

JMT NETWORK SERVICES

THAILAND / ASSET MANAGEMENT COMPANIES

JMT TB

BUY

UNCHANGED

การเก็บเงินสดที่อยู่ในเกณฑ์ดีช่วยผลักดันกำไรสุทธิ 2Q22

- กำไรสุทธิ 2Q22 อยู่ในเกณฑ์ดีพอใช้โดยอยู่ที่ 433 ลบ. จากการเก็บเงินสดที่ดี
- คาดการณ์กำไรสุทธิ 3Q22 จะทรงตัว q-q (แต่ยังโตน่าในระดับที่น่าสนใจ y-y) จากค่าใช้จ่ายดำเนินงาน (OPEX) ที่เพิ่มขึ้นจากการลงทุน
- คงเลือกเป็นหุ้นเด่นที่ราคาเป้าหมาย 92 บาท (GGM)

TARGET PRICE	THB92.00
CLOSE	THB78.00
UP/DOWNSIDE	+17.9%
PRIOR TP	THB92.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+6.9%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	1,620	2,486	3,400	4,162
Net profit	1,400	2,132	3,131	3,823
EPS (THB)	1.29	1.50	2.12	2.53
vs Consensus (%)	-	2.2	3.8	4.0
Core net profit	1,400	2,132	3,131	3,823
Core EPS (THB)	1.29	1.50	2.12	2.53
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	18.3	16.4	41.5	19.2
Core P/E (x)	60.5	52.0	36.7	30.8
Dividend yield (%)	1.0	1.1	1.9	2.3
Price/book (x)	4.6	4.8	4.2	3.7
ROE (%)	11.3	10.0	12.3	12.8
ROA (%)	6.5	7.2	9.6	10.5

กำไรสุทธิกลับมาเป็นไปตามแผนใน 2Q22 ตามคาด

JMT รายงานกำไรสุทธิ 2Q22 ในระดับที่ตีพอใช้โดยอยู่ที่ 433 ลบ. (+50% y-y, +18% q-q) เราเห็นปัจจัยบวก 2 ประการในผลประกอบการดังกล่าว ข้อแรกแม้ว่าเงินเพื่อจะอยู่ในระดับสูง การเก็บเงินสด (CC) เพิ่มขึ้น 38% y-y (แต่ลดลง 8% q-q จากปัจจัยด้านฤดูกาล) เป็น 1.3 พัน ลบ. ข้อสอง CC ที่ดีในช่วง 1H22 ทำให้ผลขาดทุนทางเครดิตที่คาดว่าจะเกิดขึ้น (ECL) ลดลงมาอยู่ที่ 2 ลบ. ใน 2Q22 จาก 112 ลบ. ใน 1Q22 ปัจจัยบวกดังกล่าวสามารถชดเชยธุรกิจประกันภัย (6% ของรายได้รวม) ที่ตกต่ำจากการเรียกร้องค่าสินไหม Covid ได้ทั้งหมด

ผลการประชุมหลังผลประกอบการ 2Q22

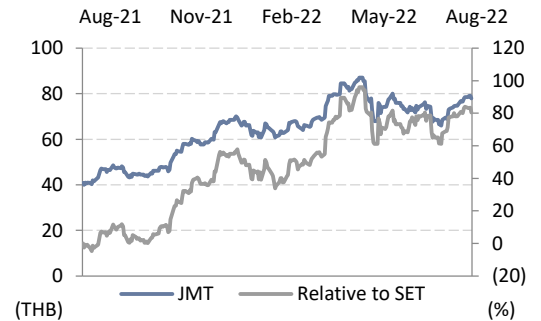
ในที่ประชุมหลังผลประกอบการ 2Q22 JMT พูดถึงข้อมูลใหม่ของบริษัท กำลังพิจารณาขยายธุรกิจบริหารสินทรัพย์ AMC ไปยังอีกประเทศในอาเซียน โดยบริษัท จะเข้าหุ้นกับผู้ประกอบการในประเทศดังกล่าว ความก้าวหน้าในธุรกิจดังกล่าวน่าจะชัดเจนยิ่งขึ้นใน 4Q22 สำหรับธุรกิจในปัจจุบัน JMT รายงาน CC ทรงตัว q-q (แต่ยังเพิ่มขึ้น y-y) ในช่วง 3QTD ผู้บริหารคาดว่าจะหารายได้ที่อยู่คุณภาพ (NPL) เพิ่มขึ้นใน 4Q22 JMT จะเร่งการลงทุนบางส่วนใน 3Q22 ซึ่งอาจทำให้ OPEX เพิ่มขึ้น ผู้บริหารเชื่อว่าการลงทุนดังกล่าวจะช่วยหนุนแนวโน้มการเติบโตของบริษัท ในอีก 2 ปีข้างหน้า นอกจากนี้ JMT คาดว่า JK จะให้ส่วนแบ่งกำไรสุทธิใน 4Q22

คาดการณ์กำไรสุทธิ 3Q22 จะอยู่ในเกณฑ์ดีพอใช้ก่อนเพิ่มขึ้นใน 4Q22

เราคาดว่ากำไรสุทธิใน 3Q22 จะเพิ่ม y-y เราคิดว่าธุรกิจ AMC น่าจะมีผลงานที่ดีต่อเนื่องโดยมี CC เพิ่มขึ้นจากการขยายพอร์ตและความสามารถในการบริหาร CC นอกจากนี้หลังประสบผลขาดทุนสุทธิ เราคาดว่าธุรกิจประกันภัยจะมีการเรียกร้องค่าสินไหมลดลงในอนาคต เพราะฉะนั้นผลประกอบการของธุรกิจประกันภัยน่าจะพลิกเป็นกำไรได้ อย่างไรก็ตามเราคาดว่ากำไรสุทธิ 3Q22 อาจค่อนข้างทรงตัว q-q จาก OPEX ที่สูงขึ้น เราคิดว่ากำไรสุทธิอาจเพิ่ม y-y และ q-q อีกครั้งใน 4Q22 จาก CC ที่ปรับขึ้น, รายได้ที่ดีที่จัดจำหน่ายเต็มจำนวนที่เพิ่มขึ้น, และการกลับรายการ ECL

คำแนะนำซื้อจากการเติบโตที่คาดว่าจะอยู่ในระดับสูง

เราเลือก JMT เป็นหนึ่งในหุ้นเด่นของเราที่ราคาเป้าหมาย 92 บาทด้วยเหตุผล 3 ประการ ข้อแรกเราคิดว่าผลกระทบของเงินที่อยู่ในระดับสูงที่มีต่อ JMT จำกัดน่าจะทำให้ CC อยู่ในเกณฑ์ดี ข้อสองเราคิดว่าการขึ้นอัตราดอกเบี้ยน่าจะไม่ส่งผลกระทบต่อต้นทุนในการระดมเงินเนื่องจากบริษัท ยังมีเงินทุนมากพอในการดำเนินธุรกิจในปีหน้าโดยไม่ต้องเพิ่มหนี้ ข้อสุดท้ายเราเชื่อว่า JMT จะรายงานกำไรต่อหุ้นโตได้ถึง 42% ในปี 2023



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	13.9	7.2	94.7
Relative to country (%)	8.6	4.7	84.0
Mkt cap (USD m)	3,242		
3m avg. daily turnover (USD m)	30.2		
Free float (%)	21		
Major shareholder	JMART Pcl. (53%)		
12m high/low (THB)	88.25/39.81		
Issued shares (m)	0		

Sources: Bloomberg consensus; FSSIA estimates



Yuvanart Suwanumphai

yuvanart.suw@fssia.com

+66 2611 3554

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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 15 สิงหาคม 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 maintain JMT as one of our top picks due to three reasons. First, we think JMT’s limited exposure to high inflation should result in resilient CC. Also, rate hikes should not affect JMT’s cost of funds as it still has sufficient funding to run its business next year without increasing its debt, in our view. Lastly, we believe JMT will deliver solid net profit growth in the coming quarters, with 42% EPS growth in 2023.

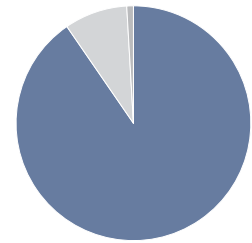
Company profile

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)

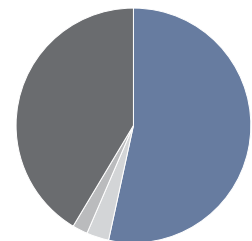
- NPLs management - 90.4 %
- Debt collection - 8.7 %
- Other income - 0.9 %



Source: JMT Network Services

Major shareholders

- JMART Pcl. - 53.4 %
- Sereewattana family - 3.1 %
- Pongsak Tammatatharee - 2.1 %
- Others - 41.4 %



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-November 2022	3Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)
Net profit	2,132	3,131	3,823
<i>Net profit growth (%)</i>	52.3	46.8	22.1
Cash collection	6,239	7,530	9,736
<i>Cash collection ratio (%)</i>	31.0	28.8	30.1
NPL + NPA purchases	8,500	9,775	10,264
<i>NPL + NPA purchase growth (%)</i>	(2.2)	15.0	5.0
Cost to income (%)	39.5	37.4	38.5

Source: FSSIA estimates

Earnings sensitivity

		----- 2022E -----		
Cash collection ratio	±50bp	30.5	31.0	31.5
<i>% change in net profit</i>		(3.5)	-	3.5
Cost to income	±1ppt	38.5	39.5	40.5
<i>% change in net profit</i>		(2.3)	-	2.3

Source: FSSIA estimates

Net profit profile back on track in 2Q22 as expected

JMT reported a decent 2Q22 net profit of THB433m (+50% y-y, +18% q-q), which was in line with our forecast but higher than the Bloomberg consensus estimate of 10%. We see two positives in its performance. First, despite the high inflation, JMT's CC rose 38% y-y (but dropped 8% q-q due to seasonality) to THB1.3b. Second, the solid 1H22 CC resulted in a lower expected credit loss (ECL) of THB2m in 2Q22 from 1Q22's ECL of THB112m. These positives were able to totally offset the weakness in its insurance business (6% of total revenue) from a rise in Covid insurance claims.

2Q22 key highlights

- Despite the high inflation, JMT delivered strong CC of THB1.3b due to 1) the small ticket sizes, which should be easier for its clients to repay amid the weak economy; and 2) its large portfolio, which allows the company to better manage its CC than its peers.
- Its fully amortised revenue remained at a high level, stable q-q, at THB306m.
- There was a loss of THB50m in its net insurance premiums, which were relatively stable q-q due to the rise in Covid claims.
- JMT purchased NPLs at a slower pace in 2Q22 at THB0.4b, with YTD accumulated NPL purchases of cTHB1.1b. This is significantly lower than its 2022 target of THB10b, as most banks still prefer to manage NPLs themselves, resulting in a low NPL supply in 1H22.

Exhibit 1: JMT – 2Q22 results preview

	2Q21	1Q22	2Q22			1H22			2022E	Change	2Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)	%22E	(THB m)	(y-y %)	
Interest income											
- Interest income from NPLs	472	639	649	37	2	1,288	37	44	2,960	43	
- Gain on NPLs (fully amortised)	228	312	306	34	(2)	618	41	49	1,256	19	
Total interest income	701	951	955	36	0	1,906	38	43	4,410	41	
Interest expense	82	71	66	(19)	(8)	137	(14)	52	265	(23)	
Net interest income	619	879	889	44	1	1,769	45	43	4,145	48	
Non-interest income										nm	
- Service income from debt collection services	75	69	75	(0)	9	144	(14)	42	345	15	
- Net insurance premium	1	(48)	(50)	nm	nm	(98)	nm	nm	(61)	nm	
- Others	3	30	3	7	(89)	33	129	121	27	10	
Total non-interest income	80	51	28	(65)	(46)	79	(61)	25	311	(11)	
Total operating income	699	931	917	31	(1)	1,848	30	41	4,456	42	
Operating expenses	316	416	464	47	11	880	32	50	1,760	20	
Pre provision operating profit	383	515	453	18	(12)	968	28	36	2,696	61	
Expected credit loss	50	112	2	(96)	(98)	113	54	54	210	276	
Operating profit	332	403	451	36	12	854	25	34	2,486	53	
Income tax expenses	50	63	48	(4)	(25)	111	(4)	30	373	55	
Profit before minority interest	283	340	404	43	19	743	31	35	2,113	53	
Share of profit		0	0	nm		0			19		
Minority	(6)	(27)	(30)	nm	nm	(57)	nm	nm	0	nm	
Normalised profit	289	367	433	50	18	800	40	38	2,132	52	
Extra items	0	0	0	nm	nm	0	nm	nm	0	nm	
Net profit	289	367	433	50	18	800	40	38	2,132	52	
										10% higher than the BBG	
Key financial highlights	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y%)	%22E	(THB m)	(y-y%)	
NPL & NPA purchases	1,502	728	375	(75)	(48)	1,102	(67)		8,500	(2)	
NPL & NPA cash collection	970	1,458	1,337	38	(8)	2,795	42		6,239	36	
Cash collection/NPL & NPA (%)	31.2	33.4	30.4						31.0		
Key financial ratios											
Liabilities/equity (x)	1.1	0.3	0.2						0.3		
Interest-bearing debt/equity (x)	0.9	0.3	0.2						0.3		
ROA (%)	7.1	5.1	6.0						7.2		
ROE (%)	14.8	7.1	7.7						10.0		
Cost of funds (%)	4.5	4.2	4.8						3.5		
Cost to income (%)	45.3	44.7	50.6						39.5		

Sources: JMT; FSSIA estimates

Post-2Q22 results meeting feedback

At its 2Q22 post-results meeting, JMT mentioned new information – it is considering expanding its asset management (AMC) business to another Asian country where it will partner with a local operator(s). The business' progress should be clearer in 4Q22. As for its existing business, JMT has seen stable CC q-q (still increasing y-y) during 3QTD. Management expects higher NPL sales from banks in 4Q22. JMT will accelerate some of its investments in 3Q22, including staff and IT budgets, potentially resulting in a surge in its 3Q22 OPEX. Management believes these investments should support its growth trajectory in the next two years.

As for its AMC JV with Kasikornbank (KBANK, BUY, TP THB192), named “JK Asset Management” (JK), JK purchased THB30b (face value) worth of NPLs from KBANK. JK will start operations in 3Q22. There should be a net profit contribution to JMT in 4Q22, according to management. JMT believes that 350 staff at JK running a portfolio of THB50b (face value) is enough.

Financial Statements

JMT Network Services

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	2,629	3,136	4,410	5,673	7,072
Interest expense	(314)	(345)	(265)	(270)	(211)
Net interest income	2,315	2,791	4,145	5,403	6,861
Net fees & commission	-	-	-	-	-
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	0	0	0	0	0
Other income	409	351	311	486	559
Non interest income	409	351	311	486	559
Total income	2,724	3,143	4,456	5,888	7,419
Staff costs	-	-	-	-	-
Other operating costs	(1,311)	(1,466)	(1,760)	(2,200)	(2,859)
Operating costs	(1,311)	(1,466)	(1,760)	(2,200)	(2,859)
Pre provision operating profit	1,413	1,676	2,696	3,689	4,560
Provision for bad and doubtful debt	(203)	(56)	(210)	(289)	(398)
Other provisions	-	-	-	-	-
Operating profit	1,210	1,620	2,486	3,400	4,162
Recurring non operating income	0	0	19	241	368
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	0	0	0	0	0
Profit before tax	1,210	1,620	2,505	3,641	4,530
Tax	(174)	(241)	(373)	(510)	(708)
Profit after tax	1,036	1,379	2,132	3,131	3,823
Minority interests	11	21	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,047	1,400	2,132	3,131	3,823
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	1,047	1,400	2,132	3,131	3,823
Per share (THB)					
Recurring EPS *	1.09	1.29	1.50	2.12	2.53
Reported EPS	1.09	1.29	1.50	2.12	2.53
DPS	0.73	0.80	0.87	1.49	1.77
Growth					
Net interest income (%)	31.7	20.6	48.5	30.3	27.0
Non interest income (%)	16.8	(14.1)	(11.5)	56.3	15.0
Pre provision operating profit (%)	66.1	18.6	60.9	36.8	23.6
Operating profit (%)	44.2	34.0	53.4	36.8	22.4
Reported net profit (%)	53.6	33.8	52.3	46.8	22.1
Recurring EPS (%)	41.6	18.3	16.4	41.5	19.2
Reported EPS (%)	41.6	18.3	16.4	41.5	19.2
Income Breakdown					
Net interest income (%)	85.0	88.8	93.0	91.7	92.5
Net fees & commission (%)	-	-	-	-	-
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	15.0	11.2	7.0	8.3	7.5
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	39.5	37.4	38.5
Cost/assets(%)	10.7	6.9	5.9	6.8	7.9
Effective tax rate (%)	14.4	14.9	14.9	14.0	15.6
Dividend payout on recurring profit (%)	66.6	61.7	57.9	70.0	70.0
ROE (%)	23.0	11.3	10.0	12.3	12.8
ROE - COE (%)	12.2	0.5	(0.8)	1.5	2.0
ROA (%)	8.5	6.5	7.2	9.6	10.5
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	21,874	28,366	34,269
Total provisions	(287)	(269)	(436)	(668)	(997)
interest in suspense	160	317	437	567	685
Net customer loans	9,834	16,382	21,876	28,265	33,957
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	1,366	6,631	5,305	530	557
Cash & equivalents	967	2,076	1,836	2,183	252
Other interesting assets	412	986	970	990	1,069
Tangible fixed assets	411	504	355	373	391
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	1,281	1,458	1,264	1,000	3,150
Total assets	14,270	28,036	31,605	33,341	39,377
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	7,187	7,385	6,054	3,278	4,885
Non interest bearing liabilities	1,329	1,574	2,046	2,455	2,578
Hybrid Capital	-	-	-	-	-
Total liabilities	8,516	8,959	8,100	5,733	7,463
Share capital	488	684	727	762	797
Reserves	5,236	18,348	22,778	26,846	31,118
Total equity	5,724	19,032	23,505	27,608	31,915
Minority interests	30	46	0	0	0
Total liabilities & equity	14,270	28,036	31,605	33,341	39,378
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	6,591	5,156
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	16.14	18.51	20.91
Tangible book value per share	5.98	17.08	16.14	18.51	20.91
Growth					
Gross customer loans	24.1	64.0	33.9	29.7	20.8
Average interest earning assets	-	-	-	-	-
Total asset (%)	40.7	96.5	12.7	5.5	18.1
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	40.1	67.9	74.4	82.8	81.0
Tangible equity/assets (%)	40.1	67.9	74.4	82.8	81.0
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality					
Change in NPL (%)	-	-	-	-	-
NPL/gross loans (%)	-	-	-	-	-
Total provisions/gross loans (%)	2.9	1.6	2.0	1.9	2.9
Total provisions/NPL (%)	-	-	-	-	-
Valuation					
Recurring P/E (x) *	71.6	60.5	52.0	36.7	30.8
Recurring P/E @ target price (x) *	84.4	71.3	61.3	43.3	36.3
Reported P/E (x)	71.6	60.5	52.0	36.7	30.8
Dividend yield (%)	0.9	1.0	1.1	1.9	2.3
Price/book (x)	13.0	4.6	4.8	4.2	3.7
Price/tangible book (x)	13.0	4.6	4.8	4.2	3.7
Price/tangible book @ target price (x)	15.4	5.4	5.7	5.0	4.4

Sources: JMT Network Services; 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	SEAFCO	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	PPPM	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
AMANAHA	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

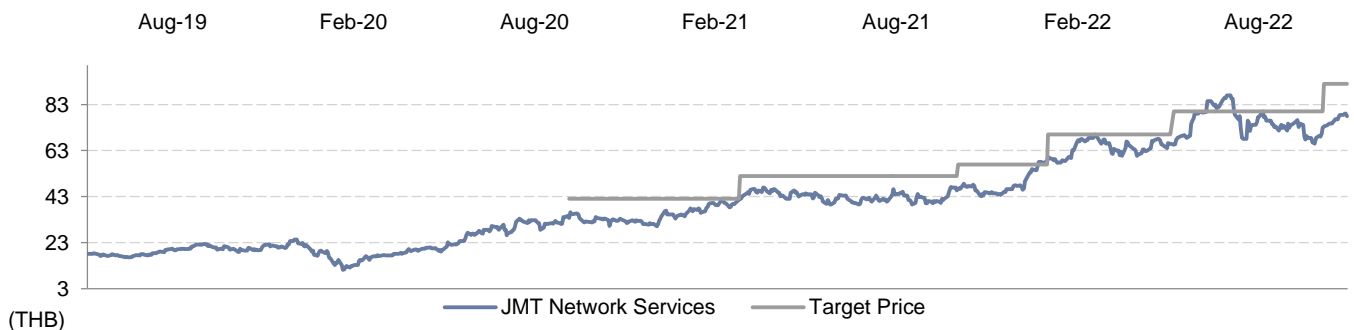
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

JMT Network Services (JMT TB)



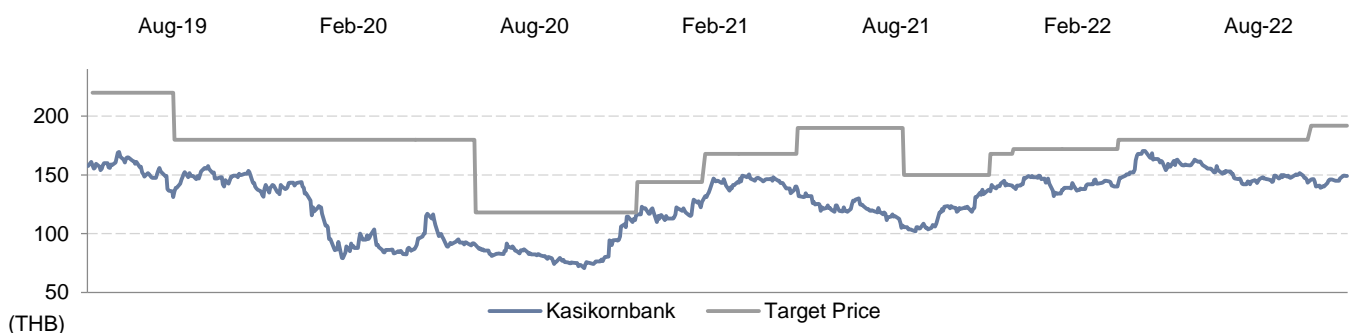
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
05-Oct-2020	BUY	42.00	07-Sep-2021	BUY	57.00	11-Mar-2022	BUY	80.00
02-Mar-2021	BUY	52.00	24-Nov-2021	BUY	70.00	21-Jul-2022	BUY	92.00

Yuvanart Suwanumphai started covering this stock from 05-Oct-2020

Price and TP are in local currency

Source: FSSIA estimates

Kasikornbank (KBANK TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Aug-2019	BUY	220.00	29-Jan-2021	BUY	168.00	25-Oct-2021	BUY	172.00
30-Oct-2019	BUY	180.00	21-Apr-2021	BUY	190.00	24-Jan-2022	BUY	180.00
16-Jul-2020	BUY	118.00	22-Jul-2021	BUY	150.00	08-Jul-2022	BUY	192.00
03-Dec-2020	BUY	144.00	05-Oct-2021	BUY	168.00			

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
JMT Network Services	JMT TB	THB 78.00	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 149.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 11-Aug-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.