

5 NOVEMBER 2021

THAILAND / DIVERSIFIED FINANCIALS

SINGER THAILAND SINGER TB

BUY

UNCHANGED

TARGET PRICE	THB51.00
CLOSE	THB39.50
UP/DOWNSIDE	+29.1%
PRIOR TP	THB51.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+11.6%

Ready, steady, go

Seasonality should lead to a net profit drop in 3Q21

We expect SINGER to report a 3Q21 net profit of THB162m (+38% y-y, -11% q-q). The expected q-q decline in its net profit would come from the high base of the home and electrical appliance sales in 2Q21. However, we are not too concerned over its main businesses, both lending and home and electrical appliance sales. We think it will still deliver strong performance, with 3Q21E loan growth of 7.7% q-q and revenue growth from home appliance sales expected at 20% y-y and -16% q-q. Thanks to its stringent credit underwriting and debt collection processes, we believe the company will have healthy asset quality in 3Q21.

Record high net profit expected in 4Q21

We are convinced that SINGER will post a record high net profit in 4Q21, driven by 1) continued strong loan growth, truck title loans in particular; and 2) an increase in its home appliance sales from the seasonal low in 3Q. On top of that, we think that SINGER will climb a J-curve again next year. We believe that SINGER will utilise the new funds from its recent capital increase effectively. We expect its loan portfolio to jump 63% y-y to THB15.7b in 2022. This would result in a surge in its net profit by 67% y-y. Note that its 2022 EPS might grow at slower rate of 2% y-y thanks to the dilution effect.

Good start to its new business, "Click to gold"

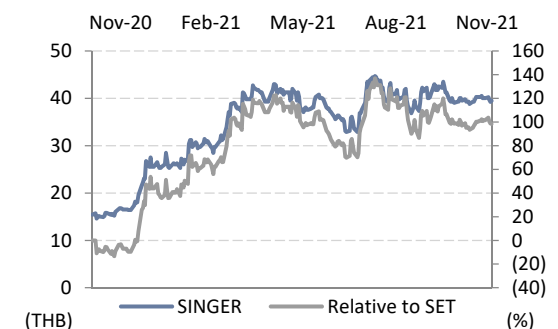
In Sep-21, SINGER partnered with Aurora (not listed), to offer online gold instalments, called "Click to gold". The company is targeting low-income earners in both cities and provinces. This business operates under a loan license with a maximum rate charge of 15% p.a. Currently, SINGER is aiming for this portfolio to reach THB100m. According to management, this portfolio is growing well so far. Although we think this portfolio will not have a significant impact on the company's earnings growth, we see it as a business extension and expansion into new products to meet the needs of existing customers, as well as possibly attracting new customers.

Maintain BUY and GGM-based TP of THB51

We reiterate SINGER as one of our top picks in the diversified financial sector. We think that it will deliver strong performance in both the short and long term supported by its unique business model, leading to lower competition and a strong capital base to accelerate its loan portfolio.

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	439	825	1,428	1,919
Net profit	443	685	1,142	1,535
EPS (THB)	1.09	1.36	1.39	1.83
vs Consensus (%)	-	21.4	2.7	(5.9)
Core net profit	443	685	1,142	1,535
Core EPS (THB)	1.09	1.36	1.39	1.83
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	136.7	24.8	2.4	31.6
Core P/E (x)	36.3	29.1	28.4	21.6
Dividend yield (%)	0.6	1.4	2.1	2.8
Price/book (x)	6.4	3.2	2.1	2.0
ROE (%)	17.2	13.0	9.8	9.6
ROA (%)	5.9	5.2	5.6	6.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.5	(8.6)	151.3
Relative to country (%)	(0.2)	(13.2)	88.9
Mkt cap (USD m)	608		
3m avg. daily turnover (USD m)	4.3		
Free float (%)	21		
Major shareholder	JAYMART Public Company (35%)		
12m high/low (THB)	46.43/14.35		
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'. After unlocking its source of funds via a recent capital increase, the company expects to be the leader in truck title loans within three to four years.

We expect SINGER to deliver strong net profit growth supported by 1) remarkable loan growth; 2) an increase in electrical and home appliance sales; and 3) a stable gross profit margin for its electrical products and home appliances due to competitive dealer pricing policies.

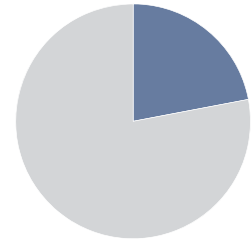
Company profile

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, specializing in trucks for fleets.

www.singerthai.co.th

Principal activities (revenue, 2020)

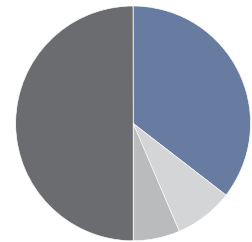
- Net interest income - 22.0 %
- Non-interest income - 78.0 %



Source: Singer Thailand

Major shareholders

- JAYMART Public Company - 35.5 %
- Kara Family - 8.1 %
- Ngamrueangpong Family - 6.4 %
- Others - 50.0 %



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) synergies from its capital increase.

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 Nov-21	3Q21 results announcement

Key assumptions

Year to Dec	2021E	2022E	2023E
	(%)	(%)	(%)
Net profit (THB m)	685	1,142	1,535
Net profit growth	54.5	66.7	34.4
NIM	13.95	14.85	15.79
Loan growth	46.3	63.0	26.3
Credit cost (bp)	50	200	250
Revenue from sales of goods growth	15.0	25.0	20.0
Gross margin of sales business	48.0	48.0	49.0
SG&A to revenue ratio	40.0	36.6	36.2

Source: FSSIA estimates

Earnings sensitivity

Year to Dec		2021E		
		44.3	46.3	48.3
Loan growth	±2ppt	44.3	46.3	48.3
	% change in net profit	(1.4)	-	-
NIM (%)	±5bp	13.90	13.95	14.00
	% change in net profit	(0.6)	-	0.6
Credit cost (bps)	±10bp	40.0	50.0	60.0
	% change in net profit	0.7	-	(0.7)

Source: FSSIA estimates

Seasonality should lead to a net profit drop in 3Q21

We expect SINGER to report a 3Q21 net profit of THB162m (+38% y-y, -11% q-q). The expected q-q decline in its net profit would come from the high base of the home and electrical appliance sales in 2Q21. However, we are not too concerned over its main businesses, both lending and home and electrical appliance sales. We think it will still deliver strong performance, with 3Q21E loan growth of 7.7% q-q and revenue growth from home appliance sales expected at 20% y-y and -16% q-q. Thanks to its stringent credit underwriting and debt collection processes, we believe the company will have healthy asset quality in 3Q21. We think SINGER could see a smaller impact from the prolonged Covid spread compared with its peers.

3Q21E key highlights

- 3Q21E total loan volume should rise by 7.7% q-q, supported by a rise in the auto title loan volume, especially the truck segment. Its clients still need cash to run their businesses and for consumption purposes, in our view. Moreover, a marketing push by offering credit services at customers' workplaces could allow SINGER to reach untapped clients.
- 3Q21E non-performing loans (NPLs) are likely to increase moderately by 11% q-q, implying an NPL ratio of 4.2%. However, we are less concerned about its asset quality. We think SINGER's clients will see a smaller impact on their cash flows, as most of them are located in rural areas which are only subject to 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.

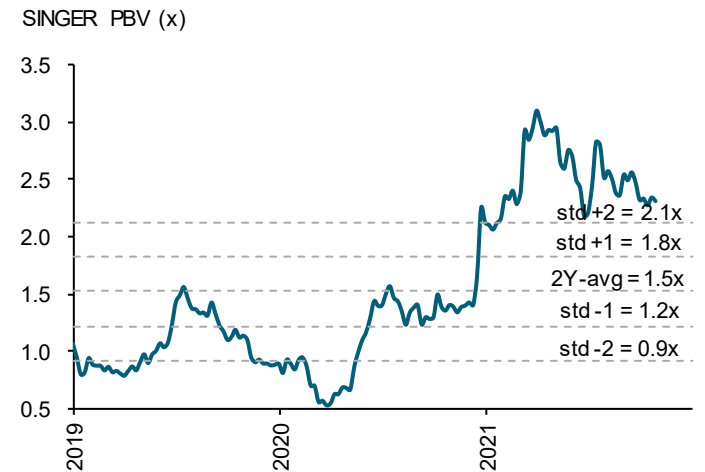
Exhibit 1: SINGER – summary of 3Q21E results

Year-end Dec 31	3Q20	2Q21	3Q21E		9M21E			2021E	Change	3Q21E comments	
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%21E	(THB m)	(y-y %)	
Net interest income	202	261	300	49	15	799	12	71	1,132	51	
Non-interest income*	585	787	713	22	(9)	2,178	(5)	72	3,044	15	
Operating income*	786	1,047	1,013	29	(3)	2,976	(1)	71	4,176	23	
Operating expenses	641	809	805	26	(0)	2,349	(2)	71	3,310	17	
PPOP before tax	146	239	208	43	(13)	628	4	72	866	49	
Expected credit loss	27	8	11	(60)	32	20	(79)	49	41	(71)	
Income tax	1	48	35	4,038	(26)	123	108	88	140	nm.	
Minority interest	0	0	0			0			0		
Normalised profit	117	183	162	38	(11)	484	8	71	685	55	
Extraordinary items	0	0	0			0			0		
Net profit	117	183	162	38	(11)	484	8	71	685	55	
EPS (THB)	0.27	0.37	0.33	20	(11)	1.00	2	74	1.36	25	
Asset quality ratio (%)											
NPLs (THB m)	277	352	389	40	11				408	40	More stringent debt collection process
NPLs / loans	5.08	4.12	4.22						4.24		
Loan loss reserve / NPLs	100	78	69						73		
Credit cost (bps)	217	42	50						50		
Profitability ratio (%)											
Cost to income ratio	81.5	77.2	79.4						79.3		
Average yield	20.7	18.0	17.9						18.8		
Cost of funds	5.7	6.2	5.6						5.7		
Net interest margin (NIM)	14.2	11.9	12.7						14.0		
Non-int inc / total income	74.4	75.1	70.4						72.9		
Loan growth (%)											
y-y	58.6	84.1	68.7						46.3		
q-q	17.6	14.0	7.7								Driven mainly by truck title loans

*Including share of profits from associates

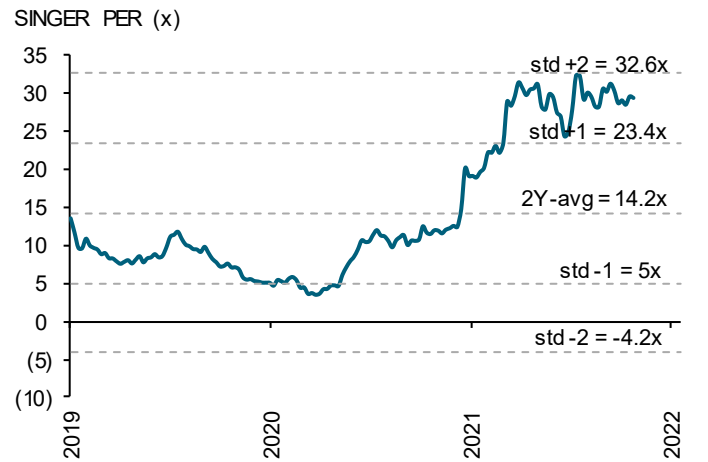
Sources: SINGER; FSSIA estimates

Exhibit 2: SINGER – prospective P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 3: SINGER – prospective P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 4: Thailand diversified financials – peers comparison

	BBG code	Rec	---Share price---		Up side (%)	Market Cap (USD m)	EPS growth		----- P/E -----		---- ROE ----		---- PBV ----	
			Current (THB)	Target (THB)			21E (%)	22E (%)	21E (x)	22E (x)	21E (%)	22E (%)	21E (x)	22E (x)
Diversified financials						22,451	11.6	21.9	24.3	19.9	18.9	18.6	4.1	3.3
Unsecured-loan lenders						5,967	14.3	13.1	21.4	19.0	24.0	23.4	4.8	4.2
Aeon Thana Sinsap (Thailand)	AEONTS TB	HOLD	197.00	204.00	4	1,474	7.5	13.9	12.4	10.9	21.5	21.1	2.5	2.1
Krungthai Card	KTC TB	HOLD	58.25	52.00	(11)	4,494	15.4	13.0	24.4	21.6	24.8	24.1	5.6	4.9
Auto-title lenders						9,804	7.8	23.4	23.9	19.4	20.8	21.2	4.4	3.8
Muangthai Capital	MTC TB	BUY	64.00	71.00	11	4,059	3.1	26.6	25.2	19.9	23.4	24.3	5.4	4.4
Srisawad Corp	SAWAD TB	BUY	64.75	80.00	24	2,660	4.2	20.6	18.7	15.5	20.2	22.0	3.6	3.2
Saksiam Leasing	SAK TB	BUY	8.25	11.00	33	517	(19.5)	39.1	29.1	20.9	12.6	15.9	3.5	3.1
Ngern Tid Lor	TIDLOR TB	BUY	37.00	43.00	16	2,567	23.8	17.8	26.1	22.1	18.9	16.4	3.8	3.4
Truck lenders						1,543	12.1	11.8	22.7	20.3	14.1	13.6	2.8	2.2
Micro Leasing	MICRO TB	BUY	7.85	10.70	36	220	23.1	33.5	36.0	27.0	10.8	13.2	3.8	3.4
Singer Thailand	SINGER TB	BUY	39.50	51.00	29	608	24.8	2.4	29.1	28.4	13.0	9.8	3.2	2.1
Ratchthani Leasing	THANI TB	BUY	4.22	5.20	23	715	(20.9)	15.8	13.3	11.5	16.0	17.0	2.0	1.9
Asset management						3,774	14.1	32.8	34.6	26.1	11.6	10.1	3.7	2.2
Bangkok Commercial Asset Mngt.	BAM TB	BUY	18.90	22.00	16	1,828	20.9	35.8	27.5	20.2	5.1	6.5	1.3	1.3
Chayo Group	CHAYO TB	BUY	11.70	18.80	61	337	18.5	39.6	45.6	32.7	12.8	11.7	4.1	3.3
JMT Network Services	JMT TB	BUY	47.75	57.00	19	1,609	7.8	29.1	40.5	31.4	18.7	13.9	6.4	2.9
Other						1,122	8.1	11.6	9.1	8.2	6.4	6.8	0.6	0.5
Thanachart Capital	TCAP TB	HOLD	35.75	35.00	(2)	1,122	8.1	11.6	9.1	8.2	6.4	6.8	0.6	0.5
Hire purchase motorcycle						242	55.9	33.4	25.8	19.3	17.4	19.8	4.2	3.5
Next Capital	NCAP TB	BUY	9.00	16.80	87	242	55.9	33.4	25.8	19.3	17.4	19.8	4.2	3.5

Share prices as of 4 Nov 2021

Sources: Bloomberg; FSSIA estimates

Financial Statements

Singer Thailand

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	753	972	1,525	2,278	3,130
Interest expense	(163)	(225)	(393)	(396)	(324)
Net interest income	590	748	1,132	1,882	2,806
Net fees & commission	31	34	36	39	42
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	-	-	-	-	-
Other income	1,779	2,616	3,008	3,877	4,444
Non interest income	1,810	2,651	3,044	3,916	4,486
Total income	2,400	3,398	4,176	5,798	7,292
Staff costs	-	-	-	-	-
Other operating costs	(1,835)	(2,819)	(3,310)	(4,117)	(4,929)
Operating costs	(1,835)	(2,819)	(3,310)	(4,117)	(4,929)
Pre provision operating profit	565	580	866	1,681	2,363
Provision for bad and doubtful debt	(409)	(141)	(41)	(253)	(444)
Other provisions	-	-	-	-	-
Operating profit	156	439	825	1,428	1,919
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	825	1,428	1,919
Tax	10	4	(140)	(286)	(384)
Profit after tax	166	443	685	1,142	1,535
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	166	443	685	1,142	1,535
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	166	443	685	1,142	1,535
Per share (THB)					
Recurring EPS *	0.46	1.09	1.36	1.39	1.83
Reported EPS	0.46	1.09	1.36	1.39	1.83
DPS	0.10	0.24	0.54	0.84	1.10
Growth					
Net interest income (%)	9.3	26.7	51.4	66.3	49.1
Non interest income (%)	(16.0)	46.5	14.9	28.6	14.6
Pre provision operating profit (%)	42.3	2.6	49.4	94.2	40.6
Operating profit (%)	nm	181.7	88.1	73.0	34.4
Reported net profit (%)	nm	166.6	54.5	66.7	34.4
Recurring EPS (%)	nm	136.7	24.8	2.4	31.6
Reported EPS (%)	nm	136.7	24.8	2.4	31.6
Income Breakdown					
Net interest income (%)	24.6	22.0	27.1	32.5	38.5
Net fees & commission (%)	1.3	1.0	0.9	0.7	0.6
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	74.1	77.0	72.0	66.9	60.9
Operating performance					
Gross interest yield (%)	21.30	19.08	18.80	17.98	17.61
Cost of funds (%)	5.78	5.42	5.70	5.20	5.40
Net interest spread (%)	15.52	13.66	13.10	12.78	12.21
Net interest margin (%)	16.7	14.7	14.0	14.9	15.8
Cost/income(%)	76.5	82.9	79.3	71.0	67.6
Cost/assets(%)	33.4	37.2	25.1	20.1	21.2
Effective tax rate (%)	(6.7)	(1.0)	17.0	20.0	20.0
Dividend payout on recurring profit (%)	21.7	21.9	40.0	60.0	60.0
ROE (%)	8.6	17.2	13.0	9.8	9.6
ROE - COE (%)	(2.2)	6.4	2.2	(1.0)	(1.2)
ROA (%)	3.0	5.9	5.2	5.6	6.6
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	15,708	19,839
Total provisions	(84)	(287)	(298)	(473)	(719)
interest in suspense	4	17	24	39	50
Net customer loans	3,528	6,318	9,361	15,274	19,170
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	321	403	3,615	5,422	2
Cash & equivalents	552	715	2,029	556	896
Other interesting assets	-	-	-	-	-
Tangible fixed assets	426	433	441	448	456
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	1,080	1,378	1,664	2,068	2,221
Total assets	5,907	9,247	17,109	23,768	22,745
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	2,850	5,442	8,348	6,868	5,118
Non interest bearing liabilities	713	995	1,064	1,185	1,298
Hybrid Capital	-	-	-	-	-
Total liabilities	3,563	6,437	9,411	8,053	6,417
Share capital	402	413	629	838	838
Reserves	1,942	2,398	7,068	14,877	15,490
Total equity	2,344	2,810	7,698	15,715	16,328
Minority interests	0	0	0	0	0
Total liabilities & equity	5,907	9,247	17,109	23,768	22,745
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	12,671	17,774
Average interest bearing liabilities	2,826	4,146	6,895	7,608	5,993
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	408	612	827
Per share (THB)					
Book value per share	5.84	6.17	12.23	18.75	19.49
Tangible book value per share	5.84	6.17	12.23	18.75	19.49
Growth					
Gross customer loans	4.1	82.6	46.3	63.0	26.3
Average interest earning assets	22.0	44.1	59.1	56.2	40.3
Total asset (%)	16.0	56.6	85.0	38.9	(4.3)
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	39.7	30.4	45.0	66.1	71.8
Tangible equity/assets (%)	39.7	30.4	45.0	66.1	71.8
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	(8.1)	(12.7)	40.0	50.0	35.0
NPL/gross loans (%)	9.3	4.4	4.2	3.9	4.2
Total provisions/gross loans (%)	2.3	4.4	3.1	2.4	3.6
Total provisions/NPL (%)	25.2	98.3	73.0	77.3	87.0
Valuation					
Recurring P/E (x) *	85.9	36.3	29.1	28.4	21.6
Recurring P/E @ target price (x) *	110.9	46.8	37.5	36.6	27.8
Reported P/E (x)	85.9	36.3	29.1	28.4	21.6
Dividend yield (%)	0.3	0.6	1.4	2.1	2.8
Price/book (x)	6.8	6.4	3.2	2.1	2.0
Price/tangible book (x)	6.8	6.4	3.2	2.1	2.0
Price/tangible book @ target price (x)	8.7	8.3	4.2	2.7	2.6

* 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	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	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	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	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
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	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	TTB	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 Suwanumchai 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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Company	Ticker	Price	Rating	Valuation & Risks
Singer Thailand	SINGER TB	THB 39.50	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.
Aeon Thana Sinsap (Thailand)	AEONTS TB	THB 197.00	HOLD	Downside risks to our GGM-derived TP include 1) intense competition; 2) regulatory actions to curb industry growth; and 3) deteriorating asset quality. The upside risk is stronger-than-expected asset quality.
Krungthai Card	KTC TB	THB 58.25	HOLD	Upside risks to our GGM-derived TP include 1) stronger-than-expected growth for KTB Leasing; and 2) a better-than-expected bad debt recovery. Downside risks are 1) regulatory actions to curb industry growth; and 2) deteriorating asset quality.
Muangthai Capital	MTC TB	THB 64.00	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 and the Office of Consumer Protection Board.
Srisawad Corp	SAWAD TB	THB 64.75	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 and the Office of Consumer Protection Board.
Saksiam Leasing	SAK TB	THB 8.25	BUY	Downside risks to our GGM-derived TP include 1) competition from existing and new players; 2) regulatory changes by the Bank of Thailand (BoT); and 3) a slower-than-expected reduction in its cost of funds due to a shift toward more long-term loans.
Ngern Tid Lor	TIDLOR TB	THB 37.00	BUY	Downside risks to our GGM-based TP include 1) the expansion into auto-title loans by the Government Savings Bank and Auto X (subsidiary of SCB); 2) further weakening asset quality could potentially hit both loan yield and credit cost; and 3) tighter supervision from related regulators.
Micro Leasing	MICRO TB	THB 7.85	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 4.22	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.
Bangkok Commercial Asset Mngt.	BAM TB	THB 18.90	BUY	Downside risks to our GGM-based TP include 1) lower cash collection from its fully amortised portfolio; 2) lower-than-expected bad debt acquisition; and 3) the prolonged slowdown of the property market.
Chayo Group	CHAYO TB	THB 11.70	BUY	Downside risks to our GGM-based TP include 1) lower-than-expected bad debt acquisition; and 2) higher-than-expected operating expenses.
JMT Network Services	JMT TB	THB 47.75	BUY	Downside risks to our GGM-based TP include 1) lower cash collection from its fully amortised portfolio; and 2) the lower-than-expected acquisition of new bad debt.
Thanachart Capital	TCAP TB	THB 35.75	HOLD	Upside risks to our GGM-based target price are M&A completions and long-term synergy gained, leading to a higher contribution to its earnings. Downside risks are impacts from a prolonged weak macro outlook on loan growth and asset quality which could lead to higher provisions for both TMB and THANI.
Next Capital	NCAP TB	THB 9.00	BUY	Downside risks to our GGM-derived TP include 1) an economic slowdown, especially for food delivery and logistics activities; 2) deteriorating asset quality; and 3) tighter competition from new players.

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 04-Nov-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.