

Kasikornbank

Kasikornbank
Public Company Limited

KBANK

Bloomberg KBANK.TB
Reuters KBANK.BK



1Q24: Beat on lower-than-expected ECL

Beating all forecasts on ECLs, KBANK's 1Q24 results showed lower credit cost, stable NPL inflow, contracting loans, falling NIM, weaker non-NII and a seasonal lower cost to income ratio. We continue to expect flat earnings in 2024F and rate it Neutral with an unchanged TP of Bt140.

1Q24: Beat on ECLs. KBANK reported 1Q24 net profit of Bt13.5bn (+44% QoQ, +26% YoY), 22% above INVX and consensus forecasts on lower-than-expected ECL. Below is a closer look at important elements.

- Asset quality: NPLs were lowered 1% QoQ (+15% QoQ, if write-offs & sale of NPLs are added back, suggesting stable NPL inflow). Write-offs & sale of NPLs leapt 72% QoQ but fell 54% YoY to Bt17bn. KBANK plans to cut write-offs & NPL sales by 30% in 2024 to Bt65bn from Bt93bn in 2023. Stage 2 loans were stable QoQ. Credit cost fell 32 bps QoQ (-16 bps YoY) to 1.89%, lower than expected but in line with its full-year guidance of 1.75-1.95%. At the analyst meeting, KBANK said it has not set aside the full ECL for loans to a specific construction company, which are now in stage 2. However, if the loans are classified as NPLs, its 2024 credit cost would still be in line with guidance of 1.75-1.95%. We conservatively maintain our 2024F credit cost at 1.95% (-13 bps). LLR coverage slipped to 139% from 142% at 4Q23, still below target of 150%.
- Loan growth: -1.1% QoQ (mainly SMEs and credit card loans), -0.1% YoY.
- NIM: -7 bps QoQ to 3.76% on a 6 bps QoQ ease in yield on earning assets and a 3 bps QoQ rise in cost of funds.
- Non-NII: -5% QoQ (-2% YoY) due to smaller gain on financial instruments. Net fee income rose 10% QoQ (+2% YoY) from mutual funds, electronic collection and fees from acceptance, aval and guarantees.
- Cost to income ratio: -635 bps QoQ (-94 bps YoY) to 41.41%. Opex fell 15% QoQ (+5% YoY) on seasonality.

2024F outlook. 1Q24 earnings accounted for 31% of our 2024F. We expect 2024F earnings to be flattish, with 3% loan growth, a 3 bps slip in NIM, a 13 bps reduction in credit cost, a 9% fall in non-NII and a stable cost to income ratio.

Maintain Neutral with an unchanged TP at Bt140 (0.6x 2024F PBV, based on 6.5% L-T ROE, 10.2% cost of equity and 1% L-T growth).

Key risks: 1) Asset quality risk from an uneven economic recovery and global economic slowdown, 2) downside risk to loan growth from weak loan demand and high competition, 3) non-NII under pressure by a volatile capital market.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Net profit	(Bt mn)	35,769	42,405	42,972	47,130	52,934
EPS	(Bt)	15.10	17.90	18.14	19.89	22.34
BVPS	(Bt)	212.41	224.66	236.29	249.68	265.03
DPS	(Bt)	4.00	6.50	6.50	7.00	8.00
P/E	(x)	8.21	6.93	6.84	6.23	5.55
EPS growth	(%)	(6.00)	18.55	1.34	9.68	12.31
P/BV	(x)	0.58	0.55	0.52	0.50	0.47
ROE	(%)	7.30	8.19	7.87	8.19	8.68
Dividend yield	(%)	3.23	5.24	5.24	5.65	6.45

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data	
Last close (Apr 22) (Bt)	124.00
Target price (Bt)	140.00
Mkt cap (Btbn)	293.80
Mkt cap (US\$mn)	7,934
Risk rating	L
Mkt cap (%) SET	1.76
Sector % SET	10.57
Shares issued (mn)	2,369
Par value (Bt)	10.00
12-m high / low (Bt)	138 / 118.5
Avg. daily 6m (US\$mn)	36.99
Foreign limit / actual (%)	49 / 42
Free float (%)	79.7
Dividend policy (%)	NA

Share performance			
(%)	1M	3M	12M
Absolute	0.0	2.5	(3.5)
Relative to SET	2.3	3.0	11.4

Source: SET, InnovestX Research

2023 Sustainability/ 2022 ESG Score

SET ESG Ratings AAA

ESG Bloomberg Rank in the sector

ESG Score Rank	2/12
Environmental Score Rank	3/12
Social Score Rank	3/12
Governance Score Rank	1/12

ESG comment

With a SET ESG rating of AAA, KBANK's ESG score is above the sector average on all fronts.

Source: Bloomberg Finance L.P.

Analyst

Kittima Sattayapan, CFA

Fundamental Investment

Analyst on Securities

(66-2) 949-1003

kittima.sattayapan@scb.co.th

Our view on ESG

With a SET ESG rating of AAA, KBANK's ESG score is above the sector average on all fronts. We view that KBANK provides concrete targets on environmental issues with a committed timeline as well as actual engagement in social contribution. We view KBANK's management and governance as satisfactory, with a decent board of directors.

ESG Disclosure Score

Bloomberg ESG Score	61.39 (2022)
Rank in Sector	2/12

CG Rating	DJSI	SETESG	SET ESG Ratings	
KBANK	5	Yes	Yes	AAA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- By 2025, KBANK is committed for reduction Greenhouse gas emission by 21%. By 2030, it is committed to achieve of Net Zero emission from its operations, allocate of at least Bt100-200bn in sustainable financing and investment, and reduce of lending for coal-fired power plants and coal to zero. It will contribute to the global effort to transition to net zero emissions by 2050 and will align with the Paris Agreement goals.
- Outputs of environmental operations: 1) Reduction of GHG emissions: 12.74% (Baseline year: 2020); 2) Formulation of glidepaths and/or sector strategies for two industry, namely cement industry and aluminum industry; 3) Sustainable financing and investment: Bt47bn

Governance Issue (G)

- As of December 31, 2023, the Bank's Board of Directors had 18 members. The board comprises of 6 independent directors (33%), 7 non-executive directors (39%) and 5 executive directors (28%) with 8 female members (44%).
- KBANK was awarded AAA level under the SET ESG Ratings 2023 (previously known as Thailand Sustainability Investment (THSI)) by the Stock Exchange of Thailand.

Social Issue (S)

- Social projects: Three projects promoting employment generation and supporting SMEs, franchise business groups and retail shops in communities, which have extended loans to 2,797 retail customers. One project supporting access to essential services, which has extended loans to 300 customers.
- Outputs of social contributions: 1) Financial literacy for the underprivileged: 53,886 persons per year; 2) Cyber literacy campaigns for 28.20 million persons; 3) Human rights risk assessment in all business activities: 100%.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	58.68	61.39
Environment	42.28	45.73
GHG Scope 1	15.83	11.23
GHG Scope 2 Location-Based	74.34	70.17
GHG Scope 3	810.43	8,217.61
Total Energy Consumption	186.56	161.52
Total Waste	5.50	4.92
Water Consumption	282.59	158.33
Social	37.48	42.20
Community Spending	285.00	416.82
Number of Customer Complaints	—	—
Pct Women in Management	30.38	35.96
Pct Women in Workforce	70.03	70.42
Number of Employees - CSR	19,029	18,648
Employee Turnover Pct	6.77	8.49
Total Hours Spent by Firm - Employee Training	712,474	753,600
Governance	96.12	96.12
Size of the Board	18	18
Number of Executives / Company Managers	14	16
Number of Non Executive Directors on Board	13	13
Number of Female Executives	5	6
Number of Women on Board	7	8
Number of Independent Directors	9	6

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	2019	2020	2021	2022	2023	2024F	2025F	2026F
Interest & dividend income	(Btmn)	130,178	127,592	135,415	151,333	183,608	188,382	187,798	193,518
Interest expense	(Btmn)	27,490	18,570	16,024	18,334	35,164	38,671	37,049	37,798
Net interest income	(Btmn)	102,688	109,022	119,390	132,998	148,444	149,710	150,748	155,720
Non-interest income	(Btmn)	57,759	46,063	44,653	40,145	44,245	40,410	42,154	43,944
Non-interest expenses	(Btmn)	72,729	69,997	71,044	74,753	84,968	83,787	84,876	86,419
Pre-provision profit	(Btmn)	87,718	85,088	92,999	98,390	107,721	106,334	108,027	113,245
Provision	(Btmn)	34,012	43,548	40,332	51,919	51,840	49,291	45,787	43,751
Pre-tax profit	(Btmn)	53,706	41,540	52,667	46,470	55,880	57,042	62,240	69,494
Tax	(Btmn)	10,309	7,656	9,729	8,633	10,778	11,408	12,448	13,899
Equities & minority interest	(Btmn)	4,670	4,397	4,886	2,068	2,697	2,662	2,662	2,662
Core net profit	(Btmn)	38,727	29,487	38,053	35,769	42,405	42,972	47,130	52,934
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	38,727	29,487	38,053	35,769	42,405	42,972	47,130	52,934
EPS	(Bt)	16.18	12.45	16.06	15.10	17.90	18.14	19.89	22.34
DPS	(Bt)	5.00	2.50	3.25	4.00	6.50	6.50	7.00	8.00

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Cash	(Btmn)	61,385	61,962	59,972	57,115	48,690	50,918	52,598	54,581
Interbank assets	(Btmn)	385,940	417,420	420,494	502,536	569,008	580,388	591,996	603,836
Investments	(Btmn)	776,700	824,456	1,097,872	1,029,441	1,022,880	1,022,880	1,022,880	1,022,880
Gross loans	(Btmn)	2,001,956	2,244,821	2,421,813	2,495,077	2,490,398	2,565,110	2,667,714	2,801,100
Accrued interest receivable	(Btmn)	2,830	11,272	16,599	16,226	14,970	14,970	14,970	14,970
Loan loss reserve	(Btmn)	124,879	134,393	144,772	133,529	133,876	145,471	161,007	183,178
Net loans	(Btmn)	1,879,907	2,121,700	2,293,640	2,377,774	2,371,492	2,434,609	2,521,678	2,632,892
Total assets	(Btmn)	3,293,889	3,658,798	4,103,399	4,246,369	4,283,556	4,360,282	4,460,638	4,585,676
Deposits	(Btmn)	2,072,049	2,344,998	2,598,630	2,748,685	2,699,562	2,743,565	2,809,410	2,896,502
Interbank liabilities	(Btmn)	81,628	87,797	186,449	155,240	179,207	179,207	179,207	179,207
Borrowings	(Btmn)	81,824	69,390	103,886	67,897	81,572	81,572	81,572	81,572
Total liabilities	(Btmn)	2,840,174	3,167,512	3,566,724	3,679,289	3,686,721	3,730,724	3,796,569	3,883,661
Minority interest	(Btmn)	47,357	51,616	59,961	63,810	64,551	66,148	67,745	69,342
Paid-up capital	(Btmn)	23,933	23,693	23,693	23,693	23,693	23,693	23,693	23,693
Total Equities	(Btmn)	406,358	439,670	476,714	503,270	532,285	563,410	596,324	632,672
BVPS	(Bt)	169.79	185.57	201.20	212.41	224.66	237.79	251.68	267.03

Key Assumptions and Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Growth									
YoY loan growth	(%)	4.59	12.13	7.88	3.03	(0.19)	3.00	4.00	5.00
YoY non-NII growth	(%)	1.52	(20.25)	(3.06)	(10.10)	10.21	(8.67)	4.32	4.25
Profitability									
Yield on earn'g assets	(%)	4.20	3.84	3.65	3.80	4.53	4.57	4.44	4.44
Cost on int-bear'g liab	(%)	1.24	0.78	0.59	0.63	1.19	1.30	1.22	1.21
Spread	(%)	2.96	3.05	3.05	3.17	3.34	3.27	3.22	3.23
Net interest margin	(%)	3.31	3.28	3.22	3.34	3.66	3.63	3.57	3.58
ROE	(%)	9.90	6.97	8.30	7.30	8.19	7.84	8.13	8.61
ROA	(%)	1.20	0.85	0.98	0.86	0.99	0.99	1.07	1.17
Asset Quality									
NPLs/Total Loans	(%)	4.20	4.50	4.30	3.71	3.78	3.93	4.04	4.12
LLR/NPLs	(%)	148.60	133.05	139.16	144.30	142.06	144.26	149.22	158.67
Provision expense/Total loans	(%)	1.74	2.05	1.73	2.11	2.08	1.95	1.75	1.60
Liquidity									
Loans/Deposits & borrowings	(%)	92.95	92.98	89.61	88.59	89.55	90.80	92.28	94.06
Efficiency									
Cost to income ratio	(%)	47.84	45.52	43.52	43.14	43.96	44.07	44.00	43.28
Capital Fund									
Capital adequacy ratio	(%)	19.62	18.80	18.77	18.81	19.40	19.77	20.26	20.66
Tier-1	(%)	16.19	16.13	16.49	16.84	17.44	17.90	18.45	18.90
Tier-2	(%)	3.43	2.67	2.28	1.97	1.96	1.87	1.82	1.75

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Interest & dividend income	(Btmn)	36,367	37,620	41,421	42,441	45,215	47,236	48,716	48,641
Interest expense	(Btmn)	4,355	4,532	5,274	7,566	8,514	9,217	9,867	10,113
Net interest income	(Btmn)	32,012	33,088	36,148	34,875	36,701	38,019	38,849	38,528
Non-interest income	(Btmn)	9,347	8,687	13,197	11,699	11,551	8,991	12,004	11,427
Non-interest expenses	(Btmn)	18,070	18,251	21,042	19,793	20,847	19,821	24,508	20,713
Earnings before tax & provision	(Btmn)	23,289	23,524	28,303	26,781	27,405	27,190	26,345	29,242
Provision	(Btmn)	9,852	9,948	22,784	12,692	12,784	12,793	13,572	11,684
Pre-tax profit	(Btmn)	13,437	13,576	5,519	14,089	14,622	14,396	12,773	17,558
Tax	(Btmn)	2,454	2,546	933	2,562	2,760	2,838	2,617	3,403
Equities & minority interest	(Btmn)	190	456	1,396	786	867	276	768	670
Core net profit	(Btmn)	10,794	10,574	3,191	10,741	10,994	11,282	9,388	13,486
Extra item	(Btmn)	0	0	0	0	0	0	0	0
Net profit	(Btmn)	10,794	10,574	3,191	10,741	10,994	11,282	9,388	13,486
EPS	(Bt)	4.56	4.46	1.35	4.53	4.64	4.76	3.96	5.69

Balance Sheet

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Cash	(Btmn)	50,282	51,113	57,115	47,525	45,874	41,676	48,690	35,709
Interbank assets	(Btmn)	444,707	442,500	502,536	506,125	548,845	556,949	569,008	568,695
Investments	(Btmn)	1,049,503	1,048,729	1,029,441	1,057,400	1,054,475	1,037,024	1,022,880	1,083,614
Gross loans	(Btmn)	2,489,420	2,464,277	2,495,077	2,465,031	2,449,289	2,438,026	2,490,398	2,463,771
Accrued interest receivable	(Btmn)	16,129	15,969	16,226	15,695	15,961	13,982	14,970	16,189
Loan loss reserve	(Btmn)	140,891	121,164	133,529	128,091	128,160	129,765	133,876	130,058
Net loans	(Btmn)	2,364,658	2,359,082	2,377,774	2,352,635	2,337,090	2,322,243	2,371,492	2,349,902
Total assets	(Btmn)	4,187,779	4,229,795	4,246,369	4,238,084	4,268,100	4,266,004	4,283,557	4,318,809
Deposits	(Btmn)	2,671,536	2,659,896	2,748,685	2,713,372	2,709,500	2,680,655	2,699,562	2,702,266
Interbank liabilities	(Btmn)	202,070	203,755	155,240	165,259	166,502	175,594	179,207	198,718
Borrowings	(Btmn)	66,807	68,661	67,897	88,715	98,684	89,698	81,572	79,059
Total liabilities	(Btmn)	3,642,814	3,672,187	3,679,289	3,661,550	3,687,141	3,676,666	3,686,721	3,703,156
Minority interest	(Btmn)	56,002	57,361	63,810	64,113	64,606	64,177	64,551	67,433
Paid-up capital	(Btmn)	23,693	23,693	23,693	23,693	23,693	23,693	23,693	23,693
Total Equities	(Btmn)	488,963	500,248	503,270	512,421	516,353	525,160	532,285	548,220
BVPS	(Bt)	206.37	211.13	212.41	216.27	217.93	221.65	224.66	231.38

Financial Ratios

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Growth									
YoY loan growth	(%)	4.45	0.83	3.03	0.28	(1.61)	(1.07)	(0.19)	(0.05)
YoY non-NII growth	(%)	(16.76)	(7.27)	9.63	31.25	23.59	3.50	(9.04)	(2.33)
Profitability									
Yield on earn'g assets	(%)	3.65	3.79	4.15	4.21	4.48	4.67	4.80	4.75
Cost on int-bear'g liab	(%)	0.60	0.62	0.71	1.02	1.15	1.25	1.34	1.36
Spread	(%)	3.06	3.17	3.44	3.20	3.33	3.43	3.47	3.38
Net interest margin	(%)	3.21	3.33	3.62	3.46	3.63	3.76	3.83	3.76
ROE	(%)	8.84	8.55	2.54	8.46	8.55	8.67	7.10	0.00
ROA	(%)	1.03	1.00	0.30	1.01	1.03	1.06	0.88	0.00
Asset Quality									
NPLs/Total Loans	(%)	4.42	3.56	3.71	3.56	3.79	3.67	3.78	3.79
LLR/NPLs	(%)	128.12	138.19	144.30	146.16	138.01	145.06	142.06	139.44
Provision expense/Total loans	(%)	1.59	1.61	3.68	2.05	2.08	2.09	2.20	1.89
Liquidity									
Loans/Deposits & borrowings	(%)	90.91	90.31	88.59	87.97	87.22	88.00	89.55	88.58
Efficiency									
Cost to income ratio	(%)	43.55	43.67	42.68	42.36	43.01	42.37	47.77	41.41
Capital Fund									
Capital adequacy ratio	(%)	18.50	18.22	18.02	18.90	18.18	19.02	19.40	19.37
Tier-1	(%)	16.39	16.14	15.96	16.92	16.12	16.95	17.44	17.42
Tier-2	(%)	2.11	2.08	2.06	1.98	2.06	2.07	1.96	1.95

Figure 1: Quarterly results

P & L (Bt mn)	1Q23	4Q23	1Q24	%YoY ch	%QoQ ch	% full year
Interest income	42,441	48,716	48,641	15	(0)	26
Interest expense	7,566	9,867	10,113	34	2	26
Net interest income	34,875	38,849	38,528	10	(1)	26
Non-interest income	11,699	12,004	11,427	(2)	(5)	28
Operating expenses	19,793	24,508	20,713	5	(15)	25
Pre-provision profit	26,781	26,345	29,242	9	11	28
Provision	12,692	13,572	11,684	(8)	(14)	24
Pre-tax profit	14,089	12,773	17,558	25	37	31
Income tax	2,562	2,617	3,403	33	30	30
MI and equity	(786)	(768)	(670)	15	13	NA
Net profit	10,741	9,388	13,486	26	44	31
EPS (Bt)	4.53	3.96	5.69	26	44	31
B/S (Bt mn)	1Q23	4Q23	1Q24	%YoY ch	%QoQ ch	% full year
Gross loans	2,465,031	2,490,398	2,463,771	(0.1)	(1.1)	NM
Deposits	2,713,372	2,699,562	2,702,266	(0)	0	NM
BVPS (Bt)	216.27	224.66	231.38	7	3	NM
Ratios (%)	1Q23	4Q23	1Q24	%YoY ch*	%QoQ ch*	% full year
Yield on earn. asset	4.21	4.80	4.75	0.53	(0.06)	NM
Cost of funds	1.02	1.34	1.36	0.34	0.03	NM
Net interest margin	3.46	3.83	3.76	0.30	(0.07)	NM
Cost to income	42.36	47.77	41.41	(0.94)	(6.35)	NM
Credit cost	2.05	2.20	1.89	(0.16)	(0.32)	NM
NPLs/total loans	3.56	3.78	3.79	0.23	0.00	NM
LLR/NPLs	146.16	142.06	139.44	(6.72)	(2.62)	NM

Source: KBANK and InnovestX Research

Note: * Percentage points

Figure 2: Valuation summary (price as of Apr 22, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
BAY	Neutral	26.25	29.0	13.6	5.9	6.5	6.2	7	(9)	5	0.6	0.5	0.5	9	8	8	3.4	3.1	3.2
BBL	Outperform	142.00	180.0	32.4	6.5	6.5	6.4	42	1	1	0.5	0.5	0.5	8	8	7	4.9	5.6	6.0
KBANK	Neutral	124.00	140.0	18.1	6.9	6.8	6.2	19	1	10	0.6	0.5	0.5	8	8	8	5.2	5.2	5.6
KKP	Neutral	52.75	45.0	(9.0)	8.2	9.3	7.2	(28)	(12)	30	0.8	0.7	0.7	9	8	10	5.7	5.7	5.7
KTB	Outperform	16.60	22.0	38.4	6.3	6.0	5.9	9	5	3	0.6	0.5	0.5	9	9	9	5.2	5.8	6.0
SCB	No rec	104.50			8.1	7.8	7.3	16	3	8	0.8	0.7	0.7	9	9	10	9.9	10.2	11.0
TCAP	Neutral	48.50	54.0	18.0	7.7	7.6	7.2	38	2	5	0.8	0.7	0.7	10	9	9	6.6	6.6	7.0
TISCO	Neutral	99.50	103.0	11.3	10.9	11.3	11.3	1	(3)	0	1.9	1.8	1.8	17	16	16	7.7	7.7	7.7
TTB	Neutral	1.77	1.9	11.2	9.3	8.3	8.1	30	12	3	0.8	0.7	0.7	8	9	9	5.9	6.6	6.8
Average					7.8	7.8	7.3	15	(0)	6	0.8	0.7	0.7	10	9	10	6.1	6.3	6.6

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 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, 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, BBT, 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, 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, PAF, 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, PTTPE, 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, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, 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, JCHK, 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, WIJK, 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, ST, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, 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 (ได้ยื่นสู่อำนาจ)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCO, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBT, BBIK, 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, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, 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, PAF, 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, PTTPE, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, 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, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตจำนง)

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, PEER, 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, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALL, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEx, APO, 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, BKGI, BLC, BLESS, BLISS, BM, BOL, BPS, 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, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, 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, ITHI, JAK, JCK, JCHK, 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, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCC, 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, 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, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TVM, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGS, 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.