

12 JULY 2021

THAILAND / DIVERSIFIED FINANCIALS

SINGER THAILAND

SINGER TB

BUY

UNCHANGED

TARGET PRICE	THB53.00
CLOSE	THB38.25
UP/DOWNSIDE	+38.6%
PRIOR TP	THB50.00
CHANGE IN TP	+6.0%
TP vs CONSENSUS	+13.6%

Time for trucks

การจดทะเบียน SGC จะเพิ่มความมั่งคั่งของผู้ถือหุ้นของ SINGER

ในระหว่างการประชุม exclusive ที่จัดขึ้นโดย FSSIA กับ 4 ผู้บริหารของ SINGER ระบุว่า บริษัทฯ วางแผนนำ SG Capital (SGC) เข้าจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทยใน 2Q-3Q22 โดย SINGER จะออกหุ้น SGC ใหม่ 25% ให้แก่นักลงทุน ซึ่งจะช่วยให้สัดส่วนการถือหุ้นของบริษัทฯ ใน SGC ลดลงเหลือ 80% จากเดิม 100% จากการวิเคราะห์ของเราประมาณการกำไรสุทธิปี 2022 ของ SINGER จะไม่ลดลงจากโอกาสในการเติบโตที่สูงขึ้นของ SGC หลังข้อจำกัดในด้านแหล่งเงินทุนหมดไป นอกจากนี้เรายังคิดว่าการนำ SGC เข้าจดทะเบียนจะทำให้ตลาดสามารถประเมินมูลค่าของหุ้นได้แม่นยำมากยิ่งขึ้น ในท้ายที่สุดระดับการประเมินมูลค่าของ SGC ที่สูงขึ้นจะเป็นประโยชน์ต่อราคาหุ้นของ SINGER และทำให้ความมั่งคั่งรวมของผู้ถือหุ้นปัจจุบันของ SINGER เพิ่มขึ้น

ทบทวนต่อการแพร่ระบาด Covid ที่ยืดเยื้อ และมีโอกาสที่อัตราค่าอะไรที่จะเพิ่มสูงขึ้นในอนาคต

ในท่ามกลางปัญหาการแพร่ระบาด Covid ในรอบที่ 3 ผู้บริหารยังยืนยันว่าธุรกิจยังไปได้ดี ทำให้เราคาดว่ากำไรสุทธิ 2Q21 ของ SINGER จะพุ่งสูงเป็นประวัติการณ์มาอยู่ที่ 160 ลบ. (+40% y-y, +15% q-q) โดยได้ปัจจัยผลักดันจาก 1) การเติบโตอย่างมีนัยสำคัญของสินค้าขายอยู่ที่ 78% y-y; และ 2) ยอดขายเครื่องใช้ไฟฟ้าภายในบ้านที่เพิ่มอย่างต่อเนื่อง หลัง Covid บรรเทา ผู้บริหารตั้งใจเพิ่มยอดขายเครื่องใช้ไฟฟ้าออนไลน์ โดย 30% ของยอดขายจะมาจากออนไลน์เทียบกับเกือบ 10% ในปัจจุบัน โดยปกติค่าคอมมิชชั่นของยอดขายออนไลน์จะต่ำกว่าช่องทางปกติอย่างมีนัยสำคัญ จากประมาณการของเราค่าใช้จ่ายผ่านช่องทางดังกล่าวจะอยู่ที่ 50-60% เมื่อบริษัทฯ สามารถเพิ่มยอดขายออนไลน์เป็น 30% ประมาณการกำไรสุทธิของเราจะมีความเสี่ยงขาลงน้อย 4-5%

บรรยากาศเชิงบวกจากการออกสินค้าใหม่

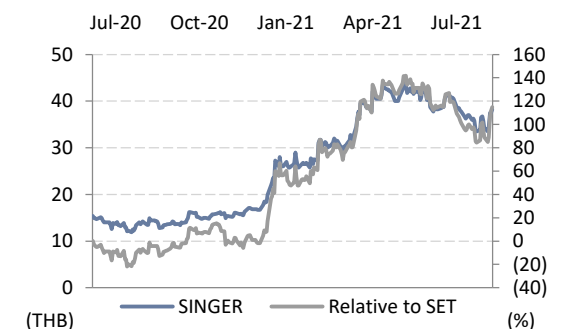
ภายใน 1.5 เดือน ผู้บริหารคาดว่าจะเปิดตัวสินค้าแฟชั่นชားที่คิดค้นขึ้นใหม่ เป้าหมายจะยังเป็นกลุ่มลูกค้าที่ไม่สามารถเข้าถึงหรือด้อยโอกาสในด้านบริการทางธนาคาร แม้บริษัทฯ ยังไม่ได้ให้รายละเอียด เรามองว่าเป้าหมายดังกล่าวอาจเป็นปัจจัยบวกสำคัญที่จะผลักดันราคาหุ้นได้อย่างไรก็ดีผลบวกต่อประมาณการกำไรสุทธิปี 2021 ของเรายังมีจำกัด และเป้าหมายดังกล่าวอาจให้ความเสี่ยงขึ้นจำนวนมากขึ้นในระยะยาวมากกว่า

คงคำแนะนำซื้อหลังปรับราคาเป้าหมายไปในปี 2022 ที่ 53 บาท

เราคงประมาณการกำไรสุทธิ แต่ปรับประมาณการกำไรต่อหุ้น รวมถึงมูลค่าทางบัญชีต่อหุ้นจากการแปลงสภาพใบสำคัญแสดงสิทธิที่สูงเกินคาด นอกจากนี้เรายังปรับราคาเป้าหมายของเราไปในปี 2022 ที่ 53 บาท (GGM) เราคงคำแนะนำซื้อและเห็นว่า SINGER จะได้รับผลกระทบจำกัดจากปัญหาการแพร่ระบาด Covid ที่ยืดเยื้อในรอบที่ 3 ในประเทศไทยซึ่งทำให้บริษัทฯ มีแนวโน้มกำไรที่ดีทั้งในระยะสั้นและระยะกลาง

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	439	748	1,064	1,294
Net profit	443	659	905	1,074
EPS (THB)	1.09	1.37	1.77	2.04
vs Consensus (%)	-	0.7	0.2	(2.4)
Core net profit	443	659	905	1,074
Core EPS (THB)	1.09	1.37	1.77	2.04
Chg. In EPS est. (%)	-	(3.4)	(5.2)	(1.9)
EPS growth (%)	136.7	26.1	29.2	15.1
Core P/E (x)	35.1	27.9	21.6	18.7
Dividend yield (%)	0.6	0.9	1.1	1.3
Price/book (x)	6.2	5.0	4.3	3.5
ROE (%)	17.2	19.8	21.0	20.3
ROA (%)	5.9	6.1	6.3	6.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(0.6)	(8.9)	179.2
Relative to country (%)	4.1	(8.1)	145.7
Mkt cap (USD m)	585		
3m avg. daily turnover (USD m)	4.3		
Free float (%)	21		
Major shareholder	JAYMART Public Company (33%)		
12m high/low (THB)	45.00/11.80		
Issued shares (m)	455		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SINGER is one of the major players in electrical and home appliance sales and providing instalment loans. It started its auto title loan business, focusing on trucks, in 2017 under the name 'Rod Tum Ngern'. We expect SINGER to deliver strong net profit growth of 49%/37% in 2021-22, respectively, supported by 1) remarkable 2021-22E loan growth of 46%/40%; 2) an increase in 2021-22E electrical and home appliance sales by 20%/10% y-y; and 3) a stable gross profit margin for its electrical products and home appliances due to competitive dealer pricing policies.

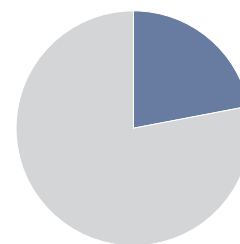
Company profile

Singer Thailand PCL operates two business lines: 1) the distribution of various electrical products and appliances, together with commercial appliances under the 'Singer' brand through its outlets and sales representatives; and 2) a loan provider. SINGER offers loans for more than 90% of its electrical products and appliances. SINGER entered into auto title loans in 2017, specialising in trucks for fleets.

www.singerthai.co.th

Principal activities (revenue, 2020)

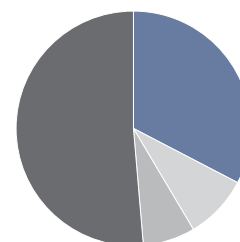
- Net interest income - 22.0 %
- Non-interest income - 78.0 %



Source: Singer Thailand

Major shareholders

- JAYMART Public Company - 32.6 %
- Kara Family - 8.8 %
- Ngamrueangpong Family - 7.2 %
- Others - 51.4 %



Source: Singer Thailand

Catalysts

Potential share price catalysts for SINGER include: 1) the spin-off of its lending business; 2) a new instalment product announcement; and 3) a credit rating upgrade from the Thai Rating and Information Services (TRIS).

Risks to our call

Downside risks to our GGM-derived TP include 1) an economic slowdown leading to slower loan growth and lower sales of electrical products and home appliances; and 2) deteriorating asset quality.

Event calendar

Date	Event
Mid Aug-21	2Q21 results announcement

Key assumptions

Year to Dec	2021E	2022E	2023E
	(%)	(%)	(%)
Net profit (THB m)	659	905	1,074
Net profit growth	48.6	37.3	18.8
NIM	15.47	15.14	14.88
Loan growth	46.3	39.9	20.4
Credit cost (bp)	300	300	300
Revenue from sales of goods growth	20.0	15.0	15.0
Gross margin	45.0	45.0	45.0
SG&A to revenue ratio	37.7	36.0	35.8

Source: FSSIA estimates

Earnings sensitivity

Year to Dec		2021E		
Loan growth	±2ppt	44.3	46.3	48.3
% change in net profit		(1.4)	-	-
NIM (%)	±5bp	15.42	15.47	15.52
% change in net profit		(0.6)	-	0.6
Credit cost (bps)	±10bp	290.0	300.0	310.0
% change in net profit		0.6	-	(0.6)

Source: FSSIA estimates

New instalment product to be launched within 1.5 months

On 7 Jul-21, we hosted an exclusive talk with four members of SINGER's management team, including Mr. Kittipong Kanokvilairat, CEO; Ms. Piyanan Visartavakin, CFO; Ms. Chanthornjira Kongtongsmut, COO; and Ms. Busaba Kunsiritham, CEO of SG Capital (SGC; not listed). Management expects to launch a new instalment product within 1.5 months. The company thinks this would be an innovative product on the market. The target clients are still unbanked/underbanked people like with its original product – home and electrical appliance instalments. The company, however, has not provided specific details yet.

We think the announcement of its new product could be a key catalyst to drive its share price. Nonetheless, the positive impact on our 2021 NP forecast could still be minimal. Rather, this might provide a substantial upside in the longer run.

Listing of SGC would increase SINGER's shareholder wealth

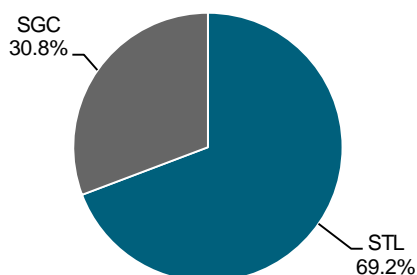
SINGER has two main businesses: 1) the selling of home and electrical appliances; and 2) a lending business providing hire purchase loans for its home and appliance sales and cars for cash loans. The selling business is run under Singer Thailand (STL), while the lending business operates under SGC, a subsidiary which SINGER effectively holds a 100% share in. SINGER has two more subsidiaries, which are SG Service Plus (SGS) and SG Broker (SGB). However, these two subsidiaries have not generated a significant profit for the group yet.

Exhibit 1: Company structure



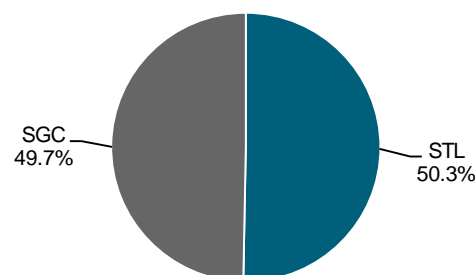
Source: SINGER

Exhibit 2: SINGER – revenue contributions, 2020



Source: FSSIA estimates

Exhibit 3: SINGER – net profit contributions, 2020



Source: FSSIA estimates

Due to the aggressive growth of its lending business, SINGER, plans to list SGC on the Thai stock market in the financial sector in 2Q-3Q22. According to management, SINGER will not sell its SGC portion. The company would rather issue 25% new SGC shares to investors. This should reassure investors that SINGER remains confident in the strong growth of its subsidiary, in our view.

The listing of SGC would benefit both SGC itself and SINGER. For SGC, it will immediately acquire new funds to expand its loan business and repay some of its related loans to SINGER. Also, it would leverage its stronger capital base to run its business in the medium to long term, resulting in higher growth potential.

Exhibit 4: Potential upside to SGC and SINGER's net profits

	2019	2020	2021E	2022E	2023E
Current NP forecast (THB m)					
Net profit of SINGER	166	443	659	905	1,074
Net profit of STL	108	222	296	380	430
Net profit of SGC	58	222	362	525	645
- Assumed outstanding loans (THB m)	3,608	6,587	9,635	13,482	16,227
Potential NP after listing of SGC (THB m)					
Net profit of SINGER	166	443	659	903	1,135
Net profit of STL	108	222	296	380	430
Net profit of SGC	58	222	362	652	881
- Assumed outstanding loans (THB m)	3,608	6,587	9,635	15,036	19,844
% upside					
Net profit of SINGER	-	-	-	(0.2)	5.6
Net profit of STL	-	-	-	-	-
Net profit of SGC	-	-	-	24.2	36.7
- Outstanding loans	-	-	-	11.5	22.3

Sources: SINGER; FSSIA estimates

Regarding SINGER, some investors are concerned that SINGER's shareholder wealth will be diluted from the potential 20% lower holding in SGC. However, based on the assumptions that SGC will be listed at the end of 2Q22 and SGC's loan portfolio could increase to THB15b vs our current forecast of THB13.4b, there would be no dilution to SINGER's 2022 NP. We do see a 5-6% potential upside to our 2023E NP for SINGER, based on a THB19.8b outstanding loan portfolio.

Moreover, we expect SINGER to utilise the loan repayment from SGC to grow its other businesses, especially its insurance brokerage business under SGB. Currently, SGB's

revenue and NP contribution is less than 2% of the total. According to management, SINGER will focus more on this business in the future.

Exhibit 5: The market still underestimates SGC's valuation

	@ current price (THB37.5)		@ 2022 TP (THB53)	
	Market cap	Implied PE	Market cap	Implied PE
	(THB m)	(x)	(THB m)	(x)
SINGER	18,681	21	26,394	29
Home and electrical appliance business (STL)	7,599	20	10,030	26
Lending business (SGC)	11,082	31	16,364	45

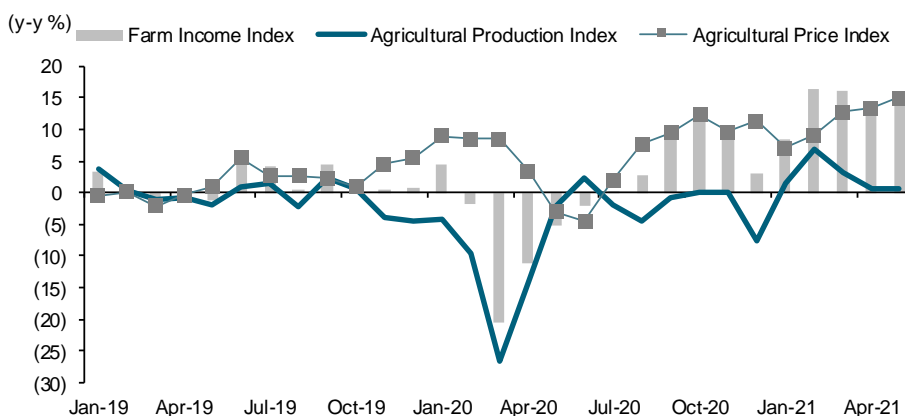
Source: FSSIA estimates

Lastly, we think the listing of SGC would allow the market to more accurately assess the stock's valuation. Although we expect that most investors will give a premium valuation to SINGER due to the noticeable growth of SGC's loan portfolio, we believe that they still underestimate SGC's valuation. Based on our analysis of SINGER's current market capital, we assume that the market gives around a 20-22x 2022E P/E (slightly below the average P/E of the commerce sector) to STL. This implies only a 28-31x 2022E P/E to SGC. From our current forecast, in which we still have not included the higher potential loan growth after unlocking the source of funds for SGC, we expect SGC's bottom line to increase by 45% in 2022 and at a 43% CAGR from 2020-23. We, therefore, believe that once SGC is listed, its share price could rerate to a 40-45x P/E, supported by its high growth potential and the premium valuation of the financial sector in Thailand. A higher valuation rerating for SGC would eventually benefit SINGER's share price.

Solid growth of electrical and home appliance sales to continue

One of SINGER's main businesses is selling electrical products and home appliances under the 'Singer' brand to low- to middle-income retail customers in rural areas who are unable to access banking services, i.e., credit card and personal loans. It books sales of goods at marked-up margins by around 40-45%. SGC then offers instalment plans or hire purchase (HP) contracts for periods of 12-36 months for the products it sells. Approximately 95% of its products are sold under the instalment sales service program.

Exhibit 6: Change in Farm Income Index

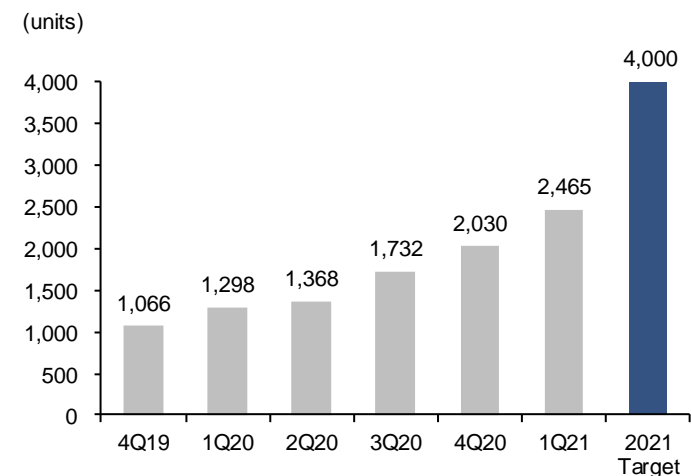


Sources: Office of Agricultural Economics (OAE); FSSIA's compilation

After seeing a strong turnaround in its electrical appliance sales, with 61% y-y revenue growth in 2020, we believe that that growth momentum will be maintained in 2021. We expect the momentum to be backed up by 1) a solid and continued rebound in farm incomes in 1H21, resulting in a higher demand for home appliances in rural areas; 2) its strong branding; and 3) its nationwide branch and sales distribution networks. The company plans to increase the number of its electrical appliance franchisees to 4,000 within 2021 from 2,465 currently.

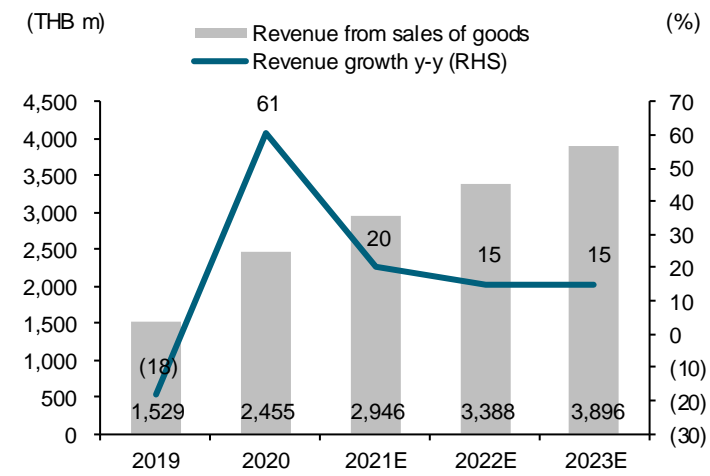
We believe its electrical and home appliances sales will increase by 20% y-y in 2021 vs the company's target of 25% y-y. During our exclusive talk, management expects this would increase by 15-20% p.a. in the medium term.

Exhibit 7: Franchisee expansion – SINGER aims to reach 4,000 franchisees in 2021



Sources: SINGER; FSSIA's compilation

Exhibit 8: Revenue growth of electrical and home appliance business



Sources: SINGER; FSSIA estimates

Margin expansion from online channel

In 2021, the company's strategy is to expand its customer base into more cities from its currently large provincial customer base. SINGER has rebranded its image by using Mr. Note Udom as its influencer. Moreover, it has just launched a new product sales channel through the Line messaging app under @SingerConnect. It has also added more small ticket sizes for electrical products, such as fryers, air purifiers, etc. to capture a new customer base.

Exhibit 9: SINGER's new advertisement



Source: SINGER

Exhibit 10: Line official account of SINGER '@SingerConnect'



Source: SINGER

According to management, its sales via the online channel have increased significantly from low single digits to nearly 10% of total sales within six-months after the company started using Mr. Udom as an influencer. After the Covid situation in Thailand improves, there will be more collaborative projects to boost online sales, according to management. SINGER targets online sales to reach 30% of total home and electrical appliance sales within two to three years.

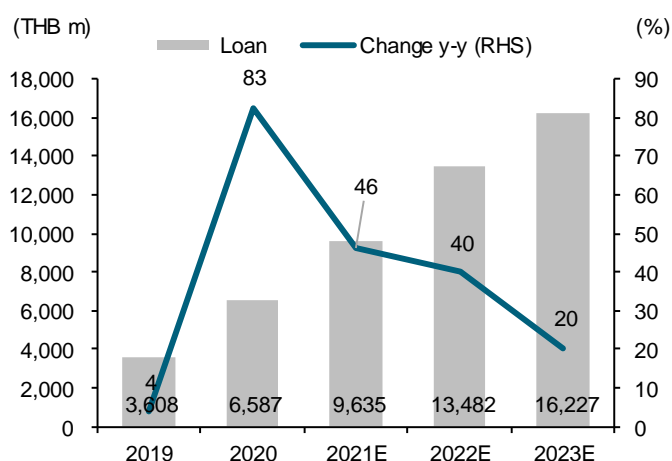
Normally, the commission rate of online sales is significantly lower than the physical channel, at around 50-60%, based on our estimates. Once the company can increase its online sales to an economical scale, 30%, we believe its margin would be 1-2% wider. This would lead to a 4-5% upside to our current NP forecasts.

More room to grow C4C loans

SINGER started its cars for cash (C4C) business in 2017 under the name 'Rod Tum Ngern'. Cars for cash is a type of loan in which borrowers pledge their vehicles as collateral. The purpose for borrowers is to gain liquidity for their general consumption or to run businesses. There are four popular types of cars that are typically pledged as collateral: motorcycles; passenger cars; agricultural vehicles; and trucks.

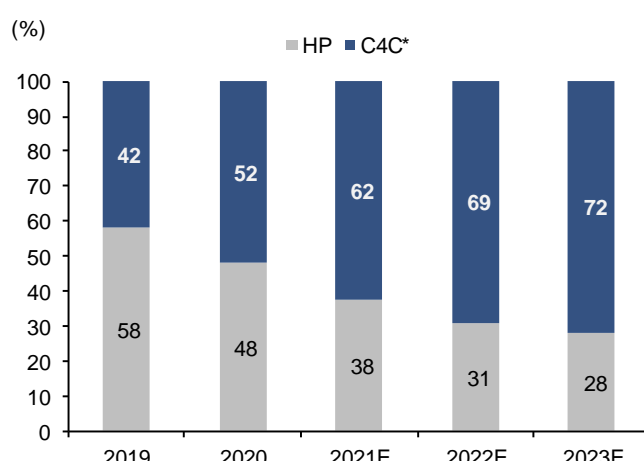
At present, its loan portfolio is comprised of 54% vehicles for cash, or THB4.0b. Nearly 60% of this is the truck segment, while the rest are pick-ups and cars. The company plans to grow its auto title loans aggressively, especially truck title loans for the fleet segment.

Exhibit 11: Loan growth



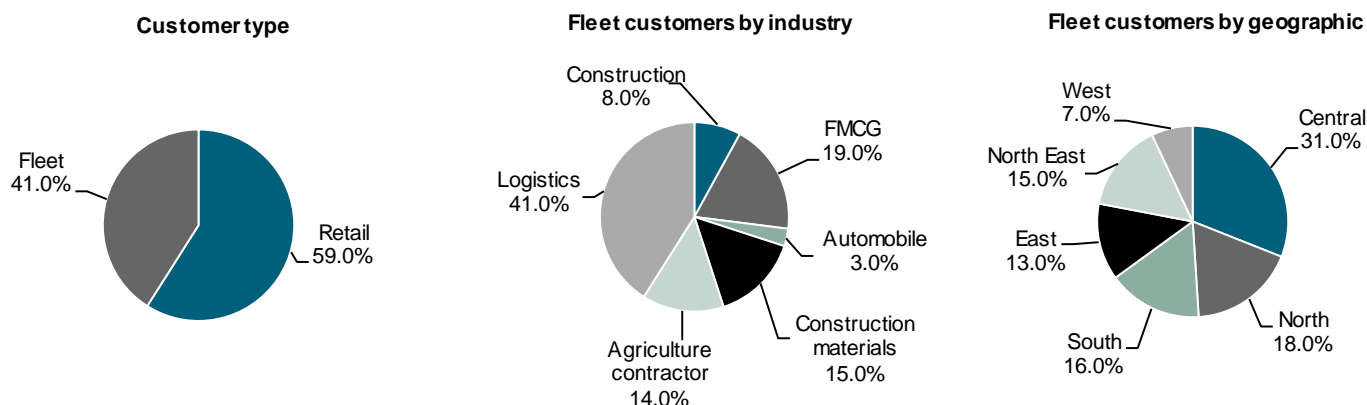
Sources: SINGER; FSSIA estimates

Exhibit 12: SINGER's loan portfolio structure



*C4C = Car for cash
Sources: SINGER; FSSIA estimates

Exhibit 13: Cars for cash customer profiles



Sources: SINGER; FSSIA's compilation

Based on our study and SINGER's management, there are only a few major players due to the significantly larger ticket sizes, therefore, only strong capital-based operators can jump into this segment. In addition, this industry requires special expertise to provide accurate truck valuations. The key listed players are Ngern Tid Lor (TIDLOR TB, BUY, TP THB54), SINGER, and Srisawad Corporation (SAWAD TB, BUY, TP THB108). Moreover, Asia Sermkij Leasing (ASK TB, not rated) and Ratchthani Leasing (THANI TB, BUY, TP THB4.6) are expanding into this business more aggressively, especially ASK. Currently, ASK provides C4C loans to its existing clients, then, in the next one to two years, it expands to new customers. Additionally, we think there are some major non-listed operators, e.g. Nimleasing.

Exhibit 14: Trucks for cash major listed operators – as of 1Q21

	TIDLOR	SINGER	ASK	THANI	SAWAD*
Outstanding loan (THB m)	12,700	2,500	2,000	2,000	1,800
No. of trucks under each operator port (unit)**	16,000	3,100	2,500	2,500	2,250

*As of 2020; ** Based on a loan per truck of THB800k

Source: FSSIA estimates

We think the market has some concerns over SINGER's growth outlook due to the more aggressive expansion of ASK. However, we believe the potential market for trucks for cash is extremely large. Based on our estimate, we believe the market size is cTHB142b vs the current outstanding loans of major listed operators at cTHB21b.

Our methodology to estimate the potential truck for cash loan market size is as follows:

- 1) As of Jun-21, registered trucks were at 1.19 million units;
- 2) 50% of registered trucks are eligible for use as collateral for auto title loans;
- 3) 30% of 2) will use their trucks to pledge for money;
- 4) The average ticket size per contract for trucks is THB800,000.

We believe there is more room for SINGER to grow its loans. Consequently, we recommend investors closely monitor the movement of ASK, and not be overly concerned about tight competition in the short to medium term.

New record high amid Covid third wave

Once again, we expect SINGER's net profit to hit a record high, at THB160m (+40% y-y, +15% q-q) in 2Q21, driven by 1) significant loan growth of 78% y-y, 10% q-q; and 2) an increase in electrical and home appliance sales by 20% y-y, 23% q-q.

Key highlights

- 2Q21 total loan volume could increase by 10% q-q, supported by a higher auto title loan volume, especially for the truck segment. We believe that its clients still need cash to run their businesses and for consumption purposes. Moreover, a marketing push by offering credit services at customers' workplaces, could allow SINGER to reach untapped clients. Regarding hire purchase loans, we also expect them to grow in 2Q21 following an increase in home electrical and appliance sales.
- We project 2Q21 revenue from sales of goods to grow by 20% y-y, 23% q-q. We expect sales of air conditioners to rise strongly due to seasonality. Also, the sale of fuel station vending machines and freezers should still perform well.
- Non-performing loans (NPLs) could moderately increase by 10% in 2Q21. However, we are less concerned about its asset quality. We think SINGER's clients should have a smaller impact on their cash flow as most of them are located in rural areas which have only partial lockdowns in certain locations. Moreover, some of SINGER's clients are agriculturists, whose income stream is potentially better than that of other vocations. The farm income index is still in an uptrend.

Exhibit 15: SINGER – 2Q21E earnings preview

Year-end Dec 31	2Q20	1Q21	2Q21E			1H21E			2021E	Change	2Q21 Comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%21E	(THB m)	(y-y %)	
Net interest income	178	238	277	56	17	515	52	41	1,254	68	
Non-interest income	660	677	818	24	21	1,495	24	47	3,170	20	
Operating income	837	915	1,095	31	20	2,010	30	45	4,425	30	
Operating expenses	703	735	870	24	18	1,605	25	47	3,433	22	
PPOP before tax	134	180	225	68	25	405	59	41	992	71	
Expected credit loss	10	0	30	199	nm	30	2	12	243	73	
Income tax	10	40	35	264	(12)	75	225	84	90	nm.	
Minority interest	0	0	0			0			0		
Normalised profit	115	140	160	40	15	300	49	46	659	49	
Extraordinary items	0	0	0			0			0		
Net profit	115	140	160	40	15	300	49	46	659	49	
EPS (THB)	0.28	0.31	0.32	15	5	0.63	26	46	1.37	26	
Asset quality ratio (%)	(%)	(%)	(%)	(ppt)	(ppt)				(%)	(ppt)	
NPLs (THB m)	303	318	350	16	10				394	35	
NPLs / loans	6.5	4.2	4.2						4.1	(0)	
Loan loss reserve/NPLs	91	86	81						86	(13)	
Credit cost (bps)	92	2	150						300	24	
Profitability ratio (%)	(%)	(%)	(%)						(%)	(ppt)	
Cost to income ratio	84.0	80.3	80.4						77.6	(5.4)	
Average yield	21.0	18.2	18.0						19.6	0.6	Slightly drop due to a significant growth of lower yield segment
Cost of funds	5.9	5.6	5.6						5.2	(0.2)	
Net interest margin (NIM)	16.5	12.4	12.0						15.5	0.8	
Non-int inc / total income	78.8	74.0	75.6						71.7	(6.3)	
Loan growth (%)	(%)	(%)	(%)						(%)		
Year-to-date	29	14	25								
y-y	41	90	78						46		Substantial growth in C4C
q-q	18	14	10								

Sources: SINGER; FSSIA estimates

EPS revisions and 2022 TP

We maintain our net profit forecasts, with revise EPS and BVPS due to the higher-than-expected warrant conversion. We also roll forward our GGM-based TP to 2022 and derive a new TP of THB53. Our target price implies a 30x 2022E P/E with 29% 2022E EPS growth.

Exhibit 16: SINGER's warrants

	SINGER W-1	SINGER W-2
Total warrants (m units)	65.75	65.75
Outstanding warrants (m units)	-	38.23
Last exercise date	23-Apr-21	23-Apr-23
Exercise price (THB per share)	7.0	14.0
Exercise ratio (Warrant : Common stock)	1:1	1:1
Cash from conversion (THB m)	-	535

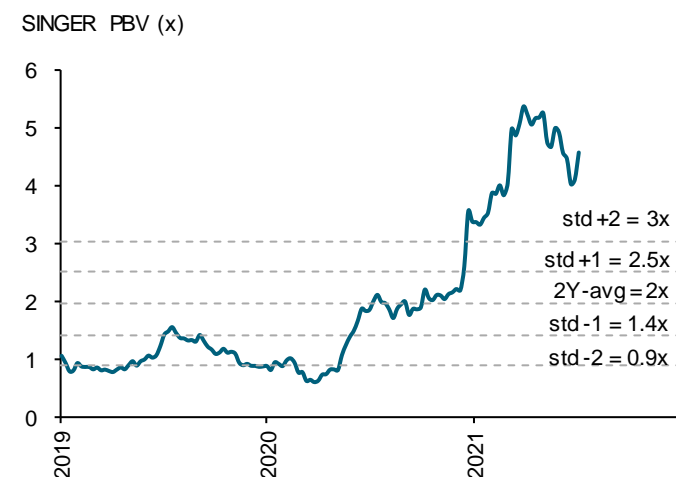
Sources: SINGER; FSSIA estimates

Exhibit 17: SINGER – GGM-derived target price

Target price (THB)	53 (from 50)
Recommendation	BUY (from HOLD)
Risk-free rate (%)	3.0 (unchanged)
Market risk premium (%)	8.0 (unchanged)
Cost to equity (%)	11.0 (unchanged)
Terminal growth (%)	10.2 (from 10.3)
ROE target (%)	20.8 (from 22.0)
Target PBV (x)	5.7 (from 6.9)
Risk to TP	Downside risks to our GGM-derived TP include 1) an economic slowdown leading to slower loan growth and lower sales of electrical products and home appliances; and 2) deteriorating asset quality.

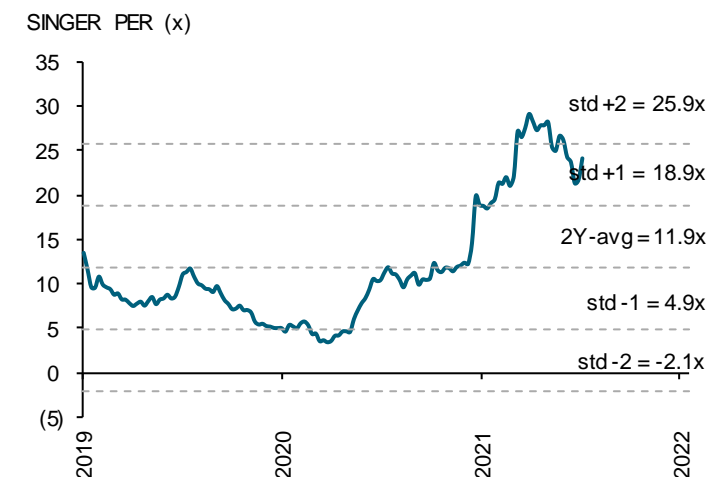
Source: FSSIA estimates

Exhibit 18: SINGER's one-year prospective P/BV band



Sources: Bloomberg; FSSIA's compilation

Exhibit 19: SINGER's one-year prospective P/E band



Sources: Bloomberg; FSSIA's compilation

Exhibit 20: SINGER – financial statements

Year to Dec	2019	2020	2021E	2022E	2023E
Profit and loss statement	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Revenue from sales of goods	1,529	2,455	2,946	3,388	3,896
Cost of sales of goods	837	1,347	1,620	1,863	2,143
Gross profit	693	1,108	1,326	1,524	1,753
Interest income from hire-purchase contracts and loans	753	972	1,593	2,200	2,780
Interest expense	163	225	338	450	569
Net interest income	590	748	1,254	1,750	2,211
Revenue from rendering of services	78	71	82	88	95
Cost of rendering of services	47	37	43	46	50
Net rendering services	31	34	39	42	46
Other income	250	160	184	212	244
Operating income	1,563	2,051	2,803	3,528	4,253
Distribution costs	624	1,066	1,326	1,558	1,870
Administrative expenses	374	406	487	560	644
Total operating expenses	998	1,472	1,813	2,119	2,514
PPOP (Pre-provision operating profit)	565	580	992	1,411	1,740
Expected credit loss	409	141	243	347	446
Pretax profit	156	439	748	1,064	1,294
Tax expense	(10)	(4)	90	160	220
Extra items	-	-	-	-	-
Net profit	166	443	659	905	1,074

Source: SINGER; FSSIA estimates

Exhibit 21: Key financial highlights

Year to Dec	2019	2020	2021E	2022E	2023E
Change y-y	(%)	(%)	(%)	(%)	(%)
Revenue from sales of goods	(18.5)	60.5	20.0	15.0	15.0
Net interest income	9.3	26.7	67.7	39.5	26.3
Norm profit	na.	166.6	48.6	37.3	18.8
Net profit	na.	166.6	48.6	37.3	18.8
Net EPS	na.	136.7	26.1	29.2	13.6
Norm EPS	na.	136.7	26.1	29.2	13.6
Loan	4.1	82.6	46.3	39.9	20.4
- HP	(5.0)	50.5	15.0	15.0	10.0
- C4C	20.0	127.1	75.0	55.0	25.0
NPL	(8.1)	(12.7)	35.0	30.0	10.0
Profitability ratio	(%)	(%)	(%)	(%)	(%)
Gross margin	45.3	45.1	45.0	45.0	45.0
Operating margin	59.9	56.1	58.4	59.9	60.6
PPOP margin	21.6	15.8	20.6	23.9	24.8
Net profit margin	6.4	12.1	13.7	15.3	15.3
SG&A to revenue ratio	38.2	40.2	37.7	36.0	35.8
Loan yield	21.3	19.1	19.6	19.0	18.7
Cost of funds	5.8	5.4	5.2	5.0	5.0
Asset quality ratio	(%)	(%)	(%)	(%)	(%)
NPL ratio	9.3	4.4	4.1	3.8	3.5
Coverage ratio	25.2	98.3	85.7	81.0	95.1
Liquidity ratio	(%)	(%)	(%)	(%)	(%)
Debt/equity	1.5	2.3	2.6	2.6	2.4
Int. bearing debt/equity	1.2	1.9	2.2	2.3	2.1

Source: SINGER; FSSIA estimates

Financial Statements

Singer Thailand

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	753	972	1,593	2,200	2,780
Interest expense	(163)	(225)	(338)	(450)	(569)
Net interest income	590	748	1,254	1,750	2,211
Net fees & commission	31	34	39	42	46
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	-	-	-	-	-
Other income	1,779	2,616	3,131	3,601	4,141
Non interest income	1,810	2,651	3,170	3,643	4,186
Total income	2,400	3,398	4,425	5,393	6,397
Staff costs	-	-	-	-	-
Other operating costs	(1,835)	(2,819)	(3,433)	(3,982)	(4,657)
Operating costs	(1,835)	(2,819)	(3,433)	(3,982)	(4,657)
Pre provision operating profit	565	580	992	1,411	1,740
Provision for bad and doubtful debt	(409)	(141)	(243)	(347)	(446)
Other provisions	-	-	-	-	-
Operating profit	156	439	748	1,064	1,294
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	156	439	748	1,064	1,294
Tax	10	4	(90)	(160)	(220)
Profit after tax	166	443	659	905	1,074
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	166	443	659	905	1,074
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	166	443	659	905	1,074
Per share (THB)					
Recurring EPS *	0.46	1.09	1.37	1.77	2.04
Reported EPS	0.46	1.09	1.37	1.77	2.04
DPS	0.10	0.24	0.34	0.43	0.50
Growth					
Net interest income (%)	9.3	26.7	67.7	39.5	26.3
Non interest income (%)	(16.0)	46.5	19.6	14.9	14.9
Pre provision operating profit (%)	42.3	2.6	71.1	42.3	23.3
Operating profit (%)	nm	181.7	70.6	42.2	21.6
Reported net profit (%)	nm	166.6	48.6	37.3	18.8
Recurring EPS (%)	nm	136.7	26.1	29.2	15.1
Reported EPS (%)	nm	136.7	26.1	29.2	15.1
Income Breakdown					
Net interest income (%)	24.6	22.0	28.3	32.4	34.6
Net fees & commission (%)	1.3	1.0	0.9	0.8	0.7
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	74.1	77.0	70.8	66.8	64.7
Operating performance					
Gross interest yield (%)	21.30	19.08	19.64	19.03	18.71
Cost of funds (%)	5.78	5.42	5.20	5.00	5.00
Net interest spread (%)	15.52	13.66	14.44	14.03	13.71
Net interest margin (%)	16.7	14.7	15.5	15.1	14.9
Cost/income(%)	76.5	82.9	77.6	73.8	72.8
Cost/assets(%)	33.4	37.2	31.6	27.5	26.0
Effective tax rate (%)	(6.7)	(1.0)	12.0	15.0	17.0
Dividend payout on recurring profit (%)	21.7	21.9	25.0	24.4	24.7
ROE (%)	8.6	17.2	19.8	21.0	20.3
ROE - COE (%)	(2.2)	6.4	9.0	10.2	9.5
ROA (%)	3.0	5.9	6.1	6.3	6.0
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Singer Thailand; FSSIA estimates

Financial Statements

Singer Thailand

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Gross customer loans	3,608	6,587	9,635	13,482	16,227
Total provisions	(84)	(287)	(337)	(414)	(535)
interest in suspense	4	17	24	34	41
Net customer loans	3,528	6,318	9,322	13,102	15,732
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	321	403	424	445	467
Cash & equivalents	552	715	722	556	639
Other interesting assets	-	-	-	-	-
Tangible fixed assets	426	433	441	448	456
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	1,080	1,378	1,602	1,861	2,113
Total assets	5,907	9,247	12,510	16,412	19,407
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	2,850	5,442	7,570	10,429	12,331
Non interest bearing liabilities	713	995	1,099	1,192	1,294
Hybrid Capital	-	-	-	-	-
Total liabilities	3,563	6,437	8,669	11,620	13,625
Share capital	402	413	457	477	490
Reserves	1,942	2,398	3,384	4,314	5,291
Total equity	2,344	2,810	3,841	4,792	5,781
Minority interests	0	0	0	0	0
Total liabilities & equity	5,907	9,247	12,510	16,412	19,407
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	3,537	5,098	8,111	11,558	14,855
Average interest bearing liabilities	2,826	4,146	6,506	8,999	11,380
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)	334	292	394	512	563
Per share (THB)					
Book value per share	5.84	6.17	7.68	8.99	10.85
Tangible book value per share	5.84	6.17	7.68	8.99	10.85
Growth					
Gross customer loans	4.1	82.6	46.3	39.9	20.4
Average interest earning assets	22.0	44.1	59.1	42.5	28.5
Total asset (%)	16.0	56.6	35.3	31.2	18.2
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	39.7	30.4	30.7	29.2	29.8
Tangible equity/assets (%)	39.7	30.4	30.7	29.2	29.8
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	(8.1)	(12.7)	35.0	30.0	10.0
NPL/gross loans (%)	9.3	4.4	4.1	3.8	3.5
Total provisions/gross loans (%)	2.3	4.4	3.5	2.6	3.3
Total provisions/NPL (%)	25.2	98.3	85.7	81.0	95.1
Valuation					
Recurring P/E (x) *	83.2	35.1	27.9	21.6	18.7
Recurring P/E @ target price (x) *	115.2	48.7	38.6	29.9	26.0
Reported P/E (x)	83.2	35.1	27.9	21.6	18.7
Dividend yield (%)	0.3	0.6	0.9	1.1	1.3
Price/book (x)	6.6	6.2	5.0	4.3	3.5
Price/tangible book (x)	6.6	6.2	5.0	4.3	3.5
Price/tangible book @ target price (x)	9.1	8.6	6.9	5.9	4.9

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Singer Thailand; 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	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	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	MITSI	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	WIK	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	HL	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	AMANA	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	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

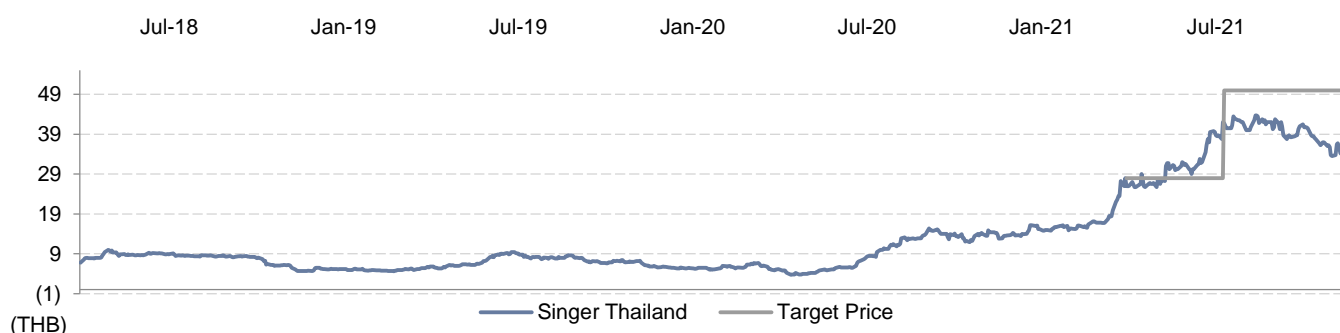
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Singer Thailand (SINGER TB)



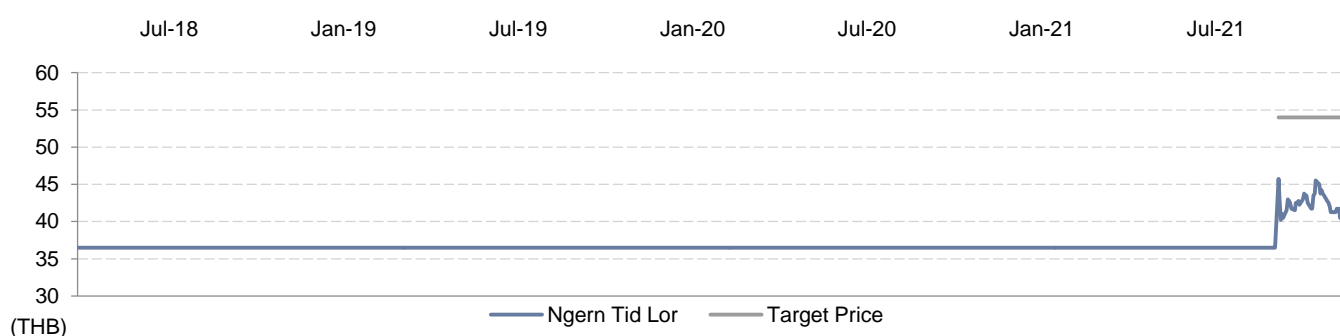
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Dec-2020	HOLD	28.00	23-Feb-2021	HOLD	28.00	23-Mar-2021	BUY	50.00

Yuvanart Suwanumphai started covering this stock from 29-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Ngern Tid Lor (TIDLOR TB)

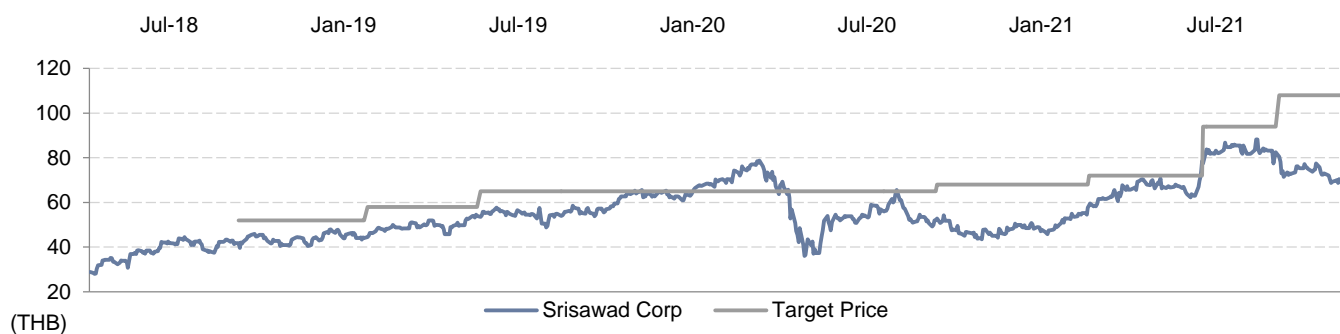


Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
07-May-2021	BUY	54.00	-	-	-	-	-	-

Yuvanart Suwanumphai started covering this stock from 07-May-2021

Price and TP are in local currency

Source: FSSIA estimates

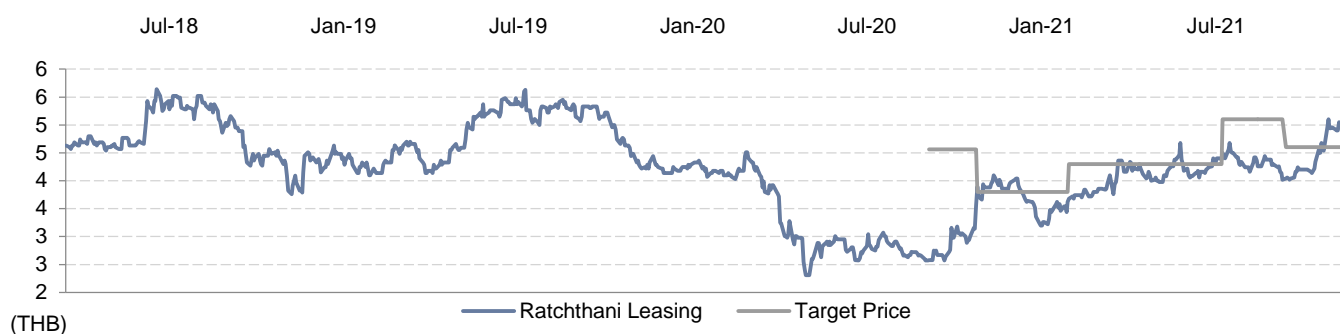
Srisawad Corp (SAWAD TB)

Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
19-Nov-2018	BUY	52.00	02-Apr-2020	HOLD	65.00	04-Mar-2021	BUY	94.00
11-Mar-2019	BUY	58.00	16-Jul-2020	BUY	68.00	07-May-2021	BUY	108.00
17-Jun-2019	BUY	65.00	03-Aug-2020	BUY	68.00			
20-Nov-2019	HOLD	65.00	25-Nov-2020	BUY	72.00			

Yuvanart Suwanumphai started covering this stock from 16-Jul-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	12-Nov-2020	BUY	4.30	14-May-2021	BUY	4.60
26-Aug-2020	BUY	3.80	23-Mar-2021	BUY	5.10			

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
Singer Thailand	SINGER TB	THB 38.25	BUY	Downside risks to our GGM-derived TP include 1) an economic slowdown leading to slower loan growth and lower sales of electrical products and home appliances; and 2) deteriorating asset quality.
Ngern Tid Lor	TIDLOR TB	THB 39.25	BUY	Downside risks to our GGM-based TP include 1) the expansion into auto-title loans by the Government Savings Bank; 2) further weakening asset quality could potentially hit both loan yield and credit cost; and 3) tighter supervision from related regulators.
Srisawad Corp	SAWAD TB	THB 68.75	BUY	Downside risks to our GGM-based TP include 1) a further weakening of asset quality that could potentially hit both loan yield and credit cost; and 2) changes in financial regulations by the Bank of Thailand.
Ratchthani Leasing	THANI TB	THB 5.05	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 09-Jul-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.