

KRUNGTHAI CARD KTC TB

THAILAND / DIVERSIFIED FINANCIALS

HOLD

UNCHANGED

ปัจจัยพื้นฐานดีแต่การประเมินมูลค่าตึงตัว

- กำไรสุทธิ 2Q22 ออกมาดีที่ 1.9 พัน ลบ. จากรายได้และการควบคุมคุณภาพสินทรัพย์
- คาดแนวโน้มกำไรยังดีในไตรมาสข้างหน้า
- คงแนะนำถือที่ราคาเป้าหมาย 60 บาทจากการประเมินมูลค่าในระดับสูง

TARGET PRICE	THB60.00
CLOSE	THB54.50
UP/DOWNSIDE	+10.1%
TP vs CONSENSUS	-8.5%

ผลประกอบการ 2Q22 ออกมาดีตามคาด

KTC รายงานกำไรสุทธิ 2Q22 ตามคาดโดยอยู่ที่ 1.9 พัน ลบ. (+13% y-y, +8% q-q) จากปัจจัยบวก 3 ประการ ข้อแรกรายได้ดอกเบี้ยสุทธิเพิ่ม 5% y-y และ 8% q-q ตามส่วนต่างดอกเบี้ยที่ปรับตัวดีขึ้นเป็น 14.0% จาก 13.1% ใน 1Q22 และอัตราการเติบโตของสินเชื่อที่เพิ่มขึ้นเป็น 5.4% q-q ส่วนมากจากสินเชื่อบัตรเครดิตตามการกลับมาของกิจกรรมทางธุรกิจ อย่างไรก็ตามสินเชื่อที่เพิ่มขึ้นมีต้นทุนที่ต่ำกว่าเป้า ข้อสองรายได้ที่ไม่ใช่ดอกเบี้ยสุทธิเพิ่มสูงถึง 11% y-y และ 7% q-q จากหนี้เสียรับคืนที่เพิ่มขึ้นและรายได้ค่าธรรมเนียมที่สูงขึ้นตามการฟื้นตัวของการใช้บัตรเครดิต ข้อสาม KTC สามารถควบคุมคุณภาพสินทรัพย์ได้อย่างมีประสิทธิภาพโดยมีหนี้เสียคุณภาพ (NPL) เพิ่มขึ้นเพียงเล็กน้อยที่ 2% q-q คิดเป็นสัดส่วน NPL ที่ 3.5% ซึ่งทำให้ต้นทุนความเสี่ยงในการปล่อยสินเชื่อยังอยู่ในระดับต่ำที่ 451 bps

สินเชื่อทะเบียนรถที่ชะลอตัวหักลบกับการใช้บัตรเครดิตที่สูงขึ้น

KTC ตั้งเป้าสินเชื่อใหม่ในพอร์ตสินเชื่อทะเบียนรถในปี 2022 ที่ 11.5 พัน ลบ. อย่างไรก็ตามผลประกอบการใน 2Q22 ยังต่ำกว่าเป้าด้วยสินเชื่อใหม่เพียง 525 ลบ. เราคิดว่าคงจะยากที่ KTC จะเร่งพอร์ตดังกล่าวเนื่องจากสินเชื่อทะเบียนรถมีการแข่งขันสูงมาก อย่างไรก็ตามเราเห็น Downside จำกัดต่อประมาณการในปัจจุบันของเรา เนื่องจากเราคิดว่าสินเชื่อทะเบียนรถที่โตช้าลงน่าจะชดเชยกับสินเชื่อบัตรเครดิตที่โตในอัตราที่สูงขึ้น เราคิดว่าการใช้จ่ายผ่านบัตรเครดิตน่าจะเพิ่ม 15% y-y ในปี 2022 (+17% y-y ใน 1H22) เทียบกับเป้าที่ 10% y-y ด้วยเหตุดังกล่าวเราคงประมาณการกำไรสุทธิของเราไว้ตามเดิม

คาดกำไรสุทธิ 3Q22 จะเพิ่ม y-y แต่ลดลง q-q

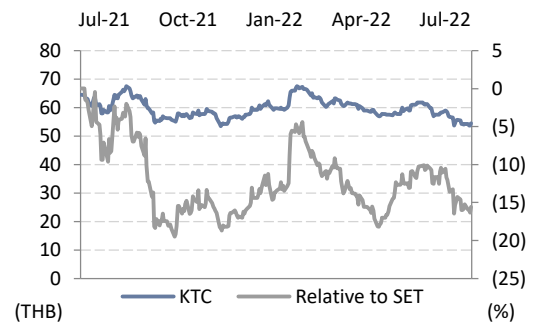
เราคาดว่ากำไรสุทธิ 3Q22 จะเพิ่มอย่างมีนัยสำคัญ y-y จาก 1) การใช้จ่ายผ่านบัตรเครดิตที่ฟื้นตัวในระดับสูงจากการกลับมาของกิจกรรมทางธุรกิจ; และ 2) ผลขาดทุนทางเครดิตที่คาดว่าจะเกิดขึ้น (ECL) ที่ลดลงเนื่องจากบริษัท มีกันชนจากสำรองที่มากพอ อย่างไรก็ตามเราคิดว่ากำไรสุทธิใน 3Q22 อาจลดลงเล็กน้อย q-q จาก ECL ที่เพิ่มเล็กน้อยตามความไม่แน่นอนในระดับมหภาค

คงแนะนำถือที่ราคาเป้าหมายปี 2023 ที่ 60 บาท (GGM)

เราคิดว่า KTC น่าจะได้รับผลกระทบจำกัดจากอัตราดอกเบี้ยที่อาจปรับขึ้นเนื่องจากโดยปกติ KTC จะออกหุ้นกู้ระยะยาว (อายุ 5-10 ปี) เพราะฉะนั้นเมื่ออัตราดอกเบี้ยนโยบายปรับขึ้น บริษัทฯ จึงสามารถเลือกออกหุ้นกู้ที่มีอายุสั้นลง เช่น 3-5 ปีสักระยะหนึ่ง นอกจากนี้เรายังคาดว่าบริษัทฯ จะมีแนวโน้มกำไรที่ดีขึ้นในไตรมาสข้างหน้า อย่างไรก็ตามการประเมินมูลค่าที่ตึงตัวที่ 4.0x ของค่า 2023E P/BV เราคงแนะนำถือที่ราคาเป้าหมายปี 2023 ที่ 60 บาท (GGM)

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	7,627	8,787	9,436	10,530
Net profit	5,879	6,952	7,466	8,331
EPS (THB)	2.28	2.70	2.90	3.23
vs Consensus (%)	-	0.0	(4.5)	(3.2)
Core net profit	6,251	6,952	7,466	8,331
Core EPS (THB)	2.42	2.70	2.90	3.23
EPS growth (%)	17.2	11.2	7.4	11.6
Core P/E (x)	22.5	20.2	18.8	16.9
Dividend yield (%)	1.7	2.0	2.2	2.4
Price/book (x)	5.2	4.5	4.0	3.5
ROE (%)	25.2	24.1	22.5	22.0
ROA (%)	6.8	7.5	7.3	7.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(5.2)	(8.0)	(16.2)
Relative to country (%)	(3.5)	0.6	(16.4)
Mkt cap (USD m)	3,811		
3m avg. daily turnover (USD m)	9.2		
Free float (%)	21		
Major shareholder	Krung Thai Bank (49%)		
12m high/low (THB)	68.00/52.00		
Issued shares (m)	2,578		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 22 กรกฎาคม 2022

Exhibit 1: KTC – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	---- Change ----		1H22	Change	% of	2022E	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	22E	(THB m)	(y-y %)	
Net interest income	3,071	2,979	3,218	5	8	6,197	2	48	13,022	7	
Non-interest income	1,979	2,045	2,187	11	7	4,231	7	52	8,164	4	Increase in bad debt recovery and fee income
Operating income*	5,050	5,023	5,405	7	8	10,428	3	49	21,186	6	
Operating expenses	1,775	1,798	1,986	12	10	3,784	6	51	7,480	2	
PPOP before tax*	3,274	3,225	3,419	4	6	6,644	2	48	13,706	8	
Expected credit loss	1,144	1,045	1,039	(9)	(1)	2,084	(11)	42	4,919	(3)	
Income tax	428	436	479	12	10	915	9	52	1,757	20	
Minority interest	23	(3)	7	(70)	(341)	4			77		
Normalised profit	1,680	1,747	1,894	13	8	3,641	10	52	6,952	11	
Extraordinary items	0	0	0			0			0		
Net profit	1,680	1,747	1,894	13	8	3,641	10	52	6,952	18	In line with BBG consensus
EPS (THB)	0.65	0.68	0.73	13	8	1.41	10	52	2.70	18	
Asset quality ratio	(%)	(%)	(%)						(%)		
NPLs (THB m)	3,879	3,205	3,270	(16)	2				3,549	7	
NPLs / Loans	4.36	3.58	3.46						3.56		
Loan loss reserve/NPLs	251	304	300						257		
Credit cost (bps)	522	460	451						513		
Profitability ratio	(%)	(%)	(%)						(%)		
Cost to income ratio	35.2	35.8	36.7						35.3		
Average yield	15.57	14.55	15.34						14.9		
Cost of fund	2.70	2.58	2.52						2.7		
Net interest margin (NIM)	14.02	13.12	13.99						13.6		
Non-int income/total income	39.2	40.7	40.5						38.5		
Loan growth	(%)	(%)	(%)						(%)		
Year-to-date	3.6	(2.6)	2.6								
y-y	7.2	3.8	6.2						8.4		
q-q	3.0	(2.6)	5.4								Driven by both credit cards and p-loans

*Including share of profits from associates

Sources: KTC; FSSIA estimates

Financial Statements

Krungthai Card

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	14,302	13,614	14,545	16,173	17,862
Interest expense	(1,560)	(1,416)	(1,523)	(1,713)	(1,890)
Net interest income	12,742	12,198	13,022	14,460	15,972
Net fees & commission	4,616	4,293	4,508	4,733	4,970
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	1	11	11	11	11
Other income	3,533	3,534	3,646	3,761	3,914
Non interest income	8,150	7,838	8,164	8,505	8,895
Total income	20,892	20,036	21,186	22,965	24,867
Staff costs	(7,283)	(7,064)	(7,205)	(7,566)	(7,869)
Other operating costs	(240)	(262)	(275)	(283)	(291)
Operating costs	(7,523)	(7,326)	(7,480)	(7,849)	(8,160)
Pre provision operating profit	13,369	12,711	13,706	15,116	16,707
Provision for bad and doubtful debt	(6,489)	(5,084)	(4,919)	(5,679)	(6,177)
Other provisions	-	-	-	-	-
Operating profit	6,880	7,627	8,787	9,436	10,530
Recurring non operating income	0	0	0	0	0
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	0	(372)	0	0	0
Profit before tax	6,880	7,255	8,787	9,436	10,530
Tax	(1,372)	(1,467)	(1,757)	(1,887)	(2,106)
Profit after tax	5,508	5,789	7,030	7,549	8,424
Minority interests	(175)	90	(77)	(83)	(93)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	5,333	5,879	6,952	7,466	8,331
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	5,333	6,251	6,952	7,466	8,331
Per share (THB)					
Recurring EPS *	2.07	2.42	2.70	2.90	3.23
Reported EPS	2.07	2.28	2.70	2.90	3.23
DPS	0.88	0.93	1.11	1.19	1.32
Growth					
Net interest income (%)	5.8	(4.3)	6.8	11.0	10.5
Non interest income (%)	(9.6)	(3.8)	4.2	4.2	4.6
Pre provision operating profit (%)	0.2	(4.9)	7.8	10.3	10.5
Operating profit (%)	(0.3)	10.9	15.2	7.4	11.6
Reported net profit (%)	(3.5)	10.2	18.3	7.4	11.6
Recurring EPS (%)	(3.5)	17.2	11.2	7.4	11.6
Reported EPS (%)	(3.5)	10.2	18.3	7.4	11.6
Income Breakdown					
Net interest income (%)	61.0	60.9	61.5	63.0	64.2
Net fees & commission (%)	22.1	21.4	21.3	20.6	20.0
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	0.0	0.1	0.1	0.0	0.0
Other income (%)	16.9	17.6	17.2	16.4	15.7
Operating performance					
Gross interest yield (%)	15.84	14.57	15.16	15.52	15.76
Cost of funds (%)	2.67	2.48	2.67	2.75	2.81
Net interest spread (%)	13.17	12.09	12.49	12.77	12.95
Net interest margin (%)	14.1	13.1	13.6	13.9	14.1
Cost/income(%)	36.0	36.6	35.3	34.2	32.8
Cost/assets(%)	8.6	8.1	7.9	7.5	7.1
Effective tax rate (%)	19.9	20.2	20.0	20.0	20.0
Dividend payout on recurring profit (%)	42.5	38.6	41.0	41.0	41.0
ROE (%)	25.1	25.2	24.1	22.5	22.0
ROE - COE (%)	14.3	14.4	13.3	11.7	11.2
ROA (%)	6.2	6.8	7.5	7.3	7.4
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Krungthai Card; FSSIA estimates

Financial Statements

Krungthai Card

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	94,697	92,047	99,807	108,614	118,062
Total provisions	(9,961)	(9,692)	(7,625)	(6,244)	(7,699)
interest in suspense	211	588	599	652	708
Net customer loans	84,947	82,943	92,781	103,022	111,072
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	73	83	0	0	0
Cash & equivalents	2,197	2,363	2,244	1,725	4,132
Other interesting assets	-	-	-	-	-
Tangible fixed assets	496	415	347	290	242
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	3,881	3,666	3,768	3,842	4,142
Total assets	91,594	89,470	99,140	108,879	119,589
Customer deposits	0	0	0	0	0
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	59,482	54,555	59,725	64,643	70,000
Non interest bearing liabilities	8,000	7,832	8,224	8,635	9,067
Hybrid Capital	-	-	-	-	-
Total liabilities	67,482	62,387	67,949	73,278	79,067
Share capital	2,578	2,578	2,578	2,578	2,578
Reserves	20,221	24,258	28,360	32,765	37,680
Total equity	22,799	26,836	30,938	35,343	40,259
Minority interests	1,313	248	253	258	263
Total liabilities & equity	91,594	89,471	99,140	108,879	119,589
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	90,304	93,450	95,969	104,211	113,338
Average interest bearing liabilities	58,511	57,018	57,140	62,184	67,322
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)	1,598	3,317	3,549	3,762	4,138
Per share (THB)					
Book value per share	8.84	10.41	12.00	13.71	15.61
Tangible book value per share	8.84	10.41	12.00	13.71	15.61
Growth					
Gross customer loans	10.3	(2.8)	8.4	8.8	8.7
Average interest earning assets	10.1	3.5	2.7	8.6	8.8
Total asset (%)	8.7	(2.3)	10.8	9.8	9.8
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	nm	nm	nm	nm	nm
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	24.9	30.0	31.2	32.5	33.7
Tangible equity/assets (%)	24.9	30.0	31.2	32.5	33.7
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	75.6	107.6	7.0	6.0	10.0
NPL/gross loans (%)	1.7	3.6	3.6	3.5	3.5
Total provisions/gross loans (%)	10.5	10.5	7.6	5.3	6.5
Total provisions/NPL (%)	623.3	292.2	214.8	166.0	186.0
Valuation					
Recurring P/E (x) *	26.3	22.5	20.2	18.8	16.9
Recurring P/E @ target price (x) *	29.0	24.7	22.3	20.7	18.6
Reported P/E (x)	26.3	23.9	20.2	18.8	16.9
Dividend yield (%)	1.6	1.7	2.0	2.2	2.4
Price/book (x)	6.2	5.2	4.5	4.0	3.5
Price/tangible book (x)	6.2	5.2	4.5	4.0	3.5
Price/tangible book @ target price (x)	6.8	5.8	5.0	4.4	3.8

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Krungthai Card; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFECO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	

VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIJK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	

GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

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

Sources: Thai Institute of Directors Association (IOD); FSSIA’s compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

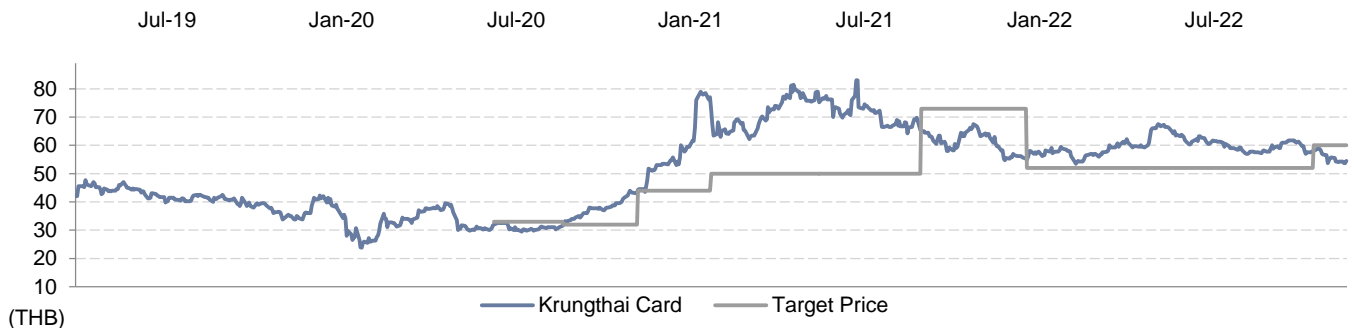
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History of change in investment rating and/or target price

Krungthai Card (KTC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Jul-2020	HOLD	33.00	19-Jan-2021	REDUCE	50.00	11-Apr-2022	REDUCE	52.00
14-Sep-2020	HOLD	32.00	19-Jul-2021	HOLD	73.00	22-Jun-2022	HOLD	60.00
17-Nov-2020	HOLD	44.00	18-Oct-2021	HOLD	52.00			

Yuvanart Suwanumphai started covering this stock from 16-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Krungthai Card	KTC TB	THB 54.50	HOLD	Upside risks to our GGM-derived TP include: 1) stronger-than-expected cost of funds controlling; and 2) better-than-expected bad debt recovery. Downside risks are: 1) regulatory actions to curb industry growth; and 2) deteriorating asset quality.

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 Finasia Syrus Securities Public Company Limited

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All share prices are as at market close on 21-Jul-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.