

21 JANUARY 2021
THAILAND / BANKS

TMB BANK TMB TB

HOLD

UNCHANGED

TARGET PRICE	THB1.21
CLOSE	THB1.15
UP/DOWNSIDE	+5.2%
PRIOR TP	THB1.21
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-1.2%

ปัจจัยบวกระยะสั้นมีจำกัด

ผลประกอบการ 4Q20 อ่อนแอเนื่องจาก ECL เพิ่มขึ้น

TMB รายงานกำไรสุทธิที่อ่อนแอใน 4Q20 ที่ 1.23bn (-24% y-y, -24% q-q) ต่ำกว่าตลาดและเราคาด 27% และ 8% ตามลำดับจากสำรองที่สูงเกินคาด แม้ว่ารายได้จะฟื้นตัวเล็กน้อยจากการบริหารต้นทุนการเงินที่มีประสิทธิภาพและรายได้ค่าธรรมเนียมที่สูงขึ้น ก็ไม่สามารถลดผลกระทบของ ECL ที่เพิ่มอย่างมีนัยสำคัญได้จาก NPL ที่เพิ่ม 8% q-q และกลยุทธ์เชิงรุกในการจัดสรรสำรองพิเศษสำหรับผลขาดทุนที่อาจเกิดขึ้นในอนาคต

ประเด็นเก็บตกจากการประชุมนักวิเคราะห์

เรามองว่าเป้าหมายทางการเงินของ TMB ในปี 2021 (ดู Ex. 2) แสดงให้เห็นถึงปัจจัยกดดันทั้งด้านรายได้และการตั้งสำรอง TMB ตั้งใจเพิ่มสินเชื่ออย่างระมัดระวังจากแนวโน้มเศรษฐกิจที่อ่อนแอ ทำให้ปริมาณสินเชื่อและส่วนต่างดอกเบี้ยทรงตัว ผู้บริหารเชื่อว่าอัตราส่วนค่าใช้จ่ายดำเนินงานต่อรายได้รวม (CIR) จะอยู่ในระดับสูงที่ 47-49% ในปี 2021 จากค่าใช้จ่ายที่เกี่ยวข้องกับการควบรวมกิจการ การประหยัดต้นทุนอาจเกิดขึ้นในปี 2023 โดยมีเป้า CIR อยู่ที่ 40% นอกจากนี้ธนาคารฯ ยังคาดหวังว่าอัตราส่วนสำรองหนี้สูญต่อสินเชื่อ (Credit Cost) อาจยังสูงถึง 160-180bps เทียบกับ 178 bps ในปี 2020 เราคิดว่า TMB อยู่ระหว่างการจัดสรรสำรองพิเศษเนื่องจากธนาคารฯ ยังตามหลังธนาคารอื่นในเรื่องดังกล่าว

กำไรสุทธิอาจพุ่งสูงขึ้นตั้งแต่ 3Q21

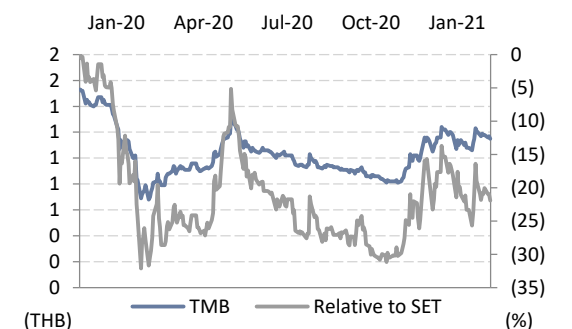
แม้เราจะคาดว่ากำไรสุทธิของ TMB ในปี 2021 จะเพิ่ม 13% y-y แต่เราเชื่อว่าผลประกอบการอาจอ่อนแอตลอด 1H21 โดยมีแรงกดดันจาก 1) ค่าใช้จ่ายในการดำเนินงานที่เพิ่มขึ้นจากกิจกรรมการถ่ายโอนธุรกิจกับ Thanachart Bank (TBANK) เช่น ค่าใช้จ่ายในการ Rebrand; และ 2) การเพิ่มของ ECL จากการเสื่อมของสินทรัพย์เพิ่มเติม เราเห็นว่ากำไรของธนาคารฯ อาจพุ่งสูงต้องรอนับตั้งแต่ 3Q21 หลังกระบวนการถ่ายโอนธุรกิจเสร็จสิ้นในเดือน ก.ค. 21 โดยได้แรงหนุนหลักจาก 1) ประโยชน์จากการควบรวมกิจการกับ TBANK ที่เริ่มเห็นผล ซึ่งจะช่วยให้รายได้ค่าธรรมเนียมสูงขึ้น และการควบคุมต้นทุนที่มีประสิทธิภาพมากยิ่งขึ้น; และ 2) ECL ที่ลดลง ซึ่งเราคาดว่าจะเกิดขึ้นในช่วง 1H21 เนื่องจากการจัดสรรสำรองเป็นจำนวนมากไปแล้วในช่วงต้นปี

คงคำแนะนำถือระหว่างรอผลประโยชน์จากการควบรวมกิจการ

เราคงคำแนะนำถือที่ราคาเป้าหมาย 1.21 บาท (GGM) เราเห็นว่าระดับการประเมินมูลค่าในปัจจุบันสะท้อนมูลค่ายุติธรรมของหุ้น เนื่องจากยังไม่มีสัญญาณของปัจจัยบวกจนกว่าประโยชน์จากการควบรวมกิจการกับ TBANK จะเห็นผล TMB อาจกลับมาน่าสนใจอีกครั้งในช่วง 2H21 จากการฟื้นตัวของกำไรที่คาดว่าจะเกิดขึ้นใน 3Q21

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	11,975	13,423	16,904	18,011
Net profit	10,112	11,400	14,217	15,160
EPS (THB)	0.10	0.12	0.15	0.16
vs Consensus (%)	-	6.2	2.7	-
Core net profit	10,112	11,400	14,217	15,160
Core EPS (THB)	0.10	0.12	0.15	0.16
Chg. In EPS est. (%)	-	(6.6)	6.2	-
EPS growth (%)	(29.4)	12.7	24.7	6.6
Core P/E (x)	11.0	9.7	7.8	7.3
Dividend yield (%)	1.8	3.1	3.8	4.1
Price/book (x)	0.5	0.5	0.5	0.5
ROE (%)	5.1	5.4	6.5	6.6
ROA (%)	0.6	0.6	0.8	0.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.5)	42.0	(23.8)
Relative to country (%)	(4.7)	13.4	(20.2)
Mkt cap (USD m)			3,698
3m avg. daily turnover (USD m)			31.3
Free float (%)			39
Major shareholder		ING Bank N.V. (23%)	
12m high/low (THB)			1.56/0.60
Issued shares (m)			43,852

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 21 มกราคม 2021

Investment thesis

Even if TMB is well known as a digital lending bank that could benefit from the current digital banking trend, we believe TMB is currently not a good alternative to invest in. This is because we have two major concerns: 1) its large exposure to the retail and SME segments, which are unfavourable in the current economic environment, together with having a small cushion for the approaching NPL surge; and 2) rising operating costs from TBANK's integration.

Therefore, we see the current undemanding valuation as reflecting its fair value, as there are no signs of positive catalysts in the near term until the synergy benefits start to bear fruit, in our view.

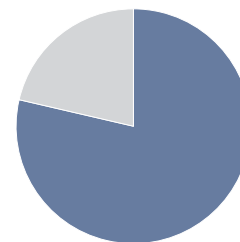
Company profile

TMB Bank Public Company Limited provides a full range of banking and financial services. The bank offers corporate and personal lending, retail and wholesale banking, international trade financing, and investment banking services to its customers throughout Thailand. It merged with TBANK at the end of 2019. At present, they are in the process of EBT (entire business transfer) which is expected to be done in 2021.

www.tmbbank.com

Principal activities (revenue, 2020)

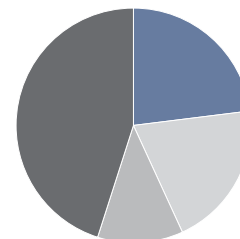
- Net interest income - 78.6 %
- Non-interest income - 21.4 %



Source: TMB Bank

Major shareholders

- ING Bank N.V. - 23.0 %
- TCAP - 20.1 %
- Ministry of Finance - 11.8 %
- Others - 45.1 %



Source: TMB Bank

Catalyst

Potential share price catalysts for TMB include:

- Lower credit cost from better-than-expected new NPLs;
- Better operating cost control.

Risk to our call

Upside risks to our GGM-based target price are M&A completions and long-term synergy to be earned. The downside risk is the impact from a prolonged weak macro outlook on loan growth and asset quality.

Event calendar

Date	Event
15 Feb 2021	GDP 4Q20/2020 announcement
April 2021	1Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
Net profit (THB m)	11,400	14,217	15,160
Net profit growth	12.7	24.7	6.6
NIM	3.06	2.97	2.99
Loan growth	0.0	4.0	4.0
Fee growth	12.1	10.6	5.0
Non-NII growth*	12.8	9.8	5.3
Credit cost (bp)	170	150	150
Cost to income*	47.0	46.4	45.7

*Including share of profits from associates

Source: FSSIA estimates

Earnings sensitivity

		2021E		
Loan growth	±2ppt	(2.0)	-	2.0
% change in net profit		(2.2)	-	2.2
NIM (%)	±5bp	3.00	3.05	3.10
% change in net profit		(6.0)	-	6.0
Credit cost (bp)	±10bp	160	170	180
% change in net profit		4.4	-	(4.4)

Source: FSSIA estimates

Weak 4Q20 results due to higher ECL

TMB reported a weak 4Q20 net profit of THB1,235m (-24% y-y, -24% q-q) – below Bloomberg's consensus estimate and our expectation by 27% and 8%, respectively, due to a higher-than-expected provisioning setup.

The 24% y-y and q-q net profit drop was due to a significant ECL increase. The bank continued to set aside higher provisions as a result of the economic uncertainties arising from COVID-19, which could result in asset deterioration in the future. Its NPLs increased 8% q-q, accounting for an NPL ratio of 2.5% vs 2.3% in 3Q20. Loans under its relief program were still high at 15% vs 20% in 3Q20. Currently, most loans in its relief program are for commercial customers. Around 85% of its total loan portfolio were able to service debt, while c13% of its total loan portfolio need further debt assistance programs.

However, its revenue showed signs of recovery q-q with 1) a slight increase in its loan volume of 0.1% q-q due to a rise in corporate and housing loans; 2) a NIM uptick to 3.1% from 2.9% in 3Q20 due to effective cost of fund management; and 3) stronger bancassurance and mutual fund fees.

2020 net profit came in at THB10.1b, increasing 40% due to the full consolidation with TBANK. Nevertheless, its 2020 EPS declined by 29% y-y, mainly dragged down by an ECL increase due to a greater deterioration in its asset quality from COVID-19.

Exhibit 1: TMB – 4Q20/2020 results summary

Year-end Dec 31	4Q19	3Q20	4Q20	----- Change -----		2019	2020	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(THB m)	(y-y %)	
Net interest income	8,078	13,227	13,519	67	2	26,865	53,805	100	Increased due to a NIM uptick
Non-interest income	3,643	2,984	4,297	18	44	12,956	14,986	16	Mutual fund and bancassurance showed some signs of recovery
Operating income	11,721	16,212	17,816	52	10	39,821	68,791	73	
Operating expenses	6,596	7,429	8,086	23	9	20,674	31,623	53	
PPOP before tax	5,126	8,783	9,730	90	11	19,147	37,169	94	
Provision	3,114	6,863	8,237	164	20	10,337	24,831	140	
Income tax	391	301	258	(34)	(14)	1,588	2,223	40	
Minority interest	0	0	1			0	3		
Normalised profit	1,620	1,619	1,235	(24)	(24)	7,222	10,112	40	
Extraordinary items	0	0	0			0	0		
Net profit	1,620	1,619	1,235	(24)	(24)	7,222	10,112	40	Below BBG consensus by 27%
EPS (THB)	0.02	0.02	0.01	(24)	(24)	0.15	0.10	(29)	
Asset quality ratio									
Gross NPLs (THB m)	37,746	36,747	39,594	5	8	37,746	39,594	5	
Reported NPL ratio (%)	2.35	2.33	2.50			2.35	2.50		
LLR/NPLs (%)	120	132	134			120	134		
Credit cost (bp)	119	200	239			99	178		
Profitability ratio	(%)	(%)	(%)			(%)	(%)		
Cost to income ratio	49.0	45.8	45.4			49.8	46.0		
Average yield	3.7	3.9	3.9			3.0	4.1		
Cost of fund	1.4	1.1	1.0			1.1	1.2		
Net interest margin (NIM)	2.4	2.9	3.1			2.0	3.0		
Non-interest income / total income	39.9	18.4	24.1			35.3	21.8		
Liquidity ratio	(%)	(%)	(%)			(%)	(%)		
Loan to deposit ratio	99.6	96.9	101.4			99.6	101.4		
Loan growth	(%)	(%)	(%)			(%)	(%)		
y-y	103.0	96.5	0.1			103.0	0.1		

*Including share of profits from associates;

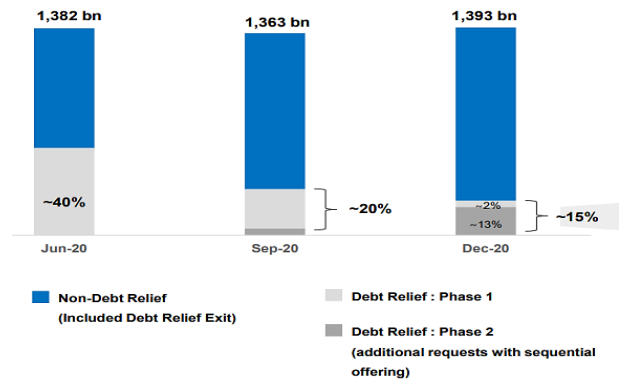
Sources: TMB; FSSIA estimates

Exhibit 2: TMB's 2021 financial guidance

	2020	2021E	
%	Actual	TMB	FSSIA
Loan growth (% y-y)	0.1	≤ flat	-
NIM	3.05	Stable	3.06
Non-NII/total asset	0.82	0.80-0.90	0.93
Cost to income ratio	46.0	47 - 49	47.0
Reported NPL ratio	2.5	< 3.6	3.5
FSSIA's NPL ratio calculation	2.8		4.0
Credit cost (bps)	178	160 - 180	170

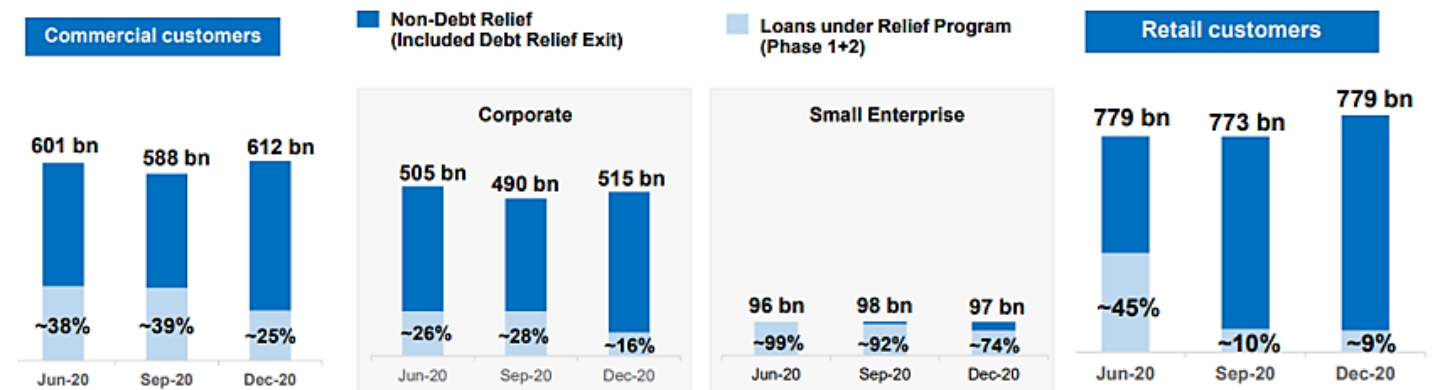
Source: TMB; FSSIA estimates

Exhibit 3: Debt relief profile – % to total loan portfolio



Source: TMB

Exhibit 4: Debt relief profile – breakdown by customer segment and key products



Source: TMB

Financial Statements

TMB Bank

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	39,837	72,321	68,810	72,581	75,259
Interest expense	(12,972)	(18,515)	(15,018)	(18,991)	(19,937)
Net interest income	26,865	53,805	53,792	53,590	55,322
Net fees & commission	8,098	10,575	11,851	13,108	13,763
Foreign exchange trading income	1,528	0	0	0	0
Securities trading income	1,956	2,404	2,846	3,020	3,102
Dividend income	0	0	0	0	0
Other income	1,050	1,644	1,809	1,990	2,189
Non interest income	12,632	14,623	16,506	18,118	19,054
Total income	39,497	68,429	70,298	71,708	74,376
Staff costs	(9,629)	(16,536)	(17,362)	(18,005)	(18,671)
Other operating costs	(11,046)	(15,087)	(15,833)	(15,487)	(15,530)
Operating costs	(20,674)	(31,623)	(33,195)	(33,492)	(34,201)
Pre provision operating profit	18,822	36,806	37,103	38,216	40,175
Provision for bad and doubtful debt	(10,337)	(24,831)	(23,680)	(21,312)	(22,164)
Other provisions	-	-	-	-	-
Operating profit	8,486	11,975	13,423	16,904	18,011
Recurring non operating income	324	363	399	439	483
Associates	324	363	399	439	483
Goodwill amortization	-	-	-	-	-
Non recurring items	0	0	0	0	0
Profit before tax	8,810	12,338	13,822	17,343	18,493
Tax	(1,588)	(2,223)	(2,419)	(3,122)	(3,329)
Profit after tax	7,222	10,115	11,403	14,221	15,165
Minority interests	0	(3)	(3)	(4)	(5)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	7,222	10,112	11,400	14,217	15,160
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	7,222	10,112	11,400	14,217	15,160
Per share (THB)					
Recurring EPS *	0.15	0.10	0.12	0.15	0.16
Reported EPS	0.15	0.10	0.12	0.15	0.16
DPS	0.04	0.02	0.04	0.04	0.05
Growth					
Net interest income (%)	9.7	100.3	0.0	(0.4)	3.2
Non interest income (%)	8.4	15.8	12.9	9.8	5.2
Pre provision operating profit (%)	0.8	95.5	0.8	3.0	5.1
Operating profit (%)	(11.3)	41.1	12.1	25.9	6.5
Reported net profit (%)	(37.7)	40.0	12.7	24.7	6.6
Recurring EPS (%)	(15.8)	(29.4)	12.7	24.7	6.6
Reported EPS (%)	(43.9)	(29.4)	12.7	24.7	6.6
Income Breakdown					
Net interest income (%)	68.0	78.6	76.5	74.7	74.4
Net fees & commission (%)	20.5	15.5	16.9	18.3	18.5
Foreign exchange trading income (%)	3.9	-	-	-	-
Securities trading income (%)	5.0	3.5	4.0	4.2	4.2
Dividend income (%)	-	-	-	-	-
Other income (%)	2.7	2.4	2.6	2.8	2.9
Operating performance					
Gross interest yield (%)	2.99	4.09	3.91	4.02	4.07
Cost of funds (%)	1.10	1.18	0.97	1.21	1.25
Net interest spread (%)	1.89	2.91	2.94	2.81	2.82
Net interest margin (%)	2.0	3.0	3.1	3.0	3.0
Cost/income(%)	52.3	46.2	47.2	46.7	46.0
Cost/assets(%)	1.5	1.7	1.8	1.8	1.8
Effective tax rate (%)	18.0	18.0	17.5	18.0	18.0
Dividend payout on recurring profit (%)	26.5	20.0	30.0	30.0	30.0
ROE (%)	4.9	5.1	5.4	6.5	6.6
ROE - COE (%)	4.9	5.1	5.4	6.5	6.6
ROA (%)	0.5	0.6	0.6	0.8	0.8
RORWA (%)	0.8	0.8	0.9	1.1	1.1
* Pre-exceptional, pre-goodwill and fully diluted					

Sources: TMB Bank; FSSIA estimates

Financial Statements

TMB Bank

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Gross customer loans	1,392,225	1,392,925	1,392,925	1,448,642	1,506,588
Total provisions	(45,477)	(52,978)	(71,086)	(73,565)	(76,144)
interest in suspense	1,883	3,879	3,900	4,056	4,218
Net customer loans	1,348,631	1,343,826	1,325,739	1,379,133	1,434,662
Bank loans	236,311	211,185	251,193	236,480	220,558
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	166,265	138,139	141,687	145,328	149,066
Cash & equivalents	23,853	21,943	27,415	20,415	5,163
Other interesting assets	-	-	-	-	-
Tangible fixed assets	28,452	30,076	29,850	29,717	29,666
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	54,679	58,510	59,381	60,558	61,495
Total assets	1,858,191	1,803,677	1,835,265	1,871,630	1,900,610
Customer deposits	1,398,112	1,373,408	1,390,684	1,411,544	1,425,659
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	198,844	168,768	166,914	169,418	171,112
Non interest bearing liabilities	66,423	61,406	63,248	65,146	67,100
Hybrid Capital	-	-	-	-	-
Total liabilities	1,663,379	1,603,582	1,620,846	1,646,107	1,663,871
Share capital	91,541	91,589	91,589	91,589	91,589
Reserves	103,235	113,124	122,791	133,892	145,107
Total equity	194,777	204,713	214,380	225,481	236,696
Minority interests	35	37	39	41	43
Total liabilities & equity	1,858,190	1,808,332	1,835,265	1,871,630	1,900,610
Supplementary items					
Risk weighted assets (RWA)	1,216,836	1,296,636	1,296,636	1,348,501	1,402,441
Average interest earning assets	1,333,754	1,766,631	1,760,192	1,804,196	1,849,301
Average interest bearing liabilities	1,174,710	1,569,566	1,549,887	1,569,280	1,588,867
Tier 1 capital	165,793	186,065	194,799	204,187	214,611
Total capital	218,440	238,712	247,446	256,834	267,258
Gross non performing loans (NPL)	37,746	39,594	55,432	49,888	53,381
Per share (THB)					
Book value per share	4.01	2.12	2.22	2.34	2.46
Tangible book value per share	4.01	2.12	2.22	2.34	2.46
Growth					
Gross customer loans	103.0	0.1	-	4.0	4.0
Average interest earning assets	57.8	32.5	(0.4)	2.5	2.5
Total asset (%)	108.4	(2.9)	1.8	2.0	1.5
Risk weighted assets (%)	90.8	6.6	-	4.0	4.0
Customer deposits (%)	115.2	(1.8)	1.3	1.5	1.0
Leverage & capital measures					
Customer loan/deposits (%)	96.5	97.8	95.3	97.7	100.6
Equity/assets (%)	10.5	11.3	11.7	12.0	12.5
Tangible equity/assets (%)	10.5	11.3	11.7	12.0	12.5
RWA/assets (%)	65.5	71.9	70.7	72.0	73.8
Tier 1 CAR (%)	13.6	14.3	15.0	15.1	15.3
Total CAR (%)	18.0	18.4	19.1	19.0	19.1
Asset Quality					
Change in NPL (%)	73.8	4.9	40.0	(10.0)	7.0
NPL/gross loans (%)	2.7	2.8	4.0	3.4	3.5
Total provisions/gross loans (%)	3.3	3.8	5.1	4.9	5.1
Total provisions/NPL (%)	120.5	133.8	128.2	147.5	142.6
Valuation					
Recurring P/E (x) *	7.7	11.0	9.7	7.8	7.3
Recurring P/E @ target price (x) *	8.1	11.5	10.2	8.2	7.7
Reported P/E (x)	7.7	11.0	9.7	7.8	7.3
Dividend yield (%)	3.4	1.8	3.1	3.8	4.1
Price/book (x)	0.3	0.5	0.5	0.5	0.5
Price/tangible book (x)	0.3	0.5	0.5	0.5	0.5
Price/tangible book @ target price (x)	0.3	0.6	0.5	0.5	0.5

* Pre-exceptional, pre-goodwill and fully diluted

Sources: TMB Bank; FSSIA estimates

Corporate Governance report of Thai listed companies 2019

EXCELLENT LEVEL										
AAV	ADVANC	AIRA	AKP	AKR	AMA	AMATA	AMATAV	ANAN	AOT	AP
ARROW	BAFS	BANPU	BAY	BCP	BCPG	BOL	BRR	BTS	BTW	BWG
CFRESH	CHEWA	CHO	CK	CKP	CM	CNT	COL	COMAN	CPALL	CPF
CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC	EA	EASTW	ECF
EGCO	GBX	GC	GCAP	GEL	GGC	GGC	GOLD	GPSC	GRAMMY	GUNKUL
HANA	HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN
JSP	K	KBANK	KCE	KKP	KSL	KTB	KTC	KTIS	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	MFEC	MINT	MONO*
MTC	NCH	NCL	NKI	NSI	NVD	NYT	OISHI	OTO	PAP	PCSGH
PDJ	PG	PHOL	PJW	PLANB	PLANET	PORT	PPS	PR9	PREB	PRG
PRM	PSH	PSL	PTG	PTT	PTTEP	PTTGC	PYLON	Q-CON	QH	QTC
RATCH	ROBINS**	RS	S	S & J	SABINA	SAMART	SAMTEL	SAT	SC	SCB
SCC	SCCC	SCN	SDC	SEAFCO	SEAOL	SE-ED	SELIC	SENA	SIS	SITHAI
SNC	SORKON	SPALI	SPI	SPRC	SSSC	STA	STEC	SVI	SYNTEC	TASCO
TCAP	THAI	THANA	THANI	THCOM	THIP	THREL	TIP	TISCO	TK	TKT
TMB	TMILL	TNDT	TOA	TOP	TRC	TRU	TRUE	TSC	TSR	TSTH
TTA	TTCL	TTW	TU	TVD	TVO	U	UAC	UV	VGI	VIH
WACOAL	WAVE	WHA	WHAUP	WICE	WINNER					
VERY GOOD LEVEL										
2S	ABM	ADB	AF	AGE	AH	AHC	AIT	ALLA	ALT	AMANAH
AMARIN	APCO	APCS	AQUA	ARIP	ASAP	ASIA	ASIAN	ASIMAR	ASK	ASN
ASP	ATP30	AUCT	AYUD	B	BA	BBL	BDMS	BEC	BEM	BFIT
BGC	BGRIM	BIZ	BJC	BJCHI	BLA	BPP	BROOK	CBG	CEN	CENTEL
CGH	CHG	CHOTI	CHOW	CI	CIMBT	CNS	COLOR	COM7	COTTO	CRD
CSC	CSP	DCC	DCON	DDD	DOD	EASON	ECL	EE	EPG	ERW
ESTAR	ETE	FLOYD	FN	FNS	FORTH	FPI	FPT	FSMART	FSS	FVC
GENCO	GJS	GL	GLOBAL	GLOW**	GULF	HPT	HTC	HYDRO	ICN	IFS
INET	INSURE	IRC	IRCP	IT	ITD***	ITEL	J	JAS*	JCK	JCKH
JMART	JMT	JWD	KBS	KCAR	KGI	KIAT	KOOL	KWC	KWM	L&E
LALIN	LANNA	LDC	LHK	LOXLEY	LRH	LST	M	MACO	MAJOR	MBAX
MEGA	METCO	MFC	MK	MODERN	MOONG	MPG	MSC	MTI	NEP	NETBAY
NEX	NINE	NOBLE	NOK	NTV	NWR	OCC	OGC	ORI	OSP	PATO
PB	PDG	PDI	PL	PLAT	PM	PPP	PRECHA	PRIN	PRINC	PSTC
PT	QLT	RCL	RICHY	RML	RWI	S11	SAAM	SALEE	SAMCO	SANKO
SAPPE	SAWAD	SCG	SCI	SCP	SE	SFP	SIAM	SINGER	SIRI	SKE
SKR	SKY	SMIT	SMK	SMPG	SMT	SNP	SONIC	SPA	SPC	SPCG
SPVI	SR	SRICHA	SSC	SSF	SST	STANLY	STPI	SUC	SUN	SUSCO
SUTHA	SWC	SYMC	SYNEX	T	TACC	TAE	TAKUNI	TBSP	TCC	TCMC
TEAM	TEAMG	TFG	TFMAMA	THG	THRE	TIPCO	TITLE	TIW	TKN	TKS
TM	TMC	TMD	TMI	TMT	TNITY	TNL	TNP	TNR	TOG	TPA
TPAC	TPBI	TPCORP	TPOLY	TRITN	TRT	TSE	TSTE	TVI	TVT	TWP
TWPC	UBIS	UEC	UMI	UOBKH	UP	UPF	UPOIC	UT	UWC	VNT
WIIK	XO	YUASA	ZEN	ZMICO						
GOOD LEVEL										
A	ABICO	ACAP***	AEC	AEONTS	AJ	ALUCON	AMC	APURE	AS	ASEFA
AU	B52	BCH	BEAUTY	BGT	BH	BIG	BLAND	BM	BR	BROCK
BSBM	BSM	BTNC	CCET	CCP	CGD	CHARAN	CHAYO	CITY	CMAN	CMC
CMO	CMR	CPL	CPT	CSR	CTW	CWT	D	DIMET	EKH	EMC
EPCO	ESSO	FE	FTE	GIFT	GLAND	GLOCON	GPI	GREEN	GTB	GYT
HTECH	HUMAN	IHL	INGRS	INOX	JTS	JUBILE	KASET	KCM	KKC	KWG
KYE	LEE	LPH	MATCH	MATI	M-CHAI	MCS	MDX	META	MGT	MJD
MM	MVP	NC	NDR	NER	NNCL	NPK	NUSA	OCEAN	PAF	PF
PICO	PIMO	PK	PLE	PMTA	POST	PPM	PROUD	PTL	RCI	RJH
ROJNA	RPC	RPH	SF	SGF	SGP	SKN	SLP	SMART	SOLAR	SPG
SQ	SSP	STI	SUPER	SVOA	TCCC	THE	THMUI	TIC	TIGER	TNH
TOPP	TPCH	TPIPP	TPLAS	TQM	TTI	TYCN	UTP	VCOM	VIBHA	VPO
WIN	WORK	WP	WPH	ZIGA						
Score Range		Number of Logo					Description			
90-100							Excellent			
80-89							Very Good			
70-79							Good			
60-69							Satisfactory			
50-59							Pass			
Less than 50		No logo given					-			

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

CERTIFIED										
ADVANC	AIE	AKP	AMANAH	AP	APCS	AQUA	ARROW	ASK	ASP	AYUD
BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG	BGRIM	BJCHI	BKI	BLA
BROOK	BRR	BSBM	BTS	BWG	CEN	CENTEL	CFRESH	CGH	CHEWA	CIG
CIMBT	CM	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FSS	GBX	GC
GCAP	GEL	GFPT	GGC	GJS	GOLD	GPSC	GSTEEL	GUNKUL	HANA	HARN
HMPRO	HTC	ICC	IFS	INET	INSURE	INTUCH	IRPC	IVL	K	KASET
KBANK	KBS	KCAR	KCE	KGI	KKP	KSL	KTB	KTC	KWC	L&E
LANNA	LHK	LPN	LRH	M	MAKRO	MALEE	MBAX	MBK	MBKET	MC
MCOT	MFC	MINT	MONO	MOONG	MSC	MTI	NBC	NINE	NKI	NMG
NNCL	NSI	OCC	OCEAN	OGC	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPS
PREB	PRG	PRINC	PSH	PSTC	PT	PTG	PTT	PTTEP	PTTGC	PYLON
Q-CON	QH	QLT	QTC	RATCH	RML	S & J	SABINA	SAT	SC	SCB
SCC	SCCC	SCG	SCN	SE-ED	SELIC	SENA	SGP	SIRI	SIS	SITHAI
SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK	SPC	SPI	SPRC	SRICHA
SSF	SSI	SSSC	SST	STA	SUSCO	SVI	SYNTEC	TASCO	TCAP	TFG
TFI	TFMAMA	THANI	THCOM	THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT
TMB	TMD	TMILL	TMT	TNITY	TNL	TNP	TNR	TOG	TOP	TPA
TPCORP	TRU	TRUE	TSC	TSTH	TTCL	TU	TVD	TVI	TWPC	U
UBIS	UEC	UKEM	UOBKH	VGI	VIH	VNT	WACOAL	WHA	WICE	WIIK
DECLARED										
2S	ABICO	AF	AI	AIRA	ALT	AMA	AMARIN	AMATA	ANAN	B
BM	BPP	BUI	CHG	CHO	CHOTI	CHOW	CI	CMC	COL	DDD
DELTA	EFORL	EPCO	ESTAR	ETE	FPI	FTE	ICHI	INOX	IRC	ITEL
JAS	JSP	JTS	KWG	LDC	LIT	META	MFEC	MPG	NEP	NOK
NWR	ORI	PRM	PSL	ROJNA	RWI	SAAM	SAPPE	SCI	SEOIL	SHANG
SKR	SPALI	STANLY	SYNEX	TAE	TAKUNI	TMC	TOPP	TPP	TRITN	TVO
UV	UWC	WHAUP	XO	YUASA	ZEN					

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)

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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

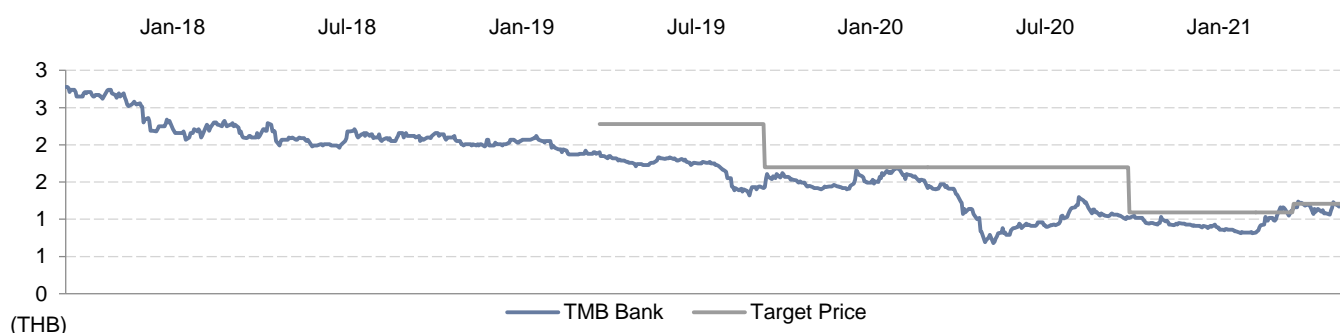
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History of change in investment rating and/or target price

TMB Bank (TMB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Apr-2019	HOLD	2.28	02-Apr-2020	HOLD	1.70	03-Dec-2020	HOLD	1.21
10-Sep-2019	HOLD	1.70	16-Jul-2020	HOLD	1.09			

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
TMB Bank	TMB TB	THB 1.15	HOLD	Upside risks to our GGM-based target price are M&A completions and long-term synergy to be earned. The downside risk is the impact from a prolonged weak macro outlook on loan growth and asset quality.

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

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All share prices are as at market close on 20-Jan-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

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.