

# EQUITY TALK 3Q21 Earning Preview

BY RESEARCH DIVISION

October 18, 2021

### Profit to rebound in 3Q64

3Q21 net profit is expected to grow both qoq and yoy. Loan growth would be driven by branch expansion and lockdown easing since September 2021 onwards. Net profit would continue to grow further in 4Q21 thanks to loan growth in high spending season (school opening and New Year).

Net profit is expected to grow 5% in 2021 and 18% in 2022, driven by loan growth of 26% and 20%. MTC fell 6% in one week, already absorbing the lending rate ceiling cut (public hearing now) that will have limited impact on MTC. 2022 fair value is B72.

Key Financial Forecast

2020

5,214

2.46

23.0%

24.4

6.2

0.6%

28.4%

2019

4,237

2.00

14.1%

30.0

8.0

0.5%

30.0%

Rec. :	BUY
Current Price (B)	60.00
Target Price (B)	72.00
Upside (%)	20.0
Dividend Yield (%)	0.8

MTC

#### RESEARCH DIVISION

Asia Plus Securities

Anakepong Putthapibal Fundamental Investment Analyst on Securities License No.: 063609

PBV (x) Dividend Yield (%)

Ending Dec 31

EPS Growth (%)

Net Profit

EPS (B)

PER (x)

ROE (%)

Source: ASPS Research

#### **Technical Chart**



Technical Comment

2022F

6,456

3.05

18.0%

19.7

4.1

0.8%

22.9%

2023F

7,770

3.67

20.4%

16.4

3.4

0.9%

22.6%

MTC Price Trend: Sideway

Supportive: 54.75

<u>2021F</u>

5,473

2.58

5.0%

23.2

5.0

0.6%

23.8%

Resistance : 65.50 / 73.75

#### **Consensus Analysis**

ASPS vs IAA Consensus							
EPS (B)	ASPS	IAA Cons	% diff				
2021F	2.58	2.59	0%				
2022F	3.05	3.24	-6%				
Source: ASPS and IAA consensus							

CG Score : 5 = Excellent Anti-corruption Progress Indic. = Certified

Source: SETTRADE / ASPS Research

Source: ASPS Research

English research reports are a rough translation of our Thai-language research products. It is produced primarily with time efficiency in mind, so that English-English research reports are a rough translation of our Thai-language research products. It is produced primarily with time efficiency in mind, so that English-reading clients can see what the main recommendations are from our Thai-language research team. Given that this is a rough-and-ready translation, Asia Plus Securities Company cannot be held responsible for translation inaccuracies.

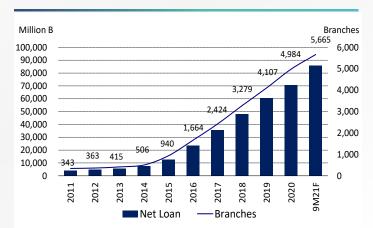
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### **EQUITY TALK Company Update**

BY RESEARCH DIVISION

			Earni	ngs Resi	ults by (	Quarter						
Million B	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21F	%Q0Q	%YoY	9M21F	9M20	% ҮоҮ
Interest Income	3,332	3,385	3,555	3,690	3,585	3,684	3,938	6.9%	10.8%	11,207	10,272	9.1%
Interest Expense	(433)	(447)	(467)	(470)	(477)	(507)	(552)	8.8%	18.1%	(1,536)	(1,347)	14.0%
Net Interest Income	2,900	2,938	3,088	3,219	3,108	3,177	3,386	6.6%	9.7%	9,672	8,925	8.4%
Bad Debt & Doubtful Account	(62)	(25)	(52)	(152)	(156)	(138)	(166)	20.3%	218.7%	(459)	(139)	230.5%
Net Interest Income after Bad Debt	2,837	2,913	3,036	3,067	2,953	3,039	3,220	6.0%	6.1%	9,212	8,786	4.8%
Other Income	208	180	182	237	282	213	210	-1.2%	15.5%	705	570	23.7%
SG&A	(1,491)	(1,520)	(1,533)	(1,599)	(1,502)	(1,657)	(1,744)	5.3%	13.8%	(4,903)	(4,545)	7.9%
Earnings before Tax	1,554	1,573	1,684	1,705	1,734	1,595	1,686	5.7%	0.1%	5,015	4,812	4.2%
Income Tax	(316)	(307)	(344)	(335)	(360)	(325)	(337)	3.8%	-2.1%	(1,022)	(968)	5.6%
Net Profit	1,237	1,267	1,340	1,370	1,374	1,270	1,349	6.2%	0.7%	3,993	3,844	3.9%
EPS (B)	0.58	0.60	0.63	0.65	0.65	0.60	0.64	6.2%	0.7%	1.88	1.81	3.9%
Loan Growth	3.9%	1.1%	6.1%	5.6%	3.6%	8.5%	7.5%			20.9%	11.4%	
Yields	21.64%	21.46%	21.76%	21.33%	19.82%	19.20%	19.00%			19.04%	21.45%	
Funding Cost	3.72%	3.60%	3.65%	3.53%	3.46%	3.44%	3.42%			3.38%	3.73%	
Spread	17.93%	17.86%	18.11%	17.80%	16.37%	15.76%	15.58%			15.66%	17.72%	
Cost to Income Ratio	48.0%	48.7%	46.9%	46.3%	44.3%	48.9%	48.5%			47.2%	47.9%	
NPL/TL	1.18%	1.04%	1.00%	1.09%	0.96%	1.10%	1.12%			1.12%	1.00%	
Credit Cost	0.40%	0.16%	0.32%	0.88%	0.86%	0.72%	0.80%			0.78%	0.27%	
LLR/NPL	201.0%	211.7%	199.4%	170.7%	185.4%	162.8%	166.5%			166.5%	199.4%	

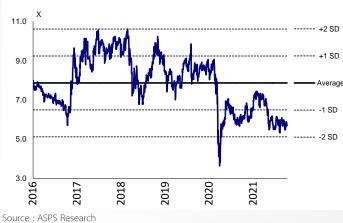
Source : ASPS Research



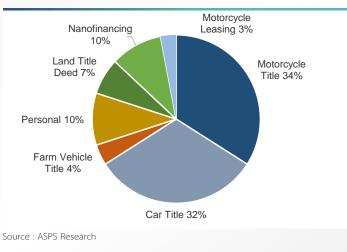
End-1Q21 Net Loans & Branches

Source : ASPS Research

Historical PBV Band



#### MTC's Loan Structure



#### Key Risk

- 1. Net loan growth may be lower than expected, weakening income and net profit.
- 2. Asset quality may drop due to new NPL.
- Interest rate may be raised. 3.
- 4. The government's laws and regulations may affect MTC.

Source : ASPS Research



## EQUITY TALK Company Update

BY RESEARCH DIVISION



#### 2021-2023F Earnings Forecast

Interest income         13,962         15,334         18,539         22,247           Interest expenses         (1,817)         (1,971)         (2,315)         (2,750)           Net interest income         12,145         13,362         16,223         19,497           Bad debt & doubtful account         (291)         (710)         (853)         (1,023)           Net interest income after bad debt         11,853         12,652         15,371         18,474           Other income         807         889         1,074         1,289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit <b>5,214 5,473 6,456 7,770</b> EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         2.60         2.92         3.45         4.15           Ended 31 Dec.         3Q20         4Q20         1Q21         2Q21           Interest income         3,055         3,680         3,684 <th>Income Statement (Million B)</th> <th></th> <th></th> <th></th> <th></th>	Income Statement (Million B)				
Interest expenses         (1,817)         (1,971)         (2,315)         (2,750)           Net interest income         12,145         13,362         16,223         19,497           Bad debt & doubtful account         (291)         (710)         (853)         (1,023)           Net interest income after bad debt         11,853         12,652         15,371         18,474           Other income         807         889         1,074         1,289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         (1,303)         (1,168)         (1,144)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2,46         2,58         3,05         3,67           Normalized profit         5,505         6,183         7,308         8,793           Normalized profit         5,505         3,690         3,585         3,684           Interest income         3,555         3,690         3,585         3,684           Interest income         3,036         3,047         2,923         3,039           Other income after bad debt         3,036         3,067         2,953	Ended 31 Dec.	2020	2021F	2022F	2023F
Net interest income         12,145         13,362         16,223         19,497           Bad debt & doubful account         (291)         (710)         (853)         (1,023)           Net interest income after bad debt         11,853         12,652         15,371         18,474           Other income         807         889         1,074         1,289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,1368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           Normalized profit         5,505         6,183         7,308         8,793           Normalized PS (B)         2,60         2,92         3,45         4,15           Quarterly Income Statement         5,505         6,183         7,308         8,793           Not interest income         3,555         3,690         3,585         3,684           Interest income         3,052         3,636         3,017         1,505         11632         (163)           Net interest income         3,038	Interest income	13,962	15,334	18,539	22,247
Bad debt & doubtful account         (291)         (710)         (853)         (1,023)           Net interest income after bad debt         11,853         12,652         15,371         18,474           Other income         807         889         1,074         1,289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,168)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.60         2.92         3.45         4.15           Normalized profit         5,555         6,6183         7,308         8,793           Normalized profit         3,020         4/020         1021         2021           Interest income         3,555         3,690         3,585         3,684           Interest income         3,036         3,067         2,953         3,039           Other income         3,036         3,067         2,953         3,039           Other income         182         237         282         213	Interest expenses	(1,817)	(1,971)	(2,315)	(2,750)
Net interest income after bad debt         11,853         12,652         15,371         18,474           Other income         807         889         1,074         1,289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Eamings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.60         2.92         3,45         4,15           Quarterly Income Statement         2.60         2.92         3,45         4,15           Guarterly Income Statement         3,055         3,680         3,585         3,684           Interest income         3,555         3,690         3,585         3,684           Interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (166)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         1,847         1,505         1,533         <	Net interest income	12,145	13,362	16,223	19,497
Other income         807         889         1.074         1.289           SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2,46         2,58         3,05         3,67           Normalized profit         5,505         6,183         7,308         8,793           Normalized EPS (B)         2,60         2,92         3,45         4,15           Guarterly Income Statement         3,220         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,028         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         1,824         1,374         1,270         1,3640         1,37	Bad debt & doubtful account	(291)	(710)	(853)	(1,023)
SG&A         (6,144)         (6,700)         (8,375)         (10,050)           Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.46         2.58         3.05         3.67           Normalized profit         5,505         6,183         7,308         8,793           Normalized EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         3020         4020         1021         2021           Interest income         3,555         3,690         3,585         3,684           Interest income         3,058         3,217         1607           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes	Net interest income after bad debt	11,853	12,652	15,371	18,474
Earnings before taxes         6,516         6,841         8,070         9,712           Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.46         2.58         3.05         3.67           Normalized profit         5,505         6,183         7,308         8,793           Normalized EPS (B)         2.60         2.92         3.45         4.15           Guarterly Income Statement	Other income	807	889	1,074	1,289
Income taxes         (1,303)         (1,368)         (1,614)         (1,942)           Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.46         2.58         3.05         3.67           Normalized profit         5,505         6,183         7,308         8,793           Normalized PS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement	SG&A	(6,144)	(6,700)	(8,375)	(10,050)
Net profit         5,214         5,473         6,456         7,770           EPS (B)         2.46         2.58         3.05         3.67           Normalized profit         5,505         6,183         7,308         8,793           Normalized EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           No	Earnings before taxes	6,516	6,841	8,070	9,712
EPS (B)         2.46         2.58         3.05         3.67           Normalized profit         5.505         6.183         7.308         8,793           Normalized EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270	Income taxes	(1,303)	(1,368)	(1,614)	(1,942)
Normalized profit         5,505         6,183         7,308         8,793           Normalized EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,555         3,690         3,585         3,684           Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         0.63         0.65         0.66         0.60           Normalized profit         1,340         1,370         1,374         1,270 <td>Net profit</td> <td>5,214</td> <td>5,473</td> <td>6,456</td> <td>7,770</td>	Net profit	5,214	5,473	6,456	7,770
Normalized EPS (B)         2.60         2.92         3.45         4.15           Quarterly Income Statement         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,555         3,690         3,585         3,684           Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,270           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270	EPS (B)	2.46	2.58	3.05	3.67
Quarterly Income Statement         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,555         3,690         3,585         3,684           Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income after bad debt         3,036         1,599         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized profit         0,32%         0.86%         0.663 <td>Normalized profit</td> <td>5,505</td> <td>6,183</td> <td>7,308</td> <td>8,793</td>	Normalized profit	5,505	6,183	7,308	8,793
Ended 31 Dec.         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized Profit         1,340         1,370         1,374         1,270           Normalized profit         0,63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Y	Normalized EPS (B)	2.60	2.92	3.45	4.15
Ended 31 Dec.         3Q20         4Q20         1Q21         2Q21           Interest income         3,555         3,690         3,585         3,684           Interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized profit         0,63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Y					
Interest income         3,555         3,690         3,585         3,684           Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Sp	Quarterly Income Statement				
Interest expenses         (467)         (470)         (477)         (507)           Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Spread         17.56%         15.83%         15.63%         15.63%           NIM <td>Ended 31 Dec.</td> <td>3Q20</td> <td>4Q20</td> <td>1Q21</td> <td>2Q21</td>	Ended 31 Dec.	3Q20	4Q20	1Q21	2Q21
Net interest income         3,088         3,219         3,108         3,177           Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.60         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         2020         2021F         2022F         2023F           Yield         21.24%         19.18%         18.98%         18.98%           Funding cos	Interest income	3,555	3,690	3,585	3,684
Bad debt & doubtful account         (52)         (152)         (156)         (138)           Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,53)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.60         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.60         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         2020         2021F         2022F         2023F           Yield         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Spread	Interest expenses	(467)	(470)	(477)	(507)
Net interest income after bad debt         3,036         3,067         2,953         3,039           Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.65         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio	Net interest income	3,088	3,219	3,108	3,177
Other income         182         237         282         213           SG&A         (1,533)         (1,599)         (1,502)         (1,657)           Earnings before taxes         1,684         1,705         1,734         1,595           Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.65         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized PPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio	Bad debt & doubtful account	(52)	(152)	(156)	(138)
SG&A       (1,533)       (1,599)       (1,502)       (1,657)         Earnings before taxes       1,684       1,705       1,734       1,595         Income taxes       (344)       (335)       (360)       (325)         Net profit       1,340       1,370       1,374       1,270         EPS (B)       0.63       0.65       0.65       0.60         Normalized profit       1,340       1,370       1,374       1,270         Normalized profit       0.63       0.65       0.65       0.60         Credit cost       0.32%       0.88%       0.86%       0.72%         Financial Ratio       Ended 31 Dec.       2020       2021F       2022F       2023F         Yield       21.24%       19.18%       18.98%       18.98%         Spread       17.56%       15.83%       15.63%       3.35%         NIM       18.48%       16.72%       16.61%       16.63%         Interest-bearing debt / Equity       2.64       2.49       2.42       2.36         Cost to income ratio       47.4%       47.0%       48.4%       48.4%	Net interest income after bad debt	3,036	3,067	2,953	3,039
Earnings before taxes1,6841,7051,7341,595Income taxes(344)(335)(360)(325)Net profit1,3401,3701,3741,270EPS (B)0.630.650.650.60Normalized profit1,3401,3701,3741,270Normalized EPS (B)0.630.650.650.60Credit cost0.32%0.88%0.86%0.72%Financial Ratio20202021F2022F2023FYield21.24%19.18%18.98%18.98%Spread17.56%15.83%15.63%15.63%NIM18.48%16.72%16.61%16.63%NIM18.48%16.72%16.61%16.63%NIM18.48%16.72%48.4%48.4%	Other income	182	237	282	213
Income taxes         (344)         (335)         (360)         (325)           Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.65         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         2020         2021F         2022F         2023F           Yield         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Spread         17.56%         15.83%         15.63%         15.63%           NIM         18.48%         16.72%         16.61%         16.63%           Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	SG&A	(1,533)	(1,599)	(1,502)	(1,657)
Net profit         1,340         1,370         1,374         1,270           EPS (B)         0.63         0.65         0.65         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio	Earnings before taxes	1,684	1,705	1,734	1,595
EPS (B)         0.63         0.65         0.65         0.60           Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio	Income taxes	(344)	(335)	(360)	(325)
Normalized profit         1,340         1,370         1,374         1,270           Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         2020         2021F         2022F         2023F           Yield         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Spread         17.56%         15.83%         15.63%         15.63%           NIM         18.48%         16.72%         16.61%         16.63%           Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	Net profit	1,340	1,370	1,374	1,270
Normalized EPS (B)         0.63         0.65         0.65         0.60           Credit cost         0.32%         0.88%         0.86%         0.72%           Financial Ratio         2020         2021F         2022F         2023F           Yield         21.24%         19.18%         18.98%         18.98%           Funding cost         3.68%         3.35%         3.35%         3.35%           Spread         17.56%         15.83%         15.63%         15.63%           NIM         18.48%         16.72%         16.61%         16.63%           Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	EPS (B)	0.63	0.65	0.65	0.60
Credit cost       0.32%       0.88%       0.86%       0.72%         Financial Ratio         Ended 31 Dec.       2020       2021F       2022F       2023F         Yield       21.24%       19.18%       18.98%       18.98%         Funding cost       3.68%       3.35%       3.35%       3.35%         Spread       17.56%       15.83%       15.63%       15.63%         NIM       18.48%       16.72%       16.61%       16.63%         Interest-bearing debt / Equity       2.64       2.49       2.42       2.36         Cost to income ratio       47.4%       47.0%       48.4%       48.4%	Normalized profit	1,340	1,370	1,374	1,270
Financial Ratio         Ended 31 Dec.       2020       2021F       2022F       2023F         Yield       21.24%       19.18%       18.98%       18.98%         Funding cost       3.68%       3.35%       3.35%       3.35%         Spread       17.56%       15.83%       15.63%       15.63%         NIM       18.48%       16.72%       16.61%       16.63%         Interest-bearing debt / Equity       2.64       2.49       2.42       2.36         Cost to income ratio       47.4%       47.0%       48.4%       48.4%	Normalized EPS (B)	0.63	0.65	0.65	0.60
Ended 31 Dec.20202021F2022F2023FYield21.24%19.18%18.98%18.98%Funding cost3.68%3.35%3.35%3.35%Spread17.56%15.83%15.63%15.63%NIM18.48%16.72%16.61%16.63%Interest-bearing debt / Equity2.642.492.422.36Cost to income ratio47.4%47.0%48.4%48.4%	Credit cost	0.32%	0.88%	0.86%	0.72%
Ended 31 Dec.20202021F2022F2023FYield21.24%19.18%18.98%18.98%Funding cost3.68%3.35%3.35%3.35%Spread17.56%15.83%15.63%15.63%NIM18.48%16.72%16.61%16.63%Interest-bearing debt / Equity2.642.492.422.36Cost to income ratio47.4%47.0%48.4%48.4%					
Yield21.24%19.18%18.98%18.98%Funding cost3.68%3.35%3.35%3.35%Spread17.56%15.83%15.63%15.63%NIM18.48%16.72%16.61%16.63%Interest-bearing debt / Equity2.642.492.422.36Cost to income ratio47.4%47.0%48.4%48.4%	Financial Ratio				
Funding cost3.68%3.35%3.35%3.35%Spread17.56%15.83%15.63%15.63%NIM18.48%16.72%16.61%16.63%Interest-bearing debt / Equity2.642.492.422.36Cost to income ratio47.4%47.0%48.4%	Ended 31 Dec.	2020	2021F	2022F	2023F
Spread         17.56%         15.83%         15.63%         15.63%           NIM         18.48%         16.72%         16.61%         16.63%           Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	Yield	21.24%	19.18%	18.98%	18.98%
NIM         18.48%         16.72%         16.61%         16.63%           Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	Funding cost	3.68%	3.35%	3.35%	3.35%
Interest-bearing debt / Equity         2.64         2.49         2.42         2.36           Cost to income ratio         47.4%         47.0%         48.4%         48.4%	Spread	17.56%	15.83%	15.63%	15.63%
Cost to income ratio         47.4%         47.0%         48.4%         48.4%	NIM	18.48%	16.72%	16.61%	16.63%
	Interest-bearing debt / Equity	2.64	2.49	2.42	2.36
ROAA 28.4% 23.8% 22.9% 22.6%	Cost to income ratio	47.4%	47.0%	48.4%	48.4%
	ROAA	28.4%	23.8%	22.9%	22.6%
ROAE 7.5% 6.5% 6.5% 6.5%	ROAE	7.5%	6.5%	6.5%	6.5%
Source : ASPS Research	Source : ASPS Research				



### EQUITY TALK Company Update

BY RESEARCH DIVISION



#### 2021-2023F Earnings Forecast (Cont.)

Balance Sheet (Million B)				
Ended 31 Dec.	2020	2021F	2022F	2023F
Cash & bank deposits	1,378	1,162	1,104	918
Loans	70,237	87,241	104,689	125,627
Less Deferred interest income	816	1,567	1,881	2,256
Less Allowance for doubtful accounts	(1,326)	(2,250)	(2,701)	(3,241)
Net loans	69,727	86,558	103,870	124,643
Other assets	6,117	3,035	3,661	4,265
Total assets	77,222	90,754	108,635	129,826
Borrowings	54,537	63,158	75,078	89,090
Other liabilities	2,002	2,226	2,552	2,931
Total liabilities	56,540	65,384	77,630	92,021
Paid-up share capital	2,120	2,120	2,120	2,120
Other reserves	2,587	2,587	2,587	2,587
Retained earnings	15,975	20,664	26,298	33,099
Shareholders' equity	20,682	25,370	31,005	37,806
Total liabilities and shareholders' equity	77,222	90,754	108,635	129,826

Quarterly Balance Statement

Ended 31 Dec.	3Q20	4Q20	1Q21	2Q21
Cash & bank deposits	794	1,378	984	1,327
Loans	66,437	70,237	73,286	80,104
Less Deferred interest income	858	816	339	(195)
Less Allowance for doubtful accounts	(1,345)	(1,326)	(1,314)	(1,436)
Net loans	65,950	69,727	72,311	78,472
Other assets	6,157	6,117	6,448	6,772
Total assets	72,902	77,222	79,742	86,570
Borrowings	52,024	54,537	55,727	62,361
Other liabilities	1,564	2,002	1,958	1,665
Total liabilities	53,588	56,540	57,685	64,025
Paid-up share capital	2,120	2,120	2,120	2,120
Other reserves	2,584	2,587	2,589	2,590
Retained earnings	14,609	15,975	17,349	17,835
Shareholders' equity	19,314	20,682	22,058	22,545
Total liabilities and shareholders' equity	72,902	77,222	79,742	86,570

Financial Assumption

Ended 31 Dec.	2020	2021F	2022F	2023F
Loans growth	17.6%	25.0%	20.0%	20.0%
Net interest income growth	17.3%	10.0%	21.4%	20.2%
Other income growth	-0.1%	10.1%	20.8%	20.0%
Effective tax rate	20.0%	20.0%	20.0%	20.0%
NPL/TL	1.09%	1.15%	1.15%	1.15%
LLR/NPL	170.7%	220.6%	220.6%	220.6%
LLR/TL	1.87%	2.53%	2.53%	2.53%
STL/TL	4.4%	8.7%	8.0%	7.3%

Source : ASPS Research

