

MUANGTHAI CAPITAL

 THAILAND / DIVERSIFIED FINANCIALS

MTC TB

BUY

UNCHANGED

TARGET PRICE	THB69.00
CLOSE	THB56.25
UP/DOWNSIDE	+22.7%
PRIOR TP	THB69.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+0.0%

At the base of a U-shaped recovery

- Expect a soft 4Q21 NP of THB1.2m (-12% y-y, +1% q-q).
- U-shaped recovery maintained; NP recovery potentially from 2Q22.
- Muted short-term catalysts, not our most preferred.

Expect another soft net profit in 4Q21

We expect MTC to report a weak 4Q21 net profit of THB1,211m (-12% y-y, +1% q-q). The only strong point we see is its remarkable 4Q21E loan growth over its peers at 8% q-q and 29% y-y. However, we expect another four items to be in soft territory. First, we think its fee income will plummet 30% y-y and 23% q-q due to the impact from the new debt collection fee measures. Second, its OPEX should increase moderately from the debt collection incentive paid to its staff. Third, its NPLs might increase moderately by 13% q-q due to the end of debt forbearance program and strong loan growth in the past quarters. Thus, its 4Q21 credit cost should surge to 110 bps vs 93 bps in 3Q21, in our view. Lastly, we expect a drop in its loan yield to 18.5% vs 18.7% in 3Q21.

Slow recovery

We think MTC's recovery could be U-shaped. We expect it to post only a minimal increase q-q in its 1Q22 net profit (slightly decreasing y-y). Although its loan volume could continue to grow strongly, its performance will likely be dragged down by 1) a stable but low loan yield; 2) lower fee income from the impact of the new debt collection restrictions; and 3) an increase in provisions following a moderate rise in its NPLs after the debt forbearance ends. A strong earnings recovery should start from 2Q22.

Expanding to new business, but contribution still small

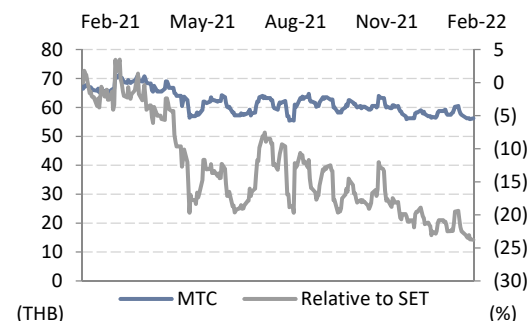
In Oct-21, MTC set up a new subsidiary, Muangthai Pay Later, though has provided very little information about it. To control asset quality, MTC will target its existing clients first, according to management. We believe this new business won't generate any significant profits for MTC in the first six months of operation. It could have the same business concept as Srisawad Corp (SAWAD TB, BUY, TP THB80)'s home appliance hire purchase business. We think MTC might start this business in 1Q22. We expect MTC to provide more details at its analyst meeting on 15 Feb-22.

Negatives priced-in, but muted short-term catalysts

We fine-tune our 2021 net profit forecast to reflect the potentially lower earnings than we had previously forecast in 4Q21. We maintain BUY and our TP of THB69 as we think the slow recovery is priced in. However, we see muted short-term catalysts for its share price to rerate. Thus, MTC is not our top pick. It might be back on our radar once it starts to raise its interest rate charges and provides a clearer business plan.

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	6,517	6,335	8,078	9,943
Net profit	5,214	5,056	6,463	7,955
EPS (THB)	2.46	2.38	3.05	3.75
vs Consensus (%)	-	(3.3)	0.7	(0.7)
Core net profit	5,214	5,056	6,463	7,955
Core EPS (THB)	2.46	2.38	3.05	3.75
Chg. In EPS est. (%)	-	(2.5)	0.0	0.0
EPS growth (%)	23.0	(3.0)	27.8	23.1
Core P/E (x)	22.9	23.6	18.5	15.0
Dividend yield (%)	0.7	0.6	0.8	1.0
Price/book (x)	5.8	4.8	4.0	3.2
ROE (%)	28.4	22.1	23.5	23.7
ROA (%)	7.5	5.8	5.9	6.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.3)	(7.0)	(14.4)
Relative to country (%)	(3.7)	(8.5)	(23.9)
Mkt cap (USD m)	3,579		
3m avg. daily turnover (USD m)	13.2		
Free float (%)	21		
Major shareholder	Petaumpai Family (67%)		
12m high/low (THB)	73.75/54.75		
Issued shares (m)	2,120		

Sources: Bloomberg consensus; FSSIA estimates


Yuvarart Suwanumphai

 yuvarart.suw@fssia.com
 +66 2611 3554

Investment thesis

MTC is the largest listed non-bank personal and auto title loan service provider in Thailand. We believe that the business prospects for secured consumer loans remain solid. The demand for fast cash is less volatile in varying economic conditions, though spending purposes may differ. Operationally, MTC has long experience and strong management expertise, reflecting its ability to drive growth and contain asset quality.

We maintain BUY and our TP of THB69 as we think the slow recovery is priced in. However, we see muted short-term catalysts for its share price to rerate. Thus, MTC is not our top pick. It might be back on our radar once it starts to raise its interest rate charges and provides a clearer business plan.

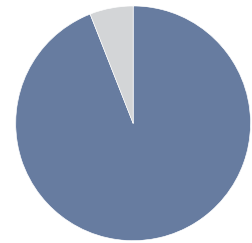
Company profile

MTC has provided lending services since 1992, focusing on motorcycle title loans, and commands the highest market share in Thailand. The company has also expanded its business to personal and other title loans such as car, agricultural and land title loans.

www.muangthaicap.com

Principal activities (revenue, 2020)

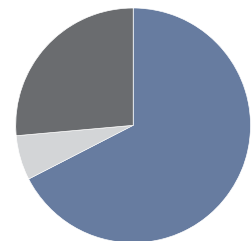
- Net interest income - 94.0 %
- Non-interest income - 6.0 %



Source: Muangthai Capital

Major shareholders

- Petaumpai Family - 67.5 %
- Thai NVDR Co., Ltd. - 6.2 %
- Others - 26.4 %



Source: Muangthai Capital

Catalysts

Potential share price catalysts for MTC include:

1. Strong growth in its new business, hire purchase loans for motorcycles;
2. The end of low-rate charges for motorbike title loans;
3. Better cost control.

Risks to our call

Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand and the Office of Consumer Protection Board.

Event calendar

Date	Event
14 Feb 2022	4Q21 results announcement
15 Feb 2022	Analyst meeting

Key assumptions

Year to Dec	2021E	2022E	2023E
	(%)	(%)	(%)
Net profit (THB m)	5,056	6,463	7,955
Net profit growth	(3.0)	27.8	23.1
NIM	16.04	15.95	16.13
Loan growth	29.0	25.0	18.0
Non-NII growth	5.9	(20.5)	9.6
Credit cost (bp)	90	100	105
Cost to income*	49.0	46.7	46.0

*Including share of profits from associates
Source: FSSIA estimates

Earnings sensitivity

Year to Dec		----- 2022E -----		
Loan growth	±2ppt	23.0	25.0	27.0
% change in net profit		(2.1)	-	2.1
NIM (%)	±5bp	15.90	15.95	16.00
% change in net profit		(0.6)	-	0.6
Credit cost (bps)	±10bp	90	100	110
% change in net profit		1.2	-	(1.2)

Source: FSSIA estimates

Expect another soft net profit in 4Q21

We expect MTC to report a weak 4Q21 net profit of THB1,211m (-12% y-y, +1% q-q). We see the only strong point as its remarkable 4Q21E loan growth over its peers at 8% q-q and 29% y-y. However, we expect another four items to be in soft territory. First, we think its fee income will plummet 30% y-y and 23% q-q due to the impact from the new debt collection fee measures. Second, its OPEX should increase moderately from the debt collection incentive paid to its staff. Third, its NPLs might increase moderately by 13% q-q due to the end of debt forbearance program and strong loan growth in the past quarters. Thus, its 4Q21 credit cost should surge to 110 bps vs 93 bps in 3Q21, in our view. Lastly, we expect a drop in its loan yield to 18.5% vs 18.7% in 3Q21.

Exhibit 1: MTC – 4Q21/2021 results forecast

Year-end Dec 31	4Q20 (THB m)	3Q21 (THB m)	4Q21E (THB m)	---- Change ----		2021E (THB m)	Change	4Q21E comments
				(y-y%)	(q-q%)		(y-y %)	
Net interest income	3,219	3,287	3,467	8	5	13,038	7	
Non-interest income	208	188	145	(30)	(23)	817	6	Lower fee income from debt collection fees
Operating income	3,428	3,475	3,612	5	4	13,855	7	
Operating expenses	1,614	1,778	1,855	15	4	6,788	10	
PPOP before tax	1,813	1,696	1,757	(3)	4	7,067	4	
Provision	109	191	243	124	27	731	187	
Income tax	335	304	303	(10)	(1)	1,280	(2)	
Minority interest	0	0	0			0		
Normalised profit	1,370	1,201	1,211	(12)	1	5,056	(3)	
Extraordinary items	0	0	0			0		
Net profit	1,370	1,201	1,211	(12)	1	5,056	(3)	
EPS (THB)	0.65	0.57	0.57	(12)	1	2.38	(3)	
Asset quality ratio								
Gross NPLs (THB m)	749	997	1,126	50	13	1,126	50	NPLs might increase after the end of the relief program
NPL ratios (%)	1.06	1.17	1.23			1.23		
LLR/NPLs (%)	177	160	161			146		
Credit cost (bp)	63	93	110			90		
Profitability ratio (%)								
Cost to income ratio	47.1	51.2	51.4			49.0		
Average yield	21.4	18.7	18.5			18.7		
Cost of fund	3.5	3.5	3.6			3.5		
Net interest margin (NIM)	18.6	16.0	15.7			16.0		
Non-int inc/total income	6.1	5.4	4.0			39.1		
Loan growth (%)								
Year-to-date	17.6	40.8	52.1					
y-y	17.6	26.4	29.3			29.3		
q-q	5.6	6.4	8.0					New motorcycle hire purchase loans should increase significantly

Sources: MTC; FSSIA estimates

Financial Statements

Muangthai Capital

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	11,880	13,962	15,195	19,260	23,575
Interest expense	(1,527)	(1,817)	(2,158)	(2,830)	(3,456)
Net interest income	10,353	12,145	13,038	16,429	20,119
Net fees & commission	723	726	770	601	661
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	0	0	0	0	0
Other income	85	45	47	49	52
Non interest income	808	771	817	650	712
Total income	11,161	12,916	13,855	17,079	20,832
Staff costs	(3,009)	(3,676)	(4,631)	(5,432)	(6,727)
Other operating costs	(2,306)	(2,469)	(2,157)	(2,539)	(2,852)
Operating costs	(5,314)	(6,144)	(6,788)	(7,971)	(9,579)
Pre provision operating profit	5,847	6,771	7,067	9,108	11,253
Provision for bad and doubtful debt	(554)	(255)	(731)	(1,030)	(1,310)
Other provisions	-	-	-	-	-
Operating profit	5,293	6,517	6,335	8,078	9,943
Recurring non operating income	0	0	0	0	0
Associates	0	0	0	0	0
Goodwill amortization	-	-	-	-	-
Non recurring items	0	0	0	0	0
Profit before tax	5,293	6,517	6,335	8,078	9,943
Tax	(1,056)	(1,303)	(1,280)	(1,616)	(1,989)
Profit after tax	4,237	5,214	5,056	6,463	7,955
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	4,237	5,214	5,056	6,463	7,955
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	4,237	5,214	5,056	6,463	7,955
Per share (THB)					
Recurring EPS *	2.00	2.46	2.38	3.05	3.75
Reported EPS	2.00	2.46	2.38	3.05	3.75
DPS	0.30	0.37	0.36	0.46	0.56
Growth					
Net interest income (%)	22.6	17.3	7.4	26.0	22.5
Non interest income (%)	(7.3)	(4.6)	5.9	(20.5)	9.6
Pre provision operating profit (%)	12.2	15.8	4.4	28.9	23.5
Operating profit (%)	14.4	23.1	(2.8)	27.5	23.1
Reported net profit (%)	14.1	23.0	(3.0)	27.8	23.1
Recurring EPS (%)	14.1	23.0	(3.0)	27.8	23.1
Reported EPS (%)	14.1	23.0	(3.0)	27.8	23.1
Income Breakdown					
Net interest income (%)	92.8	94.0	94.1	96.2	96.6
Net fees & commission (%)	6.5	5.6	5.6	3.5	3.2
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	0.8	0.3	0.3	0.3	0.2
Operating performance					
Gross interest yield (%)	21.92	21.27	18.70	18.70	18.90
Cost of funds (%)	3.83	3.71	3.48	3.55	3.60
Net interest spread (%)	18.09	17.56	15.22	15.15	15.30
Net interest margin (%)	19.1	18.5	16.0	16.0	16.1
Cost/income(%)	47.6	47.6	49.0	46.7	46.0
Cost/assets(%)	9.6	8.8	7.7	7.2	7.2
Effective tax rate (%)	19.9	20.0	20.2	20.0	20.0
Dividend payout on recurring profit (%)	15.0	15.0	15.0	15.0	15.0
ROE (%)	30.0	28.4	22.1	23.5	23.7
ROE - COE (%)	19.2	17.6	11.3	12.7	12.9
ROA (%)	7.6	7.5	5.8	5.9	6.0
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Muangthai Capital; FSSIA estimates

Financial Statements

Muangthai Capital

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Gross customer loans	60,338	70,968	91,549	114,436	135,034
Total provisions	(1,713)	(1,328)	(1,647)	(1,990)	(2,490)
interest in suspense	-	0	0	0	0
Net customer loans	58,624	69,640	89,902	112,445	132,544
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	0	0	0	0	0
Cash & equivalents	783	1,378	785	2,038	1,882
Other interesting assets	-	-	-	-	-
Tangible fixed assets	1,778	1,928	2,121	2,333	2,567
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	687	4,275	5,456	5,592	6,002
Total assets	61,873	77,222	98,264	122,409	142,996
Customer deposits	0	0	0	0	0
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	44,163	53,699	70,302	89,155	102,824
Non interest bearing liabilities	1,737	2,841	2,983	3,132	3,288
Hybrid Capital	-	-	-	-	-
Total liabilities	45,900	56,540	73,285	92,287	106,112
Share capital	2,120	2,120	2,120	2,120	2,120
Reserves	13,863	18,567	22,865	28,008	34,769
Total equity	15,983	20,687	24,985	30,128	36,889
Minority interests	(12)	(5)	(5)	(5)	(5)
Total liabilities & equity	61,872	77,222	98,264	122,409	142,996
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	54,193	65,653	81,258	102,992	124,735
Average interest bearing liabilities	39,811	48,931	62,001	79,728	95,989
Tier 1 capital	n/a	n/a	n/a	n/a	n/a
Total capital	0	0	0	0	0
Gross non performing loans (NPL)	621	749	1,126	1,464	1,830
Per share (THB)					
Book value per share	7.54	9.76	11.79	14.21	17.40
Tangible book value per share	7.54	9.76	11.79	14.21	17.40
Growth					
Gross customer loans	25.6	17.6	29.0	25.0	18.0
Average interest earning assets	29.5	21.1	23.8	26.7	21.1
Total asset (%)	25.9	24.8	27.2	24.6	16.8
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	nm	nm	nm	nm	nm
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	25.8	26.8	25.4	24.6	25.8
Tangible equity/assets (%)	25.8	26.8	25.4	24.6	25.8
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	15.1	20.5	50.4	30.0	25.0
NPL/gross loans (%)	1.0	1.1	1.2	1.3	1.4
Total provisions/gross loans (%)	2.8	1.9	1.8	1.5	1.8
Total provisions/NPL (%)	275.7	177.3	146.3	136.0	136.1
Valuation					
Recurring P/E (x) *	28.1	22.9	23.6	18.5	15.0
Recurring P/E @ target price (x) *	34.5	28.1	28.9	22.6	18.4
Reported P/E (x)	28.1	22.9	23.6	18.5	15.0
Dividend yield (%)	0.5	0.7	0.6	0.8	1.0
Price/book (x)	7.5	5.8	4.8	4.0	3.2
Price/tangible book (x)	7.5	5.8	4.8	4.0	3.2
Price/tangible book @ target price (x)	9.2	7.1	5.9	4.9	4.0

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Muangthai Capital; 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	ICI	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	TTB	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	TIPIP	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	TTB	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	WIJK	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

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

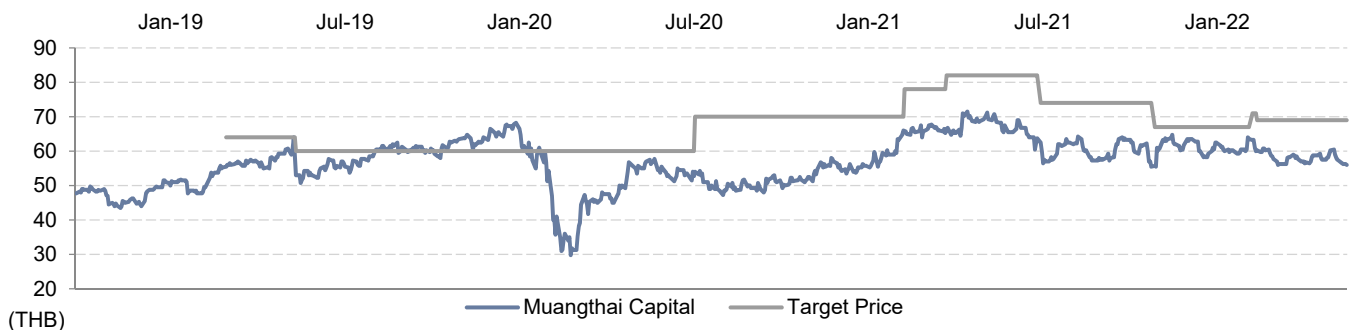
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Muangthai Capital (MTC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Jun-2019	BUY	64.00	12-Jan-2021	BUY	78.00	13-Aug-2021	BUY	67.00
09-Aug-2019	HOLD	60.00	17-Feb-2021	BUY	82.00	05-Nov-2021	BUY	71.00
16-Jul-2020	BUY	70.00	07-May-2021	BUY	74.00	11-Nov-2021	BUY	69.00

Yuvanart Suwanumphai started covering this stock from 16-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Srisawad Corp (SAWAD TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
11-Mar-2019	BUY	58.00	16-Jul-2020	BUY	68.00	07-May-2021	BUY	108.00
17-Jun-2019	BUY	65.00	25-Nov-2020	BUY	72.00	17-Aug-2021	BUY	86.00
20-Nov-2019	HOLD	65.00	04-Mar-2021	BUY	94.00	05-Nov-2021	BUY	80.00

Yuvanart Suwanumphai started covering this stock from 16-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Muangthai Capital	MTC TB	THB 56.25	BUY	Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand and the Office of Consumer Protection Board.
Srisawad Corp	SAWAD TB	THB 60.25	BUY	Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand and the Office of Consumer Protection Board.

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 Finansia 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 Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 31-Jan-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.