

# RATCHTHANI LEASING

## THAILAND / DIVERSIFIED FINANCIALS

# THANI TB

# BUY

## มองไปยังกำไรสุทธิคาดว่าจะดีใน 4Q22

- THANI รายงานกำไรสุทธิ 3Q22 อยู่ที่ 453 ลบ. กำไรดังกล่าวต่ำกว่าที่เราคาด 8% จากผลขาดทุนทางเครดิตที่คาดว่าจะเกิดขึ้น (ECL) ที่อยู่ในระดับสูง เรามีความกังวลจำกัดเกี่ยวกับคุณภาพสินทรัพย์ของบริษัท เนื่องจากหนี้ด้อยคุณภาพ (NPL) ก่อนชำระงวด q-q ใน 3Q22
- เราเห็นว่าแนวโน้มจะดีขึ้นต่อเนื่องใน 4Q22
- เราคงเลือก THANI เป็นหนึ่งในหุ้นเด่นที่ราคาเป้าหมายปี 2023 ที่ 5.2 บาท (GGM) จากการควบคุมคุณภาพสินทรัพย์ที่ดีและการประเมินมูลค่าที่อยู่ในระดับต่ำ

TARGET PRICE	THB5.20
CLOSE	THB4.32
UP/DOWNSIDE	+20.4%
TP vs CONSENSUS	+1.0%

## KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	2,143	2,408	2,666	2,949
Net profit	1,709	1,945	2,153	2,382
EPS (THB)	0.30	0.34	0.38	0.42
vs Consensus (%)	-	2.4	2.2	(0.9)
Core net profit	1,709	1,945	2,153	2,382
Core EPS (THB)	0.30	0.34	0.38	0.42
EPS growth (%)	(25.0)	13.8	10.7	10.6
Core P/E (x)	14.3	12.6	11.4	10.3
Dividend yield (%)	3.9	4.5	4.9	5.8
Price/book (x)	2.1	2.0	1.8	1.7
ROE (%)	15.3	16.2	16.7	17.2
ROA (%)	3.5	3.8	3.8	3.8

## กำไรสุทธิ 3Q22 ต่ำกว่าคาดจาก ECL ที่สูงขึ้น

THANI รายงานกำไรสุทธิ 3Q22 อยู่ที่ 453 ลบ. (+13% y-y, -8% q-q) กำไรดังกล่าวต่ำกว่าที่เราคาด 8% จาก ECL ที่สูงเกินคาด กำไรสุทธิ 9M22 คิดเป็น 72% ของประมาณการปี 2022 ของเรา

## ส่วนต่างดอกเบี้ย (NIM) ดี สินเชื่อโตดีพอใช้ใน 3Q22

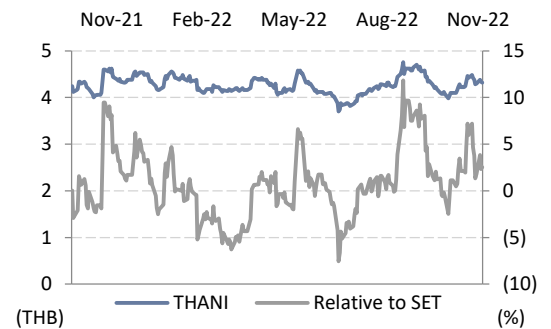
THANI ตั้งต้นทุนความเสี่ยงในการปล่อยสินเชื่อ (Credit cost) เพิ่มขึ้นใน 3Q22 เป็น 93 bps จาก 56 bps ใน 2Q22 อย่างไรก็ตามเรามีความกังวลจำกัดเกี่ยวกับคุณภาพสินทรัพย์ของบริษัท เนื่องจาก NPL ก่อนชำระงวด q-q พร้อมสัดส่วน NPL ratio ที่ 2.3% นอกจากนี้สัดส่วนสำรองต่อหนี้ด้อยคุณภาพ (Coverage ratio) ยังอยู่ในระดับสูงที่ 117% เมื่อเทียบกับเป้าหมายของบริษัท ที่ 85-90% ในด้านบวกปริมาณสินเชื่อเพิ่มต่อเนื่องที่ 8% y-y และ 2% q-q ตามการกลับมาของกิจกรรมทางธุรกิจ นอกจากนี้ผลตอบแทนสินเชื่อยังเพิ่ม 5 bps q-q เป็น 6.78% จากการเพิ่มของอัตราดอกเบี้ยที่ติดกับลูกค้าตามแนวโน้มอัตราดอกเบี้ยขาขึ้น

## กำไรน่าจะโตต่อเนื่องใน 4Q22

เราคาดว่ากำไรสุทธิ 4Q22 จะเพิ่ม y-y และ q-q จาก 1) คุณภาพสินทรัพย์ที่ดีซึ่งจะทำให้สำรองอยู่ในระดับต่ำต่อเนื่อง; และ 2) การปล่อยสินเชื่อครบทุกซึ่งจะหมายถึงสินเชื่อใหม่และอัตราดอกเบี้ยของสินเชื่อที่สูงขึ้น

## คำแนะนำซื้อที่ราคาเป้าหมายปี 2023 ที่ 5.2 บาท (GGM)

เราแนะนำซื้อที่ราคาเป้าหมายเดิมที่ 5.2 บาท (GGM) THANI เป็นหนึ่งในหุ้นเด่นของเราในกลุ่มการเงิน เราคิดว่า THANI จะสามารถจัดการผลกระทบของอัตราดอกเบี้ยที่อาจปรับขึ้นและเงินเฟ้อที่อยู่ในระดับสูงในขณะนี้บริษัท กลับมาขยายสินเชื่อ เราเชื่อว่ากำไรสุทธิน่าจะค่อย ๆ เพิ่ม y-y ในช่วง 4Q22 และอีก 11% ในปี 2023 เราเห็นว่าราคาหุ้นยังไม่ได้สะท้อนผลประโยชน์การที่เพิ่มขึ้นที่เราคาดไว้ในไตรมาสที่กำลังจะมาถึงโดย THANI มีการประเมินมูลค่าในระดับต่ำที่ 11.4x ของค่า 2023E P/E และ 1.8x ของค่า 2023E P/BV



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.9	3.3	2.4
Relative to country (%)	3.1	3.1	3.0
Mkt cap (USD m)	663		
3m avg. daily turnover (USD m)	1.9		
Free float (%)	21		
Major shareholder	Thanachart SPV1 Co., LTD (56%)		
12m high/low (THB)	4.78/3.64		
Issued shares (m)	5,663		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 10 พฤศจิกายน 2022

### 3Q22 net profit missed on higher ECL

THANI posted a 3Q22 net profit of THB453m (+13% y-y, -8% q-q), which was 8% below our forecast due to a higher ECL than expected. Its 3Q22 credit cost increased to 93 bps from 56 bps in 2Q22. However, we have limited concerns over its asset quality as its NPLs were relatively stable q-q, with an implied NPL ratio of 2.3%. On top of that, THANI's coverage ratio remained at a high level of 117% vs its target of 85-90%. On the positive side, its loan volume continued to increase by 8% y-y and 2% q-q following the resumption of business activities. Its loan yield also rose 5 bps q-q to 6.78% from an increase in the rate charged to its clients following the interest rate uptrend.

#### 3Q22 key highlights

- Loan volume increased 8% y-y and 2% q-q following the resumption of business activities.
- Its NIM slightly increased to 5.05% from 5.01%, due to 1) a rise in its loan yield; and 2) efficient cost of funds control.
- OPEX surged significantly by 40% y-y and 9% q-q due to an increase in debt collection expenses. Its cost to income ratio remained at a high level of 23.4%, up from 17.3% in 3Q21.

#### Exhibit 1: THANI – summary of 3Q22 operations

Year-end Dec 31	3Q21	2Q22	3Q22			9M22			2022E	Change	3Q22 comments
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	692	644	665	(4)	3	1,933	1	75	2,562	2	
Non-interest income	177	232	234	32	1	706	27	76	933	17	
Operating income	870	876	900	3	3	2,639	6	75	3,495	5	
Operating expenses	151	194	211	40	9	573	34	79	724	24	
<b>PPOP before tax*</b>	<b>719</b>	<b>682</b>	<b>689</b>	<b>(4)</b>	<b>1</b>	<b>2,065</b>	<b>1</b>	<b>75</b>	<b>2,771</b>	<b>2</b>	
Expected credit loss	231	71	122	(47)	71	319	(33)	88	363	(38)	
Income tax	87	119	114	32	(4)	346	9	75	464	7	
Minority interest	0	0	0	25	43	0	25	-	0	-	
<b>Normalised profit</b>	<b>401</b>	<b>492</b>	<b>453</b>	<b>13</b>	<b>(8)</b>	<b>1,400</b>	<b>12</b>	<b>72</b>	<b>1,945</b>	<b>14</b>	
Extraordinary items	0	0	0	-	-	0	-	-	0	-	
<b>Net profit</b>	<b>401</b>	<b>492</b>	<b>453</b>	<b>13</b>	<b>(8)</b>	<b>1,400</b>	<b>12</b>	<b>72</b>	<b>1,945</b>	<b>14</b>	
EPS (THB)	0.07	0.09	0.08	13	(8)	0.25	12	72	0.34	14	
<b>Asset quality ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>						<b>(%)</b>		
NPLs (THB m)	2,109	1,244	1,238	(41)	(0)				1,360	(27)	
NPLs / Loans	4.30	2.38	2.33						2.50		
Loan loss reserve/NPLs	70	117	117						108		
Credit cost (bps)	188	56	93						70		
<b>Profitability ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>						<b>(%)</b>		
Cost to income ratio	17.3	22.1	23.4						20.7		
Average yield	7.52	6.73	6.78						6.75		
Cost of fund	2.46	2.34	2.30						2.45		
Net interest margin (NIM)	5.64	5.01	5.05						4.94		
Non-inte inc/total income	20.37	26.52	26.05						26.7		
<b>Loan growth</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>						<b>(%)</b>		
y-y	(0.7)	6.4	8.1						10.0		
q-q	0.0	3.2	1.6								

Sources: THANI; FSSIA estimates

## Financial Statements

### Ratchthani Leasing

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	3,516	3,430	3,501	3,871	4,323
Interest expense	(1,063)	(913)	(939)	(1,113)	(1,291)
Net interest income	2,452	2,517	2,562	2,758	3,032
Net fees & commission	316	380	471	518	559
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	0	0	0	0	0
Other income	431	417	463	486	534
Non interest income	747	796	933	1,003	1,093
Total income	3,199	3,313	3,495	3,761	4,125
Staff costs	(188)	(183)	(201)	(201)	(211)
Other operating costs	(350)	(402)	(523)	(470)	(499)
Operating costs	(538)	(585)	(724)	(671)	(709)
Pre provision operating profit	2,662	2,729	2,771	3,090	3,416
Provision for bad and doubtful debt	(338)	(586)	(363)	(424)	(467)
Other provisions	-	-	-	-	-
Operating profit	2,324	2,143	2,408	2,666	2,949
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	2,324	2,143	2,408	2,666	2,949
Tax	(464)	(434)	(464)	(513)	(568)
Profit after tax	1,860	1,709	1,945	2,153	2,382
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,860	1,709	1,945	2,153	2,382
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	1,860	1,709	1,945	2,153	2,382
<b>Per share (THB)</b>					
Recurring EPS *	0.40	0.30	0.34	0.38	0.42
Reported EPS	0.40	0.30	0.34	0.38	0.42
DPS	0.17	0.17	0.19	0.21	0.25
<b>Growth</b>					
Net interest income (%)	(3.0)	2.6	1.8	7.7	9.9
Non interest income (%)	6.8	6.6	17.2	7.5	9.0
Pre provision operating profit (%)	0.2	2.5	1.6	11.5	10.5
Operating profit (%)	(5.7)	(7.8)	12.4	10.7	10.6
Reported net profit (%)	(5.3)	(8.1)	13.8	10.7	10.6
Recurring EPS (%)	(22.6)	(25.0)	13.8	10.7	10.6
Reported EPS (%)	(22.6)	(25.0)	13.8	10.7	10.6
<b>Income Breakdown</b>					
Net interest income (%)	76.7	76.0	73.3	73.3	73.5
Net fees & commission (%)	9.9	11.5	13.5	13.8	13.6
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	13.5	12.6	13.2	12.9	13.0
<b>Operating performance</b>					
Gross interest yield (%)	7.04	7.05	6.75	6.85	6.95
Cost of funds (%)	2.70	2.49	2.45	2.65	2.75
Net interest spread (%)	4.34	4.56	4.30	4.20	4.20
Net interest margin (%)	4.9	5.2	4.9	4.9	4.9
Cost/income(%)	16.8	17.6	20.7	17.8	17.2
Cost/assets(%)	1.1	1.2	1.4	1.2	1.1
Effective tax rate (%)	19.9	20.2	19.3	19.3	19.3
Dividend payout on recurring profit (%)	42.2	56.3	56.0	56.0	60.0
ROE (%)	20.1	15.3	16.2	16.7	17.2
ROE - COE (%)	9.3	4.5	5.4	5.9	6.4
ROA (%)	3.7	3.5	3.8	3.8	3.8
RORWA (%)	-	-	-	-	-
* Pre-exceptional, pre-goodwill and fully diluted					

Sources: Ratchthani Leasing; FSSIA estimates

## Financial Statements

### Ratchthani Leasing

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	47,976	49,396	54,336	58,682	65,724
Total provisions	(1,228)	(1,485)	(1,468)	(1,569)	(1,739)
interest in suspense	0	0	0	0	0
<b>Net customer loans</b>	<b>46,748</b>	<b>47,911</b>	<b>52,868</b>	<b>57,114</b>	<b>63,985</b>
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	0	0	0	0	0
Cash & equivalents	1,044	476	202	400	483
Other interesting assets	-	-	-	-	-
Tangible fixed assets	147	165	200	257	345
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	579	671	520	697	896
<b>Total assets</b>	<b>48,518</b>	<b>49,223</b>	<b>53,789</b>	<b>58,468</b>	<b>65,709</b>
Customer deposits	0	0	0	0	0
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	36,691	36,512	40,165	43,836	50,062
Non interest bearing liabilities	1,008	1,145	1,202	1,262	1,325
Hybrid Capital	-	-	-	-	-
<b>Total liabilities</b>	<b>37,699</b>	<b>37,657</b>	<b>41,367</b>	<b>45,098</b>	<b>51,387</b>
Share capital	5,663	5,663	5,663	5,663	5,663
Reserves	5,156	5,904	6,759	7,706	8,659
<b>Total equity</b>	<b>10,819</b>	<b>11,567</b>	<b>12,422</b>	<b>13,369</b>	<b>14,322</b>
Minority interests	0	0	0	0	0
<b>Total liabilities &amp; equity</b>	<b>48,518</b>	<b>49,223</b>	<b>53,789</b>	<b>58,468</b>	<b>65,709</b>
<b>Supplementary items</b>					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	49,955	48,686	51,866	56,509	62,203
Average interest bearing liabilities	39,439	36,602	38,339	42,001	46,949
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)	1,500	1,863	1,360	1,496	1,646
<b>Per share (THB)</b>					
Book value per share	1.91	2.04	2.19	2.36	2.53
Tangible book value per share	1.91	2.04	2.19	2.36	2.53
<b>Growth</b>					
Gross customer loans	(7.6)	3.0	10.0	8.0	12.0
Average interest earning assets	(0.6)	(2.5)	6.5	9.0	10.1
Total asset (%)	(4.6)	1.5	9.3	8.7	12.4
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	nm	nm	nm	nm	nm
<b>Leverage &amp; capital measures</b>					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	22.3	23.5	23.1	22.9	21.8
Tangible equity/assets (%)	22.3	23.5	23.1	22.9	21.8
RWA/assets (%)	-	-	-	-	-
Tier 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
<b>Asset Quality</b>					
Change in NPL (%)	(26.8)	24.2	(27.0)	10.0	10.0
NPL/gross loans (%)	3.1	3.8	2.5	2.5	2.5
Total provisions/gross loans (%)	2.6	3.0	2.7	2.4	2.6
Total provisions/NPL (%)	81.9	79.7	107.9	104.8	105.7
<b>Valuation</b>					
Recurring P/E (x) *	10.7	14.3	12.6	11.4	10.3
Recurring P/E @ target price (x) *	12.9	17.2	15.1	13.7	12.4
Reported P/E (x)	10.7	14.3	12.6	11.4	10.3
Dividend yield (%)	3.9	3.9	4.5	4.9	5.8
Price/book (x)	2.3	2.1	2.0	1.8	1.7
Price/tangible book (x)	2.3	2.1	2.0	1.8	1.7
Price/tangible book @ target price (x)	2.7	2.5	2.4	2.2	2.1

\* Pre-exceptional, pre-goodwill and fully diluted

Sources: Ratchthani Leasing; 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	BDM5	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	PSH	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	SEAOL	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	MTSIB	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	TIPIPP	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	SEAOL	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

#### Rawisara Suwanumphai FSS International Investment Advisory Securities Co., Ltd

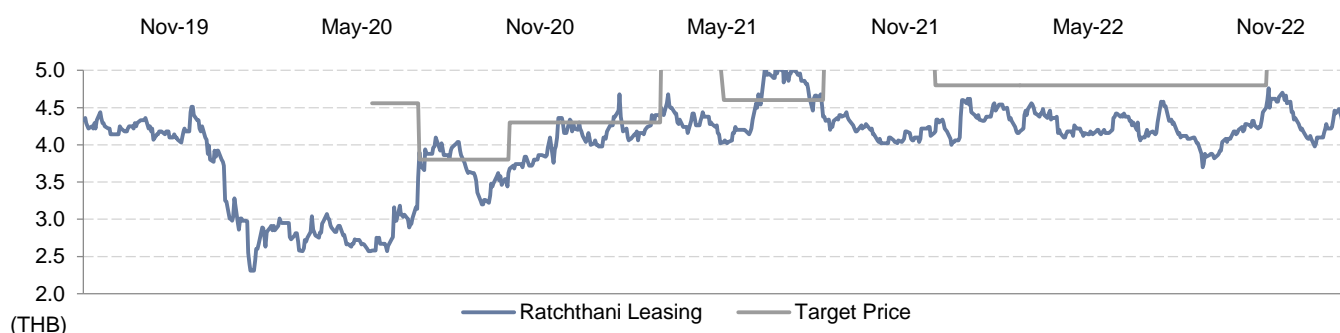
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#### History of change in investment rating and/or target price

##### Ratchthani Leasing (THANI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Jul-2020	BUY	4.56	23-Mar-2021	BUY	5.10	15-Nov-2021	BUY	4.80
26-Aug-2020	BUY	3.80	14-May-2021	BUY	4.60	29-Aug-2022	BUY	5.20
12-Nov-2020	BUY	4.30	11-Aug-2021	BUY	5.20			

Rawisara 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
Ratchthani Leasing	THANI TB	THB 4.32	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.

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

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All share prices are as at market close on 09-Nov-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.