

1 APRIL 2021

THAILAND / OIL &amp; GAS

## SCAN INTER SCN TB

BUY  
UNCHANGED

TARGET PRICE	THB3.10
CLOSE	THB2.26
UP/DOWNSIDE	+37.2%
TP vs CONSENSUS	-

## เปลี่ยนจาก NGV เป็นพลังแสงอาทิตย์

โซลาร์ในปี 2020 ได้ผ่านไหมดแล้ว

SCN ตกอยู่ในฐานะที่ยากลำบากมาตั้งแต่ปี 2017 จากความต้องการ NGV และ CNG ที่ลดลง อย่างเป็นระบบในประเทศไทย สถานะของบริษัทฯ ยิ่งเลวร้ายลงเมื่อราคาน้ำมันปรับลดและรัฐบาลมีนโยบายเปลี่ยนจากยานยนต์ที่ใช้ NGV และก๊าซธรรมชาติเหลว (LPG) เป็นไฟฟ้าและเชื้อเพลิงชีวภาพ ประกอบด้วยไบโอดีเซล (ส่วนผสมระหว่างดีเซลและ methyl ester ที่ผลิตจากน้ำมันปาล์มดิบหรือ B100) และแก๊สโซฮอล์ (ส่วนผสมระหว่างเบนซินและเอทานอลที่ผลิตจากมันสำปะหลังและอ้อย)

กำไรสุทธิมีแนวโน้มเติบโตในช่วงปี 2021-23

นับตั้งแต่ปี 2021 เป็นต้นไป เราคาดว่ากำไรสุทธิของ SCN จะฟื้นตัวต่อเนื่อง โดยบริษัทฯ จะรายงานกำไรสุทธิโตถึง 76% CAGR ในช่วงปี 2020-23 เราคาดว่ากำไรสุทธิของบริษัทฯ จะโตจากจุดต่ำสุดที่ 42 ลบ. ในปี 2020 เป็น 252 ลบ. ในปี 2023 จากกำไรที่เพิ่มขึ้นหลังการเพิ่มกำลังการผลิตของโรงไฟฟ้าพลังแสงอาทิตย์ Minbu ที่บริษัทฯ ถือหุ้นอยู่ 40% เป็นหลัก

ปัจจุบันโรงไฟฟ้าพลังแสงอาทิตย์เป็นเพชรยอดมงกุฎของ SCN

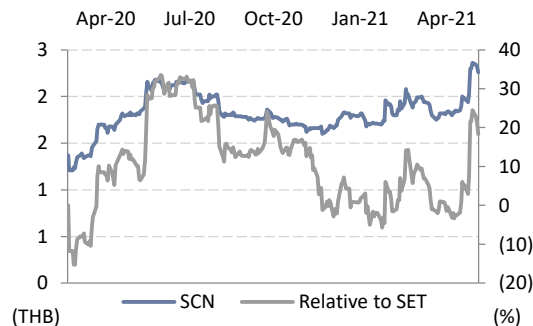
SCN ได้เซ็นสัญญาซื้อขายไฟฟ้า (PPA) สำหรับกำลังการผลิตรวม 220MW ของโรงไฟฟ้าพลังแสงอาทิตย์ Minbu ประกอบด้วย 1) ระยะที่ 1 จำนวน 50MW ซึ่งได้เริ่มดำเนินงานเชิงพาณิชย์ไปแล้วในปี 2020; 2) ระยะที่ 2 จำนวน 50MW ซึ่งมีกำหนดเริ่มดำเนินงานเชิงพาณิชย์ใน 4Q21); 3) ระยะที่ 3 จำนวน 50MW ซึ่งมีกำหนดเริ่มดำเนินงานเชิงพาณิชย์ในเดือน เม.ย. 22); และ 4) ระยะที่ 4 จำนวน 70MW ซึ่งมีกำหนดเริ่มการดำเนินงานเชิงพาณิชย์ในเดือน ก.ค. 22 เราคาดว่ากำไรสุทธิจากโรงไฟฟ้าพลังแสงอาทิตย์ของบริษัทฯ จะเพิ่มจาก 82 ลบ. ในปี 2020 เป็น 302 ลบ. ในปี 2023 ซึ่งจะชดเชยค่าไรท์ดาวน์จากธุรกิจหลักอย่างธุรกิจก๊าซได้พอดี โดยเราคาดว่าธุรกิจดังกล่าวจะยังคงอ่อนแอและรายงานผลขาดทุนสุทธิ 55-61 ลบ. ในปี 2021-23 เทียบกับที่เคยขาดทุนสุทธิ 41 ลบ. ในปี 2020

เรากลับมาวิเคราะห์หุ้นด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 3.1 บาท (SOTP)

เรากลับมาวิเคราะห์หุ้น SCN ด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 3.1 บาท (SOTP) เราเชื่อว่ากำไรสุทธิของ SCN มีแนวโน้มเติบโตในปี 2021-23 จากความสำเร็จในการเปลี่ยนจากบริษัทที่มุ่งเน้นในด้าน NGV ไปเป็นพลังงานหมุนเวียน ประเมินการกำไรต่อหุ้นของเราในปี 2021-22 ที่ 0.08-0.11 บาทสะท้อน 1) คาดการณ์ของเราที่ว่าอัตราการใช้จ่ายกำลังการผลิตและปริมาณขายของธุรกิจ NGV ของ SCN จะลดลง; 2) รายได้ EPC ที่คาดว่าจะลดลง 40% นับตั้งแต่ปี 2020 เป็นต้นไป; และ 3) ส่วนแบ่งกำไรสุทธิที่เพิ่มขึ้นจากโรงไฟฟ้าพลังแสงอาทิตย์ ประเมินการกำไรต่อหุ้นของเราที่ 0.21 บาทในปี 2023 สะท้อนกำไรที่เราคาดว่าจะสูงขึ้นจากธุรกิจโรงไฟฟ้าพลังแสงอาทิตย์เป็นหลัก

## KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	1,496	1,554	1,651	1,660
Net profit	42	97	132	252
EPS (THB)	0.04	0.08	0.11	0.21
vs Consensus (%)	-	-	-	-
EBITDA	164	263	260	260
Core net profit	42	97	132	252
Core EPS (THB)	0.04	0.08	0.11	0.21
Chg. In EPS est. (%)	nm	(83.8)	nm	nm
EPS growth (%)	(78.4)	128.5	36.7	90.6
Core P/E (x)	64.2	28.1	20.5	10.8
Dividend yield (%)	0.9	1.8	2.2	1.8
EV/EBITDA (x)	31.9	20.4	24.0	23.2
Price/book (x)	1.0	1.0	1.0	0.9
Net debt/Equity (%)	97.1	99.7	128.1	113.3
ROE (%)	1.6	3.7	4.9	8.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	24.2	32.2	78.0
Relative to country (%)	17.1	20.7	26.2
Mkt cap (USD m)	87		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	37		
Major shareholder	Mr. Thanchart Kitpipit (60%)		
12m high/low (THB)	2.52/1.21		
Issued shares (m)	1,200.00		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 1 เมษายน 2021

## Investment thesis

SCN has been in a difficult spot since 2017 due to the structural decline in the natural gas for vehicle (NGV), or compressed natural gas (CNG), demand in Thailand.

We project an earnings recovery from 2021 onward, with net profit growth at 76% CAGR from 2020-23, driven mainly by rising net profits from its 40%-owned Minbu solar farm capacity expansion.

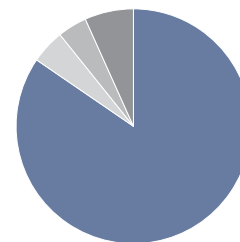
## Company profile

SCAN is a leading integrated provider of NGV gas services, including mother stations, transportation, NGV stations, construction and maintenance.

[www.scan-inter.com](http://www.scan-inter.com)

## Principal activities (revenue, 2020)

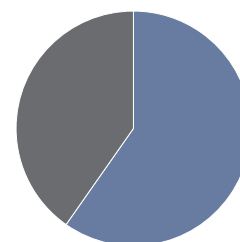
- Gas related business - 84.6 %
- Car dealer and spare parts - 4.7 %
- Renewable energy - 4.0 %
- Others - 6.7 %



Source: Scan Inter

## Major shareholders

- Mr. Thanchart Kitpipit - 59.7 %
- Others - 40.3 %



Source: Scan Inter

## Catalyst

Rising oil prices, a higher demand for NGV, and M&A are key potential earnings growth drivers for SCN.

## Risk to our call

The downside risks to our SOTP-based TP include 1) a sharp decline in oil prices; and 2) weaker demand for NGV and delays in new NGV projects.

## Event calendar

Date	Event
May 2021	1Q21 results announcement

## Key assumptions

	2021E	2022E	2023E
EPC revenue (THB m)	300	300	300
Utilisation rate - NGV stations (%)	55	55	55
Capacity - NGV stations (tonnes per year)	270,175	301,200	301,200
Solar farms net profit (THB m)	86	189	302

Source: FSSIA estimates

## Earnings sensitivity

- For every 1% increase in NGV margin, we project 2022 earnings would rise by 1.2%, and vice versa, all else being equal.
- For every 1% increase in Dubai oil price, we estimate 2022 earnings would decline by 1.3%, and vice versa, all else being equal.
- For every 1% increase in NGV station utilisation rate, we estimate 2022 earnings would decline by 1.1%, and vice versa, all else being equal.

Source: FSSIA estimates

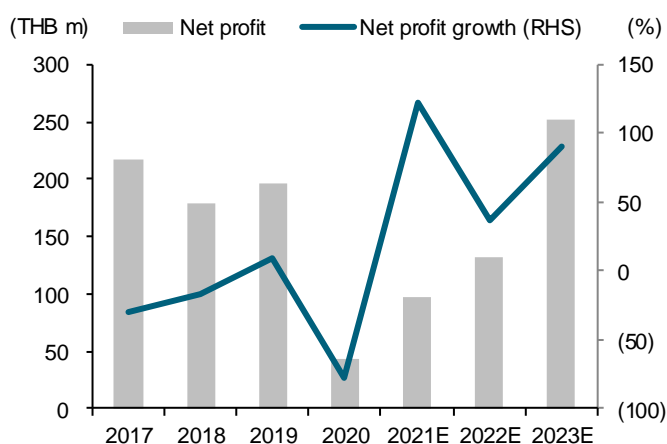


## From NGV to solar

SCN has been in a difficult spot since 2017 due to the structural decline in the NGV, or CNG, demand in Thailand. This was exacerbated by the oil price decline and the government's policy shift from NGV and LPG-based vehicles to EVs and biofuel, which includes biodiesel (a blend of diesel and CPO-based methyl ester, or B100) and gasohol (a blend of gasoline and ethanol produced from cassava and sugar cane).

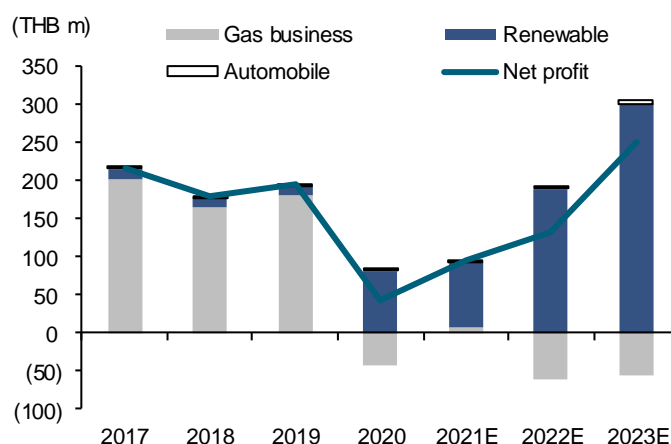
As a result, SCN has seen its net profit from its core gas business plunge from over THB200m annually down to a net loss in 2020 when the Covid-19 outbreak wiped out the demand for NGV. While we think the demand for NGV could recover y-y in 2021 post the reopening of the Thai economy, we believe SCN's demand for NGV will continue its structural downtrend in 2021-23, given that the Thai government is now focusing on EVs to gradually replace internal combustion engine (ICE)-based vehicles in the next 15 years.

**Exhibit 1: Net profit and net profit growth**



Sources: SCN; FSSIA estimates

**Exhibit 2: Net profit breakdown by business**



Sources: SCN; FSSIA estimates

**Transforming from an NGV to a renewable-based company.** Since 2018, SCN has successfully entered into the renewable power industry, acquiring a 40% stake in the 50MW Minbu solar farm in Myanmar. The additional net profit from Minbu has helped partly offset the decline in SCN's net profit from its core gas unit, which led to an overall net profit decline from THB217m in 2017 down to THB43m in 2020, with SCN even facing a net loss from its core gas business in 2020.

Starting in 2021 onward, we project that SCN's net profit will continue to recover, posting net profit growth at 76% CAGR from 2020-23. We project that its net profit will grow from its bottom of THB42m in 2020 to 252m in 2023, driven mainly by rising earnings from its 40%-owned Minbu solar farm capacity expansion.

According to management, SCN has already secured a PPA for the total 220MW capacity of its Minbu solar farm, comprising 1) the 50MW phase 1, which already commenced its COD in 2020; 2) a 50MW phase 2 (COD in 4Q21); 3) a 50MW phase 3 (COD in Apr-22); and 4) a 70MW phase 4 (COD in Jul-22).

In addition, the company plans to expand the capacity for its rooftop solar farm (SAP) from 5MW in 2020 to 10MW in 2021, adding more renewable capacity for SCN.

We project the net profits from its solar farms to rise from THB82m in 2020 to THB302m in 2023, timely offsetting the decline in earnings from its core gas business which we project to remain weak in the range of THB55m-61m net losses in 2021-23 vs the THB41m net loss in 2020.

## Earnings estimates and TP

We forecast the EPS for 2021-22 at THB0.08-0.11, assuming 1) 55% utilisation rates for SCN's NGV business; 2) cost savings from SCN's engineering, procurement, and construction (EPC) due to a lower backlog; and 3) increasing net profit contributions from solar farms, mainly from Minbu's capacity expansion by 22% for 2021 and 137% for 2022. Our EPS forecast of THB0.21 for 2023 is to reflect the higher earnings we expect to be mostly generated from its solar farm business.

### Exhibit 3: Key assumptions and EPS forecasts

	2021E	2022E	2023E
	(THB m)	(THB m)	(THB m)
Revenue	1,554	1,651	1,660
Gross profit	419	425	426
Operating profit	35	32	32
Net profit	97	132	252
EPS (THB/share)	0.08	0.11	0.21
<b>Key assumptions</b>			
EPC revenue (THB m)	300	300	300
Utilisation rate - NGV stations (%)	55	55	55
Capacity - NGV stations (tonnes per year)	270,175	301,200	301,200
Solar farms net profit (THB m)	86	189	302

Sources: SCN; FSSIA estimates

We reinitiate coverage on SCN with a BUY call and an SOTP-based TP of THB3.1. We believe SCN is poised for strong net profit growth momentum in 2021-23, thanks to its successful transformation from an NGV to a renewable-based company.

### Exhibit 4: SOTP valuation

Cost of equity assumptions	(%)		Cost of debt assumptions (%)	(%)
Risk-free rate	2.3		Pretax cost of debt	5.0
Market risk premium	8.5		Marginal tax rate	20.0
Stock beta	1.00			
Cost of equity, Ke	10.8		Net cost of debt, Kd	4.8
Weight applied	25.0		Weight applied	75.0
WACC	6.3			
Sum-of-the-parts valuation estimate	(THB m)	(THB/share)	Comments	
Private mother stations (PMS)	972	0.8	DCF WACC 6.3%, Zero terminal growth	
Third party logistics (TPL)	490	0.4	DCF WACC 6.3%, Zero terminal growth	
Private brand stations	1,953	1.6	DCF WACC 6.3%, Zero terminal growth	
Construction	240	0.2	At 12x FY21E P/E	
Maintenance	86	0.1	DCF WACC 6.3%, zero terminal growth	
iCNG phase #1	192	0.2	DCF WACC 6.3%, zero terminal growth	
Auto	5	0.0	DCF WACC 6.3%, zero terminal growth	
Solar farm (COD Dec, 2016)	354	0.3	DCF WACC 6.3%, zero terminal growth	
Minbu solar farm	1,974	1.6	DCF WACC 6.3%, zero terminal growth	
SAP rooftop solar	67	0.1		
Net debt	(2,648)	(2.2)	Net debt at end-2021E	
<b>Residual ordinary equity</b>	<b>3,683</b>	<b>3.1</b>		

Sources: SCN; FSSIA estimates

## Financial Statements

Scan Inter

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	2,972	1,496	1,554	1,651	1,660
Cost of goods sold	(2,375)	(1,159)	(1,135)	(1,226)	(1,234)
<b>Gross profit</b>	<b>597</b>	<b>337</b>	<b>419</b>	<b>425</b>	<b>426</b>
Other operating income	-	-	-	-	-
Operating costs	(208)	(173)	(155)	(165)	(166)
<b>Operating EBITDA</b>	<b>389</b>	<b>164</b>	<b>263</b>	<b>260</b>	<b>260</b>
Depreciation	(210)	(177)	(228)	(228)	(228)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>179</b>	<b>(13)</b>	<b>35</b>	<b>32</b>	<b>32</b>
Net financing costs	(91)	(74)	(75)	(117)	(109)
Associates	16	76	74	178	290
Recurring non operating income	143	139	141	208	320
Non recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>231</b>	<b>52</b>	<b>101</b>	<b>122</b>	<b>243</b>
Tax	(35)	(10)	(5)	10	9
<b>Profit after tax</b>	<b>196</b>	<b>42</b>	<b>97</b>	<b>132</b>	<b>252</b>
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>196</b>	<b>42</b>	<b>97</b>	<b>132</b>	<b>252</b>
<b>Non recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>196</b>	<b>42</b>	<b>97</b>	<b>132</b>	<b>252</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.16	0.04	0.08	0.11	0.21
Reported EPS	0.16	0.04	0.08	0.11	0.21
DPS	0.10	0.02	0.04	0.05	0.04
Diluted shares (used to calculate per share data)	1,200	1,200	1,200	1,200	1,200
<b>Growth</b>					
Revenue (%)	(4.8)	(49.7)	3.9	6.3	0.6
Operating EBITDA (%)	(18.9)	(58.0)	60.8	(1.4)	0.1
Operating EBIT (%)	(31.6)	nm	nm	(10.5)	0.8
Recurring EPS (%)	9.3	(78.4)	128.5	36.7	90.6
Reported EPS (%)	9.3	(78.4)	128.5	36.7	90.6
<b>Operating performance</b>					
Gross margin inc depreciation (%)	13.0	10.7	12.3	11.9	11.9
Gross margin of key business (%)	13.0	10.7	12.3	11.9	11.9
Operating EBITDA margin (%)	13.1	10.9	16.9	15.7	15.6
Operating EBIT margin (%)	6.0	(0.9)	2.3	1.9	1.9
Net margin (%)	6.6	2.8	6.2	8.0	15.2
Effective tax rate (%)	16.1	-45.7	17.8	18.0	19.2
Dividend payout on recurring profit (%)	61.3	56.8	49.7	45.4	19.1
Interest cover (X)	3.5	1.7	2.4	2.0	3.2
Inventory days	90.9	142.2	131.0	124.8	129.2
Debtor days	64.2	80.3	71.4	67.2	66.8
Creditor days	51.5	54.2	42.0	40.0	41.4
Operating ROIC (%)	4.1	(0.6)	1.0	0.7	0.6
ROIC (%)	5.4	3.8	2.7	3.3	4.4
ROE (%)	7.4	1.6	3.7	4.9	8.9
ROA (%)	5.0	2.9	2.5	2.5	3.1
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue By Division (THB m)</b>					
Gas related business	1,749	1,265	1,295	1,392	1,401
Car dealer and spare parts	1,064	70	70	70	70
Renewable energy	59	60	53	53	53
Others	100	101	136	136	136

Sources: Scan Inter; FSSIA estimates

## Financial Statements

### Scan Inter

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	196	42	97	132	252
Depreciation	210	177	228	228	228
Associates & minorities	16	76	74	178	290
Other non-cash items	-	-	-	-	-
Change in working capital	1,082	1,067	2,756	5,303	5,858
<b>Cash flow from operations</b>	<b>1,504</b>	<b>1,361</b>	<b>3,155</b>	<b>5,841</b>	<b>6,628</b>
Capex - maintenance	(210)	(177)	(179)	(245)	(302)
Capex - new investment	(309)	(559)	(253)	(892)	(74)
Net acquisitions & disposals	932	436	0	0	0
Other investments (net)	(445)	(437)	74	178	290
<b>Cash flow from investing</b>	<b>(32)</b>	<b>(737)</b>	<b>(358)</b>	<b>(959)</b>	<b>(85)</b>
Dividends paid	(120)	(24)	(24)	(48)	(60)
Equity finance	0	0	0	0	0
Debt finance	(871)	746	1,825	3,362	362
Other financing cash flows	(318)	(1,477)	(2,910)	(5,698)	(6,294)
<b>Cash flow from Financing</b>	<b>(1,309)</b>	<b>(755)</b>	<b>(1,109)</b>	<b>(2,384)</b>	<b>(5,993)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>163</b>	<b>(131)</b>	<b>1,688</b>	<b>2,498</b>	<b>549</b>
Free cash flow to firm (FCFF)	1,560.79	698.39	2,871.86	4,998.90	6,651.30
Free cash flow to equity (FCFE)	283.37	(106.83)	1,711.67	2,545.73	609.42
<b>Per share (THB)</b>					
FCFF per share	1.30	0.58	2.39	4.17	5.54
FCFE per share	0.24	(0.09)	1.43	2.12	0.51
Recurring cash flow per share	0.35	0.25	0.33	0.45	0.64
<b>Balance Sheet (THB m) Year Ending Dec</b>					
Tangible fixed asset (gross)	2,534	1,975	2,408	3,545	3,773
Less: Accumulated depreciation	(22)	(22)	(250)	(478)	(706)
<b>Tangible fixed assets (Net)</b>	<b>2,512</b>	<b>1,953</b>	<b>2,158</b>	<b>3,067</b>	<b>3,067</b>
<b>Intangible fixed assets (Net)</b>	<b>340</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	375	1,058	1,058	1,058	1,058
Cash & equivalents	216	85	1,773	4,270	4,820
A/C receivable	354	304	304	304	304
Inventories	491	412	403	436	439
Other current assets	21	266	276	294	295
<b>Current assets</b>	<b>1,082</b>	<b>1,067</b>	<b>2,756</b>	<b>5,303</b>	<b>5,858</b>
Other assets	641	1,079	1,079	1,079	1,079
<b>Total assets</b>	<b>4,951</b>	<b>5,486</b>	<b>7,380</b>	<b>10,837</b>	<b>11,391</b>
Common equity	2,694	2,585	2,657	2,741	2,933
Minorities etc.	0	0	0	0	0
<b>Total Shareholders' equity</b>	<b>2,694</b>	<b>2,585</b>	<b>2,657</b>	<b>2,741</b>	<b>2,933</b>
Long term debt	821	805	4,321	6,782	7,144
Other long-term liabilities	188	172	172	172	172
<b>Long-term liabilities</b>	<b>1,009</b>	<b>977</b>	<b>4,493</b>	<b>6,954</b>	<b>7,316</b>
A/C payable	213	132	129	140	140
Short term debt	1,029	1,791	100	1,000	1,000
Other current liabilities	6	2	2	2	2
<b>Current liabilities</b>	<b>1,248</b>	<b>1,924</b>	<b>231</b>	<b>1,141</b>	<b>1,142</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,951</b>	<b>5,486</b>	<b>7,380</b>	<b>10,837</b>	<b>11,391</b>
Net working capital	647	848	853	892	895
Invested capital	4,516	5,268	5,477	6,425	6,428
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	2.24	2.15	2.21	2.28	2.44
Tangible book value per share	1.96	1.88	1.94	2.01	2.17
<b>Financial strength</b>					
Net debt/Equity (%)	60.7	97.1	99.7	128.1	113.3
Net debt/total assets (%)	33.0	45.8	35.9	32.4	29.2
Current ratio (x)	0.9	0.6	11.9	4.6	5.1
CF interest cover (x)	7.5	7.1	27.2	30.4	7.3
<b>Valuation</b>					
<b>Recurring P/E (x) *</b>	<b>13.8</b>	<b>64.2</b>	<b>28.1</b>	<b>20.5</b>	<b>10.8</b>
<b>Recurring P/E @ target price (x) *</b>	<b>19.0</b>	<b>88.0</b>	<b>38.5</b>	<b>28.2</b>	<b>14.8</b>
Reported P/E (x)	13.8	64.2	28.1	20.5	10.8
Dividend yield (%)	4.4	0.9	1.8	2.2	1.8
Price/book (x)	1.0	1.0	1.0	1.0	0.9
Price/tangible book (x)	1.2	1.2	1.2	1.1	1.0
EV/EBITDA (x) **	11.2	31.9	20.4	24.0	23.2
EV/EBITDA @ target price (x) **	13.8	38.1	24.2	27.9	27.1
EV/invested capital (x)	1.0	1.0	1.0	1.0	0.9
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Scan Inter; FSSIA estimates

## Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TPIPP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

## Description

## Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

## Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

\* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; \*\* delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation



## Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAHA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIIC	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

**Disclaimer:**

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; \* FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

#### Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

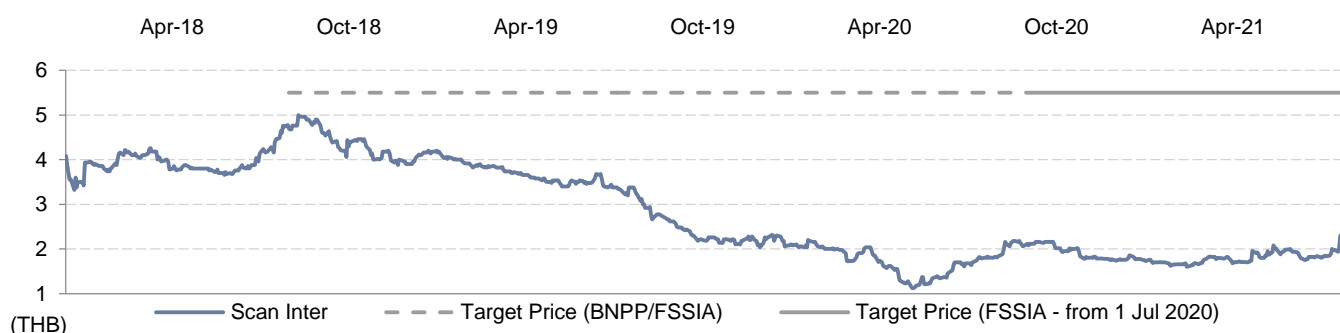
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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### History of change in investment rating and/or target price

#### Scan Inter (SCN TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
09-Oct-2018	BUY	5.50	-	-	-	-	-	-

Suwat Sinsadok started covering this stock from 01-Apr-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Scan Inter	SCN TB	THB 2.26	BUY	The downside risks to our SOTP-based TP include 1) a sharp decline in oil prices; and 2) weaker demand for NGV and delays in new NGV projects.

Source: FSSIA estimates

### Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finasia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 31-Mar-2021 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

**BUY (B).** The upside is 10% or more.

**HOLD (H).** The upside or downside is less than 10%.

**REDUCE (R).** The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.