

Krungthai Card

Krungthai Card
Public Company Limited

KTC

Bloomberg
Reuters

KTC TB
KTC.BK



Modest growth outlook, rich valuation

KTC is poised for only modest earnings growth of 7% YoY, with a dip of 2% QoQ in 4Q23, followed by growth of 4% in 2024, with assumptions of moderate loan growth, lower NIM and rising credit cost, pressured by the BoT's persistent debt measure and a step up in credit card minimum payment. We maintain Underperform with an unchanged TP of Bt44 because of its modest earnings growth outlook and rich valuation.

4Q23F preview: We expect 4Q23F earnings to slip 2% QoQ (better topline offsetting higher ECL and opex) but rise 7% YoY (better topline) to Bt1.82bn, with a seasonal acceleration in loan growth of 8% QoQ and 11% YoY, a 43 bps QoQ fall in NIM, a 43 bps QoQ rise in credit cost, good non-NII growth at 11% YoY and QoQ and a seasonal rise in cost to income ratio in 4Q23 (from marketing expenses).

Easing loan growth in 2024. We expect loan growth to ease to 10% in 2024F from 11% in 2023F, which lines up with KTC's 2024 loan growth target of 10% (vs. 11% for 2023F). This assumes 5% growth in personal loans (vs. 7% in 2023) and expansion in title loans (KTC P BERM) to Bt6bn (vs. Bt2.6-2.7bn in 2023F). It also targets 15% growth in credit card spending (vs. 12% in 2023F). We expect credit card loan growth to slow in 2024 and 2025 in response to the rise in credit card minimum payment rate from 5% in 2023 to 8% in 2024 and 10% in 2025.

NIM to be hit by the persistent debt measure. In 2024, we expect KTC's NIM to be hit by the BoT's move to tackle persistent debt (PD, debt on which interest paid over 5 years has exceeded the principal) for low-income debtors (monthly income of not over Bt10,000 for non-banks and Bt20,000 for banks and their subsidiaries). Effective from April 2024, debtors with persistent debt will be given the option of converting their loans into term loans at a reduced interest rate not exceeding 15% (vs. the 25% ceiling rate) to allow them to complete repayment in five years. If all eligible customers opt into the PD measure, KTC estimates this will slice ~Bt18mn/month off interest income. Pressured by the PD measure and rising cost of funds, we expect NIM to fall 21 bps in 2024F (vs. -9 bps in 2023F).

Rising credit cost on higher credit card minimum payment. We expect credit cost to go up in 2024 and 2025 after credit card minimum payment rate goes up from 5% in 2023 to 8% in 2024 and 10% in 2025. Its unusually low credit cost in 2020-2023 may be due to the debt relief measure of a temporary cut in the minimum credit card payment rate. We conservatively expect credit cost to rise from 5.5% in 2023F to 5.75% in 2024F and 6% in 2025F.

Most earnings growth outlook. We expect earnings growth at 4% each year in 2023-2025, with so-so loan growth, falling NIM and rising credit cost.

Maintain Underperform with an unchanged TP of Bt44 (at 2.8x 2024F PBV, based on 20% L-T ROE, 8.5% cost of equity and 2% L-T growth) on modest earnings growth outlook and rich valuation.

Key risks: 1) Asset quality risk from a step up in credit card minimum payment from 5% to 8% in 2024 and 10% in 2025 and an uneven economic recovery, 2) NIM risk from further policy rate hikes and 3) the BoT's household debt measures.

Forecasts and valuation

Year to 31 Dec	Unit	2021	2022	2023F	2024F	2025F
Pre-provision profit	(Btmn)	11,233	11,905	13,283	14,485	15,786
Net profit	(Btmn)	5,879	7,079	7,349	7,626	7,948
PPP/share	(Bt)	4.40	4.63	5.18	5.64	6.14
EPS	(Bt)	2.28	2.75	2.85	2.96	3.08
BVPS	(Bt)	10.41	12.16	13.91	15.73	17.63
DPS	(Bt)	1.00	1.10	1.14	1.18	1.23
P/PPP	(x)	10.12	9.60	8.59	7.88	7.25
PPP growth	(%)	(5.06)	5.41	11.80	8.96	8.80
PER	(x)	19.52	16.21	15.61	15.05	14.44
EPS growth	(%)	10.24	20.42	3.81	3.76	4.23
PBV	(x)	4.28	3.66	3.20	2.83	2.52
ROE	(%)	23.69	24.33	21.86	19.96	18.48
Dividend yields	(%)	2.25	2.47	2.56	2.66	2.77

Source: InnovestX Research

Tactical: UNDERPERFORM (3-month)

Stock data

Last close (Jan 10) (Bt)	44.50
Target price (Bt)	44.00
Mkt cap (Btmn)	114.74
Mkt cap (US\$mn)	3,273

Beta	M
Mkt cap (%) SET	0.66
Sector % SET	3.58
Shares issued (mn)	2,578
Par value (Bt)	1.00
12-m high / low (Bt)	60.3 / 40.5
Avg. daily 6m (US\$mn)	5.91
Foreign limit / actual (%)	49 / 13
Free float (%)	35.0
Dividend policy (%)	~ 40

Share performance

(%)	1M	3M	12M
Absolute	(3.8)	(4.8)	(23.9)
Relative to SET	(6.0)	(2.0)	(9.3)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	AAA
-----------------	-----

ESG Bloomberg Rank in the sector

ESG Score Rank	1/41
Environmental Score Rank	3/41
Social Score Rank	1/41
Governance Score Rank	3/41

ESG comment

KTC is in the top rank of ESG score with the SET ESG rating at AAA. It provides concrete targets for environmental and social issues with a decent board of directors.

Source: Bloomberg Finance L.P.

Analyst

Kittima Sattayapan, CFA

Fundamental Investment

Analyst on Securities

(66-2) 949-1003

kittima.sattayapan@scb.co.th

Value proposition

KTC is positioned as a leading consumer finance operator with a focus on credit card and personal loans. In 9M23, KTC's credit card business had a market share of 10% in terms of number of credit cards, 12.2% in terms of credit card spending and 14.9% in terms of credit card loans and in the personal loan business, market share was 4.1% of personal loans outstanding.

Business outlook

We expect 4Q23F earnings to slip 2% QoQ (better topline offsetting higher ECL and opex) but rise 7% YoY (better topline). We expect a modest 4% earnings growth in 2024 on the back of 10% loan growth, narrowed NIM and rising credit cost.

Bullish views	Bearish views
1. Moderate loan growth.	1. Falling NIM from rising cost of funds and tighter regulations 2. Asset quality risk as a result of uneven economic recovery and a step up in credit card minimum payment.

Key catalysts

Factor	Event	Impact	Comment
Persistent Debt measure	Effective from April 2024, debtors with persistent debt will be given the option of converting their loans into term loans with a reduced interest rate not exceeding 15% (vs. the 25% ceiling rate)	Falling NIM	We expect NIM to continue to fall in 2024-2025.
Asset quality risk	A step up in credit card minimum payment from 5% to 8% in 2024 and 10% in 2025	Negative	We expect credit cost to rise in 2024 and 2025.

Sensitivity analysis

Factor	Earnings impact	TP impact
50 bps change in NIM	7%	Bt1/sh.
50 bps change in credit cost	7%	Bt1/sh.

Our view on ESG

KTC is in the top rank of ESG score with the SET ESG rating at AAA. We view that KTC provides concrete targets on environmental and social issues with a committed timeline and actual performance relative to its targets. We view KTC’s management and governance as satisfactory, with a decent board of directors.

EGS Disclosure Score

Bloomberg ESG Score	57.09 (2022)
Rank in Sector	1/41

CG Rating	DJSI	SETESG	SET ESG Ratings
KTC 5	No	Yes	AAA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- KTC sets a L-T 2026 targets for 1) electricity energy consumption reduction by 5%, 2) water consumption reduction by 5%, 3) waste separation and recycling or proper waste disposal by 100% and 4) greenhouse gas emissions reduction by 6%.
- In 2022, it reported 1) a 4% increase in electricity energy consumption, 2) a 5% reduction in water consumption, 3) waste separation and recycling or proper waste disposal by 100%, and 4) greenhouse gas emissions reduction by 14% in total from the base year 2018.

Social Issue (S)

- Average training per staff per year was 64.38 hours in 2022.
- The level of employee engagement was 68% in 2022.
- Key flagship initiative: Financial access and education for all Thais.
- KTC has promoted occupational health and safety knowledge amongst employees; Organizing workplace to facilitate work, prevent occupational hazards or work-related illnesses that may occur to employees.
- Membership in the Thai Private Sector Collective Action Against Corruption since 2016.

Governance Issue (G)

- As of December 31, 2022, the Board of Directors comprised of 8 members which are namely 1 member as Chief Executive Officer (12.5%), 2 non-executive directors (25%), and 5 independent directors (62.5%) with only 1 female director (12.5%).
- KTC received “Excellent” rating, the highest award in the Corporate Governance Report of Thai Listed Companies survey conducted by the Thai Institute of Directors Association (IOD) for the seventh consecutive year from 2016-2022.
- KTC received an honourable award as KTC was selected to be on the list of Thailand Sustainability Investment (THSI) for the fourth consecutive year from 2019-2022.
- KTC was included in “The Sustainability Yearbook 2022” as the only member from Thailand in the Diversified Financial Services and Capital Markets industry. KTC considers Environmental, Social and Governance (ESG) in conducting sustainable business and focusing on balanced growth of great business performance and social responsibility. Corporate Sustainability Assessment was conducted by S&P Global.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	56.76	57.09
Environment	29.84	31.80
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	0.39	0.50
Biodiversity Policy	No	No
Energy Efficiency Policy	Yes	Yes
Total Water Withdrawal	16.92	16.92
Social	59.28	58.28
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Fatalities - Employees	0.0	0.0
Total Recordable Incident Rate - Employees	0.0	0.0
Number of Employees - CSR	1,705	1,695
Governance	81.10	81.10
Size of the Board	8	8
Number of Board Meetings for the Year	19	15
Board Meeting Attendance Pct	96	98
Number of Female Executives	5	5
Number of Independent Directors	4	5
Board Duration (Years)	3	3

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. 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	2022	2023F	2024F	2025F
Interest & dividend income	(Btmn)	8,796	9,468	10,355	10,673	11,379	12,789	13,997	15,232
Interest expense	(Btmn)	1,555	1,566	1,534	1,416	1,392	1,726	2,047	2,286
Net interest income	(Btmn)	7,241	7,902	8,821	9,257	9,986	11,063	11,951	12,946
Non-interest income	(Btmn)	12,402	13,157	11,700	10,769	11,852	12,879	14,020	15,142
Non-interest expenses	(Btmn)	7,524	7,722	7,260	7,326	8,117	8,840	9,597	10,327
Earnings before tax & provision	(Btmn)	12,119	13,337	13,261	12,700	13,722	15,101	16,374	17,761
Provision	(Btmn)	5,703	6,433	6,605	5,456	4,868	6,009	6,929	7,886
Earnings before tax	(Btmn)	6,417	6,904	6,656	7,245	8,854	9,092	9,446	9,874
Tax	(Btmn)	1,277	1,380	1,325	1,467	1,818	1,818	1,889	1,975
Equities & minority interest	(Btmn)	0	0	2	101	43	75	69	48
Net profit	(Btmn)	5,140	5,524	5,333	5,879	7,079	7,349	7,626	7,948
EPS	(Bt)	1.99	2.14	2.07	2.28	2.75	2.85	2.96	3.08
DPS	(Bt)	0.82	0.88	0.88	1.00	1.10	1.14	1.18	1.23

Balance Sheet

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Cash	(Btmn)	2,722	1,348	1,914	2,363	2,182	2,182	2,229	2,274
Gross loans	(Btmn)	78,202	85,834	89,607	92,047	103,509	114,995	126,001	136,877
Loan loss reserve	(Btmn)	5,489	5,670	7,355	9,691	8,792	8,792	8,792	7,149
Net loans	(Btmn)	72,713	80,756	82,794	82,944	95,402	106,888	117,894	130,413
Total assets	(Btmn)	79,648	85,409	88,403	89,471	101,796	113,313	124,399	136,997
S-T borrowings	(Btmn)	8,787	11,375	13,959	9,130	10,179	10,179	10,179	10,179
L-T borrowings	(Btmn)	40,050	39,980	34,948	35,925	46,992	53,992	60,392	68,092
Total liabilities	(Btmn)	63,296	65,674	65,553	62,387	70,220	77,220	83,620	91,320
Paid-up capital	(Btmn)	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Total Equities	(Btmn)	16,352	19,708	22,799	26,836	31,353	35,870	40,556	45,454
BVPS	(Bt)	6.34	7.64	8.84	10.41	12.16	13.91	15.73	17.63

Key Financial Ratios

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Loan growth	(%)	6.42	9.76	4.40	2.72	12.45	11.10	9.57	8.63
Yield on earn'g assets	(%)	11.60	11.54	11.80	11.75	11.64	11.94	11.87	11.85
Cost on int-bear'g liab	(%)	2.89	2.81	2.66	2.51	2.39	2.64	2.84	2.89
Spread	(%)	8.70	8.74	9.15	9.24	9.25	9.30	9.03	8.96
Net interest margin	(%)	9.55	9.63	10.06	10.19	10.21	10.13	9.92	9.85
Cost to income ratio	(%)	35.49	34.13	32.92	34.17	34.94	34.44	34.25	34.00
Provision expense/Total loans	(%)	7.52	7.84	7.53	6.01	4.98	5.50	5.75	6.00
NPLs/ Total Loans	(%)	1.14	1.06	1.78	3.60	1.78	2.09	2.19	2.22
LLR/NPLs	(%)	616	622	460	292	476	366	319	235
ROA	(%)	6.71	6.69	6.14	6.61	7.40	6.83	6.42	6.08
ROE	(%)	35.53	30.64	25.09	23.69	24.33	21.86	19.96	18.48
D/E	(x)	3.87	3.33	2.88	2.32	2.24	2.15	2.06	2.01

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Interest & dividend income	(Btmn)	2,713	2,612	2,819	2,913	3,035	3,013	3,161	3,265
Interest expense	(Btmn)	348	337	334	343	378	390	415	441
Net interest income	(Btmn)	2,366	2,275	2,485	2,569	2,657	2,622	2,746	2,824
Non-interest income	(Btmn)	2,871	2,745	2,916	2,974	3,217	3,042	3,079	3,196
Non-interest expenses	(Btmn)	1,990	1,798	1,986	2,056	2,276	1,985	2,135	2,252
Earnings before tax & provision	(Btmn)	3,247	3,221	3,415	3,487	3,599	3,680	3,690	3,768
Provision	(Btmn)	1,816	1,045	1,039	1,276	1,508	1,367	1,438	1,477
Earnings before tax	(Btmn)	1,432	2,176	2,376	2,211	2,091	2,313	2,252	2,290
Tax	(Btmn)	294	436	479	447	418	452	463	464
Equities & minority interest	(Btmn)	111	7	(3)	8	31	11	17	30
Net profit	(Btmn)	1,248	1,747	1,894	1,773	1,704	1,872	1,806	1,857
EPS	(Bt)	0.48	0.68	0.73	0.69	0.66	0.73	0.70	0.72

Balance Sheet

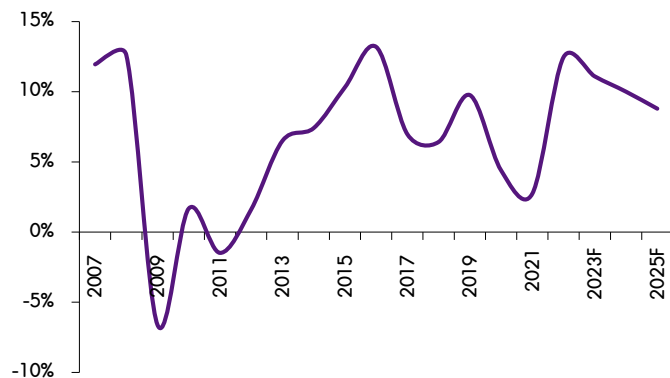
FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Cash	(Btmn)	2,363	1,674	1,573	1,618	2,182	1,705	1,855	2,744
Gross loans	(Btmn)	92,047	89,623	94,467	96,390	103,509	102,636	104,920	106,700
Loan loss reserve	(Btmn)	9,691	9,744	9,814	8,598	8,792	8,934	9,225	9,469
Net loans	(Btmn)	82,944	80,463	85,255	88,418	95,402	94,378	96,363	97,231
Total assets	(Btmn)	89,471	86,163	90,845	93,962	101,796	100,220	102,545	104,578
S-T borrowings	(Btmn)	9,130	4,080	12,348	10,390	10,179	9,977	9,539	6,170
L-T borrowings	(Btmn)	35,925	35,750	36,832	41,348	46,992	43,026	47,183	48,517
Total liabilities	(Btmn)	62,387	57,334	62,694	64,047	70,220	66,778	70,268	70,462
Paid-up capital	(Btmn)	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
Total Equities	(Btmn)	26,836	28,584	27,899	29,672	31,353	33,225	32,066	33,922
BVPS	(Bt)	10.41	11.09	10.82	11.51	12.16	12.89	12.44	13.16

Key Financial Ratios

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Loan growth	(%)	2.72	3.82	6.22	11.43	12.45	14.52	11.06	10.70
Yield on earn'g assets	(%)	12.62	11.92	12.69	12.76	12.42	12.03	12.60	12.88
Cost on int-bear'g liab	(%)	2.58	2.56	2.50	2.40	2.49	2.57	2.70	2.77
Spread	(%)	10.03	9.36	10.19	10.37	9.93	9.46	9.90	10.12
Net interest margin	(%)	11.00	10.38	11.19	11.26	10.87	10.47	10.94	11.14
Cost to income ratio	(%)	35.63	33.57	34.63	34.93	36.40	32.78	34.21	34.85
Provision expense/Total loans	(%)	7.89	4.66	4.40	5.30	5.83	5.33	5.48	5.54
NPLs/ Total Loans	(%)	3.60	3.58	3.46	1.99	1.78	1.88	2.03	1.80
LLR/NPLs	(%)	292	304	300	449	476	462	433	494
ROA	(%)	5.78	7.96	8.56	7.67	6.96	7.41	7.12	7.17
ROE	(%)	19.06	25.22	26.82	24.63	22.33	23.19	22.13	22.51

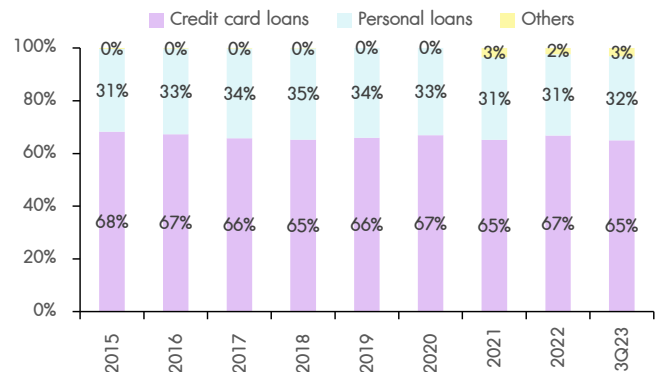
Appendix

Figure 1: Loan growth



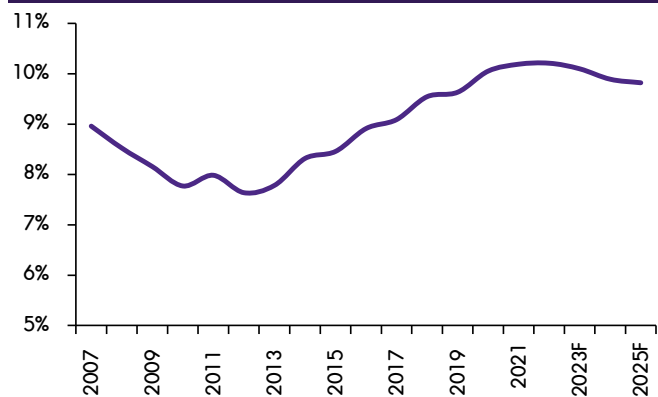
Source: KTC and InnovestX Research

Figure 2: Loan breakdown



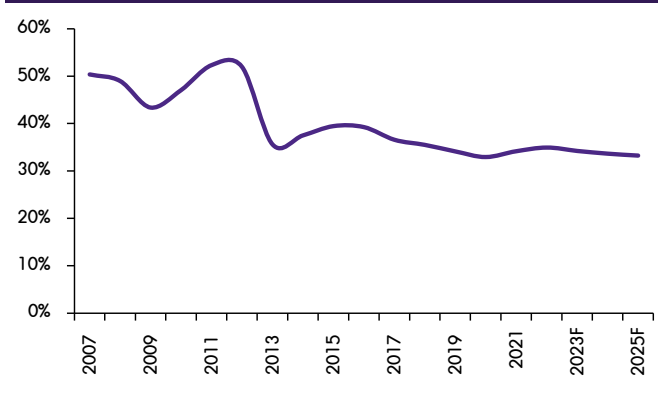
Source: KTC and InnovestX Research

Figure 3: NIM



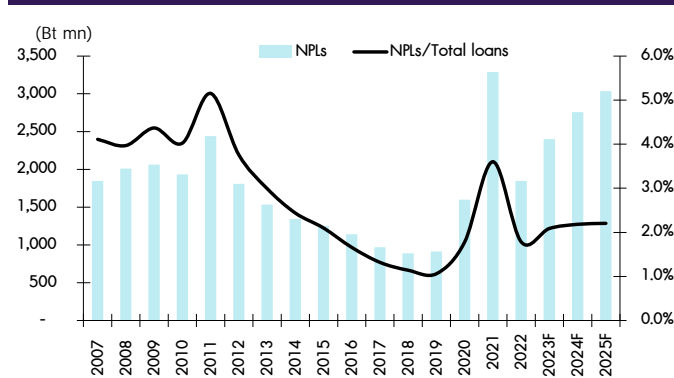
Source: KTC and InnovestX Research

Figure 4: Cost to income ratio



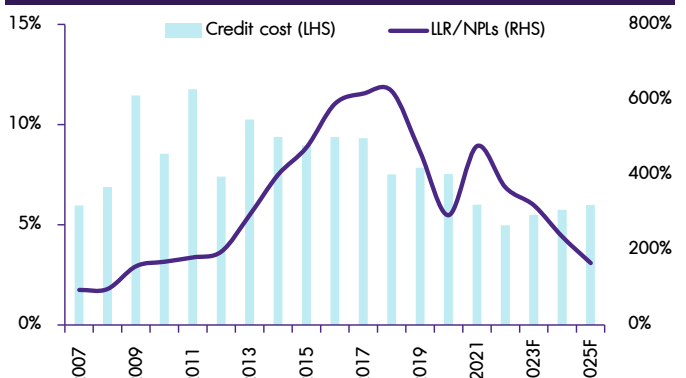
Source: KTC and InnovestX Research

Figure 5: NPLs



Source: KTC and InnovestX Research

Figure 6: Credit cost and LLR coverage



Source: KTC and InnovestX Research

Figure 7: Valuation summary (price as of Jan 10, 2024)

	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
AEONTS	Neutral	159.50	164.0	5.5	10.5	13.3	13.0	7	(21)	2	1.7	1.6	1.5	18	13	12	3.4	2.6	2.7
KTC	Underperform	44.50	44.0	1.4	16.2	15.6	15.0	20	4	4	3.7	3.2	2.8	24	22	20	2.5	2.6	2.7
MTC	Neutral	46.50	40.0	(13.2)	19.4	20.1	17.3	3	(4)	16	3.4	3.1	2.7	19	16	17	2.0	0.7	0.9
SAWAD	Neutral	42.00	50.0	20.4	12.9	11.2	9.8	(5)	15	15	2.2	2.0	1.7	18	19	19	4.3	1.3	1.5
TIDLOR	Outperform	23.60	26.0	11.4	16.2	16.6	13.7	7	(3)	21	2.3	2.2	2.0	15	14	15	1.2	1.2	1.5
THANI	Neutral	2.74	2.8	8.4	8.9	10.9	10.2	3	(19)	7	1.3	1.2	1.2	14	11	11	6.2	6.2	6.2
Average					14.0	14.6	13.2	6	(5)	11	2.4	2.2	2.0	18	16	16	3.3	2.4	2.6

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 wholly owned by SCB X Public Company Limited ("SCBX") and The Siam Commercial Bank Public Company Limited ("SCB") is majority-owned by SCBX. Any information related to SCB is for sector comparison purpose.

This document is prepared by InnovestX Securities Company Limited ("INVX") which is wholly-owned by SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, 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 SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the Big C Retail Company Limited (BRC), a subsidiary of Berli Jucker 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 SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the LH Hotel Leasehold Real Estate Investment Trust. 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 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALL, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCT, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIIK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITL, TCK, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, 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. 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 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้ผ่านการรับรอง)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, 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, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, ESCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCOC, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIIK, XO, YUASA, ZEN, ZIGA

Declared (ได้ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, OTO, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTIC, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PCC, PEACE, PFERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, POMPUJ, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, SSS, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITL, TK, TCK, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNLC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWI, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.