BUY (Unchanged)

Change in Numbers

TP: Bt 1.60 (From: Bt 1.45)

Upside : 16.8%

2 NOVEMBER 2022

TMBThanachart Bank (TTB TB)

Taking off

SARACHADA SORNSONG
662 – 779 9106
sarachada.sor@thanachartsec.co.th

TTB's 3Q22 profits came in stronger than we'd expected and messages from the bank bolster our view of its business taking off with improving returns in the offing. We see the bank's recent capital-management initiative as being a good move to further enhance ROE. We raise our earnings and TP to Bt1.6 and reaffirm our BUY rating.

Thanachart Securities

Stronger retail lending

With its good dynamic of a loan mix geared toward a higher portion of retail loans, we are not concerned about TTB's slower loan growth. The 0.1% q-q decline in 3Q22 was mainly on the back of falling government loans. Auto-HP and mortgage loans, which are the bank's focus segments, expanded as planned with q-q growth of 1.1% and 0.8%, respectively. Meanwhile, growth in consumer loans was also impressive at 2.9% for unsecured loans and 1.5% for credit card loans. With TTB's selective growth strategy, we see loans growing 2-4% over the next three years.

Proactive asset-liability management

With exposure to auto-HP and consumer loans, around 29% of TTB's earnings assets cannot be repriced within one year. But the bank has been proactively managing its asset-liability gap to minimize the impact of rising interest rates on NIM. Firstly, it raised the portion of fixed deposits from 12% in 4Q21 to 15% in 3Q22. It is also offering more attractive interest rates for hybrid deposits to secure funding. Second, it shortened the duration of its fixed-income investments from an average of 2.3 years to 1.4 years. Lastly, with the bank's high liquidity, TTB is comfortable running at over a 100% loan-to-deposit ratio. From 8bps, we now expect NIM to decline by only 4bps in 2023F.

Raising our earnings and TP to Bt1.6

Given stronger-than-expected 3Q22 results, we raise our 2022-24F earnings for TTB by an average of 9% and by 4% in 2025F. The upgrades mainly reflect better NIM and lower provisions. Post-hikes, we expect a stronger three-year EPS CAGR of 18% and see potential upside of 17% to our higher DDM-based 12-month TP, using a 2023F base year, of Bt1.6 (from Bt1.45).

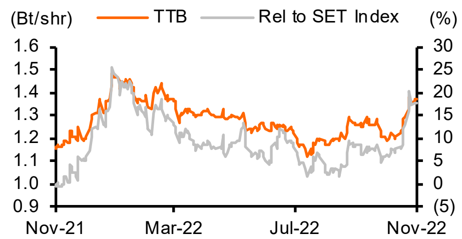
ROE improvement in the offing; BUY

With TTB's selective growth strategy, its Tier I position of 16% is too generous, in our view. Thus, we are very bullish on TTB's move to repurchase hybrid Tier I of up to USD120m or c.30% of the remainder prior to it maturing in 2024. We see three benefits from this deal. 1) A 2% leaner equity base with a still healthy Tier I ratio of over 15%. 2) With a 4.9% coupon, the bank can lower funding costs by up to Bt220m p.a. 3) Potential investment gains of Bt450m assuming the tender is 100% successful at a 10% discount to the issuing value. We also expect TTB to lift its dividend payout ratio from 35% in 2021 to 40-50% in 2022-24F. These actions along with our earnings hikes lead to solid ROE expansion of 6.2% in 2022F and 6.7% in 2023F. At 9x PE and 0.6x P/BV in 2023F, TTB looks inexpensive and we reaffirm BUY.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Pre Provision Profit	33,972	35,293	37,240	39,513
Net profit	10,474	13,283	14,842	17,320
Consensus NP	—	13,234	14,644	16,784
Diff frm cons (%)	—	*0.4*	*1.4*	*3.2*
Norm profit	10,474	13,283	14,842	17,320
Prev. Norm profit	—	12,340	13,587	15,871
Chg frm prev (%)	—	*7.6*	*9.2*	*9.1*
Norm EPS (Bt)	0.1	0.1	0.2	0.2
Norm EPS grw (%)	3.6	26.8	11.7	16.7
Norm PE (x)	12.6	10.0	8.9	7.6
P/BV (x)	0.6	0.6	0.6	0.6
Div yield (%)	2.8	4.0	5.0	6.5
ROE (%)	5.0	6.2	6.7	7.4
ROA (%)	0.6	0.7	0.8	0.9

PRICE PERFORMANCE



COMPANY INFORMATION

Price: *as of* 2-Nov-22 (Bt)	1.37
Market Cap (US$ m)	3,527
Listed Shares (m shares)	96,776.1
Free Float (%)	31.4
Avg. Daily Turnover (US$ m)	9.2
12M Price H/L (Bt)	1.48/1.12
Sector	BANK
Major Shareholder	TCAP 24.33%

Sources: Bloomberg, Company data, Thanachart estimates

ESG Summary Report P7

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 23% of the shareholding in TMBThanachart Bank Pcl.

Capital-management initiatives to improve ROE

To recap, TMB Bank Public Company Limited (TTB) issued Perpetual Additional Tier 1 Capital Securities (AT1) of USD400m with a coupon rate of 4.9% for a five-year tenor on 2 December 2019. The issuance was aimed at raising its capital buffer during the merger with Thanachart Bank. Since the merger has progressed as planned and the bank's Tier I has been replenished to a very healthy level of over 15%, TTB repurchased around USD30m and recognized small investment gains in 3Q22. The bank recently announced that it would tender up to USD120m prior to the maturity date. The tender period is from 26 October to 3 November 2022. The planned repurchase of US$150m is equivalent to 37.5% of the bank's AT1 outstanding.

We see the move as being positive and accretive to the bank's ROE. Assuming TTB can repurchase AT1 up to the limit of USD120m, we see no change to the bank's robust capital position. In fact, we foresee three benefits from the deal.

1) A leaner equity base as the repurchase of Bt4.5bn would lower the bank's equity base by around 2%.

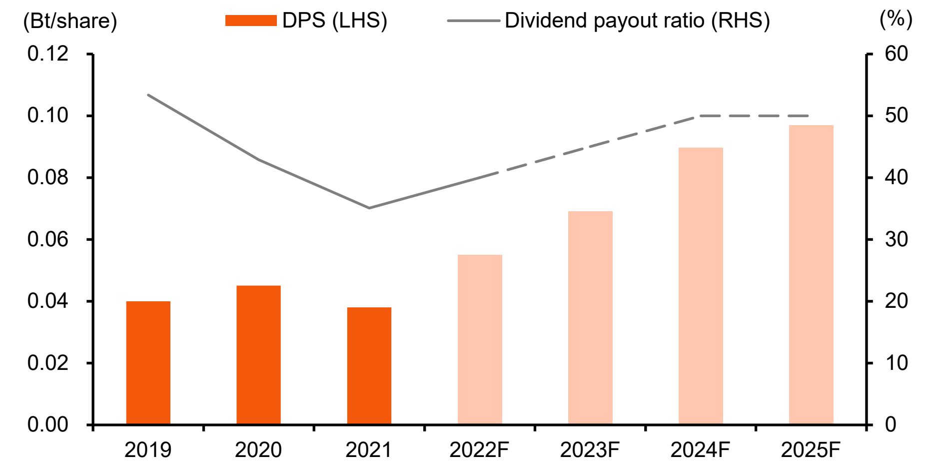
2) Lower cost of funds. Carrying costs for the AT1 of 4.9% are much higher than the bank's average funding costs. Early redemption would allow the bank to save up to Bt220m p.a. in interest expenses in 2023F and 2024F.

3) Potential investment gains of Bt450m assuming the tender is 100% successful at a 10% discount to the issuing value. With rising yield, its face value has fallen to below USD90. Even if TTB offers to repurchase at a premium to the market value, we see a chance of the bank booking some gains from the redemption. This would be booked through a non-interest income item in 4Q22.

At a 100% success rate, we expect this to improve the bank's ROE of around 0.3%. We also expect TTB to undertake other capital-management initiatives to further unlock its ROE potential. Next in line would be a rise in its dividend payout ratio given the bank's selective growth strategy, as we don't expect TTB to opt for robust loan and asset growth. We expect the bank to gradually raise its dividend payout ratio to 45-50% over 2023-24F.

With our earnings hikes, the early redemption of AT1, and higher dividend payments, we estimate TTB's ROE to increase from 5% last year to 6.2% in 2023F and 6.7% in 2024F.

Ex 1: Higher Dividends



Sources: Company data, Thanachart estimates

BUY with a higher TP of Bt1.6

In light of stronger-than-expected 3Q22 results, we raise our earnings estimates for TTB by an average of 9% over 2022-24F and by 4% in 2025F. The upgrades mainly reflect our assumptions of better NIM and lower provisions. Exhibit 2 below shows our new assumptions. Post-hikes, we expect a stronger three-year EPS CAGR of 18%. Trading at a 9x PE multiple and at 0.6x P/BV for 2023F, TTB is inexpensive, in our view. With 17% potential upside to our higher DDM-based 12-month TP, using a 2023F base year, of Bt1.6 (from Bt1.45), we reaffirm our BUY rating on the counter.

Ex 2: Earnings Revisions

	2018	2019	2020	2021	2022F	2023F	2024F	2025F
Net profits (Bt bn)								
- New	11.59	7.22	10.11	10.47	13.28	14.84	17.32	18.71
- Old					12.34	13.59	15.87	17.97
- Change (%)					*7.64*	*9.24*	*9.13*	*4.10*
Loan growth (%)								
- New	6.58	103.03	0.05	(1.48)	2.14	3.81	3.83	3.55
- Old					2.43	3.79	3.81	3.54
- Change (pp)					*(0.29)*	*0.02*	*0.02*	*0.01*
Lending yield (%)								
- New	4.83	3.30	4.91	4.47	4.47	4.73	4.86	4.97
- Old					4.41	4.66	4.84	4.90
- Change (pp)					*0.05*	*0.07*	*0.02*	*0.07*
NIM (%)								
- New	2.82	1.95	2.93	2.86	2.86	2.82	2.86	2.89
- Old					2.80	2.72	2.76	2.83
- Change (pp)					*0.06*	*0.10*	*0.10*	*0.07*
Net fee income (Bt bn)								
- New	9.34	8.10	11.35	11.25	10.30	10.77	11.33	11.91
- Old					10.50	11.05	11.64	12.25
- Change (%)					*(1.90)*	*(2.54)*	*(2.67)*	*(2.80)*
Opex (Bt bn)								
- New	17.47	20.67	32.18	31.22	29.46	29.46	30.43	31.29
- Old					29.17	28.95	29.74	30.16
- Change (%)					*0.99*	*1.75*	*2.31*	*3.76*
Cost-to-income ratio (%)								
- New	48.34	52.34	46.64	47.89	45.50	44.16	43.50	42.77
- Old					45.78	44.75	44.05	42.38
- Change (pp)					*(0.28)*	*(0.58)*	*(0.55)*	*0.39*
Credit costs (%)								
- New	1.33	0.74	1.78	1.57	1.37	1.30	1.20	1.20
- Old					1.40	1.30	1.20	1.20
- Change (pp)					*(0.03)*	*0.00*	*0.00*	*0.00*
NPLs (Bt bn)								
- New	21.72	37.75	39.59	42.12	42.00	43.26	44.56	45.89
- Old					42.12	43.38	44.69	46.03
- Change (%)					*(0.29)*	*(0.29)*	*(0.29)*	*(0.29)*

Sources: Company data, Thanachart estimates

Ex 3: 12-month DDM-based TP Calculation, Using A Base Year Of 2023F

(Bt m)	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Terminal Value
Dividend of common shares	5,313	6,679	8,660	9,355	12,941	16,273	17,502	18,792	20,154	21,593	33,024	33,024
Dividend payment	5,313	6,679	8,660	9,355	12,941	16,273	17,502	18,792	20,154	21,593	33,024	305,662
PV of dividend	5,313	5,321	6,077	5,834	7,172	8,013	7,659	7,309	6,694	6,343	8,584	79,450

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	1.2
WACC (%)	12.1
Cost of equity (%)	12.1
Terminal growth (%)	2.0
Equity value	153,771
No. of shares (m)	96,623
Equity value / share (Bt)	**1.60**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 4: Valuation Comparison With Regional Peers

Name	BBG Code	Country	EPS growth 22F (%)	EPS growth 23F (%)	PE 22F (x)	PE 23F (x)	P/BV 22F (x)	P/BV 23F (x)	ROE 22F (%)	ROE 23F (%)	Div. Yield 22F (%)	Div. Yield 23F (%)
BOC Hong Kong Holdings	2388 HK	Hong Kong	23.5	27.4	9.1	7.1	0.8	0.8	9.0	11.2	5.6	7.2
Bank of East Asia	23 HK	Hong Kong	(20.4)	34.6	6.2	4.6	0.2	0.2	3.2	4.8	9.5	10.3
China Citic Bank Corp	998 HK	Hong Kong	4.7	7.3	2.6	2.5	0.3	0.2	10.7	10.4	10.4	10.9
Hang Seng Bank	11 HK	Hong Kong	(9.1)	53.0	16.8	11.0	1.2	1.1	7.1	10.1	3.9	5.7
Industrial & Commercial Bk	1398 HK	Hong Kong	3.5	5.4	3.6	3.4	0.4	0.4	11.4	11.2	8.7	9.2
Axis Bank	AXSB IN	India	(15.5)	na	22.2	na	na	na	11.8	14.4	1.1	1.5
ICICI Bank	ICICIBC IN	India	(12.2)	33.0	28.4	21.4	na	3.0	na	16.2	0.5	0.8
State Bank of India	SBIN IN	India	(0.6)	33.0	14.6	11.0	1.9	1.6	14.2	14.1	1.0	1.6
Bank Central Asia	BBCA IJ	Indonesia	19.7	14.4	28.7	25.1	4.8	4.4	17.5	18.3	1.8	2.1
Bank Danamon	BDMN IJ	Indonesia	101.3	8.6	9.5	8.7	0.6	0.6	7.5	7.9	1.8	na
Bank Internasional	BNII IJ	Indonesia	na	na	na	na	na	na	na	na	na	na
Bank Mandiri	BMRI IJ	Indonesia	38.4	11.9	12.1	10.8	2.1	1.9	17.7	18.2	4.2	5.1
Bank Pan	PNBN IJ	Indonesia	na	na	na	na	na	na	na	na	na	na
Bank Rakyat	BBRI IJ	Indonesia	31.2	15.7	14.8	12.8	2.2	2.1	15.4	16.6	4.6	5.4
Bank Negara	BBNI IJ	Indonesia	57.1	18.9	10.1	8.5	1.3	1.1	13.2	14.3	2.5	3.2
CIMB Group Holdings	CIMB MK	Malaysia	21.8	18.4	10.5	8.9	0.9	0.9	8.6	9.8	4.7	5.6
Hong Leong Bank	HLBK MK	Malaysia	(3.2)	17.6	13.4	11.4	1.4	1.3	10.6	11.7	2.8	3.2
Malayan Banking	MAY MK	Malaysia	2.0	17.3	12.0	10.2	1.1	1.1	9.4	10.9	6.6	7.4
Public Bank	PBKF MK	Malaysia	4.3	19.1	na	na	na	na	11.8	13.3	na	na
Industrial Bank of Korea	024110 KS	S Korea	15.9	7.0	3.1	2.9	0.3	0.3	9.8	9.9	8.1	8.9
DBS Group Holdings	DBS SP	Singapore	13.6	19.4	11.5	9.6	1.5	1.4	13.5	15.1	4.2	4.9
Oversea-Chinese Banking	OCBC SP	Singapore	20.9	12.1	9.3	8.3	1.0	0.9	11.0	11.7	5.0	5.6
United Overseas Bank	UOB SP	Singapore	15.0	16.6	10.2	8.8	1.1	1.0	10.9	12.1	4.7	5.5
Bank of Ayudhya	BAY TB*	Thailand	14.0	6.2	7.9	7.4	0.7	0.6	8.9	8.8	2.5	2.7
Bangkok Bank	BBL TB*	Thailand	13.2	14.0	9.2	8.1	0.5	0.5	6.0	6.5	3.3	3.7
KASIKORNBANK	KBANK TB*	Thailand	13.7	11.6	8.1	7.3	0.7	0.6	8.7	9.1	2.5	2.7
Kiatnakin Bank	KKP TB*	Thailand	16.8	13.4	8.4	7.4	1.1	1.0	13.8	14.4	4.7	5.4
Krung Thai Bank	KTB TB*	Thailand	42.3	9.2	8.0	7.3	0.6	0.6	8.3	8.5	4.4	4.8
SCB X	SCB TB*	Thailand	9.8	9.4	9.3	8.5	0.8	0.7	8.6	8.9	4.3	4.7
Tisco Financial Group	TISCO TB*	Thailand	5.6	1.9	10.8	10.6	1.8	1.8	17.1	17.0	7.9	8.0
TMBThanachart Bank	TTB TB*	Thailand	26.8	11.7	10.0	8.9	0.6	0.6	6.2	6.7	4.0	5.0
Average			**15.7**	**16.7**	**11.4**	**9.3**	**1.2**	**1.1**	**10.8**	**11.8**	**4.5**	**5.2**

Source: Bloomberg
Note: * Thanachart estimates , using Thanachart normalized EPS
Based on 2 Nov 2022 closing prices

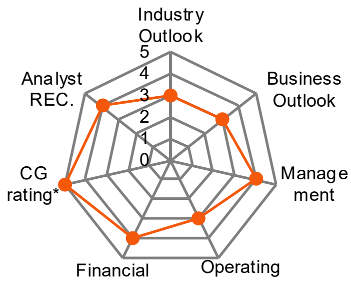
Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 23% of the shareholding in TMBThanachart Bank Pcl.

COMPANY DESCRIPTION

Founded in 1957, TMB Bank Public Company Limited (TMB) was one of the leading mid-sized commercial banks in Thailand. TMB merged with Thanachart Bank and became the sixth-largest bank in Thailand in 2019. The merged bank, TMBThanachart Bank (TTB), was launched after the completion of the Entire Business Transfer in 2020. Having successfully completed its integration mission on 5 July last year as planned. TTB became one of the Domestically Systemically Important Banks (D-SIBs) in Thailand in 2021.

Source: Thanachart

COMPANY RATING



Rating Scale	
Excellent	**5**
Good	**4**
Fair	**3**
Weak	**2**
Very Weak	**1**
None	**0**

Source: Thanachart; *CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Complete banking platform
- Product innovation.
- Know-how from its foreign partner ING.

W — Weakness

- With its largest exposure to auto-HP, loan growth heavily relies on domestic car sales and demand/supply dynamic and the automotive industry.

O — Opportunity

- Unsecured lending
- Ability to cross-sell and upsell income.
- Room to increase fee income.

T — Threat

- Global economic recession.
- New accounting standards and regulations.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	1.48	1.60	8%
Net profit 22F (Bt m)	13,234	13,283	0%
Net profit 23F (Bt m)	14,644	14,842	1%
Consensus REC	**BUY: 17**	**HOLD: 5**	**SELL: 2**

HOW ARE WE DIFFERENT FROM THE STREET?

- We believe we are ahead of the Bloomberg consensus in factoring in TTB's higher ROE over mid to longer term.
- As a consequence, our DDM-derived TP is higher.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

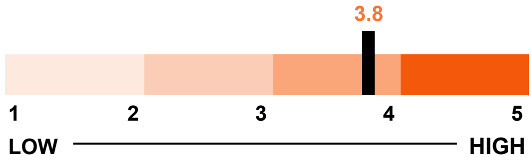
- Downside risk to our numbers and TP would materialize if the economy does not recover in line with our expectation.
- If TTB fails to execute its balanced growth model, this would lead to potential upside to our credit cost assumptions and hence, represent a secondary downside risk to our earnings.

Source: Thanachart

ESG & Sustainability Report

TTB strives to integrate sustainability aspects into its business, aiming to avoid and minimize the negative impacts of operations, products, and services, and to identify business opportunities to create positive impacts. We assign an ESG score of 3.82 to TTB.

Thanachart ESG Rating



	SETTHSI Index	THSI Index	DJSI Index	MSCI (CCC-AAA)	Arabesque S-Ray (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
TTB	YES	YES	-	-	51.43	51.41	66.51	36.0	5.0

Sources: SETTRADE, SETTHSI Index, Thailand Sustainability Investment (THSI), The Dow Jones Industrial Average (DJSI), MSCI ESG Research LLC, Arabesque S-Ray®, Refinitiv ESG Information, S&P Global Market Intelligence, Moody's ESG Solutions, Thai IOD (CG rating)
Note: Please see third party on "term of use" in the following back page.

Factors	Our Comments

ENVIRONMENT

- **Environmental Policies & Guidelines**
- **Energy Management**
- **Carbon Management**
- **Water Management**
- **Waste Management**

▪ TTB has set a long-term target for greenhouse gas (GHG) emission reduction (Scope 1 & 2) of 15% by 2026 from the baseline year of 2019, while its annual reduction target is 10% from the same baseline year.
▪ Compared to 2019, TTB reduced electricity and water consumption intensity by 35.8% and 39.7%, respectively in 2021.
▪ In 2021, exposure to the energy sector including oil and gas, coal, and power generation, in Thailand, was 13.7 million tonnes of CO2e and 0.00026 tonnes of CO2e/THB, respectively, accounting for 0.08% of commercial loans outstanding.
▪ TTB plans to reduce existing coal-fired power plant projects to zero by 2028 and exit the tobacco industry by 2023.

SOCIAL

- **Human Rights**
- **Staff Management**
- **Health & Safety**
- **Product Safety & Quality**
- **Social Responsibility**

▪ The bank's Human Rights Policy entails a commitment to respecting the human rights of all stakeholders related to its business activities, in line with the Universal Declaration of Human Rights, the UN Guiding Principles for Business and Human Rights, the UN Global Compact Principles, and the International Labour Organization.
▪ TTB has committed to having a diverse, inclusive workforce and aims to create a level playing field where all staff, both male and female, have equal employment opportunities. The bank's target is to have at least 40% of management positions held by women.
▪ TTB has made FAI-FAH its core Corporate Social Responsibility program, creating positive impacts on many lives and communities.

GOVERNANCE & SUSTAINABILITY

- **Board**
- **Ethics & Transparency**
- **Business Sustainability**
- **Risk Management**
- **Innovation**

▪ The 14-member board of directors consists of eight non-executive directors, one executive director, and five independent directors.
▪ The board of directors, in conjunction with six of the bank's sub-committees: the Nomination, Remuneration and Corporate Governance Committee, Credit Committee, Risk Oversight Committee, IT Oversight Committee, Audit Committee, and Board of Executive Directors Committee, serves as a crucial overseer for the sustainable growth of the bank
▪ Whistleblowing reported seven cases of external suspicious fraud, 29 complaints about products and services, 31 requests for products and services, and three cases related to staff conduct. All 70 cases were closed in 2021.
▪ All employees have completed online risk-awareness training courses covering topics such as cybersecurity risk awareness and non-financial risk management. All members of the board of directors have participated in risk-related training on topics such as Security Awareness Training, Cybersecurity, and Cyber Resilience.

Sources: Company data, Thanachart

Driven by lower provisions and a turnaround in retail loans

Focusing on retail lending

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Interest and Dividend Income	72,321	64,239	64,994	71,352	76,074
Interest Expenses	18,515	13,240	13,851	19,075	21,213
Net Interest Income	**53,805**	**51,000**	**51,143**	**52,277**	**54,862**
% of total income	78.0%	78.2%	79.0%	78.4%	78.4%
Gain on Investment	678	182	10	100	100
Fee Income	11,348	11,248	10,300	10,774	11,327
Gain on Exchange	1,726	1,480	1,800	2,000	2,060
Others	1,426	1,281	1,500	1,545	1,591
Non-interest Income	**15,178**	**14,191**	**13,610**	**14,419**	**15,079**
% of total income	22.0%	21.8%	21.0%	21.6%	21.6%
Total Income	**68,983**	**65,191**	**64,753**	**66,696**	**69,940**
Operating Expenses	32,177	31,219	29,460	29,456	30,427
Pre-provisioning Profit	**36,806**	**33,972**	**35,293**	**37,240**	**39,513**
Provisions	24,831	21,514	19,203	18,916	18,130
Pre-tax Profit	**11,975**	**12,458**	**16,090**	**18,324**	**21,383**
Income Tax	2,223	2,327	3,057	3,482	4,063
After Tax Profit	9,752	10,131	13,033	14,842	17,320
Equity Income	363	346	250	0	0
Minority Interest	(3)	(3)	0	0	0
Extraordinary Items	0	0	0	0	0
NET PROFIT	**10,112**	**10,474**	**13,283**	**14,842**	**17,320**
Normalized Profit	**10,112**	**10,474**	**13,283**	**14,842**	**17,320**
EPS (Bt)	0.1	0.1	0.1	0.2	0.2
Normalized EPS (Bt)	0.1	0.1	0.1	0.2	0.2

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Liquid Items	**233,128**	**174,884**	**193,000**	**206,000**	**208,000**
cash & cash equivalents	21,943	16,011	15,000	14,000	13,000
interbank & money market	211,185	158,873	178,000	192,000	195,000
Securities under resale agreeme	0	0	0	0	0
Investments	134,351	180,229	191,042	196,774	202,677
Net loans	**1,348,480**	**1,325,212**	**1,351,371**	**1,402,488**	**1,457,042**
Gross and accrued interest	1,401,458	1,379,684	1,409,348	1,463,084	1,519,148
Provisions for doubtful	52,978	54,472	57,976	60,595	62,106
Fixed assets - net	30,076	30,252	31,678	30,770	29,295
Other assets	62,297	48,604	52,000	53,560	55,167
Total assets	**1,808,332**	**1,759,181**	**1,819,092**	**1,889,592**	**1,952,180**
LIABILITIES:					
Liquid Items	**1,453,211**	**1,429,486**	**1,480,000**	**1,535,750**	**1,586,635**
Deposit	1,373,408	1,339,195	1,375,000	1,428,650	1,477,393
Interbank & money market	75,909	84,966	100,000	102,000	104,040
Liability payable on demand	3,895	5,325	5,000	5,100	5,202
Borrowings	88,965	68,398	65,145	65,286	65,762
Other liabilities	61,406	50,460	58,000	58,580	59,166
Total liabilities	**1,603,582**	**1,548,345**	**1,603,145**	**1,659,616**	**1,711,563**
Minority interest	37	1	1	1	1
Shareholders' equity	**204,713**	**210,835**	**215,946**	**229,975**	**240,616**
Preferred capital	-	-	-	-	-
Paid-in capital	91,589	91,792	91,792	91,792	91,792
Share premium	43,322	43,345	43,345	43,345	43,345
Surplus/ Others	5,798	5,172	672	5,172	5,172
Retained earnings	64,004	70,526	80,137	89,666	100,308
Liabilities & equity	**1,808,332**	**1,759,181**	**1,819,092**	**1,889,592**	**1,952,180**

Sources: Company data, Thanachart estimates

Inexpensive valuation, in our view

VALUATION

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normlized PE (x)	13.1	12.6	10.0	8.9	7.6
Normalized PE - at target price (x)	15.3	14.8	11.6	10.4	8.9
PE (x)	13.1	12.6	10.0	8.9	7.6
PE - at target price (x)	15.3	14.8	11.6	10.4	8.9
P/PPP (x)	3.6	3.9	3.8	3.6	3.4
P/PPP - at target price (x)	4.2	4.6	4.4	4.2	3.9
P/BV (x)	0.6	0.6	0.6	0.6	0.6
P/BV - at target price (x)	0.8	0.7	0.7	0.7	0.6
Dividend yield (%)	3.3	2.8	4.0	5.0	6.5
Market cap / net loans (x)	0.1	0.1	0.1	0.1	0.1
Market cap / deposit (x)	0.1	0.1	0.1	0.1	0.1
(Bt)					
Normalized EPS	0.1	0.1	0.1	0.2	0.2
EPS	0.1	0.1	0.1	0.2	0.2
DPS	0.0	0.0	0.1	0.1	0.1
PPP/Share	0.4	0.4	0.4	0.4	0.4
BV/Share	2.1	2.2	2.2	2.4	2.5

NIM contraction already factored in

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate (%)					
Net interest income (NII)	100.3	(5.2)	0.3	2.2	4.9
Non-interest income (Non-II)	20.2	(6.5)	(4.1)	5.9	4.6
Operating expenses	55.6	(3.0)	(5.6)	(0.0)	3.3
Pre-provisioning profit (PPP)	95.5	(7.7)	3.9	5.5	6.1
Net profit	40.0	3.6	26.8	11.7	16.7
Normalized profit growth	40.0	3.6	26.8	11.7	16.7
EPS	(31.0)	3.6	26.8	11.7	16.7
Normalized EPS	(31.0)	3.6	26.8	11.7	16.7
Dividend payout ratio	42.9	35.1	40.0	45.0	50.0
Loan - gross	0.1	(1.5)	2.1	3.8	3.8
Loan - net	(0.0)	(1.7)	2.0	3.8	3.9
Deposit	(1.8)	(2.5)	2.7	3.9	3.4
NPLs	4.9	6.4	(0.3)	3.0	3.0
Total assets	(2.7)	(2.7)	3.4	3.9	3.3
Total equity	5.1	3.0	2.4	6.5	4.6
Operating Ratios (%)					
Net interest margin (NIM)	2.9	2.9	2.9	2.8	2.9
Net interest spread	4.1	3.9	3.9	4.0	4.1
Yield on earnings assets	4.1	3.7	3.7	3.9	4.0
Avg cost of fund	1.2	0.9	0.9	1.2	1.3
NII / operating income	78.0	78.2	79.0	78.4	78.4
Non-II / operating income	22.0	21.8	21.0	21.6	21.6
Fee income / operating income	16.4	17.3	15.9	16.2	16.2
Normalized net margin	14.7	16.1	20.5	22.3	24.8
Cost-to-income	46.6	47.9	45.5	44.2	43.5
Credit cost - provision exp / loans	1.8	1.6	1.4	1.3	1.2
PPP / total assets	2.0	1.9	2.0	2.0	2.1
PPP / total equity	18.4	16.4	16.5	16.7	16.8
ROA	0.6	0.6	0.7	0.8	0.9
ROE	5.1	5.0	6.2	6.7	7.4

Sources: Company data, Thanachart estimates

Solid balance sheet

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	101.4	102.5	101.9	101.9	102.3
Loan-to-deposit & S-T borrow ing	101.4	102.5	101.9	101.8	102.2
Net loan / assets	74.6	75.3	74.3	74.2	74.6
Net loan / equity	658.7	628.6	625.8	609.8	605.5
Investment / assets	7.4	10.2	10.5	10.4	10.4
Deposit / liabilities	85.6	86.5	85.8	86.1	86.3
Liabilities / equity	783.3	734.4	742.4	721.7	711.3
Net interbank lender (Bt m)	135,276	73,907	78,000	90,000	90,960
Tier 1 CAR	15.5	15.3	14.6	14.8	15.1
Tier 2 CAR	4.1	4.0	3.9	3.7	3.6
Total CAR	19.6	19.3	18.5	18.5	18.7
NPLs (Bt m)	39,594	42,121	42,000	43,260	44,558
NPLs / Total loans (NPL Ratio)	2.8	3.1	3.0	3.0	2.9
Loan-Loss-Coverage	133.8	129.3	138.0	140.1	139.4

Sources: Company data, Thanachart estimates

ESG Information - Third Party Terms

www.Settrade.com
SETTRADE: You acknowledge that the use of data, information or service displayed and/or contained in this website may require third party's data, content or software which is subject to the terms of third party provider. By accessing and/or using of such certain data, you acknowledge and agree to comply with and be bound by the applicable third party terms specified below.

ESG Scores by Third Party data from www.SETTRADE.com
1. MSCI (CCC- AAA)
2. Arabesque S-Ray (0-100)
3. Refinitiv (0-100)
4. S&P Global (0-100)
5. Moody's ESG Solutions (0-100)

SET THSI Index (SETTHSI)
Nowadays, long-term investment tends to be more focused on sustainable companies. The financial statement performance and the consideration in environmental, social and governance (ESG) perspective are keys aspects for analysis.
SET has created a Thailand Sustainability Investment (THSI) list since 2015 for using as an alternative investment in the high performance ESG stocks for investors while, supporting the sustainable Thai companies. SET defines the sustainable companies as the companies that embrace risk management, supply chain management and innovations together with responsibility for environmental, social and governance aspects
As a result, SET has created the SETTHSI for the purpose of indicating the price of these sustainable companies that pass the market capital size and liquidity criteria.

Arabesque S-Ray®
The S-Ray data here is published with a 3 month delay. For the latest data, please contact sray@arabesque.com
Arabesque S-Ray® is a service (the "Service") provided by Arabesque S-Ray GmbH ("Arabesque S-Ray") and its branch and subsidiary companies. Arabesque S-Ray is a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated in Frankfurt am Main and organized under the laws of Germany with registered number HRB 113087 in the commercial register of the local court with its seat and business address at Zeppelinallee 15, 60325 Frankfurt am Main, Germany. The Service is unconnected to any of the asset management activities conducted within the wider group of Arabesque companies, and is not investment advice or a solicitation or an offer to buy any security or instrument or to participate in investment services. RELIANCE - Arabesque S-Ray makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and accepts no liability for any loss, of whatever kind, howsoever arising, in relation thereto, and nothing contained herein should be relied upon. ENQUIRIES - Any enquiries in respect of this document should be addressed to Arabesque S-Ray.
Arabesque S-Ray® - The ESG Score, ranging from 0 to 100, identifies sustainable companies that are better positioned to outperform over the long run, based on the principles of financial materiality. That is, when computing the ESG Score of a company, the algorithm will only use information that significantly helps explain future risk-adjusted performance. Materiality is applied by overweighting features with higher materiality and rebalancing these weights on a rolling quarterly basis to stay up-to-date

MSCI ESG Research LLC
"Certain information @2021 MSCI ESG Research LLC. Reproduced by permission"
"Although [User ENTITY NAME's] information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, non of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages."

Score range	Description
CCC - B	**LAGGARD:** A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	**AVERAGE :** A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
AA - AAA	**LEADER:** A company leading its industry in managing the most significant ESG risks and opportunities

The Dow Jones Sustainability Indices (DJSI)
The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. The family was launched in 1999 as the first global sustainability benchmark and tracks the stock performance of the world's leading companies in terms of economic, environmental and social criteria. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The indices serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for investors who wish to encourage companies to improve their corporate sustainability practices.

S&P Global Market Intelligence
Copyright © 2021, S&P Global Market Intelligence (and its affiliates as applicable). Reproduction of any information, opinions, views, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.
ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We identify five categories of ESG risk severity that could impact a company's enterprise value

Moody's ESG Solutions
© 2022 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.
Additional terms for Hong Kong only: Any Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the Hong Kong Securities and Futures Ordinance ("SFO") is issued by Vigeo Eiris Hong Kong Limited, a company licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities in Hong Kong. This Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the SFO is intended for distribution only to "professional investors" as defined in the SFO and the Hong Kong Securities and Futures (Professional Investors) Rules. This Second Party Opinion or other opinion must not be distributed to or used by persons who are not professional investors.
MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY550,000,000.
MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

Refinitiv ESG
These Terms of Use govern your access or use of the ESG information and materials on the Refinitiv website and any AI powered voice assistance software ("Refinitiv ESG Information").
 Refinitiv ESG Information is proprietary to Refinitiv Limited and/or its affiliates ("Refinitiv").
The Refinitiv ESG Information is for general informational and non-commercial purposes only. Reproduction, redistribution or any other form of copying or transmission of the Refinitiv ESG Information is prohibited without Refinitiv's prior written consent.
All warranties, conditions and other terms implied by statute or common law including, without limitation, warranties or other terms as to suitability, merchantability, satisfactory quality and fitness for a particular purpose, are excluded to the maximum extent permitted by applicable laws. The Refinitiv ESG Information is provided "as is" and Refinitiv makes no express or implied warranties, representations or guarantees concerning the accuracy, completeness or currency of the information in this service or the underlying Third Party Sources (as defined below). You assume sole responsibility and entire risk as to the suitability and results obtained from your use of the Refinitiv ESG Information.
The Refinitiv ESG Information does not amount to financial, legal or other professional advice, nor does it constitute: (a) an offer to purchase shares in the funds referred to; or (b) a recommendation relating to the sale and purchase of instruments; or (c) a recommendation to take any particular legal, compliance and/or risk management decision. Investors should remember that past performance is not a guarantee of future results.
The Refinitiv ESG Information will not be used to construct or calculate and index or a benchmark, used to create any derivative works or used for commercial purposes. Refinitiv's disclaimer in respect of Benchmark Regulations applies to the Refinitiv ESG Information.
No responsibility or liability is accepted by Refinitiv its affiliates, officers, employees or agents (whether for negligence or otherwise) in respect of the Refinitiv ESG Information, or for any inaccuracies, omissions, mistakes, delays or errors in the computation and compilation of the Refinitiv ESG Information (and Refinitiv shall not be obliged to advise any person of any error therein). For the avoidance of doubt, in no event will Refinitiv have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of the Refinitiv ESG Information.
You agree to indemnify, defend and hold harmless Refinitiv from and against any claims, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable legal and experts' fees and costs, as incurred, arising in any manner out of your use of, or inability to use, any Information contained on the Refinitiv web site or obtained via any AI powered voice assistance software.
You represent to us that you are lawfully able to enter into these Terms of Use. If you are accepting these Terms of Use for and on behalf of an entity such as the company you work for, you represent to us that you have legal authority to bind that entity.
By accepting these Terms of Use you are also expressly agreeing to the following Refinitiv's website Terms of Use.
Refinitiv ESG scores are derived from third party publicly available sources ("Third Party Sources") and are formulated on the basis of Refinitiv own transparent and objectively applied methodology. Refinitiv's ESG Information methodology can be accessed here.

Score range	Description	
0 to 25	First Quartile	Scores within this range indicates poor relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly.
> 25 to 50	Second Quartile	Scores within this range indicates satisfactory relative ESG performance and moderate degree of transparency in reporting material ESG data publicly.
> 50 to 75	Third Quartile	Scores within this range indicates good relative ESG performance and above average degree of transparency in reporting material ESG data publicly.
> 75 to 100	Fourth Quartile	Score within this range indicates excellent relative ESG performance and high degree of transparency in reporting material ESG data publicly.

CG Report : by Thai Institute of Directors Association (Thai IOD), Established in December 1999, the Thai IOD is a membership organization that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

90-100	△△△△△	Excellent
80-89	△△△△	Very Good
70-79	△△△	Good
60-69	△△	Satisfactory
50-59	△	Pass
Below		N/A

General Disclaimers And Disclosures:

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TCAP or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TCAP nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TCAP and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TCAP and its group companies perform and seek to perform business with companies covered in this report. TNS, TCAP, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TCAP or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Note: Thanachart Securities Public Company Limited act as a Market Maker and Derivative Warrants Issuer. At present, TNS has issued 107 Derivative Warrants which are ADVANC16C2302A, ADVANC16C2301A, ADVANC16C2211A, AMATA16C2212A, AMAT16C2209A, AOT16C2302A, AOT16C2212A, AOT16C2209A, BANPU16C2302A, BANPU16C2212A, BBL16C2212A, BCH16C2211A, BH16C2212B, BH16C2212A, BGRIM16C2302A, BGRIM16C2301A, BGRIM16C2212A, BGRI16C2209A, BLA16C2302A, BLA16C2212A, BLA16C2209A, BTS16C2301A, CBG16C2302A, CBG16C2301B, CBG16C2301A, CENTEL16C2209A, COM716C2209A, COM716C2211A, COM716C2211B, COM716C2211C, CPALL16C2211A, CPN16C2301A, DTAC16C2212A, DOHOME16C2301A, EA16C2209A, EA16C2211A, ESSO16C2302A, ESSO16C2209A, ESSO16C2209B, FORTH16C2211A, GPSC16C2302A, GPSC16C2301A, GPSC16C2209A, GULF16C2302B, GULF16C2302A, GULF16C2301A, GUNKUL16C2302A, GUNKUL16C2301A, GUNK16C2209A, HANA16C2301A, HANA16C2209A, HANA16C2211A, IVL16C2301A, IVL16C2212A, IVL16C2209A, IVL16C2211A, JMART16C2211A, JMT16C2302A, JMT16C2211A, KBANK16C2302A, KBANK16C2301A, KBAN16C2209A, KBANK16C2211A, KCE16C2302A, KCE16C2301B, KCE16C2301A, KCE16C2209A, KCE16C2211A, KTC16C2211A, KTC16C2209A, MINT16C2302A, MINT16C2301A, MINT16C2211A, MTC16C2301A, MTC16C2212A, MTC16C2209A, PSL16C2212A, PTG16C2211A, PTG16C2209A, PTTEP16C2212A, PTTE16C2209A, RBF16C2209A, SAWAD16C2211A, S5016C2209A, S5016P2209A, SAWAD16C2302A, SAWA16C2209A, SCB16C2301A, SCB16C2211A, SCGP16C2212A, SET5016P2212B, SET5016C2212C, SET5016C2212B, SET5016P2212A, SET5016C2209B, SET5016C2212A, SET5016P2209B, SINGER16C2212A, SPRC16C2212A, SPRC16C2209A, STEC16C2209A, TIDLOR16C2212A, TOP16C2211A, TRUE16C2212A, TTA16C2211A, VGI16C2301A, WHA16C2209A (underlying securities are (ADVANC, AMATA, AOT, BANPU, BBL, BCH, BGRIM, BH, BLA, BTS, CBG, CENTEL, COM7, CPALL, CPN, DOHOME, DTAC, EA, ESSO, FORTH, GPSC, GULF, GUNKUL, HANA, IVL, JMART, JMT, KBANK, KCE, KTC, MINT, MTC, PSL, PTG, PTTEP, RBF, SAWAD, SCB, SET50, SCGP, SINGER, SPRC, STEC, TIDLOR, TOP, TRUE, TTA, VGI, WHA. before making investment decisions.

Note: Our major shareholder TCAP (Thanachart Capital Pcl) which holding 89.96% of Thanachart Securities and also TCAP holding 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 Co. Ltd has stake in THANI for 60% and being the major shareholder of THANI.

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 24.33% of the shareholding in TMBThanachart Bank Pcl.

Thanachart Capital Public Company Limited (TCAP), Ratchthani Leasing Public Company Limited (THANI), MBK PUBLIC COMPANY LIMITED (MBK) and PATUM RICE MILL AND GRANARY PUBLIC COMPANY LIMTED (PRG) are related companies to Thanachart Securities Public Company Limited (TNS) . Since TNS covers those securities in research report, consequently TNS incurs conflicts of interest.

Disclosure of Interest of Thanachart Securities

Investment Banking Relationship

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: The One Enterprise Pcl. (ONEE TB)

Recommendation Structure:

Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. 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 the market price and the formal recommendation.

For sectors, an "Overweight" sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. "Underweight" is used when we have SELLs on majority of the stocks we cover by market cap. "Neutral" is used when there are relatively equal weightings of BUYs and SELLs.

Thanachart Securities Pcl.

Research Team
18 Floor, MBK Tower
444 Phayathai Road, Pathumwan Road, Bangkok 10330
Tel: 662 - 779-9119
Email: thanachart.res@thanachartsec.co.th

Pimpaka Nichgaroon, CFA
Head of Research
Tel: 662-779-9199
pimpaka.nic@thanachartsec.co.th

Pattarawan Wangmingmat
Senior Technical Analyst
Tel: 662-779-9105
pattarawan.wan@thanachartsec.co.th

Phannarai Tiyapittayarut
Property, Retail
Tel: 662-779-9109
phannarai.von@thanachartsec.co.th

Sarachada Sornsong
Bank, Finance
Tel: 662-779-9106
sarachada.sor@thanachartsec.co.th

Witchanan Tambamroong
Technical Analyst
Tel: 662-779-9123
witchanan.tam@thanachartsec.co.th

Adisak Phupiphathirungul, CFA
Retail Market Strategy
Tel: 662-779-9120
adisak.phu@thanachartsec.co.th

Nuttapop Prasitsuksant
Telecom, Utilities
Tel: 662-483-8296
nuttapop.pra@thanachartsec.co.th

Rata Limsuthiwanpoom
Auto, Industrial Estate, Media, Prop. Fund
Tel: 662-483-8297
rata.lim@thanachartsec.co.th

Siriporn Arunothai
Small Cap, Healthcare, Hotel
Tel: 662-779-9113
siriporn.aru@thanachartsec.co.th

Sittichet Rungrassameephat
Analyst, Quantitative
Tel: 662-483-8303
sittichet.run@thanachartsec.co.th

Chak Reungsinpinya
Strategy, Insurance, Paper
Tel: 662-779-9104
chak.reu@thanachartsec.co.th

Pattadol Bunnak
Electronics, Food & Beverage, Shipping
Tel: 662-483-8298
pattadol.bun@thanachartsec.co.th

Saksid Phadthananarak
Construction, Transportation
Tel: 662-779-9112
saksid.pha@thanachartsec.co.th

Yupapan Polpornprasert
Energy, Petrochemical
Tel: 662-779-9110
yupapan.pol@thanachartsec.co.th

Thaloengsak Kucharoenpaisan
Analyst, Retail Market
Tel: 662-483-8304
thaloengsak.kuc@thanachartsec.co.th