

Muangthai Capital

(MTC.BK/MTC TB)

Underperform Downgraded

Price as of 19 Apr 2022	50.25.00
12M target price (Bt/shr)	49.50
Unchanged/Revised up(down)(%)	(10.0)
Upside/downside (%)	(1.5)

Key messages

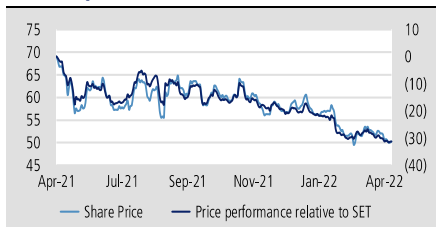
MTC is facing i) margin pressure as funding cost is rising at a faster pace than loan yield, ii) credit cost pressure due to a sharp rise in NPLs. As intensifying competition from the government bank would cap loan yield and weak asset quality in the low-end segment, we think MTC would be the top loser and hardest hit among non-banks in the sector. We cut our earnings forecasts by 5%/10% in 2022/2023 as we raise cost of funds 30bps/40bps and lowered other income. Applying de-rated PE multiple 20x (from 22x), we reach a new 2022 target price of Bt49.50, from Bt55.00. We downgrade MTC to Underperform, from Neutral.

Mkt cap (Btbn/US\$mn)	106,530/3,180		
Outstanding shares (mn)	2,120		
Foreign ownership (mn)	329		
3M avg. daily trading (mn)	7.6		
52-week trading range (Bt)	49.5/69.0		
Performance (%)	3M	6M	12M
Absolute	-13.4	-16.6	-27.2
Relative	-14.3	-18.2	-31.3

Quarterly EPS

	1Q	2Q	3Q	4Q
2019	0.47	0.48	0.51	0.53
2020	0.58	0.60	0.63	0.65
2021	0.65	0.60	0.57	0.52

Share price chart



Source: SET

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Twin hits

Event

Earnings cut and rating downgraded.

Impact

Loan growth not enough to shore up earnings

MTC is aggressively targeting loan growth of 25-30% in 2022, mainly geared toward personal loans and new motorcycle leasing for yield improvement. However, we believe this may not help the company improve earnings as personal loans contribute only 10% of total loans and motorcycle leasing is only 7%. Applying loan yield of 24% for personal loans and 22% for new motorcycle leasing (vs. yield unchanged 16%/18% for motorcycle/car title loan), we see yield for the whole portfolio improving just slightly around 10-15bps. This growth assumes personal loan growth of 35% and new motorcycle leasing growth of 60%.

Rising funding cost

We see a potentially sharp rise in funding cost coming earlier than expected as bond yield recently spiked ahead of rising interest rates. According to Thai BMA, cost of issuing debenture has risen sharply by 70bps for 3-year terms (coupon around 2.2-2.5%) and 90-110bps for 5-year terms (coupon 3.5-3.6%). This cost is based on a "A- credit rating company". Based on current funding mix and the amount of debenture and long-term refinanced in 2022 of Bt20-24bn, refinancing would increase MTC's funding cost around 30bps and pull its earnings down around 3%. Note that MTC's funding portfolio consists of 70% debentures, 23% long-term loans, and 6% short-term loans, of which Bt20-24bn is due within 2022.

Rising NPL and credit cost

MTC is facing huge NPL inflow after relief measures ended. NPLs showed signs of rising in 4Q21 and are set to increase even more in 1Q22 and 2Q22. This should pressure credit cost to the upper boundary of guidance of 1.2-1.5%. Going forward, if MTC is unable to unload NPLs from its loan book, there will be risk of NPLs being higher than guidance of 2% in 2022.

Revised down 2022F/2023F earnings 5%/10% and cut TP-22F to Bt49.50 (PE 20x)

MTC is facing i) margin pressure as funding cost is rising at a faster pace than loan yield, ii) credit cost pressure due to a sharp rise in NPLs. As intensifying competition from the government bank would cap loan yield in title loan segment and weak asset quality in the low-end segment, we think MTC would be the top loser and hardest hit among non-banks in the sector. We cut our earnings forecasts by 5%/10% in 2022/2023 as we raise cost of funds 30bps/40bps and lowered other income. Applying de-rated PE multiple 20x (from 22x), we reach a new 2022 target price of Bt49.50, from Bt55.00. We downgrade MTC to Underperform, from Neutral.

Risks

Unable to raise loan yield, rising NPLs and provisioning expense.

Key financials and valuations

	Dec-19A	Dec-20A	Dec-21A	Dec-22F	Dec-23F	Dec-24F
Pre-pro. profit (Bt mn)	5,847	6,808	6,949	7,881	9,382	11,540
Pretax profit (Bt mn)	5,293	6,516	6,201	6,530	7,411	9,648
Net income (Bt mn)	4,237	5,214	4,945	5,224	5,928	7,718
EPS (Bt)	2.00	2.46	2.33	2.46	2.80	3.64
DPS	0.30	0.37	0.37	0.37	0.42	0.55
EPS Growth (%)	14.1	23.0	(5.2)	5.7	13.5	30.2
Dividend Yield (%)	0.5	0.6	0.7	0.7	0.8	1.1
P/E (x)	30.1	24.4	22.3	20.4	18.0	13.8
P/BV (x)	8.0	6.2	4.4	3.2	2.8	2.4
ROAA (%)	7.6	7.5	5.6	5.2	4.5	4.9
ROAE (%)	30.0	28.4	21.7	21.0	19.1	21.8

Source: Company data, KGI Securities Research

1Q22F earnings preview

Solid loan growth geared toward personal loans in 1Q22F

MTC guided that loan growth remained solid in 1Q22F and was in line with its full-year target of 25-30%. Most of the loan growth is geared toward personal loans in order to improve yield as this segment charges a loan rate of 24% (vs. stable low rate of 16%/18% for motorcycle/car title loans). Meanwhile, growth in motorcycle leasing should be at a moderate pace as supply pressure continues. Growing more personal loans should boost loan yield slightly by 10bps and help offset a rise in funding cost.

Rising NPLs and provisioning expense

NPLs were on the rise in 4Q21 and the upward trend should continue in this quarter due to more NPLs from self-employed customers (30% of total customer mix) after the end of the relief program. We assume NPLs would increase 12% QoQ and 88% YoY, which would be a faster pace than the company's loan growth. We assume credit cost in the upper range of the company's guidance of 1.2-1.5%.

Expect 1Q22F earnings of Bt1.2bn (+9% QoQ, -13% YoY)

MTC's earnings are expected to improve QoQ, reflecting lower operating expense after the high base from bonuses in 4Q21. The drop YoY would reflect loan yield contracting and credit cost showing a sharp rise.

Figure 1: MTC's quarterly income statement

Bt mn	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22F	% chg QoQ	YoY
Income Statement (Bt mn)															
Interest income	2,665	2,862	3,105	3,248	3,332	3,385	3,555	3,690	3,585	3,684	3,844	4,082	4,286	5.0	19.6
Interest expense	331	363	408	425	433	447	467	470	477	507	557	587	622	6.0	30.4
Interest income - net	2,334	2,500	2,697	2,822	2,900	2,938	3,088	3,219	3,108	3,177	3,287	3,495	3,664	4.8	17.9
Operating expense	1,154	1,232	1,428	1,500	1,491	1,520	1,533	1,599	1,502	1,657	1,780	2,023	1,980	(2.1)	31.9
Operating profit	1,180	1,267	1,269	1,322	1,408	1,418	1,555	1,620	1,607	1,520	1,507	1,473	1,684	14.4	4.8
Provisioning expense	116.7	189.2	116.2	132.1	62.3	24.7	52.0	116.0	166.0	137.9	193.3	231.4	342.5	48.0	106.3
Loss on selling asset															
Other income	193	209	200	207	208	180	182	201	272	212	188	151	155	2.3	(43.1)
Pre-tax profit	1,256	1,287	1,352	1,398	1,554	1,573	1,684	1,705	1,713	1,594	1,501	1,393	1,497	7.5	(12.6)
Income tax	251	266	272	267	316	307	344	335	360	325	304	268	299	11.9	(16.8)
Net profit	1,005	1,021	1,080	1,131	1,237	1,267	1,340	1,370	1,374	1,270	1,201	1,101	1,198	8.8	(12.8)
EPS (Bt)	0.47	0.48	0.51	0.53	0.58	0.60	0.63	0.65	0.65	0.60	0.57	0.52	0.56	8.8	(12.8)
Profitability (%)															
Loan yield	21.1%	21.1%	21.5%	21.6%	21.3%	21.4%	21.2%	20.9%	19.8%	19.1%	18.8%	18.6%	18.8%		
Loan yield + fee	22.5%	22.4%	22.8%	22.8%	22.5%	22.5%	22.3%	22.0%	21.3%	20.1%	19.7%	19.2%	19.4%		
Cost of funds	4.1%	4.0%	4.3%	4.3%	4.2%	4.0%	4.0%	3.8%	3.8%	3.7%	3.8%	3.8%	3.9%		
Loan spread	18.4%	18.4%	18.6%	18.5%	18.3%	18.5%	18.2%	18.1%	17.5%	16.4%	15.8%	15.5%	15.5%		
Cost-to-income ratio	43.3%	43.0%	46.0%	46.2%	44.8%	44.9%	43.1%	43.4%	41.9%	45.0%	46.3%	49.6%	46.2%		
Effective tax rate	20.0%	20.7%	20.1%	19.1%	20.4%	19.5%	20.4%	23.2%	20.8%	20.4%	20.2%	19.6%	20.0%		
ROAA	7.7%	7.3%	7.3%	7.3%	7.3%	7.2%	7.4%	7.1%	6.9%	5.9%	5.2%	4.5%	n.a.		
ROAE	30.2%	29.6%	29.1%	28.3%	28.5%	28.2%	27.8%	26.5%	24.9%	22.5%	20.2%	17.7%	n.a.		
Growth (% YoY)															
Loan growth	33.1%	31.0%	28.7%	25.4%	23.6%	16.3%	16.2%	17.2%	15.6%	22.4%	22.0%	24.1%	26.3%		
Revenue growth	22%	21%	22%	22%	24%	16%	13%	13%	9%	9%	8%	9%	15%		
Operating income growth	19%	18%	13%	15%	19%	12%	23%	22%	14%	7%	-3%	-9%	5%		
LLP growth	-24%	20%	-27%	17%	-47%	-87%	-55%	-12%	166%	459%	271%	100%	106%		
Other income growth	-7%	-6%	-14%	0%	8%	-14%	-9%	-3%	31%	18%	3%	-25%	-43%		
Net profit growth	21%	12%	12%	13%	23%	24%	24%	21%	11%	0%	-10%	-20%	-13%		
Loan (Bt bn)	50.59	54.32	57.65	60.25	62.54	63.17	66.99	70.61	72.30	77.31	81.75	87.60	91.33	4.3	26.3
Loan growth (yoy %)	33.1	31.0	28.7	25.4	23.6	16.3	16.2	17.2	15.6	22.4	22.0	24.1	26.3		
Asset quality															
NPL (Bt mn)	527	595	565	621	738	686	699	747	708	880	980	1,187	1,328	11.9	87.7
NPL ratio (%)	1.04	1.10	0.98	1.03	1.18	1.09	1.04	1.06	0.98	1.14	1.20	1.36			
LLR/Loan (%)	3.06	3.02	2.90	2.84	2.37	2.21	2.01	1.88	1.81	1.84	1.93	2.04			
Credit cost (bps)	92.3	139.3	80.6	87.7	39.9	15.6	31.1	65.7	91.8	71.3	94.6	105.6			
NPL coverage (%)	294	276	296	276	201	204	192	177	185	162	161	151			

Source: KGI Securities Research

Rising funding cost due to higher rate of debenture

Interest rates are anticipated to rise and the bond market reflects this upward interest trend ahead of the local policy rate. According to Thai BMA, the coupon rate for A-rating issued debentures with 3-year terms cost 70bps versus 90-110bps for five-year debentures issued in mid-2021. If we apply this new coupon rate into debentures and loans due in 2022, it increases MTC's funding cost around 30bps and pulls its earnings down around 3%. Note that MTC's funding portfolio consists of 70% debentures, 23% long-term loans, and 6% short-term loans, of which Bt20-24bn is due within 2022.

Figure 3: Funding mix and funding refinanced in 2022F

Bt mn	As of 2021	% of total	Remark
S-T loan	4,235	6%	
L-T loan	16,058	23%	Due 2022 = 5,929
Debenture	47,168	70%	Due 2022 = 14,436
Total	67,461	100%	

Source: Company data, KGI Securities Research

Figure 4: Key assumption change

	Previous		Revised	
	2022F	2023F	2022F	2023F
Cost of fund	3.5%	3.8%	3.8%	4.2%
Other income (Bt mn)	809	879	750	800

Source: Company data, KGI Securities Research

Figure 5: Key assumptions

	2019	2020	2021	2022F	2023F	2024F
No. of branch	4,107	4,884	5,799	6,599	7,379	8,159
New branch	828	777	915	800	780	780
Loan growth (%)	25.4	17.2	24.1	25.0	20.0	20.0
Loan outstanding (Bt mn)	60,253	70,607	87,602	109,503	131,403	157,684
Loan growth (%)	25.4%	17.2%	24.1%	25.0%	20.0%	20.0%
LLR (Bt mn)	1,714	1,326	1,788	1,855	1,954	2,048
Loan - net (Bt mn)	58,539	69,281	85,815	107,648	129,450	155,636
Loan overdue >3M	621	747	1,187	2,081	2,497	2,996
% to total loan	1.0	1.1	1.4	1.9	1.9	1.9
Credit cost (bps)	92	40	87	150	150	120
NPL coverage	276	177	151	89	78	68
LLR/Loan	2.84	1.88	2.04	1.69	1.49	1.30
Loan yield (%)	21.9	21.3	19.2	18.9	19.2	19.6
Loan yield (+ other incomes) (%)	23.3	22.4	20.2	19.7	19.9	20.2
Cost of fund (%)	3.83	3.82	3.57	3.85	4.20	4.40
Loan spread (%)	18.1	17.5	15.6	15.1	15.0	15.2
Loan spread (+fee income) (%)	19.4	18.6	16.6	15.8	15.7	15.8
Other income/rev (%)	0.7	0.3	0.3	0.3	0.3	0.3
Cost/income ratio	48.0	47.7	50.3	50.9	51.9	52.2
D/E (x)	2.76	2.46	2.74	3.03	3.25	3.43
Leverage ratio (asset/equity) (X)	3.87	3.73	3.96	4.20	4.36	4.50
Cost to income ratio (%)	42.2	41.8	43.6	43.0	43.0	43.0
Effective tax rate (%)	19.9	20.0	20.3	20.0	20.0	20.0

Source: Company data, KGI Securities Research

Figure 6: Peer comparison

	Rating	TP-22F	Mkt	Upside	Mkt cap	Target	EPS (Bt)			EPS growth			PE (x)			PBV (x)			Div. yield		ROE (%)		
		Rating	Bt	price	%	(Bt bn)	PE (x)	21	22F	23F	21	22F	23F	21	22F	23F	21	22F	23F	20	21F	21	22F
Non-Bank																							
AEONTS*	OP	240	193	19.4	45.3	12.5	15.1	19.3	22	2.6	27.4	14.7	13	10	9	2.6	2.4	2.4	2.2	2.9	18.0	21.4	21
HENG	N	4.5	4.1	6.1	16.2	35.0	0.1	0.1	0.2	(12.1)	32.9	45.2	45.7	34.4	23.7	3.4	3.7	3.3	1.3	1.7	8.5	10.2	14.7
KTC*	OP	69.0	59.0	16.9	152.1	24.0	2.3	2.8	3.4	11.2	23.4	21.7	25.7	21.1	17.4	4.7	3.9	3.7	1.5	1.8	23.7	28.3	26.4
MTC*	U	49.5	50.3	-1.5	106.5	21.5	2.3	2.5	2.8	(5.2)	5.7	13.5	21.5	20.4	18.0	4.2	3.5	3.4	0.7	0.7	21.7	20.5	20.9
SAK	N	9.5	9.2	3.3	19.6	25.0	0.3	0.4	0.5	(17.2)	30.2	20.6	32.3	24.8	20.5	4.0	3.7	3.3	1.5	3.2	12.9	15.4	16.9
SAWAD*	OP	81.0	55.0	47.3	75.5	20.0	3.7	4.1	4.4	5.8	10.6	8.8	14.9	13.5	12.4	2.9	2.7	2.5	3.3	3.4	21.0	21.1	22.2
SINGER*	OP	56.0	55.8	0.4	22.7	44.2	0.9	1.2	1.9	(18.1)	39.8	52.8	63.4	45.3	29.65	9.1	3.0	3.0	0.4	0.5	8.2	7.2	7.7
TIDLOR	N	37.5	37.0	1.4	85.8	20.0	1.4	1.7	2.0	19.5	24.1	17.1	27.0	21.8	18.6	4.3	3.7	3.4	n.a.	1.1	19.3	16.6	17.0

Source: KGI Securities Research

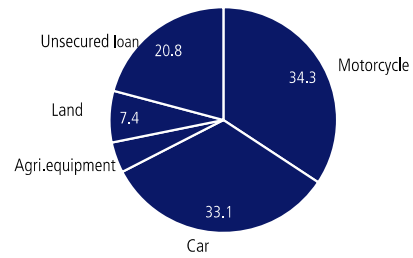
Figure 7: Company profile

Muang Thai Capital (MTC) has been providing lending services since 1992 with a focus on motorcycle title loans, which it leads the market in. In addition, to meet customer needs, the company has expanded to other loans such as car title loans, personal loans, agricultural vehicle title loans, nano-finance and land title loans. Moreover, the company provides the act to facilitate for its customers.

Source: Company data

Figure 8: Loan breakdown

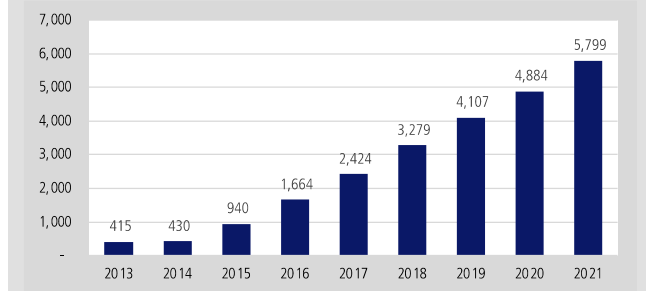
Percent



Source: Company data

Figure 9: Branch network

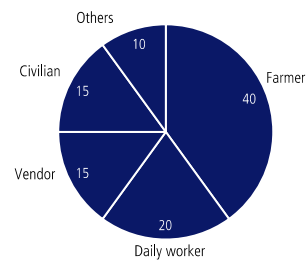
Offices



Source: Company data

Figure 10: Customer profile (2020)

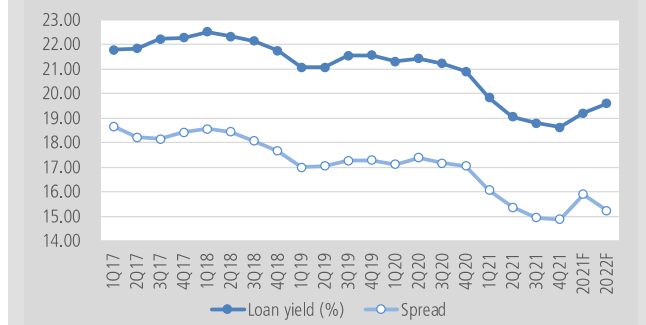
Percent



Source: Company data, KGI Securities Research

Figure 11: Loan yield and margin

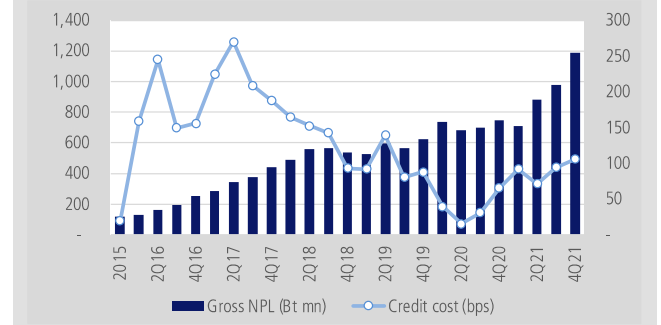
Percent



Source: Company data, KGI Securities Research

Figure 12: Asset quality

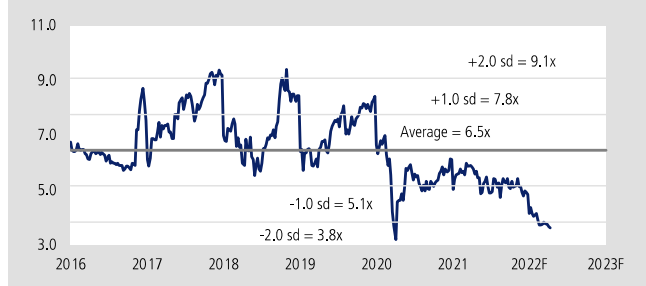
Gross NPL, Bt mn (LHS); credit cost, bps (RHS)



Source: Company data, KGI Securities Research

Figure 13: PBV

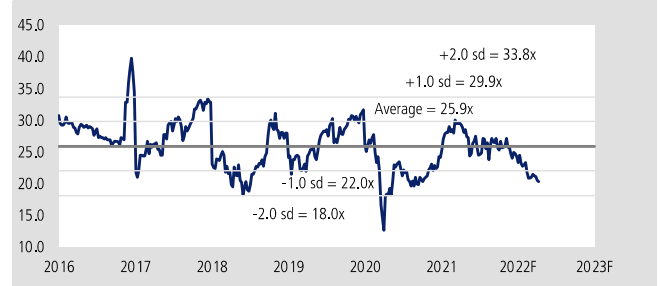
Percent



Source: KGI Securities Research

Figure 14: PE band

PE, times



Source: KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2018	2019	2020	2021	2022F	2023F
Total Assets	49,146	61,872	77,222	143,611	170,565	202,665
Cash	880	783	1,378	300	300	300
Loans & Acc. Int - net	28,605	34,929	39,346	90,029	108,331	130,293
Total current asset	29,677	35,922	41,075	91,055	109,540	131,731
Loan -net (>1yr)	17,943	23,693	29,936	40,175	47,854	57,178
PP&E	1,269	1,778	1,928	2,478	2,828	2,928
Others	258	478	4,283	9,903	10,343	10,827
Total Liabilities	36,847	45,900	56,540	110,672	132,671	148,825
S-T loan	7,625	5,955	6,356	26,801	32,438	37,356
L-T loans	24,438	29,467	34,457	77,293	91,526	102,778
Others	4,785	10,478	15,727	6,578	8,707	8,691
Shareholders' Equity	12,299	15,972	20,682	32,938	37,881	44,728
Common Stock	2,120	2,120	2,120	2,120	2,120	2,120
Capital Surplus	2,380	2,380	2,380	2,380	2,380	2,380
Retained Earnings	212	212	212	120	130	140
Supplementary						
NPLs	540	621	747	1,187	2,081	2,497
% to loan	1.1%	1.0%	1.1%	1.9%	1.9%	1.9%
NPL coverage	275	276	177	151	89	78

Profit & Loss

Year to 31 Dec (Bt mn)	2018	2019	2020	2021	2022F	2023F
Interest income	9,544	11,880	13,962	15,195	18,626	23,127
Interest expense	1,100	1,527	1,817	2,127	3,009	4,102
Operating expense	4,100	5,314	6,144	6,961	8,532	10,489
Operating profit	4,344	5,039	6,000	6,106	7,086	8,537
Other income	872	808	771	824	800	860
LLP	586	554	255	728	1,351	1,971
Pre-tax profit	4,627	5,293	6,516	6,201	6,530	7,411
Income tax	913	1,056	1,303	1,257	1,306	1,482
Net profit	3,713	4,237	5,214	4,945	5,224	5,928
EPS (Bt)	1.75	2.00	2.46	2.33	2.46	2.80

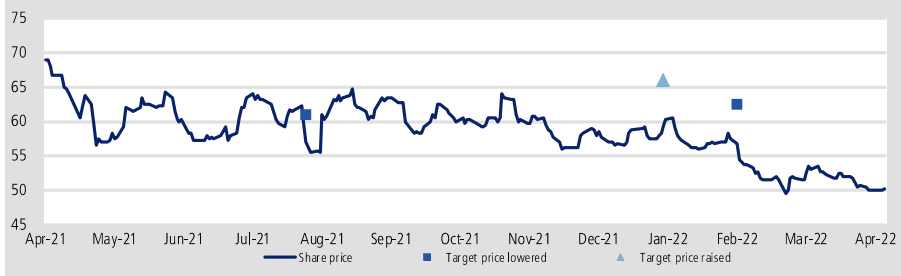
Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2018	2019	2020	2021	2022F	2023F
Growth (YoY %)						
Loans and Accrued In	35.1	25.9	18.2	87.9	20.0	20.0
Borrowing fund	23.3	10.5	15.2	155.1	19.1	13.0
Total Assets	33.0	25.9	24.8	86.0	18.8	18.8
Total Equity	37.5	29.9	29.5	59.3	15.0	18.1
Growth (YoY %)						
Net Interest Income	37.9	22.6	17.3	7.6	19.5	21.8
Total revenue	39.4	21.8	16.1	8.7	21.3	23.5
Loan Loss Provision	13.7	5.5	54.0	185.7	85.4	45.9
Operating expense	37.2	29.6	15.6	13.3	22.6	22.9
Operating profit	38.6	16.0	19.1	1.8	16.0	20.5
Net Profit	48.5	14.1	23.0	5.2	5.7	13.5
EPS	48.5	14.1	23.0	5.2	5.7	13.5
Profitability (%)						
Yield on loans	22.81	21.94	21.34	19.21	18.90	19.20
Cost of Funds	3.58	3.83	3.82	3.57	3.85	4.20
Net Interest Margin	21.14	19.44	18.63	16.61	15.81	15.66
Cost/OP Income Ratio	39.7	42.2	41.8	43.6	43.0	43.0
ROAA	8.6	7.6	7.5	5.6	5.2	4.5
ROAE	35.0	30.0	28.4	21.7	21.0	19.1
Asset/equity (x)	4.0	3.9	3.7	4.4	4.5	4.5
D/E (x)	2.9	2.8	2.8	2.5	2.7	3.0
Asset Quality (%)						
NPLs Ratio	1.1%	1.0%	1.1%	1.9%	1.9%	1.9%
LLR/Loans Ratio	5.65	6.65	7.65	8.65	9.65	10.65
EPS (fully diluted)	1.75	2.00	2.46	2.33	2.46	2.80
DPS	0.26	0.30	0.37	0.37	0.37	0.42
BVPS	5.8	7.5	9.8	11.7	15.5	17.9

Source: KGI Securities Research

Muangthai Capital – Recommendation & target price history



Date	Rating	Target	Price
14-Feb-22	Neutral	62.50	56.75
13-Jan-22	Neutral	66.00	59.25
10-Nov-21	Underperform	61.00	61.00
11-Aug-21	Neutral	61.00	57.00
14-May-21	Neutral	69.00	57.00

Source: KGI Securities Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B. GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENDEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRI SAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFECO	SEAFECO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. <i>Excess return = 12M target price/current price-</i>
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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