

# AEON Thana Sinsap

(AEONTS.BK/AEONTS TB)\*

**Neutral · Downgraded**

Price as of 26 Jun 2024	130.5
12M target price (Bt/shr)	138.0
Unchanged/Revised up(down)(%)	-28.9
Upside/downside (%)	5.7

**Key messages**

การดำเนินงานของ AEONTS กลับมาอยู่ในโหมดชะลอตัวอีกครั้งในไตรมาสนี้ หลังจากที่ฟื้นตัวในไตรมาสที่ผ่านมา โดยคุณภาพสินทรัพย์เฉลี่ยใน 1Q67 (สิ้นสุดเดือน พฤษภาคม 2567) นอกจากนี้เรามองว่าแนวโน้มยังคงไม่ฟื้นตัวในเวลาอันสั้น ดังนั้นเราจึงปรับลดประมาณการกำไรปี 2567/2568F ลงอีกปีละ 20% และปรับลดราคาเป้าหมายปี 2567F เหลือ 138 บาท พร้อมทั้งปรับลดคำแนะนำจากซื้อเป็นถือ

**Trading data**

Mkt cap (Btbn/US\$bn)	32,750/897		
Outstanding shares (mn)	250		
Foreign ownership (mn)	118.4		
3M avg. daily trading (mn)	0.33		
52-week trading range (Bt)	130-188		
Performance (%)	3M	6M	12M
Absolute	-14.5	-18.8	-30.7
Relative	-11.1	-12.8	-21.9

**Quarterly EPS**

	1Q-	2Q-	3Q-	4Q-
	May	Aug	Nov	Feb
2021	4.6	2.7	3.3	3.6
2022	4.5	3.6	4.4	2.8
2023	2.5	3.4	2.8	4.4

**Share price chart**



Source: SET

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**คุณภาพสินทรัพย์แยลง**

**Event**

ปรับลดประมาณการกำไร และ ราคาเป้าหมาย พร้อมทั้งปรับลดคำแนะนำจากซื้อเป็นถือ

**Impact**

**คุณภาพสินทรัพย์แยลง**

หลังจากที่คุณภาพสินทรัพย์ดีขึ้นใน 4Q66 (สิ้นสุดเดือนกุมภาพันธ์ 2567) สถานการณ์พลิกกลับใน 1Q67F (สิ้นสุดเดือนพฤษภาคม) โดย NPL เพิ่มขึ้น และ สัดส่วนสำรองหนี้เสีย/NPL (NPL coverage) ลดลง ทั้งนี้ ในไตรมาสก่อน AEONTS มีการกลับรายการสำรองเป็นรายได้ประมาณ 400-500 ล้านบาท จากการเปลี่ยนนโยบายบัญชี ซึ่งผลให้กำไรใน 4Q66 สูงเกินจริง อย่างไรก็ตามการปรับเกณฑ์การชำระค่าวงจรายเดือนขึ้นต่ำจาก 5% เป็น 8% เมื่อเดือนมกราคม 2567 ที่จ่ายขั้นต่ำไม่สามารถผ่อนขึ้นต่ำไหว กลายเป็นหนี้ผิดนัดชำระ ทั้งนี้กลุ่มลูกค้าที่ชำระขั้นต่ำคิดเป็น 50-60% ของฐานลูกค้าทั้งหมด

**คชจ.สำรองฯ จะสูงไปอีกนาน**

เนื่องจากคชจ.สำรองฯ (credit cost) ในไตรมาสก่อนต่ำเกินไป ดังนั้น การที่ NPLs ขยับเพิ่มขึ้นจึงจะทำให้ credit cost เพิ่มขึ้นอย่างมีนัยสำคัญคาดว่าจะอยู่ที่ 8.25% ในไตรมาสนี้ (จาก 5.7% ใน 4Q67 และ จากเฉลี่ย 8% ในปี 2565-2566) และ จุดให้สัดส่วน NPL coverage ลดลงมาอยู่ที่ประมาณ 155-160% (จาก 183% ใน ไตรมาสก่อนหน้า) สำหรับในระยะต่อไป เราคาดว่า credit cost จะสูงต่อไปตลอดปี 2567-2568 เนื่องจากจะมีสาเหตุที่สองของการปรับเพิ่มเกณฑ์การชำระค่าวงจรายเดือนขึ้นต่ำจาก 8% เป็น 10% ในขณะที่แรงงานในภาคอุตสาหกรรมตกงานเพิ่มขึ้น ซึ่งจะทำให้เกิดการปรับสถานะหนี้ที่อีกระลอก

**คาดว่ากำไรใน 1Q67F จะอยู่ที่ 687 ล้านบาท**

เราคาดว่ากำไรใน 1Q67F จะอยู่ที่ประมาณ 687 ล้านบาท (-37% QoQ and +11% YoY) โดยใช้สมมติฐาน credit cost ที่ 8.2% และ คาดว่ารายได้จะเพิ่มขึ้น 1% QoQ แต่ลดลง 1% YoY ซึ่งรายได้ที่โตต่ำเป็นเพราะการชะลอตัวของสินเชื่อ P-Loan ซึ่งมี yield สูง

**ปรับลดประมาณการกำไรปี 2567/2568F ลงปีละ 20%, ปรับลดราคาเป้าหมายปี 2567F เหลือ 138 บาท,** เราคิดว่า AEONTS เป็นบริษัทนอกแบงก์ที่อ่อนแอที่สุดจากการมีพอร์ตสินเชื่อ P-Loan ในระดับสูง ซึ่งสินเชื่อกลุ่มนี้มีความเสี่ยงที่จะเกิดการผิดนัดชำระหนี้สูงที่สุดเมื่อเทียบกับสินเชื่อกลุ่มอื่น ๆ นอกจากนี้ลูกค้าหลักของบริษัทส่วนใหญ่ยังเป็นกลุ่มผู้มีรายได้น้อยที่มีรายได้ต่อเดือน <10,000 บาท ซึ่งมีความเสี่ยงที่จะผิดนัดชำระหนี้สูงกว่าลูกค้ากลุ่มอื่น ๆ ยิ่งไปกว่านั้น บริษัทยังมีค่าใช้จ่ายในการดำเนินงานลงมาต่ำจนไม่สามารถจะลดลงไปได้อีกแล้ว เราจึงปรับเพิ่มสมมติฐาน credit cost ปี 2567/2568 เป็น 8%/8% (จากเดิมปีละ 7%) และ ปรับลดราคาเป้าหมายปี 2567F ลงเหลือ 138 บาท (de-rate PE เหลือ 11.2x (PE เฉลี่ย - 0.5S.D.) จากเดิมที่ 12.5x

**Risks**

เศรษฐกิจฟื้นตัวช้า, ความเสี่ยงด้านกฎเกณฑ์ทางการกีดกัน yield สินเชื่อ, NPLs เพิ่มขึ้น).

**Key financials and valuations**

	2021 Feb-22	2022 Feb-23	2023 Feb-24	2024F Feb-25F	2025F Feb-26F
Pre-provision profit (Btmn)	11,203	12,213	11,402	11,506	12,146
Pretax profit (Btmn)	4,574	4,950	4,161	3,881	4,182
Net profit (Btmn)	3,553	3,815	3,259	3,025	3,245
EPS (Bt)	14.21	15.26	13.04	12.10	12.98
DPS (Bt)	5.15	5.50	6.50	6.00	6.00
EPS Growth (%)	(3.7)	7.4	(14.6)	(7.2)	7.3
Dividend yield (%)	2.7	3.0	3.5	3.3	4.6
D/E (%)	3.5	3.1	2.8	2.7	2.6
P/E (X)	13.3	13.2	11.5	13.7	12.7
P/BV (X)	2.4	2.2	1.5	1.5	1.4
ROAA (%)	4.0	4.1	3.5	3.2	3.2
ROAE (%)	19.2	17.9	13.8	11.8	11.5

Source: Company data, KGI Securities Research

Figure 1: AEONTS's quarterly earnings

	May-22	Aug-22	Nov-22	Feb-23	May-23	Aug-23	Nov-23	Feb-24	May-24F	% chg	
										QoQ	YoY
<b>Income Statement (Bt mn)</b>											
Interest Income	4,705	4,761	4,803	4,786	4,726	4,770	4,650	4,622	4,663	1%	-1%
Credit card	1,810	1,878	1,960	1,993	1,951	1,968	1,989	1,910	1,900	-1%	-3%
Personal loan	2,628	2,629	2,589	2,538	2,534	2,554	2,411	2,451	2,500	2%	-1%
Hire-purchase	267	253	254	255	240	248	249	261	263	1%	10%
Interest Expense	437	469	476	523	527	574	511	550	580	6%	10%
<b>Interest Income-net</b>	<b>4,268</b>	<b>4,292</b>	<b>4,328</b>	<b>4,263</b>	<b>4,199</b>	<b>4,196</b>	<b>4,139</b>	<b>4,072</b>	<b>4,083</b>	<b>0%</b>	<b>-3%</b>
Collection service income	56	54	55	60	55	58	55	53	55	3%	1%
Commission income	179	162	176	172	170	160	157	156	160	3%	-6%
Gain on sale of written-off rec	105	0	300	0	0	167	0	0	0		
Other income	439	498	486	535	509	521	543	594	560	-6%	10%
<b>Pre-provision income</b>	<b>4,943</b>	<b>5,007</b>	<b>5,044</b>	<b>5,029</b>	<b>4,932</b>	<b>4,935</b>	<b>4,894</b>	<b>4,875</b>	<b>4,858</b>	<b>0%</b>	<b>-1%</b>
Operating expenses	2,033	1,985	2,039	2,060	2,029	2,070	2,114	2,181	2,090	-4%	3%
<b>Pre-provision profit</b>	<b>2,910</b>	<b>3,022</b>	<b>3,005</b>	<b>2,969</b>	<b>2,903</b>	<b>2,865</b>	<b>2,780</b>	<b>2,694</b>	<b>2,768</b>	<b>3%</b>	<b>-5%</b>
Provision	1,563	1,851	1,884	1,964	2,094	1,949	1,899	1,298	1,900	46%	-9%
<b>Pre-tax profit</b>	<b>1,450</b>	<b>1,170</b>	<b>1,421</b>	<b>909</b>	<b>805</b>	<b>1,082</b>	<b>881</b>	<b>1,394</b>	<b>868</b>	<b>-38%</b>	<b>8%</b>
Income tax	291	239	286	182	161	218	171	273	174	-36%	8%
<b>Net profit</b>	<b>1,115</b>	<b>904</b>	<b>1,104</b>	<b>692</b>	<b>617</b>	<b>842</b>	<b>706</b>	<b>1,094</b>	<b>687</b>	<b>-37%</b>	<b>11%</b>
EPS (Bt)	4.46	3.61	4.42	2.77	2.47	3.37	2.82	4.37	2.75	-37%	11%
<b>Profitability (%)</b>											
Loan yield	20.48	20.40	20.32	20.25	20.14	20.32	19.80	19.96	19.68		
Spread	17.83	17.63	17.54	17.13	16.90	16.75	16.64	16.51	16.20		
Cost of funds (%)	2.65	2.77	2.78	3.13	3.24	3.57	3.16	3.46	3.55		
Cost to income ratio (%)	37.1	36.2	35.0	37.1	37.2	36.5	39.1	40.2	38.4		
Effective tax rate (%)	20.1	20.4	20.1	20.0	20.0	20.2	19.4	19.6	20.0		
ROAA	4.9	3.8	4.6	2.9	2.6	3.6	3.0	4.7			
ROAE	21.7	16.9	20.4	12.4	10.7	14.3	11.9	18.2			
Loan (Bt bn)	92.7	94.0	95.1	93.9	93.8	94.0	93.9	91.3	91.2	0%	-3%
Credit card	40.8	42.2	43.4	43.5	43.6	43.9	43.5	41.2	41.2	0%	-6%
P-Loan	46.2	46.2	46.0	44.9	44.4	44.0	44.0	43.4	43.4	0%	-2%
Hire purchase	5.6	5.5	5.6	5.5	5.7	6.0	6.3	6.6	6.6	-1%	16%
<b>Asset quality</b>											
NPL	4,912	5,149	5,340	5,340	5,541	5,810	5,854	4,534	5,700		
NPL ratio (%)	5.3	5.5	5.6	5.7	5.9	6.2	6.2	5.0	6.0		
Coverage ratio (%)	219	207	196	190	184	174	162	183	155		
Credit cost (%)	6.7	7.9	7.9	8.4	8.9	8.3	8.1	5.7	8.0		
Net credit cost (%)	5.1	6.1	6.2	6.3	7.0	6.4	6.1	3.5	6.0		

Source: Company data, KGI Securities Research

**Figure 4: Key assumptions**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024F</b>	<b>2025F</b>
	Feb-22A	Feb-23A	Feb-24A	Feb-25F	Feb-26F
Loan (Bt bn)	91,028	93,937	91,305	95,312	99,555
Credit card (Bt bn)	39,324	43,474	41,162	43,632	46,250
P-Loan (Bt bn)	45,695	44,878	43,421	44,290	45,176
Hire purchase	5,891	5,511	6,647	7,312	8,043
Others	117	73	73	78	86
<b>Loan by country</b>					
Domestic	85,508	88,769	84,756	88,146	91,672
CLMV	4,992	5,168	6,549	7,174	7,861
<b>Growth by country</b>					
All country	4.1%	3.2%	-2.8%	4.4%	4.5%
Domestic	4.6%	3.8%	-4.5%	4.0%	4.0%
CLMV	-9.9%	3.5%	26.7%	9.5%	9.6%
<b>Loan yield</b>					
All country	20.1%	20.4%	20.3%	20.1%	20.1%
Domestic	20.7%	20.4%	20.1%	20.1%	20.1%
CLMV	24.3%	25.7%	23.1%	23.5%	24.5%
Cost of fund	2.7	2.9	3.4	3.5	3.4
Loan spread	17.3	17.5	16.9	16.6	16.7
Bad debt write-off	7,649	8,583	9,596	9,912	10,354
Credit cost	728	773	793	800	800
LLR	10,951	10,125	8,288	8,578	8,960
LLR/loan ratio	12.0	10.8	9.1	9.0	9.0
NPL ratio	4.9	5.7	5.0	5.6	5.6
NPL coverage	247	190	183	161	161
Cost-to-income ratio	38.3	37.0	38.5	37.1	37.0
Effective tax rate	21.9%	20.1%	19.8%	20.0%	20.0%
ROA	4.0	4.1	3.5	3.2	3.2
ROE	19.2	17.9	13.8	11.8	11.5
D/E	3.5	3.1	2.8	2.7	2.6

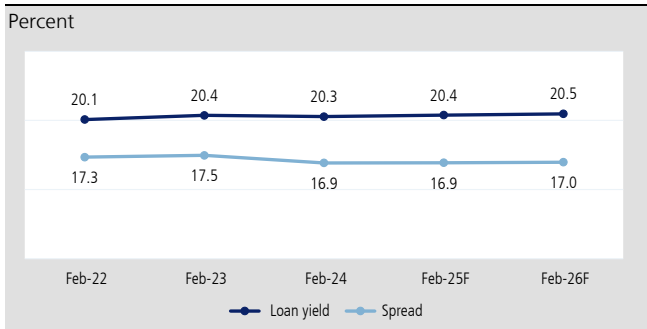
Source: KGI Securities Research

**Figure 5: Company profile**

AEON Thana Sinsap (AEONTS) is a lending company. Its business segments consist of retail finance (credit card, personal loan, hire-purchase loan) and other business (debt collection and insurance brokerage services). Outside of Thailand it has business operation in Cambodia, Laos, and Myanmar. 71% of AEONTS's customer base are in provincial areas and 29% are in Bangkok.

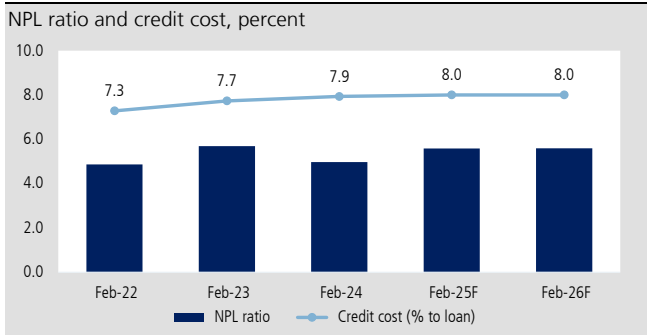
Source: Company data, KGI Securities Research

**Figure 7: Loan yield and spread**



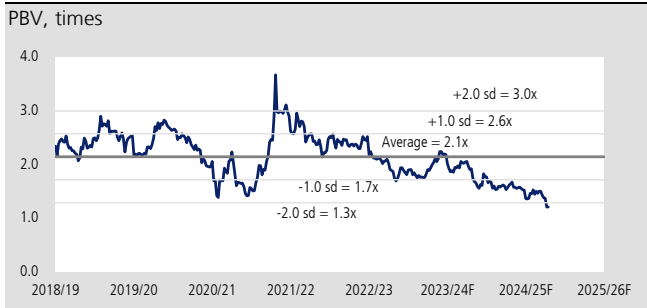
Source: Company data, KGI Securities Research

**Figure 9: Asset quality (NPL ratio and credit cost)**



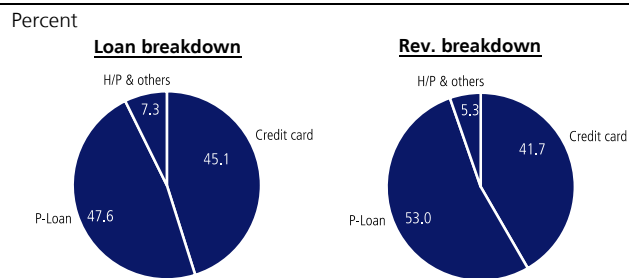
Source: Company data, KGI Securities Research

**Figure 11: PBV**



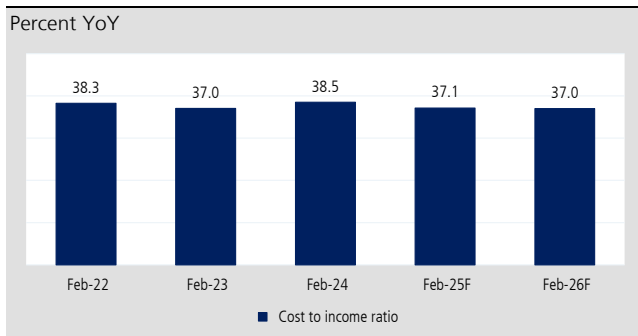
Source: Company data, KGI Securities Research

**Figure 6: Loan breakdown (P-Loan and credit card)**



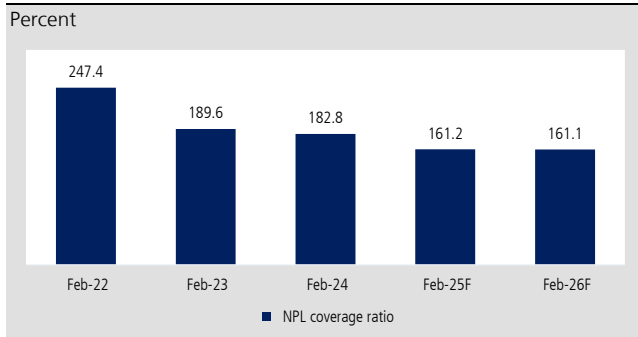
Source: Company data, KGI Securities Research

**Figure 8: Cost to income ratio**



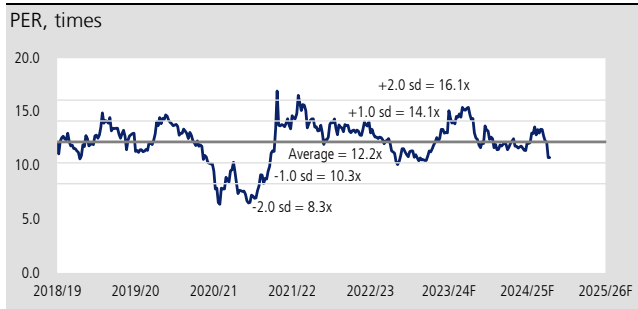
Source: Company data, KGI Securities Research

**Figure 10: NPL coverage**



Source: Company data, KGI Securities Research

**Figure 12: PER**



Source: KGI Securities Research

## Quarterly Income Statement

	May-21	Aug-21	Nov-21	Feb-22	May-22	Aug-22	Nov-22	Feb-23	May-23	Aug-23	Nov-23	Feb-24
<b>Income Statement (Bt mn)</b>												
Interest Income	4,434	4,439	4,548	4,482	4,705	4,761	4,803	4,786	4,726	4,770	4,650	4,622
Credit card	1,550	1,594	1,676	1,642	1,810	1,878	1,960	1,993	1,951	1,968	1,989	1,910
Personal loan	2,612	2,586	2,597	2,572	2,628	2,629	2,589	2,538	2,534	2,554	2,411	2,451
Hire-purchase	273	258	274	268	267	253	254	255	240	248	249	261
Interest Expense	453	448	425	418	437	469	476	523	527	574	511	550
<b>Interest Income-net</b>	<b>3,981</b>	<b>3,990</b>	<b>4,122</b>	<b>4,065</b>	<b>4,268</b>	<b>4,292</b>	<b>4,328</b>	<b>4,263</b>	<b>4,199</b>	<b>4,196</b>	<b>4,139</b>	<b>4,072</b>
Collection service income	58	49	49	54	56	54	55	60	55	58	55	53
Commission income	151	174	174	183	179	162	176	172	170	160	157	156
Gain on sale of written-off rec	0	320	0	0	105	0	300	0	0	167	0	0
Other income	399	363	441	475	439	498	486	535	509	521	543	594
<b>Pre-provision income</b>	<b>4,588</b>	<b>4,576</b>	<b>4,786</b>	<b>4,777</b>	<b>4,943</b>	<b>5,007</b>	<b>5,044</b>	<b>5,029</b>	<b>4,932</b>	<b>4,935</b>	<b>4,894</b>	<b>4,875</b>
Operating expenses	1,921	1,974	1,951	1,987	2,033	1,985	2,039	2,060	2,029	2,070	2,114	2,181
<b>Pre-provision profit</b>	<b>2,667</b>	<b>2,602</b>	<b>2,835</b>	<b>2,790</b>	<b>2,910</b>	<b>3,022</b>	<b>3,005</b>	<b>2,969</b>	<b>2,903</b>	<b>2,865</b>	<b>2,780</b>	<b>2,694</b>
Provision	1,226	2,005	1,780	1,619	1,563	1,851	1,884	1,964	2,094	1,949	1,899	1,298
<b>Pre-tax profit</b>	<b>1,439</b>	<b>911</b>	<b>1,055</b>	<b>1,169</b>	<b>1,450</b>	<b>1,170</b>	<b>1,421</b>	<b>909</b>	<b>805</b>	<b>1,082</b>	<b>881</b>	<b>1,394</b>
Income tax	355	194	219	231	291	239	286	182	161	218	171	273
<b>Net profit</b>	<b>1,149</b>	<b>678</b>	<b>815</b>	<b>911</b>	<b>1,115</b>	<b>904</b>	<b>1,104</b>	<b>692</b>	<b>617</b>	<b>842</b>	<b>706</b>	<b>1,094</b>
EPS (Bt)	4.60	2.71	3.26	3.64	4.46	3.61	4.42	2.77	2.47	3.37	2.82	4.37
<b>Profitability (%)</b>												
Loan yield	20.37	20.43	20.60	19.86	20.48	20.40	20.32	20.25	20.14	20.32	19.80	19.96
Spread	17.47	17.59	17.98	17.32	17.83	17.63	17.54	17.13	16.90	16.75	16.64	16.51
Cost of funds (%)	2.91	2.84	2.62	2.54	2.65	2.77	2.78	3.13	3.24	3.57	3.16	3.46
Cost to income ratio (%)	38.1	36.9	37.4	38.2	37.1	36.2	35.0	37.1	37.2	36.5	39.1	40.2
Effective tax rate (%)	24.7	21.3	20.8	19.8	20.1	20.4	20.1	20.0	20.0	20.2	19.4	19.6
ROAA	5.3	3.1	3.7	4.1	4.9	3.8	4.6	2.9	2.6	3.6	3.0	4.7
ROAE	26.1	14.9	17.7	18.9	21.7	16.9	20.4	12.4	10.7	14.3	11.9	18.2
Loan (Bt bn)	86.7	87.1	89.5	91.0	92.7	94.0	95.1	93.9	93.8	94.0	93.9	91.3
Credit card	35.6	36.1	37.8	39.3	40.8	42.2	43.4	43.5	43.6	43.9	43.5	41.2
P-Loan	44.8	44.9	45.6	45.7	46.2	46.2	46.0	44.9	44.4	44.0	44.0	43.4
Hire purchase	6.1	5.9	6.1	5.9	5.6	5.5	5.6	5.5	5.7	6.0	6.3	6.6
<b>Asset quality</b>												
LLR	11,138	10,885	11,021	10,951	10,772	10,669	10,470	10,125	10,199	10,086	9,487	8,288
Credit card	3,861	3,732	3,837	3,880	3,733	3,774	3,644	3,625	3,736	3,641	3,069	2,713
Personal loan	6,358	6,194	6,293	6,279	6,280	6,210	6,261	6,000	5,906	5,892	5,813	5,091
Hire-purchase	920	959	891	792	759	684	565	500	557	553	606	483
LLR/loans (%)	12.8	12.5	12.3	12.0	11.6	11.4	11.0	10.8	10.9	10.7	10.1	9.1
NPL	4,951	4,493	4,328	4,427	4,912	5,149	5,340	5,340	5,541	5,810	5,854	4,534
NPL ratio (%)	5.7	5.2	4.8	4.9	5.3	5.5	5.6	5.7	5.9	6.2	6.2	5.0
Coverage ratio (%)	225	242	255	247	219	207	196	190	184	174	162	183
Credit cost (%)	5.7	9.2	8.0	7.1	6.7	7.9	7.9	8.4	8.9	8.3	8.1	5.7
Net credit cost (%)	4.1	7.8	6.3	5.3	5.1	6.1	6.2	6.3	7.0	6.4	6.1	3.5
Bad debt recovery	328	310	381	404	385	410	406	494	441	451	468	488
Bad debt write-off	1,798	2,314	1,783	1,754	1,859	2,079	2,214	2,431	2,155	2,196	2,631	2,615

Source: Company data, KGI Securities Research

**Balance Sheet**

	Feb-22A (FY2021)	Feb-23A (FY2022)	Feb-24 (FY2023)	Feb-25F (FY2024)	Feb-26F (FY2025)
<b>Loans outstanding</b>	<b>91,028</b>	<b>93,937</b>	<b>91,305</b>	<b>95,312</b>	<b>99,555</b>
Loans growth	4.1	3.2	(2.8)	4.4	4.5
Loans by categories					
Credit card	43	46	45	46	46
Personal loan	50	48	48	46	45
Hire-purchase	6	6	7	8	8
<b>Asset quality</b>					
LLR	10,951	10,125	8,288	8,578	8,960
Credit card	3,880	3,625	2,713	3,431	3,584
Personal loan	6,279	6,000	5,091	4,718	4,928
Hire-purchase	792	500	483	429	448
LLR/loans	12.0	10.8	9.1	9.0	9.0
NPL	4,427	5,340	4,534	5,323	5,562
NPL ratio	4.9	5.7	5.0	5.6	5.6
Coverage ratio (LLR/NPL)	247.4	189.6	182.8	161.2	161.1
Credit cost	728.3	773.1	793.0	800.0	800.0
Net credit cost	569.6	571.9	592.6	590.5	582.8
<b>Profitability</b>					
Loan yield	20.1	20.6	20.3	20.1	20.1
Credit card	17.1	18.5	18.5	18.5	18.5
Personal loan	22.8	22.9	22.5	22.5	22.5
Hire-purchase	18.3	18.0	16.4	16.5	16.5
Spread	17.3	17.5	16.9	16.6	16.7
<b>Cost</b>					
SG&A	7,832	8,117	8,394	8,485	8,862
Cost to income ratio	38.3	37.0	38.5	37.1	37.0

Source: KGI Securities Research

**Key Ratios**

<b>Year to 28 Feb(Btmn)</b>	<b>Feb-22</b>	<b>Feb-23</b>	<b>Feb-24</b>	<b>Feb-25F</b>	<b>Feb-26F</b>
<b>Growth (YoY %)</b>					
Loans	4.1	3.2	(2.8)	4.4	4.4
Borrowings/Debentures	4.5	1.0	(4.9)	7.6	4.5
Total Assets	3.5	5.2	(2.9)	6.6	4.5
Total Equity	16.6	14.7	7.2	10.4	8.9
<b>Growth (YoY %)</b>					
Net Interest Income	(2.0)	6.1	(3.2)	(1.1)	4.8
Total Revenue	(2.4)	7.4	(1.6)	1.8	4.7
Loan Loss Provision	6.8	9.6	(0.3)	5.3	4.5
Operating Expense	(5.7)	3.6	3.4	1.1	4.4
Pre-provision Profit	(0.8)	7.3	(3.1)	0.9	5.1
Net Profit	(3.7)	7.4	(14.6)	(7.2)	7.3
EPS	(3.7)	7.4	(14.6)	(7.2)	7.3
<b>Profitability (%)</b>					
Yield on loans	20.1	20.6	20.3	20.1	20.1
Cost of Funds	2.7	2.9	3.4	3.5	3.4
Net Interest Margin	18.1	18.5	17.9	17.6	17.7
Bad debt recovery/Rev	6.8	7.6	8.4	9.3	9.8
Cost/Income Ratio	38.3	37.0	38.5	37.1	37.1
ROAA	4.0	4.1	3.5	3.2	3.2
ROAE	19.2	17.9	13.8	11.8	11.5
<b>Capital Adequacy(%)</b>					
Assets/Equity (x)	4.5	4.2	3.8	3.7	3.5
D/E (x)	3.5	3.1	2.8	2.7	2.6
<b>Asset Quality (%)</b>					
NPL Ratio	4.9	5.7	5.0	5.6	5.6
<b>Per Share Data (Bt)</b>					
EPS	14.21	15.26	13.04	12.10	12.98
DPS	5.2	5.5	6.5	6.0	6.0

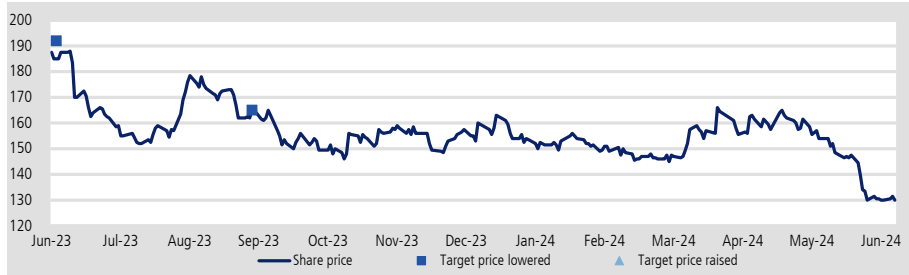
Source: KGI Securities Research

**Profit & Loss**

<b>Year to Feb 28 (Btmn)</b>	<b>Feb-22</b>	<b>Feb-23</b>	<b>Feb-24</b>	<b>Feb-25F</b>	<b>Feb-26F</b>
Interest Income	17,903	19,055	18,767	18,789	19,613
Credit card	6,462	7,642	7,819	7,891	8,238
Personal loan	10,368	10,385	9,950	9,864	10,297
Hire-purchase	1,073	1,029	998	1,033	1,079
Interest Expense	1,745	1,904	2,162	2,369	2,403
<b>Interest Income-net</b>	<b>16,158</b>	<b>17,151</b>	<b>16,605</b>	<b>16,421</b>	<b>17,210</b>
Collection service income	210	226	221	250	250
Commission income	682	689	643	650	650
Other income	1,997	2,362	2,334	2,670	2,898
Pre-provision income	19,047	20,428	19,803	19,991	21,008
Operating expenses	7,832	8,117	8,394	8,485	8,862
<b>Pre-provision profit</b>	<b>10,323</b>	<b>11,396</b>	<b>10,545</b>	<b>10,606</b>	<b>11,246</b>
Provision	6,629	7,263	7,240	7,625	7,964
<b>Pre-tax profit</b>	<b>4,574</b>	<b>4,950</b>	<b>4,161</b>	<b>3,881</b>	<b>4,182</b>
Income tax	1,000	996	824	776	836
<b>Net profit</b>	<b>3,553</b>	<b>3,815</b>	<b>3,259</b>	<b>3,025</b>	<b>3,245</b>
EPS (Bt)	14.21	15.26	13.04	12.10	12.98

Source: KGI Securities Research

**AEON Thana Sinsap - Recommendation & target price history**



Date	Rating	Target	Price
11-Apr-24	Outperform	165.00	164.50
21-Sep-23	Neutral	165.00	165.00
28-Jun-23	Neutral	192.00	185.00

Source: KGI Securities Research

## Company's ESG details

### Environment

- The company has reduced the paper usage significantly and plans to expand scope to other activities in the future i.e., implementing online non-MIS administration registration, changing from paper-based memo to E-memo system (reducing 42,450 paper sheet/year).
- The company has set up a waste sorting project within the organization to enhance awareness of environmental protection among employees and to demonstrate our commitment to reduce environmental problems continuously.
- Being member of the "Shred 2 Share " project to recycle used paper in corrected method can reduce carbon dioxide emission, coal usage and water usage.

### Social

- The company provided training courses for occupational safety under the Thailand safety law and refer emergency plan company to support a corporate safety culture and raise awareness of the importance of safety.
  - The company provided hotline number, website and email for employees to report corporate non-transparency issue with undisclosed name, position, age, gender, etc. for their safety. However, there was no any claim in 2021.
  - In 2021, the company support and encourage employees to learn and constantly improve themselves in order to increase career opportunities and drive the company forward.
  - AEONTS provided employees the training of personal information management in accordance with the laws and international standards
- In 2021, the company launched new segmentation Credit Card "AEON Wellness Platinum Credit Card", which aim for customer who are health conscious and looking for their wellbeing, every 0.1% of spending amount will be donated to "The Thai Red Cross Society".

### Governance

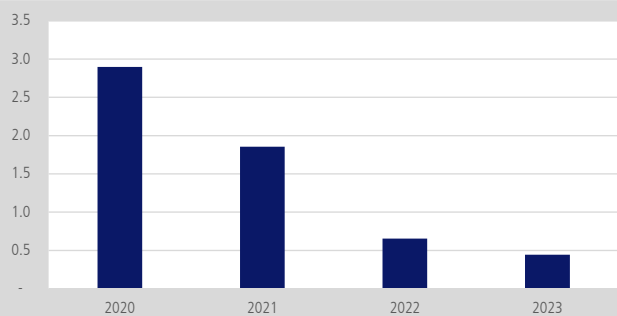
- The company maintains annual "Very Good" CG scoring From Thai Institute of Directors Association (IOD)

Source: Company data, KGI Securities Research



### Total water withdraw

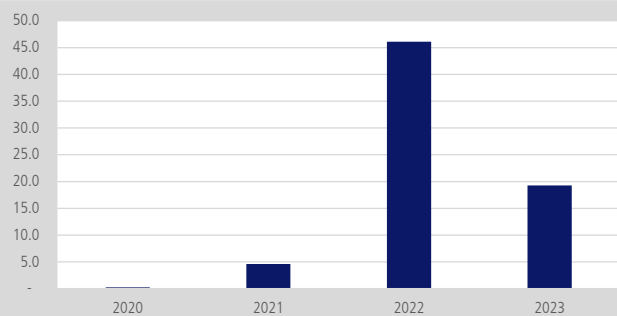
Water withdrawal, '000 m<sup>3</sup>



Source: Company data, SETSMART, KGI Securities Research

### Total waste

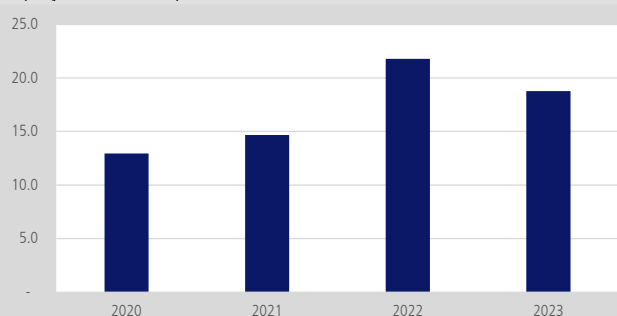
Waste generated, '000 tons



Source: Company data, SETSMART, KGI Securities Research

### Employee turnover

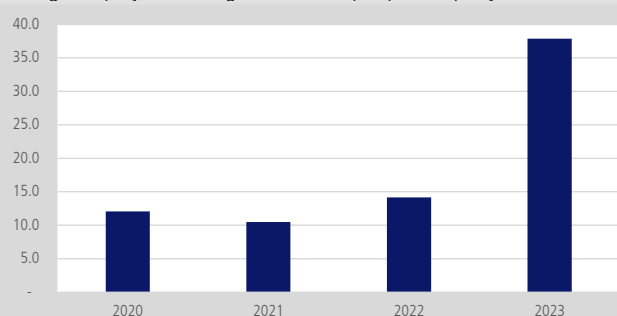
Employee turnover, percent



Source: Company data, SETSMART, KGI Securities Research

### Average employee training hours

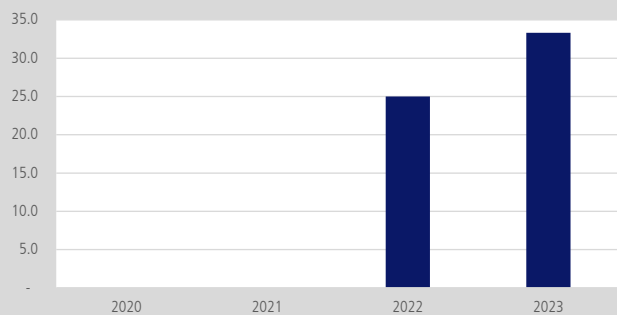
Average employee training hour, hours per person per year



Source: Company data, SETSMART, KGI Securities Research

### Proportion of independent directors

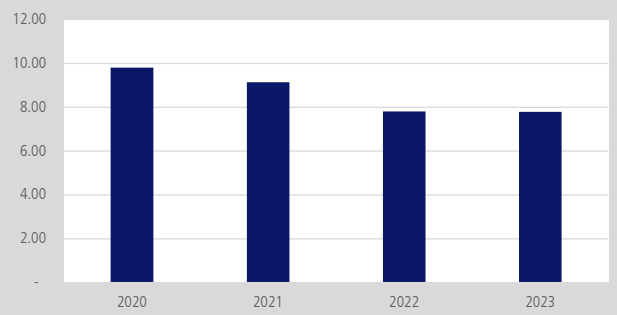
Independent directors, percent



Source: Company data, SETSMART, KGI Securities Research

### Total electricity consumption

Electricity consumption, GWh



Source: Company data, SETSMART, KGI Securities Research

## SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALAI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

**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.

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GFPT	GFPT	SAK	SAKSIAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	GLOBAL GREEN CHEMICALS	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	SIAM GLOBAL HOUSE	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GLOBAL POWER SYNERGY	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	GULF ENERGY DEVELOPMENT	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HENG LEASING AND CAPITAL	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	HOME PRODUCT CENTER	SEAFCO	SEAFCO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	INTUCH	INTOUCH HOLDINGS	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	IRPC	IRPC	SHR	S HOTELS AND RESORTS
BANPU	BANPU	ITC	i-Tail Corporation	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	IVL	INDORAMA VENTURES	SMPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KBANK	KASIKORNBANK	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KCE	KCE ELECTRONICS	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SPALI	SUPALAI
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	KTC	KRUNGTHAI CARD	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LH	LAND AND HOUSES	SUN	SUNSWEET
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	M	MK RESTAURANT GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MBK	MBK	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MEGA	MEGA LIFESCENCES	THCOM	THAICOM
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	ORI	ORIGIN PROPERTY	TOP	THAI OIL
CPALL	CP ALL	OSP	OSOTSPA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	VGI	VGI
CPN	CENTRAL PATTANA	PTT	PTT	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTEP	PTT EXPLORATION AND PRODUCTION	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOME	PTTGC	PTT GLOBAL CHEMICAL	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	QH	QUALITY HOUSES		
ERW	THE ERAWAN GROUP	RATCH	RATCH GROUP		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		
JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	NETBAY	NETBAY	SISB	SISB
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
ESSO	ESSO (THAILAND)	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		

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	KASIKORN BANK	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	SEAFSCO	SEAFSCO
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
CENTEL	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
BPCG	BPCG	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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<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.  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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