

SINGER THAILAND

SINGER TB

THAILAND / DIVERSIFIED FINANCIALS

BUY

UNCHANGED

TARGET PRICE	THB74.00
CLOSE	THB52.50
UP/DOWNSIDE	+41.0%
PRIOR TP	THB74.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+22.8%

Glittery outlook lies ahead

- Solid performance with a 1Q22 NP of THB215m, supported by significantly higher loan growth and healthy asset quality.
- Expect stronger quarters from 2Q22 onward.
- Maintain BUY with our 2023 GGM-based TP at THB74.

Slightly below 1Q22 net profit, but limited concern

SINGER reported a net profit (NP) in 1Q22 of THB215m (+54% y-y, +1% q-q), which was below the Bloomberg consensus estimate and ours by 9% due to lower home appliance sales. We have limited concern about its performance as we believe its home appliance sales should ramp up in the coming quarters on the back of its aggressive franchisee expansion. Its 1Q22 net profit accounts for 17% of our 2022 NP forecast.

Strong loan growth and healthy asset quality were main drivers

The strong 1Q22 performance came from solid loan growth of 13% q-q and 64% y-y, especially for truck title loans. Also, home appliance sales increased 8% y-y (but dropped 19% q-q due to seasonality). Its gross margin for home appliance sales remained high at 47%. As for asset quality, thanks to its stringent credit underwriting and debt collection processes the company had healthy asset quality with a stable NPL ratio of 3.8%. A decline in its loan yield to 15.9% in 1Q22 from 16.7% in 4Q21 came from a change in its portfolio mix. Auto title loans, which have a lower yield than home and appliance hire purchases, increased to 57% of the total portfolio from 56% in 4Q21.

Expect unprecedented high net profit in 2Q22

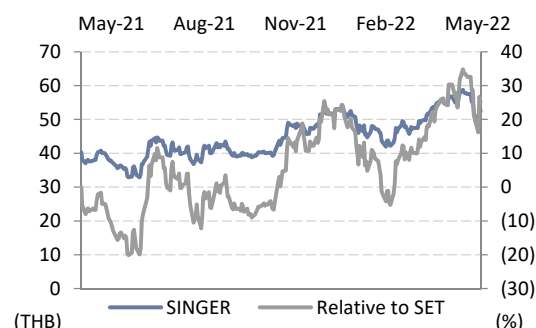
In 2Q22, we believe SINGER's net profit could break its all-time high again. We expect its quality loan volume to increase substantially y-y and q-q. Moreover, its home appliance sales should rise y-y and q-q due to its franchisee expansion. Thus, we expect its operating income to increase strongly while OPEX increases at a slower pace from the greater economies of scale. On top of that, we believe SINGER should maintain its asset quality effectively, resulting in stable provisions q-q.

Maintain as top pick with 2023 GGM-based TP of THB74

We maintain SINGER as one of our top picks with a 2023 TP of THB74 as we believe it will deliver the highest net profit growth among our covered diversified financial stocks, supported by its strong capital base and unique business model of accelerating its loan portfolio by targeting market niches with lower competition. We think its premium valuation is justified by its sustained and robust growth. The recent drop in its share price provides an opportunity to accumulate, in our view.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	902	1,555	2,135	2,654
Net profit	701	1,244	1,708	2,123
EPS (THB)	1.40	1.51	2.04	2.53
vs Consensus (%)	-	4.9	4.4	2.4
Core net profit	701	1,244	1,708	2,123
Core EPS (THB)	1.40	1.51	2.04	2.53
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	28.6	7.7	35.1	24.3
Core P/E (x)	37.5	34.8	25.8	20.7
Dividend yield (%)	0.3	1.7	2.3	1.2
Price/book (x)	2.9	2.8	2.6	2.4
ROE (%)	7.9	8.1	10.5	12.2
ROA (%)	4.2	5.3	7.5	8.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.2)	21.4	32.8
Relative to country (%)	0.7	27.8	29.9
Mkt cap (USD m)	1,239		
3m avg. daily turnover (USD m)	7.0		
Free float (%)	21		
Major shareholder	JAYMART Public Company (26%)		
12m high/low (THB)	59.25/32.42		
Issued shares (m)	811		

Sources: Bloomberg consensus; FSSIA estimates



Yuvanart Suwanumphai

 yuvanart.suw@fssia.com
 +66 2611 3554

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.

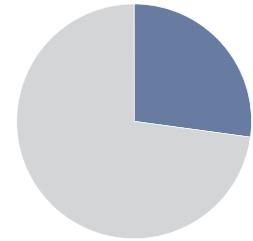
Company profile

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, 2021)

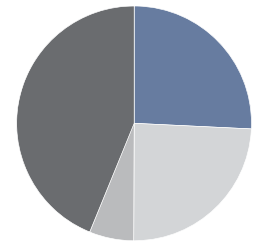
- Net interest income - 27.2 %
- Non-interest income - 72.8 %



Source: Singer Thailand

Major shareholders

- JAYMART Public Company - 25.8 %
- U City Public Company - 24.3 %
- Kara Family - 6.1 %
- Others - 43.8 %



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-Aug 2022	2Q22 results announcement

Key assumptions

Year to Dec	2022E	2023E	2024E
	(%)	(%)	(%)
Net profit (THB m)	1,244	1,708	2,123
Net profit growth	77.5	37.3	24.3
NIM	14.07	14.52	14.50
Loan growth	42.2	31.2	27.3
Credit cost (bp)	220	240	240
Revenue from sales of goods growth	25.0	20.0	20.0
Gross margin of sales business	47.0	47.0	47.0
SG&A to revenue ratio	31.5	29.8	29.6

Source: FSSIA estimates

Earnings sensitivity

Year to Dec		2022E		
Loan growth	±2ppt	40.2	42.2	44.2
% change in net profit		(1.1)	-	1.1
NIM (%)	±5bp	14.02	14.07	14.12
% change in net profit		(0.4)	-	0.4
Credit cost (bps)	±10bp	210.0	220.0	230.0
% change in net profit		1.0	-	(1.0)

Source: FSSIA estimates

Good start in 1Q22

SINGER reported a net profit in 1Q22 of THB215m (+54% y-y, +1% q-q), which was below the Bloomberg consensus estimate and ours by 9% due to lower home appliance sales. However, we have limited concerns about its performance as we believe its home appliance sales should ramp up in the coming quarters on the back of its aggressive franchisee expansion. The strong 1Q22 performance came from solid loan growth of 13% q-q and 64% y-y, especially for truck title loans. Home appliance sales increased 8% y-y but dropped 19% q-q due to seasonality while maintaining a high 47% gross margin. Thanks to its stringent credit underwriting and debt collection processes, the company maintained healthy asset quality with a stable NPL ratio of 3.8%. A decline in its loan yield to 15.9% from 16.7% in 4Q21 came from a change in its portfolio mix. Auto title loans increased to 57% of its total portfolio from 56% in 4Q21.

1Q22 key highlights

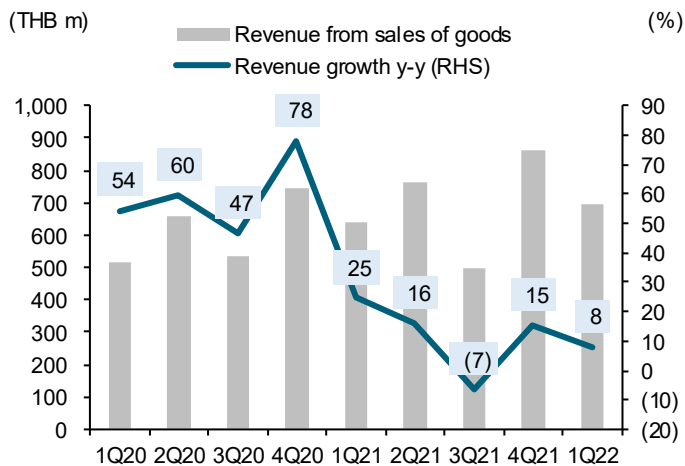
- 1Q22 total loan volume rose by 64% y-y and 13% q-q, supported by a rise in the auto title loan volume, especially the truck segment. Its clients still need cash to run their businesses and for consumption purposes, in our view. Moreover, a marketing push by offering credit services at customers' workplaces could allow SINGER to reach untapped clients.
- Its loan portfolio mix is gradually being geared more toward auto title loans, which accounted for 57% of total loans in 1Q22 vs 56% in 4Q21.
- Revenue from the sales of goods went up by 8% y-y. Sales of fuel station vending machines and freezers continued to grow.
- 1Q22 NPLs moderately increased by 11% q-q, implying an NPL ratio of 3.8%. However, we are not too concerned about asset quality. We think SINGER's clients will see a smaller impact on their cash flow due to inflation, as most of them are farmers whose income stream is potentially better than that of other vocations. The farm income index is still in an uptrend, in our view.

Exhibit 1: SINGER – 1Q22 results summary

Year-end Dec 31	1Q21	4Q21	1Q22	---- Change -----		2022E	Change	1Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	
Net interest income	251	303	339	35	12	1,863	73	
Non-interest income	665	896	749	13	(16)	3,685	28	
Operating income	915	1,199	1,088	19	(9)	5,548	40	
Operating expenses	691	828	767	11	(7)	3,702	28	
PPOP before tax	224	371	320	43	(14)	1,846	75	
Expected credit loss	44	83	54	nm.	(36)	291	92	
Income tax	40	75	51	28	(31)	311	nm.	
Minority interest	0	0	0			0		
Normalised profit	140	213	215	54	1	1,244	78	
Extraordinary items	0	0	0	-	-	0	-	
Net profit	140	213	215	54	1	1,244	78	Below BBG consensus by 9%
EPS (THB)	0.31	0.27	0.27	(14)	(0)	1.51	8	
Asset quality ratio								
NPLs (THB m)	318	422	469	47	11	572	35	
NPLs / Loans (%)	4.24	3.86	3.80			3.68		
Loan loss reserve/NPLs	86	65	58			65		
Credit cost (bps)	249	324	185			220		
Profitability ratio (%)								
Cost to income ratio	75.5	69.1	70.6			66.7		
Average yield	18.8	16.7	15.9			16.7		
Cost of fund	5.6	6.3	6.1			5.2		
Net interest margin (NIM)	12.9	7.5	6.2			14.1		
Non-interest income / total income	72.6	74.7	68.8			66.4		
Loan growth (%)								
y-y	90.0	63.7	64.2			42.2		
q-q	12.4	13.3	12.7					Strong growth from truck title loans

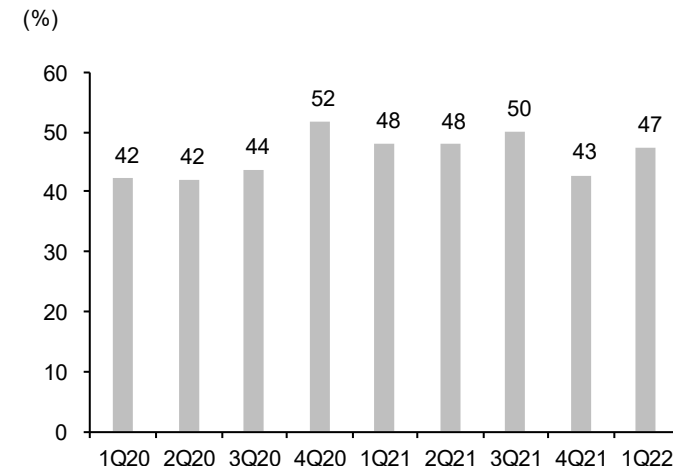
Sources: SINGER; FSSIA estimates

Exhibit 2: Home appliance sales



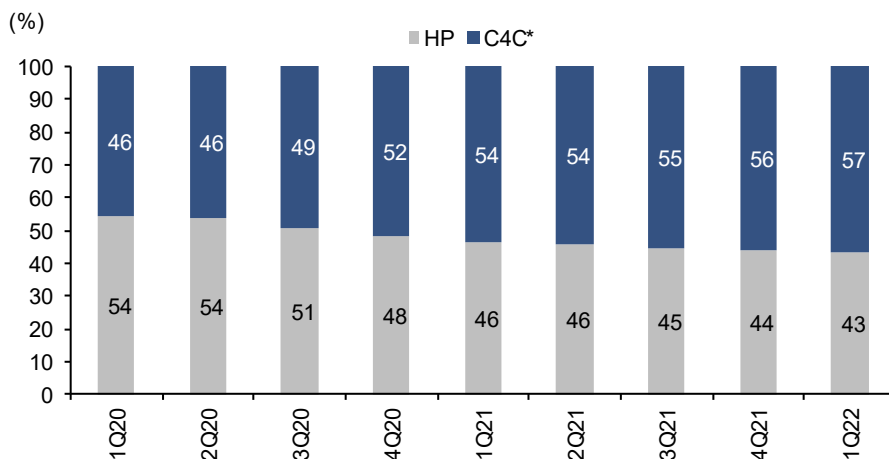
Source: SINGER

Exhibit 3: Home appliance gross margin



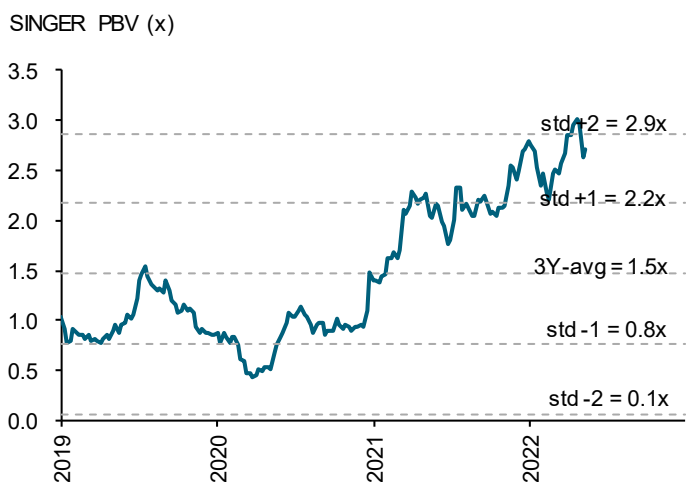
Source: SINGER

Exhibit 4: Loan portfolio mix



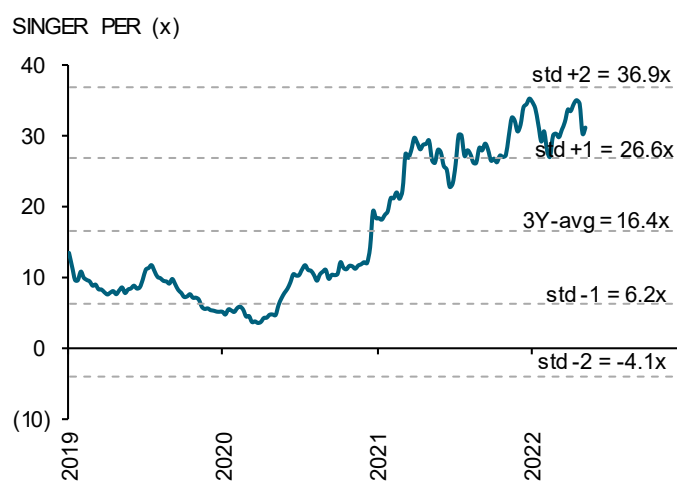
Source: SINGER

Exhibit 5: SINGER – prospective P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 6: SINGER – prospective P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 7: Key valuations of diversified financials under coverage

	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						22,093	16.7	21.8	22.6	18.1	16.3	17.0	3.2	2.8
Unsecured-loan lender						5,670	15.0	9.0	18.9	17.3	23.4	22.1	4.2	3.7
Aeon Thana Sinsap (Thailand)	AEONTS TB	HOLD	184.50	204.00	11	1,332	27.1	7.4	10.2	9.5	21.0	19.5	2.0	1.7
Krungthai Card	KTC TB	REDUCE	58.25	52.00	(11)	4,338	11.2	9.5	21.6	19.7	24.1	22.9	4.9	4.2
Auto-title lender						7,889	14.2	22.9	18.5	15.0	18.1	19.3	3.0	2.6
Muangthai Capital	MTC TB	BUY	44.50	55.00	24	2,725	9.3	25.5	17.5	13.9	19.9	21.0	3.2	2.7
Srisawad Corp	SAWAD TB	BUY	50.25	68.00	35	1,993	10.0	20.5	13.6	11.3	19.3	21.1	2.5	2.3
Saksiam Leasing	SAK TB	BUY	8.35	12.00	44	505	38.5	25.9	20.8	16.5	16.2	18.1	3.2	2.8
Ngern Tid Lor	TIDLOR TB	BUY	35.25	43.00	22	2,543	18.6	20.1	21.1	17.6	16.1	16.9	3.2	2.8
Knight Club Capital Asset Mngt.	KCC TB	BUY	6.90	5.10	(26)	124	3.0	51.5	58.8	38.8	7.9	8.6	3.6	3.1
Truck lender						2,092	12.1	27.4	26.5	20.3	11.0	12.9	2.5	2.3
Micro Leasing	MICRO TB	BUY	6.65	10.70	61	180	45.1	26.8	22.9	18.0	13.2	15.0	2.9	2.6
Singer Thailand	SINGER TB	BUY	52.50	74.00	41	1,239	7.7	35.1	34.8	25.8	8.1	10.5	2.8	2.6
Ratchthani Leasing	THANI TB	BUY	4.12	4.80	17	674	11.5	13.6	12.2	10.8	15.9	16.7	1.9	1.7
Asset management						5,080	27.7	35.7	34.9	25.3	9.8	11.6	3.3	2.9
Bangkok Commercial Asset Mngt.	BAM TB	BUY	18.20	25.50	40	1,699	23.2	26.6	18.4	14.5	7.5	8.6	1.4	1.2
Chayo Group	CHAYO TB	BUY	12.10	16.60	37	365	44.4	17.2	36.5	31.1	10.6	9.4	3.2	2.5
JMT Network Services	JMT TB	BUY	72.75	80.00	10	3,015	28.3	43.1	44.0	30.7	11.0	13.6	4.5	3.9
Other						1,181	4.1	8.5	7.4	6.8	8.0	8.2	0.6	0.5
Thanachart Capital	TCAP TB	HOLD	39.00	42.00	8	1,181	4.1	8.5	7.4	6.8	8.0	8.2	0.6	0.5
Hire purchase motorcycle						181	1.3	(2.6)	19.9	20.4	11.3	8.6	1.9	1.6
Next Capital	NCAP TB	BUY	6.95	10.30	48	181	1.3	(2.6)	19.9	20.4	11.3	8.6	1.9	1.6

Share prices as of 11 May 2022

* SINGER's target price is 2023 GGM-based TP

Source: FSSIA estimates

Financial Statements

Singer Thailand

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	1,005	1,499	2,205	2,874	3,694
Interest expense	(225)	(425)	(342)	(263)	(330)
Net interest income	781	1,074	1,863	2,611	3,364
Net fees & commission	34	52	37	40	43
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	-	-	-	-	-
Other income	2,516	2,830	3,648	4,265	5,062
Non interest income	2,551	2,882	3,685	4,306	5,106
Total income	3,331	3,956	5,548	6,916	8,469
Staff costs	-	-	-	-	-
Other operating costs	(2,698)	(2,903)	(3,702)	(4,350)	(5,259)
Operating costs	(2,698)	(2,903)	(3,702)	(4,350)	(5,259)
Pre provision operating profit	633	1,054	1,846	2,567	3,211
Provision for bad and doubtful debt	(194)	(152)	(291)	(431)	(557)
Other provisions	-	-	-	-	-
Operating profit	439	902	1,555	2,135	2,654
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	439	902	1,555	2,135	2,654
Tax	4	(202)	(311)	(427)	(531)
Profit after tax	443	701	1,244	1,708	2,123
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	443	701	1,244	1,708	2,123
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	443	701	1,244	1,708	2,123
Per share (THB)					
Recurring EPS *	1.09	1.40	1.51	2.04	2.53
Reported EPS	1.09	1.40	1.51	2.04	2.53
DPS	0.24	0.13	0.90	1.22	0.63
Growth					
Net interest income (%)	32.3	37.6	73.4	40.1	28.8
Non interest income (%)	40.9	13.0	27.9	16.8	18.6
Pre provision operating profit (%)	12.0	66.5	75.2	39.0	25.1
Operating profit (%)	181.7	105.6	72.3	37.3	24.3
Reported net profit (%)	166.6	58.0	77.5	37.3	24.3
Recurring EPS (%)	136.7	28.6	7.7	35.1	24.3
Reported EPS (%)	136.7	28.6	7.7	35.1	24.3
Income Breakdown					
Net interest income (%)	23.4	27.2	33.6	37.7	39.7
Net fees & commission (%)	1.0	1.3	0.7	0.6	0.5
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	75.5	71.5	65.7	61.7	59.8
Operating performance					
Gross interest yield (%)	19.55	17.03	16.66	15.99	15.93
Cost of funds (%)	5.42	6.28	5.20	5.40	5.00
Net interest spread (%)	14.13	10.75	11.46	10.59	10.93
Net interest margin (%)	15.2	12.2	14.1	14.5	14.5
Cost/income(%)	81.0	73.4	66.7	62.9	62.1
Cost/assets(%)	35.6	17.4	15.9	19.1	20.4
Effective tax rate (%)	-1.0	22.4	20.0	20.0	20.0
Dividend payout on recurring profit (%)	21.9	9.5	60.0	60.0	25.0
ROE (%)	17.2	7.9	8.1	10.5	12.2
ROE - COE (%)	6.4	(2.9)	(2.7)	(0.3)	1.4
ROA (%)	5.8	4.2	5.3	7.5	8.2
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Singer Thailand; FSSIA estimates

Financial Statements

Singer Thailand

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	6,677	10,932	15,547	20,405	25,982
Total provisions	(287)	(273)	(369)	(546)	(778)
interest in suspense	17	30	44	51	65
Net customer loans	6,407	10,689	15,221	19,910	25,269
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	403	10,353	4,660	2	2
Cash & equivalents	715	1,227	534	823	805
Other interesting assets	-	-	-	-	-
Tangible fixed assets	433	475	520	570	625
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	1,297	1,457	1,570	1,656	1,911
Total assets	9,255	24,201	22,506	22,962	28,612
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	5,442	8,073	5,082	4,676	8,525
Non interest bearing liabilities	1,002	1,289	1,452	1,630	1,838
Hybrid Capital	-	-	-	-	-
Total liabilities	6,445	9,362	6,534	6,306	10,364
Share capital	413	800	828	828	828
Reserves	2,398	14,039	15,145	15,828	17,420
Total equity	2,810	14,839	15,973	16,656	18,248
Minority interests	0	0	0	0	0
Total liabilities & equity	9,255	24,201	22,506	22,962	28,612
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	5,142	8,804	13,239	17,976	23,193
Average interest bearing liabilities	4,146	6,758	6,578	4,879	6,601
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)	292	422	572	772	965
Per share (THB)					
Book value per share	6.17	18.30	19.04	19.85	21.75
Tangible book value per share	6.17	18.30	19.04	19.85	21.75
Growth					
Gross customer loans	85.1	63.7	42.2	31.2	27.3
Average interest earning assets	45.4	71.2	50.4	35.8	29.0
Total asset (%)	56.7	161.5	(7.0)	2.0	24.6
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	30.4	61.3	71.0	72.5	63.8
Tangible equity/assets (%)	30.4	61.3	71.0	72.5	63.8
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	(12.7)	44.7	35.4	35.0	25.0
NPL/gross loans (%)	4.4	3.9	3.7	3.8	3.7
Total provisions/gross loans (%)	4.3	2.5	2.4	2.1	3.0
Total provisions/NPL (%)	98.4	64.6	64.6	70.7	80.6
Valuation					
Recurring P/E (x) *	48.2	37.5	34.8	25.8	20.7
Recurring P/E @ target price (x) *	68.0	52.9	49.1	36.3	29.2
Reported P/E (x)	48.2	37.5	34.8	25.8	20.7
Dividend yield (%)	0.5	0.3	1.7	2.3	1.2
Price/book (x)	8.5	2.9	2.8	2.6	2.4
Price/tangible book (x)	8.5	2.9	2.8	2.6	2.4
Price/tangible book @ target price (x)	12.0	4.0	3.9	3.7	3.4

* 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	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	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 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.

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
Singer Thailand	SINGER TB	THB 52.50	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 184.50	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 58.25	REDUCE	Upside risks to our GGM-derived TP include: 1) stronger-than-expected growth for KTB Leasing; and 2) better-than-expected bad debt recovery.
Muangthai Capital	MTC TB	THB 44.50	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 50.25	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 8.35	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 35.25	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 6.65	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 4.12	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 18.20	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 12.10	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 72.75	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 39.00	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 6.95	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 11-May-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.