EQUITY RESEARCH - COMPANY REPORT

JAY MART   JMART TB

THAILAND / ICT

Long-term outlook remains bright

- High season in 4Q22 should help JMART post a solid net profit.
- We cut JMART's 2022/23E earnings by 15%/12% to reflect JMT's lower earnings estimate and business expansion costs.
- Maintain BUY with a new TP of THB60 from THB66. We think JMART still has a solid long-term outlook.

Entering the high season in 4Q22

We expect JMART to post solid earnings growth in 4Q22, based on 1) JMT, SINGER, and J Mobile entering the 4Q high season; 2) KBJ Capital's solid portfolio expansion; and 3) the expected opening of JAS Asset's senior wellness business. We especially like the outlook for JMT, which contributes almost 60% of JMART's net profit. We expect JMT's 4Q22 net profit to increase substantially y-y and q-q, driven by 1) solid cash collection; 2) a lower interest expense; 3) strong profit sharing from JK; and 4) a lower ECL, as JMT normally releases its ECL in 4Q.

New investment should boost growth

JMART has announced plans to invest in a 30% stake in BNN Restaurant Group, which operates a Sukiyaki buffet restaurant business under the brand "Suki Teenoi" (ST), with a total investment cost of not more than THB1.2b. ST currently has 42 branches located in Bangkok and the vicinity. The investment will help ST add at least five more restaurants and a central kitchen. With a rich NPM of 9.4%, ST's net profit was THB148m in 2021 despite Covid. JMART expects the deal to be done within this year.

Earnings estimate cuts

Although we expect JMART's earnings to grow significantly in 4Q22, we cut our 2022/23E earnings by 15%/12% to THB1,499m/THB1,893m to reflect the earnings estimate cuts for JMT and the higher expenses from the business expansion. Note that we have already included the additional share of profit from the 30% stake in BNN, estimated at THB96m, into JMART's 2023E earnings. With our new assumption, we believe JMART's core profit should grow in 2022/23 by 35%/26%.

Maintain BUY with a new TP of THB60

We like JMART in the medium term. Its growth momentum for next year should continue, driven by the solid projected growth for JMT and SINGER. JMART's 2023 investment budget at over THB3b should help to fill gaps in the company's ecosystem and add synergies. However, we cut our 2023 TP from THB66 to THB60 and maintain BUY to reflect the impact of JMT's TP cut from THB92 to THB84, as we increase the discount factor from 5% to 10%. We add a value of THB2 to JMART's TP for its investment in BNN. Note that SINGER's TP of THB59 has a downside risk from the SG Capital spinoff.

BUY
UNCHANGED

TARGET PRICE	THB60.00
CLOSE	THB45.25
UP/DOWNSIDE	+32.6%
PRIOR TP	THB66.00
CHANGE IN TP	-9.1%
TP vs CONSENSUS	+1.3%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	11,793	15,097	17,083	18,889
Net profit	2,468	1,499	1,893	2,259
EPS (THB)	1.77	1.05	1.31	1.55
vs Consensus (%)	-	(11.6)	(18.8)	(17.2)
EBITDA	3,047	3,737	4,589	5,210
Core net profit	1,108	1,499	1,893	2,259
Core EPS (THB)	0.79	1.05	1.31	1.55
Chg. In EPS est. (%)	-	(14.8)	(12.0)	(13.7)
EPS growth (%)	(18.7)	31.9	24.9	18.4
Core P/E (x)	57.0	43.2	34.6	29.2
Dividend yield (%)	3.2	1.9	2.3	2.7
EV/EBITDA (x)	23.1	20.1	17.4	16.1
Price/book (x)	3.7	3.6	3.6	3.5
Net debt/Equity (%)	(8.1)	(4.8)	(0.8)	2.7
ROE (%)	10.5	8.6	10.5	12.1
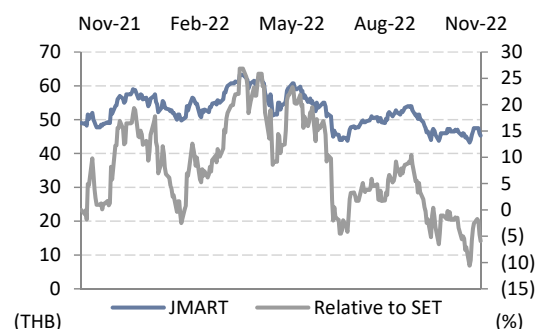
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.6)	(9.0)	(7.2)
Relative to country (%)	(4.3)	(7.7)	(5.5)
Mkt cap (USD m)			1,797
3m avg. daily turnover (USD m)			8.0
Free float (%)			55
Major shareholder			Sukhumvitaya family (27%)
12m high/low (THB)			64.00/42.75
Issued shares (m)			1,395.47

Sources: Bloomberg consensus; FSSIA estimates

Naruedom Mujjalinkool
naruedom.muj@fssia.com
+66 2611 3566

Investment thesis

JMART is a holding company with investments in six subsidiaries and one associated company, focusing on retailing and retail finance via synergies and technology.

JMT Network Services (JMT TB, BUY, TP THB84) 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.

Singer Thailand (SINGER TB, BUY, TP THB59) is a major player in electrical and home appliance sales and providing instalment loans. We expect SINGER to deliver a record high net profit in 2022, backed by 1) remarkable 2022E 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.

Company profile

JMART is a holding company and operates a retail and wholesale business for mobile phones. The company holds JMT Network Services, which operates bad debt collection, bad debt management, and an insurance business. It also holds Jas Asset (J TB, NR), a retail space rental business.

www.jaymart.co.th

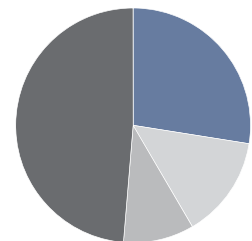## Principal activities (revenue, 2021)

- Revenue from contracts with customers - 69.3 %
- Loans - 27.0 %
- Others - 3.7 %
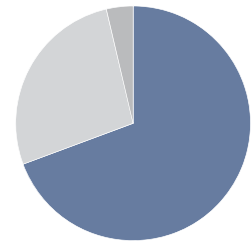
Source: Jay Mart

Major shareholders

- Sukhumvitaya family - 27.5 %
- VGI - 14.1 %
- U City - 9.8 %
- Others - 48.7 %

Source: Jay Mart

Catalysts

- The synergy between JMART and BTS should strengthen every business unit;

- JMT: the announcement of M&A deals and an increase in its fully amortised portfolio volume;

- SINGER: the spin-off of its lending business and stronger-than-expected loan growth.

Risks to our call

Downside risks to our SoTP-based TP include 1) lower-than-expected mobile revenue; 2) lower cash collection from its fully amortised portfolio; and 3) the lower-than-expected acquisition of new bad debt.

Event calendar

Date	Event
Feb-23	2022 results announcement

Key assumptions

	2021	2022E	2023E	2024E
	(%)	(%)	(%)	(%)
Mobile revenue growth	138	85	11	10
JMT net profit growth	34	34	52	22
SINGER net profit growth	58	58	37	30
JMART net profit growth	23	35	26	19

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in JMT's net profit, we project JMART's 2023 earnings to rise by 0.5%, and vice versa, all else being equal;

- For every 1% increase in SINGER's net profit, we project JMART's 2023 earnings to rise by 0.1%, and vice versa, all else being equal.
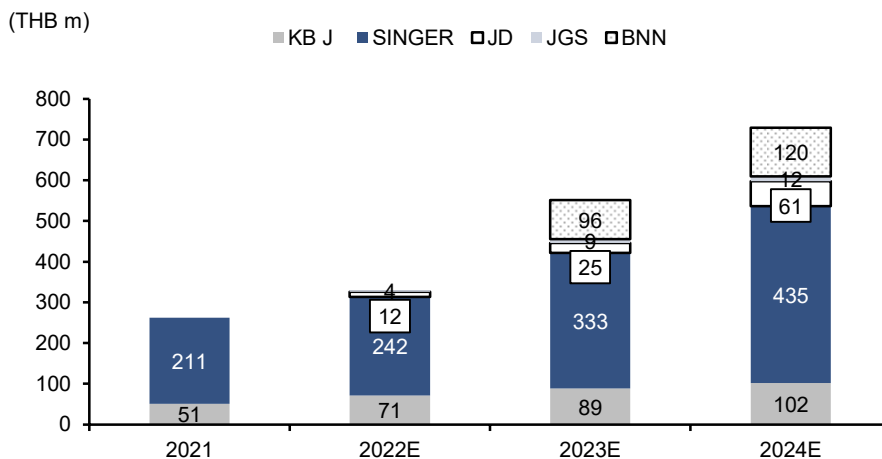
Source: FSSIA estimates

Suki Teenoi, a company with solid growth potential

What is Suki Teenoi?

ST is a Sukiyaki buffet restaurant under the BNN Restaurant Group with 42 branches located in Bangkok and the vicinity. Its revenue in 2021 was THB1,565m (+29% y-y), with a net profit of THB148m (+5% y-y). The key customer segment is low to middle-income customers, as opposed to MK Restaurant (M TB, NR), which targets middle to high-income customers. ST had a solid NPM in 2021 of 11% compared to M at only a 1.4%. Note that M's NPM during the pre-Covid period was between 11-14%. We think this shows the success of ST's business. Even though it targets low to middle-income customers with low purchasing power with a buffet price at only THB219 – one of the lowest buffet prices in Thailand – the company is still able to generate a high NPM compared to other restaurant chains.

JMART anticipates that ST's revenue could reach THB2b. If it can maintain the same NPM as it did in 2021, ST's earnings this year could hit THB220m, in our view. While the company plans to open at least five more branches next year, we believe this figure could grow to up to 10 branches after ST receives almost THB1.2b from JMART. Additionally, the company has a three-year target to list on the Stock Exchange of Thailand (SET). The company anticipates having at least 60 branches and THB3b in annual revenue at that time.

Exhibit 1: Share of profits contributed to JMART

(THB m)

Sources: JMART; FSSIA estimates

Solid returns for the company

We project ST to report a 2023 net profit of THB320m (+45% y-y), driven by 1) the full recovery of out-of-home activity in Thailand; 2) its branch expansion from 42 to 50 restaurants, in our estimation; 3) the cost optimisation and economies of scale from the investment in a central kitchen; and 4) the synergy within JMART's ecosystem. We think JMART could help ST to:

1) Benefit from co-strategic locations without a major investment by ST, and expand into rural towns with Jas Asset (J TB, NR).

2) Customer promotion, cross promotion, cross selling, and advertising for ST via JMART's clients and within JMART's group itself.

3) Undergo a digital transformation using JMART's shared enterprise resources including knowledge transfer via partnerships.

In return, based on the 30% investment in ST, we believe the company should contribute about THB96m to JMART's earnings for 2023, or roughly 4.4% of JMART's earnings forecast.

Good deal for JMART

We see this as a good deal for JMART as ST is still in the growth stage. The investment of THB1.2b for 30% of ST is reasonable, in our view, as it implies only 12.5x P/E for BNN's 2023 net profit that we forecast at THB320m. This level of P/E is far lower than other listed restaurant chains in the market currently trading at c30x 2023 P/E, and ST's NPM is better than its peers. Note that JMART has THB1.2b in cash, THB4.9b in short-term investments, and in-the-money warrants that can be exercised for over THB3b. Therefore, the company does not need to raise more funds or seek bank loans.

Exhibit 2: Suki Teenoi's net profit forecast

(THB m)

Year	Net profit
2019	15
2020	140
2021	148
2022E	220
2023E	320
2024E	400
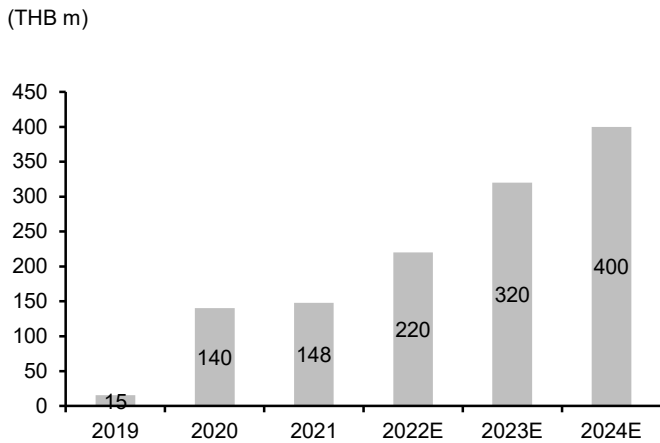
Sources: JMART; FSSIA estimates

Exhibit 3: BNN's valuation

	----------------------- P/E (x) -----------------------				
	20	25	30	35	40
259	5,184	6,480	7,776	9,072	10,368
288	5,760	7,200	8,640	10,080	11,520
BNN's 2023E earnings (THB m) 320	6,400	8,000	9,600	11,200	12,800
352	7,040	8,800	10,560	12,320	14,080
387	7,744	9,680	11,616	13,552	15,488

Source: FSSIA estimates

Exhibit 4: Peers comparison – Thai restaurant chains as of 16 Nov 2022

Company	BBG	Rec	---------- Share price ----------			Market Cap	------- PE --------		------- ROE -------		------ PBV ------		-- EV/ EBITDA --	
			Current	Target	Upside		22E	23E	22E	23E	22E	23E	22E	23E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Thailand														
After You	AU TB	n/a	10.9	n/a	n/a	246	64.7	42.0	15.3	23.4	10.8	10.8	27.7	16.1
Zen Corp Group	ZEN TB	n/a	16.9	n/a	n/a	140	41.2	29.9	10.2	13.2	4.1	3.9	9.7	8.8
MK Restaurants Group	M TB	n/a	57.5	n/a	n/a	1,470	32.4	22.6	12.2	16.8	3.9	3.8	14.2	11.6
Thailand average						**1,855**	**46.1**	**31.5**	**12.5**	**17.8**	**6.3**	**6.2**	**17.2**	**12.2**

Source: Bloomberg

FINANSIA

JMT Network Services

Top pick in AMC sector

We reiterate our BUY call with an unchanged GGM-based TP of THB84. JMT remains our top sector pick as we think it should deliver the most impressive performance, with an expected three-year CAGR of 36% from 2021-24, supported by efficient cash collection, its large portfolio and long experience in the industry. On top of that, if JK AMC (not listed) can maintain the same solid performance that it achieved in 3Q22 going forward, we think it should generate an upside risk for JMT's earnings in the medium term.

Expect impressive performance in 4Q22

We expect JMT's 4Q22 net profit to increase y-y and q-q substantially, driven by 1) continued solid cash collection; 2) a lower interest expense; 3) strong profit sharing from JK; and 4) a lower ECL, as JMT normally releases its ECL in 4Q.

Earnings downgrade

However, despite our continued positive view on JMT, we cut our earnings estimates for 2022/23 by 12%/9% due to 1) the lower-than-expected NPL supply; 2) the delay in forming JV AMCs between banks and AMCs; and 3) slightly slower cash collection from high inflation. Although the first two factors should not immediately impact 2022 cash collection and net profit, we think they should impact 2023-24 earnings. As for the third factor, it could impact 2022 earnings, in our view.

For more information about JMT's outlook and TP revision, please see our previous reports, "JMT Network Services (JMT TB) - Decent 3Q, with a stronger 4Q ahead", dated 10 Nov-22 and "Thailand Asset Management Companies - The sky is not as bright as before", dated 2 Nov-22.

Exhibit 5:   JMT – changes in key assumptions

	------------------- 2022E -------------------			------------------- 2023E -------------------			------------------- 2024E -------------------		
	Old	New	Change	Old	New	Change	Old	New	Change
	(THB m)	(THB m)	(%)	(THB m)	(THB m)	(%)	(THB m)	(THB m)	(%)
Interest income	**4,410**	**4,072**	*(7.7)*	**5,673**	**5,146**	*(9.3)*	**7,072**	**6,243**	*(11.7)*
Interest expense	265	227	*(14.4)*	270	265	*(2.1)*	211	250	*18.1*
Net interest income	**4,145**	**3,845**	*(7.2)*	**5,403**	**4,881**	*(9.6)*	**6,861**	**5,993**	*(12.6)*
Non-interest income	**311**	**288**	*(7.3)*	**486**	**486**	*0.0*	**559**	**559**	*0.0*
Total operating income	**4,456**	**4,133**	*(7.2)*	**5,888**	**5,367**	*(8.9)*	**7,419**	**6,552**	*(11.7)*
Operating expense	1,760	1,906	*8.3*	2,200	2,192	*(0.3)*	2,859	2,696	*(5.7)*
Pre-operating profit before tax	**2,696**	**2,227**	*(17.4)*	**3,689**	**3,175**	*(13.9)*	**4,560**	**3,856**	*(15.4)*
Expected credit loss	210	177	*(15.5)*	289	245	*(15.3)*	398	305	*(23.3)*
Taxes expenses	373	287	*(23.1)*	510	440	*(13.8)*	708	550	*(22.2)*
Minority interest	19	19		241	241	*0.0*	368	368	*0.0*
Share of profit	0	(100)	*nm*	0	(130)	*nm*	0	(130)	*nm*
Norm. profit	**2,132**	**1,882**	*(11.8)*	**3,131**	**2,862**	*(8.6)*	**3,823**	**3,498**	*(8.5)*
Extraordinary items	0	0		0	0		0	0	
Net profit	**2,132**	**1,882**	*(11.8)*	**3,131**	**2,862**	*(8.6)*	**3,823**	**3,498**	*(8.5)*
Key statistic and ratio									
Leverage ratios (x)									
Liabilities / equity	0.34	0.38		0.21	0.26		0.23	0.26	
Interest-bearing debt / equity	0.26	0.29		0.12	0.16		0.15	0.17	
Profitability ratio (%)									
Cost of funds	3.50	3.20		4.10	4.10		4.10	4.30	
Cost to income	39.49	46.12		37.35	40.85		38.54	41.15	
Specific data for business									
NPL and NPA purchases (THB m)	8,500	5,500	*(35.3)*	9,775	7,150	*(26.9)*	10,264	7,508	*(26.9)*
NPL and NPA cash collection (THB m)	6,239	5,798	*(7.1)*	7,530	6,725	*(10.7)*	9,736	8,183	*(15.9)*
Cash collection to gross NPLs and NPAs (%)	31	31		29	30		30	31	
Change y-y (%)									
Core profit (y-y %)	52.3	34.4		46.8	52.1		22.1	22.2	
NPL and NPA purchases (y-y %)	(2.2)	(36.7)		15.0	30.0		5.0	5.0	
NPL and NPA cash collection (y-y %)	35.9	26.3		20.7	16.0		29.3	21.7	

Sources: JMT; FSSIA estimates

JMART – earnings and TP revisions

Due to JMT's earnings estimate cuts, and JMART's increased SG&A expense due to the business expansion, we cut our 2022/23 earnings forecasts for JMART by 15%/12% to THB1,499m/THB1,893m. With the company still in the investment phase to expand its ecosystem, we think this should require an initial investment and added expenses for the company. Note that JMT's net profit contribution accounts for almost 60% of JMART's net profit.

Exhibit 6: Changes in key assumptions

	------------------- Current -------------------			------------------- Previous -------------------			------------------ Change ------------------		
	2022E	2023E	2024E	2022E	2023E	2024E	*2022E*	*2023E*	*2024E*
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	*(%)*	*(%)*	*(%)*
Revenue	15,097	17,083	18,889	15,327	17,600	19743	*(1)*	*(3)*	*(4)*
Gross profit	4,663	5,736	6,526	4,970	6,247	7,265	*(6)*	*(8)*	*(10)*
EBIT	3,547	4,651	5,469	3,934	5,058	6,028	*(10)*	*(8)*	*(9)*
Net profit	1,499	1,893	2,259	1,758	2,152	2,618	*(15)*	*(12)*	*(14)*
Margin	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**	***(ppt)***	***(ppt)***	***(ppt)***
Gross profit margin	30.9	33.6	34.5	34.1	38.1	42.1	*(3.2)*	*(4.5)*	*(7.6)*
Net profit margin	9.9	11.1	12.0	12.7	14.4	16.1	*(2.8)*	*(3.3)*	*(4.1)*

Note: Includes share of profits from associates and other income
Source: FSSIA estimates

Moreover, it also accounts for about 67% of JMART's TP. Therefore, the TP cut for JMT from THB92 to THB84 leads us to also cut JMART's TP. Other components include:

1) KB J Capital's valuation cut from THB1.86 to THB1.24 after we reduce its P/E multiple from 30x to 20x due to the weak outlook for personal loans.

2) The added value from BNN to JMART's TP of THB2. This valuation is based on our net profit forecast for BNN of THB320m in 2023, pegged to 30x P/E, which is in line with other listed restaurant chains.

3) The increase in JMART's TP from J based on the market price of THB3.76 as of 17 Nov-22, up from THB3.54.

4) Our valuation cut to J Mobile from THB7.76 to THB7.16 to reflect the higher-than-expected cost of investment and business expansion.

5) Our increase in the holding discount factor from 5% to 10% to reflect the risk from SINGER following the spin-off of its lending business.

As a result, we come up with a new TP for JMART of THB60, down from THB66. Maintain BUY.

Exhibit 7: JMART's SoTP valuation

	% Holding	Valuation methodology	Fair value	Fair value per share	*Contribution to TP*	Note
	(%)		(THB m)	(THB)	*(%)*	
Core business						
J Mobile and others	*100*	P/E = 30x	10,250	7.16	*12*	From THB7.76
Holding company						
JMT	*53*	GGM	63,696	44.51	*67*	FSSIA's TP of THB84 from THB92
SINGER	*25*	GGM	12,363	8.64	*13*	FSSIA's TP of THB59 (unchanged)
KB J Capital	*50*	P/E = 20x	3,554	1.24	*2*	From THB1.86
J	*66*	Market price at THB3.76	2,289	1.60	*2*	From market price at THB3.54
JayDee	*25*	P/E = 30x	740	0.52	*1*	
JGS	*40*	P/E = 30x	264	0.18	*0*	
BNN	*30*	P/E = 30X	2,880	2.01	*3*	
Total investment value			84,005	58.70		
10% holding discount factor			75,605	52.83		Increase from 5%
TP for JMART			**85,962**	**60.00**	*100*	

Sources: JMART; FSSIA estimates

Exhibit 8: JMART NAV discount

(%)

- —— % diff
- ·········· 5Y avg(diff)
- ·········· -1SD
- ·········· +1SD
- ·········· -2SD
- ·········· +2SD
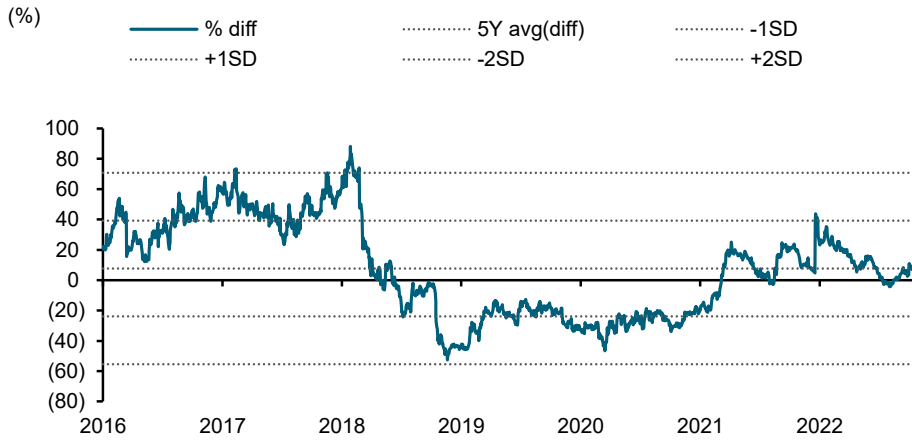
Sources: JMART; FSSIA estimates

Exhibit 9: Rolling one-year forward P/E band

JMART PER (x)

std +2 = 57.2x
std +1 = 50x
1Y-avg = 42.9x
std -1 = 35.7x
std -2 = 28.6x
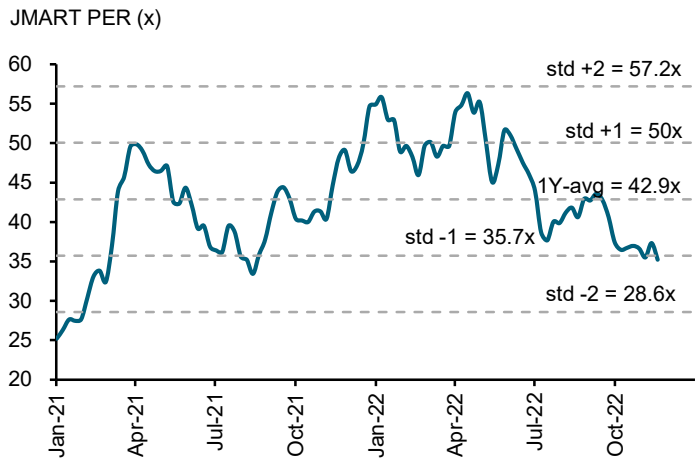
Sources: Bloomberg; FSSIA estimates

Exhibit 10: Rolling one-year forward P/BV band

JMART PBV (x)

std +2 = 4.9x
std +1 = 3.8x
3Y-avg = 2.6x
std -1 = 1.5x
std -2 = 0.3x
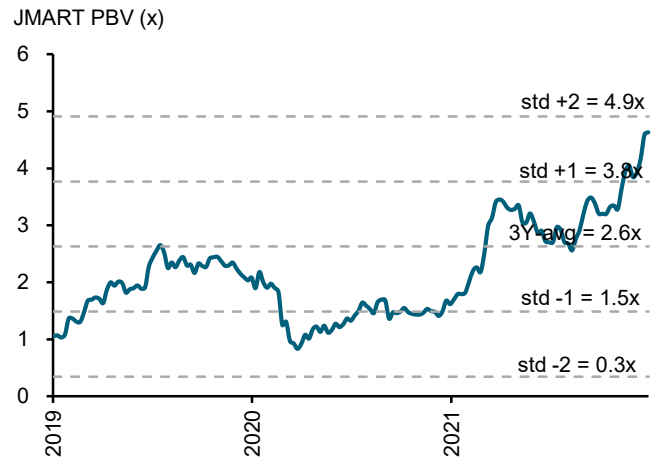
Sources: Bloomberg; FSSIA estimates

3Q22 results review

JMART's core profit in 3Q22 grew slightly by 5% q-q and 14% y-y to THB360m. Note that the company reported a huge extra gain from the fair value adjustment in its investments of THB241m, which pushed the company's reported net profit higher to THB563m.

JMT reported a 3Q22 net profit of THB456m (+30% y-y, +5% q-q). We see four positives in 3Q22: 1) strong cash collection, up 14% y-y and 6% q-q despite high inflation; 2) a lower interest expense y-y and q-q from debenture repayments; 3) the net gain on insurance premiums at THB4m that turned positive from a loss of THB50m in 2Q22 and THB48m in 1Q22 due to the absence of Covid claims; and 4) the high share of profit at THB35m from JK AMC, its JV with Kasikornbank (KBANK TB, BUY, TP THB192), which started operating in 3Q22. Despite being up and running for only one quarter, it was still able to generate a profit of THB70m.

SINGER reported a 3Q22 net profit of THB261m (+58% y-y, -2% q-q).

J Mobile's performance was weaker. Despite a revenue surge to THB3.6b (+62% q-q), its net profit was unchanged at THB86m (+2% q-q). This was due to the higher costs from its new branch expansion.

SG&A for JMART jumped to THB600m (+19% q-q, +41% y-y) in 3Q22 – the highest level in the past three years – which, according to the company, was due to the increased cost from the business expansion and higher marketing expenses.

Exhibit 11: 3Q22 results review

	3Q21	2Q22	3Q22	---------- Change ----------		9M21	9M22	Change	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	**2,579**	**3,271**	**3,436**	**5**	**33**	**8,110**	**10,220**	**26**	**15,097**
Operating costs	(1,698)	(2,199)	(2,340)	6	38	(5,479)	(6,986)	28	(10,435)
Gross profit	**880**	**1,072**	**1,095**	**2**	**24**	**2,631**	**3,233**	**23**	**4,663**
SG&A expenses	(425)	(505)	(600)	19	41	(1,319)	(1,685)	28	(2,068)
EBIT	**456**	**567**	**495**	**(13)**	**9**	**1,312**	**1,548**	**18**	**2,594**
Depreciation & Amortization	148	159	177	11	20	434	494	14	520
EBITDA	**603**	**727**	**672**	**(8)**	**11**	**1,746**	**2,042**	**17**	**3,114**
EBITDA margin (%)	*23*	*22*	*20*	*nm*	*nm*	*22*	*20*	*(1.54)*	*20.6*
Interest expense	(170)	(168)	(156)	(7)	(8)	(512)	(485)	(5)	(805)
Other income	136	146	190	30	39	383	554	45	623
Associates	87	67	94	40	8	221	203	(8)	330
Extra items	(47)	48	253	n/a	n/a	(14)	280	(2,136)	0
Pretax profit	**462**	**661**	**876**	**33**	**90**	**1,390**	**2,101**	**51**	**2,742**
Tax	(37)	(83)	(98)	19	165	(158)	(273)	73	(329)
Tax rate (%)	*(8)*	*(13)*	*(11)*	*nm*	*nm*	*(11)*	*(13)*	*nm*	*(12)*
Minority interests	155	188	214	14	38	397	550	39	914
Net profit	**270**	**389**	**563**	**45**	**109**	**836**	**1,278**	**53**	**1,499**
Core net profit	**317**	**341**	**360**	**5**	**14**	**849**	**998**	**17**	**1,499**
EPS (THB)	0.19	0.28	0.40	45	109	0.60	0.92	53	1.05
Core EPS (THB)	0.23	0.24	0.26	5	14	0.61	0.72	17	1.05

Sources: JMART; FSSIA estimates

Financial Statements

Jay Mart

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	11,204	11,793	15,097	17,083	18,889
Cost of goods sold	(6,946)	(7,515)	(9,915)	(10,858)	(11,892)
Gross profit	**4,258**	**4,278**	**5,183**	**6,225**	**6,997**
Other operating income	510	547	623	635	650
Operating costs	(2,131)	(1,778)	(2,068)	(2,272)	(2,437)
Operating EBITDA	**2,637**	**3,047**	**3,737**	**4,589**	**5,210**
Depreciation	(539)	(592)	(520)	(489)	(471)
Goodwill amortisation	0	0	0	0	-
Operating EBIT	**2,098**	**2,454**	**3,218**	**4,100**	**4,739**
Net financing costs	(635)	(696)	(805)	(799)	(783)
Associates	133	301	330	551	730
Recurring non-operating income	133	301	330	551	730
Non-recurring items	(102)	1,360	0	0	0
Profit before tax	**1,494**	**3,420**	**2,742**	**3,852**	**4,686**
Tax	(200)	(302)	(329)	(539)	(703)
Profit after tax	**1,294**	**3,118**	**2,413**	**3,313**	**3,983**
Minority interests	(496)	(650)	(914)	(1,420)	(1,724)
Preferred dividends	0	0	0	0	-
Other items	0	0	0	0	-
Reported net profit	**798**	**2,468**	**1,499**	**1,893**	**2,259**
Non-recurring items & goodwill (net)	**102**	**(1,360)**	**0**	**0**	**0**
Recurring net profit	**900**	**1,108**	**1,499**	**1,893**	**2,259**
Per share (THB)					
Recurring EPS *	0.98	0.79	1.05	1.31	1.55
Reported EPS	0.87	1.77	1.05	1.31	1.55
DPS	0.69	1.46	0.84	1.05	1.24
Diluted shares (used to calculate per share data)	921	1,395	1,431	1,448	1,459
Growth					
Revenue (%)	(1.2)	5.3	28.0	13.2	10.6
Operating EBITDA (%)	48.4	15.5	22.7	22.8	13.5
Operating EBIT (%)	47.2	17.0	31.1	27.4	15.6
Recurring EPS (%)	76.1	(18.7)	31.9	24.9	18.4
Reported EPS (%)	47.1	104.2	(40.8)	24.9	18.4
Operating performance					
Gross margin inc. depreciation (%)	33.2	31.3	30.9	33.6	34.5
Gross margin of key business (%)	33.2	31.3	30.9	33.6	34.5
Operating EBITDA margin (%)	23.5	25.8	24.8	26.9	27.6
Operating EBIT margin (%)	18.7	20.8	21.3	24.0	25.1
Net margin (%)	8.0	9.4	9.9	11.1	12.0
Effective tax rate (%)	13.4	8.8	12.0	14.0	15.0
Dividend payout on recurring profit (%)	70.6	183.9	80.0	80.0	80.0
Interest cover (X)	3.5	4.0	4.4	5.8	7.0
Inventory days	52.2	52.6	48.1	50.4	50.7
Debtor days	12.7	23.6	27.9	27.3	25.7
Creditor days	26.7	26.8	28.0	28.6	28.0
Operating ROIC (%)	68.1	230.2	113.8	63.4	(15.4)
ROIC (%)	10.7	9.9	10.1	11.6	(3.0)
ROE (%)	25.3	10.5	8.6	10.5	12.1
ROA (%)	8.2	6.5	6.5	7.8	7.0
* Pre-exceptional, pre-goodwill and fully diluted					

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Revenue from contracts with customers	7,343	8,177	10,446	11,251	11,867
Loans	3,374	3,184	4,079	5,173	6,285
Others	487	432	573	659	737

Sources: Jay Mart; FSSIA estimates

Financial Statements
Jay Mart

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	900	1,108	1,499	1,893	2,259
Depreciation	539	592	520	489	471
Associates & minorities	496	650	914	1,420	1,724
Other non-cash items	879	183	(29)	(32)	(37)
Change in working capital	(3,544)	(7,454)	(2,648)	(3,820)	(3,926)
Cash flow from operations	**(730)**	**(4,921)**	**255**	**(49)**	**491**
Capex - maintenance	(116)	(137)	(180)	(180)	(180)
Capex - new investment	(173)	(205)	(270)	(270)	(270)
Net acquisitions & disposals	0	0	0	0	0
Other investments (net)	129	(8,136)	6,945	1,037	342
Cash flow from investing	**(160)**	**(8,478)**	**6,495**	**587**	**(108)**
Dividends paid	(626)	(812)	(1,199)	(1,515)	(1,807)
Equity finance	1,155	17,888	199	219	153
Debt finance	2,517	(1,156)	409	746	0
Other financing cash flows	(1,370)	(1,404)	1,519	1,020	1,021
Cash flow from financing	**1,676**	**14,515**	**928**	**470**	**(633)**
Non-recurring cash flows	-	-	-	-	-
Other adjustments	872	9,482	0	0	0
Net other adjustments	**872**	**9,482**	**(7,454)**	**(1,597)**	**(958)**
Movement in cash	**1,659**	**10,598**	**224**	**(590)**	**(1,209)**
Free cash flow to firm (FCFF)	(254.31)	(12,703.44)	7,555.31	1,336.47	1,166.13
Free cash flow to equity (FCFE)	1,129.97	(6,477.26)	1,224.37	706.20	445.68

Per share (THB)					
FCFF per share	(0.18)	(9.10)	5.41	0.96	0.84
FCFE per share	0.81	(4.64)	0.88	0.51	0.32
Recurring cash flow per share	3.05	1.82	2.03	2.60	3.03

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	1,780	1,938	2,091	2,241	2,391
Less: Accumulated depreciation	(987)	(1,060)	(1,225)	(1,383)	(1,536)
Tangible fixed assets (net)	**793**	**878**	**867**	**858**	**856**
Intangible fixed assets (net)	**1,400**	**1,165**	**1,110**	**1,080**	**1,061**
Long-term financial assets	9,716	16,187	14,447	17,083	19,928
Invest. in associates & subsidiaries	1,268	5,091	5,600	6,160	6,776
Cash & equivalents	2,547	13,145	13,369	12,779	11,571
A/C receivable	463	1,065	1,241	1,310	1,345
Inventories	979	1,186	1,429	1,566	1,736
Other current assets	4,831	2,578	6,807	7,776	8,822
Current assets	**8,821**	**17,974**	**22,846**	**23,432**	**23,474**
Other assets	3,902	3,984	4,112	4,244	4,381
Total assets	**25,901**	**45,278**	**48,982**	**52,858**	**56,475**
Common equity	3,739	17,264	17,763	18,360	18,965
Minorities etc.	3,027	9,558	11,972	14,392	17,116
Total shareholders' equity	**6,766**	**26,823**	**29,735**	**32,752**	**36,081**
Long term debt	8,038	8,765	7,905	8,300	8,300
Other long-term liabilities	1,550	1,602	1,672	1,715	1,760
Long-term liabilities	**9,588**	**10,367**	**9,577**	**10,014**	**10,060**
A/C payable	830	1,388	1,616	1,639	1,819
Short term debt	4,362	2,207	4,027	4,228	4,228
Other current liabilities	4,355	4,495	4,027	4,223	4,287
Current liabilities	**9,547**	**8,089**	**9,670**	**10,091**	**10,335**
Total liabilities and shareholders' equity	**25,901**	**45,278**	**48,982**	**52,858**	**56,475**
Net working capital	1,088	(1,053)	3,834	4,791	5,797
Invested capital	18,169	26,251	29,970	34,216	38,798
* Includes convertibles and preferred stock which is being treated as debt					

Per share (THB)					
Book value per share	4.06	12.37	12.41	12.68	13.00
Tangible book value per share	2.54	11.54	11.64	11.94	12.27
Financial strength					
Net debt/equity (%)	145.6	(8.1)	(4.8)	(0.8)	2.7
Net debt/total assets (%)	38.0	(4.8)	(2.9)	(0.5)	1.7
Current ratio (x)	0.9	2.2	2.4	2.3	2.3
CF interest cover (x)	3.1	(8.0)	2.9	2.2	1.9

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	**46.3**	**57.0**	**43.2**	**34.6**	**29.2**
Recurring P/E @ target price (x) *	**61.4**	**75.6**	**57.3**	**45.9**	**38.8**
Reported P/E (x)	52.3	25.6	43.2	34.6	29.2
Dividend yield (%)	1.5	3.2	1.9	2.3	2.7
Price/book (x)	11.2	3.7	3.6	3.6	3.5
Price/tangible book (x)	17.8	3.9	3.9	3.8	3.7
EV/EBITDA (x) **	20.7	23.1	20.1	17.4	16.1
EV/EBITDA @ target price (x) **	25.8	29.9	25.8	22.0	20.3
EV/invested capital (x)	3.0	2.7	2.5	2.3	2.2
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Jay Mart; 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	PSH	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
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIIK
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	TPIPP	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	
AMANAH	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	WIIK	
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 th e 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

### Naruedom Mujjalinkool 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**

Jay Mart (JMART TB)
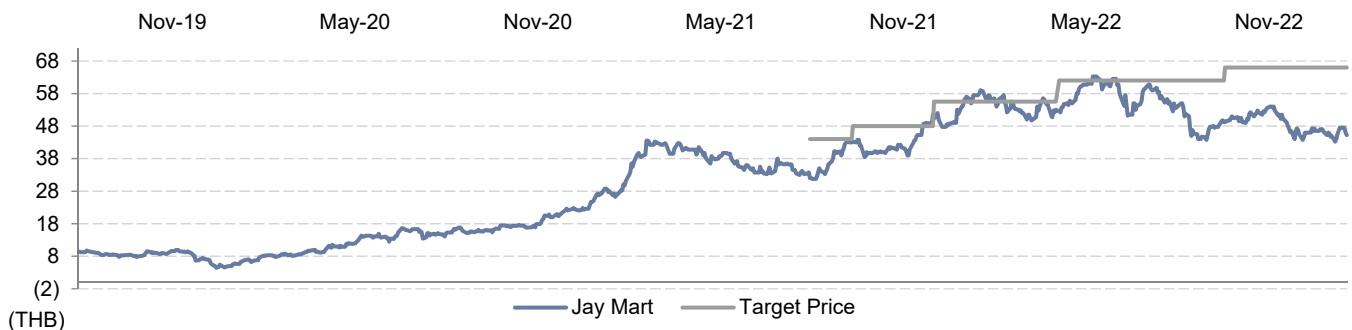
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Aug-2021	BUY	44.00	25-Nov-2021	BUY	55.50	03-Aug-2022	BUY	66.00
16-Sep-2021	BUY	48.00	11-Mar-2022	BUY	62.00			

Naruedom Mujjalinkool started covering this stock from 10-Aug-2021

Price and TP are in local currency

Source: FSSIA estimates

JMT Network Services (JMT TB)
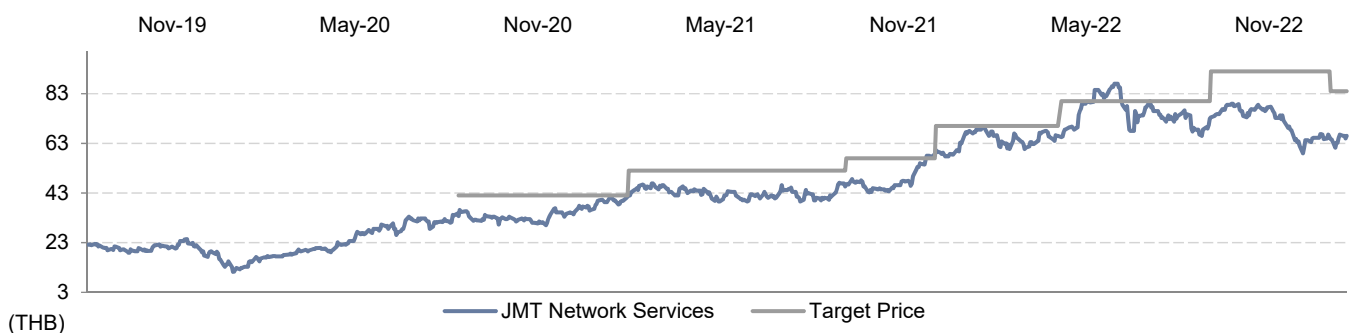
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
05-Oct-2020	BUY	42.00	24-Nov-2021	BUY	70.00	02-Nov-2022	BUY	84.00
02-Mar-2021	BUY	52.00	11-Mar-2022	BUY	80.00			
07-Sep-2021	BUY	57.00	21-Jul-2022	BUY	92.00			

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

Price and TP are in local currency

Source: FSSIA estimates

Singer Thailand (SINGER TB)
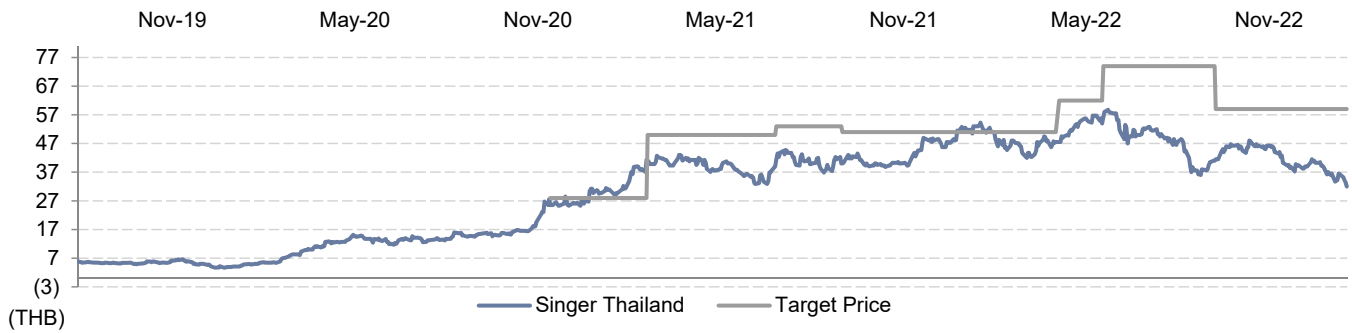
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Dec-2020	HOLD	28.00	07-Sep-2021	BUY	51.00	26-Jul-2022	BUY	59.00
23-Mar-2021	BUY	50.00	11-Mar-2022	BUY	62.00			
12-Jul-2021	BUY	53.00	20-Apr-2022	BUY	74.00			

Rawisara Suwanumphai started covering this stock from 29-Dec-2020

Price and TP are in local currency

Source: FSSIA estimates

Kasikornbank (KBANK TB)
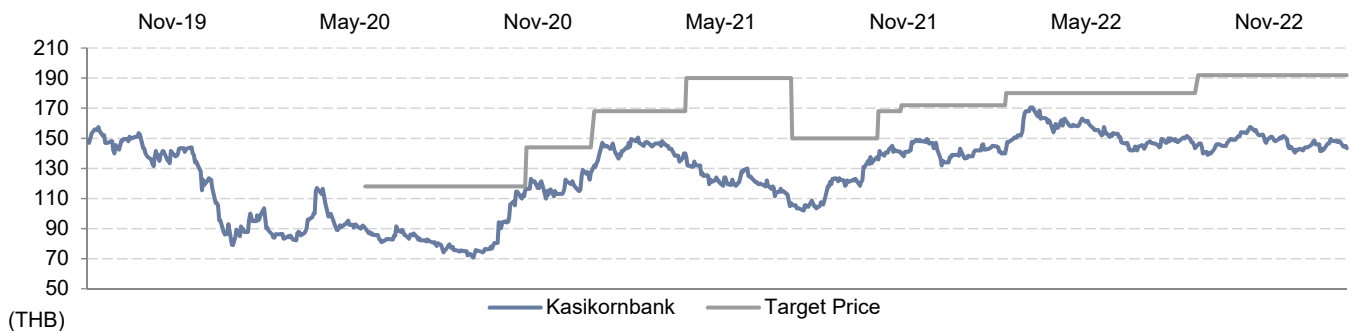
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
16-Jul-2020	BUY	118.00	21-Apr-2021	BUY	190.00	25-Oct-2021	BUY	172.00
03-Dec-2020	BUY	144.00	22-Jul-2021	BUY	150.00	24-Jan-2022	BUY	180.00
29-Jan-2021	BUY	168.00	05-Oct-2021	BUY	168.00	08-Jul-2022	BUY	192.00

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
Jay Mart	JMART TB	THB 45.25	BUY	Downside risks to our SoTP-based TP include 1) lower-than-expected mobile revenue; 2) lower cash collection from its fully amortised portfolio; and 3) the lower-than-expected acquisition of new bad debt.
JMT Network Services	JMT TB	THB 66.00	BUY	Downside risks to our GGM-based TP include 1) lower cash collection from its fully amortised portfolio; and 2) the lower-than-expected acquisition of new bad debt.
Singer Thailand	SINGER TB	THB 32.00	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.
Kasikornbank	KBANK TB	THB 143.50	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

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.