

24 FEBRUARY 2021

THAILAND / DIVERSIFIED FINANCIALS

SAKSAM LEASING SAK TB

BUY

UNCHANGED

| | |
|-----------------|-----------|
| TARGET PRICE | THB12.80 |
| CLOSE | THB8.90 |
| UP/DOWNSIDE | +43.8% |
| PRIOR TP | THB12.80 |
| CHANGE IN TP | UNCHANGED |
| TP vs CONSENSUS | +48.0% |

คาดว่าผลประกอบการจะออกมาดีในปี 2021

กำไรสุทธิ 4Q20 ต่ำกว่าคาดเล็กน้อยจากสินเชื่อที่โตต่ำกว่าคาด

SAK รายงานกำไรสุทธิ 4Q20 ที่ 153 ลบ. (+87% y-y, -2% q-q) ต่ำกว่าที่เราคาด 8% จากสินเชื่อที่โตต่ำกว่าคาด กำไรโตดี y-y จาก 1) การกลับรายการผลขาดทุนทางเครดิตที่คาดว่าจะเกิดขึ้น (ECL) เนื่องจากมีสำรองมากเพียงพอและสินเชื่อโตลดลงเล็กน้อย y-y; 2) ค่าใช้จ่ายดอกเบี้ยลดลงจากการชำระหนี้หลังการเสนอขายหุ้นต่อประชาชนทั่วไปเป็นครั้งแรก (IPO) ของบริษัท; และ 3) ค่าใช้จ่ายในการดำเนินงานลดลงเนื่องจากบริษัทฯ ไม่มีผลขาดทุนพิเศษจากการปิดสัญญา อย่างไรก็ดี กำไรลดลงเล็กน้อย q-q จากส่วนต่างดอกเบี้ยที่ลดลงเหลือ 22.7% เทียบกับ 23.5% ใน 3Q20 จากผลกระทบของการจำกัดเพดานอัตราดอกเบี้ย ด้านสินเชื่อเริ่มเติบโต 2% q-q ตามการเปิดกิจกรรมทางเศรษฐกิจ

ผลประกอบการจะดีต่อเนื่อง

เราคาดว่ากำไรสุทธิของ SAK ใน 1Q21 จะปรับขึ้น y-y จากการเติบโตของสินเชื่อ นอกจากนี้เรายังอีกเชื่อว่า SAK จะสามารถรายงานผลประกอบการที่ดีในปี 2021 โดยคาดว่ากำไรสุทธิจะโต 22% y-y เนื่องจากเราคาดว่า 1) สินเชื่อจะโตในอัตราที่โตเด่นถึง 36% ในปี 2021 ส่วนมากจากความต้องการสินเชื่อที่เพิ่มขึ้นและมีอยู่เป็นจำนวนมากและการขยายเครือข่ายให้มีเป็นจำนวนมาก; 2) ต้นทุนการเงินจะลดลงหลัง IPO; และ 3) อัตราส่วนค่าใช้จ่ายดำเนินงานต่อรายได้รวมจะลดลงเหลือ 47.7% ในปี 2021 เทียบกับ 53.1% ในปี 2020 จากการประหยัดต่อขนาดที่มากขึ้น

ขยายธุรกิจไปยังภาคต่าง ๆ พร้อมเพิ่มสาขามากกว่า 2 เท่าในปี 2023

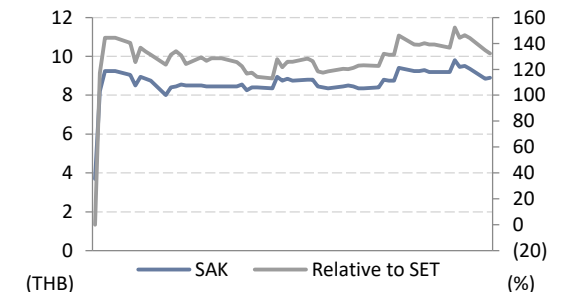
ปัจจุบัน SAK มี 519 สาขาครอบคลุม 38 จังหวัดในประเทศไทย ประมาณ 70% ของสาขาดังกล่าวอยู่ในภาคเหนือและภาคกลาง หลังการปลดเพดานแหล่งเงินทุนผ่าน IPO บริษัทฯ วางแผนขยายเครือข่ายให้กว้างขวางมากยิ่งขึ้นจาก 70-100 สาขาต่อปีในปี 2017-20 เป็น 200 สาขาต่อปีในปี 2021-23 ทำให้ตัวเลขสาขาอาจเพิ่มมากกว่าเท่าตัวภายในปี 2023 การขยายสาขาเป็นจำนวนมากเป็นกลยุทธ์ที่ประสบความสำเร็จเช่นเดียวกับที่ MTC และ SAWAD ใช้ในการขยายพอร์ตสินเชื่อหลัง IPO ของบริษัท

แนวโน้มโตโดดเด่นทำให้สมควรได้รับการประเมินมูลค่าในระดับที่สูงกว่าปกติ

เราคำนวณราคาเป้าหมายที่ราคาเป้าหมาย 12.8 บาท (GGM) ในขณะที่เราปรับประมาณการกำไรสุทธิในปี 2021-22 เล็กน้อยเพื่อให้สอดคล้องกับปี 2020 ที่ประกาศออกมา ราคาเป้าหมายดังกล่าวสามารถคำนวณกลับเป็น 2021E P/E ที่ 39x และอัตราการเติบโตของกำไรสุทธิ 3 ปี (2021-23) ที่ 30% CAGR เราเชื่อว่า SAK สมควรได้รับการประเมินมูลค่าในระดับที่สูงกว่าปกติ โดยมีเหตุผลรับรองจากแนวโน้มการเติบโตที่โดดเด่นของบริษัทฯ และความแตกต่างจากบริษัทอื่นในแง่ที่ว่าบริษัทฯ มีสัดส่วนสินเชื่อทะเบียนรถมอเตอร์ไซด์ที่เราคาดการณ์การแข่งขันด้านราคาจะรุนแรงขึ้นในระดับที่ต่ำกว่าคู่แข่ง และมีฐานลูกค้ามากกว่า 50% ในกลุ่มเกษตร ซึ่งเป็นกลุ่มที่แข็งแกร่งมากที่สุดกลุ่มหนึ่ง

KEY STOCK DATA

| YE Dec (THB m) | 2020 | 2021E | 2022E | 2023E |
|----------------------|------|-------|-------|-------|
| Operating profit | 700 | 849 | 1,242 | 1,517 |
| Net profit | 562 | 688 | 1,002 | 1,225 |
| EPS (THB) | 0.35 | 0.33 | 0.48 | 0.58 |
| vs Consensus (%) | - | - | - | - |
| Core net profit | 562 | 688 | 1,002 | 1,225 |
| Core EPS (THB) | 0.35 | 0.33 | 0.48 | 0.58 |
| Chg. In EPS est. (%) | - | (3.2) | (3.4) | - |
| EPS growth (%) | 51.7 | (6.8) | 45.8 | 22.2 |
| Core P/E (x) | 25.3 | 27.1 | 18.6 | 15.2 |
| Dividend yield (%) | 1.6 | 1.1 | 1.6 | 2.0 |
| Price/book (x) | 3.1 | 3.7 | 3.3 | 2.8 |
| ROE (%) | 15.4 | 14.5 | 18.8 | 20.0 |
| ROA (%) | 7.1 | 7.5 | 9.4 | 9.1 |



| Share price performance | 1 Month | 3 Month | 12 Month |
|--------------------------------|------------------------|---------|----------|
| Absolute (%) | 6.6 | n/a | n/a |
| Relative to country (%) | 6.4 | n/a | n/a |
| Mkt cap (USD m) | | | 621 |
| 3m avg. daily turnover (USD m) | | | n/a |
| Free float (%) | | | 21 |
| Major shareholder | Boonsalee Family (67%) | | |
| 12m high/low (THB) | 10.40/6.75 | | |
| Issued shares (m) | 935 | | |

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 24 กุมภาพันธ์ 2021

Strong net profit growth in 4Q20 as expected

SAK posted a 4Q20 net profit of THB153m (+87% y-y, -2% q-q), lower than our expectation by 8% due to slower loan growth. The strong net profit growth y-y came from 1) an ECL reversal due to its sufficient provision cushion and a slight drop in loan growth y-y; 2) an interest expense contraction due to repaying loans after its IPO; and 3) a decline in OPEX due to having no extra losses from closing contracts. However, its net profit slightly declined q-q, dragged down by a drop in its NIM to 22.7% vs 23.5% in 3Q20 due to the impact from the interest rate ceiling cap. Its loan growth improved by 2% q-q following the reopening of economic activities.

2020 net profit was THB562m, significantly increasing by 62% y-y. Although its loan volume slightly fell due to the limited source of funding before its IPO, this was completely offset by 1) a reversal of provisions worth THB6m vs a provision setup amounting to THB115m in 2019 due to its sufficient provision cushion and a slight drop in loan volume y-y; 2) a drop in its cost of funds after its IPO; and 3) a decline in OPEX due to having no extra losses from closing contracts.

Exhibit 1: SAK – summary of 4Q20/2020 earnings

| Year-end Dec 31 | 4Q19 | 3Q20 | ----- 4Q20 ----- | | | 2019 | 2020 | Change | 4Q20 Comments |
|-----------------------------|------------|------------|------------------|---------|---------|------------|------------|---------|---|
| | (THBm) | (THBm) | (THBm) | (y-y %) | (q-q %) | (THBm) | (THBm) | (y-y %) | |
| Net interest income | 388 | 368 | 364 | (6) | (1) | 1,416 | 1,476 | 4 | |
| Non-interest income | 2 | 2 | 2 | 1 | 7 | 29 | 7 | (77) | |
| Operating income* | 390 | 370 | 366 | (6) | (1) | 1,446 | 1,482 | 3 | |
| Operating expenses | 218 | 197 | 188 | (14) | (5) | 899 | 788 | (12) | |
| PPOP before tax* | 173 | 173 | 179 | 4 | 3 | 547 | 695 | 27 | |
| Expected credit loss | 69 | (21) | (13) | n.a. | n.a. | 115 | (6) | (105) | |
| Tax | 22 | 38 | 38 | 74 | 1 | 86 | 138 | 62 | |
| Minority interest | 0 | 0 | 0 | | | 0 | 0 | | |
| Normalised profit | 82 | 156 | 153 | 87 | (2) | 346 | 562 | 62 | |
| Extraordinary items | 0 | 0 | 0 | | | 0 | 0 | | |
| Net profit | 82 | 156 | 153 | 87 | (2) | 346 | 562 | 62 | |
| EPS (THB) | 0.05 | 0.10 | 0.07 | 38 | (27) | 0.23 | 0.35 | 53 | |
| Asset quality ratio | (%) | (%) | (%) | | | | | | |
| Gross NPLs (THB m) | 97 | 168 | 143 | 48 | (15) | 97 | 143 | 48 | Dropped q-q due the change to the day past deal calculation |
| NPL ratio | 1.4 | 2.6 | 2.2 | | | 1.4 | 2.2 | | |
| Coverage ratio | 194 | 107 | 113 | | | 194 | 113 | | |
| Credit cost (bp) | n.a. | (135) | (80) | | | 187 | (9) | | |
| Profitability ratio | (%) | (%) | (%) | | | (%) | (%) | | |
| Cost to income ratio | n.a. | 53.2 | 51.2 | | | 62.2 | 53.1 | | |
| Average yield | n.a. | 25.2 | 24.6 | | | 25.6 | 24.4 | | |
| Cost of funds | n.a. | 2.9 | 3.0 | | | 4.1 | 3.2 | | |
| NIM | n.a. | 23.5 | 22.7 | | | 23.4 | 22.4 | | |
| Non-int inc/total income | 0.4 | 0.5 | 0.5 | | | 2.0 | 0.5 | | |
| Loan growth | (%) | (%) | (%) | | | | (%) | | |
| y-y | 19 | (5) | (3) | | | | (3) | | |
| q-q | n.a. | 2 | 2 | | | | | | Increased q-q due to the reopening of business activities and unlocking its source of funding |

*Including share of profits from associates

Sources: SAK; FSSIA

Financial Statements

Saksiam Leasing

| Profit and Loss (THB m) Year Ending Dec | 2019 | 2020 | 2021E | 2022E | 2023E |
|---|--------|-------|-------|-------|---------|
| Interest Income | 1,600 | 1,609 | 1,842 | 2,390 | 2,987 |
| Interest expense | (159) | (131) | (129) | (165) | (233) |
| Net interest income | 1,441 | 1,477 | 1,713 | 2,225 | 2,754 |
| Net fees & commission | - | - | - | - | - |
| Foreign exchange trading income | - | - | - | - | - |
| Securities trading income | - | - | - | - | - |
| Dividend income | 0 | 0 | 0 | 0 | 0 |
| Other income | 4 | 5 | 6 | 7 | 7 |
| Non interest income | 4 | 5 | 6 | 7 | 7 |
| Total income | 1,446 | 1,482 | 1,720 | 2,232 | 2,761 |
| Staff costs | - | - | - | - | - |
| Other operating costs | (899) | (788) | (821) | (908) | (1,141) |
| Operating costs | (899) | (788) | (821) | (908) | (1,141) |
| Pre provision operating profit | 547 | 695 | 899 | 1,324 | 1,621 |
| Provision for bad and doubtful debt | (115) | 6 | (50) | (81) | (103) |
| Other provisions | - | - | - | - | - |
| Operating profit | 432 | 700 | 849 | 1,242 | 1,517 |
| Recurring non operating income | 0 | 0 | 0 | 0 | 0 |
| Associates | 0 | 0 | 0 | 0 | 0 |
| Goodwill amortization | - | - | - | - | - |
| Non recurring items | 0 | 0 | 0 | 0 | 0 |
| Profit before tax | 432 | 700 | 849 | 1,242 | 1,517 |
| Tax | (86) | (138) | (161) | (240) | (293) |
| Profit after tax | 346 | 562 | 688 | 1,002 | 1,225 |
| Minority interests | 0 | 0 | 0 | 0 | 0 |
| Preferred dividends | - | - | - | - | - |
| Other items | - | - | - | - | - |
| Reported net profit | 346 | 562 | 688 | 1,002 | 1,225 |
| Non recurring items & goodwill (net) | - | - | 0 | 0 | 0 |
| Recurring net profit | 346 | 562 | 688 | 1,002 | 1,225 |
| Per share (THB) | | | | | |
| Recurring EPS * | 0.23 | 0.35 | 0.33 | 0.48 | 0.58 |
| Reported EPS | 0.23 | 0.35 | 0.33 | 0.48 | 0.58 |
| DPS | 0.00 | 0.14 | 0.10 | 0.14 | 0.18 |
| Growth | | | | | |
| Net interest income (%) | 26.4 | 2.5 | 16.0 | 29.9 | 23.8 |
| Non interest income (%) | 2.7 | 10.7 | 30.0 | 5.0 | 5.0 |
| Pre provision operating profit (%) | 0.7 | 27.0 | 29.4 | 47.2 | 22.5 |
| Operating profit (%) | (12.8) | 62.3 | 21.2 | 46.3 | 22.2 |
| Reported net profit (%) | (13.2) | 62.4 | 22.4 | 45.8 | 22.2 |
| Recurring EPS (%) | - | 51.7 | (6.8) | 45.8 | 22.2 |
| Reported EPS (%) | - | 51.7 | (6.8) | 45.8 | 22.2 |
| Income Breakdown | | | | | |
| Net interest income (%) | 99.7 | 99.7 | 99.6 | 99.7 | 99.7 |
| Net fees & commission (%) | - | - | - | - | - |
| Foreign exchange trading income (%) | - | - | - | - | - |
| Securities trading income (%) | - | - | - | - | - |
| Dividend income (%) | - | - | - | - | - |
| Other income (%) | 0.3 | 0.3 | 0.4 | 0.3 | 0.3 |
| Operating performance | | | | | |
| Gross interest yield (%) | 25.97 | 21.74 | 21.66 | 23.42 | 23.11 |
| Cost of funds (%) | 4.10 | 3.20 | 3.10 | 3.20 | 3.30 |
| Net interest spread (%) | 21.87 | 18.54 | 18.56 | 20.22 | 19.81 |
| Net interest margin (%) | 23.4 | 20.0 | 20.1 | 21.8 | 21.3 |
| Cost/income(%) | 62.2 | 53.1 | 47.7 | 40.7 | 41.3 |
| Cost/assets(%) | 13.7 | 9.9 | 9.0 | 8.5 | 8.5 |
| Effective tax rate (%) | 19.8 | 19.8 | 19.0 | 19.3 | 19.3 |
| Dividend payout on recurring profit (%) | - | 39.4 | 30.0 | 30.0 | 30.0 |
| ROE (%) | 14.1 | 15.4 | 14.5 | 18.8 | 20.0 |
| ROE - COE (%) | 3.3 | 4.6 | 3.7 | 8.0 | 9.2 |
| ROA (%) | 5.3 | 7.1 | 7.5 | 9.4 | 9.1 |
| RORWA (%) | - | - | - | - | - |

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Saksiam Leasing; FSSIA estimates

Financial Statements

Saksiam Leasing

| Balance Sheet (THB m) Year Ending Dec | 2019 | 2020 | 2021E | 2022E | 2023E |
|--|--------------|--------------|--------------|---------------|---------------|
| Gross customer loans | 6,700 | 6,497 | 8,835 | 11,486 | 14,357 |
| Total provisions | (188) | (162) | (190) | (237) | (297) |
| interest in suspense | 125 | 72 | 106 | 138 | 172 |
| Net customer loans | 6,637 | 6,406 | 8,751 | 11,387 | 14,232 |
| Bank loans | - | - | - | - | - |
| Government securities | - | - | - | - | - |
| Trading securities | - | - | - | - | - |
| Investment securities | 0 | 1,600 | 80 | 8 | 8 |
| Cash & equivalents | 253 | 307 | 151 | 96 | 30 |
| Other interesting assets | - | - | - | - | - |
| Tangible fixed assets | 171 | 113 | 125 | 137 | 151 |
| Associates | - | - | - | - | - |
| Goodwill | - | - | - | - | - |
| Other intangible assets | - | - | - | - | - |
| Other assets | 96 | 352 | 334 | 370 | 408 |
| Total assets | 7,158 | 8,778 | 9,441 | 11,997 | 14,829 |
| Customer deposits | 0 | 0 | 0 | 0 | 0 |
| Bank deposits | - | - | - | - | - |
| Other interest bearing liabilities | 4,132 | 4,072 | 4,234 | 6,077 | 8,041 |
| Non interest bearing liabilities | 250 | 198 | 218 | 229 | 240 |
| Hybrid Capital | - | - | - | - | - |
| Total liabilities | 4,382 | 4,270 | 4,451 | 6,306 | 8,281 |
| Share capital | 1,550 | 2,096 | 2,096 | 2,096 | 2,096 |
| Reserves | 1,226 | 2,412 | 2,894 | 3,595 | 4,452 |
| Total equity | 2,776 | 4,508 | 4,990 | 5,691 | 6,548 |
| Minority interests | 0 | 0 | 0 | 0 | 0 |
| Total liabilities & equity | 7,158 | 8,778 | 9,441 | 11,997 | 14,829 |
| Supplementary items | | | | | |
| Risk weighted assets (RWA) | n/a | n/a | n/a | n/a | n/a |
| Average interest earning assets | 6,162 | 7,399 | 8,506 | 10,205 | 12,930 |
| Average interest bearing liabilities | 3,871 | 4,102 | 4,153 | 5,155 | 7,059 |
| Tier 1 capital | n/a | n/a | n/a | n/a | n/a |
| Total capital | 0 | 0 | 0 | 0 | 0 |
| Gross non performing loans (NPL) | 97 | 143 | 172 | 206 | 248 |
| Per share (THB) | | | | | |
| Book value per share | 1.86 | 2.83 | 2.38 | 2.72 | 3.12 |
| Tangible book value per share | 1.86 | 2.83 | 2.38 | 2.72 | 3.12 |
| Growth | | | | | |
| Gross customer loans | 19.1 | (3.0) | 36.0 | 30.0 | 25.0 |
| Average interest earning assets | 30.9 | 20.1 | 15.0 | 20.0 | 26.7 |
| Total asset (%) | 20.8 | 22.6 | 7.6 | 27.1 | 23.6 |
| Risk weighted assets (%) | - | - | - | - | - |
| Customer deposits (%) | nm | nm | nm | nm | nm |
| Leverage & capital measures | | | | | |
| Customer loan/deposits (%) | - | - | - | - | - |
| Equity/assets (%) | 38.8 | 51.4 | 52.9 | 47.4 | 44.2 |
| Tangible equity/assets (%) | 38.8 | 51.4 | 52.9 | 47.4 | 44.2 |
| RWA/assets (%) | - | - | - | - | - |
| Tier 1 CAR (%) | - | - | - | - | - |
| Total CAR (%) | - | - | - | - | - |
| Asset Quality | | | | | |
| Change in NPL (%) | 90.5 | 48.1 | 20.0 | 20.0 | 20.0 |
| NPL/gross loans (%) | 1.4 | 2.2 | 1.9 | 1.8 | 1.7 |
| Total provisions/gross loans (%) | 2.8 | 2.5 | 2.2 | 1.6 | 2.1 |
| Total provisions/NPL (%) | 194.3 | 113.3 | 110.5 | 114.8 | 120.0 |
| Valuation | | | | | |
| Recurring P/E (x) * | 38.3 | 25.3 | 27.1 | 18.6 | 15.2 |
| Recurring P/E @ target price (x) * | 55.1 | 36.3 | 39.0 | 26.8 | 21.9 |
| Reported P/E (x) | 38.3 | 25.3 | 27.1 | 18.6 | 15.2 |
| Dividend yield (%) | - | 1.6 | 1.1 | 1.6 | 2.0 |
| Price/book (x) | 4.8 | 3.1 | 3.7 | 3.3 | 2.8 |
| Price/tangible book (x) | 4.8 | 3.1 | 3.7 | 3.3 | 2.8 |
| Price/tangible book @ target price (x) | 6.9 | 4.5 | 5.4 | 4.7 | 4.1 |

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Saksiam Leasing; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

| EXCELLENT LEVEL | | | | | | | | | | |
|-----------------|--------|--------|-------|-------|-------|--------|--------|--------|--------|-------|
| AAV | ADVANC | AF | AIRA | AKP | AKR | ALT | AMA | AMATA | AMATAV | ANAN |
| AOT | AP | ARIP | ARROW | ASP | BAFS | BANPU | BAY | BCP | BCPG | BDMS |
| BEC | BEM | BGRIM | BIZ | BKI | BLA | BOL | BPP | BRR | BTS | BWG |
| CENTEL | CFRESH | CHEWA | CHO | CIMBT | CK | CKP | CM | CNT | COL | COMAN |
| COTTO | CPALL | CPF | CPI | CPN | CSS | DELTA | DEMCO | DRT | DTAC | DTC |
| DV8 | EA | EASTW | ECF | ECL | EGCO | EPG | ETE | FNS | FPI | FPT |
| FSMART | GBX | GC | GCAP | GEL | GFPT | GGC | GPSC | GRAMMY | GUNKUL | HANA |
| HARN | HMPRO | ICC | ICI | III | ILINK | INTUCH | IRPC | IVL | JKN | JSP |
| JWD | K | KBANK | KCE | KKP | KSL | KTB | KTC | LANNA | LH | LHFG |
| LIT | LPN | MAKRO | MALEE | MBK | MBKET | MC | MCOT | METCO | MFEC | MINT |
| MONO | MOONG | MSC | MTC | NCH | NCL | NEP | NKI | NOBLE | NSI | NVD |
| NYT | OISHI | ORI | OTO | PAP | PAP | PCSGH | PDJ | PG | PHOL | PLANB |
| PLAT | PORT | PPS | PR9 | PREB | PRG | PRM | PSH | PHL | PTG | PTT |
| PTTEP | PTTGC | PYLON | Q-CON | QH | QTC | RATCH | RS | S | S & J | SAAM |
| SABINA | SAMART | SAMTEL | SAT | SC | SCB | SCC | SCCC | SCG | SCN | SDC |
| SEAFCO | SEOIL | SE-ED | SELIC | SENA | SIRI | SIS | SITHAI | SMK | SMPC | SNC |
| SONIC | SORKON | SPALI | SPI | SPRC | SPVI | SSSC | SST | STA | SUSCO | SUTHA |
| SVI | SYMC | SYNTEC | TACC | TASCO | TCAP | TFMAMA | THANA | THANI | THCOM | THG |
| THIP | THRE | THREL | TIP | TIPCO | TISCO | TK | TKT | TMB | TMILL | TNDT |
| TNL | TOA | TOP | TPBI | TQM | TRC | TSC | TSR | TSTE | TSTH | TTA |
| TTCL | TTW | TU | TVD | TVI | TVO | TWPC | U | UAC | UBIS | UV |
| VGI | VIH | WACOAL | WAVE | WHA | WHAUP | WICE | WINNER | TRUE | | |

| VERY GOOD LEVEL | | | | | | | | | | |
|-----------------|---------|--------|-------|--------|-------|--------|--------|--------|--------|-------|
| 2S | ABM | ACE | ACG | ADB | AEC | AEONTS | AGE | AH | AHC | AIT |
| ALLA | AMANAHA | AMARIN | APCO | APCS | APURE | AQUA | ASAP | ASEFA | ASIA | ASIAN |
| ASIMAR | ASK | ASN | ATP30 | AUCT | AWC | AYUD | B | BA | BAM | BBL |
| BFIT | BGC | BJC | BJCHI | BROOK | BTW | CBG | CEN | CGH | CHARAN | CHAYO |
| CHG | CHOTI | CHOW | CI | CIG | CMC | COLOR | COM7 | CPL | CRC | CRD |
| CSC | CSP | CWT | DCC | DCON | DDD | DOD | DOHOME | EASON | EE | ERW |
| ESTAR | FE | FLOYD | FN | FORTH | FSS | FTE | FVC | GENCO | GJS | GL |
| GLAND | GLOBAL | GLOCON | GPI | GULF | GYT | HPT | HTC | ICN | IFS | ILM |
| IMH | INET | INSURE | IRC | IRCP | IT | ITD | ITEL | J | JAS | JCK |
| JCKH | JMART | JMT | KBS | KCAR | KGI | KIAT | KOOL | KTIS | KWC | KWM |
| L&E | LALIN | LDC | LHK | LOXLEY | LPH | LRH | LST | M | MACO | MAJOR |
| MBAX | MEGA | META | MFC | MGT | MILL | MITSIB | MK | MODERN | MTI | MVP |
| NETBAY | NEX | NINE | NTV | NWR | OCC | OGC | OSP | PATO | PB | PDG |
| PDI | PICO | PIMO | PJW | PL | PM | PPP | PRIN | PRINC | PSTC | PT |
| QLT | RCL | RICHY | RML | RPC | RWI | S11 | SALEE | SAMCO | SANKO | SAPPE |
| SAWAD | SCI | SCP | SE | SEG | SFP | SGF | SHR | SIAM | SINGER | SKE |
| SKR | SKY | SMIT | SMT | SNP | SPA | SPC | SPCG | SR | SRICHA | SSC |
| SSF | STANLY | STI | STPI | SUC | SUN | SYNEX | T | TAE | TAKUNI | TBSP |
| TCC | TCMC | TEAM | TEAMG | TFG | TIGER | TITLE | TKN | TKS | TM | TMC |
| TMD | TMI | TMT | TNITY | TNP | TNR | TOG | TPA | TPAC | TPCORP | TPOLY |
| TPS | TRITN | TRT | TRU | TSE | TVT | TWP | UEC | UMI | UOBKH | UP |
| UPF | UPOIC | UT | UTP | UWC | VL | VNT | VPO | WIJK | WP | XO |
| YUASA | ZEN | ZIGA | ZMICO | | | | | | | |

| GOOD LEVEL | | | | | | | | | | |
|------------|------|--------|--------|-------|--------|-------|-------|--------|--------|-------|
| 7UP | A | ABICO | AJ | ALL | ALUCON | AMC | APP | ARIN | AS | AU |
| B52 | BC | BCH | BEAUTY | BGT | BH | BIG | BKD | BLAND | BM | BR |
| BROCK | BSBM | BSM | BTNC | CAZ | CCP | CGD | CITY | CMAN | CMO | CMR |
| CPT | CPW | CRANE | CSR | D | EKH | EP | ESSO | FMT | GIFT | GREEN |
| GSC | GTB | HTECH | HUMAN | IHL | INOX | INSET | IP | JTS | JUBILE | KASET |
| KCM | KKC | KUMWEL | KUN | KWG | KYE | LEE | MATCH | MATI | M-CHAI | MCS |
| MDX | MJD | MM | MORE | NC | NDR | NER | NFC | NNCL | NPK | NUSA |
| OCEAN | PAF | PF | PK | PLE | PMTA | POST | PPM | PRAKIT | PRECHA | PRIME |
| PROUD | PTL | RBF | RCI | RJH | ROJNA | RP | RPH | RSP | SF | SFLEX |
| SGP | SISB | SKN | SLP | SMART | SOLAR | SPG | SQ | SSP | STARK | STC |
| SUPER | SVOA | TC | TCCC | THMUI | TIW | TNH | TOPP | TPCH | TIPIP | TPLAS |
| TTI | TYCN | UKEM | UMS | VCOM | VRANDA | WIN | WORK | WPH | | |

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

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

| DECLARED | | | | | | | | | | |
|----------|-------|-------|--------|--------|-------|--------|-------|-------|-------|--------|
| 7UP | ABICO | AF | ALT | AMARIN | AMATA | AMATAV | ANAN | APURE | B52 | BKD |
| BM | BROCK | BUI | CHO | CI | COTTO | DDD | EA | EFORL | EP | ERW |
| ESTAR | ETE | EVER | FSMART | GPI | ILINK | IRC | J | JKN | JMART | JMT |
| JSP | JTS | KWG | LDC | MAJOR | META | NCL | NOBLE | NOK | PK | PLE |
| ROJNA | SAAM | SAPPE | SCI | SE | SHANG | SINGER | SKR | SPALI | SSP | STANLY |
| SUPER | SYNEX | THAI | TKS | TOPP | TRITN | TTA | UPF | UV | WIN | ZIGA |

| Level | |
|-----------|---|
| Certified | This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties. |
| Declared | This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) |

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

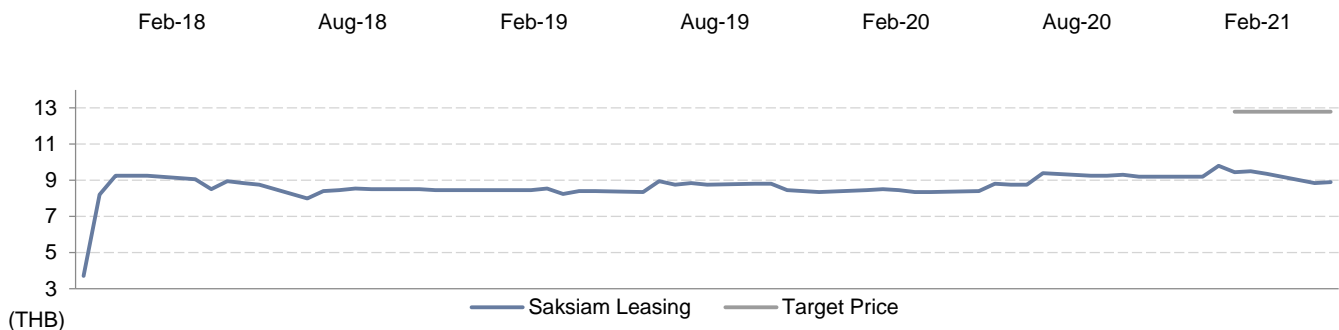
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History of change in investment rating and/or target price

Saksiam Leasing (SAK TB)



| Date | Rating | Target price | Date | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|------|--------|--------------|------|--------|--------------|
| 16-Feb-2021 | BUY | 12.80 | - | - | - | - | - | - |

Yuvanart Suwanumphai started covering this stock from 16-Feb-2021

Price and TP are in local currency

Source: FSSIA estimates

| Company | Ticker | Price | Rating | Valuation & Risks |
|-----------------|--------|----------|--------|---|
| Saksiam Leasing | SAK TB | THB 8.90 | BUY | Downside risks to our GGM-derived TP include 1) competition from existing and new players; 2) regulatory changes by the BoT; and 3) a slower-than-expected reduction in its cost of funds due to a shift toward more long-term loans. |

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 23-Feb-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

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

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.