

Muangthai Capital

(MTC.BK/MTC.TB)*

Underperform Downgrade

Price as of 18 Sep 2023	39.00
12M target price (Bt/shr)	38.50
Unchanged/Revised up(down)(%)	6.9
Upside/downside (%)	(1.3)

Key messages

เราคิดว่าอัตราการขยายตัวของเศรษฐกิจที่อ่อนแอลงจะจำกัดการเติบโตของกำไรในงวด 2H66 เพราะบริษัทจะมีต้นทุนมากขึ้นในการจัดการกับหนี้เสีย ทั้งนี้ เนื่องจากกำไรในงวด 1H66 คิดเป็น 47% ของประมาณการกำไรเต็มปีของเรา ดังนั้นเราจึงปรับลดประมาณการกำไรปี 2566F/2567F 5%/4% นอกจากนี้ สัดส่วน D/E ที่ตั้งจะจำกัดโอกาสในการเติบโต ดังนั้น เราจึงใช้ PE ในช่วงขอบล่างที่ 15x ของประมาณการกำไรปี 2567F ทำให้ได้ราคาเป้าหมายใหม่ที่ 38.50 บาท (จากเดิมที่ 36 บาท)

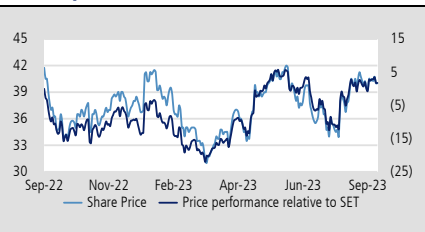
Trading data

Mkt cap (Btmn/US\$m)	82,680/2,329
Outstanding shares (mn)	2,120
Foreign ownership (mn)	n.a.
3M avg. daily trading (mn)	9.29
52-week trading range (Bt)	31.0/42.0
Performance (%)	3M 6M 12M
Absolute	-1.9 16.5 -7.7
Relative	-1.2 20.9 -1.4

Quarterly EPS

	1Q	2Q	3Q	4Q
2021	0.65	0.60	0.57	0.52
2022	0.65	0.65	0.57	0.53
2023	0.62	0.57		

Share price chart



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เหลือส่วนเพื่อความปลอดภัย (margin of safety) ต่ำ

Event

อัปเดตแนวโน้มบริษัท, ปรับลดประมาณการกำไร และปรับลดคำแนะนำเป็นขาย

Impact

น่าจะใช้เวลานานขึ้นกว่าที่ NPL จะขึ้นไปถึงจุดสูงสุด

ดัชนีเศรษฐกิจมหภาคที่อ่อนแอลงบ่งชี้ว่าความสามารถในการชำระหนี้ของลูกหนี้ยังคงแยกลงไปอีก โดยลูกหนี้ระดับล่างน่าจะเผชิญสถานะที่ยากลำบากยิ่งกว่ากลุ่มอื่น ๆ ซึ่งภาวะตลาดเช่นนี้น่าจะทำให้ NPL ยังสูงต่อเนื่องใน 2H66F และทำให้ใช้เวลานานขึ้นกว่า NPL จะถึงจุดสูงสุด โดยคาดว่าจะเลื่อนจาก 3Q66 เป็น 4Q66 ทั้งนี้ ในฐานะที่ MTC เป็นผู้ลงรายใหญ่ที่สุดในกลุ่มสินเชื่อจำนำทะเบียน สถานการณ์นี้จะเมแรงกดดันให้ MTC ยังคงต้องกำหนด credit cost เพิ่มขึ้นไปในช่วงที่เหลือของปีนี้

คชจ.สำรองฯ (credit cost) จะเพิ่มขึ้นใน 2H66

MTC ใช้ความพยายามอย่างหนักที่จะรักษาสัดส่วน NPL ให้ได้ตามเป้าที่ <3.5% โดยกำหนด credit cost ที่ 3.1%, ให้แรงจูงใจพิเศษกับพนักงานในการติดตามหนี้ผิดนัดชำระ, และคิดหนี้สูญ(write-off) หนี้เสียก่อนใหญ่ไปถึงประมาณ 1.6 พันล้านบาทในงวด 1H66 (จากประมาณ 1.6 พันล้านบาทในปี 2565) ทั้งนี้ ภาวะเศรษฐกิจอ่อนแอลงทำให้บริษัทต้องเพิ่มความพยายามมากขึ้น และมีต้นทุนมากขึ้นในการจัดการกับหนี้เสียตลอด 2H66F ดังนั้น เราจึงปรับเพิ่มสมมติฐานต้นทุนพนักงานขึ้นอีก 4% เพื่อสะท้อนถึงแรงจูงใจพิเศษในการติดตามหนี้ แต่ยังคงสมมติฐาน credit cost ปี 2566/2567 เอาไว้เท่าเดิมที่ 3.8%/3.25%

งบดุลที่ตั้งจำกัดโอกาสการเติบโตในระยะยาว

ในขณะที่ NPL กำลังเพิ่มขึ้น MTC มีส่วนรองรับหนี้เสียต่ำ โดยสัดส่วน NPL coverage อยู่ที่ 105% (สัดส่วนที่ MTC สบายใจอยู่ที่ >100%) เรามองว่าขาขึ้นของ NPL รอบนี้จะเป็นปัญหาเชิงโครงสร้างและน่าจะกินเวลานานพอสมควร เพราะกระแส NPL เกิดใหม่มาจากการขายสินเชื่อเชิงรุก และใช้สัดส่วน LTV เชิงรุกมากขึ้นในช่วงระหว่างและหลัง COVID ระบาด นอกจากนี้ ฐานเงินทุนที่ตั้งโดยมีสัดส่วน D/E อยู่ที่ 3.7x จะทำให้บริษัทใช้นโยบายขายสินเชื่อเชิงรุกได้อย่างจำกัดในอนาคต ซึ่งจากสัดส่วน D/E ที่ 4.0x และอัตราการจ่ายเงินปันผล (payout ratio) ที่ 15% จะทำให้บริษัทขายพอร์ตสินเชื่อได้ประมาณปีละ 20%

ปรับลดการกำไรปี 2566F/2567F ลง 5%/3% และขยับไปใช้ราคาเป้าหมายปี 2567F ที่ 38.50 บาท

เราใช้สมมติฐานว่าอัตราการขยายตัวของ GDP ที่อ่อนแอลงจะทำให้กระแส NPL เกิดใหม่เพิ่มขึ้น และ NPL จะถึงจุดสูงสุดช้าลง จาก 3Q66 เป็น 4Q66 ซึ่งจะบีบให้บริษัทต้องกำหนด credit cost สูงขึ้นเพื่อล้างหนี้เสีย และรักษาสัดส่วน NPL เอาไว้ที่ <3.5% และยังคงต้องเพิ่มแรงจูงใจให้พนักงานในการติดตามหนี้ผิดนัดชำระ เราปรับลดประมาณการกำไรลงเพื่อสะท้อนถึงค่าใช้จ่ายในการดำเนินงาน (opex) ที่คาดว่าจะเพิ่มขึ้น 3% และการปรับลดสมมติฐาน yield สินเชื่อปี 2566F/2567F ลงเหลือ 18.8%/18.8% (จากเดิมปีละ 19%) เราขยับไปใช้ราคาเป้าหมายใหม่โดยอิงจาก PE ปี 2567 ที่ 15x ทำให้ได้ราคาเป้าหมายใหม่ที่ 38.50 บาท (จากเดิมที่ 36 บาท) แต่ปรับลดคำแนะนำจากถือเป็นขาย

Risks

NPL และ credit cost เพิ่มขึ้น.

Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Pre-pro. profit (Bt mn)	6,808	6,949	9,187	10,908	12,429	14,297
Pretax profit (Bt mn)	6,516	6,201	6,360	5,596	6,698	8,337
Net income (Bt mn)	5,214	4,945	5,093	4,477	5,358	6,670
EPS (Bt)	2.46	2.33	2.40	2.11	2.53	3.15
DPS	0.37	0.37	0.95	0.63	0.38	0.47
EPS Growth (%)	23.0	(5.2)	3.0	(12.1)	19.7	24.5
Dividend Yield (%)	0.6	0.7	2.8	1.6	1.0	1.2
P/E (x)	24.4	22.3	14.2	18.5	15.4	12.4
P/BV (x)	6.2	4.4	2.5	2.3	2.1	1.8
ROAA (%)	7.5	5.6	4.5	3.2	3.3	3.5
ROAE (%)	28.4	21.7	18.8	14.5	15.7	17.8

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGI <GO> Please see back page for disclaimer

Figure 1: MTC's quarterly earnings

Bt mn	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	% chg		1H22	1H23	% chg
											QoQ	YoY			
Income Statement (Bt mn)															
Interest income	3,585	3,684	3,844	4,082	4,285	4,617	4,959	5,338	5,397	5,754	6.6	24.6	8,902	11,044	24.1
Interest expense	477	507	557	587	604	663	737	810	848	909	7.2	37.1	1,266	1,755	38.6
Interest income - net	3,108	3,177	3,287	3,495	3,682	3,955	4,222	4,528	4,549	4,845	6.5	22.5	7,636	9,288	21.6
Operating expense	1,502	1,657	1,780	2,023	1,963	1,946	2,008	2,152	2,352	2,463	4.7	26.5	3,909	4,802	22.8
Operating profit	1,607	1,520	1,507	1,473	1,719	2,008	2,214	2,376	2,197	2,382	8.4	18.6	3,727	4,486	20.4
Provisioning expense	166	138	193	231	149	481	994	1,203	1,066	1,200	12.6	149.7	629	2,166	244.0
Loss on selling asset															
Other income	272	212	188	151	163	208	226	273	233	287	23.1	38.4	370	468	26.5
PPOP	1,879	1,732	1,694	1,624	1,881	2,216	2,440	2,649	2,431	2,669	9.8	20.5	4,097	5,100	24.5
Pre-tax profit	1,713	1,594	1,501	1,393	1,732	1,735	1,446	1,446	1,365	1,469	7.7	(15.3)	3,468	2,834	(18.3)
Income tax	360	325	304	268	357	355	312	243	295	269	(8.7)	(24.1)	712	564	(20.7)
Net profit	1,374	1,270	1,201	1,101	1,376	1,381	1,205	1,132	1,070	1,200	12.2	(13.1)	2,756	2,270	(17.6)
EPS (Bt)	0.65	0.60	0.57	0.52	0.65	0.65	0.57	0.53	0.50	0.57	12.2	(13.1)	1.30	1.07	(17.6)
Profitability (%)															
Loan yield	19.8%	19.1%	18.8%	18.6%	18.5%	18.2%	18.2%	18.6%	17.9%	18.0%					
Loan yield + fee	21.3%	20.1%	19.7%	19.2%	19.1%	18.9%	19.0%	19.4%	18.7%	18.8%					
Cost of funds	3.8%	3.7%	3.8%	3.8%	3.6%	3.6%	3.7%	3.9%	3.9%	3.8%					
Loan spread	17.5%	16.4%	15.8%	15.5%	15.5%	15.3%	15.3%	15.6%	14.8%	15.0%					
Cost-to-income ratio	44.4%	48.9%	51.2%	55.5%	51.1%	46.8%	45.1%	44.8%	49.2%	48.0%					
Effective tax rate	20.8%	20.4%	20.2%	19.6%	20.6%	20.4%	20.5%	17.7%	21.6%	18.3%					
ROAA	6.9%	5.9%	5.2%	4.5%	5.2%	4.8%	3.9%	3.5%	3.2%	3.5%					
ROAE	24.9%	22.5%	20.2%	17.7%	21.0%	20.6%	17.2%	15.5%	15.5%	16.3%					
D/E (x)	2.53	2.77	2.87	2.87	2.95	3.21	3.40	3.40	3.34	3.69					
Branch	5,005	5,284	5,665	5,799	6,161	6,475	6,547	6,668	6,962	7,260					
New branch	121	279	381	134	362	314	72	121	294	298					
Loan (Bt bn)	73.55	79.83	84.95	91.81	98.61	107.40	114.59	120.61	125.74	132.85	5.7	23.7			

Source: KGI Securities Research

Figure 2: MTC's quarterly asset quality

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	QoQ	YoY
Asset quality												
NPL (Bt mn)	708	880	980	1,276	1,630	2,104	2,611	3,507	3,992	4,467	11.9	112.3
NPL ratio (%)	0.98	1.14	1.15	1.39	1.65	1.96	2.28	2.92	3.19	3.38		
LLR/Loan (%)	1.81	1.84	1.93	2.04	1.83	1.87	2.28	2.88	3.09	3.32		
Credit cost (bps)	92	71	91	101	69	179	347	392	303	306		
NPL coverage (%)	185	162	161	144	113	96	102	105	105	105		
Title loan and P-Loan												
Stage 1	67,861	72,188	76,349	81,837	85,347	91,520	97,301	100,769	105,207	111,632		
Stage 2	3,736	4,242	4,423	4,578	6,185	8,242	9,250	11,110	11,549	11,988		
Stage 3	708	880	980	1,187	1,357	1,753	2,213	3,098	3,520	4,002		
Total	72,304	77,310	81,751	87,602	92,889	101,515	108,765	114,977	120,277	127,622		
LLR												
Stage 1	(632)	(584)	(657)	(709)	(541)	(484)	(627)	(704)	(803)	(923)		
Stage 2	(287)	(296)	(338)	(349)	(321)	(345)	(436)	(581)	(746)	(814)		
Stage 3	(388)	(541)	(583)	(729)	(842)	(1,069)	(1,421)	(2,022)	(2,168)	(2,505)		
Total	(1,308)	(1,421)	(1,578)	(1,788)	(1,704)	(1,898)	(2,483)	(3,307)	(3,716)	(4,242)		
% of loan	-1.8%	-1.8%	-1.9%	-2.0%	-1.8%	-1.9%	-2.3%	-2.9%	-3.1%	-3.3%		
H/P loan (motorcycle)												
Stage 1	1,232	2,432	3,118	3,777	4,889	4,745	4,531	4,328	4,162	3,949		
Stage 2	9	86	65	345	563	790	893	900	834	812		
Stage 3	1	3	17	89	272	352	398	408.9	471	468		
Total	1,241	2,521	3,200	4,210	5,724	5,887	5,821	5,636	5,467	5,229		
LLR												
Stage 1	(6)	(13)	(15)	(20)	n.a.	(33)	(42)	(63)	(73)	(67)		
Stage 2	(0)	(2)	(2)	(11)	n.a.	(32)	(50)	(101)	(128)	(127)		
Stage 3	(0)	(0)	(3)	(13)	n.a.	(62)	(96)	(215)	(274)	(165)		
Total	(6)	(16)	(20)	(44)	(135.6)	(127.0)	(187.7)	(378.8)	(474.9)	(359.0)		

Source: KGI Securities Research

Figure3: Key assumptions

	2020	2021	2022	2023F	2024F	2025F
No. of branch	4,884	5,799	6,668	7,268	7,868	8,468
New branch	777	915	869	600	600	600
Loan growth (%)	17.2	24.1	31.2	20.0	20.0	20.0
Loan outstanding (Bt mn)	70,607	87,602	114,977	137,972	165,567	198,680
LLR (Bt mn)	1,326	1,788	3,307	3,880	4,476	4,953
Loan - net (Bt mn)	69,281	85,815	111,670	134,092	161,091	193,727
Loan overdue >3M	747	1,276	3,507	4,829	5,381	5,960
% to total loan	1.1	1.5	3.0	3.5	3.3	3.0
Credit cost (bps)	40	87	250	385	325	304
NPL coverage	177	140	94	80	83	83
LLR/Loan	1.88	2.04	2.88	2.81	2.70	2.49
Loan yield (%)	21.3	19.2	19.0	18.8	18.7	18.6
Loan yield (+ other incomes) (%)	22.4	20.2	19.7	19.4	19.2	19.1
Cost of fund (%)	3.82	3.57	3.50	4.20	4.30	4.30
Loan spread (%)	17.5	15.6	15.5	14.6	14.4	14.3
Loan spread (+fee income) (%)	18.6	16.6	16.2	15.2	14.9	14.8
Other income/rev (%)	0.3	0.3	0.4	0.2	0.2	0.2
Cost/income ratio	41.8	43.6	40.4	39.0	38.5	38.8
D/E (x)	2.46	2.74	3.40	3.77	4.10	4.40
Leverage ratio (asset/equity) (x)	3.73	3.96	4.40	4.60	4.92	5.28
Cost to income ratio (%)	41.8	43.6	40.4	39.0	38.5	38.8
Effective tax rate (%)	20.0	20.3	19.9	20.0	20.0	20.0
ROA (%)	7.5	5.6	4.5	3.2	3.3	3.5
ROE (%)	28.4	21.7	18.8	14.5	15.7	17.8

Source: KGI Securities Research

Figure 4: Peer comparison

	TP-24F Rating	Mkt Bt	Mkt price	Upside %	Mkt cap (Bt bn)	Target PE (x)	EPS (Bt)			EPS growth			PE (x)			PBV (x)			Div. yield		ROE (%)		
							22	23F	24F	22	23F	24F	22	23F	24F	22	23F	24F	22	23F	22	23F	24F
Non-Bank																							
AEONTS*	N	192.0	161.5	18.9	45.3	10.6	15.3	18.6	19.4	7.4	21.6	4.7	10.6	8.7	8.3	2.2	1.8	1.6	3.0	2.9	17.9	18.8	17.2
HENG	U	2.24	2.5	(10.4)	9.5	17.5	0.1	0.1	0.2	30.3	8.8	21.4	20.7	19.0	15.6	2.1	1.7	1.6	2.3	2.8	9.2	10.2	11.1
KTC*	OP	64.0	47.0	36.2	121	21.0	2.7	3.0	3.3	18.9	9.7	9.0	17.2	15.7	14.4	3.1	2.9	2.6	1.9	2.2	24.2	23.3	23.3
MTC*	U	38.5	39.0	(1.3)	82.7	18.2	2.4	2.1	2.5	3.0	(12.1)	19.7	16.2	18.5	15.4	2.7	2.6	2.4	0.9	0.9	18.8	14.5	15.7
SAK	U	5.6	4.9	13.8	10.3	16.0	0.3	0.3	0.4	17.2	2.5	17.8	14.5	14.1	12.0	1.9	1.8	1.7	2.2	4.0	13.9	13.2	14.5
SAWAD*	OP	63.0	46.0	37.0	63.2	16.2	3.3	3.9	4.8	(5.8)	19.9	22.7	14.1	11.8	9.6	2.2	2.1	1.8	3.9	3.8	19.2	19.5	20.8
SINGER*	U	14.2	13.9	2.2	5.7	27.3	1.0	0.5	1.0	14.2	(48.0)	98.1	13.9	26.7	13.5	0.8	0.7	0.7	1.8	1.9	5.8	8.0	9.1
TIDLOR*	OP	27.0	21.5	25.6	53.7	16.7	1.5	1.6	1.8	6.7	9.6	13.3	14.8	13.5	11.9	2.2	2.0	1.8	n.a.	1.9	15.2	14.7	15.3

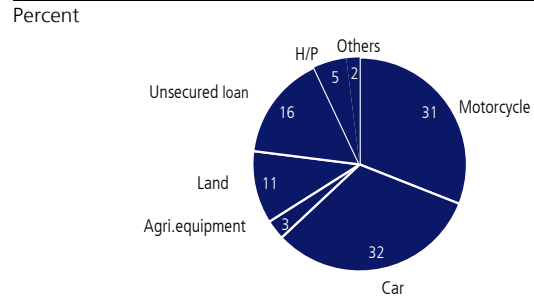
Source: KGI Securities Research

Figure 5: Company profile

Muang Thai Capital (MTC) has been providing lending services since 1992 with a focus on motorcycle title loans, which it leads the market in. In addition, to meet customer needs, the company has expanded to other loans such as car title loans, personal loans, agricultural vehicle title loans, nano finance and land title loans. Moreover, the company provides the act to facilitate for its customers.

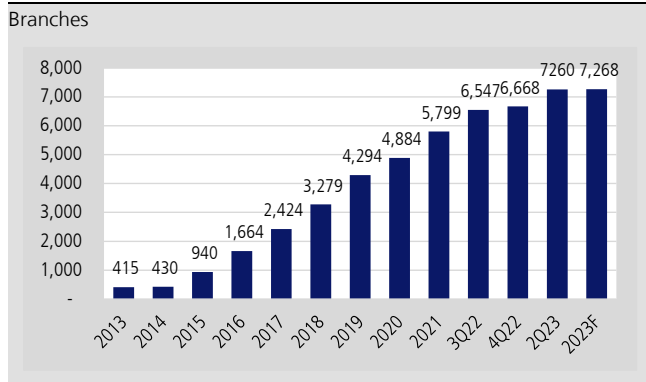
Source: Company data

Figure 6: Loan breakdown



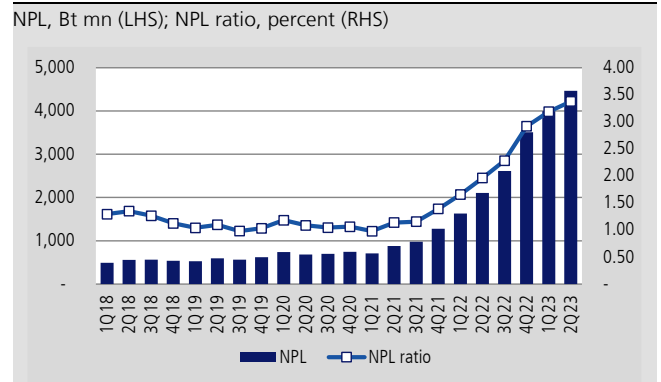
Source: Company data, KGI Securities Research

Figure 7: Branch network contribution



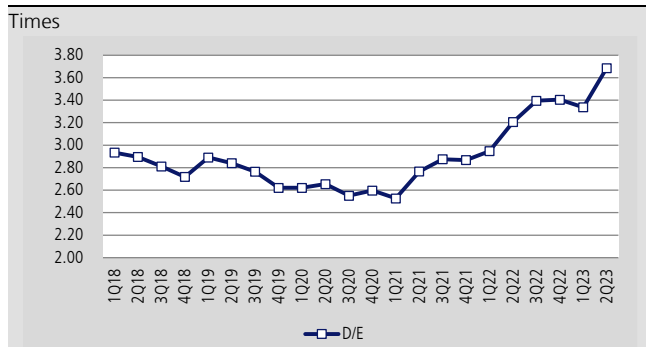
Source: Company data, KGI Securities Research

Figure 8: Gross NPL and NPL ratio



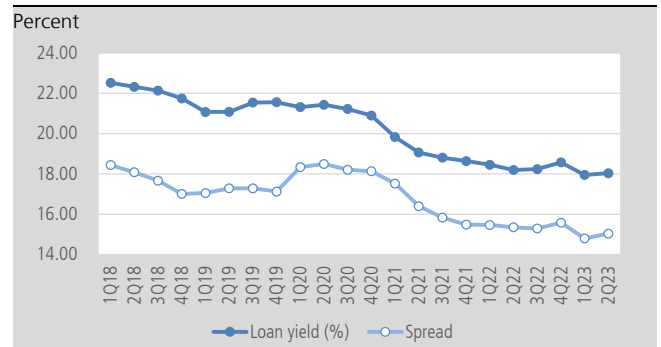
Source: Company data, KGI Securities Research

Figure 9: D/E



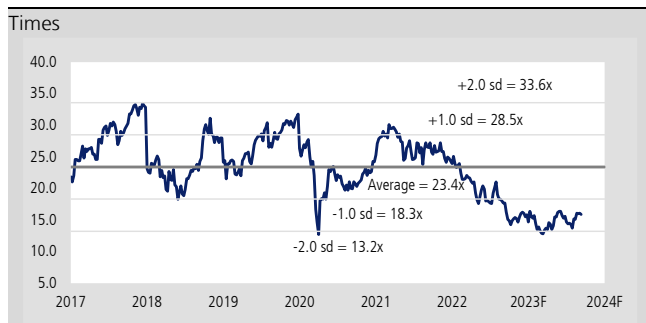
Source: Company data, KGI Securities Research

Figure 10: Loan yield and margin



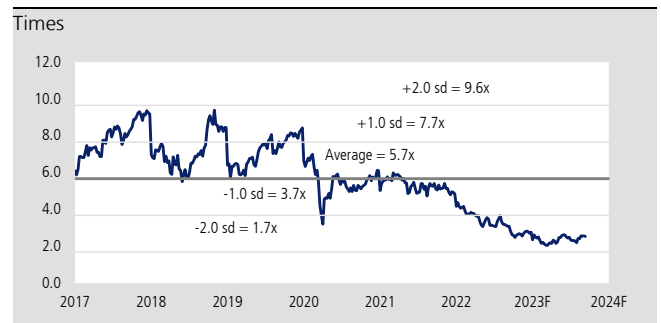
Source: Company data, KGI Securities Research

Figure 11: PE



Source: KGI Securities Research

Figure 12: PBV



Source: KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
Total Assets	98,390	128,066	149,630	175,370	208,842
Cash	1,306	3,213	300	300	300
Loans & Acc. Int - net	46,917	60,165	92,701	111,421	134,123
Total current asset	49,884	63,802	93,581	112,447	135,333
Loan -net (>1yr)	38,897	56,763	45,272	52,946	63,057
PP&E	2,054	2,037	2,139	2,489	2,839
Others	7,555	5,464	8,638	7,487	7,613
Total Liabilities	73,521	98,976	117,086	139,745	167,097
S-T loan	14,356	15,379	27,817	33,380	40,057
L-T loans	41,664	63,425	81,422	98,470	116,810
Others	17,501	20,171	7,847	7,894	10,230
Shareholders' Equity	24,869	29,214	32,546	35,625	39,519
Common Stock	2,120	2,120	2,120	2,120	2,120
Capital Surplus	2,380	2,380	2,380	2,380	2,380
Retained Earnings	212	212	110	120	130
Supplementary					
NPLs	1,276	3,507	4,829	5,381	5,960
% to loan	1.4%	2.9%	3.5%	3.3%	3.0%
NPL coverage	140	94	80	83	83

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
Interest income	15,195	19,199	23,750	28,382	33,930
Interest expense	2,127	2,813	4,082	5,063	6,716
Interest income - net	13,068	16,386	19,668	23,319	27,215
Operating expense	6,961	8,069	9,555	11,685	13,777
Operating profit	6,106	8,317	10,113	11,634	13,437
Other income	824	869	800	810	875
LLP	728	2,827	5,312	5,731	5,960
Pre-tax profit	6,201	6,360	5,596	6,698	8,337
Income tax	1,257	1,267	1,119	1,340	1,667
Net profit	4,945	5,093	4,477	5,358	6,670
EPS (Bt)	2.33	2.40	2.11	2.53	3.15

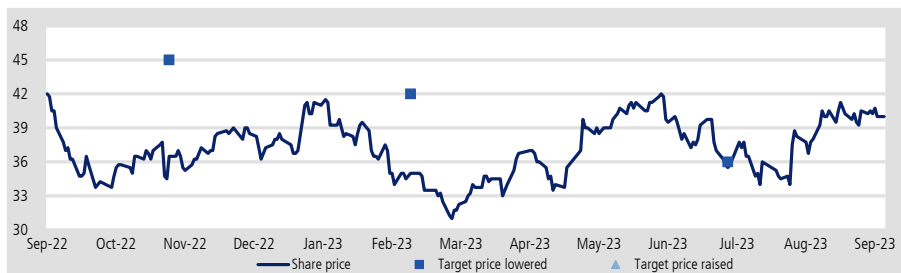
Source: KGI Securities Research

Key ratios

Year to 31 Dec	2021	2022	2023F	2024F	2025F
Growth (YoY %)					
Loans and Accrued Int.	23.9	36.3	18.0	19.1	20.0
Borrowing fund	37.3	40.7	38.6	20.7	19.0
Total Assets	27.4	30.2	16.8	17.2	19.1
Total Equity	20.2	17.5	11.4	9.5	10.9
Growth (YoY %)					
Net Interest Income	7.6	25.4	20.0	18.6	16.7
Total revenue	8.7	25.3	22.3	18.9	19.2
Loan Loss Provision	186	288	88	8	4
Operating expense	13.3	15.9	18.4	22.3	17.9
Operating profit	1.8	36.2	21.6	15.0	15.5
Net Profit	(5.2)	3.0	(12.1)	19.7	24.5
EPS	(5.2)	3.0	(12.1)	19.7	24.5
Profitability (%)					
Yield on loans	19.21	18.95	18.78	18.70	18.63
Cost of Funds	3.57	3.50	4.20	4.30	4.30
Net Interest Margin	16.61	16.24	15.17	14.93	14.80
Cost/OP Income Ratio	43.6	40.4	39.0	38.5	38.8
ROAA	5.6	4.5	3.2	3.3	3.5
ROAE	21.7	18.8	14.5	15.7	17.8
Asset/equity (x)	4.0	4.4	4.6	4.9	5.3
D/E (x)	2.5	2.7	3.4	3.8	4.1
Asset Quality (%)					
NPLs Ratio	1.4%	2.9%	3.5%	3.3%	3.0%
NPL Coverage Ratio	140	94	80	83	83
LLR/Loans Ratio	2.0%	2.9%	2.8%	2.7%	2.5%
EPS (fully diluted)	2.33	2.40	2.11	2.53	3.15
DPS	0.37	0.95	0.63	0.38	0.47
BVPS	11.7	13.8	16.8	18.6	22.1

Source: KGI Securities Research

Muangthai Capital - Recommendation & target price history



Date	Rating	Target	Price
12-Jul-23	Neutral	36.00	35.50
28-Mar-23	Outperform	42.00	34.75
24-Feb-23	Neutral	42.00	35.00
11-Nov-22	Neutral	45.00	36.50
2-Nov-22	Outperform	53.00	36.75

Source: KGI Securities Research

Corporate Governance Report of Thai Listed Companies

Companies with Excellent CG Scoring					
Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORN BANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B. GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	

Companies with Very Good CG Scoring					
Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		

Companies with Good CG Scoring					
Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups					
Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORNBANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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KGI's Ratings

Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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