

1 MARCH 2021

THAILAND / DIVERSIFIED FINANCIALS

MICRO LEASING MICRO TB

BUY
UNCHANGED

TARGET PRICE	THB7.50
CLOSE	THB6.80
UP/DOWNSIDE	+10.3%
PRIOR TP	THB7.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+37.6%

โตในอัตราเร่งในปี 2021

การเติบโตที่โดดเด่นของสินเชื่อเข้ามาซึ่งผลประกอบการที่ดีใน 4Q20

MICRO รายงานกำไรสุทธิที่สูงเป็นประวัติการณ์ใน 4Q20 โดยอยู่ที่ 41 ลบ. (+23% y-y, +27% q-q) ตามคาด กำไรที่โตโดดเด่นมาจากปัจจัยเหล่านี้เป็นหลัก 1) สินเชื่อที่โตอย่างมีนัยสำคัญ (+25% y-y, +13% q-q) จากความต้องการที่สูงขึ้นของรถบรรทุกมือสองและการเพิ่มของส่วนแบ่งตลาดจากคู่แข่งรายเล็ก ๆ; 2) รายได้ค่าธรรมเนียมที่เพิ่มขึ้นจากกลยุทธ์ในการขายสัญญาประกันภัยมูลค่าสูงเพิ่ม; และ 3) การลดลงของต้นทุนทางการเงินหลังการเสนอขายหุ้นให้แก่ประชาชนทั่วไปเป็นครั้งแรก (IPO) นอกจากนี้หลังอัตราหนี้ไม่ก่อให้เกิดรายได้ (NPL ratio) เพิ่มขึ้น 5% ใน 3Q20 ส่วนมากมาจากการผิดนัดชำระไขว้ (Cross-Defaulting) ของลูกค้า บางรายอันเป็นผลจาก TFRS 9 MICRO สามารถควบคุมคุณภาพสินทรัพย์อย่างได้ผล ทำให้ NPL ratio ลดลงเหลือ 3.8% ใน 4Q20

ผลประกอบการจะดีต่อเนื่อง

เราคาดว่า MICRO จะรายงานกำไรสุทธิสูงเป็นประวัติการณ์อีกครั้งใน 1Q21 นอกจากนี้เรายังคาดว่าบริษัท จะรายงานกำไรสุทธิโต 43% ในปี 2021 จาก 1) การเติบโตของสินเชื่อที่คาดว่าจะดีในปี 2021 โดยอยู่ที่ 24%; 2) การเพิ่มของส่วนต่างดอกเบี้ยที่รวมค่าธรรมเนียมในปี 2021 เป็น 17.2%; และ 3) การลดของอัตราส่วนสำรองหนี้สูญต่อสินเชื่อเฉลี่ย (Credit Cost) เป็น 225 bps ในปี 2021 เทียบกับ 337 bps ในปี 2020 จากการบริหารคุณภาพสินทรัพย์ได้ดีมากยิ่งขึ้น

ตลาดเฉพาะกลุ่มอาจเป็นกุญแจในการผลักดันสินเชื่อและส่วนต่างดอกเบี้ย

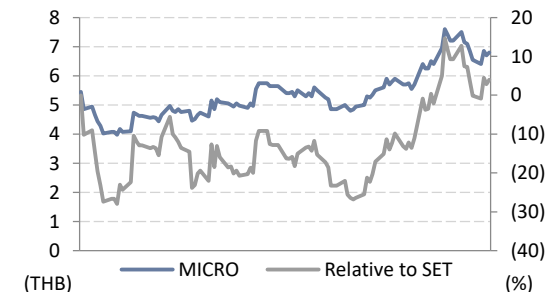
เราคาดว่า MICRO จะรายงานสินเชื่อโตได้อย่างเห็นได้ชัดใน 3 ปีข้างหน้าเป็นอย่างน้อยผ่านการได้ส่วนแบ่งตลาดเพิ่มจากคู่แข่งโดยเฉพาะผู้เล่นรายเล็ก ๆ เราเชื่อว่า MICRO มีข้อได้เปรียบเหนือคู่แข่งทั้งรายเล็กและรายใหญ่ในแง่กระบวนการอนุมัติสินเชื่อที่รวดเร็วกว่าเมื่อเทียบกับผู้เล่นรายใหญ่ รวมถึงมีอัตราดอกเบี้ยที่ต่ำกว่าเมื่อเทียบกับผู้แข่งขันท้องถิ่น นอกจากการได้ส่วนแบ่งตลาดเพิ่ม MICRO ควรได้ประโยชน์จากความต้องการที่เพิ่มขึ้นของรถบรรทุกมือสองเนื่องจากลูกค้ามีแนวโน้มเลือกรถบรรทุกใช้แล้วในช่วงแนวโน้มเศรษฐกิจตกต่ำ เราคาดว่าส่วนต่างดอกเบี้ยที่รวมค่าธรรมเนียมของ MICRO จะสูงขึ้นโดยได้แรงหนุนจาก 1) ผลตอบแทนดอกเบี้ยสินเชื่อคงที่เนื่องจากอยู่ในตลาดเฉพาะ ทำให้ไม่ได้รับผลกระทบจากการแข่งขันที่รุนแรง เช่น สินเชื่อทะเบียนรถมอเตอร์ไซด์; 2) การเพิ่มของผลตอบแทนค่าธรรมเนียมจากยอดขายที่เพิ่มขึ้นของผลิตภัณฑ์ที่มีมูลค่าสูงเช่น กรมธรรม์ประกันรถยนต์; และ 3) ต้นทุนทางการเงินที่ลดลงหลัง IPO

คงคำแนะนำซื้อจากแนวโน้มการเติบโตที่ดูอย่างเห็นได้ชัด

เราคงคำแนะนำซื้อ MICRO ที่ราคาเป้าหมาย 7.5 บาท (GGM) ราคาดังกล่าวสามารถคิดย้อนกลับเป็น 2021E P/E ที่ 36x โดยมีอัตราการเติบโตของกำไรสุทธิที่ 43% ในปี 2021E เราชอบ MICRO มากกว่า THANI และเชื่อว่า MICRO คู่ควรกับการประเมินมูลค่าในระดับสูงโดยมีเหตุผลสนับสนุนจากแนวโน้มการเติบโตที่โดดเด่น

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	176	244	321	392
Net profit	135	193	253	310
EPS (THB)	0.18	0.21	0.27	0.33
vs Consensus (%)	-	31.3	37.1	32.0
Core net profit	135	193	253	310
Core EPS (THB)	0.18	0.21	0.27	0.33
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	11.8	16.5	31.4	22.3
Core P/E (x)	38.4	33.0	25.1	20.5
Dividend yield (%)	1.0	0.9	0.8	1.0
Price/book (x)	3.6	3.4	3.0	2.7
ROE (%)	10.7	11.6	12.7	14.0
ROA (%)	6.0	6.9	6.8	6.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	19.3	37.7	n/a
Relative to country (%)	19.7	30.2	n/a
Mkt cap (USD m)			211
3m avg. daily turnover (USD m)			2.3
Free float (%)			21
Major shareholder		Auchyawat family (57%)	
12m high/low (THB)		7.75/3.74	
Issued shares (m)		935	

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 1 มีนาคม 2021

Outstanding loan growth led to solid 4Q20 performance

MICRO delivered a new record high net profit in 4Q20 at THB41m (+23% y-y, +27% q-q), in line with our expectation. The outstanding net profit growth came mainly from 1) significant loan growth at 25% y-y, 13% q-q, due to a higher demand for used trucks and from gaining more market share from smaller local competitors; 2) an increase in its fee income from its strategy of selling more high-value insurance contracts; and 3) a decline in its cost of funds post IPO. Moreover, after a surge in its NPL ratio to 5% in 3Q20, due mainly to some clients cross-defaulting (the effect of TFRS 9), MICRO was able to control its asset quality efficiently, resulting in its NPL ratio declining to 3.8% in 4Q20.

2020 net profit was THB135m, increasing by 22% y-y, supported by 1) an increase in its loan volume; 2) a drop in its cost of funds post IPO; 3) an increase in fee income due to its strategy to increase the sales of higher value products; and 4) a decline in its cost to income ratio thanks to the economies of scale.

MICRO announced a dividend payment at THB0.055/share, implying a dividend yield of 0.8%. The XD date is 21 Apr-21.

Exhibit 1: MICRO – summary of 4Q20/2020 results

Year-end Dec 31	4Q19	3Q20	4Q20	----- Change -----		2019	2020	Change	4Q20 comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(THB m)	(y-y %)	
Net interest income	67	77	87	31	13	243	308	27	
Non-interest income	15	24	42	173	76	48	98	105	Increased from fee income
Operating income	82	101	129	58	28	291	406	39	
Operating expenses	33	40	41	24	2	129	153	18	
PPOP before tax	49	61	88	80	45	162	253	57	
Expected credit loss	8	21	36	366	73	23	77	235	
Income tax	8	8	12	38	45	28	41	47	
Minority interest	0	0	0			0	0		
Normalised profit	33	32	41	23	27	111	135	22	
Extraordinary items	0	0	0			0	0		
Net profit	33	32	41	23	27	111	135	22	
EPS (THB)	0.05	0.04	0.04	(8)	(3)	0.16	0.18	12	
Asset quality ratio	(%)	(%)	(%)			(%)	(%)		
NPLs (THB m)	91	113	97	7	(14)	91	97	7	Declined q-q due to a decline in cross-default customers' NPLs
NPLs / Loans	4.47	4.99	3.82			4.47	3.82		
Loan loss reserve/NPLs	123	87	101			123	101		
Credit cost (bps)	160	382	604			130	337		
Profitability ratio	(%)	(%)	(%)			(%)	(%)		
Cost to income ratio	40.0	39.5	31.5			44.4	37.6		
Average yield	16.6	16.2	16.1			16.0	15.5		
Cost of fund	6.2	4.6	3.8			5.2	5.8		
Net interest margin (NIM)	13.7	14.0	14.5			13.7	13.4		
Non-int income / total income	18.7	23.7	32.4			16.5	24.2		
Loan growth	(%)	(%)	(%)			(%)	(%)		
Year-to-date	n/a	11.0	24.8						
y-y	n/a	22.0	24.8			35.7	24.8		
q-q	9.9	5.6	12.5						

Sources: MICRO; FSSIA

Financial Statements

Micro Leasing

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	282	356	444	578	719
Interest expense	(39)	(48)	(51)	(72)	(101)
Net interest income	243	308	393	506	618
Net fees & commission	41	78	98	117	129
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	0	0	0	0	0
Other income	7	20	7	8	8
Non interest income	48	98	105	125	137
Total income	291	406	498	631	755
Staff costs	(129)	(153)	(189)	(227)	(273)
Other operating costs	-	-	-	-	-
Operating costs	(129)	(153)	(189)	(227)	(273)
Pre provision operating profit	162	253	308	404	482
Provision for bad and doubtful debt	(23)	(77)	(64)	(83)	(90)
Other provisions	-	-	-	-	-
Operating profit	139	176	244	321	392
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	139	176	244	321	392
Tax	(28)	(41)	(51)	(67)	(82)
Profit after tax	111	135	193	253	310
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	111	135	193	253	310
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	111	135	193	253	310
Per share (THB)					
Recurring EPS *	0.16	0.18	0.21	0.27	0.33
Reported EPS	0.16	0.18	0.21	0.27	0.33
DPS	0.00	0.07	0.06	0.05	0.07
Growth					
Net interest income (%)	23.1	26.5	27.6	29.0	22.0
Non interest income (%)	44.1	104.8	6.7	18.9	9.7
Pre provision operating profit (%)	18.7	56.6	21.6	31.1	19.3
Operating profit (%)	19.4	27.0	38.5	31.4	22.3
Reported net profit (%)	23.2	21.9	42.7	31.4	22.3
Recurring EPS (%)	5.5	11.8	16.5	31.4	22.3
Reported EPS (%)	5.5	11.8	16.5	31.4	22.3
Income Breakdown					
Net interest income (%)	83.5	75.8	78.9	80.2	81.8
Net fees & commission (%)	13.9	19.2	19.6	18.5	17.1
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	2.6	5.0	1.5	1.2	1.1
Operating performance					
Gross interest yield (%)	15.95	15.53	15.57	15.95	15.95
Cost of funds (%)	5.18	5.81	5.37	4.40	4.40
Net interest spread (%)	10.77	9.72	10.20	11.55	11.55
Net interest margin (%)	13.7	13.4	13.8	14.0	13.7
Cost/income(%)	44.4	37.6	38.1	36.0	36.1
Cost/assets(%)	7.1	6.3	6.3	6.1	5.9
Effective tax rate (%)	20.2	23.3	21.0	21.0	21.0
Dividend payout on recurring profit (%)	-	38.1	30.0	20.0	20.0
ROE (%)	10.8	10.7	11.6	12.7	14.0
ROE - COE (%)	0.0	(0.1)	0.8	1.9	3.2
ROA (%)	6.1	6.0	6.9	6.8	6.7
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Micro Leasing; FSSIA estimates

Financial Statements

Micro Leasing

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Gross customer loans	2,037	2,542	3,153	4,099	4,919
Total provisions	(112)	(98)	(132)	(169)	(205)
interest in suspense	0	0	0	0	0
Net customer loans	1,925	2,444	3,021	3,930	4,714
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	0	0	0	0	0
Cash & equivalents	46	128	71	24	66
Other interesting assets	-	-	-	-	-
Tangible fixed assets	4	7	4	5	5
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	143	176	132	282	238
Total assets	2,118	2,755	3,230	4,241	5,022
Customer deposits	0	0	0	0	0
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	986	661	1,233	2,036	2,564
Non interest bearing liabilities	52	271	110	115	121
Hybrid Capital	-	-	-	-	-
Total liabilities	1,038	932	1,343	2,151	2,685
Share capital	700	935	935	935	935
Reserves	380	515	952	1,155	1,402
Total equity	1,080	1,450	1,887	2,090	2,337
Minority interests	0	0	0	0	0
Total liabilities & equity	2,118	2,382	3,230	4,241	5,022
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	1,769	2,289	2,848	3,626	4,509
Average interest bearing liabilities	753	824	947	1,634	2,300
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)	91	97	130	149	172
Per share (THB)					
Book value per share	1.54	1.90	2.02	2.23	2.50
Tangible book value per share	1.54	1.90	2.02	2.23	2.50
Growth					
Gross customer loans	35.7	24.8	24.0	30.0	20.0
Average interest earning assets	27.8	29.4	24.4	27.3	24.3
Total asset (%)	37.8	30.1	17.2	31.3	18.4
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	nm	nm	nm	nm	nm
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	51.0	52.6	58.4	49.3	46.5
Tangible equity/assets (%)	51.0	52.6	58.4	49.3	46.5
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	5.9	6.6	33.7	15.0	15.0
NPL/gross loans (%)	4.5	3.8	4.1	3.6	3.5
Total provisions/gross loans (%)	5.5	3.9	4.2	3.4	4.2
Total provisions/NPL (%)	123.0	100.9	101.5	113.4	119.6
Valuation					
Recurring P/E (x) *	43.0	38.4	33.0	25.1	20.5
Recurring P/E @ target price (x) *	47.4	42.4	36.4	27.7	22.6
Reported P/E (x)	43.0	38.4	33.0	25.1	20.5
Dividend yield (%)	-	1.0	0.9	0.8	1.0
Price/book (x)	4.4	3.6	3.4	3.0	2.7
Price/tangible book (x)	4.4	3.6	3.4	3.0	2.7
Price/tangible book @ target price (x)	4.9	3.9	3.7	3.4	3.0

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Micro 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	ICHI	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	PASGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PTG	PTT	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	SEAOIL	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	AMANAH	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	SEAOIL	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	WIJK	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

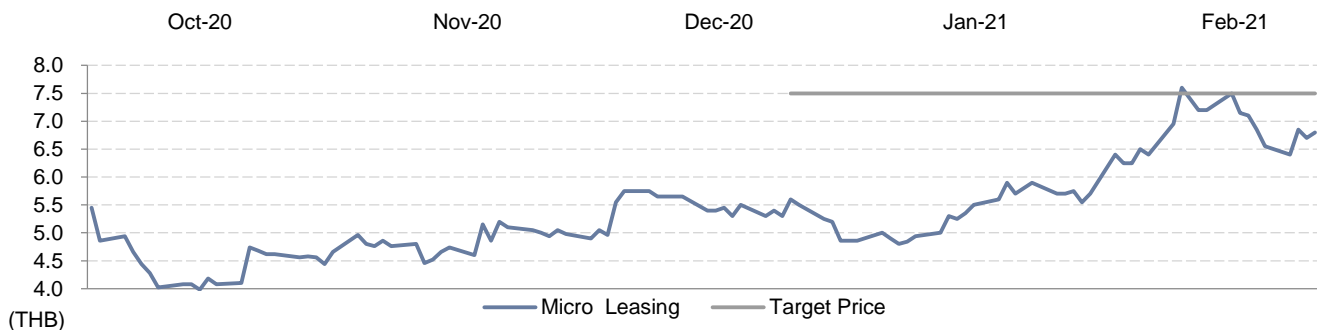
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Micro Leasing (MICRO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
23-Dec-2020	BUY	7.50	-	-	-	-	-	-

Yuvanart Suwanumphai started covering this stock from 23-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Ratchthani Leasing (THANI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Jul-2020	BUY	4.56	26-Aug-2020	BUY	3.80	12-Nov-2020	BUY	4.30

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
Micro Leasing	MICRO TB	THB 6.80	BUY	Downside risks to our GGM-derived TP include 1) an economic slowdown, especially for logistics activities and private investment; 2) deteriorating asset quality; and 3) a slower-than-expected reduction in the cost of funds due to a shift toward more long-term loans.
Ratchthani Leasing	THANI TB	THB 4.08	BUY	Downside risks to our GGM-derived TP include 1) an economic slowdown, especially for logistics activities and private investment; 2) deteriorating asset quality; and 3) changes in financial regulations from the Bank of Thailand.

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

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 25-Feb-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.