

# Muang Thai Capital

(MTC.BK/MTC TB)\*

## Outperform Maintained

Price as of 2 Oct 2018	48.75
12M target price (Bt/shr)	58.50
Unchanged/Revised up(down)(%)	16.0
Upside/downside (%)	20.0

### Key messages

We believe regulatory reform will benefit MTC the most as i) it allows a higher maximum interest rate of 28% (vs. 23% currently) to be charged, ii) it will unlock regulation risk, iii) no operation hiccup in changing platform, iv) it will be able to operate business straightforward and not need to operate using regulatory loopholes. We our raise 2018/2019 earnings forecasts by 4%/6% and .as regulatory concerns have been lifted, we re-rate PE to 26x (from 24x), which implies PEG of 0.7x. We rate the counter Outperform with a target price of Bt58.50.

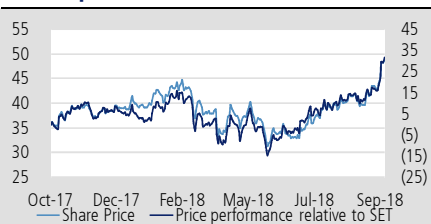
### Trading data

Mkt cap (Btbn/US\$m)	103.3/3,113		
Outstanding shares (mn)	2,120		
Foreign ownership (mn)	139		
3M avg. daily trading (mn)	6.7		
52-week trading range (Bt)	31.25/48.75		
Performance (%)	3M	6M	12M
Absolute	39.3	40.3	32.7
Relative	29.8	39.6	28.3

### Quarterly EPS

	1Q	2Q	3Q	4Q
2016	0.13	0.14	0.19	0.23
2017	0.25	0.27	0.31	0.35
2018	0.39	0.43		

### Share price chart



Source: SET

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## The winner in the game

### Event

Analyst meeting.

### Impact

#### Win-win from regulatory reform

The preliminary regulatory reform implies a win-win solution for regulators and non-bank companies. Title loans (personal loans pledged by cars and motorcycles) will be operated under a personal loan license and would allow the company to charge a maximum interest rate of 28% (vs. 15%++ currently), while being supervised by the Bank of Thailand (BoT). MTC's next step will be to apply for a personal loan license and then go back to operate business using single legal lending contract/one customer (vs. two legal lending contracts currently). Only land pledged personal loans will operate under the two lending contracts/one customer for yield enhancement. In this typical business, borrowers are required to apply two legal contracts; Nano Financing (max. rate charge 36%) and personal loan contract (max. rate charge 28%).

#### Unlocks regulatory risk

MTC would benefit the most from the regulatory reform as i) it is allowed to charge a higher maximum rate of 28% (vs. its current all-in rate of 23%), ii) unlocks the regulation risks and removes overhang, iii) no operation hiccup in changing platform, iv) able to operate business straightforward and no need to operate using regulatory loopholes.

#### Margin expansion likely

The new regulation will enable the company to operate loan yield/margin expansion more easily when interest rate moves upward next year as i) maximum interest rate charge of 28% for title loans (vs. 23% for MTC currently), ii) good preparation in funding mix as long-term loans represent around 65% of total funding, iii) expanding new land pledged personal loans through Nano Financing at maximum yield of 36%. Additional, long-term margin improvement will come from credit rating upgrade (from BBB+ currently) by Tris, which has been on hold due to the regulatory risk concern.

#### Aggressive expansion to continue

MTC expanded by 200 new branches QoQ in 3Q18 to 3,000 branches, and targets to have 3,300 by year end (vs. 2,424 offices at year end-2017). Continuing its expansion will enable the company to enjoy loan momentum of >45% YoY in 3Q18 and full-year 2018. At this level, we roughly assume 3Q18F earnings of around Bt980mn (+8% QoQ, +50% YoY).

#### Upgrade earnings forecasts 4%/6% for 2018/2019, raise 12M-TP to Bt58.50

Taking management's view into consideration, we fine-tuned our 2018/2019 earnings forecasts up 4%/6% as we revised loan yield up 30bps/40bps to 23.5%/23.6% in 2018/2019, maintained loan growth at 43%/43% and credit cost at 180bps/180bps, respectively. With regulatory concerns lifted, we re-rate PE to 26x (up from 24x), which implies PEG of 0.7x.

### Risks

Rising operating expense, unable to manage cost of fund, NPL, and provisioning expense.

### Key financials and valuations

	Dec-15A	Dec-16A	Dec-17A	Dec-18F	Dec-19F	Dec-20F
Pre-pro. profit (Bt mn)	1,056	2,144	3,785	5,559	7,893	10,924
Pretax profit (Bt mn)	1,032	1,812	3,106	4,813	6,681	9,253
Net income (Bt mn)	825	1,464	2,501	3,850	5,345	7,403
EPS (Bt)	0.39	0.69	1.18	1.82	2.52	3.49
DPS	0.20	0.10	0.16	1.16	2.16	3.16
EPS Growth (%)	51.6	77.5	70.8	54.0	38.8	38.5
Dividend Yield (%)	1.0	0.5	0.4	3.0	5.5	8.1
P/E (x)	53.2	31.4	37.3	21.5	15.5	11.2
P/BV (x)	7.8	6.9	10.4	6.6	4.8	3.5
ROAA (%)	7.5	7.8	8.1	12.6	8.5	8.6
ROAE (%)	15.3	23.7	32.0	43.7	35.9	36.0

Source: Company data, KGI Research

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

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

**Figure 1: MTC - Key assumptions**

	2015	2016	2017	2018F	2019F	2020F
No. of branch	940	1,664	2,424	3,274	3,874	4,274
New branch	510	724	760	600	600	500
Loan growth (%)	69.6	86.4	51.3	43.0	43.0	35.0
Net profit	825	1,464	2,501	3,850	5,345	7,403
NP growth	52%	77%	71%	54%	39%	38%
Loan outstanding (Bt mn)	12,630	23,541	35,623	50,940	72,845	98,340
LLR (Bt mn)	325	646	1,171	1,802	2,577	3,479
Loan - net (Bt mn)	12,305	22,896	34,452	49,138	70,268	94,861
Loan overdue >3M	117	251	441	764	1,238	1,672
% to total loan	0.9	1.1	1.2	1.5	1.7	1.7
Credit cost (bps)	20	141	191	180	180	180
NPL coverage	-	217	194	172	202	202
LLR/Loan	2.57	2.74	3.29	3.54	3.54	3.54
Loan yield (%)	22.2	22.2	23.0	23.5	23.6	24.0
Loan yield (+ other incomes) (%)	25.3	24.6	25.1	26.0	26.0	26.0
Cost of fund (%)	3.3	2.8	3.2	3.6	3.7	4.0
Loan spread (+fee income) (%)	22.0	21.8	22.0	22.4	22.4	22.6
Other income/rev (%)	0.7	0.4	0.5	0.4	0.3	0.2
D/E (x)	1.24	2.50	2.79	3.10	3.19	3.10
Leverage ratio (asset/equity) (X)	2.31	3.65	4.13	4.19	4.26	4.15
Cost to income ratio (%)	49.9	44.5	40.2	40.8	40.8	40.8
Effective tax rate (%)	20.0	19.2	19.5	20.0	20.0	20.0
ROA (%)	7.5	7.8	8.1	12.6	8.5	8.6
ROE (%)	15.3	23.7	32.0	43.7	35.9	36.0

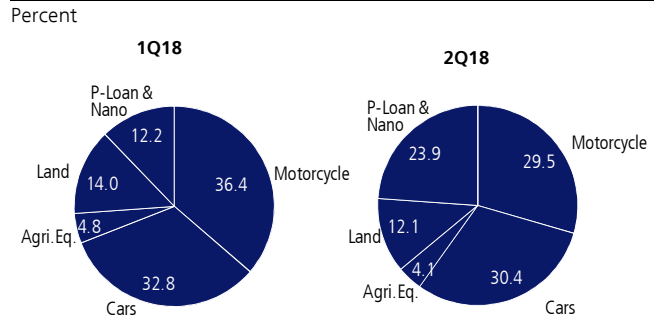
Source: Company data, KGI Research

**Figure 2: Company profile**

Muang Thai Capital (MTC) has provided lending services since 1992, focusing on motorcycle title loans. The company has also expanded into other loans such as car title loans, personal loans, agricultural vehicle title loans, Nano Finance and land title loans. Moreover, the company has provided services to act as a facilitator for its customers.

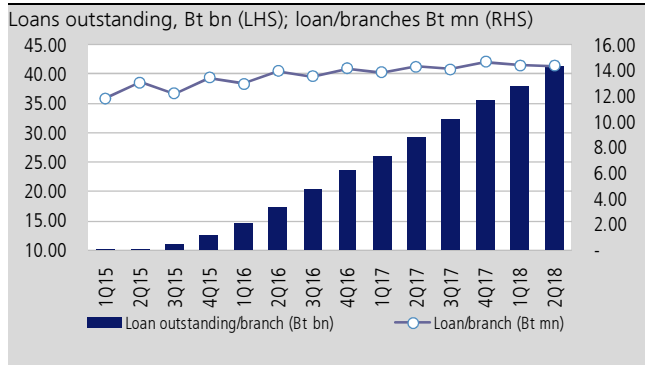
Source: Company data

**Figure 3: Breakdown of lending**



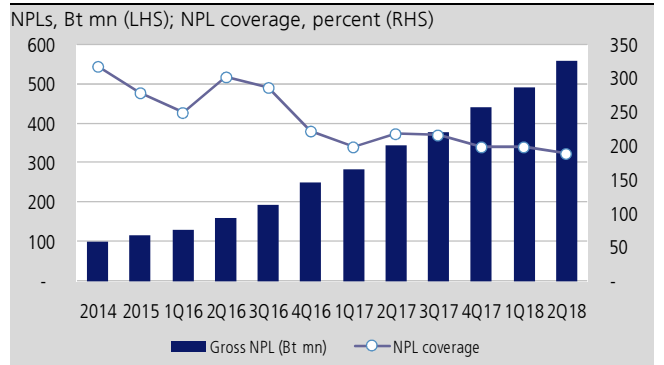
Source: Company data, KGI Research

**Figure 4: Loans outstanding and total branches**



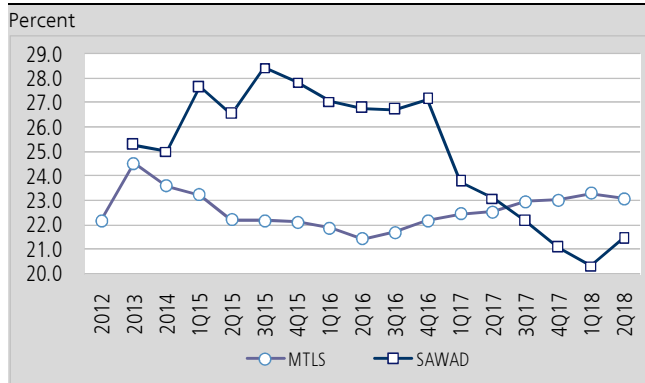
Source: Company data, KGI Research

**Figure 5: NPL and NPL coverage**



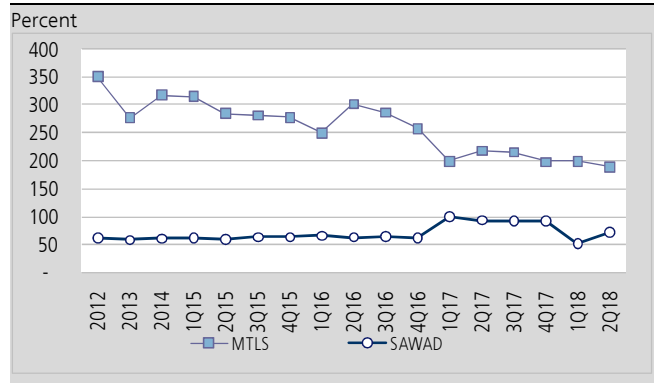
Source: Company data, KGI Research

**Figure 6: Loan yield**



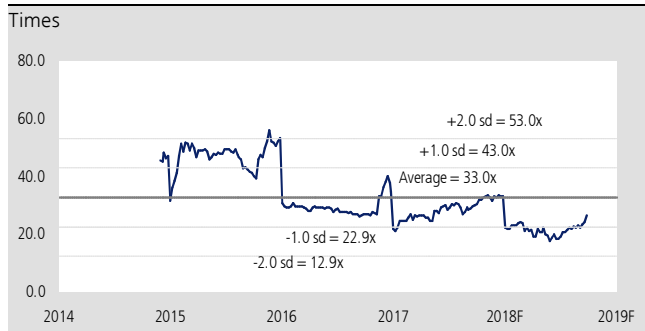
Source: Company data, KGI Research

**Figure 7: NPL coverage**



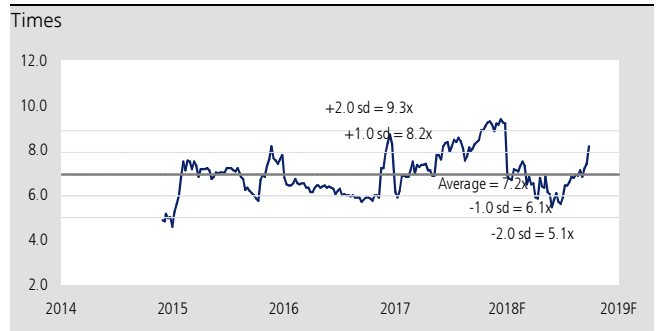
Source: Company data, KGI Research

**Figure 8: PE**



Source: KGI Research

**Figure 9: PBV**



Source: KGI Research

**Quarterly Income Statement**

	Mar-15A	Jun-15A	Sep-15A	Dec-15A	Mar-16A	Jun-16A	Sep-16A	Dec-16A	Mar-17A	Jun-17A	Sep-17A	Dec-17A	Mar-18A	Jun-18A
<b>Income Statement (Bt mn)</b>														
Interest income	451	502	591	680	769	897	1,082	1,270	1,415	1,600	1,796	1,984	2,140	2,314
Interest expense	58	50	59	61	66	72	88	102	122	149	189	213	230	258
<b>Interest income - net</b>	<b>393</b>	<b>452</b>	<b>532</b>	<b>620</b>	<b>703</b>	<b>826</b>	<b>994</b>	<b>1,168</b>	<b>1,293</b>	<b>1,451</b>	<b>1,607</b>	<b>1,771</b>	<b>1,910</b>	<b>2,056</b>
Operating expense	268	298	329	374	390	457	537	601	622	705	801	861	916	985
<b>Operating profit</b>	<b>125</b>	<b>154</b>	<b>204</b>	<b>246</b>	<b>313</b>	<b>369</b>	<b>458</b>	<b>567</b>	<b>671</b>	<b>746</b>	<b>806</b>	<b>910</b>	<b>993</b>	<b>1,071</b>
Provisioning expense	-21	5	13	28	57	106	77	92	146	198	169	167	156	158
Loss on selling asset	1	1	0	4	2	3	4	7	6	5	4	8	4	0
Other income	82	81	84	88	96	106	119	131	148	165	172	191	208	222
<b>Pre-tax profit</b>	<b>227</b>	<b>228</b>	<b>275</b>	<b>301</b>	<b>350</b>	<b>367</b>	<b>496</b>	<b>600</b>	<b>668</b>	<b>708</b>	<b>805</b>	<b>926</b>	<b>1,042</b>	<b>1,135</b>
Income tax	46	45	55	61	70	66	95	117	131	137	154	183	208	223
<b>Net profit</b>	<b>181</b>	<b>183</b>	<b>220</b>	<b>240</b>	<b>280</b>	<b>300</b>	<b>401</b>	<b>483</b>	<b>536</b>	<b>571</b>	<b>650</b>	<b>743</b>	<b>834</b>	<b>912</b>
<b>EPS (Bt)</b>	<b>0.09</b>	<b>0.09</b>	<b>0.10</b>	<b>0.11</b>	<b>0.13</b>	<b>0.14</b>	<b>0.19</b>	<b>0.23</b>	<b>0.25</b>	<b>0.27</b>	<b>0.31</b>	<b>0.35</b>	<b>0.39</b>	<b>0.43</b>
<b>Profitability (%)</b>														
Yield on earnings assets	27.1%	25.6%	25.2%	24.9%	24.5%	23.8%	24.0%	24.4%	24.7%	24.7%	25.1%	25.1%	25.4%	25.1%
Cost of funds	8.3%	4.6%	3.9%	3.4%	3.2%	2.6%	2.8%	2.4%	3.1%	3.6%	4.1%	3.8%	4.0%	3.9%
Loan spread	18.8%	21.0%	21.3%	21.5%	21.3%	21.2%	21.2%	22.0%	21.6%	21.1%	21.0%	21.3%	21.5%	21.3%
Cost-to-income ratio	51.0%	51.4%	48.9%	48.9%	45.2%	45.7%	44.8%	43.0%	39.9%	40.2%	40.8%	39.8%	39.3%	39.1%
Effective tax rate	20.2%	19.7%	20.0%	20.3%	20.0%	18.1%	19.1%	19.5%	19.7%	19.3%	19.2%	19.8%	20.0%	19.6%
ROAA	8.7%	7.5%	7.5%	7.3%	7.3%	6.7%	7.6%	7.9%	8.0%	7.6%	7.8%	8.0%	8.6%	8.6%
ROAE	13.7%	14.1%	16.3%	17.0%	18.9%	20.7%	25.8%	28.9%	29.7%	30.1%	31.6%	33.2%	34.1%	35.4%
<b>Growth (%)</b>														
Revenue growth	25%	31%	42%	51%	62%	72%	78%	83%	81%	76%	64%	55%	50%	44%
Operating expense growth	33%	34%	50%	56%	46%	53%	63%	61%	59%	55%	49%	43%	47%	40%
Operating income growth	29%	70%	82%	107%	150%	139%	125%	131%	114%	102%	76%	60%	48%	44%
Provisioning expense growth	68%	-51%	68%	217%	-368%	1951%	514%	222%	154%	87%	120%	82%	7%	-20%
Other income growth	15%	15%	17%	15%	18%	32%	42%	50%	54%	56%	44%	45%	40%	34%
Net profit growth	29%	56%	58%	64%	54%	64%	82%	101%	91%	90%	62%	54%	55%	60%
Loan (Bt mn)	8,069	9,347	10,974	12,630	14,458	17,246	20,513	23,541	25,973	29,306	32,332	35,623	38,012	41,469
Loan growth (%)	n.a.	n.a.	57.8	69.6	79.2	84.5	86.9	86.4	79.6	69.9	57.6	51.3	46.4	41.5
<b>Asset quality</b>														
Non-performing loans (Bt mn)	-	-	-	-	-	-	-	291	341	423	482	591	644	730
Non-performing loan ratio (%)	-	-	-	-	-	-	-	1.24	1.31	1.44	1.49	1.66	1.69	1.76
LLR/Loan (%)	4.03	3.24	2.83	2.57	2.25	2.84	2.73	2.74	2.62	3.15	3.22	3.29	3.37	3.33
Credit cost (bps)	reverse	22	46	90	159	245	150	156	224	270	209	188	164	152
NPL coverage (%)	316	285	281	279	250	302	287	222	200	218	216	198	199	189

Source: KGI Research

**Peer comparison – Key valuation stats**

	Rating	12M-TP Bt	Mkt price	Upside %	Mkt cap (Bt bn)	Target PE (x)	BV-17 (Bt)	EPS (Bt)			EPS growth (%)			PE (x)			PBV (x)			Div. yield		ROAE (%)		
								17	18F	19F	17	18F	19F	17	18F	19F	17	18F	19F	17	18F	17	18F	19F
<b>Non-Bank</b>																								
KTC*	OP	35.5	35.0	1.3	9.0	18.0	4.9	1.3	1.7	1.9	32.4	29.7	12.7	27.2	21.0	18.6	7.2	7.6	6.4	15.1	2.1	28.9	38.7	36.9
MTC*	OP	58.50	48.75	20.0	103.4	26.0	4.2	1.2	1.8	2.5	70.9	54.3	38.5	41.3	26.8	19.3	11.6	8.4	6.1	0.4	0.6	32.0	43.7	35.9
SAWAD*	OP	50.25	47.5	5.8	48.5	18.5	8.7	2.5	2.4	3.0	30.0	(2.3)	22.1	19.0	19.5	15.9	5.5	4.6	3.8	5.5	0.8	33.4	19.1	21.2

Source: KGI Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
<b>Total Assets</b>	<b>24,426</b>	<b>36,953</b>	<b>52,377</b>	<b>73,566</b>	<b>99,088</b>
Cash	539	1,154	300	300	300
Loans & Acc. Int - net	15,364	21,988	33,856	48,414	65,359
Total current asset	15,997	23,308	34,207	48,778	65,741
Loan -net (>1yr)	7,532	12,464	17,084	23,230	31,481
PP&E	772	1,022	785	985	1,095
Others	125	159	302	573	772
<b>Total Liabilities</b>	<b>17,733</b>	<b>28,010</b>	<b>39,876</b>	<b>56,288</b>	<b>75,198</b>
S-T loan	12,088	9,384	9,675	13,772	18,849
L-T loans	4,599	16,619	27,466	38,961	51,777
Others	1,047	2,007	2,735	3,555	4,572
<b>Shareholders' Equity</b>	<b>6,692</b>	<b>8,943</b>	<b>12,502</b>	<b>17,279</b>	<b>23,890</b>
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	184	212	110	120	130
<b>Supplementary</b>					
NPLs	138	138	138	138	138
% to loan	1.03	1.03	1.03	1.03	1.03
NPL coverage	468	849	1,306	1,867	2,521

Source: KGI Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
Interest income	4,019	6,795	10,171	14,607	20,542
Interest expense	328	673	1,035	1,501	2,218
<b>Interest income - net</b>	<b>3,691</b>	<b>6,122</b>	<b>9,136</b>	<b>13,106</b>	<b>18,324</b>
Operating expense	1,985	2,989	4,518	6,457	9,052
<b>Operating profit</b>	<b>1,707</b>	<b>3,133</b>	<b>4,618</b>	<b>6,649</b>	<b>9,272</b>
Other income	453	676	957	1,278	1,712
LLP	332	679	747	1,211	1,670
<b>Pre-tax profit</b>	<b>1,812</b>	<b>3,106</b>	<b>4,813</b>	<b>6,681</b>	<b>9,253</b>
Income tax	348	605	963	1,336	1,851
<b>Net profit</b>	<b>1,464</b>	<b>2,501</b>	<b>3,850</b>	<b>5,345</b>	<b>7,403</b>
<b>EPS (Bt)</b>	<b>0.69</b>	<b>1.18</b>	<b>1.82</b>	<b>2.52</b>	<b>3.49</b>

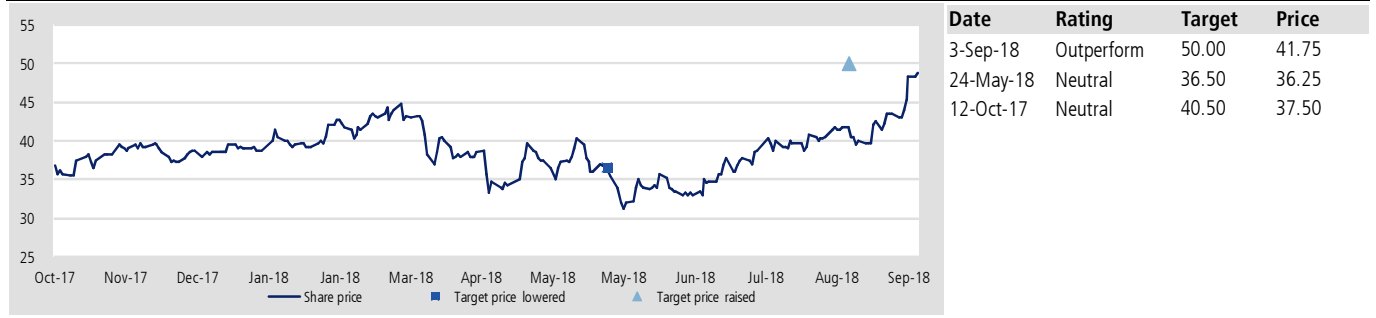
Source: KGI Research

**Key ratio**

Year to 31 Dec	2016	2017	2018F	2019F	2020F
<b>Growth (YoY %)</b>					
Loans and Accrued Int.	86.2	50.5	47.9	40.6	35.2
Borrowing fund	144.6	55.8	42.8	42.0	33.9
Total Assets	86.7	51.3	41.7	40.5	34.7
Total Equity	18.4	33.6	39.8	38.2	38.3
<b>Growth (YoY %)</b>					
Net Interest Income	84.8	65.8	49.2	43.5	39.8
Total revenue	74.8	67.1	49.0	42.7	40.1
Loan Loss Provision	1,241	104.8	9.9	62.2	37.9
Operating expense	56.4	50.6	51.2	42.9	40.2
Operating profit	134.1	83.6	47.4	44.0	39.4
Net Profit	77.5	70.8	54.0	38.8	38.5
EPS	77.5	70.8	54.0	38.8	38.5
<b>Profitability (%)</b>					
Yield on loans	22.22	22.97	23.50	23.60	24.00
Cost of Funds	2.79	3.15	3.20	3.20	3.40
Net Interest Margin	21.84	21.99	22.42	22.40	22.55
Cost/OP Income Ratio	44.5	40.2	40.8	40.8	40.8
ROAA	7.8	8.1	12.6	8.5	8.6
ROAE	23.7	32.0	43.7	35.9	36.0
<b>Capital Adequacy</b>					
Asset/equity (x)	3.6	4.1	4.2	4.3	4.1
D/E (x)	2.4	2.8	2.9	3.0	2.9
<b>Asset Quality (%)</b>					
NPLs Ratio	1.03	1.03	1.03	1.03	1.03
NPL Coverage Ratio	468	849	1,306	1,867	2,521
LLR/Loans Ratio	3.65	4.65	5.65	6.65	7.65
EPS (fully diluted)	0.69	1.18	1.82	2.52	3.49
DPS	0.10	0.16	1.16	2.16	3.16
BVPS	3.2	4.2	5.9	8.2	11.3

Source: KGI Research

**Muang Thai Capital – Recommendation & target price history**



Source: KGI Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
EGCO	ELECTRICITY GENERATING	KTB	KRUNG THAI BANK	TISCO	TISCO FINANCIAL GROUP
KBANK	KASIKORN BANK	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING		
KKP	KIATNAKIN BANK	SCB	THE SIAM COMMERCIAL BANK		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	ERW	THE ERAWAN GROUP	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	GFPT	GFPT	SPALI	SUPALAI
AP	ASIAN PROPERTY DEVELOPMENT	IFEC	INTER FAR EAST ENGINEERING	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BBL	BANGKOK BANK	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	MINT	MINOR INTERNATIONAL	TASCO	TIPCO ASPHALT
BIGC	BIG C SUPERCENTER	PS	PRUKSA REAL ESTATE	TCAP	THANACHART CAPITAL
CK	CH. KARNCHANG	QH	QUALITY HOUSES	TMB	TMB BANK
CPALL	CP ALL	ROBINS	ROBINSON DEPARTMENT STORE	TRUE	TRUE CORPORATION
CPN	CENTRAL PATTANA	RS	RS		
DRT	DIAMOND ROOFING TILES	SAMART	SAMART CORPORATION		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
CENTEL	CENTRAL PLAZA HOTEL	HMPRO	HOME PRODUCT CENTER	MAKRO	SIAM MAKRO
DCC	DYNASTY CERAMIC	ILINK	INTERLINK COMMUNICATION	MODERN	MODERNFORM GROUP
GL	GROUP LEASE	KTC	KRUNGTHAI CARD	TRT	TIRATHAI
GLOW	GLOW ENERGY	MAJOR	MAJOR CINEPLEX GROUP	TVO	THAI VEGETABLE OIL

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	CHG	CHULARAT HOSPITAL	NOK	NOK AIRLINES
ANAN	ANANDA DEVELOPMENT	CKP	CK POWER	PACE	PACE DEVELOPMENT CORPORATION
BA	BANGKOK AIRWAYS	DTAC	TOTAL ACCESS COMMUNICATION	SAWAD	SRI SAWAD POWER 1979
BCH	BANGKOK CHAIN HOSPITAL	GLOBAL	SIAM GLOBAL HOUSE	TMT	THAI METAL TRADE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	TPCH	TPC POWER HOLDING
BEM	BANGKOK EXPRESSWAY AND METRO	GUNKUL	GUNKUL ENGINEERING	WHA	WHA CORPORATION
BJCHI	BJC HEAVY INDUSTRIES	LPH	LADPRAO GENERAL HOSPITAL	WORK	WORKPOINT ENTERTAINMENT
CBG	CARABAO GROUP	MTLS	MUANGTHAI LEASING		

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
CPN	CENTRAL PATTANA	SCC	THE SIAM CEMENT		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IFEC	INTER FAR EAST ENGINEERING	SVI	SVI
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	TCAP	THANACHART CAPITAL
DCC	DYNASTY CERAMIC	KKP	KIATNAKIN BANK	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	KTB	KRUNG THAI BANK	TMB	TMB BANK
EGCO	ELECTRICITY GENERATING	MINT	MINOR INTERNATIONAL		
ERW	THE ERAWAN GROUP	SCB	THE SIAM COMMERCIAL BANK		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	DTAC	TOTAL ACCESS COMMUNICATION	PACE	PACE DEVELOPMENT CORPORATION
ANAN	ANANDA DEVELOPMENT	GFPT	GFPT	PS	PRUKSA REAL ESTATE
AP	ASIAN PROPERTY DEVELOPMENT	GL	GROUP LEASE	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BA	BANGKOK AIRWAYS	GLOW	GLOW ENERGY	ROBINS	ROBINSON DEPARTMENT STORE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	SAMART	SAMART CORPORATION
BIGC	BIG C SUPERCENTER	HMPRO	HOME PRODUCT CENTER	SPALI	SUPALAI
BJCHI	BJC HEAVY INDUSTRIES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CENTEL	CENTRAL PLAZA HOTEL	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MAKRO	SIAM MAKRO	TMT	THAI METAL TRADE
CK	CH. KARNCHANG	MODERN	MODERNFORM GROUP	TPCH	TPC POWER HOLDING
CKP	CK POWER	NOK	NOK AIRLINES	WHA	NOK AIRLINES

### Level 2: Declared

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	GUNKUL	GUNKUL ENGINEERING	QH	QUALITY HOUSES
BH	BUMRUNGRAD HOSPITAL	ILINK	INTERLINK COMMUNICATION	TRT	TIRATHAI
GLOBAL	SIAM GLOBAL HOUSE	MTLS	MUANGTHAI LEASING	TVO	THAI VEGETABLE OIL

### Level 1: Committed

Stock	Company name	Stock	Company name	Stock	Company name
CBG	CARABAO GROUP	RS	RS	SAWAD	SRI SAWAD POWER 1979
MAJOR	MAJOR CINEPLEX GROUP				

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	CPALL	CP ALL	WORK	WORKPOINT ENTERTAINMENT
BEM	BANGKOK EXPRESSWAY AND METRO	LPH	LADPRAO GENERAL HOSPITAL		

Source: [www.cgthailand.org](http://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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<b>Rating</b>	<b>Definition</b>
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.  <i>Excess return = 12M target price/current price-</i>
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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