

Muangthai Capital

(MTC.BK/MTC TB)*

Neutral · Maintained

Price as of 21 Feb 2023	34.50
12M target price (Bt/shr)	Under Review
Unchanged/Revised up(down)(%)	NA
Upside/downside (%)	NA

Key messages

กำไรสุทธิของ MTC ใน 4Q65 อยู่ที่ 1.1 พันล้านบาท (-6% QoQ, -3% YoY) ซึ่งเป็นไปตามประมาณการของเรา/consensus โดยกำไรสุทธิเดิมอยู่ที่ 5.1 พันล้านบาท (+3%) ถึงแม้ว่ารายได้จากธุรกิจหลักของ MTC จะเพิ่มขึ้นมากกว่าที่เราคาดไว้ แต่ NPL เกิดใหม่และการตั้งสำรองก้อนใหญ่ยังมีน้ำหนักมากกว่า นอกจากนี้ การขายสินเชื่อในอัตราที่สูงเพื่อเพิ่มรายได้ยังทำให้สัดส่วน D/E ดิ่งขึ้นไปอีก ดังนั้น เรายังคงคำแนะนำถือและอยู่ระหว่างทบทวนราคาเป้าหมายปี 2566F

Charlie Kueyen
66.2658.8888 Ext. 8851
kchaliek@kgi.co.th

ผลประกอบการ 4Q65: หนี้เสียเพิ่มในอัตราเร่ง

Event

กำไรสุทธิของ MTC ใน 4Q65 อยู่ที่ 1.1 พันล้านบาท (-6% QoQ, -3% YoY) ซึ่งเป็นไปตามประมาณการของเรา และของตลาดรวม (consensus) โดยกำไรสุทธิเดิมอยู่ที่ 5.1 พันล้านบาท (+3%)

Impact

PPOP โดเมนคาดใน 4Q65

ถึงแม้ว่าผลประกอบการใน 4Q65 จะเป็นไปตามประมาณการ แต่กำไรจากธุรกิจหลักออกมามากกว่าที่คาดไว้ประมาณ 9% เพราะ yield สินเชื่อเพิ่มขึ้น 40bps QoQ แต่ทรงตัว YoY ซึ่งเกินพอที่จะชดเชยต้นทุนทางการเงินที่เพิ่มขึ้นประมาณ 15bps QoQ

สินเชื่อขยายตัวได้อย่างแข็งแกร่ง แต่สัดส่วน D/E ยังตั้งอยู่

สินเชื่อขยายตัว 5% QoQ และ 31% YoY ซึ่งชะลอตัวลงจากไตรมาสก่อน ๆ ในขณะที่สัดส่วน D/E ยังตั้งตัวอยู่ที่ 3.3x

มี NPL เกิดใหม่ก้อนใหญ่ ทำให้ยังต้องเพิ่ม credit cost อีก

Gross NPL เร่งตัวขึ้นอย่างมากถึง 40% QoQ และ 160% YoY โดยสินเชื่อที่อยู่ใน stage 2 (ค้างชำระ 30-90 วัน) เร่งตัวขึ้นถึง 20% QoQ และ 140% YoY ซึ่งการที่สินเชื่อจัดชั้นเร่งตัวขึ้นหมายความว่า NPL เกิดใหม่จะยังสูงในไตรมาสต่อ ๆ ไป ทำให้ MTC ต้องเพิ่ม credit cost เป็น 3.9% ใน 4Q65 (จาก 3.4% ใน 3Q65) และ 2.5% ในปี 2565 (จาก 0.7% ในปี 2564)

Valuation

ถึงแม้ว่ารายได้จากธุรกิจหลักของ MTC จะเพิ่มขึ้นมากกว่าที่เราคาดไว้ แต่ NPL เกิดใหม่และการตั้งสำรองก้อนใหญ่ยังมีน้ำหนักมากกว่า นอกจากนี้ การขายสินเชื่อในอัตราที่สูงเพื่อเพิ่มรายได้ยังทำให้สัดส่วน D/E ดิ่งขึ้นไปอีก ดังนั้น เรายังคงคำแนะนำถือและอยู่ระหว่างทบทวนราคาเป้าหมายปี 2566F

Risk

NPL เพิ่มขึ้น และตั้งสำรองเพิ่มขึ้น

Key financial and valuation

	Dec-19A	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Pre-pro. profit (Bt mn)	5,847	6,808	6,949	9,187	10,545	11,632
Pretax profit (Bt mn)	5,293	6,516	6,201	6,360	7,058	8,340
Net income (Bt mn)	4,237	5,214	4,945	5,093	5,646	6,672
EPS (Bt)	2.00	2.46	2.33	2.40	2.66	3.15
DPS	0.30	0.37	0.37	1.37	0.40	0.39
EPS Growth (%)	14.1	23.0	(5.2)	3.0	10.9	18.2
Dividend Yield (%)	0.5	0.6	0.7	4.0	1.2	1.2
P/E (x)	30.1	24.4	22.3	14.2	12.8	10.8
P/BV (x)	8.0	6.2	4.4	2.5	2.0	1.7
ROAA (%)	7.6	7.5	5.6	4.5	4.0	3.9
ROAE (%)	30.0	28.4	21.7	18.8	18.4	19.3

Source: Company data, KGI Securities Research

Figure 1: MTC's 4Q22 and 2022 earnings review

Bt mn	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	% chg		2021	2022	% chg
									QoQ	YoY			
Income Statement (Bt mn)													
Interest income	3,585	3,684	3,844	4,082	4,285	4,617	4,959	5,338	7.6	30.8	15,195	19,199	26.3
Interest expense	477	507	557	587	604	663	737	810	9.9	38.1	2,127	2,813	32.2
Interest income - net	3,108	3,177	3,287	3,495	3,682	3,955	4,222	4,528	7.2	29.5	13,068	16,386	25.4
Operating expense	1,502	1,657	1,780	2,023	1,963	1,946	2,008	2,152	7.2	6.4	6,961	8,069	15.9
Operating profit	1,607	1,520	1,507	1,473	1,719	2,008	2,214	2,376	7.3	61.4	6,106	8,317	36.2
Provisioning expense	166	138	193	231	149	481	994	1,203	21.0	420.0	728	2,827	288.1
Loss on selling asset													
Other income	272	212	188	151	163	208	226	273	20.7	80.2	824	869	5.6
Pre-tax profit	1,713	1,594	1,501	1,393	1,732	1,735	1,446	1,446	0.0	3.8	6,201	6,360	2.6
Income tax	360	325	304	268	357	355	312	243	(21.9)	(9.0)	1,257	1,267	0.8
Net profit	1,374	1,270	1,201	1,101	1,376	1,381	1,205	1,132	(6.1)	2.8	4,945	5,093	3.0
EPS (Bt)	0.65	0.60	0.57	0.52	0.65	0.65	0.57	0.53	(6.1)	2.8	2.33	2.40	3.0
Profitability (%)													
Loan yield	19.8%	19.1%	18.8%	18.6%	18.5%	18.2%	18.2%	18.6%					
Loan yield + fee	21.3%	20.1%	19.7%	19.2%	19.1%	18.9%	19.0%	19.4%					
Cost of funds	3.8%	3.7%	3.8%	3.8%	3.6%	3.6%	3.7%	3.9%					
Loan spread	17.5%	16.4%	15.8%	15.5%	15.5%	15.3%	15.3%	15.6%					
Cost-to-income ratio	44.5%	49.1%	51.4%	55.8%	51.2%	47.0%	45.3%	45.0%					
Effective tax rate	20.8%	20.4%	20.2%	19.6%	20.6%	20.4%	20.5%	17.7%					
ROAA	6.9%	5.9%	5.2%	4.5%	5.2%	4.8%	3.9%	3.5%					
ROAE	24.9%	22.5%	20.2%	17.7%	21.0%	20.6%	17.2%	15.5%					
D/E (x)	2.53	2.77	2.87	2.87	2.95	3.21	3.30	3.30					
Branch	5,005	5,284	5,665	5,799	6,161	6,475	6,547	6,668					
Loan (Bt bn)	73.55	79.83	84.95	91.81	98.61	107.40	114.59	120.61	5.3	31.4			
Loan growth (yoy %)	17.6	26.4	26.8	29.4	34.1	34.5	34.9	31.4					

Source: Company data, KGI Securities Research

Figure 2: Asset quality

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	% chg		2021	2022	% chg
									QoQ	YoY			
Asset quality													
NPL (Bt mn)	708	880	980	1,276	1,630	2,104	2,611	3,507	34.3	174.8			
NPL ratio (%)	0.98	1.14	1.15	1.39	1.65	1.96	2.28	2.92					
LLR/Loan (%)	1.81	1.84	1.93	2.04	1.83	1.87	2.28	2.88					
Credit cost (bps)	92	71	91	101	69	179	347	392			66	247	
NPL coverage (%)	185	162	161	144	113	96	102	105					
Title loan and P-Loan													
Stage 1	67,861	72,188	76,349	81,837	85,347	91,520	97,301	100,769	3.6	23.1			
Stage 2	3,736	4,242	4,423	4,578	6,185	8,242	9,250	11,110	20.1	142.7			
Stage 3	708	880	980	1,187	1,357	1,753	2,213	3,098	39.9	160.9			
Total	72,304	77,310	81,751	87,602	92,889	101,515	108,765	114,977	5.7	31.2			
LLR													
Stage 1	(632)	(584)	(657)	(709)	(541)	(484)	(627)	(704)	12.4	(0.7)			
Stage 2	(287)	(296)	(338)	(349)	(321)	(345)	(436)	(581)	33.4	66.5			
Stage 3	(388)	(541)	(583)	(729)	(842)	(1,069)	(1,421)	(2,022)	42.3	177.2			
Total	(1,308)	(1,421)	(1,578)	(1,788)	(1,704)	(1,898)	(2,483)	(3,307)	33.2	85.0			
% of loan	-1.81%	-1.84%	-1.93%	-2.04%	-1.83%	-1.87%	-2.28%	-2.88%	26.0	40.9			
H/P loan (motorcycle)													
Stage 1	1,232	2,432	3,118	3,777	4,889	4,745	4,531	4,328	(4.5)	14.6			
Stage 2	9	86	65	345	563	790	893	900	0.7	160.9			
Stage 3	1	3	17	89	272	352	398	408.9	2.8	360.4			
Total	1,241	2,521	3,200	4,210	5,724	5,887	5,821	5,636	(3.2)	33.9			
LLR													
Stage 1	(6)	(13)	(15)	(20)	n.a.	(33)	(42)	(63)	48.8	217.5			
Stage 2	(0)	(2)	(2)	(11)	n.a.	(32)	(50)	(101)	104.2	818.8			
Stage 3	(0)	(0)	(3)	(13)	n.a.	(62)	(96)	(215)	123.8	1,498			
Total	(6)	(16)	(20)	(44)	(135.6)	(127.0)	(187.7)	(378.8)	101.8	757.4			

Source: Company data, 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
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAIKOM
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	TMBTHANACHART 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	SRISAWAD 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 ERAWAN 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	KASIKORNBANK	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	SRISAWAD 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	SEAFCO	SEAFCO
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
CENTEL	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
BPCG	BPCG	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.

KGI Locations

China	Shanghai	Room 2703B-2704, Tower A , Shanghai Dawning Centre,500 Hongbaoshi Road Shanghai, PRC 201103
	Shenzhen	Room 24D1, 24/F, A Unit, Zhen Ye Building, 2014 Bao'annan Road, Shenzhen, PRC 518008
Taiwan	Taipei	700 Mingshui Road, Taipei, Taiwan Telephone 886.2.2181.8888 · Facsimile 886.2.8501.1691
Hong Kong		41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
Thailand	Bangkok	8th - 11th floors, Asia Centre Building 173 South Sathorn Road, Bangkok 10120, Thailand Telephone 66.2658.8888 Facsimile 66.2658.8014
Singapore		4 Shenton Way #13-01 SGX Centre 2 Singapore 068807 Telephone 65.6202.1188 Facsimile 65.6534.4826

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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.
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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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