 bps QoQ rise in NPL ratio, mainly from auto cash loans. Credit cost eased 47 bps QoQ to 0.23% in 1Q23, in line with our 2023F of 0.25%. LLR coverage fell to 248% at 1Q23 from 256% at 4Q22.
- 2) Loan growth: Up 0.5% QoQ and 8.1% YoY. An expansion in corporate loans (+3.7% QoQ, +23.7% YoY) and auto cash loans (+4.8% QoQ, +17.8% YoY) was offset by a contraction in HP loans (-0.7% QoQ, -1.7% YoY), SME loans (-9% QoQ, + 51.5% YoY) and mortgage loans (-2.6% QoQ, -13.3% YoY).
- 3) NIM: NIM fell 29 bps QoQ on a 37 bps QoQ rise in cost of funds (mainly from a 23 bps rise in FIDF cost) with stable yield on earning assets.
- 4) Non-NII: Down 10% QoQ (+2% YoY), due to a fall in fee income (-7% QoQ on seasonality and brokerage fees, -1% YoY) and smaller gain on financial instruments measured at fair value through profit or loss (FVTPL).
- 5) Cost to income ratio: +304 bps QoQ (+165 bps YoY) to 49.3%, worse than expected.

2Q23F and 2023F earnings outlook. 1Q23 earnings accounted for 24% of our full-year forecast. In 2Q23F, we expect earnings to rise modestly QoQ and be stable YoY. In 2023F, we expect earnings growth of 4%, underpinned by 8% loan growth, a 17 bps narrowing in NIM (from interest rate hikes and a 23 bps rise in FIDF cost), a 9 bps slip in credit cost to 0.25% and a 3% rise in non-NII. TISCO expects credit cost to remain low in 2023. It targets loan growth of 5-10% in 2023, focusing on high-yield auto cash loans, and will gradually resume expanding new car HP.

Maintain Neutral with an unchanged TP. We maintain our Neutral rating with an unchanged TP of Bt105 (1.9x 2023F BVPS).

Key risks: 1) Asset quality risk from high inflation and global economic slowdown and 2) volatile capital market.

Forecasts and valuation

Year to 31 Dec	Unit	2021	2022	2023F	2024F	2025F
Pre-provision profit	(Bt mn)	10,550	9,656	9,914	10,415	11,313
Net profit	(Bt mn)	6,785	7,222	7,531	7,600	8,043
PPP/Sh	(Bt)	13.18	12.06	12.38	13.01	14.13
EPS	(Bt)	8.47	9.02	9.40	9.49	10.04
BVPS	(Bt)	51.45	53.44	55.15	56.64	58.62
DPS	(Bt)	7.15	7.70	7.99	8.07	8.54
P/PPP	(x)	7.70	8.42	8.20	7.80	7.18
PPP growth	(%)	(3.16)	(8.47)	2.67	5.05	8.62
P/E	(x)	11.98	11.25	10.79	10.69	10.10
EPS growth	(%)	11.89	6.44	4.28	0.92	5.83
P/BV	(x)	1.97	1.90	1.84	1.79	1.73
ROE	(%)	16.82	17.20	17.32	16.98	17.43
Dividend yield	(%)	7.04	7.58	7.88	7.95	8.41

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Apr 18) (Bt)	101.50
Target price (Bt)	105.00
Mkt cap (Btbn)	81.27
Mkt cap (US\$mn)	2,373

Beta	L
Mkt cap (%) SET	0.42
Sector % SET	9.13
Shares issued (mn)	801
Par value (Bt)	10.00
12-m high / low (Bt)	104 / 86
Avg. daily 6m (US\$mn)	10.48
Foreign limit / actual (%)	49 / 45
Free float (%)	77.4
Dividend policy (%)	≤ 50

2022 Sustainability / 2021 ESG Score

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

ESG Bloomberg Score	44.21
Environmental Score	26.79
Social Score	24.61
Governance Score	81.10

Source: Bloomberg Finance LP

Share performance

(%)	1M	3M	12M
Absolute	1.0	(1.5)	1.5
Relative to SET	(0.9)	4.4	6.7

Source: SET, InnovestX Research

Analyst

Kittima Sattayapan, CFA

Fundamental Investment

Analyst on Securities

(66-2) 949-1003

kittima.sattayapan@scb.co.th

ESG Disclosure Score

Bloomberg ESG Score	44.21 (2021)
Rank in Sector	8/11

Environmental Issue (E)

- TISCO Group has started integrating environmental impact management into its operating system, while implementing environmentally friendly processes, including activities that have impact on energy savings and reduce greenhouse gas emissions.
- TISCO Group's electricity consumption rate dropped by 9.76% in 2021.
- TISCO Group has reduced paper usage and paid serious attention to the efficient use of water.
- TISCO Group has curbed TISCO Tower's greenhouse-gas emissions by 379,461 Kg. of CO₂e in 2021 or by 22.50% from base year 2017 (Tier 1 and Tier 2 only). TISCO Group has been certified by the Low Emission Support Scheme (LESS) for switching to LED devices and for the implementation of the We Separate Our Waste project, which have curbed greenhouse-gas emissions by 351.469 tons of CO₂e.

Governance Issue (G)

- In 2021, in comparison with the Corporate Governance Code for listed Companies as prescribed by the Office of Securities and Exchange Commission and the Thai Institute of Directors Association, there remained some issues in which TISCO Group has divergent practices from the guidelines which states that the board of directors should comprise at least 5 but no more than 12 directors, appropriate size, nature, and complexity of business. As of December 31, 2021, the Company's Board of Directors was composed of 13 members – a number suitable for the nature, expansion, and complexity of business and to accommodate independent directors who have served for more than nine years and whose terms terminate in 2022.
- The board comprises of seven independent directors (53.83% of the total number of directors).
- TISCO adheres to both domestic and international regulations, as evidenced by the ASEAN Corporate Governance Scorecard 2019. TISCO is one of 42 ASEAN Asset Class PLCs with a minimum 97.50 score in the ASEAN Capital Markets Forum's (ACMF) and Asian Development Bank's (ADB) assessment, which is comprised of each ASEAN country's capital market authority. For the 13th consecutive year since 2007, TISCO received an Excellent Corporate Governance Report from the Thai Institute of Directors (IOD) in 2020.

	CG Rating 0-5	DJSI	SETTHSI	THSI
TISCO	5	No	Yes	Yes

Source: Thai Institute of Directors (IOD), SET

Social Issue (S)

- TISCO received the "Best Employer Thailand Award 2021" from Kincentric Thailand, bestowed upon TISCO Financial Group and Hi-Way for excellent employee support and development.
- TISCO Group has provided financial knowledge to customers.
- TISCO Group has imparted youth with financial knowledge via TISCO Financial Camp, TISCO Financial Group's Network, and virtual training programs conducted in collaboration with the Thai Bankers Association.
- TISCO Group has supported Responsible Banking operations through responsible lending.

ESG Disclosure Score

	2020	2021
ESG Disclosure Score	42.97	44.21
Environment	23.07	26.79
GHG Scope 1	0.30	0.27
GHG Scope 2 Location-Based	3.51	3.17
GHG Scope 3	—	—
Total Energy Consumption	—	—
Total Waste	—	—
Water Consumption	—	29.42
Social	24.61	24.61
Community Spending	—	—
Number of Customer Complaints	—	—
Pct Women in Management	—	—
Pct Women in Workforce	64.51	64.66
Number of Employees - CSR	5,013	4,879
Employee Turnover Pct	4.21	5.47
Total Hours Spent by Firm - Employee Training	123,069	106,216
Governance	81.10	81.10
Size of the Board	12	13
Number of Executives / Company Managers	39	38
Number of Non Executive Directors on Board	8	9
Number of Female Executives	15	16
Number of Women on Board	3	3
Number of Independent Directors	6	7

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	2018	2019	2020	2021	2022F	2023F	2024F	2024F
Interest & dividend income	(Btmn)	17,690	17,881	16,757	14,792	14,904	17,399	18,723	20,153
Interest expense	(Btmn)	5,076	5,089	3,659	2,332	2,171	4,162	4,784	5,237
Net interest income	(Btmn)	12,615	12,792	13,098	12,460	12,734	13,237	13,939	14,916
Non-interest income	(Btmn)	7,196	6,631	5,808	6,369	5,551	5,742	5,886	6,036
Non-interest expenses	(Btmn)	8,753	9,271	8,012	8,279	8,630	9,065	9,410	9,640
Pre-provision profit	(Btmn)	11,057	10,153	10,894	10,550	9,656	9,914	10,415	11,313
Provision	(Btmn)	2,701	1,109	3,331	2,064	723	569	984	1,328
Pre-tax profit	(Btmn)	8,356	9,044	7,563	8,486	8,933	9,344	9,431	9,985
Tax	(Btmn)	1,663	1,783	1,498	1,708	1,766	1,869	1,886	1,997
Equities & minority interest	(Btmn)	(323)	(9)	2	(7)	(55)	(55)	(55)	(55)
Core net profit	(Btmn)	7,016	7,270	6,063	6,785	7,222	7,531	7,600	8,043
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	7,016	7,270	6,063	6,785	7,222	7,531	7,600	8,043
EPS	(Bt)	8.76	9.08	7.57	8.47	9.02	9.40	9.49	10.04
DPS	(Bt)	7.00	7.75	6.30	7.15	7.70	7.99	8.07	8.54

Balance Sheet

FY December 31	Unit	2018	2019	2020	2021	2022F	2023F	2024F	2024F
Cash	(Btmn)	1,192	1,103	1,220	1,103	1,005	1,088	1,052	1,139
Interbank assets	(Btmn)	54,071	45,300	38,212	30,489	40,272	40,272	40,272	40,272
Investments	(Btmn)	9,812	10,177	12,931	10,933	7,035	7,035	7,035	7,035
Gross loans	(Btmn)	240,654	242,963	224,812	202,950	219,004	236,524	255,446	275,882
Accrued interest receivable	(Btmn)	643	746	1,902	1,713	1,722	1,722	1,722	1,722
Loan loss reserve	(Btmn)	11,674	10,314	11,826	11,736	11,845	11,499	11,524	11,846
Net loans	(Btmn)	229,623	233,396	214,888	192,926	208,881	226,748	245,645	265,758
Total assets	(Btmn)	302,562	298,250	275,443	243,616	265,414	283,434	302,367	322,643
Deposits	(Btmn)	193,108	216,085	203,473	166,542	188,266	203,704	220,102	237,325
Interbank liabilities	(Btmn)	4,375	4,656	5,808	8,081	6,195	6,195	6,195	6,195
Borrowings	(Btmn)	55,557	25,017	12,826	14,962	15,757	15,757	15,757	15,757
Total liabilities	(Btmn)	264,731	259,054	235,981	202,418	222,623	239,275	257,010	275,703
Minority interest	(Btmn)	133	3	3	3	3	3	3	3
Paid-up capital	(Btmn)	8,007	8,007	8,007	8,007	8,007	8,007	8,007	8,007
Total Equities	(Btmn)	37,698	39,193	39,459	41,194	42,789	44,155	45,354	46,937
BVPS	(Bt)	47.08	48.95	49.28	51.45	53.44	55.15	56.64	58.62

Key Assumptions and Financial Ratios

	Unit	2018	2019	2020	2021	2022F	2023F	2024F	2024F
Growth									
YoY loan growth	(%)	(4.27)	0.96	(7.47)	(9.72)	7.91	8.00	8.00	8.00
YoY non-NII growth	(%)	7.11	(7.85)	(12.41)	9.66	(12.83)	3.43	2.52	2.55
Profitability									
Yield on earn'g assets	(%)	5.81	5.93	5.83	5.69	5.84	6.33	6.38	6.44
Cost on int-bear'g liab	(%)	1.99	2.04	1.56	1.13	1.09	1.91	2.05	2.09
Spread	(%)	3.82	3.89	4.27	4.55	4.75	4.42	4.34	4.35
Net interest margin	(%)	4.14	4.24	4.56	4.79	4.99	4.81	4.75	4.77
ROE	(%)	19.41	18.91	15.42	16.82	17.20	17.32	16.98	17.43
ROA	(%)	2.32	2.42	2.11	2.61	2.84	2.74	2.59	2.57
Asset Quality									
NPLs/Total Loans	(%)	2.85	2.39	2.50	2.44	2.09	2.03	1.97	1.92
LLR/NPLs	(%)	169.77	176.77	210.48	236.74	258.82	239.78	229.01	224.03
Provision expense/Total loans	(%)	1.10	0.46	1.42	0.97	0.34	0.25	0.40	0.50
Liquidity									
Loans/Deposits & borrowings	(%)	96.78	100.77	103.94	111.82	107.34	107.78	108.30	109.01
Efficiency									
Cost to income ratio	(%)	44.19	47.73	42.38	43.97	47.19	47.76	47.47	46.01
Capital Fund									
Capital adequacy ratio	(%)	21.45	20.78	21.86	23.18	20.62	19.94	18.96	18.07
Tier-1	(%)	16.75	16.38	17.48	18.56	17.15	16.51	15.78	15.10
Tier-2	(%)	4.70	4.40	4.38	4.61	3.47	3.43	3.19	2.96

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Interest & dividend income	(Btmn)	3,754	3,644	3,617	3,556	3,616	3,755	3,977	4,104
Interest expense	(Btmn)	605	551	510	495	510	533	633	847
Net interest income	(Btmn)	3,149	3,093	3,108	3,061	3,107	3,221	3,344	3,257
Non-interest income	(Btmn)	1,555	1,098	1,738	1,345	1,443	1,244	1,520	1,373
Non-interest expenses	(Btmn)	2,070	1,968	2,176	2,099	2,125	2,155	2,250	2,282
Earnings before tax & provision	(Btmn)	2,634	2,223	2,669	2,307	2,425	2,310	2,614	2,349
Provision	(Btmn)	565	254	412	85	140	119	379	125
Pre-tax profit	(Btmn)	2,069	1,969	2,257	2,221	2,285	2,191	2,235	2,223
Tax	(Btmn)	413	395	460	439	451	433	443	441
Equities & minority interest	(Btmn)	(11)	14	3	(13)	(15)	(13)	(14)	(10)
Core net profit	(Btmn)	1,666	1,560	1,794	1,795	1,848	1,771	1,806	1,793
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	1,666	1,560	1,794	1,795	1,848	1,771	1,806	1,793
EPS	(Bt)	2.08	1.95	2.24	2.24	2.31	2.21	2.26	2.24

Balance Sheet

FY December 31	Unit	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Cash	(Btmn)	1,054	1,053	1,103	1,094	1,021	980	1,005	1,047
Interbank assets	(Btmn)	32,483	27,077	30,489	32,511	32,554	34,337	40,272	45,791
Investments	(Btmn)	10,519	13,953	10,933	11,355	10,093	9,182	7,035	7,585
Gross loans	(Btmn)	213,995	204,408	202,950	203,553	203,341	213,188	219,004	220,099
Accrued interest receivable	(Btmn)	1,828	1,820	1,713	1,658	1,634	1,699	1,722	1,728
Loan loss reserve	(Btmn)	12,541	11,975	11,736	11,497	11,298	11,015	11,845	11,644
Net loans	(Btmn)	203,282	194,253	192,926	193,713	193,677	203,872	208,881	210,183
Total assets	(Btmn)	255,888	244,635	243,616	246,449	244,723	255,939	265,414	273,224
Deposits	(Btmn)	181,050	168,813	166,542	171,435	168,879	182,540	188,266	196,683
Interbank liabilities	(Btmn)	7,928	7,597	8,081	7,821	6,884	4,458	6,195	7,156
Borrowings	(Btmn)	14,807	14,962	14,962	11,227	17,127	15,137	15,757	10,966
Total liabilities	(Btmn)	218,032	205,224	202,418	203,450	205,472	214,915	222,623	228,624
Minority interest	(Btmn)	3	3	3	3	3	3	3	3
Paid-up capital	(Btmn)	8,007	8,007	8,007	8,007	8,007	8,007	8,007	8,007
Total Equities	(Btmn)	37,853	39,407	41,194	42,995	39,247	41,020	42,789	44,596
BVPS	(Bt)	47.28	49.22	51.45	53.70	49.02	51.23	53.44	55.70

Financial Ratios

		2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
Growth									
YoY loan growth	(%)	(6.21)	(9.11)	(9.72)	(7.79)	(4.98)	4.30	7.91	8.13
YoY non-NII growth	(%)	27.79	(24.01)	1.78	(32.02)	(7.21)	13.23	(12.50)	2.14
Profitability									
Yield on earn'g assets	(%)	5.71	5.80	5.91	5.78	5.86	5.98	6.08	6.08
Cost on int-bear'g liab	(%)	1.16	1.12	1.07	1.04	1.06	1.08	1.23	1.60
Spread	(%)	4.55	4.69	4.84	4.74	4.80	4.90	4.86	4.49
Net interest margin	(%)	4.79	4.92	5.08	4.98	5.04	5.13	5.12	4.83
ROE	(%)	16.86	16.16	16.82	17.06	17.98	17.65	17.20	16.41
ROA	(%)	2.60	2.55	2.78	2.91	3.02	2.77	2.72	2.62
Asset Quality									
NPLs/Total Loans	(%)	2.74	2.98	2.44	2.15	2.20	2.08	2.09	2.13
LLR/NPLs	(%)	213.75	196.50	236.74	262.11	253.10	247.99	258.82	248.08
Provision expense/Total loans	(%)	1.04	0.49	0.81	0.17	0.28	0.23	0.70	0.23
Liquidity									
Loans/Deposits & borrowings	(%)	109.26	111.23	111.82	111.44	109.32	107.85	107.34	106.00
Efficiency									
Cost to income ratio	(%)	44.01	46.96	44.92	47.64	46.70	48.27	46.26	49.30
Capital Fund									
Capital adequacy ratio	(%)	22.47	22.86	23.18	22.40	22.14	21.49	20.62	20.70
Tier-1	(%)	17.99	18.30	18.56	18.39	18.18	17.62	17.15	17.20
Tier-2	(%)	4.49	4.57	4.61	4.01	3.97	3.87	3.47	3.50

Figure 1: Quarterly results

P & L (Bt mn)	1Q22	4Q22	1Q23	%YoY ch	%QoQ ch	% full year
Interest income	3,556	3,977	4,104	15	3	24
Interest expense	495	633	847	71	34	20
Net interest income	3,061	3,344	3,257	6	(3)	25
Non-interest income	1,345	1,520	1,373	2	(10)	24
Operating expenses	2,099	2,250	2,282	9	1	25
Pre-provision profit	2,307	2,614	2,349	2	(10)	24
Provision	85	379	125	47	(67)	22
Pre-tax profit	2,221	2,235	2,223	0	(1)	24
Income tax	439	443	441	0	(1)	24
MI and equity	13	14	10	(25)	(30)	NA
Net profit	1,795	1,806	1,793	(0)	(1)	24
EPS (Bt)	2.24	2.26	2.24	(0)	(1)	24
B/S (Bt mn)						
Gross loans	203,553	219,004	220,099	8	1	NM
Deposits	171,435	188,266	196,683	15	4	NM
BVPS (Bt)	53.70	53.44	55.70	4	4	NM
Ratios (%)						
Yield on earn. asset	5.78	6.08	6.08	0.30	(0.00)	NM
Cost of funds	1.04	1.23	1.60	0.55	0.37	NM
Net interest margin	4.98	5.12	4.83	(0.15)	(0.29)	NM
Cost to income	47.64	46.26	49.30	1.65	3.04	NM
Credit cost	0.17	0.70	0.23	0.06	(0.47)	NM
NPLs/total loans	2.15	2.09	2.13	(0.02)	0.04	NM
LLR/NPLs	262.11	258.82	248.08	(14.03)	(10.73)	NM

Source: TISCO and InnovestX Research

Note: * Percentage points

Figure 2: Valuation summary (price as of Apr 18, 2023)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F
BAY	Neutral	29.75	38.0	30.5	7.1	7.1	6.4	(9)	0	11	0.6	0.6	0.6	9	9	9	2.8	2.8	3.1
BBL	Outperform	160.00	197.0	27.2	10.4	6.9	6.3	11	50	11	0.6	0.6	0.5	6	8	9	3.4	4.1	4.4
KBANK	Neutral	132.50	163.0	26.4	8.8	7.3	6.5	(6)	20	13	0.6	0.6	0.5	7	8	9	2.8	3.4	3.8
KKP	Outperform	64.75	81.0	32.4	7.2	6.8	6.1	20	6	11	0.9	0.9	0.8	14	13	14	6.9	7.3	8.2
KTB	Outperform	16.70	21.0	30.3	6.9	6.6	6.4	56	5	3	0.6	0.6	0.5	9	9	9	4.1	4.5	4.7
SCB	No rec	101.00			9.1	7.4	6.9	6	22	8	0.7	0.7	0.6	8	10	10	3.9	4.7	5.1
TCAP	Underperform	43.00	42.0	4.9	9.4	9.7	8.8	0	(3)	10	0.7	0.7	0.7	8	8	8	7.2	7.2	7.2
TISCO	Neutral	101.50	105.0	11.3	11.3	10.8	10.7	6	4	1	1.9	1.8	1.8	17	17	17	7.6	7.9	7.9
TTB	Neutral	1.42	1.5	11.3	9.7	8.9	8.0	35	9	11	0.6	0.6	0.6	7	7	7	5.2	5.6	6.2
Average					8.9	8.0	7.3	6	20	9	0.8	0.8	0.7	10	10	10	4.9	5.3	5.6

Source: InnovestX 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.

InnovestX Securities Company Limited ("INVX") 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 InnovestX Securities Company Limited ("INVX") 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. INVX 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 INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by InnovestX Securities Company Limited ("INVX") 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. INVX 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 INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by InnovestX Securities Company Limited ("INVX") 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. INVX 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 INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by InnovestX Securities Company Limited ("INVX") 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. INVX 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 INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

INVX 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 INVX.

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 INVX.

© Copyright 2022 InnovestX Securities Co., Ltd. All right reserved.

CG Rating 2022 Companies with CG Rating**Companies with Excellent CG Scoring**

AAV, ADVANC, AF, AH, AIRA, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APURE, ARIP, ASP, ASW, AUCTION, AWC, AYUD, BAFS, BAM, BANPU, BAY, BBIK, BBL, BCP, BCPG, BDMS, BEM, BEYOND, BGC, BGRIM, BIZ, BKI, BOL, BPP, BRR, BTS, BTW, BWG, CENTEL, CFRESH, CGH, CHEWA, CHO, CIMBT, CK, CKP, CM, CNT, COLOR, COM7, COMAN, COTTO, CPALL, CPF, CPI, CPN, CRC, CSS, DDD, DELTA, DEMCO, DOHOME, DRT, DTAC, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ETC, ETE, FN, FNS, FPI, FPT, FSMART, FVC, GC, GEL, GFPT, GGC, GLAND, GLOBAL, GPI, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, ICC, ICHI, III, ILINK, ILM, IND, INTUCH, IP, IRC, IRCP, ITL, IVL, JTS, JWD, K, KBANK, KCE, KEX, KGI, KKP, KSL, KTB, KTC, LALIN, LANNA, LHFG, LIT, LOXLEY, LPN, LRH, LST, MACO, MAJOR, MAKRO, MALEE, MBK, MC, MCOT, METCO, MFEC, MINT, MONO, MOONG, MSC, MST, MTC, MVP, NCL, NEP, NER, NKI, NOBLE, NSI, NVD, NYT, OISHI, OR, ORI, OSP, OTO, PAP, PCSGH, PDG, PDJ, PG, PHOL, PLANB, PLANET, PLAT, PORT, PPS, PR9, PREB, PRG, PRM, PSH, PSL, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, RBF, RS, S, S&J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SCN, SDC, SEAFECO, SEAOL, SE-ED, SELIC, SENA, SENAJ, SGF, SHR, SICT, SIRI, SIS, SITHAI, SMPK, SNC, SONIC, SORKON, SPALI, SPI, SPRC, SPVI, SSC, SSSC, SST, STA, STGC, STGT, STI, SUN, SUSCO, SUTHA, SVI, SYMC, SYNTec, TACC, TASCO, TPCAP, TEAMG, TFMAMA, THANA, THANI, THCOM, THG, THIP, THRE, THREL, TIPCO, TISCO, TK, TKN, TKS, TKT, TMILL, TMT, TNDT, TNITY, TOA, TOP, TPBI, TQM, TRC, TRUE, TSC, TSR, TSTE, TSTH, TTA, TTB, TTCL, TTW, TU, TVDH, TVI, TVO, TWPC, U, UAC, UBIS, UPOIC, UV, VCOM, VGI, VIH, WACOAL, WAVE, WHA, WHAUP, WICE, WINNER, XPG, ZEN

Companies with Very Good CG Scoring

2S, 7UP, ABICO, ABM, ACE, ACG, ADB, ADD, AEONTS, AGE, AHC, AIE, AIT, ALUCON, AMANAH, AMR, APCO, APCS, AQUA, ARIN, ARROW, AS, ASAP, ASEFA, ASIA, ASIAN, ASIMAR, ASK, ASN, ATP30, B, BA, BC, BCH, BE8, BEC, SCAP, BH, BIG, BJC, BJCHI, BLA, BR, BRI, BROOK, BSM, BYD, CBG, CEN, CHARAN, CHAYO, CHG, CHOTI, CHOW, CI, CIG, CITY, CIVIL, CMC, CPL, CPW, CRANE, CRD, CSC, CSP, CV, CWT, DCC, DHOUSE, DITTO, DMT, DOD, DPAINT, DV8, EASON, EFORL, ERW, ESSO, ESTAR, FE, FLOYD, FORTH, FSS, FTE, GBX, GCAP, GENCO, GJS, GTB, GYT, HEMP, HPT, HTC, HUMAN, HYDRO, ICN, IFS, IIG, IMH, INET, INGRS, INSET, INSURE, IRCP, IT, ITD, J, JAS, JCK, JCKH, JMT, JR, KBS, KCAR, KIAT, KISS, KK, KOOL, KTIS, KUMWEL, KUN, KWC, KWM, L&E, LDC, LEO, LH, LHK, M, MATCH, MBAX, MEGA, META, MFC, MGT, MICRO, MILL, MITSIB, MK, MODERN, MTI, NBC, NCAP, NCH, NDR, NETBAY, NEX, NINE, NATION, NNCL, NOVA, NPK, NRF, NTV, NUSA, NWR, OCC, OGC, ONEE, PACO, PATO, PB, PICO, PIMO, PIN, PJW, PL, PLE, PM, PMTA, PPP, PPPM, PRAPAT, PRECHA, PRIME, PRIN, PRINC, PROEN, PROS, PROUD, PSG, PSTC, PT, PTC, QLT, RCL, RICHY, RJH, ROJNA, RCP, RT, RWI, S11, SA, SABUY, SAK, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCI, SCP, SE, SECURE, SFLEX, SFP, SFT, SGP, SIAM, SINGER, SKE, SKN, SKR, SKY, SLP, SMART, SMD, SMT, SNNP, SNP, SO, SPA, SPD, SPCG, SR, SRICHA, SSF, SSP, STANLY, STC, STPI, SUC, SVOA, SVT, SWC, SYNEX, TAE, TAKUNI, TCC, TCMC, TFG, TFI, TFM, TGH, TIDLOR, TIGER, TIPH, TITLE, TM, TMC, TMD, TMI, TNL, TNP, TNR, TOG, TPA, TPAC, TPCS, TPIPL, TPIPP, TPLAS, TPS, TQR, TRITN, TRT, TRU, TRV, TSE, TVT, TWP, UBE, UEC, UKEM, UMI, UOBKH, UP, UPF, UTP, VIBHA, VL, VPO, VRANDA, WGE, WIIK, WIN, WINMED, WORK, WP, XO, YUASA, ZIGA

Companies with Good CG Scoring

A, A5, AI, ALL, ALPHAX, AMC, APP, AQ, AU, B52, BEAUTY, BGT, BLAND, BM, BROCK, BSBM, BTNC, CAZ, CCP, CGD, CMAN, CMO, CMR, CPANEL, CPT, CSR, CTW, D, DCON, EKH, EMC, EP, EVER, F&D, FMT, GIFT, GLOCON, GLORY, GREEN, GSC, HL, HTECH, IHL, INOX, JAK, JMART, JSP, JUBILE, KASET, KCM, KWI, KYE, LEE, LPH, MATI, M-CHAI, MCS, MDX, MENA, MJD, MORE, MPIC, MUD, NC, NEWS, NFC, NSL, NV, PAF, PEACE, PF, PK, PPM, PRAKIT, PTL, RAM, ROCK, RP, RPH, RSP, SIMAT, SISB, SK, SOLAR, SPACK, SPG, SQ, STARK, STECH, SUPER, SVH, PTECH, TC, TCCC, TCJ, TEAM, THE, THMUI, TKC, TNH, TNPC, TOPP, TPCH, TPOLY, TRUBB, TTI, TYCN, UMS, UNIQ, UPA, UREKA, VARO, W, WFX, WPH, YGG

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. InnovestX 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 2021 to 27 October 2022) is publicized.

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีส่วนดำเนินการทำบัญชีการเงิน เช่น การกระทำเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้อินโฟ CGR ของระดับนักข่าวดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator**Certified (ได้รับรับรอง)**

2S, 7UP, ADVANC, AF, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBL, BCH, BCP, BCPG, BE8, BEC, 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, CPL, CPN, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DRT, DUSIT, EA, EASTW, 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, III, ILINK, INET, INSURE, INTUCH, IRC, IRCP, ITL, IVL, JKN, JR, K, KASET, KBANK, KBS, KCAR, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, KWI, L&E, LANNA, LH, LHFG, LHK, LPN, LRH, M, MAJOR, MAKRO, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NEP, NINE, NKI, NOBLE, NOK, 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, RABBIT, 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, SKT, SMT, SMK, SMPK, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTec, TAE, TAKUNI, TASCO, TPCAP, 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, TPP, TRU, TSC, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVI, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIIK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

AH, ALT, APCO, ASW, B52, CHG, CI, CPR, CPW, DDD, DHOUSE, DOHOME, ECF, EKH, ETC, EVER, FLOYD, GLOBAL, ILM, INOX, J, JMART, JMT, JTS, KEX, KUMWEL, LDC, MEGA, NCAP, NOVA, NRF, NUSA, OR, PIMO, PLE, RS, SAK, SIS, SSS, STECH, SUPER, SVT, TKN, TMD, TMI, TQM, TRT, TSI, VARO, VCOM, VIBHA, W, WIN

N/A

24CS, 3K-BAT, A, A5, AAI, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, ALL, ALLA, ALPHAX, ALUCON, AMARIN, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, BA, BBGI, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLAND, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BTG, BTNC, BTW, BUI, BVG, BYD, CAZ, CBG, CCET, CCP, CEYE, CGM, CH, CHARAN, CHASE, 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, DEXON, DITTO, DMT, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, ECL, EE, EFORL, EMC, ESSO, F&D, FANCY, FMT, FN, FORTH, FTI, FVC, GENCO, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GREEN, GSC, GTB, GTV, GYT, HFT, HL, HPT, HTECH, HUMAN, HYDRO, ICN, IFEC, IHL, IIG, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITC, ITD, ITNS, ITTHI, JAK, JAS, JCK, JCKH, JCT, JDF, JSP, JUBILE, KAMART, KC, KCC, KCM, KDH, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUN, KWC, KWM, KYE, LALIN, LEE, LEO, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MASTER, MATI, MAX, M-CHAI, MCS, MDX, MEB, MENA, METCO, MGT, MICRO, MIDA, MITSIB, MJD, MK, ML, MODERN, MORE, MOSHI, MPIC, MTW, MUD, MVP, NATION, NC, NCH, NCL, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NNCL, NPK, NSL, NTSC, NTV, NV, NVD, NYT, OHTL, OISHI, ONEE, OSP, OTO, PACE, PACO, PAF, PCC, PEACE, PERM, PF, PICO, PIN, PJW, PLUS, PMTA, POLAR, POLY, POMPU, PORT, POST, PPM, PQS, PRAKIT, PRAPAT, PRECHA, PRI, PRIME, PRIN, PRO, PROEN, PROUD, PRTR, PSG, PTC, PTECH, PTL, RAM, RBF, RCL, READY, RICHY, RJH, ROCK, ROH, ROJNA, RP, RCP, RPH, RSP, RT, S, S11, SA, SABUY, SAF, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWANG, SCAPE, SCI, SCP, SDC, SE, SEAFECO, SECURE, SENAJ, SFLEX, SFP, SFT, SGC, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SJWD, SK, SKE, SKN, SKY, SLM, SLP, SM, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SSC, STANLY, STARK, STC, STEC, STHAI, STI, STP, STPI, SUC, SUN, SUTHA, SVOA, SVR, SWC, SYNEX, TACC, TPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TEGH, TEKA, TFM, TGE, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITLE, TK, TKC, TLI, TM, TMC, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRUBB, TRUE, TRV, TSE, TSF, TSR, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPOIC, UREKA, UTP, UVAN, VL, VNG, VPO, VRANDA, WARRIX, 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 July 7, 2022) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.