

JMT NETWORK SERVICES

THAILAND / ASSET MANAGEMENT COMPANIES

JMT TB

BUY

UNCHANGED

ที่หลบภัยในท่ามกลางพายุร้าย

- เราคาดว่า JMT จะรายงานกำไรสุทธิปี 2022 โตในระดับสูงถึง 68% y-y
- เราเห็นว่า JMT จะได้รับผลกระทบจำกัดจากสงครามและ Covid-19 นอกจากนี้ JMT ยังมีความเสี่ยงด้านกฎระเบียบน้อยกว่าและการแข่งขันต่ำ
- คงเลือกเป็นหุ้นเด่นพร้อมปรับราคาเป้าหมายขึ้นเป็น 80 จาก 70 บาท

TARGET PRICE	THB80.00
CLOSE	THB66.00
UP/DOWNSIDE	+21.2%
PRIOR TP	THB70.00
CHANGE IN TP	+14.3%
TP vs CONSENSUS	+6.5%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	1,620	2,846	4,119	4,967
Net profit	1,400	2,350	3,490	4,277
EPS (THB)	1.29	1.65	2.37	2.83
vs Consensus (%)	-	5.2	12.9	12.7
Core net profit	1,400	2,350	3,490	4,277
Core EPS (THB)	1.29	1.65	2.37	2.83
Chg. In EPS est. (%)	-	0.6	2.3	-
EPS growth (%)	18.3	28.3	43.1	19.7
Core P/E (x)	51.2	39.9	27.9	23.3
Dividend yield (%)	1.2	1.5	2.5	3.0
Price/book (x)	3.9	4.1	3.5	3.1
ROE (%)	11.3	11.0	13.6	14.2
ROA (%)	6.5	7.9	10.4	10.7

ผลประกอบการน่าจะโตต่อเนื่อง

แม้ว่าจะมีความเสี่ยงด้านสงครามและความไม่แน่นอนจาก Covid-19 สูง เราเห็นว่าผลประกอบการของ JMT จะได้รับผลกระทบจำกัด โดยเราคาดว่ากำไรสุทธิของบริษัทจะโต 68% y-y ในปี 2022 และ 45% CAGR ในช่วงปี 2022-24 จากการตามเก็บหนี้ (Cash collection, CC) ที่มีประสิทธิภาพ แม้อินทามกลางการชะลอตัวทางเศรษฐกิจและ Covid-19 ในปี 2021 JMT ยังสามารถรายงาน CC สูงเป็นประวัติการณ์ ซึ่งทำให้เราคาดว่า CC ในปี 2022 จะปรับขึ้น 48% y-y ในด้านของการทำ JV 2 แห่งกับ KBANK ทางบริษัทคาดว่าจะสำเร็จลุล่วงภายใน 2Q22 จากสมมติฐานเชิง conservative ของเรา เราคาดว่า JV ทั้ง 2 แห่งจะรายงานผลขาดทุน 12 ลบ. ในปี 2022 แต่จะกลับมาทำกำไร 71 ลบ. และ 154 ลบ. แก่ JMT ในปี 2023-24

ดูที่ระดับการประเมินมูลค่าระยะยาวมากกว่าระยะสั้น

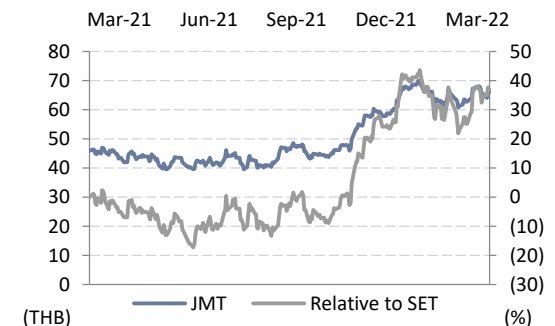
นักลงทุนบางท่านมีความสงสัยเกี่ยวกับระดับการประเมินมูลค่าของ JMT เราแนะนำว่านักลงทุนควรที่จะมองที่ระดับการประเมินมูลค่าระยะยาวมากกว่าระยะสั้นจากธรรมชาติของธุรกิจบริษัทบริหารสินทรัพย์ (AMC) ซึ่งหมายความว่าเมื่อ JMT ซื้อหนี้โดยคุณภาพ (NPL) บริษัทฯ ได้สิทธิในการรับชำระหนี้จากลูกหนี้ ซึ่งอาจเป็นระยะเวลาอีกหลายปีข้างหน้าและ JMT จะทำกำไรจากรายได้ในอนาคตดังกล่าว เพราะฉะนั้นเราจึงคิดว่าเราน่าจะประเมินมูลค่าของ JMT จากกำไรในอนาคตที่ธุรกิจปัจจุบันจะสร้างได้ ปัจจุบัน JMT มีการซื้อขายที่ 40x ของค่า 2022E P/E เมื่อบริษัทฯ รับรู้ผลตอบแทนจาก NPL ที่ซื้อมาใหม่ ค่า P/E ของบริษัทฯ จะลดลงเหลือเพียง 28x ของค่า 2023E P/E

อุตสาหกรรมที่ได้รับการเกื้อหนุนจากผู้กำกับกิจการพร้อมอุปทาน NPL ที่สูงขึ้น

เมื่อไม่นานมานี้ ธปท. ได้ประกาศกฎเกณฑ์สำหรับธนาคารและ AMC ที่ต้องการจัดตั้ง JV เพื่อแก้ปัญหา NPL เราคิดว่ากฎดังกล่าวน่าจะเป็นประโยชน์ต่อ AMC เนื่องจากทำให้บริษัทสามารถขยายธุรกิจได้เร็วขึ้นจาก NPL supply และแหล่งเงินทุนจากธนาคารที่เป็นหุ้นส่วน ในด้านอุปทาน NPL ในปี 2021 NPL ที่ธนาคารขายออกลดลงสู่ระดับต่ำที่สุดในรอบ 5 ปี จากการสัมภาษณ์ คณะผู้บริหาร AMC เห็นว่าอุปทาน NPL ในปี 2022 น่าจะสูงกว่าปี 2021 เพราะฉะนั้นเราจึงยังคงมุมมองของเราที่ว่า AMC เป็นหุ้นที่น่าสนใจที่สุดในกลุ่มการเงิน

คงเลือกเป็นหุ้นเด่นพร้อมปรับราคาเป้าหมายขึ้นเป็น 80 จาก 70 บาท

เราปรับเพิ่มราคาเป้าหมายเป็น 80 บาทจากการปรับ cost of equity ที่ลดลง เพราะเราเชื่อว่า JMT อยู่ในอุตสาหกรรมที่ดี มีความเสี่ยงในด้านกฎระเบียบน้อยกว่าเมื่อเทียบกับบริษัทการเงินประเภทอื่น JMT ยังเป็นหุ้นเด่นของเรา เนื่องจากเราเห็นว่าหุ้นสามารถป้องกันความเสี่ยงจากการชะลอตัวทางเศรษฐกิจผลกดันจากพอร์ต NPL ที่ไม่มีหลักทรัพย์ค้ำประกันของบริษัท นอกจากนี้หุ้นน่าจะโตไปพร้อมกับการฟื้นตัวทางเศรษฐกิจจากพอร์ตสินเชื่อประเภทมีหลักทรัพย์ค้ำประกัน



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	8.6	12.8	46.9
Relative to country (%)	12.3	10.8	40.3
Mkt cap (USD m)	2,731		
3m avg. daily turnover (USD m)	20.1		
Free float (%)	21		
Major shareholder	JMART Pcl. (54%)		
12m high/low (THB)	70.75/38.34		
Issued shares (m)	0		

Sources: Bloomberg consensus; FSSIA estimates



Yuvanart Suwanumphai

yuvanart.suw@fssia.com
+66 2611 3554

PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 11 มีนาคม 2022

Investment thesis

JMT has been in the distressed asset management business for more than 16 years, with more than 28 years in the debt collection business. Its longstanding experience and effective working processes have enabled it to maintain its position as the market leader in both businesses.

We revise up JMT's TP to THB80, due mainly to our lower cost-of-equity assumption. We believe JMT is in a favourable sector, and that it faces less regulatory risks compared to other financial companies. JMT remains our top pick. We view JMT as a stock for hedging against the economic downturn based on its unsecured NPL portfolio, and as one that should grow with the economic recovery via its secured portfolio.

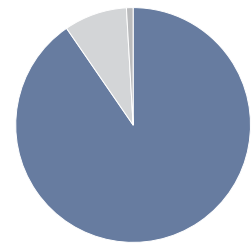
Company profile

JMT provides three main types of services: 1) bad debt collection; 2) bad debt management ? the company manages and collects bad debt purchased from financial institutions and corporations; and 3) an insurance business ? the company provides both insurance brokerage services and non-life insurance services.

www.jmtnetwork.co.th

Principal activities (revenue, 2021)

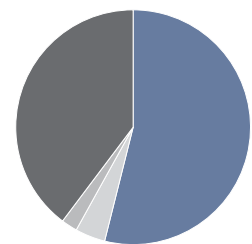
- NPLs management - 90.4 %
- Debt collection - 8.7 %
- Other income - 0.9 %



Source: JMT Network Services

Major shareholders

- JMART Pcl. - 53.9 %
- Sereewattana family - 4.1 %
- Pongsak Tammatatharee - 2.2 %
- Others - 39.7 %



Source: JMT Network Services

Catalysts

Potential catalysts to drive JMT's share price include 1) aggressive NPL acquisitions; 2) an increase in its fully amortised portfolio volume; and 3) partnerships with other financial institutions.

Risks to our call

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.

Event calendar

Date	Event
Mid-May 2022	1Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)
Net profit	2,350	3,490	4,277
<i>Net profit growth (%)</i>	67.8	48.5	22.6
Cash collection	6,815	9,939	12,737
<i>Cash collection ratio (%)</i>	32.7	34.5	34.7
NPL + NPA purchases	10,000	13,500	12,150
<i>NPL + NPA purchase growth (%)</i>	15.0	35.0	(10.0)
Cost to income (%)	37.7	34.3	35.4

Source: FSSIA estimates

Earnings sensitivity

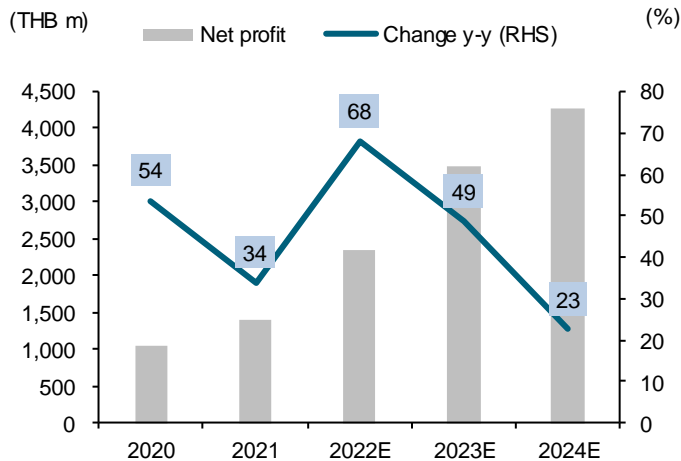
		----- 2022E -----		
Cash collection ratio	±50bp	32.2	32.7	33.2
<i>% change in net profit</i>		(3.5)	-	3.5
Cost to income	±1ppt	36.7	37.7	38.7
<i>% change in net profit</i>		(2.3)	-	2.3

Source: FSSIA estimates

Impressive growth should continue

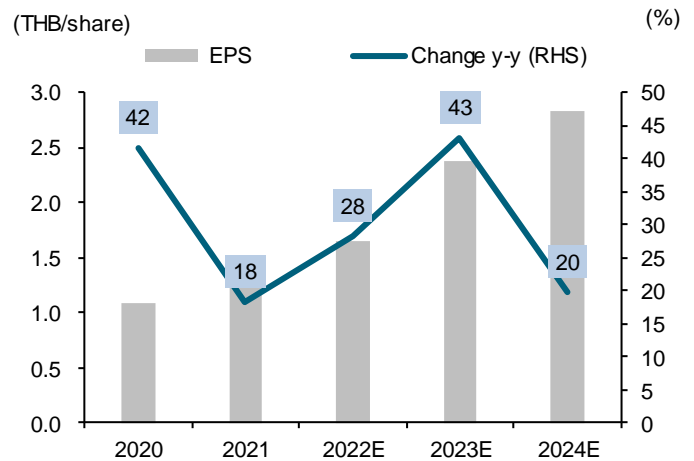
Despite severe geopolitical risk and ongoing uncertainty from Covid-19, we see a limited impact on JMT's performance. We reiterate our positive view with the expectation that JMT should realise a 68% y-y net profit increase in 2022 and generate a 45% three-year CAGR during 2022-24 (its EPS will increase at a lower rate of 28% y-y in 2022 with a 30% CAGR during the same period due to the dilution impact from its RO and JMT-W3).

Exhibit 1: JMT's net profit growth



Sources: JMT; FSSIA estimates

Exhibit 2: JMT's EPS growth

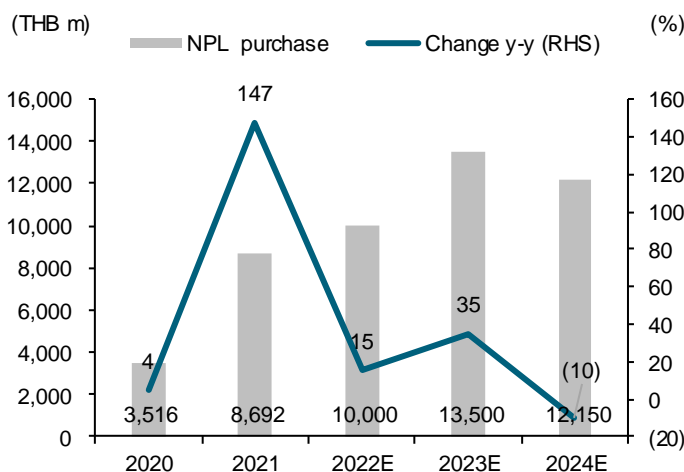


Sources: JMT; FSSIA estimates

We think JMT will maintain its strategy of aggressive non-performing loan (NPL) purchases during the next three years, with expected NPL purchases of THB10b/THB13.5b/THB12.15b from 2022-24. Most of its purchases will be secured NPLs, in our view.

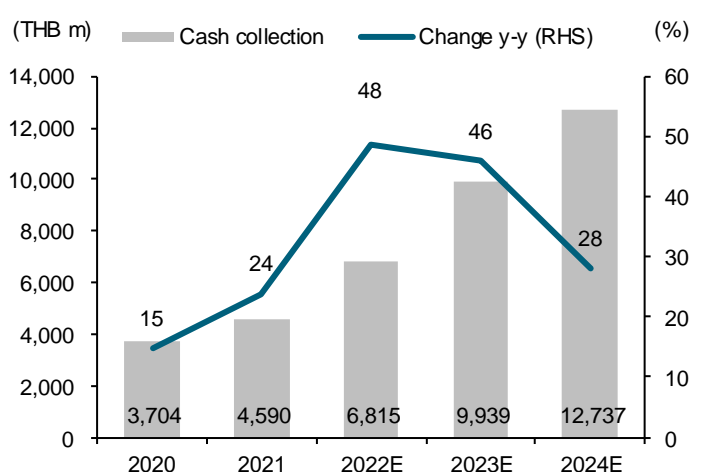
Regarding CC, we have no doubts about JMT's performance. Despite the economic slowdown and Covid-19 in 2021, JMT was able to deliver record high CC in the last two quarters. We believe this came from its long experience in the industry, its strategy of providing troubled debt restructuring programs to its clients, and the implementation of an effective IT system. As a result, we expect its CC to reach THB6.8b in 2022, up 48% y-y, supported by faster CC from the recent portfolio additions in 2021 along with the continued rise in its CC from all existing portfolios. During the years 2022-24, we expect its CC to rise at a 41% CAGR. Although JMT acquires NPLs aggressively, we believe the company should be able to maintain its CC ratio at c33-35% during 2022-24 vs 33% in 2021.

Exhibit 3: NPL acquisition



Sources: JMT; FSSIA estimates

Exhibit 4: Cash collection and cash collection ratio



Sources: JMT; FSSIA estimates

Exhibit 5: Cash collection from each portfolio

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E	Total cash collection
Initial Investment (THB m)	39	16	49	74	122	384	399	439	1,613	1,319	906	1,598	2,583	3,368	3,516	8,516	10,000	
CC (THB m)																		
In 2019	7	2	13	22	23	73	84	83	355	383	535	671	672	236	0	0	0	3,224
In 2020	6	3	8	16	17	58	68	66	306	317	444	623	517	674	457	0	0	3,704
In 2021	9	3	11	19	20	50	76	53	258	277	390	463	517	775	809	596	0	4,590
In 2022E	8	3	10	15	24	58	60	88	323	396	281	511	878	1,010	492	1,959	700	6,815
CC to total investment (%)																		
In 2019	492	259	417	519	279	287	218	149	137	115	162	100	36	7	0	0		
In 2020	507	275	434	541	293	302	235	164	156	139	211	139	56	27	13	0		
In 2021	530	295	457	567	309	315	254	176	172	160	254	168	76	50	36	7		
In 2022E	550	315	477	587	329	330	269	196	192	190	285	200	110	80	50	30	7	

Sources: JMT; FSSIA estimates

As for the two proposed JVs with Kasikornbank (KBANK TB, BUY, TP THB180) to run an asset management business (AMC) and a debt collection business (DCB), JMT expects this deal to be completed within 2Q22, but so far has provided few details. Based on our conservative assumptions*, we project both JVs to share a loss of THB12m in 2022. As this is their first year of operations, we expect there should be OPEX, and that it would take a further two to three months after the JV deal is done to start debt collection. However, we expect both JVs to contribute to JMT's green bottom line in 2023-24 at THB71m and THB154m, respectively.

Exhibit 6: Expected total share of profits from JVs with KBANK

	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)
Benefit from AMC JV	(25)	33	92
Benefit from DCB JV	12	37	62
Total	(12)	71	154

Source: FSSIA estimates

*Assumptions for JV AMC:

- 1) JMT and KBANK hold 49% each;
- 2) The NPL investment amount during 2022-24 is THB1b;
- 3) The cash collection ratios are 15%/40%/35% during 2022-24.

Exhibit 7: Expected total benefits to JMT from asset management JV

	2022E	2023E	2024E
Assumption for AMC JV			
NPL acquisitions at cost level (THB m)	1,000		
Cash collection (%)	15	40	35
Accumulated cash collection rate (%)	15	55	90
Expected profit of AMB JV (THB m)			
Interest income (net interest expense and ECL)	75	185	335
OPEX	125	100	100
Tax	-	17	47
Net profit	(50)	68	188
Total benefit to JMT (THB m) (holding 49% in JV)	(25)	33	92

Source: FSSIA estimates

Assumptions for JV DCB:

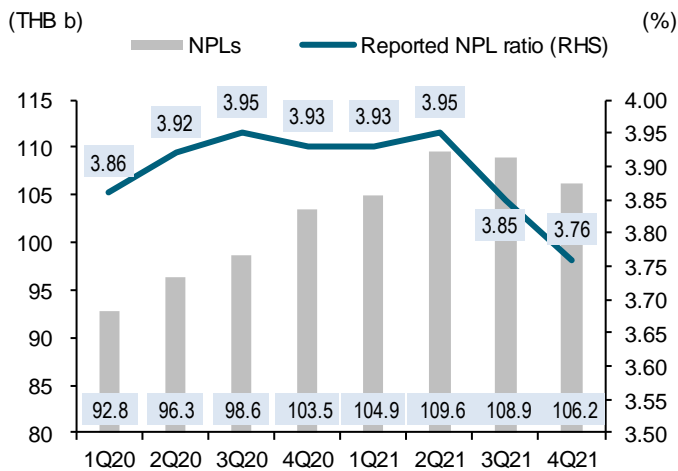
- 1) JMT holds 20%, while the remaining 80% will be KBANK’s portion;
- 2) The new debt to be collected by the JV DCB during 2022-24 is THB2b each year. As of 4Q21, KBANK’s NPLs and stage 2 loans totalled THB106b and THB202b, respectively. These could represent ballpark figures for the DCB JV;
- 3) The success rate of debt collection is 10% of the total debt to be collected and the commission rate is 8% of the amount collected during 2022-24.

Exhibit 8: Expected total benefits to JMT from debt collection JV

	2022E	2023E	2024E
Assumption for DCB			
Amount of debt to be collected (THB m)	2,000	2,000	2,000
Accumulated amount of debt to be collected (THB m)	2,000	4,000	6,000
Success rate (% of total debts to be collected)	10	10	10
Commission rate (% of success amount)	8	8	8
Benefits to JMT (THB m)			
Profit sharing from DCB’s JV (holding 20% in JV)	16	24	40
Net management fee, received from JV	(3)	13	22
Total benefits to JMT	12	37	62

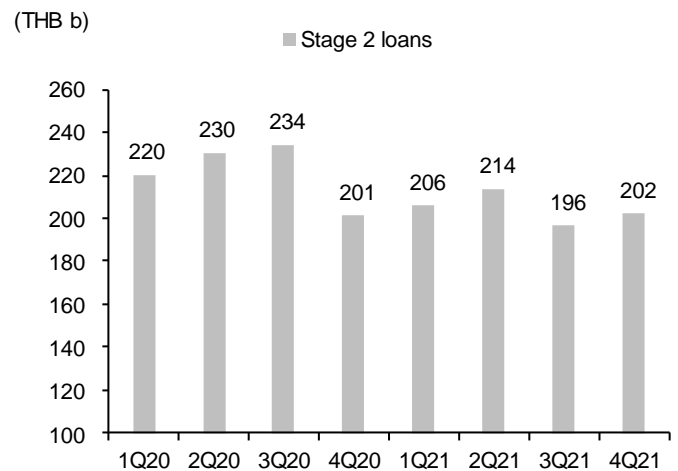
Source: FSSIA estimates

Exhibit 9: KBANK’s NPLs amounted to THB106b as of 4Q21



Sources: KBANK; FSSIA’s compilation

Exhibit 10: KBANK’s stage 2 loans amounted to THB202b as of 4Q21

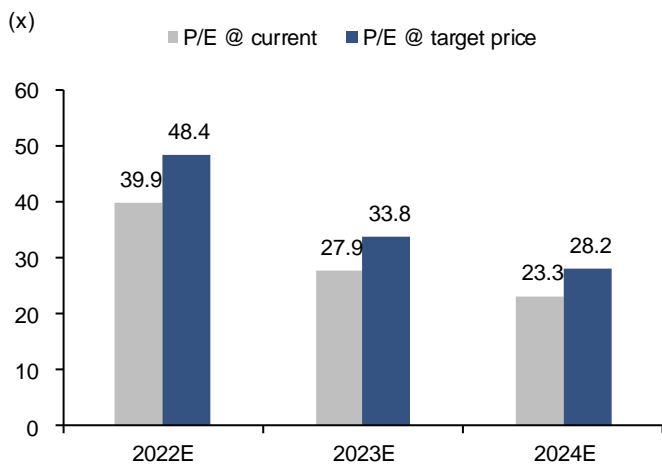


Sources: KBANK; FSSIA’s compilation

Looking at long-term valuation rather than short term

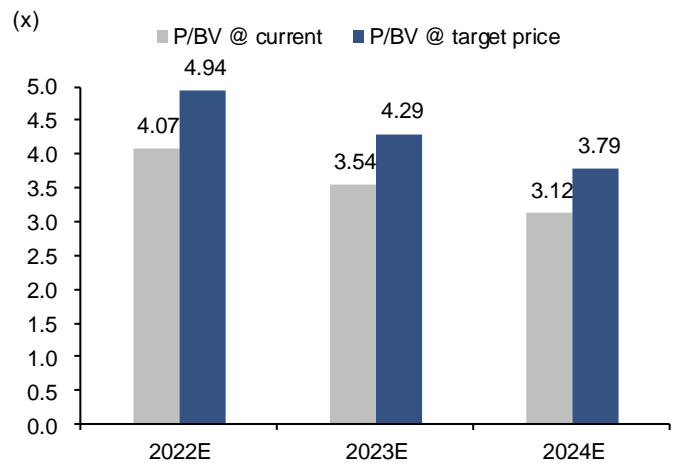
The huge capital increase in 2021 resulted in a 22% increase in its 2021 number of paid-up shares and more than a twofold rise in its equity. JMT will utilise this to increase its NPL acquisitions. We think JMT will be able to use its new capital efficiently. However, due to the nature of AMCs, this is mainly a long-term benefit. For example, when JMT buys NPLs, it gains the right to receive loan repayments from its clients both immediately and for the next several years. It is from this future income that JMT makes its profits. As a result, the value of JMT is assessed by the future profits that the current business can generate. Thus, we recommend investors look at its longer-term valuation more than focusing only on short-term gains. JMT's current valuation is 40x 2022E P/E. Once the returns from its new NPL acquisitions start being gradually realised in 2023-24, its P/E could drop to 28x 2023E P/E and 23x 2024E P/E, in our view.

Exhibit 11: JMT's P/E



Sources: JMT; FSSIA estimates

Exhibit 12: JMT's P/BV



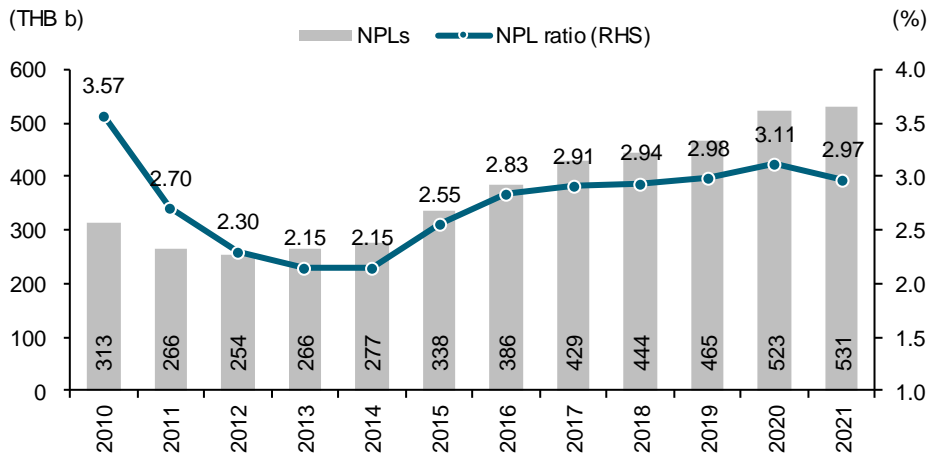
Sources: JMT; FSSIA estimates

Industry benefits from friendly regulators and a higher NPL supply

#1 AMCs are one of the few industries with favourable regulations

To recap, on 26 Jan-22, the Bank of Thailand (BoT) announced the guidelines for JVs between commercial banks and AMCs. The main objective of allowing JVs is to solve the potential problem of increasing NPLs and NPAs in the retail segment. The criteria for establishing a JV include: 1) the JV must be held in equal shares by at least one bank and one AMC and may be held by others; 2) JVs must be established by 31 Dec-24; 3) the purchase/transfer price of bad assets to the JV must be at a fair value; and 4) the JV would have an operating life of not more than 15 years from the date of commencing operations. Regarding sources of funds for the JVs, the founding bank can provide loans or issue promissory notes at the market interest rate.

Exhibit 13: NPLs outstanding of commercial banks



Sources: BoT; FSSIA's compilation

JVs between banks and AMCs could become a trend for solving bad debt issues in 2022. One bank can set up many JVs, and in the same way, one AMC can partner with many banks. An AMC may even join another AMC to form a JV with a bank.

JVs would benefit both banks and AMCs. We see two main benefits to banks. First, they could deconsolidate NPLs from their balance sheets while being exposed to future benefits when the JVs are able to collect on bad debts. Second, banks should receive interest income from lending to JV AMCs. Third, in the long run, banks might reduce their provisions due to improving asset quality.

Regarding the benefits to AMCs, we think that they should be able expand their businesses at a faster pace using the banks' NPL backlogs and by sourcing funds from the partnered banks. However, it is still difficult to analyse the potential upside to banks and AMCs' bottom lines. It depends on many factors, such as shareholder structure and the amount and type of NPLs that will be transferred to JVs, etc. In our view, in terms of the percentage upside to our projections, AMCs should have a significantly higher upside than banks as they have a smaller profit base and bad debt management is their core business.

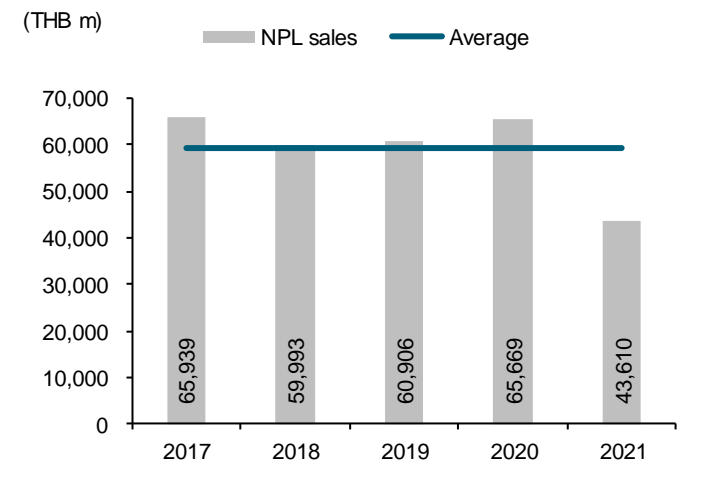
#2 Potentially higher NPL supply in 2022

In 2021, the total NPLs of commercial banks increased 1.5% y-y to THB531b. However, according to Bangkok Commercial Asset Management (BAM TB, BUY, TP THB25.5)’s data, secured NPL sales* fell to their lowest level since 2017 at THB43b, lower than the five-year average from 2017-2021 of THB59b. These data were also in line with the BoT’s report that the NPL write-off and sale rate in 2021 had hit its lowest level since 2014. This partially comes from the fact that some banks prefer a wait-and-see strategy for clarity on the rules governing JV AMCs, in our view.

In our follow ups with AMC management teams, their view was that the NPL supply in 2022 should be higher than in 2021 after the official announcement of the JV AMC rules. Also, some banks might want to clean up their portfolios after the economy recovers and they begin to see which customers can repay back their debts.

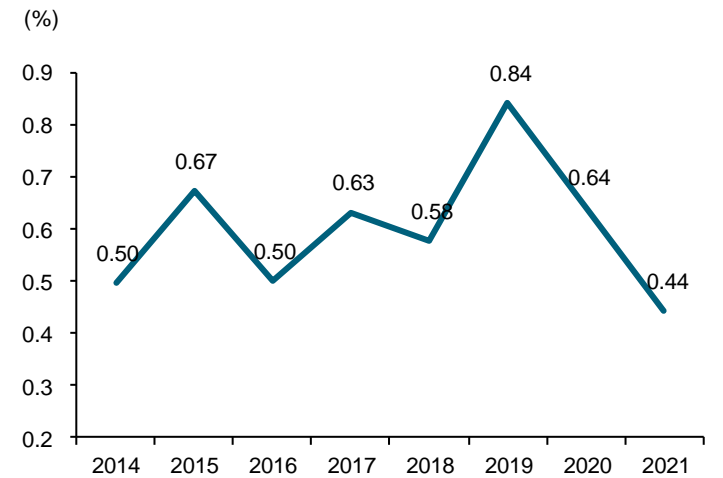
*Note that there is no official data on total NPL sales (secured and unsecured NPLs). Thus, we can track only secured NPL sales data from BAM.

Exhibit 14: Secured NPL sales



Sources: BAM; FSSIA’s compilation

Exhibit 15: The NPL write-off and sale rate



Sources: BoT; FSSIA’s calculation

With the more favourable regulations and the potentially higher NPL supply, we think the industry outlook of AMCs should be even brighter in 2022. We reiterate our view that AMCs are the most attractive companies in the diversified financial sector, as it is probably one of the few industries where current regulations favour the companies’ operations. We think AMCs with more experience in this industry and solid, proven track records of bad asset management should have an advantage over AMCs with less experience. As a result, we think that the JV AMC trend should benefit JMT and BAM the most.

Earnings revisions and valuation

We increase our 2022-23 net profit forecasts by 1%/2% and incorporate the share of profits from the JVs with KBANK into our forecast. For our 2022 net profit estimate, although we expect the JVs to contribute a loss, this should be fully offset by more efficient-than-expected CC.

Exhibit 16: Changes in key assumptions

	2021	2022E			2023E			2024E
	Actual	Old	New	Change	Old	New	Change	New
	(THB m)	(THB m)	(THB m)	(%)	(THB m)	(THB m)	(%)	(THB m)
Interest income	3,136	4,792	4,705	(1.8)	6,612	6,517	(1.4)	8,207
Interest expense	345	287	265	(7.6)	326	310	(5.0)	347
Net interest income	2,791	4,506	4,440	(1.5)	6,286	6,207	(1.3)	7,860
Non-interest income	351	461	417	(9.6)	505	481	(4.7)	549
Total operating income	3,143	4,967	4,857	(2.2)	6,791	6,689	(1.5)	8,408
Operating expense	1,466	1,885	1,833	(2.8)	2,357	2,291	(2.8)	2,979
Pre-operating profit before tax	1,676	3,081	3,024	(1.9)	4,435	4,397	(0.8)	5,430
Expected credit loss	56	268	178	(33.4)	325	278	(14.6)	463
Tax expenses	241	478	484	1.1	699	700	0.2	844
Share of profit			(12)			71		154
Minority interest	(21)	0	0					
Norm. profit	1,400	2,335	2,350	0.6	3,411	3,490	2.3	4,277
Extraordinary items	0	0	0		0	0		0
Net profit	1,400	2,335	2,350	0.6	3,411	3,490	2.3	4,277
Key statistics and ratios								
Leverage ratios (x)								
Liabilities/equity	0.47	0.42	0.34		0.52	0.28		0.38
Interest-bearing debt/equity	0.39	0.26	0.26		0.33	0.19		0.30
Profitability ratio								
Cost of funds (%)	4.73	3.50	3.50		4.10	4.10		4.10
Cost to income (%)	46.66	37.96	37.74		34.70	34.26		35.42
Specific data for business								
NPL and NPA purchase (THB m)	8,692	10,000	10,000	0.0	15,000	13,500	(10.0)	12,150
NPL and NPA cash collection (THB m)	4,590	6,684	6,815	2.0	9,870	9,939	0.7	12,737
Cash collection to gross NPL and NPA (%)	33	32	33		32	34		35
Change y-y								
Core profit (y-y %)	33.8	66.8	67.8		46.0	48.5		22.6
NPL and NPA purchase (y-y %)	147.3	15.0	15.0		50.0	35.0		(10.0)
NPL and NPA cash collection (y-y %)	23.9	45.6	48.4		46.0	45.8		28.1

Sources: JMT; FSSIA's estimates

We increase our TP to THB80 from THB70. Even though we slightly increase our 2022-23 net profit forecasts, we believe JMT is in a sector that favours its operations both in the short and long term. We see less regulatory risks for JMT compared with other financial companies. As a result, we lower our cost-of-equity assumption to 8.9% from 9.2%. On top of that, we believe the JVs with KBANK represent a long-term positive factor for JMT, especially in 2024. Thus, we increase our long-term ROE assumption to 14.2% from 14.0%.

Exhibit 17: JMT – GGM-derived target price

Target price	THB 80 (from 70)
Recommendation	BUY (unchanged)
Risk-free rate (%)	3.0 (unchanged)
Market risk premium (%)	8.0 (unchanged)
Cost of equity (%)	8.9 (from 9.2)
Terminal growth (%)	7.6 (unchanged)
ROE target (%)	14.2 (from 14.0)
Target PBV (x)	4.9 (from 4.3)
Implied P/E (x)	48 (from 44)
Risk to TP	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.

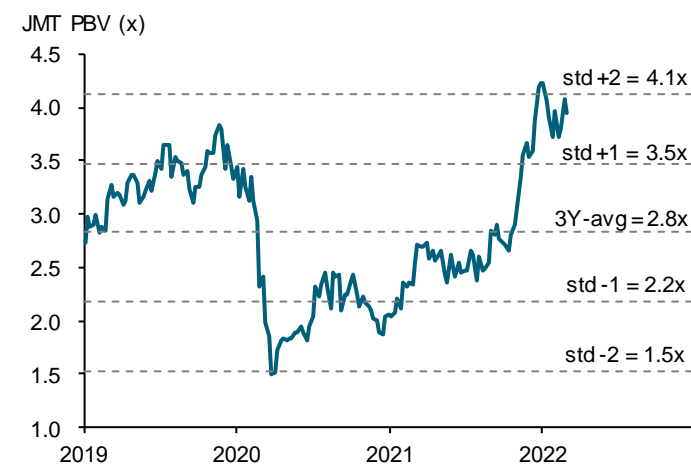
Source: FSSIA estimates

Exhibit 18: JMT’s outstanding warrants

	JMT-W3	JMT-W4
Total warrants (m units)	100.0	70.5
Outstanding warrants (m units)	85.86	70.5
Last exercise date	16-May-22	2024
Exercise price (THB per share)	41.96	90
Exercise ratio (Warrant:Common stock)	1:1.02418	1:1
Cash from conversion (THB m)	3,603	6,345

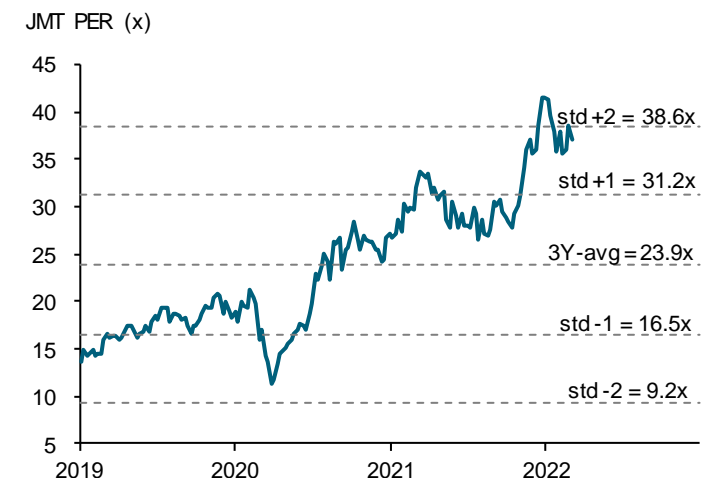
Sources: JMT; FSSIA estimates

Exhibit 19: JMT – one-year prospective P/BV



Sources: Bloomberg; FSSIA estimates

Exhibit 20: JMT – one-year prospective P/E



Sources: Bloomberg; FSSIA estimates

Another record high in 4Q21

JMT reported another a record high net profit in 4Q21 of THB477m (+45% y-y, +36% q-q), driven mainly by its asset management business. JMT was able to achieve unprecedented CC of THB1,376m (+39% y-y, +11% q-q) from both its fully amortised and 'IRR' portfolios. On top of that, the company was able to collect debts better than it had expected, causing a provision reversal in 4Q21. Regarding its NPL acquisitions, JMT acquired an additional THB1,574m in 4Q21. Thus, its 2021 NPL and NPA purchases reached THB8,692m, increasing 147% y-y.

JMT's 2021 net profit came in at THB1,400m, up 34% y-y, driven by two factors. First, its asset management business delivered solid performance amid the Covid-19 pandemic, with record high CC of THB4,590m, record high fully amortised revenue of THB1,056m, and record high NPL/NPA acquisitions of THB8,692m. Second, JMT has been able to efficiently control its OPEX thanks to the implementation of its digital debt collection platform. Thus, its 2021 cost to income declined to 46.7% from 48.1% in 2020.

JMT announced a 2021 cash dividend of THB0.82 per share (1H21 dividend = THB0.4), implying a full-year dividend yield of 1.2%. The XD is on 19 Apr-22.

Exhibit 21: JMT – 2021/4Q21 results summary

Year to Dec	4Q20		3Q21		4Q21		----- 4Q21 -----		----- 2021 -----		Comments
	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	%21A	(THB m)	(y-y %)		
Interest income											
- Interest income from NPLs	555	509	623		12	22	30	2,073	20		
- Gain on NPLs (fully amortised)	229	318	300		31	(6)	28	1,056	17		
Total interest income	794	828	929		17	12	30	3,136	19		
Interest expense	90	85	100		11	17	29	345	10		
Net interest income	705	742	830		18	12	30	2,791	21		
Non-interest income											
- Debt collection services	85	64	71		(17)	11	24	301	(17)		
- Net insurance premium	(10)	(0)	4		nm	nm	17	26	(30)		
- Others	5	3	7		49	148	30	25	143		
Total non-interest income	80	66	82		3	24	23	351	(14)		
Total operating income	784	809	912		16	13	29	3,143	15		
Operating expenses	366	363	438		20	21	30	1,466	12		
Pre provision operating profit	418	446	474		13	6	28	1,676	19		
Expected credit loss	54	61	(78)		nm	nm	(140)	56	(72)		
Operating profit	364	386	553		52	43	34	1,620	34		
Income tax expenses	41	44	81		98	83	34	241	39		
Profit before minority interest	323	341	471		46	38	34	1,379	33		
Minority	(7)	(10)	(6)		nm	nm	n/a	(21)	nm		
Normalised profit	330	352	477		45	36	34	1,400	34		
Extra items	0	0	0		nm	nm	nm	0	nm		
Net profit	330	352	477		45	36	34	1,400	34		Beat BBG consensus by 17%
Key financial highlights	(THB m)	(THB m)	(THB m)		(y-y %)	(q-q %)		(THB m)	(y-y %)		
Gross NPL	9,961	15,543	16,334		64	5		16,334	64		
Gross NPA	419	788	1,036		147	31		1,036	147		
NPL & NPA purchase	992	3,783	1,574		59	(58)		8,692	147		
NPL & NPA cash collection	990	1,241	1,376		39	11		4,590	24		
Cash collection/NPL&NPA (%)	39.6	33.8	32.7					33.1	(7)		
Key financial ratio	(x)	(x)	(x)					(x)			
Liabilities / equity (x)	1.5	1.3	0.5					0.5			
Interest-bearing debt/equity (x)	1.2	1.2	0.4					0.4			
ROA	9.1	7.8	8.0					6.6			
ROE	24.6	17.3	13.9					11.3			
Cost of fund	4.6	4.0	4.6					4.7			
Cost to income	46.7	44.8	48.0					46.7			

Sources: JMT; FSSIA's compilation

Exhibit 22: 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)			22E (%)	23E (%)	22E (x)	23E (x)	22E (%)	23E (%)	22E (x)	23E (x)
Diversified financials						24,141	23.0	23.6	22.2	18.0	16.9	17.5	3.4	2.9
Unsecured-loan lender						6,267	9.2	30.5	19.9	18.2	23.4	22.2	4.4	3.8
Aeon Thana Sinsap (Thailand)	AEONTS TB	HOLD	198.50	204.00	3	1,498	13.9	7.4	11.0	10.2	21.1	19.6	2.2	1.9
Krungthai Card	KTC TB	HOLD	61.25	52.00	(15)	4,769	11.2	9.5	22.7	20.7	24.1	22.9	5.1	4.5
Auto-title lender						9,080	21.9	20.0	19.7	16.2	19.1	20.2	3.5	3.0
Muangthai Capital	MTC TB	BUY	52.00	60.00	15	3,329	17.6	24.6	19.0	15.2	21.4	22.3	3.7	3.1
Srisawad Corp	SAWAD TB	BUY	56.00	74.00	32	2,322	15.5	19.3	14.5	12.1	20.2	21.8	2.8	2.5
Saksiam Leasing	SAK TB	BUY	9.65	12.00	24	611	38.5	25.9	24.0	19.1	16.2	18.1	3.7	3.3
Ngern Tid Lor	TIDLOR TB	BUY	40.25	43.00	7	2,818	18.6	20.1	24.1	20.0	16.1	16.9	3.6	3.2
Truck lender						2,075	29.9	20.3	24.2	18.6	11.3	13.1	2.3	2.2
Micro Leasing	MICRO TB	BUY	7.20	10.70	49	203	45.1	26.8	24.8	19.5	13.2	15.0	3.1	2.8
Singer Thailand	SINGER TB	BUY	47.25	62.00	31	1,157	14.2	35.1	31.3	23.2	8.1	10.5	2.5	2.4
Ratchthani Leasing	THANI TB	BUY	4.18	4.80	15	715	(9.0)	13.6	12.4	10.9	15.9	16.7	1.9	1.8
Asset management						5,144	36.2	24.4	32.1	23.6	9.6	11.3	3.0	2.6
Bangkok Commercial Asset Mngt.	BAM TB	BUY	21.10	25.50	21	2,059	23.2	26.6	21.3	16.8	7.5	8.6	1.6	1.3
Chayo Group	CHAYO TB	BUY	11.60	16.60	43	354	44.4	17.2	35.0	29.8	10.6	9.4	3.0	2.4
JMT Network Services	JMT TB	BUY	66.00	80.00	21	2,731	28.3	43.1	39.9	27.9	11.0	13.6	4.1	3.5
Other						1,330	8.5	11.3	8.0	7.4	8.0	8.2	0.6	0.6
Thanachart Capital	TCAP TB	HOLD	42.00	42.00	0	1,330	4.1	8.5	8.0	7.4	8.0	8.2	0.6	0.6
Hire purchase motorcycle						245	25.7	17.7	19.3	15.3	19.3	20.5	3.4	2.9
Next Capital	NCAP TB	BUY	9.00	16.80	87	245	35.1	25.7	19.3	15.3	19.3	20.5	3.4	2.9

Share prices as of 10 Mar 2022

Sources: Bloomberg; FSSIA estimates

Financial Statements

JMT Network Services

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	2,629	3,136	4,705	6,517	8,207
Interest expense	(314)	(345)	(265)	(310)	(347)
Net interest income	2,315	2,791	4,440	6,207	7,860
Net fees & commission	-	-	-	-	-
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	0	0	0	0	0
Other income	409	351	417	481	549
Non interest income	409	351	417	481	549
Total income	2,724	3,143	4,857	6,689	8,408
Staff costs	-	-	-	-	-
Other operating costs	(1,311)	(1,466)	(1,833)	(2,291)	(2,979)
Operating costs	(1,311)	(1,466)	(1,833)	(2,291)	(2,979)
Pre provision operating profit	1,413	1,676	3,024	4,397	5,430
Provision for bad and doubtful debt	(203)	(56)	(178)	(278)	(463)
Other provisions	-	-	-	-	-
Operating profit	1,210	1,620	2,846	4,119	4,967
Recurring non operating income	0	0	(12)	71	154
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	0	0	0	0	0
Profit before tax	1,210	1,620	2,833	4,190	5,121
Tax	(174)	(241)	(484)	(700)	(844)
Profit after tax	1,036	1,379	2,350	3,490	4,277
Minority interests	11	21	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,047	1,400	2,350	3,490	4,277
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	1,047	1,400	2,350	3,490	4,277
Per share (THB)					
Recurring EPS *	1.09	1.29	1.65	2.37	2.83
Reported EPS	1.09	1.29	1.65	2.37	2.83
DPS	0.73	0.80	0.96	1.66	1.98
Growth					
Net interest income (%)	31.7	20.6	59.1	39.8	26.6
Non interest income (%)	16.8	(14.1)	18.7	15.5	14.0
Pre provision operating profit (%)	66.1	18.6	80.4	45.4	23.5
Operating profit (%)	44.2	34.0	75.6	44.8	20.6
Reported net profit (%)	53.6	33.8	67.8	48.5	22.6
Recurring EPS (%)	41.6	18.3	28.3	43.1	19.7
Reported EPS (%)	41.6	18.3	28.3	43.1	19.7
Income Breakdown					
Net interest income (%)	85.0	88.8	91.4	92.8	93.5
Net fees & commission (%)	-	-	-	-	-
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	15.0	11.2	8.6	7.2	6.5
Operating performance					
Gross interest yield (%)	-	-	-	-	-
Cost of funds (%)	4.84	4.73	3.50	4.10	4.10
Net interest spread (%)	(4.84)	(4.73)	(3.50)	(4.10)	(4.10)
Net interest margin (%)	-	-	-	-	-
Cost/income(%)	48.1	46.7	37.7	34.3	35.4
Cost/assets(%)	10.7	6.9	6.1	6.8	7.5
Effective tax rate (%)	14.4	14.9	17.1	16.7	16.5
Dividend payout on recurring profit (%)	66.6	61.7	57.9	70.0	70.0
ROE (%)	23.0	11.3	11.0	13.6	14.2
ROE - COE (%)	12.2	0.5	0.2	2.8	3.4
ROA (%)	8.5	6.5	7.9	10.4	10.7
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: JMT Network Services; FSSIA estimates

Financial Statements

JMT Network Services

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	9,961	16,334	23,264	32,337	38,868
Total provisions	(287)	(269)	(401)	(614)	(999)
interest in suspense	160	317	465	647	777
Net customer loans	9,834	16,382	23,328	32,369	38,646
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	1,366	6,631	5,305	530	557
Cash & equivalents	967	2,076	468	133	129
Other interesting assets	412	986	970	1,003	1,118
Tangible fixed assets	411	504	355	373	391
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	1,281	1,458	1,268	1,064	3,551
Total assets	14,270	28,036	31,693	35,473	44,394
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	7,187	7,385	6,054	5,216	9,576
Non interest bearing liabilities	1,329	1,574	2,046	2,455	2,578
Hybrid Capital	-	-	-	-	-
Total liabilities	8,516	8,959	8,100	7,672	12,154
Share capital	488	684	727	762	797
Reserves	5,236	18,348	22,867	27,039	31,443
Total equity	5,724	19,032	23,593	27,801	32,240
Minority interests	30	46	0	0	0
Total liabilities & equity	14,270	28,036	31,693	35,473	44,395
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	n/a	n/a	n/a	n/a	n/a
Average interest bearing liabilities	6,485	7,286	7,569	7,560	8,471
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)	n/a	n/a	n/a	n/a	n/a
Per share (THB)					
Book value per share	5.98	17.08	16.20	18.64	21.12
Tangible book value per share	5.98	17.08	16.20	18.64	21.12
Growth					
Gross customer loans	24.1	64.0	42.4	39.0	20.2
Average interest earning assets	-	-	-	-	-
Total asset (%)	40.7	96.5	13.0	11.9	25.1
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	40.1	67.9	74.4	78.4	72.6
Tangible equity/assets (%)	40.1	67.9	74.4	78.4	72.6
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	-	-	-	-	-
NPL/gross loans (%)	-	-	-	-	-
Total provisions/gross loans (%)	2.9	1.6	1.7	1.6	2.6
Total provisions/NPL (%)	-	-	-	-	-
Valuation					
Recurring P/E (x) *	60.6	51.2	39.9	27.9	23.3
Recurring P/E @ target price (x) *	73.4	62.0	48.4	33.8	28.2
Reported P/E (x)	60.6	51.2	39.9	27.9	23.3
Dividend yield (%)	1.1	1.2	1.5	2.5	3.0
Price/book (x)	11.0	3.9	4.1	3.5	3.1
Price/tangible book (x)	11.0	3.9	4.1	3.5	3.1
Price/tangible book @ target price (x)	13.4	4.7	4.9	4.3	3.8

Sources: JMT Network Services; 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	PAP	PCSGH	PDJ	PG	PHOL	PLANB
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	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

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

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

Description	Score Range
Excellent	90-100
Very Good	80-89
Good	70-79

Disclaimer:

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

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

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

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

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAHA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	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.

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

Company	Ticker	Price	Rating	Valuation & Risks
JMT Network Services	JMT TB	THB 66.00	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.
Kasikornbank	KBANK TB	THB 157.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the Covid-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs.
Bangkok Commercial Asset Mngt.	BAM TB	THB 21.10	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.
Aeon Thana Sinsap (Thailand)	AEONTS TB	THB 198.50	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 61.25	HOLD	Upside risks to our GGM-derived TP include: 1) stronger-than-expected growth for KTB Leasing; and 2) 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 52.00	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 56.00	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.
Saksiam Leasing	SAK TB	THB 9.65	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 40.25	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 7.20	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.
Singer Thailand	SINGER TB	THB 47.25	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.
Ratchthani Leasing	THANI TB	THB 4.18	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.
Chayo Group	CHAYO TB	THB 11.60	BUY	Downside risks to our GGM-based TP include 1) lower-than-expected bad debt acquisition; and 2) higher-than-expected operating expenses.
Thanachart Capital	TCAP TB	THB 42.00	HOLD	Upside risks to our GGM-based target price are the faster-than-expected net profit contribution from Thanachart Plus. Downside risks are impacts from a prolonged weak macro outlook on loan growth and asset quality which could lead to higher provisions for both TTB 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 10-Mar-2022 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.