

Muangthai Capital

(MTC.BK/MTC TB)*

Outperform Upgraded

Price as of 27 Mar 2023	33.75
12M target price (Bt/shr)	42.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	23.25

Key messages

Signs of NPLs rising at a slower pace would alleviate pressure on credit cost. Going forward, raising loan rates to offset margin pressure would be a new catalyst. An undemanding valuation and attractive upside to our target price of Bt42.00 have us upgrade the counter to Outperform, from Neutral.

Trading data

Mkt cap (Btmn/US\$m)	71,550/2,074		
Outstanding shares (mn)	2,120		
Foreign ownership (mn)	n.a.		
3M avg. daily trading (mn)	13.87		
52-week trading range (Bt)	31.0/52.5		
Performance (%)	3M	6M	12M
Absolute	-11.2	-9.4	-34.8
Relative	-8.5	-9.0	-31.1

Quarterly EPS

	1Q	2Q	3Q	4Q
2020	0.58	0.60	0.63	0.65
2021	0.65	0.60	0.57	0.52
2022	0.65	0.65	0.57	0.53

Share price chart



Source: SET

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NPL rising at slower pace

Event

Outlook update and rating upgrade.

Impact

NPLs rising at slower pace than previously expected

In our talk with MTC, we learned its NPL ratio is rising at a slower pace than the previous quarter. The company guided for the NPL ratio to be around 3.1-3.2% in 1Q23F (vs. 2.9% in 4Q22). Meanwhile, national elections may alleviate NPL pressure in the short term. Previous guidance pointed to a peak in NPLs at around 3.5% in mid-2023 and credit cost at 4%. The slower pace of NPLs would mean a slower pace for credit cost than previously forecast (our forecast assumes credit cost 4%/3% in 2023/2024). Note that MTC reported a sharp rise in NPLs from 2.3% in 3Q22 to 2.9% in 4Q22, and booked credit cost of 4% in 4Q22 and 2.5% for 2022.

Able to raise loan yield to offset credit cost hike

MTC has set its lending rate far below its peers (16% for motorcycle and 18% for car title loans versus the ceiling rate at 24%). In order to manage a sharp rise in credit cost, MTC raised some lending rates to improve yield 40bps in 4Q22. We believe MTC still has room to raise lending rate to help manage the rise in credit cost. At this level, we assume credit cost at 3.5% in 1Q23F, while loan yield is maintained.

Expect 1Q23F earnings of Bt1.3bn (+16% QoQ, -5% YoY)

Our earnings forecast factors in loan growth at a slower pace of 23% YoY (vs. +31% YoY in 4Q22), loan yield falling 30bps QoQ and 10bps YoY, and credit cost remaining at a high level of 3.6% (down from 4% in 4Q22). Note that MTC booked extra interest income on change in accounting method, and that caused a higher loan yield in 4Q22 of around 30bps.

Upgrade to Outperform with earnings forecast unchanged

MTC's share price has fallen sharply and its valuation has become interesting with forward PE of 13.5x/11x of 2023F/2024F earnings. Given the undemanding valuation, we upgrade the counter to Outperform, from Neutral. MTC remains a big player as an emergency source of funds for the low-end segment and has the largest network in the country. Going forward, when cycle NPLs peak, MTC will have more room to lower credit cost.

Risks

Rising NPL and credit cost.

Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Pre-pro. profit (Bt mn)	6,808	6,949	9,187	12,193	13,444	15,485
Pretax profit (Bt mn)	6,516	6,201	6,360	6,674	8,327	11,512
Net income (Bt mn)	5,214	4,945	5,093	5,340	6,661	9,209
EPS (Bt)	2.46	2.33	2.40	2.52	3.14	4.34
DPS	0.37	0.37	0.95	0.38	0.47	0.65
EPS Growth (%)	23.0	(5.2)	3.0	4.8	24.8	38.2
Dividend Yield (%)	0.6	0.7	2.8	1.1	1.4	1.9
P/E (x)	24.4	22.3	14.2	13.5	10.8	7.8
P/BV (x)	6.2	4.4	2.5	1.9	1.6	1.4
ROAA (%)	7.5	5.6	4.5	3.8	4.1	4.7
ROAE (%)	28.4	21.7	18.8	17.1	18.6	22.3

Source: Company data, KGI Securities Research

Figure 1: MTC's quarterly earnings

Bt mn	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23F	% chg		
														QoQ	YoY	
Income Statement (Bt mn)																
Interest income	3,332	3,385	3,555	3,690	3,585	3,684	3,844	4,082	4,285	4,617	4,959	5,338	5,400	1.2	26.0	
Interest expense	433	447	467	470	477	507	557	587	604	663	737	810	900	11.1	49.1	
Interest income - net	2,900	2,938	3,088	3,219	3,108	3,177	3,287	3,495	3,682	3,955	4,222	4,528	4,500	(0.6)	22.2	
Operating expense	1,491	1,520	1,533	1,599	1,502	1,657	1,780	2,023	1,963	1,946	2,008	2,152	2,150	(0.1)	9.5	
Operating profit	1,408	1,418	1,555	1,620	1,607	1,520	1,507	1,473	1,719	2,008	2,214	2,376	2,350	(1.1)	36.7	
Provisioning expense	62.3	24.7	52.0	116.0	166	138	193	231	149	481	994	1,203	1,000	(16.9)	571.5	
Loss on selling asset																
Other income	208	180	182	201	272	212	188	151	163	208	226	273	272	(0.4)	67.2	
Pre-tax profit	1,554	1,573	1,684	1,705	1,713	1,594	1,501	1,393	1,732	1,735	1,446	1,446	1,622	12.2	(6.4)	
Income tax	316	307	344	335	360	325	304	268	357	355	312	243	308	26.6	(13.6)	
Net profit	1,237	1,267	1,340	1,370	1,374	1,270	1,201	1,101	1,376	1,381	1,205	1,132	1,314	16.1	(4.5)	
EPS (Bt)	0.58	0.60	0.63	0.65	0.65	0.60	0.57	0.52	0.65	0.65	0.57	0.53	0.62	16.1	(4.5)	
Profitability (%)																
Loan yield	21.3%	21.4%	21.2%	20.9%	19.8%	19.1%	18.8%	18.6%	18.5%	18.2%	18.2%	18.6%	18.4%			
Loan yield + fee	22.5%	22.5%	22.3%	22.0%	21.3%	20.1%	19.7%	19.2%	19.1%	18.9%	19.0%	19.4%	19.2%			
Cost of funds	4.2%	4.0%	4.0%	3.8%	3.8%	3.7%	3.8%	3.8%	3.6%	3.6%	3.7%	3.9%	4.1%			
Loan spread	18.3%	18.5%	18.2%	18.1%	17.5%	16.4%	15.8%	15.5%	15.5%	15.3%	15.3%	15.6%	15.3%			
Cost-to-income ratio	48.3%	48.8%	47.0%	46.9%	44.5%	49.1%	51.4%	55.8%	51.2%	47.0%	45.3%	45.0%	45.3%			
Effective tax rate	20.4%	19.5%	20.4%	23.2%	20.8%	20.4%	20.2%	19.6%	20.6%	20.4%	20.5%	17.7%	19.0%			
ROAA	7.3%	7.2%	7.4%	7.1%	6.9%	5.9%	5.2%	4.5%	5.2%	4.8%	3.9%	3.5%	4.5%			
ROAE	28.5%	28.2%	27.8%	26.5%	24.9%	22.5%	20.2%	17.7%	21.0%	20.6%	17.2%	15.5%	18.6%			
D/E (x)	2.62	2.65	2.55	2.60	2.53	2.77	2.87	2.87	2.95	3.21	3.40	3.40	3.37			
Growth (% YoY)																
Loan growth	23.6%	16.3%	16.2%	17.8%	17.6%	26.4%	26.8%	29.4%	34.1%	34.5%	34.9%	31.4%	23.3%			
Revenue growth	24%	16%	13%	13%	9%	9%	8%	9%	15%	24%	29%	33%	47%			
Operating expense growth	29%	23%	7%	7%	1%	9%	16%	26%	31%	17%	13%	6%	43%			
Operating income growth	19%	12%	23%	22%	14%	7%	-3%	-9%	7%	32%	47%	61%	46%			
LLP growth	-47%	-87%	-55%	-12%	166%	459%	271%	100%	-10%	249%	414%	420%	502%			
Other income growth	8%	-14%	-9%	-3%	31%	18%	3%	-25%	-40%	-2%	20%	80%	0%			
Net profit growth	23%	24%	24%	21%	11%	0%	-10%	-20%	0%	9%	0%	3%	-4%			

Source: KGI Securities Research

Figure 2: MTC's quarterly asset quality

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23F	% chg	
														QoQ	YoY
Asset quality															
NPL (Bt mn)	738	686	699	747	708	880	980	1,276	1,630	2,104	2,611	3,507	3,733	6.4	129.1
NPL ratio (%)	1.18	1.09	1.04	1.06	0.98	1.14	1.15	1.39	1.65	1.96	2.28	2.92	3.24		
LLR/Loan (%)	2.37	2.21	2.01	1.88	1.81	1.84	1.93	2.04	1.83	1.87	2.28	2.88	1.65		
Credit cost (bps)	40	16	31	66	92	71	91	101	69	179	347	392	347		
NPL coverage (%)	201	204	192	177	185	162	161	144	113	96	102	105	107		
Title loan and P-Loan															
Stage 1	56,345	58,154	61,190	65,371	67,861	72,188	76,349	81,837	85,347	91,520	97,301	100,769			
Stage 2	5,456	3,370	4,229	4,489	3,736	4,242	4,423	4,578	6,185	8,242	9,250	11,110			
Stage 3	738	252	232	747	708	880	980	1,187	1,357	1,753	2,213	3,098			
Total	62,539	61,777	65,651	70,607	72,304	77,310	81,751	87,602	92,889	101,515	108,765	114,977			
LLR															
Stage 1	(576)	(657)	(549)	(538)	(632)	(584)	(657)	(709)	(541)	(484)	(627)	(704)			
Stage 2	(472)	(332)	(352)	(307)	(287)	(296)	(338)	(349)	(321)	(345)	(436)	(581)			
Stage 3	(435)	(409)	(442)	(481)	(388)	(541)	(583)	(729)	(842)	(1,069)	(1,421)	(2,022)			
Total	(1,483)	(1,398)	(1,344)	(1,326)	(1,308)	(1,421)	(1,578)	(1,788)	(1,704)	(1,898)	(2,483)	(3,307)			
% of loan	-2.4%	-2.3%	-2.0%	-1.9%	-1.8%	-1.8%	-1.9%	-2.0%	-1.8%	-1.9%	-2.3%	-2.9%			
H/P loan (motorcycle)															
Stage 1				355	1,232	2,432	3,118	3,777	4,889	4,745	4,531	4,328			
Stage 2				0	9	86	65	345	563	790	893	900			
Stage 3				5	1	3	17	89	272	352	398	408.9			
Total				361	1,241	2,521	3,200	4,210	5,724	5,887	5,821	5,636			
LLR															
Stage 1				(1.6)	(6)	(13)	(15)	(20)	n.a.	(33)	(42)	(63)			
Stage 2				(0.2)	(0)	(2)	(2)	(11)	n.a.	(32)	(50)	(101)			
Stage 3				(0.1)	(0)	(0)	(3)	(13)	n.a.	(62)	(96)	(215)			
Total				(1.8)	(6)	(16)	(20)	(44)	(135.6)	(127.0)	(187.7)	(378.8)			

Source: KGI Securities Research

Figure 3: Key assumptions

	2019	2020	2021	2022	2023F	2024F	2024F
No. of branch	4,107	4,884	5,799	5,800	5,801	5,802	5,803
New branch	828	777	915	1	1	1	1
Loan growth (%)	25.4	17.2	24.1	31.2	20.0	20.0	20.0
Loan outstanding (Bt mn)	60,253	70,607	87,602	114,977	137,972	165,567	198,680
Loan growth (%)	25.4%	17.2%	24.1%	31.2%	20.0%	20.0%	20.0%
LLR (Bt mn)	1,714	1,326	1,788	3,307	4,842	5,637	6,591
Loan - net (Bt mn)	58,539	69,281	85,815	111,670	133,130	159,930	192,090
Loan overdue >3M	621	747	1,276	3,507	4,829	5,381	5,960
% to total loan	1.0	1.1	1.5	3.0	3.5	3.3	3.0
Credit cost (bps)	92	40	87	250	404	304	204
NPL coverage	276	177	140	94	100	105	111
LLR/Loan	2.84	1.88	2.04	2.88	3.51	3.40	3.32
Loan yield (%)	21.9	21.3	19.2	19.0	19.0	19.0	19.0
Loan yield (+ other incomes) (%)	23.3	22.4	20.2	19.7	20.6	20.4	19.6
Cost of fund (%)	3.83	3.82	3.57	3.50	4.20	4.30	4.30
Loan spread (%)	18.1	17.5	15.6	15.5	14.8	14.7	14.7
Loan spread (+fee income) (%)	19.4	18.6	16.6	16.2	16.4	16.1	15.3
Other income/rev (%)	0.7	0.3	0.3	0.4	0.2	0.2	0.2
Cost/income ratio	42.2	41.8	43.6	40.4	38.0	38.5	39.0
D/E (x)	2.76	2.46	2.74	3.40	3.68	3.86	3.95
Leverage ratio (asset/equity) (X)	3.87	3.73	3.96	4.40	4.50	4.67	4.76
Cost to income ratio (%)	42.2	41.8	43.6	40.4	38.0	38.5	39.0
Effective tax rate (%)	19.9	20.0	20.3	19.9	20.0	20.0	20.0
ROA (%)	7.6	7.5	5.6	4.5	3.8	4.1	4.7
ROE (%)	30.0	28.4	21.7	18.8	17.1	18.6	22.3

Source: KGI Securities Research

Figure 4: MTC's quarterly earnings

	TP-23F Rating	Mkt Bt	Upside price	Mkt cap %	Target (Bt bn)	EPS (Bt)			EPS growth			PE (x)			PBV (x)			Div. yield		ROE (%)			
						22	23F	24F	22	23F	24F	22	23F	24F	22	23F	24F	22	23F	22	23F	24F	
Non-Bank																							
AEONTS*	OP	210.0	181.0	16.0	45.3	13.6	14.2	15.5	18.6	(3.7)	8.9	20.0	12.7	11.7	9.8	1.9	1.7	1.5	2.8	2.8	19.2	17.9	18.5
HENG	U	2.2	2.8	(20.0)	10.7	16.0	0.1	0.1	0.2	30.3	19.5	16.6	23.1	19.4	16.6	2.0	2.0	2.0	2.3	2.8	9.2	10.6	11.4
KTC*	N	62.0	54.0	14.8	139	21.1	2.7	2.9	3.2	18.9	7.6	8.1	19.7	18.3	17.0	3.6	3.3	3.0	1.6	1.9	24.2	23.7	23.0
MTC*	OP	42.0	33.8	24.4	71.6	16.7	2.4	2.5	3.1	3.0	4.8	24.8	14.0	13.4	10.7	2.3	2.3	2.0	1.1	1.0	18.8	17.1	18.6
SAK	U	5.6	6.4	(11.9)	13.3	16.0	0.3	0.3	0.3	5.9	10.7	2.6	20.7	18.7	18.2	2.5	2.4	2.2	2.2	4.0	13.9	13.5	14.7
SAWAD*	OP	66.0	51.0	29.4	70.0	17.0	3.3	3.9	4.8	(5.8)	19.9	22.7	15.6	13.1	10.6	2.5	2.3	2.0	3.5	3.4	19.2	19.5	20.8
SINGER*	N	24.0	18.0	33.3	7.3	21.8	1.0	1.1	1.4	14.2	10.0	22.7	18.0	16.4	13.3	1.0	1.0	0.9	1.4	1.5	5.8	8.0	9.1
TIDLOR*	N	30.5	24.8	23.0	61.9	20.7	1.5	1.5	1.6	6.7	0.3	10.0	17.0	17.0	15.4	2.5	2.3	2.1	n.a.	1.7	15.2	13.9	14.2

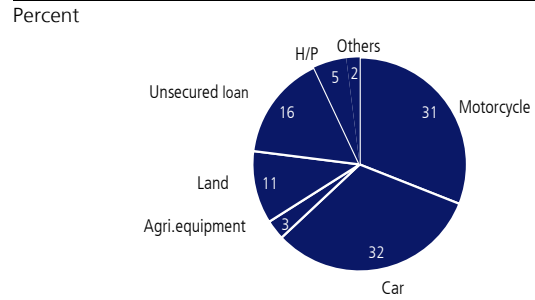
Source: KGI Securities Research

Figure 5: 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.

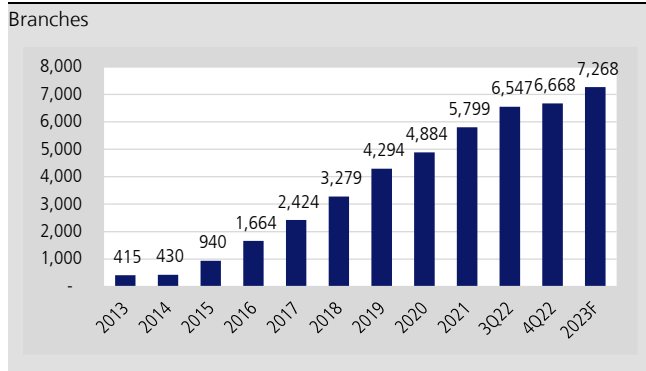
Source: Company data

Figure 6: Loan breakdown



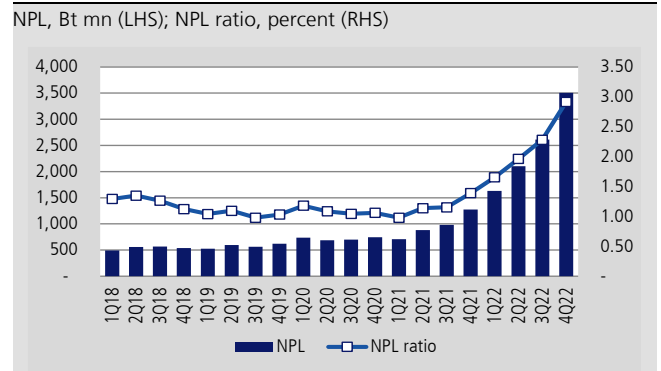
Source: Company data, KGI Securities Research

Figure 7: Branch network contribution



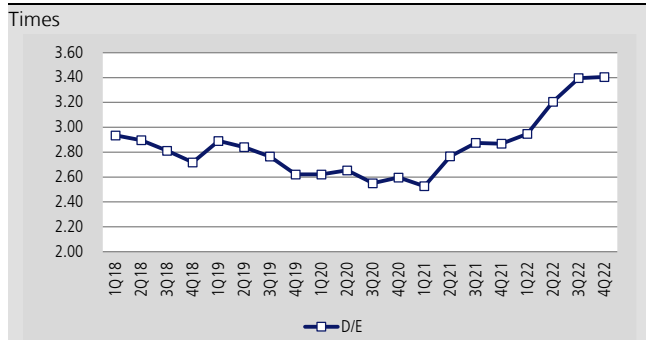
Source: Company data, KGI Securities Research

Figure 8: Gross NPL and NPL ratio



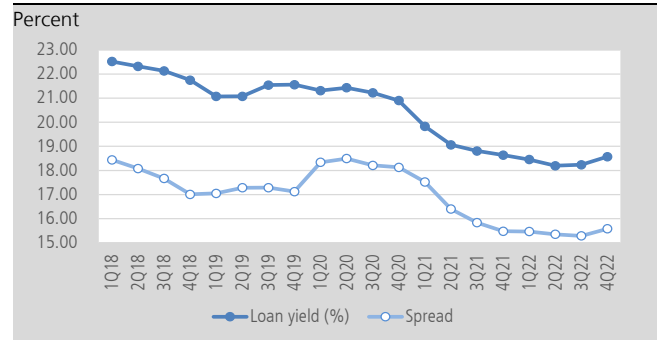
Source: Company data, KGI Securities Research

Figure 9: D/E



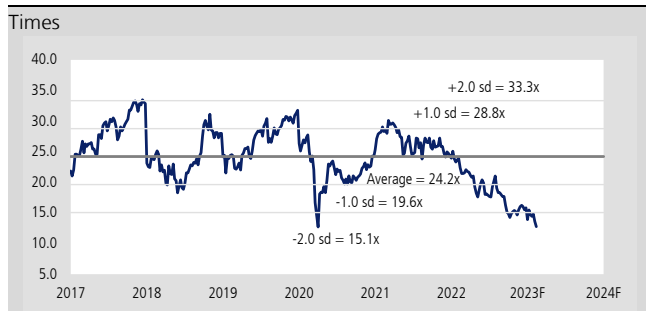
Source: Company data, KGI Securities Research

Figure 10: Loan yield and margin



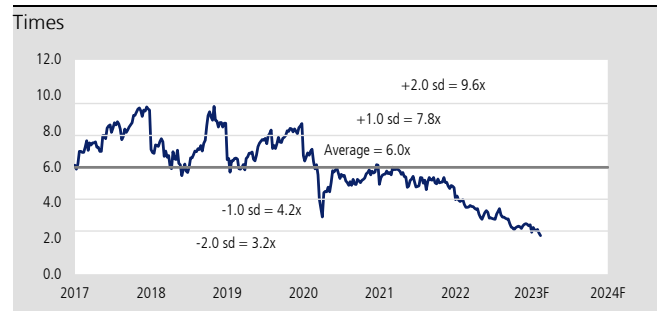
Source: Company data, KGI Securities Research

Figure 11: PE



Source: KGI Securities Research

Figure 12: PBV



Source: KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
Total Assets	98,390	128,066	150,495	177,786	211,572
Cash	1,306	3,213	300	300	300
Loans & Acc. Int - net	46,917	60,165	91,739	110,260	132,486
Total current asset	49,884	63,802	92,619	111,286	133,695
Loan -net (>1yr)	38,897	56,763	46,234	54,107	64,695
PP&E	2,054	2,037	2,139	2,489	2,839
Others	7,555	5,464	9,503	9,903	10,343
Total Liabilities	73,521	98,976	117,086	139,745	167,097
S-T loan	14,356	15,379	27,817	33,380	40,057
L-T loans	41,664	63,425	81,422	98,470	116,810
Others	17,501	20,171	7,847	7,894	10,230
Shareholders' Equity	24,869	29,214	33,409	38,041	44,475
Common Stock	2,120	2,120	2,120	2,120	2,120
Capital Surplus	2,380	2,380	2,380	2,380	2,380
Retained Earnings	212	212	110	120	130
Supplementary					
NPLs	1,276	3,507	4,829	5,381	5,960
% to loan	1.4%	2.9%	3.5%	3.3%	3.0%
NPL coverage	140	94	100	105	111

Source: KGI Securities Research

Profit & Loss

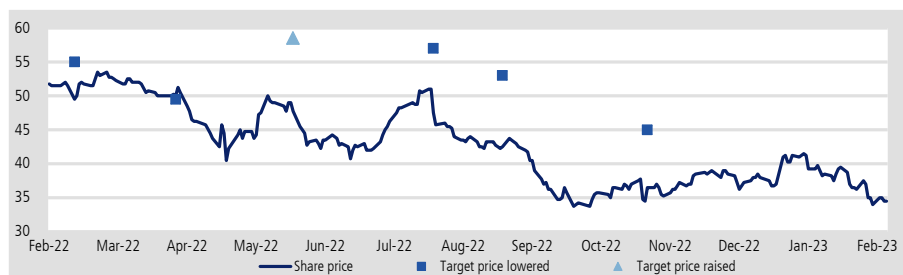
Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F	2025F
Interest income	13,962	15,195	19,199	25,267	30,195	34,873
Interest expense	1,817	2,127	2,813	4,282	5,463	6,316
Interest income - net	12,145	13,068	16,386	20,985	24,732	28,557
Operating expense	6,144	6,961	8,069	9,586	12,083	13,932
Operating profit	6,000	6,106	8,317	11,398	12,649	14,625
Other income	771	824	869	800	810	875
LLP	255	728	2,827	5,519	5,117	3,974
Pre-tax profit	6,516	6,201	6,360	6,674	8,327	11,512
Income tax	1,303	1,257	1,267	1,335	1,665	2,302
Net profit	5,214	4,945	5,093	5,340	6,661	9,209
EPS (Bt)	2.46	2.33	2.40	2.52	3.14	4.34

Source: KGI Securities Research

Key ratios

Year to 31 Dec	2020	2021	2022	2023F	2024F	2025F
Growth (YoY %)						
Loans and Accrued Int.	18.2	23.9	36.3	18.0	19.1	20.0
Borrowing fund	15.2	37.3	40.7	38.6	20.7	19.0
Total Assets	24.8	27.4	30.2	17.5	18.1	19.0
Total Equity	29.5	20.2	17.5	14.4	13.9	16.9
Growth (YoY %)						
Net Interest Income	17.3	7.6	25.4	28.1	17.9	15.5
Total revenue	16.1	8.7	25.3	29.9	18.9	15.3
Loan Loss Provision	(54)	186	288	95	(7)	(22)
Operating expense	15.6	13.3	15.9	18.8	26.0	15.3
Operating profit	19.1	1.8	36.2	37.0	11.0	15.6
Net Profit	23.0	(5.2)	3.0	4.8	24.8	38.2
EPS	23.0	(5.2)	3.0	4.8	24.8	38.2
Profitability (%)						
Yield on loans	21.34	19.21	18.95	19.00	19.00	19.00
Cost of Funds	3.82	3.57	3.50	4.20	4.30	4.30
Net Interest Margin	18.63	16.61	16.24	16.37	16.12	15.31
Cost/OP Income Ratio	41.8	43.6	40.4	38.0	38.5	39.0
ROAA	7.5	5.6	4.5	3.8	4.1	4.7
ROAE	28.4	21.7	18.8	17.1	18.6	22.3
Asset/equity (x)	3.7	4.0	4.4	4.5	4.7	4.8
D/E (x)	2.8	2.5	2.7	3.4	3.7	3.9
Asset Quality (%)						
NPLs Ratio	1.1%	1.4%	2.9%	3.5%	3.3%	3.0%
NPL Coverage Ratio	177	140	94	100	105	111
LLR/Loans Ratio	1.9%	2.0%	2.9%	3.5%	3.4%	3.3%
EPS (fully diluted)	2.46	2.33	2.40	2.52	3.14	4.34
DPS	0.37	0.37	0.95	0.38	0.47	0.65
BVPS	9.8	11.7	13.8	17.9	21.0	24.6

Source: KGI Securities Research

Muangthai Capital - Recommendation & target price history


Date	Rating	Target	Price
11-Nov-22	Neutral	45.00	36.50
2-Nov-22	Outperform	53.00	36.75
9-Sep-22	Neutral	53.00	42.50
10-Aug-22	Neutral	57.00	47.50
10-Jun-22	Outperform	58.50	47.75
20-Apr-22	Underperform	49.50	50.00
7-Mar-22	Neutral	55.00	49.50

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	KASIKORN BANK	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	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	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	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 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
CENDEL	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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KGI's Ratings

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. Excess return = 12M target price/current price-
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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