

Thailand Bank Sector

Targeted policies

Sector Valuation			Current	Target	Norm EPS grw		Norm PE		P/BV		Div yield	
Company	BBG Code	Rec.	price (Bt)	price (Bt)	2024F (%)	2025F (%)	2024F (x)	2025F (x)	2024F (x)	2025F (x)	2024F (%)	2025F (%)
Bangkok Bank	BBL TB	BUY	153.00	180.00	8.0	4.8	6.5	6.2	0.5	0.5	4.6	5.2
KASIKORN BANK	KBANK TB	HOLD	156.50	163.00	16.0	9.4	7.6	7.0	0.7	0.6	4.8	5.4
Kiatnakin Bank	KKP TB	BUY	51.75	63.00	(18.2)	19.4	9.8	8.2	0.7	0.7	7.2	9.7
Krung Thai Bank	KTB TB	BUY	21.50	24.00	19.2	10.3	6.9	6.2	0.7	0.7	5.8	6.4
SCB X	SCB TB	BUY	118.50	123.00	(5.2)	13.8	9.7	8.5	0.8	0.8	8.4	9.4
Tisco Fin. Group	TISCO TB	BUY	97.25	109.00	(5.0)	1.2	11.2	11.1	1.8	1.8	8.0	8.0
TMBThanachart Bank	TTB TB	BUY	1.83	2.30	14.0	14.0	8.4	7.4	0.7	0.7	7.1	8.1

Source: Thanachart estimates, note: based on 9 December 2024 closing prices

We are optimistic about the targeted debt relief measures for fragile retail and SME borrowers. While we don't expect these measures to dilute earnings, the additional balance sheet cleanups could gradually encourage banks to ease their tightened underwriting criteria. KKP, TTB, and KBANK look set to benefit the most.

Targeted debt relief measures

The Thai Bankers' Association, with support from the Ministry of Finance and the Bank of Thailand (BoT), is launching a targeted debt relief plan to address household debt issues. The plan focuses on mortgages, auto hire-purchase loans, title loans, personal loans, credit card loans, and SME loans with Stage 2 classification or NPLs less than one year old. Key measures include a three-year interest rate suspension and reductions in principal installments. To support the initiative, the BoT will reduce the Financial Institutions Development Fund (FIDF) fee by 0.23% of total deposits to fund 50% of the foregone interest income, with the remaining 50% covered by banks. The Thai Bankers' Association estimates the program will cover 1.5m accounts, a total debt of Bt400bn.

A positive move, in our view

We view the plan favorably. **First**, the scheme improves banks' ability to clean up their balance sheets with some liquidity support from the BoT. **Second**, debtors in Stage 2 or NPL categories have already missed interest payments, meaning banks are not currently receiving cash inflows from these loans. While the foregone interest payments would reduce NIM, banks would still recover principal amounts to settle overdue loans. **Third**, we expect the scheme to lower default losses and provisions and curb new NPL formation and NPL levels.

How about the loan outlook?

While we had already adopted a bearish stance, loan growth has been even weaker than we had anticipated, with a YTD contraction of nearly 2% as of October. This creates downside risks to our loan growth estimates of 0.7% and 2.8% for 2024-25F. However, we expect the proposed restructuring scheme to result in lower provisions than we had previously assumed. As a result, we maintain our EPS growth projections for the sector of 8% this year and 10% next year.

KKP, TTB, and KBANK are prime beneficiaries

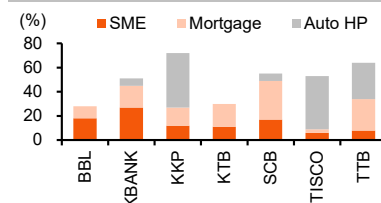
Banks with significant exposure to vulnerable borrowers in the targeted segments look likely to benefit the most, particularly KKP, TTB, and KBANK. While we expect the scheme to have a positive impact, it may take at least a year for banks' normal lending appetite to be restored. We reiterate our NEUTRAL stance. TTB and KTB remain our top picks.



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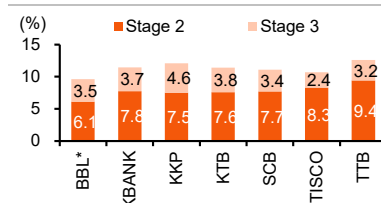
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SME And Retail Loan Proportions



Sources: Company data, Thanachart estimates

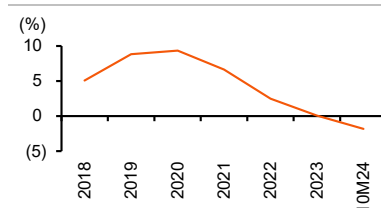
Stage 2 And NPL Comparison



Source: Company data

Note: * BBL's Stage 2 loans are based on 2023's data and the bank-only NPL ratio in 3Q24

YTD Loan Growth



Source: Company data

Targeted debt relief measures

Concerted efforts to alleviate high household debt burdens

The Thai Bankers' Association and the Special Financial Institutions (SFIs), with support from the Ministry of Finance and the Bank of Thailand (BoT), is launching a targeted debt relief plan to address household debt issues. The plan focuses on mortgages, auto hire-purchase loans, title loans, personal loans, credit card loans, and SME loans with Stage 2 classification or NPLs less than one year old.

The scheme applies to borrowers with commercial banks, their subsidiaries, and SFIs. It is estimated that 1.9m borrowers across 2.1m accounts, representing a total debt of Bt890bn, will benefit from the program.

For commercial bank exposures, the Thai Bankers' Association estimates that the program will cover 1.5m accounts, representing a total debt of Bt400bn.

The two debt relief measures include:

Co-pay interest suspension scheme

First, Interest co-payment with term extensions for three years: This measure will cover borrowers with maximum credit lines (at origination) with financial institutions as outlined below:

- 1) Housing loans and home for cash: Loan amounts up to Bt5m.
- 2) Auto HP loans and auto for cash: Loan amounts up to Bt800,000 for cars and up to Bt50,000 for motorcycles.
- 3) SME loans: Loan amounts up to Bt5m for business purposes.

Enrollment and qualifications:

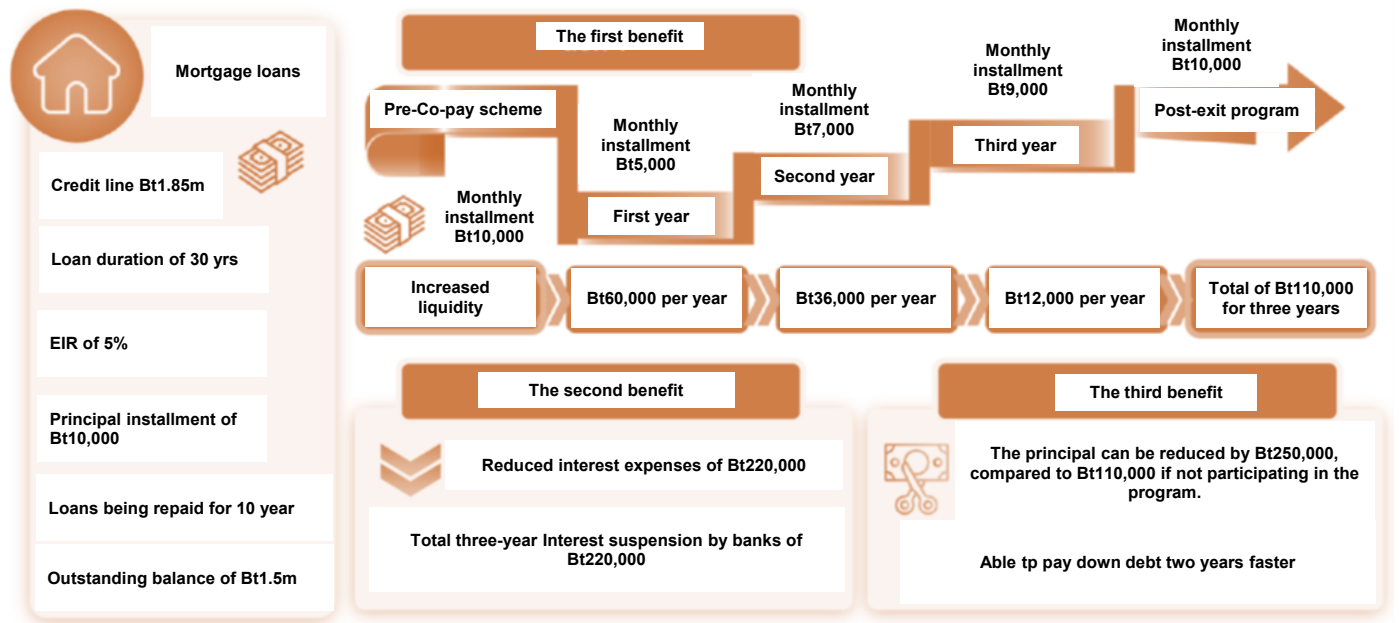
- 1) Opt-in via the BoT's system starting from 12 December 2024 to 28 February 2025.
- 2) Loans originated before 1 January 2024.
- 3) Defining customer status using data as of 31 October 2024.

Detail of relief measures:

- 1) Interest payment deferral: A three-year suspension of interest payments.
- 2) Principal reduction: A reduction in principal installments for three years, with a 50% cut in the first year, 30% in the second year, and 10% in the final year.
- 3) Loan term extensions for 3 years.
- 4) Compliance requirement: Borrowers must refrain from initiating new loans within the first 12 months and will be flagged in the National Credit Bureau as participants in the program. They are also required to adhere strictly to the revised repayment plans to maintain eligibility for the interest rate suspension. Failure to comply will allow banks to reinstate the suspended interest payments.

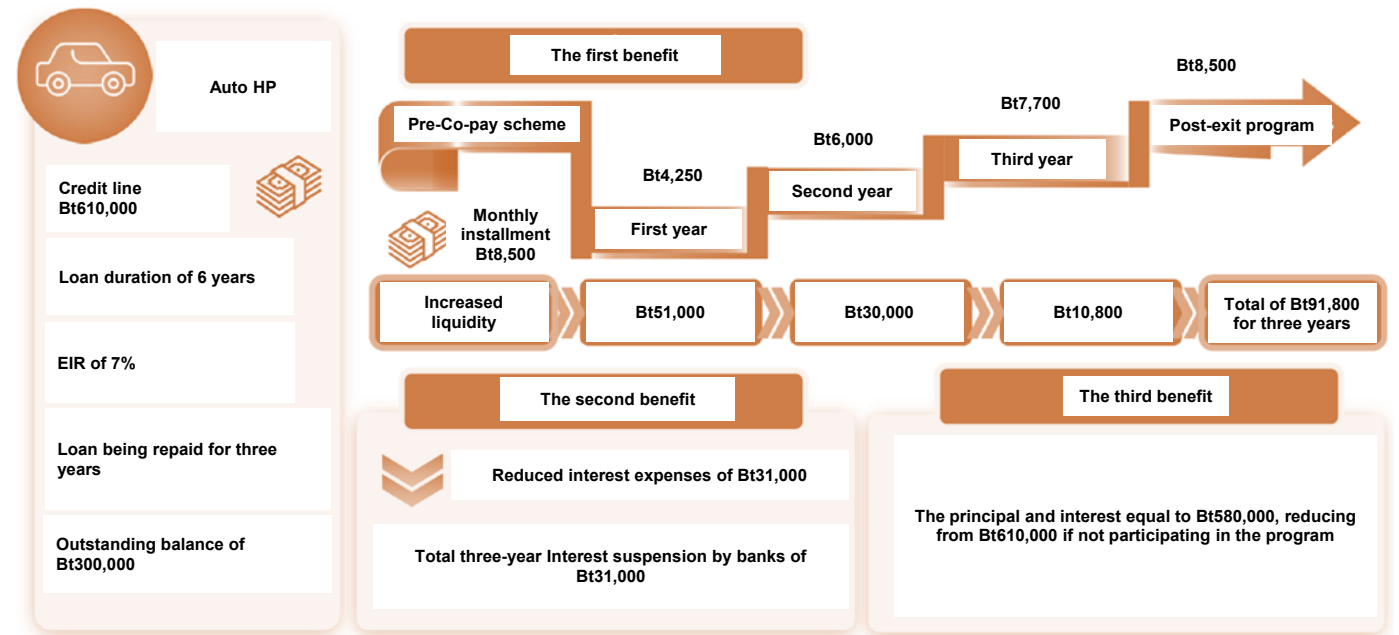
The BoT will reduce the Financial Institutions Development Fund (FIDF) fee to support the program during its first year. The estimated FIDF savings of Bt39bn will cover 50% of the foregone interest for borrowers participating in the program, with the remaining 50% contributed by financial institutions.

Ex 1: Example Of Reduction In Principal Repayments For Participating Mortgage Loans



Source: Bank of Thailand

Ex 2: Example Of Reduction In Principal Repayments For Participating Auto HP Loans



Source: Bank of Thailand

Pay, Close, Done:
 Targeting small-ticket unsecured loans.

Second, Pay, Close, and Done: This scheme applies to credit card and personal loans with outstanding balances not exceeding Bt5,000. Eligible borrowers will be required to pay a fraction of the overdue amount, with the remaining balance being written off. The BoT estimates that this scheme will benefit 1m borrowers across 1m accounts, representing a total debt of Bt1bn.

A positive move, in our view

We view the plan favorably, as we expect it to deliver several benefits to banks:

Positive for balance sheet quality and profitability

- 1) Enhanced balance sheet cleanups:** We believe the scheme would improve banks' ability to clean up their balance sheets with liquidity support from the government. Since the FIDF subsidies would be tied to the amount of interest banks forgo, institutions with a larger share of retail and SME loans would stand to gain the most.

To recap, banks have proactively addressed balance sheet vulnerabilities, especially as Stage 2 loans and NPLs have increased following the expiration of post-COVID forbearance programs. This proactive cleanup has mitigated the risk of an NPL cliff but has come at a cost. Higher write-offs, losses on loan sales, and elevated provisions have weighed heavily on banks' profits and ROE.

Moreover, these cleanup efforts, combined with persistent structural challenges in SME and retail loans, have led to overly stringent underwriting criteria and abnormally tight monetary conditions. These have disrupted banks' intermediary functions, exacerbating the challenges in supporting the economic recovery and dampening the momentum of the economic rebound.

We believe the scheme provides banks with a clearer runway while minimizing the impact on earnings, which could help restore their lending appetite in the future.

- 2) Cashflow alignment:** Debtors in Stage 2 or NPL categories have already missed interest payments, resulting in no current cash inflows for banks from these loans. The forgone interest payments would reduce interest income recognition for Stage 2 loans. They would not affect the recognition of interest income for NPLs as banks cease interest income recognition once Stage 2 loans fall into the NPL category.

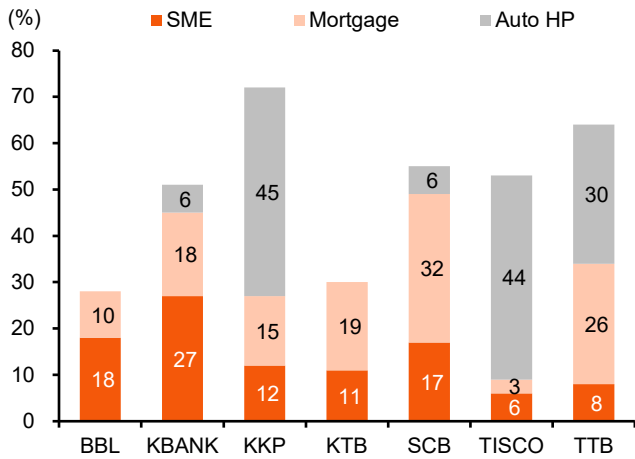
Admittedly, lower interest income recognition of participating Stage 2 loans would compress net interest income and NIM. However, cash flow recognition would improve as borrowers participating in the programs are expected to begin servicing their principal. This would enable banks to recover principal amounts, thereby reducing the volume of overdue loans. Furthermore, it would increase the likelihood of defaulted loans transitioning back to performing loans in the future, improving overall asset quality.

- 3) Reduced credit losses:** We expect the scheme to lower default losses and provisions and curb new NPL formation and NPL levels. Furthermore, the reduction in provisions is likely to outweigh the accounting impact of the forgone interest receipts, providing a net positive outcome for banks.

Notably, the combination of forgone interest charges and principal reductions over three years will likely result in a rapid decline in loan outstanding amounts. This would lower the effective interest rate (EIR) and internal rate of return (IRR) on the affected loans. While these reductions may not be fully offset by the savings from the FIDF fee cut, we expect banks to benefit from reduced provisioning requirements due to improved loan quality.

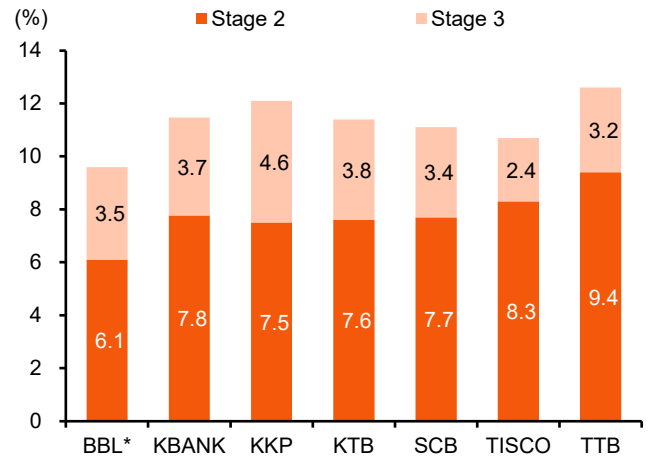
As a result, banks with a larger share of retail and SME loans — and having the ability to restore the quality of these loans — look poised to gain the most from the restructuring scheme. We refer to Stage 2 and NPL proportions for the seven banks under our coverage as of 3Q24. While we do not have a detailed breakdown of Stage 2 and NPLs specifically for retail and SME loans eligible for the program, we provide an overall loan breakdown for each bank in Exhibit 3 below. Meanwhile, we present system-wide details of Stage 2 loans and NPLs for each retail loan product as provided by the National Credit Bureau in Exhibits 5-6.

Ex 3: SME, Mortgage & Auto HP Loan Proportions (3Q24)



Sources: Company data, Thanachart estimates

Ex 4: Proportions Of Stage 2 Loans And NPLs (3Q24)



Source: Company data

Note: * BBL's Stage 2 loans are based on 2023's data and the bank-only NPL ratio in 3Q24

Ex 5: Stage 2 Loans By Product As Of October 2024

	Account		Outstanding (Bt bn)	
	Oct-23	Oct-24	Oct-23	Oct-24
Mortgage loans	118,191	130,941	158	188
Auto HP loans	562,574	537,032	215	197
Credit card	170,488	169,847	10	10
Personal loans	839,483	792,305	117	133
Total	1,690,736	1,630,125	499	529

Source: Company data

Ex 6: NPLs By Product As Of October 2024

	Account		Outstanding (Bt bn)	
	Oct-23	Oct-24	Oct-23	Oct-24
Mortgage loans	144,771	162,980	181	231
Auto HP loans	723,662	836,281	218	263
Credit card	980,204	1,099,323	59	70
Personal loans	5,542,193	4,975,489	261	278
Total	7,390,830	7,074,073	720	842

Source: Company data

How about the loan outlook?

Despite our bearish stance, loan growth has been weaker than we had assumed earlier

We refer to our latest sector report, “**Caught in a de-risking cycle**” dated 26 September 2024, in which we were concerned about the loan growth outlook and downgraded the sector’s weighting to NEUTRAL. Even though we have already adopted a bearish stance, loan growth has been even weaker than we had anticipated. According to the latest data, the loans of the seven banks under our coverage expanded 0.2% m-m but contracted 1.8% y-y with a YTD contraction of 1.6% as of October. 4Q is normally the high season for loan drawdowns. However, most banks are not positive, and they admit that they may not be able to achieve their loan growth targets set for this year.

Ex 7: Loan Growth Remains Sluggish

Oct-24	BBL	KBANK	KKP	KTB	SCB	TTB	TISCO	Sum
Total loans	2,047,140	2,206,017	358,930	2,325,700	2,303,214	1,193,791	223,586	10,658,379
YTD	-1.0%	-1.8%	-7.2%	-0.5%	0.1%	-6.0%	-1.4%	-1.6%
m-m	1.6%	0.3%	-0.7%	0.0%	-0.3%	-0.5%	0.3%	0.2%
y-y	-2.8%	0.9%	-7.2%	-1.7%	0.3%	-7.5%	0.0%	-1.8%
Total deposits	2,713,634	2,631,395	356,124	2,799,416	2,517,171	1,325,847	201,463	12,545,049
YTD	0.5%	-3.7%	-0.9%	5.4%	3.0%	-4.5%	-3.4%	1.0%
m-m	2.1%	-3.7%	3.4%	5.7%	3.5%	2.2%	-1.6%	1.8%
y-y	1.2%	-0.2%	1.2%	4.3%	-0.4%	-0.8%	-0.8%	1.0%
Total borrowing	212,835	56,967	28,701	91,954	105,838	37,178	6,831	612,837
YTD	0.6%	1.7%	-57.1%	-19.5%	-3.7%	-29.4%	-60.5%	-13.1%
m-m	3.3%	1.7%	-24.7%	-1.3%	-3.3%	2.2%	0.0%	-0.9%
y-y	-3.4%	-20.7%	-57.2%	-19.8%	-6.2%	-30.5%	-46.5%	-14.7%
LDR (%)	75.4%	83.8%	100.8%	83.1%	91.5%	90.0%	111.0%	85.0%
LDR incl. borrowing (%)	70.0%	82.1%	93.3%	80.4%	87.8%	87.6%	107.3%	81.0%

Source: Company data

This creates downside risks to our loan growth estimates of 0.7% and 2.8% for 2024-25F. However, we expect the proposed restructuring scheme to result in lower provisions than we had previously assumed. As a result, we maintain our EPS growth projections for the sector of 8% this year and 10% next year.

Ex 8: Key Assumptions Comparison

		BBL	KBANK	KKP	KTB	SCB	TISCO	TTB	Industry
Rating		BUY	HOLD	BUY	BUY	BUY	BUY	BUY	Neutral
Target price	(Bt)	180.00	163.00	63.00	24.00	123.00	109.00	2.30	
Upside	(%)	17.6	4.2	21.7	11.6	3.8	12.1	25.7	
Consensus TP	(Bt)	165.79	168.12	52.94	23.34	118.96	100.21	2.06	
Differ from consensus	(%)	8.6	(3.0)	19.0	2.8	3.4	8.8	11.6	
Market cap.	(US\$ m)	8,648	10,980	1,298	8,898	11,815	2,306	5,278	
Pre-provision profit	2023A	85,525	107,721	12,869	85,955	98,905	9,676	39,398	440,049
(Bt m)	2024F	89,950	111,093	9,590	89,988	97,431	9,942	38,925	446,920
	2025F	85,654	111,198	10,427	93,257	101,217	10,243	39,441	451,437
	2026F	89,274	115,653	10,522	97,820	107,626	11,306	42,207	474,410
Net profit (Bt m)	2023A	41,636	42,405	5,443	36,616	43,521	7,301	18,462	195,384
	2024F	44,960	49,184	4,454	43,634	41,256	6,935	21,046	211,470
	2025F	47,118	53,808	5,319	48,119	46,950	7,016	24,001	232,332
	2026F	50,009	58,629	5,396	52,658	54,032	7,342	27,620	255,687
Loan growth (y-y %)	2023A	(0.40)	(0.19)	6.58	(0.63)	2.08	7.22	(3.50)	0.08
	2024F	3.06	0.58	(6.71)	0.43	1.88	(3.54)	(3.87)	0.55
	2025F	4.06	2.81	(2.24)	2.27	2.96	2.99	1.05	2.67
	2026F	4.08	3.11	(0.82)	2.65	2.86	3.60	1.14	2.88
Deposit growth (y-y %)	2023A	(0.83)	(1.79)	8.28	2.19	(4.42)	10.82	(0.91)	(0.74)
	2024F	0.18	2.24	(8.61)	0.50	0.61	4.71	(1.92)	0.36
	2025F	2.45	2.41	0.00	2.00	2.79	4.71	1.28	2.27
	2026F	2.48	2.43	0.67	2.78	2.79	4.72	1.29	2.46
NIM (%)	2023A	2.93	3.48	4.23	3.12	3.62	4.97	3.13	3.31
	2024F	2.94	3.47	3.83	3.17	3.66	4.76	3.12	3.31
	2025F	2.77	3.40	3.77	3.06	3.67	4.77	3.13	3.24
	2026F	2.75	3.44	3.75	3.08	3.84	4.94	3.21	3.29
Fee income growth (%)	2023A	(1.00)	(5.17)	(11.17)	2.74	(11.91)	(3.53)	(0.28)	(4.83)
	2024F	3.10	7.44	(1.76)	5.40	(3.13)	(0.36)	(7.36)	1.80
	2025F	3.88	3.16	11.06	6.50	2.65	(0.71)	4.80	4.03
	2026F	4.20	4.75	2.13	6.57	3.00	3.10	5.00	4.38
Total provisions to loans (%)	2023A	9.68	5.38	5.19	6.73	6.14	4.22	4.78	6.67
	2024F	9.79	5.08	5.65	6.72	6.26	3.86	5.35	6.76
	2025F	9.62	4.55	5.83	6.53	6.28	3.60	5.41	6.59
	2026F	9.51	4.41	5.93	6.45	6.27	3.62	5.47	6.54
NPL ratio (%)	2023A	3.20	3.76	3.63	3.81	3.95	2.21	3.07	3.60
	2024F	3.62	3.69	4.50	3.77	3.88	2.63	3.19	3.71
	2025F	3.58	3.66	4.45	3.67	3.87	2.68	3.19	3.67
	2026F	3.55	3.62	4.30	3.61	3.83	2.72	3.22	3.63
ROE (%)	2023A	8.05	8.19	9.16	9.40	9.27	17.13	8.24	8.80
	2024F	8.25	8.96	7.27	10.47	8.57	16.20	9.00	9.08
	2025F	8.17	9.21	8.52	10.79	9.56	16.10	9.84	9.49
	2026F	8.19	9.44	8.46	11.03	10.68	16.48	10.83	9.92
LLC (%)	2023A	300.9	142.1	140.5	175.0	153.9	189.9	154.9	185.1
	2024F	269.6	136.9	123.0	176.5	160.0	145.6	166.7	182.1
	2025F	267.6	123.4	128.1	176.2	161.0	133.1	168.7	179.5
	2026F	267.4	121.0	134.8	176.9	162.2	132.3	169.0	179.9

Sources: Company data, Thanachart estimates

Based on 9 December 2024 closing prices

KKP, TTB and KBANK are prime beneficiaries

It may take at least a year for banks' normal lending appetite to be restored

While we expect the special restructuring scheme to have a positive impact, banks continue to prioritize quality over growth. The additional balance sheet cleanup could encourage banks to gradually ease their tightened underwriting criteria. However, we believe it may take at least a year for banks' normal lending appetite to be restored. As such, we maintain our NEUTRAL weighting on the sector, with TTB and KTB remaining as our top picks.

We continue to prefer KTB among the large banks. Having completed its de-risking process, KTB looks well-positioned to benefit from the government's accelerated spending, with a clear turnaround in fee income. In our view, KTB offers the most attractive valuation, with the potential for a higher dividend payout.

Meanwhile, we favor TTB for its flexibility in navigating internal dynamics and overcoming structural setbacks. TTB is outperforming the sector with higher earnings growth and a strong dividend yield. With 50% of its loan portfolio exposed to mortgages and auto hire-purchase (HP) loans, TTB stands to gain significantly from the restructuring scheme. This would enhance its ability to release excess provisions, sustain high earnings post-tax holiday, pay higher dividends, and expand ROE to over 10%.

In addition to TTB, we see KKP and KBANK as key beneficiaries of the scheme. We expect KKP, which has struggled with weak auto HP loan quality due to rising defaults, NPLs, and repossession losses, to benefit meaningfully from the restructuring. We recently upgraded KKP to BUY, with a TP of Bt63.

KBANK, with its relatively high exposure to SME loans, also stands to gain from the restructuring. However, with limited potential upside to our TP of Bt163, we rate KBANK as HOLD.

Ex 9: Valuation Comparison

Sector Valuation			Current price	Target price	Norm EPS grw		— Norm PE —		— P/BV —		— Div yield —	
Company	BBG Code	Rec.	(Bt)	(Bt)	2024F (%)	2025F (%)	2024F (x)	2025F (x)	2024F (x)	2025F (x)	2024F (%)	2025F (%)
Bangkok Bank	BBL TB	BUY	153.00	180.00	8.0	4.8	6.5	6.2	0.5	0.5	4.6	5.2
KASIKORNBANK	KBANK TB	HOLD	156.50	163.00	16.0	9.4	7.6	7.0	0.7	0.6	4.8	5.4
Kiatnakin Bank	KKP TB	BUY	51.75	63.00	(18.2)	19.4	9.8	8.2	0.7	0.7	7.2	9.7
Krung Thai Bank	KTB TB	BUY	21.50	24.00	19.2	10.3	6.9	6.2	0.7	0.7	5.8	6.4
SCB X	SCB TB	BUY	118.50	123.00	(5.2)	13.8	9.7	8.5	0.8	0.8	8.4	9.4
Tisco Financial Group	TISCO TB	BUY	97.25	109.00	(5.0)	1.2	11.2	11.1	1.8	1.8	8.0	8.0
TMBThanachart Bank	TTB TB	BUY	1.83	2.30	14.0	14.0	8.4	7.4	0.7	0.7	7.1	8.1

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 10: Valuation Comparison With Regional Peers

Name	BBG Code	Country	EPS growth		— PE —		— P/BV —		— ROE —		— Div. Yield —	
			24F (%)	25F (%)	24F (x)	25F (x)	24F (x)	25F (x)	24F (%)	25F (%)	24F (%)	25F (%)
BOC Hong Kong Holdings	2388 HK	Hong Kong	13.2	(1.2)	7.1	7.2	0.8	0.7	11.2	10.6	7.7	7.7
Bank of East Asia	23 HK	Hong Kong	(8.9)	10.0	6.9	6.3	0.3	0.2	3.6	3.9	6.7	7.2
China Citic Bank Corp	998 HK	Hong Kong	(2.2)	1.2	4.3	4.2	0.4	0.4	9.8	9.4	6.6	6.6
Hang Seng Bank	11 HK	Hong Kong	(2.2)	(2.5)	10.6	10.9	1.1	1.1	10.7	10.4	7.0	7.0
Industrial & Commercial Bk	1398 HK	Hong Kong	0.2	1.1	4.9	4.9	0.5	0.4	9.9	9.3	6.4	6.4
Axis Bank	AXSB IN	India	(9.8)	11.0	15.1	13.6	na	2.0	17.5	16.2	2.3	2.9
ICICI Bank	ICICIBC IN	India	(6.5)	12.3	22.4	19.9	3.7	3.1	na	na	0.7	0.8
State Bank of India	SBIN IN	India	(5.5)	12.9	12.1	10.7	2.0	1.7	16.3	17.3	1.5	1.8
Bank Central Asia	BBCA IJ	Indonesia	12.7	8.9	23.3	21.3	4.8	4.4	21.5	21.4	2.7	3.0
Bank Mandiri	BMRI IJ	Indonesia	3.0	8.4	10.5	9.7	2.1	1.9	20.8	20.6	5.6	5.9
Bank Rakyat	BBRI IJ	Indonesia	1.8	8.4	10.8	10.0	2.0	2.0	19.2	19.8	7.6	7.9
Bank Negara	BBNI IJ	Indonesia	6.1	13.0	8.4	7.4	1.2	1.1	14.3	14.8	5.6	6.2
CIMB Group Holdings	CIMB MK	Malaysia	11.4	6.6	11.2	10.5	1.2	1.1	11.1	11.2	5.6	5.4
Hong Leong Bank	HLBK MK	Malaysia	(2.1)	9.2	10.3	9.4	1.2	1.1	11.6	11.6	3.3	3.7
Malayan Banking	MAY MK	Malaysia	8.0	4.1	12.1	11.6	1.3	1.2	10.5	10.6	6.2	6.5
Public Bank	PBKF MK	Malaysia	5.4	6.1	na	na	na	na	12.5	12.4	na	na
Industrial Bank of Korea	024110 KS	S Korea	8.1	0.7	4.1	4.1	0.4	0.3	8.7	8.4	7.4	7.9
DBS Group Holdings	DBS SP	Singapore	11.7	(3.4)	11.0	11.4	1.9	1.8	17.8	16.3	5.1	5.6
Oversea-Chinese Banking	OCBC SP	Singapore	10.6	(1.5)	9.6	9.8	1.3	1.2	14.0	13.0	5.5	5.6
United Overseas Bank	UOB SP	Singapore	8.4	4.0	10.2	9.8	1.3	1.2	13.2	12.9	5.2	5.6
Bangkok Bank	BBL TB*	Thailand	8.0	4.8	6.5	6.2	0.5	0.5	8.3	8.2	4.6	5.2
KASIKORNBANK	KBANK TB*	Thailand	16.0	9.4	7.6	7.0	0.7	0.6	9.0	9.2	4.8	5.4
Kiatnakin Phatra Bank	KKP TB*	Thailand	(18.2)	19.4	9.8	8.2	0.7	0.7	7.3	8.5	7.2	9.7
Krung Thai Bank	KTB TB*	Thailand	19.2	10.3	6.9	6.2	0.7	0.7	10.5	10.8	5.8	6.4
SCB X	SCB TB*	Thailand	(5.2)	13.8	9.7	8.5	0.8	0.8	8.6	9.6	8.4	9.4
Tisco Financial Group	TISCO TB*	Thailand	(5.0)	1.2	11.2	11.1	1.8	1.8	16.2	16.1	8.0	8.0
TMBThanachart Bank	TTB TB*	Thailand	14.0	14.0	8.4	7.4	0.7	0.7	9.0	9.8	7.1	8.1
Average			3.4	6.8	10.2	9.5	1.3	1.3	12.4	12.4	5.6	6.0

Source: Bloomberg

Note: * Thanachart estimates , using Thanachart normalized EPS

Based on 9 December 2024 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 24.35% of the shareholding in TMBThanachart Bank Pcl.

STOCK PERFORMANCE

	Absolute (%)				Rel SET (%)			
	1M	3M	12M	YTD	1M	3M	12M	YTD
SET Index	(1.2)	1.1	4.8	2.2	—	—	—	—
BANK Index	2.1	(0.6)	9.9	5.4	3.3	(1.7)	5.1	3.1
BBL	3.0	0.7	2.3	(2.2)	4.2	(0.5)	(2.5)	(4.5)
KBANK	5.4	0.6	23.2	15.9	6.6	(0.5)	18.4	13.7
KKP	(2.4)	5.1	7.3	3.0	(1.2)	3.9	2.4	0.7
KTB	2.4	5.4	18.1	16.8	3.6	4.2	13.3	14.6
SCB	3.0	5.8	19.4	11.8	4.2	4.7	14.6	9.6
TISCO	1.3	(2.3)	(0.5)	(2.5)	2.5	(3.4)	(5.3)	(4.7)
TTB	2.2	(9.4)	17.3	9.6	3.4	(10.6)	12.5	7.3

Source: Bloomberg

SECTOR - SWOT ANALYSIS

S — Strength

- Solid balance sheets
- Strong capital bases

O — Opportunity

- Fee-based income expansion
- Rising penetration in personal loans
- Overseas expansion

W — Weakness

- Shortage of high-caliber personnel
- Slow development of product innovations

T — Threat

- World economic recession
- New accounting standards and regulations

REGIONAL COMPARISON

Name	— EPS growth —		— PE —		— P/BV —		— ROE —		— Div. Yield —	
	24F (%)	25F (%)	24F (x)	25F (x)	24F (x)	25F (x)	24F (x)	25F (x)	24F (%)	25F (%)
Hong Kong	0.0	1.7	6.8	6.7	0.6	0.6	9.1	8.7	6.9	7.0
India	(7.3)	12.1	16.5	14.7	2.9	2.3	16.9	16.8	0.0	1.8
Indonesia	5.9	9.7	13.2	12.1	2.5	2.3	18.9	19.2	5.4	na
Malaysia	5.6	6.5	11.2	10.5	1.2	1.1	11.4	11.5	5.0	5.2
S. Korea	8.1	0.7	4.1	4.1	0.4	0.3	8.7	8.4	7.4	7.9
Singapore	10.2	(0.3)	10.3	10.3	1.5	1.4	15.0	14.1	5.3	5.6
Thailand	4.1	10.4	8.6	7.8	0.9	0.8	9.8	10.3	6.6	7.5
Average	3.6	5.7	10.1	9.4	1.4	1.3	12.8	12.7	5.2	5.8
BBL	8.0	4.8	6.5	6.2	0.5	0.5	8.3	8.2	4.6	5.2
KBANK	16.0	9.4	7.6	7.0	0.7	0.6	9.0	9.2	4.8	5.4
KKP	(18.2)	19.4	9.8	8.2	0.7	0.7	7.3	8.5	7.2	9.7
KTB	19.2	10.3	6.9	6.2	0.7	0.7	10.5	10.8	5.8	6.4
SCB	(5.2)	13.8	9.7	8.5	0.8	0.8	8.6	9.6	8.4	9.4
TISCO	(5.0)	1.2	11.2	11.1	1.8	1.8	16.2	16.1	8.0	8.0
TMB	14.0	14.0	8.4	7.4	0.7	0.7	9.0	9.8	7.1	8.1
Average*	4.1	10.4	8.6	7.8	0.9	0.8	9.8	10.3	6.6	7.5

Sources: Bloomberg Consensus

Note: * Thanachart estimate – using normalized EPS and simple average calculation
Based on 9 December 2024 closing prices

Bangkok Bank

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	139,088	194,365	207,426	193,259	193,637
Interest Expenses	36,865	63,504	74,218	65,654	63,546
Net Interest Income	102,223	130,860	133,208	127,605	130,091
% of total income	73.7%	78.2%	78.0%	76.6%	76.1%
Gain on Investment	(1,454)	(482)	100	100	100
Fee Income	27,508	27,234	28,079	29,169	30,392
Gain on Exchange	5,155	5,544	5,000	5,500	6,000
Others	2,966	1,814	2,000	1,863	1,867
Non-interest Income	36,482	36,440	37,532	39,009	40,760
% of total income	26.3%	21.8%	22.0%	23.4%	23.9%
Total Income	138,705	167,300	170,740	166,614	170,851
Operating Expenses	69,019	81,775	80,790	80,960	81,577
Pre-provisioning Profit	69,687	85,525	89,950	85,654	89,274
Provisions	32,647	33,667	33,000	26,000	26,000
Pre-tax Profit	37,040	51,859	56,950	59,654	63,274
Income Tax	7,484	9,993	11,390	11,931	12,655
After Tax Profit	29,556	41,865	45,560	47,723	50,619
Equity Income	190	187	200	200	200
Minority Interest	(440)	(417)	(800)	(805)	(810)
Extraordinary Items	0	0	0	0	0
NET PROFIT	29,306	41,636	44,960	47,118	50,009
Normalized Profit	29,306	41,636	44,960	47,118	50,009
EPS (Bt)	15.4	21.8	23.6	24.7	26.2
Normalized EPS (Bt)	15.4	21.8	23.6	24.7	26.2

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	818,507	802,638	698,000	651,000	604,000
cash & cash equivalents	52,433	45,518	40,000	40,000	40,000
interbank & money market	766,074	757,120	658,000	611,000	564,000
Securities under resale agreeme	0	0	0	0	0
Investments	851,572	973,690	1,002,859	1,052,931	1,105,508
Net loans	2,449,355	2,425,661	2,492,590	2,598,897	2,707,928
Gross and accrued interest	2,692,829	2,684,327	2,762,226	2,874,473	2,991,610
Provisions for doubtful	243,474	258,666	269,636	275,577	283,682
Fixed assets - net	73,909	72,855	74,337	75,657	76,816
Other assets	228,409	239,641	280,000	285,000	290,000
Total assets	4,421,752	4,514,484	4,547,786	4,663,485	4,784,252
LIABILITIES:					
Liquid Items	3,481,187	3,527,658	3,499,000	3,580,180	3,664,514
Deposit	3,210,896	3,184,283	3,190,000	3,268,000	3,349,120
Interbank & money market	262,522	334,219	300,000	303,000	306,030
Liability payable on demand	7,770	9,156	9,000	9,180	9,364
Borrowings	188,302	212,505	205,557	205,470	205,356
Other liabilities	245,122	243,491	280,000	281,000	282,000
Total liabilities	3,914,610	3,983,654	3,984,557	4,066,650	4,151,869
Minority interest	1,796	1,855	2,655	3,460	4,270
Shareholders' equity	505,346	528,975	560,574	593,375	628,112
Preferred capital	-	-	-	-	-
Paid-in capital	19,088	19,088	19,090	19,090	19,090
Share premium	56,346	56,346	56,346	56,346	56,346
Surplus/ Others	54,243	44,270	44,270	44,270	44,270
Retained earnings	375,668	409,270	440,867	473,669	508,406
Liabilities & equity	4,421,752	4,514,484	4,547,786	4,663,485	4,784,252

Sources: Company data, Thanachart estimates

Bangkok Bank

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	10.0	7.0	6.5	6.2	5.8
Normalized PE - at target price (x)	11.7	8.3	7.6	7.3	6.9
PE (x)	10.0	7.0	6.5	6.2	5.8
PE - at target price (x)	11.7	8.3	7.6	7.3	6.9
P/PPP (x)	4.2	3.4	3.2	3.4	3.3
P/PPP - at target price (x)	4.9	4.0	3.8	4.0	3.8
P/BV (x)	0.6	0.6	0.5	0.5	0.5
P/BV - at target price (x)	0.7	0.6	0.6	0.6	0.5
Dividend yield (%)	2.9	4.6	4.6	5.2	5.2
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	15.4	21.8	23.6	24.7	26.2
EPS	15.4	21.8	23.6	24.7	26.2
DPS	4.5	7.0	7.0	8.0	8.0
PPP/Share	36.5	44.8	47.1	44.9	46.8
BV/Share	264.7	277.1	293.7	310.8	329.0

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	24.4	28.0	1.8	(4.2)	1.9
Non-interest income (Non-II)	(30.1)	(0.1)	3.0	3.9	4.5
Operating expenses	2.6	18.5	(1.2)	0.2	0.8
Pre-provisioning profit (PPP)	3.9	22.7	5.2	(4.8)	4.2
Net profit	10.6	42.1	8.0	4.8	6.1
Normalized profit growth	10.6	42.1	8.0	4.8	6.1
EPS	10.6	42.1	8.0	4.8	6.1
Normalized EPS	10.6	42.1	8.0	4.8	6.1
Dividend payout ratio	29.3	32.1	29.7	32.4	30.5
Loan - gross	3.6	(0.4)	3.1	4.1	4.1
Loan - net	3.1	(1.0)	2.8	4.3	4.2
Deposit	1.7	(0.8)	0.2	2.4	2.5
NPLs	(3.9)	(11.6)	16.3	3.0	3.0
Total assets	2.0	2.1	0.7	2.5	2.6
Total equity	2.6	4.7	6.0	5.9	5.9
Operating Ratios (%)					
Net interest margin (NIM)	2.3	2.9	2.9	2.8	2.8
Net interest spread	3.8	4.6	4.6	4.4	4.4
Yield on earnings assets	3.3	4.5	4.7	4.3	4.2
Avg cost of fund	1.0	1.7	2.0	1.8	1.7
NII / operating income	73.7	78.2	78.0	76.6	76.1
Non-II / operating income	26.3	21.8	22.0	23.4	23.9
Fee income / operating income	19.8	16.3	16.4	17.5	17.8
Normalized net margin	21.1	24.9	26.3	28.3	29.3
Cost-to-income	49.8	48.9	47.3	48.6	47.7
Credit cost - provision exp / loans	1.2	1.3	1.2	0.9	0.9
PPP / total assets	1.6	1.9	2.0	1.9	1.9
PPP / total equity	14.0	16.5	16.5	14.8	14.6
ROA	0.7	0.9	1.0	1.0	1.1
ROE	5.9	8.1	8.3	8.2	8.2

Sources: Company data, Thanachart estimates

Bangkok Bank**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	83.5	83.9	86.3	87.7	89.1
Loan-to-deposit & S-T borrowing	83.5	83.9	86.3	87.7	89.0
Net loan / assets	55.4	53.7	54.8	55.7	56.6
Net loan / equity	484.7	458.6	444.6	438.0	431.1
Investment / assets	19.3	21.6	22.1	22.6	23.1
Deposit / liabilities	82.0	79.9	80.1	80.4	80.7
Liabilities / equity	774.6	753.1	710.8	685.3	661.0
Net interbank lender (Bt m)	503,553	422,900	358,000	308,000	257,970
Tier 1 CAR	15.7	16.1	17.0	17.7	18.3
Tier 2 CAR	3.5	3.4	3.4	3.3	3.2
Total CAR	19.1	19.6	20.5	21.0	21.6
NPLs (Bt m)	97,188	85,955	100,000	103,000	106,090
NPLs / Total loans (NPL Ratio)	3.6	3.2	3.6	3.6	3.5
Loan-Loss-Coverage	250.5	300.9	269.6	267.6	267.4

Sources: Company data, Thanachart estimates

KASIKORNBANK**INCOME STATEMENT**

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	151,333	183,608	191,765	189,882	194,929
Interest Expenses	18,334	35,164	41,449	38,950	38,383
Net Interest Income	132,998	148,444	150,316	150,932	156,546
% of total income	76.8%	77.0%	75.5%	74.7%	74.7%
Gain on Investment	(130)	(588)	100	100	100
Fee Income	32,882	31,181	33,500	34,560	36,202
Gain on Exchange	5,053	12,123	13,000	13,000	13,000
Others	(1,106)	(2,041)	(1,502)	(178)	(170)
Non-interest Income	40,145	44,245	48,768	51,251	53,001
% of total income	23.2%	23.0%	24.5%	25.3%	25.3%
Total Income	173,143	192,689	199,084	202,184	209,547
Operating Expenses	74,753	84,968	87,991	90,986	93,894
Pre-provisioning Profit	98,390	107,721	111,093	111,198	115,653
Provisions	51,919	51,840	47,342	41,204	39,830
Pre-tax Profit	46,470	55,880	63,750	69,994	75,823
Income Tax	8,633	10,778	12,113	13,299	14,406
After Tax Profit	37,838	45,102	51,638	56,695	61,417
Equity Income	115	(35)	900	1,000	1,100
Minority Interest	(2,183)	(2,662)	(3,354)	(3,887)	(3,887)
Extraordinary Items	0	0	0	0	0
NET PROFIT	35,769	42,405	49,184	53,808	58,629
Normalized Profit	35,769	42,405	49,184	53,808	58,629
EPS (Bt)	14.9	17.7	20.6	22.5	24.5
Normalized EPS (Bt)	14.9	17.7	20.6	22.5	24.5

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	559,651	617,698	638,000	637,000	637,000
cash & cash equivalents	57,115	48,690	45,000	43,000	41,000
interbank & money market	502,536	569,008	593,000	594,000	596,000
Securities under resale agreeme	0	0	0	0	0
Investments	982,177	974,585	1,005,484	1,037,250	1,069,909
Net loans	2,377,774	2,371,492	2,395,529	2,476,669	2,557,354
Gross and accrued interest	2,511,303	2,505,368	2,522,892	2,593,731	2,674,416
Provisions for doubtful	133,529	133,876	127,363	117,062	117,062
Fixed assets - net	111,105	114,698	118,086	121,833	126,025
Other assets	215,662	205,084	218,000	220,180	222,382
Total assets	4,246,369	4,283,556	4,375,098	4,492,932	4,612,669
LIABILITIES:					
Liquid Items	2,928,812	2,909,888	2,971,000	3,038,330	3,106,661
Deposit	2,748,685	2,699,562	2,760,000	2,826,600	2,895,198
Interbank & money market	155,240	179,207	184,000	185,000	185,000
Liability payable on demand	24,887	31,119	27,000	26,730	26,463
Borrowings	67,897	81,572	70,042	70,800	70,032
Other liabilities	682,581	695,261	700,000	710,000	720,000
Total liabilities	3,679,289	3,686,721	3,741,042	3,819,130	3,896,693
Minority interest	63,810	64,551	67,904	71,792	75,679
Shareholders' equity	503,270	532,285	566,152	602,010	640,297
Preferred capital	-	-	-	-	-
Paid-in capital	23,693	23,693	23,933	23,933	23,933
Share premium	18,103	18,103	18,103	18,103	18,103
Surplus/ Others	36,439	33,115	33,115	33,115	33,115
Retained earnings	425,035	457,373	491,001	526,859	565,146
Liabilities & equity	4,246,369	4,283,556	4,375,098	4,492,932	4,612,669

Sources: Company data, Thanachart estimates

KASIKORNBANK**VALUATION**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	10.5	8.8	7.6	7.0	6.4
Normalized PE - at target price (x)	10.9	9.2	7.9	7.2	6.7
PE (x)	10.5	8.8	7.6	7.0	6.4
PE - at target price (x)	10.9	9.2	7.9	7.2	6.7
P/PPP (x)	3.8	3.5	3.4	3.4	3.2
P/PPP - at target price (x)	4.0	3.6	3.5	3.5	3.4
P/BV (x)	0.7	0.7	0.7	0.6	0.6
P/BV - at target price (x)	0.8	0.7	0.7	0.6	0.6
Dividend yield (%)	2.6	4.2	4.8	5.4	6.1
Market cap / net loans (x)	0.2	0.2	0.2	0.1	0.1
Market cap / deposit (x)	0.1	0.1	0.1	0.1	0.1
(Bt)					
Normalized EPS	14.9	17.7	20.6	22.5	24.5
EPS	14.9	17.7	20.6	22.5	24.5
DPS	4.0	6.5	7.5	8.5	9.5
PPP/Share	41.1	45.0	46.4	46.5	48.3
BV/Share	210.3	222.4	236.6	251.5	267.5

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	11.4	11.6	1.3	0.4	3.7
Non-interest income (Non-II)	(10.1)	10.2	10.2	5.1	3.4
Operating expenses	5.2	13.7	3.6	3.4	3.2
Pre-provisioning profit (PPP)	5.8	9.5	3.1	0.1	4.0
Net profit	(6.0)	18.6	16.0	9.4	9.0
Normalized profit growth	(6.0)	18.6	16.0	9.4	9.0
EPS	(6.0)	18.6	16.0	9.4	9.0
Normalized EPS	(6.0)	18.6	16.0	9.4	9.0
Dividend payout ratio	26.8	36.7	36.5	37.8	38.8
Loan - gross	3.0	(0.2)	0.6	2.8	3.1
Loan - net	3.7	(0.3)	1.0	3.4	3.3
Deposit	5.8	(1.8)	2.2	2.4	2.4
NPLs	(11.1)	1.8	(1.3)	2.0	2.0
Total assets	3.5	0.9	2.1	2.7	2.7
Total equity	5.6	5.8	6.4	6.3	6.4
Operating Ratios (%)					
Net interest margin (NIM)	3.2	3.5	3.5	3.4	3.4
Net interest spread	4.7	5.4	5.3	5.2	5.3
Yield on earnings assets	3.8	4.6	4.7	4.6	4.6
Avg cost of fund	0.6	1.2	1.4	1.3	1.2
NII / operating income	76.8	77.0	75.5	74.7	74.7
Non-II / operating income	23.2	23.0	24.5	25.3	25.3
Fee income / operating income	19.0	16.2	16.8	17.1	17.3
Normalized net margin	20.7	22.0	24.7	26.6	28.0
Cost-to-income	43.2	44.1	44.2	45.0	44.8
Credit cost - provision exp / loans	2.1	2.1	1.9	1.6	1.5
PPP / total assets	2.4	2.5	2.6	2.5	2.5
PPP / total equity	20.1	20.8	20.2	19.0	18.6
ROA	0.9	1.0	1.1	1.2	1.3
ROE	7.3	8.2	9.0	9.2	9.4

Sources: Company data, Thanachart estimates

KASIKORNBANK**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	90.8	92.3	90.8	91.1	91.7
Loan-to-deposit & S-T borrowing	90.8	92.3	90.8	91.1	91.7
Net loan / assets	56.0	55.4	54.8	55.1	55.4
Net loan / equity	472.5	445.5	423.1	411.4	399.4
Investment / assets	23.1	22.8	23.0	23.1	23.2
Deposit / liabilities	74.7	73.2	73.8	74.0	74.3
Liabilities / equity	731.1	692.6	660.8	634.4	608.6
Net interbank lender (Bt m)	347,296	389,802	409,000	409,000	411,000
Tier 1 CAR	16.8	17.4	18.2	19.1	20.0
Tier 2 CAR	2.0	2.0	2.1	2.0	2.0
Total CAR	18.8	19.4	20.3	21.1	21.9
NPLs (Bt m)	92,536	94,241	93,000	94,860	96,757
NPLs / Total loans (NPL Ratio)	3.7	3.8	3.7	3.7	3.6
Loan-Loss-Coverage	144.3	142.1	136.9	123.4	121.0

Sources: Company data, Thanachart estimates

Kiatnakin Bank

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	23,671	30,717	30,690	28,460	28,196
Interest Expenses	4,589	8,424	10,655	9,383	9,086
Net Interest Income	19,081	22,294	20,035	19,077	19,111
% of total income	69.3%	77.5%	75.3%	72.1%	71.8%
Gain on Investment	(4)	(12)	20	20	20
Fee Income	6,165	5,476	5,380	5,975	6,103
Gain on Exchange	1,789	665	1,000	1,200	1,200
Others	507	340	165	182	200
Non-interest Income	8,457	6,469	6,565	7,377	7,522
% of total income	30.7%	22.5%	24.7%	27.9%	28.2%
Total Income	27,539	28,763	26,600	26,454	26,633
Operating Expenses	13,013	15,894	17,010	16,027	16,111
Pre-provisioning Profit	14,526	12,869	9,590	10,427	10,522
Provisions	5,036	6,082	4,040	3,800	3,800
Pre-tax Profit	9,490	6,787	5,550	6,627	6,722
Income Tax	1,873	1,331	1,088	1,299	1,318
After Tax Profit	7,616	5,456	4,462	5,327	5,404
Equity Income	0	0	0	0	0
Minority Interest	(14)	(13)	(8)	(8)	(8)
Extraordinary Items	0	0	0	0	0
NET PROFIT	7,602	5,443	4,454	5,319	5,396
Normalized Profit	7,602	5,443	4,454	5,319	5,396
EPS (Bt)	9.0	6.4	5.3	6.3	6.4
Normalized EPS (Bt)	9.0	6.4	5.3	6.3	6.4

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	46,733	63,411	47,000	64,350	67,800
cash & cash equivalents	1,000	1,382	900	850	800
interbank & money market	45,732	62,029	46,100	63,500	67,000
Securities under resale agreeme	0	0	0	0	0
Investments	31,848	36,262	38,800	40,740	42,777
Net loans	364,871	384,826	358,219	350,038	347,166
Gross and accrued interest	383,839	405,493	379,214	371,204	368,531
Provisions for doubtful	18,969	20,668	20,995	21,165	21,365
Fixed assets - net	13,200	14,677	14,164	13,741	13,411
Other assets	50,986	46,152	43,425	40,699	39,176
Total assets	507,637	545,327	501,608	509,568	510,329
LIABILITIES:					
Liquid Items	351,979	382,421	350,583	350,813	353,246
Deposit	331,464	358,903	328,000	328,000	330,200
Interbank & money market	20,175	23,035	22,000	22,220	22,442
Liability payable on demand	340	483	583	593	603
Borrowings	61,354	68,900	39,117	48,236	48,447
Other liabilities	36,192	32,753	50,000	47,000	44,000
Total liabilities	449,526	484,074	439,701	446,050	445,692
Minority interest	288	286	294	302	310
Shareholders' equity	57,824	60,967	61,613	63,217	64,327
Preferred capital	-	-	-	-	-
Paid-in capital	8,468	8,468	8,468	8,468	8,468
Share premium	9,356	9,356	9,356	9,356	9,356
Surplus/ Others	2,010	1,981	1,981	1,981	1,981
Retained earnings	37,990	41,162	41,808	43,412	44,522
Liabilities & equity	507,637	545,327	501,608	509,568	510,329

Sources: Company data, Thanachart estimates

Kiatnakin Bank

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	5.8	8.0	9.8	8.2	8.1
Normalized PE - at target price (x)	7.0	9.8	12.0	10.0	9.9
PE (x)	5.8	8.0	9.8	8.2	8.1
PE - at target price (x)	7.0	9.8	12.0	10.0	9.9
P/PPP (x)	3.0	3.4	4.6	4.2	4.2
P/PPP - at target price (x)	3.7	4.1	5.6	5.1	5.1
P/BV (x)	0.8	0.7	0.7	0.7	0.7
P/BV - at target price (x)	0.9	0.9	0.9	0.8	0.8
Dividend yield (%)	6.3	5.8	7.2	9.7	9.9
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	9.0	6.4	5.3	6.3	6.4
EPS	9.0	6.4	5.3	6.3	6.4
DPS	3.3	3.0	3.8	5.0	5.1
PPP/Share	17.2	15.2	11.3	12.3	12.4
BV/Share	68.3	72.0	72.8	74.7	76.0

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	21.5	16.8	(10.1)	(4.8)	0.2
Non-interest income (Non-II)	(1.0)	(23.5)	1.5	12.4	2.0
Operating expenses	15.7	22.1	7.0	(5.8)	0.5
Pre-provisioning profit (PPP)	11.8	(11.4)	(25.5)	8.7	0.9
Net profit	20.3	(28.4)	(18.2)	19.4	1.4
Normalized profit growth	20.3	(28.4)	(18.2)	19.4	1.4
EPS	20.3	(28.4)	(18.2)	19.4	1.4
Normalized EPS	20.3	(28.4)	(18.2)	19.4	1.4
Dividend payout ratio	36.2	46.7	71.3	80.0	80.0
Loan - gross	21.7	6.6	(6.7)	(2.2)	(0.8)
Loan - net	22.0	5.5	(6.9)	(2.3)	(0.8)
Deposit	14.9	8.3	(8.6)	0.0	0.7
NPLs	31.1	5.5	16.0	(3.2)	(4.1)
Total assets	16.4	7.4	(8.0)	1.6	0.1
Total equity	13.3	5.4	1.1	2.6	1.8
Operating Ratios (%)					
Net interest margin (NIM)	4.0	4.2	3.8	3.8	3.7
Net interest spread	5.7	5.7	5.1	5.2	5.3
Yield on earnings assets	5.6	6.4	6.3	6.1	5.9
Avg cost of fund	1.2	1.9	2.5	2.4	2.3
NII / operating income	69.3	77.5	75.3	72.1	71.8
Non-II / operating income	30.7	22.5	24.7	27.9	28.2
Fee income / operating income	22.4	19.0	20.2	22.6	22.9
Normalized net margin	27.6	18.9	16.7	20.1	20.3
Cost-to-income	47.3	55.3	63.9	60.6	60.5
Credit cost - provision exp / loans	1.3	1.5	1.1	1.0	1.1
PPP / total assets	3.1	2.4	1.8	2.1	2.1
PPP / total equity	26.7	21.7	15.6	16.7	16.5
ROA	1.6	1.0	0.9	1.1	1.1
ROE	14.0	9.2	7.3	8.5	8.5

Sources: Company data, Thanachart estimates

Kiatnakin Bank

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	112.7	110.9	113.2	110.7	109.0
Loan-to-deposit & S-T borrowing	112.7	110.9	113.2	110.6	108.9
Net loan / assets	71.9	70.6	71.4	68.7	68.0
Net loan / equity	631.0	631.2	581.4	553.7	539.7
Investment / assets	6.3	6.6	7.7	8.0	8.4
Deposit / liabilities	73.7	74.1	74.6	73.5	74.1
Liabilities / equity	777.4	794.0	713.6	705.6	692.9
Net interbank lender (Bt m)	25,557	38,994	24,100	41,280	44,558
Tier 1 CAR	13.3	13.3	14.7	14.9	15.2
Tier 2 CAR	3.3	3.3	3.6	3.6	3.6
Total CAR	16.6	16.6	18.4	18.5	18.8
NPLs (Bt m)	13,947	14,710	17,065	16,519	15,847
NPLs / Total loans (NPL Ratio)	3.6	3.6	4.5	4.5	4.3
Loan-Loss-Coverage	136.0	140.5	123.0	128.1	134.8

Sources: Company data, Thanachart estimates

Krung Thai Bank

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	113,475	152,369	164,159	159,773	164,067
Interest Expenses	23,070	38,949	46,220	43,438	43,202
Net Interest Income	90,405	113,419	117,939	116,334	120,864
% of total income	72.7%	76.6%	75.6%	74.2%	73.9%
Gain on Investment	239	195	200	200	200
Fee Income	20,316	20,872	22,000	23,430	24,970
Gain on Exchange	5,233	5,178	6,400	6,720	7,056
Others	7,753	8,127	9,000	9,500	10,000
Non-interest Income	33,891	34,692	38,140	40,393	42,772
% of total income	27.3%	23.4%	24.4%	25.8%	26.1%
Total Income	124,296	148,112	156,079	156,727	163,636
Operating Expenses	54,771	62,157	66,091	63,470	65,816
Pre-provisioning Profit	69,525	85,955	89,988	93,257	97,820
Provisions	24,338	37,085	32,852	30,623	29,617
Pre-tax Profit	45,188	48,870	57,136	62,634	68,203
Income Tax	9,077	9,902	11,427	12,527	13,641
After Tax Profit	36,111	38,968	45,709	50,107	54,563
Equity Income	1,095	1,353	1,800	2,000	2,200
Minority Interest	(3,508)	(3,705)	(3,875)	(3,988)	(4,105)
Extraordinary Items	0	0	0	0	0
NET PROFIT	33,698	36,616	43,634	48,119	52,658
Normalized Profit	33,698	36,616	43,634	48,119	52,658
EPS (Bt)	2.4	2.6	3.1	3.4	3.8
Normalized EPS (Bt)	2.4	2.6	3.1	3.4	3.8

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	612,531	756,787	734,000	797,000	876,000
cash & cash equivalents	61,591	55,626	50,000	50,000	50,000
interbank & money market	550,941	701,162	684,000	747,000	826,000
Securities under resale agreeme	0	0	0	0	0
Investments	289,374	277,241	343,168	326,686	311,028
Net loans	2,443,832	2,426,095	2,437,597	2,498,066	2,566,419
Gross and accrued interest	2,618,210	2,599,418	2,611,427	2,670,761	2,741,566
Provisions for doubtful	174,378	173,323	173,830	172,696	175,147
Fixed assets - net	72,029	65,924	59,920	57,232	55,056
Other assets	174,652	151,637	178,000	179,780	181,578
Total assets	3,592,419	3,677,684	3,752,684	3,858,764	3,990,082
LIABILITIES:					
Liquid Items	2,872,354	2,933,991	2,968,496	3,041,870	3,137,427
Deposit	2,590,236	2,646,872	2,660,000	2,713,200	2,788,578
Interbank & money market	277,099	282,696	302,696	322,696	342,696
Liability payable on demand	5,019	4,423	5,800	5,974	6,153
Borrowings	151,172	160,839	150,626	150,575	150,729
Other liabilities	176,321	162,008	180,000	179,000	178,000
Total liabilities	3,199,847	3,256,838	3,299,122	3,371,445	3,466,156
Minority interest	16,267	18,470	22,345	26,333	30,437
Shareholders' equity	376,305	402,376	431,217	460,986	493,488
Preferred capital	28.33	28.33	28.33	28.33	28.33
Paid-in capital	71,977	71,977	71,977	71,977	71,977
Share premium	20,174	20,168	20,168	20,168	20,168
Surplus/ Others	17,907	16,171	16,171	16,171	16,171
Retained earnings	266,219	294,032	322,873	352,642	385,144
Liabilities & equity	3,592,419	3,677,684	3,752,684	3,858,764	3,990,082

Sources: Company data, Thanachart estimates

Krung Thai Bank

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	8.9	8.2	6.9	6.2	5.7
Normalized PE - at target price (x)	10.0	9.2	7.7	7.0	6.4
PE (x)	8.9	8.2	6.9	6.2	5.7
PE - at target price (x)	10.0	9.2	7.7	7.0	6.4
P/PPP (x)	4.3	3.5	3.3	3.2	3.1
P/PPP - at target price (x)	4.8	3.9	3.7	3.6	3.4
P/BV (x)	0.8	0.7	0.7	0.7	0.6
P/BV - at target price (x)	0.9	0.8	0.8	0.7	0.7
Dividend yield (%)	3.2	4.0	5.8	6.4	7.0
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	2.4	2.6	3.1	3.4	3.8
EPS	2.4	2.6	3.1	3.4	3.8
DPS	0.7	0.9	1.2	1.4	1.5
PPP/Share	5.0	6.2	6.4	6.7	7.0
BV/Share	26.9	28.8	30.9	33.0	35.3

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	8.4	25.5	4.0	(1.4)	3.9
Non-interest income (Non-II)	8.0	2.4	9.9	5.9	5.9
Operating expenses	3.9	13.5	6.3	(4.0)	3.7
Pre-provisioning profit (PPP)	12.1	23.6	4.7	3.6	4.9
Net profit	56.1	8.7	19.2	10.3	9.4
Normalized profit growth	56.1	8.7	19.2	10.3	9.4
EPS	56.1	8.7	19.2	10.3	9.4
Normalized EPS	56.1	8.7	19.2	10.3	9.4
Dividend payout ratio	28.3	33.1	40.0	40.0	40.0
Loan - gross	(1.4)	(0.6)	0.4	2.3	2.7
Loan - net	(1.3)	(0.7)	0.5	2.5	2.7
Deposit	(0.9)	2.2	0.5	2.0	2.8
NPLs	(5.3)	(2.0)	(0.6)	(0.5)	1.0
Total assets	1.0	2.4	2.0	2.8	3.4
Total equity	4.5	6.9	7.2	6.9	7.1
Operating Ratios (%)					
Net interest margin (NIM)	2.5	3.1	3.2	3.1	3.1
Net interest spread	3.6	4.6	4.7	4.5	4.6
Yield on earnings assets	3.3	4.3	4.6	4.3	4.3
Avg cost of fund	0.8	1.3	1.5	1.4	1.3
NII / operating income	72.7	76.6	75.6	74.2	73.9
Non-II / operating income	27.3	23.4	24.4	25.8	26.1
Fee income / operating income	16.3	14.1	14.1	14.9	15.3
Normalized net margin	27.1	24.7	28.0	30.7	32.2
Cost-to-income	44.1	42.0	42.3	40.5	40.2
Credit cost - provision exp / loans	0.9	1.4	1.3	1.2	1.1
PPP / total assets	1.9	2.4	2.4	2.5	2.5
PPP / total equity	18.9	22.1	21.6	20.9	20.5
ROA	0.9	1.0	1.2	1.3	1.3
ROE	9.2	9.4	10.5	10.8	11.0

Sources: Company data, Thanachart estimates

Krung Thai Bank**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	100.1	97.3	97.3	97.5	97.4
Loan-to-deposit & S-T borrowing	100.1	97.3	97.3	97.5	97.4
Net loan / assets	68.0	66.0	65.0	64.7	64.3
Net loan / equity	649.4	602.9	565.3	541.9	520.1
Investment / assets	8.1	7.5	9.1	8.5	7.8
Deposit / liabilities	80.9	81.3	80.6	80.5	80.5
Liabilities / equity	850.3	809.4	765.1	731.4	702.4
Net interbank lender (Bt m)	273,842	418,465	381,304	424,304	483,304
Tier 1 CAR	16.7	17.6	18.1	18.3	19.0
Tier 2 CAR	3.1	3.1	3.0	2.9	2.8
Total CAR	19.8	20.7	21.1	21.1	21.8
NPLs (Bt m)	101,096	99,047	98,500	98,000	99,000
NPLs / Total loans (NPL Ratio)	3.9	3.8	3.8	3.7	3.6
Loan-Loss-Coverage	172.5	175.0	176.5	176.2	176.9

Sources: Company data, Thanachart estimates

Siam Commercial Bank

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	126,993	161,121	167,383	169,123	176,852
Interest Expenses	19,127	36,439	40,521	39,505	38,063
Net Interest Income	107,865	124,682	126,862	129,618	138,789
% of total income	70.0%	73.0%	74.1%	74.2%	75.0%
Gain on Investment	54	68	70	70	70
Fee Income	37,148	32,723	31,700	32,541	33,517
Gain on Exchange	6,669	8,828	9,000	9,180	9,364
Others	2,262	4,234	3,400	3,000	3,150
Non-interest Income	46,283	46,003	44,385	45,036	46,376
% of total income	30.0%	27.0%	25.9%	25.8%	25.0%
Total Income	154,148	170,686	171,247	174,654	185,165
Operating Expenses	69,874	71,781	73,816	73,437	77,538
Pre-provisioning Profit	84,274	98,905	97,431	101,217	107,626
Provisions	33,829	43,600	45,418	43,236	41,023
Pre-tax Profit	50,445	55,305	52,013	57,981	66,604
Income Tax	13,592	11,955	11,131	11,596	13,321
After Tax Profit	36,853	43,351	40,882	46,385	53,283
Equity Income	273	418	618	818	1,018
Minority Interest	421	(247)	(243)	(253)	(269)
Extraordinary Items	0	0	0	0	0
NET PROFIT	37,546	43,521	41,256	46,950	54,032
Normalized Profit	37,546	43,521	41,256	46,950	54,032
EPS (Bt)	11.2	12.9	12.3	13.9	16.0
Normalized EPS (Bt)	11.2	12.9	12.3	13.9	16.0

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	569,309	477,473	520,000	529,000	546,000
cash & cash equivalents	47,254	40,676	35,000	34,000	33,000
interbank & money market	522,056	436,797	485,000	495,000	513,000
Securities under resale agreeme	0	0	0	0	0
Investments	390,671	386,162	347,820	347,920	348,020
Net loans	2,247,848	2,301,044	2,340,243	2,409,079	2,476,593
Gross and accrued interest	2,396,738	2,450,030	2,495,093	2,568,985	2,640,867
Provisions for doubtful	148,890	148,985	154,850	159,906	164,274
Fixed assets - net	68,898	71,919	74,784	72,374	68,285
Other assets	177,726	202,124	208,188	214,433	220,866
Total assets	3,454,452	3,438,722	3,491,034	3,572,806	3,659,764
LIABILITIES:					
Liquid Items	2,748,576	2,677,324	2,714,221	2,804,694	2,897,116
Deposit	2,555,800	2,442,860	2,457,758	2,526,230	2,596,652
Interbank & money market	181,347	221,459	241,459	261,459	281,459
Liability payable on demand	11,429	13,005	15,005	17,005	19,005
Borrowings	71,996	109,911	120,642	100,409	80,204
Other liabilities	167,268	167,754	165,754	163,754	161,754
Total liabilities	2,987,840	2,954,989	3,000,617	3,068,858	3,139,075
Minority interest	5,380	5,651	5,894	6,147	6,416
Shareholders' equity	461,232	478,082	484,523	497,801	514,273
Preferred capital	-	-	-	-	-
Paid-in capital	33,671	33,671	33,671	33,671	33,671
Share premium	11,019	11,019	11,019	11,019	11,019
Surplus/ Others	21,955	20,833	20,833	20,833	20,833
Retained earnings	394,587	412,559	418,999	432,278	448,749
Liabilities & equity	3,454,452	3,438,722	3,491,034	3,572,806	3,659,764

Sources: Company data, Thanachart estimates

Siam Commercial Bank

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	10.6	9.2	9.7	8.5	7.4
Normalized PE - at target price (x)	11.0	9.5	10.0	8.8	7.7
PE (x)	10.6	9.2	9.7	8.5	7.4
PE - at target price (x)	11.0	9.5	10.0	8.8	7.7
P/PPP (x)	4.7	4.0	4.1	3.9	3.7
P/PPP - at target price (x)	4.9	4.2	4.3	4.1	3.8
P/BV (x)	0.9	0.8	0.8	0.8	0.8
P/BV - at target price (x)	0.9	0.9	0.9	0.8	0.8
Dividend yield (%)	5.6	8.7	8.4	9.4	10.8
Market cap / net loans (x)	0.2	0.2	0.2	0.2	0.2
Market cap / deposit (x)	0.2	0.2	0.2	0.2	0.2
(Bt)					
Normalized EPS	11.2	12.9	12.3	13.9	16.0
EPS	11.2	12.9	12.3	13.9	16.0
DPS	6.7	10.3	10.0	11.2	12.8
PPP/Share	25.0	29.4	28.9	30.1	32.0
BV/Share	137.0	142.0	143.9	147.8	152.7

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	13.3	15.6	1.7	2.2	7.1
Non-interest income (Non-II)	(15.3)	(0.6)	(3.5)	1.5	3.0
Operating expenses	9.9	2.7	2.8	(0.5)	5.6
Pre-provisioning profit (PPP)	(2.3)	17.4	(1.5)	3.9	6.3
Net profit	5.5	15.9	(5.2)	13.8	15.1
Normalized profit growth	5.5	15.9	(5.2)	13.8	15.1
EPS	5.5	15.9	(5.2)	13.8	15.1
Normalized EPS	5.5	15.9	(5.2)	13.8	15.1
Dividend payout ratio	60.0	80.0	81.6	80.0	80.0
Loan - gross	3.3	2.1	1.9	3.0	2.9
Loan - net	3.8	2.4	1.7	2.9	2.8
Deposit	3.6	(4.4)	0.6	2.8	2.8
NPLs	(12.6)	1.6	(0.0)	2.6	1.9
Total assets	4.2	(0.5)	1.5	2.3	2.4
Total equity	4.6	3.7	1.3	2.7	3.3
Operating Ratios (%)					
Net interest margin (NIM)	3.2	3.6	3.7	3.7	3.8
Net interest spread	4.7	5.3	5.2	5.3	5.5
Yield on earnings assets	3.9	4.9	5.1	5.0	5.1
Avg cost of fund	0.7	1.3	1.4	1.4	1.3
NII / operating income	70.0	73.0	74.1	74.2	75.0
Non-II / operating income	30.0	27.0	25.9	25.8	25.0
Fee income / operating income	24.1	19.2	18.5	18.6	18.1
Normalized net margin	24.4	25.5	24.1	26.9	29.2
Cost-to-income	45.3	42.1	43.1	42.0	41.9
Credit cost - provision exp / loans	1.4	1.8	1.8	1.7	1.6
PPP / total assets	2.5	2.9	2.8	2.9	3.0
PPP / total equity	18.7	21.1	20.2	20.6	21.3
ROA	1.1	1.3	1.2	1.3	1.5
ROE	8.3	9.3	8.6	9.6	10.7

Sources: Company data, Thanachart estimates

Siam Commercial Bank**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	93.0	99.3	100.6	100.8	100.8
Loan-to-deposit & S-T borrowing	93.0	99.3	100.6	100.7	100.8
Net loan / assets	65.1	66.9	67.0	67.4	67.7
Net loan / equity	487.4	481.3	483.0	483.9	481.6
Investment / assets	11.3	11.2	10.0	9.7	9.5
Deposit / liabilities	85.5	82.7	81.9	82.3	82.7
Liabilities / equity	647.8	618.1	619.3	616.5	610.4
Net interbank lender (Bt m)	340,708	215,338	243,541	233,541	231,541
Tier 1 CAR	17.7	17.6	17.3	17.5	17.7
Tier 2 CAR	1.1	1.1	1.9	1.8	1.8
Total CAR	18.9	18.8	19.2	19.3	19.5
NPLs (Bt m)	95,329	96,832	96,809	99,343	101,258
NPLs / Total loans (NPL Ratio)	4.0	4.0	3.9	3.9	3.8
Loan-Loss-Coverage	156.2	153.9	160.0	161.0	162.2

Sources: Company data, Thanachart estimates

Tisco Financial Group

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	14,904	18,037	19,470	19,602	20,591
Interest Expenses	2,171	4,208	5,549	5,233	5,077
Net Interest Income	12,734	13,829	13,920	14,369	15,514
% of total income	69.8%	72.7%	71.7%	73.3%	74.3%
Gain on Investment	3	5	2	6	8
Fee Income	5,046	4,867	4,850	4,815	4,965
Gain on Exchange	86	(29)	300	100	100
Others	73	90	100	103	106
Non-interest Income	5,516	5,188	5,482	5,234	5,379
% of total income	30.2%	27.3%	28.3%	26.7%	25.7%
Total Income	18,249	19,017	19,402	19,603	20,893
Operating Expenses	8,591	9,340	9,460	9,361	9,587
Pre-provisioning Profit	9,658	9,676	9,942	10,243	11,306
Provisions	723	615	1,314	1,516	2,175
Pre-tax Profit	8,936	9,061	8,629	8,726	9,131
Income Tax	1,767	1,788	1,726	1,745	1,826
After Tax Profit	7,169	7,273	6,903	6,981	7,305
Equity Income	55	29	32	35	38
Minority Interest	(0)	(0)	(0)	(0)	(0)
Extraordinary Items	0	0	0	0	0
NET PROFIT	7,224	7,301	6,935	7,016	7,343
Normalized Profit	7,224	7,301	6,935	7,016	7,343
EPS (Bt)	9.0	9.1	8.7	8.8	9.2
Normalized EPS (Bt)	9.0	9.1	8.7	8.8	9.2

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	41,277	49,408	60,000	65,950	70,600
cash & cash equivalents	1,005	918	1,000	950	900
interbank & money market	40,272	48,490	59,000	65,000	69,700
Securities under resale agreeme	0	0	0	0	0
Investments	4,863	4,205	4,541	4,546	4,551
Net loans	208,881	226,828	219,662	226,777	234,795
Gross and accrued interest	220,726	236,744	228,400	235,165	243,546
Provisions for doubtful	11,845	9,916	8,738	8,388	8,751
Fixed assets - net	2,793	3,205	3,257	3,322	3,403
Other assets	7,600	7,079	7,000	7,050	7,100
Total assets	265,414	290,724	294,460	307,645	320,450
LIABILITIES:					
Liquid Items	194,718	217,388	228,727	239,511	250,817
Deposit	188,266	208,645	218,467	228,761	239,552
Interbank & money market	6,195	8,506	10,000	10,500	11,025
Liability payable on demand	257	237	260	250	240
Borrowings	15,757	17,286	7,955	8,541	7,899
Other liabilities	12,149	13,602	14,602	15,602	16,602
Total liabilities	222,624	248,276	251,283	263,654	275,318
Minority interest	3	3	4	4	5
Shareholders' equity	42,787	42,445	43,173	43,987	45,127
Preferred capital	-	-	-	-	-
Paid-in capital	8,007	8,007	8,006	8,006	8,006
Share premium	1,018	1,018	1,018	1,018	1,018
Surplus/ Others	1,831	2,021	2,021	2,021	2,021
Retained earnings	31,931	31,399	32,132	32,945	34,085
Liabilities & equity	265,414	290,724	294,460	307,645	320,450

Sources: Company data, Thanachart estimates

Tisco Financial Group

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	10.8	10.7	11.2	11.1	10.6
Normalized PE - at target price (x)	12.1	12.0	12.6	12.4	11.9
PE (x)	10.8	10.7	11.2	11.1	10.6
PE - at target price (x)	12.1	12.0	12.6	12.4	11.9
P/PPP (x)	8.1	8.0	7.8	7.6	6.9
P/PPP - at target price (x)	9.0	9.0	8.8	8.5	7.7
P/BV (x)	1.8	1.8	1.8	1.8	1.7
P/BV - at target price (x)	2.0	2.1	2.0	2.0	1.9
Dividend yield (%)	8.0	8.0	8.0	8.0	8.0
Market cap / net loans (x)	0.4	0.3	0.4	0.3	0.3
Market cap / deposit (x)	0.4	0.4	0.4	0.3	0.3
(Bt)					
Normalized EPS	9.0	9.1	8.7	8.8	9.2
EPS	9.0	9.1	8.7	8.8	9.2
DPS	7.8	7.8	7.8	7.8	7.7
PPP/Share	12.1	12.1	12.4	12.8	14.1
BV/Share	53.4	53.0	53.9	55.0	56.4

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	2.2	8.6	0.7	3.2	8.0
Non-interest income (Non-II)	(13.4)	(5.9)	5.7	(4.5)	2.8
Operating expenses	3.8	8.7	1.3	(1.0)	2.4
Pre-provisioning profit (PPP)	(8.4)	0.2	2.7	3.0	10.4
Net profit	6.5	1.1	(5.0)	1.2	4.7
Normalized profit growth	6.5	1.1	(5.0)	1.2	4.7
EPS	6.5	1.1	(5.0)	1.2	4.7
Normalized EPS	6.5	1.1	(5.0)	1.2	4.7
Dividend payout ratio	85.9	85.0	89.4	88.4	84.5
Loan - gross	7.9	7.2	(3.5)	3.0	3.6
Loan - net	8.3	8.6	(3.2)	3.2	3.5
Deposit	13.0	10.8	4.7	4.7	4.7
NPLs	(7.7)	14.1	14.9	5.0	5.0
Total assets	8.9	9.5	1.3	4.5	4.2
Total equity	3.9	(0.8)	1.7	1.9	2.6
Operating Ratios (%)					
Net interest margin (NIM)	5.0	5.0	4.8	4.8	4.9
Net interest spread	6.1	6.1	5.9	6.2	6.5
Yield on earnings assets	5.9	6.5	6.7	6.6	6.6
Avg cost of fund	1.1	1.9	2.4	2.2	2.0
NII / operating income	69.8	72.7	71.7	73.3	74.3
Non-II / operating income	30.2	27.3	28.3	26.7	25.7
Fee income / operating income	27.6	25.6	25.0	24.6	23.8
Normalized net margin	39.6	38.4	35.7	35.8	35.1
Cost-to-income	47.1	49.1	48.8	47.8	45.9
Credit cost - provision exp / loans	0.3	0.3	0.6	0.7	0.9
PPP / total assets	3.8	3.5	3.4	3.4	3.6
PPP / total equity	23.0	22.7	23.2	23.5	25.4
ROA	2.8	2.6	2.4	2.3	2.3
ROE	17.2	17.1	16.2	16.1	16.5

Sources: Company data, Thanachart estimates

Tisco Financial Group**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	116.3	112.5	103.7	102.0	100.9
Loan-to-deposit & S-T borrowing	116.3	112.5	103.6	101.6	100.8
Net loan / assets	78.7	78.0	74.6	73.7	73.3
Net loan / equity	488.2	534.4	508.8	515.6	520.3
Investment / assets	1.8	1.4	1.5	1.5	1.4
Deposit / liabilities	84.6	84.0	86.9	86.8	87.0
Liabilities / equity	520.3	584.9	582.0	599.4	610.1
Net interbank lender (Bt m)	34,077	39,983	49,000	54,500	58,675
Tier 1 CAR	17.2	16.3	16.1	15.8	15.7
Tier 2 CAR	3.5	3.2	3.1	3.0	2.9
Total CAR	20.6	19.5	19.2	18.8	18.5
NPLs (Bt m)	4,577	5,223	6,000	6,300	6,615
NPLs / Total loans (NPL Ratio)	2.1	2.2	2.6	2.7	2.7
Loan-Loss-Coverage	258.8	189.9	145.6	133.1	132.3

Sources: Company data, Thanachart estimates

TMBThanachart Bank

INCOME STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Interest and Dividend Income	65,627	79,134	83,548	81,346	82,624
Interest Expenses	14,010	21,926	27,224	24,884	23,646
Net Interest Income	51,617	57,207	56,325	56,462	58,978
% of total income	78.7%	80.9%	81.3%	80.8%	80.8%
Gain on Investment	7	52	200	50	50
Fee Income	10,391	10,362	9,600	10,061	10,564
Gain on Exchange	1,693	1,666	1,716	1,768	1,821
Others	1,884	1,390	1,400	1,500	1,600
Non-interest Income	13,974	13,470	12,916	13,379	14,035
% of total income	21.3%	19.1%	18.7%	19.2%	19.2%
Total Income	65,591	70,678	69,241	69,841	73,013
Operating Expenses	29,952	31,280	30,316	30,400	30,806
Pre-provisioning Profit	35,639	39,398	38,925	39,441	42,207
Provisions	18,353	17,311	19,129	15,700	14,571
Pre-tax Profit	17,286	17,198	19,797	23,741	27,637
Income Tax	3,352	(980)	(990)	0	276
After Tax Profit	13,934	18,178	20,786	23,741	27,360
Equity Income	261	284	260	260	260
Minority Interest	(0)	(0)	0	0	0
Extraordinary Items	0	0	0	0	0
NET PROFIT	14,195	18,462	21,046	24,001	27,620
Normalized Profit	14,195	18,462	21,046	24,001	27,620
EPS (Bt)	0.1	0.2	0.2	0.2	0.3
Normalized EPS (Bt)	0.1	0.2	0.2	0.2	0.3

BALANCE SHEET

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Liquid Items	203,069	282,974	305,387	323,287	342,187
cash & cash equivalents	15,506	15,487	15,387	15,287	15,187
interbank & money market	187,563	267,486	290,000	308,000	327,000
Securities under resale agreeme	0	0	0	0	0
Investments	211,432	179,088	179,088	179,088	179,088
Net loans	1,326,505	1,273,136	1,216,858	1,228,829	1,242,085
Gross and accrued interest	1,383,895	1,336,638	1,285,191	1,298,671	1,313,451
Provisions for doubtful	57,390	63,502	68,333	69,842	71,366
Fixed assets - net	31,941	33,171	30,603	28,091	25,634
Other assets	53,333	56,066	59,066	62,066	65,066
Total assets	1,826,279	1,824,434	1,791,002	1,821,360	1,854,060
LIABILITIES:					
Liquid Items	1,489,603	1,480,436	1,453,600	1,473,300	1,493,384
Deposit	1,399,247	1,386,581	1,360,000	1,377,400	1,395,148
Interbank & money market	84,770	87,794	90,000	91,800	93,636
Liability payable on demand	5,586	6,061	3,600	4,100	4,600
Borrowings	59,644	59,531	45,850	45,491	45,437
Other liabilities	58,024	55,119	53,000	53,530	54,065
Total liabilities	1,607,271	1,595,087	1,552,450	1,572,321	1,592,887
Minority interest	1	0	0	0	0
Shareholders' equity	219,006	229,347	238,552	249,039	261,173
Preferred capital	-	-	-	-	-
Paid-in capital	91,937	92,246	91,792	91,792	91,792
Share premium	43,360	43,374	43,374	43,374	43,374
Surplus/ Others	4,456	5,735	5,735	5,735	5,735
Retained earnings	79,253	87,991	97,651	108,138	120,272
Liabilities & equity	1,826,279	1,824,434	1,791,002	1,821,360	1,854,060

Sources: Company data, Thanachart estimates

TMBThanachart Bank

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	12.5	9.6	8.4	7.4	6.4
Normalized PE - at target price (x)	15.7	12.0	10.6	9.3	8.0
PE (x)	12.5	9.6	8.4	7.4	6.4
PE - at target price (x)	15.7	12.0	10.6	9.3	8.0
P/PPP (x)	5.0	4.5	4.5	4.5	4.2
P/PPP - at target price (x)	6.2	5.6	5.7	5.6	5.3
P/BV (x)	0.8	0.8	0.7	0.7	0.7
P/BV - at target price (x)	1.0	1.0	0.9	0.9	0.9
Dividend yield (%)	4.0	5.7	7.1	8.1	9.4
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	0.2	0.2	0.2	0.3
EPS	0.1	0.2	0.2	0.2	0.3
DPS	0.1	0.1	0.1	0.1	0.2
PPP/Share	0.4	0.4	0.4	0.4	0.4
BV/Share	2.3	2.4	2.5	2.6	2.7

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate (%)					
Net interest income (NII)	1.2	10.8	(1.5)	0.2	4.5
Non-interest income (Non-II)	(1.5)	(3.6)	(4.1)	3.6	4.9
Operating expenses	(4.1)	4.4	(3.1)	0.3	1.3
Pre-provisioning profit (PPP)	4.9	10.5	(1.2)	1.3	7.0
Net profit	35.5	30.1	14.0	14.0	15.1
Normalized profit growth	35.5	30.1	14.0	14.0	15.1
EPS	35.5	30.1	14.0	14.0	15.1
Normalized EPS	35.5	30.1	14.0	14.0	15.1
Dividend payout ratio	49.7	55.0	60.0	60.0	60.0
Loan - gross	0.4	(3.5)	(3.9)	1.0	1.1
Loan - net	0.2	(4.0)	(4.4)	1.0	1.1
Deposit	4.5	(0.9)	(1.9)	1.3	1.3
NPLs	(1.0)	(1.7)	(0.0)	1.0	2.0
Total assets	3.9	(0.1)	(1.8)	1.7	1.8
Total equity	3.9	4.7	4.0	4.4	4.9
Operating Ratios (%)					
Net interest margin (NIM)	2.9	3.1	3.1	3.1	3.2
Net interest spread	4.0	4.5	4.4	4.5	4.6
Yield on earnings assets	3.7	4.4	4.7	4.6	4.6
Avg cost of fund	0.9	1.4	1.8	1.6	1.5
NII / operating income	78.7	80.9	81.3	80.8	80.8
Non-II / operating income	21.3	19.1	18.7	19.2	19.2
Fee income / operating income	15.8	14.7	13.9	14.4	14.5
Normalized net margin	21.6	26.1	30.4	34.4	37.8
Cost-to-income	45.7	44.3	43.8	43.5	42.2
Credit cost - provision exp / loans	1.3	1.3	1.5	1.2	1.1
PPP / total assets	2.0	2.2	2.2	2.2	2.3
PPP / total equity	16.6	17.6	16.6	16.2	16.5
ROA	0.8	1.0	1.2	1.3	1.5
ROE	6.6	8.2	9.0	9.8	10.8

Sources: Company data, Thanachart estimates

TMBThanachart Bank**FINANCIAL RATIOS**

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Liquidity and Quality Ratio (%)					
Loan-to-deposit	98.3	95.8	93.9	93.7	93.5
Loan-to-deposit & S-T borrowing	98.3	95.8	93.8	93.6	93.5
Net loan / assets	72.6	69.8	67.9	67.5	67.0
Net loan / equity	605.7	555.1	510.1	493.4	475.6
Investment / assets	11.6	9.8	10.0	9.8	9.7
Deposit / liabilities	87.1	86.9	87.6	87.6	87.6
Liabilities / equity	733.9	695.5	650.8	631.4	609.9
Net interbank lender (Bt m)	102,793	179,692	200,000	216,200	233,364
Tier 1 CAR	16.3	17.0	17.0	17.3	17.7
Tier 2 CAR	3.7	3.7	3.6	3.5	3.4
Total CAR	20.0	20.7	20.6	20.8	21.1
NPLs (Bt m)	41,707	41,006	41,000	41,410	42,238
NPLs / Total loans (NPL Ratio)	3.0	3.1	3.2	3.2	3.2
Loan-Loss-Coverage	137.6	154.9	166.7	168.7	169.0

Sources: Company data, Thanachart estimates

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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.

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