

Thailand Finance Sector

Constructive measures

| 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 (%) |
| Muangthai Capital | MTC TB | BUY | 50.00 | 53.00 | 20.8 | 23.0 | 17.9 | 14.5 | 2.9 | 2.5 | 0.8 | 1.0 |
| Srisawad Corporation | SAWAD TB | HOLD | 40.75 | 43.00 | 3.1 | 11.6 | 12.3 | 11.0 | 1.9 | 1.6 | 0.0 | 0.0 |
| Ngern Tid Lor | TIDLOR TB | BUY | 16.80 | 22.00 | 13.8 | 17.3 | 11.3 | 9.6 | 1.6 | 1.5 | 1.8 | 2.1 |

Source: Thanachart estimates, Based on 13 December 2024 closing prices

The cabinet has approved debt relief plans for fragile non-bank borrowers, enabling them to restructure loans at reduced interest rates supported by soft loans. These measures benefit SAWAD and MTC. TIDLOR is excluded from participating in these policies and is likely to be hit by the co-payment interest suspension schemes.

Program criteria

While awaiting an official announcement by the Bank of Thailand (BoT), the program targets Stage 2 loans and non-performing loans (NPLs) that are no more than one year old. The eligible products include: 1) Auto and motorcycle title loans with outstanding balances not exceeding Bt800,000 and Bt50,000. 2) Personal loans with outstanding balances ranging from Bt100,000 to Bt200,000. 3) Digital loans with outstanding balances of under Bt20,000. 4) Nano-finance loans with outstanding balances of less than Bt50,000. Loan origination must have been made prior to 1 January 2024, with the cut-off date for Stage 2 and NPLs set at 31 October 2024.

Low interest rate restructuring terms

Eligible borrowers have to register through the BoT and they will benefit from debt restructuring, including a 30% reduction in principal installments and a 10% reduction in interest rates for three years. Some 90% of the interest rate reduction will be subsidized through soft loans provided by the Government Savings Bank (GSB) at an interest rate of 0.01%, while non-banks will cover the remaining 10%. The soft loan budget is capped at Bt50bn, with the Ministry of Finance subsidizing GSB's funding costs at 2%, amounting to Bt3bn. If borrowers fail to adhere to the restructuring terms, non-banks retain full authority to initiate standard debt resolution procedures.

Financial implications

The soft loan interest rate of 0.01% implies funding cost savings of approximately 4%. Since the soft loan amounts are directly tied to the interest rate reductions offered to qualified borrowers, the more these institutions assist borrowers, the larger the pool of affordable funding they can access. We also expect the program to help reduce defaults, NPL formation, and overall NPL levels.

SAWAD will benefit the most, in our view

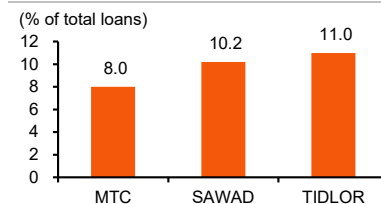
SAWAD seems to be the best positioned to benefit, followed by MTC. We have not factored the potential benefits from this restructuring scheme into our earnings forecasts or TPs. As an affiliate of Bank of Ayudhya (BAY, TB, not rated, Bt25.25), TIDLOR is subject to the financial institutions' three-year co-payment interest suspension schemes. While the BoT will subsidize 50% of the forgone interest, TIDLOR's interest income loss remains significant. Since TIDLOR's share price has declined by 7% recently, these negatives appear to be largely priced in.



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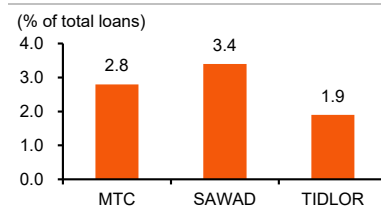
Stage 2 Loan Comparison



Sources: Company data; Thanachart estimates

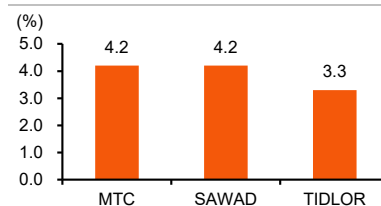
Note: We exclude SICR from TIDLOR's Stage 2

NPL Comparison



Sources: Company data; Thanachart estimates

Funding Cost Comparison



Sources: Company data; Thanachart estimates

Program criteria

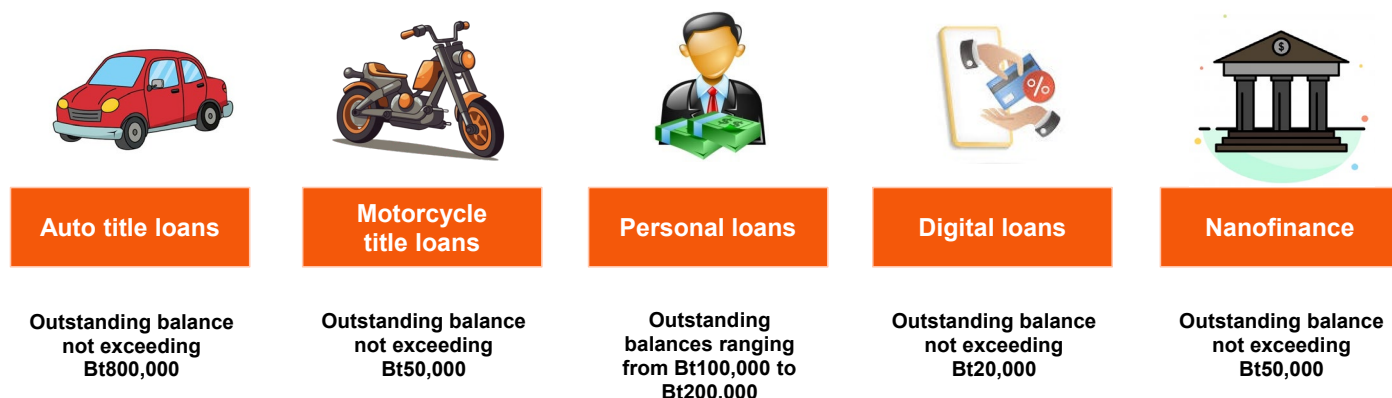
The cabinet has approved debt relief plans for non-bank fragile borrowers, enabling them to restructure loans at reduced interest rates supported by soft loans. While awaiting an official announcement by the Bank of Thailand (BoT), we summarize the program criteria and qualifications of eligible borrowers as illustrated in Exhibit 1 below.

Ex 1: Program Criteria And Qualifications Of Eligible Borrowers

Target: Stage 2 loans and non-performing loans (NPLs) that are no more than one year old and consist of five lending products with a maximum credit line with each non-bank financial institution, as illustrated in the diagram below.

Enrollment and qualifications:

- Opt-in via the BoT's system.
- Loans originated before 1 January 2024.
- Defining customer status of either Stage 2 or NPLs of less than one year using data as of 31 October 2024.
- Normal loans that were categorized as Stage 2 or NPLs and have been under a restructuring process since 1 January 2022 are also eligible for the program.



Source: Thanachart Compilation

Debt restructuring terms and financial implications

We expect the net loss from forgone interest income will be offset...

...by a corresponding reduction in provisions

Qualified borrowers will benefit from debt restructuring under terms designed to provide significant relief, including a 30% reduction in principal installments and a 10% reduction in interest rates for a period of three years. The government will subsidize 90% of the interest rate reduction through soft loans provided by the Government Savings Bank (GSB), offered at a nominal interest rate of 0.01%. Non-bank financial institutions are responsible for covering the remaining 10% of the interest rate reduction.

The program is supported by a soft loan budget of Bt50bn, with the Ministry of Finance covering GSB's funding costs at 2%, amounting to a subsidy of Bt3bn. This measure aims to ensure liquidity for GSB while minimizing the financial burden on participating borrowers.

To participate, borrowers must register through the BoT and meet specific eligibility criteria. Borrowers who adhere to the restructuring terms can benefit from significantly lower financial obligations, improving their ability to manage and repay debts.

However, if borrowers fail to comply with the agreed restructuring terms, non-bank financial institutions retain the full authority to initiate standard debt resolution procedures, including legal action to recover outstanding amounts. This clause is intended to maintain discipline within the program and ensure compliance while providing flexibility for financial institutions to manage defaults effectively. The initiative reflects a collaborative effort between the government, BoT, the GSB, and non-bank institutions to address the financial challenges faced by vulnerable borrowers while balancing the needs of lenders.

Below, we provide a calculation to illustrate the interest savings for participating borrowers and the implications for the profit and loss of non-bank financial institutions based on the following assumptions:

- 1) Loans outstanding of Bt50,000, charged at the maximum title loan interest rate of 24%.
- 2) Average funding costs of 4% across all non-bank financial institutions.

The calculation shows that participating borrowers would save Bt5,000 in annual interest expenses. Non-bank financial institutions would recognize a reduction of Bt5,000 in interest income, representing the difference between the pre-co-pay interest income of Bt12,000 and the post-co-pay interest income of Bt7,000.

Ninety percent of the forgone interest income, amounting to Bt4,500, enables non-bank financial institutions to access soft loans from the government totaling Bt112,500 at a minimal interest rate of 0.01%. The calculation for the soft loan amount is based on dividing the subsidized forgone interest income of Bt4,500 by the average funding cost of 4%.

By utilizing these soft loans, non-bank financial institutions would save Bt4,489 in interest expenses, partially offsetting the Bt5,000 loss in interest income from the co-pay scheme. Ultimately, this would result in a net loss of Bt511 for non-banks.

However, we expect the scheme to reduce defaults, NPL formation, and overall NPL levels, enabling non-bank financial institutions to recover losses through lower provisions.

Ex 2: How The Co-Pay Model Works For Borrowers And Implications For Non-banks

| | | |
|--|--------------|-----------|
| Example borrower: | | |
| Loan amount | 50,000 | Bt |
| Pre-co-pay interest rate | 24 | % |
| Post-co-pay interest rate | 14 | % |
| Implications for borrower: | | |
| Interest savings for borrower | 5,000 | Bt |
| Government co-pay (90%) | 4,500 | Bt |
| Non-bank contribution (10%) | 500 | Bt |
| Non-bank interest income recognition | | |
| Pre-co-pay interest income | 12,000 | Bt |
| Post-co-pay interest income | 7,000 | Bt |
| Change in non-bank interest income | (5,000) | Bt |
| Funding cost savings for non-banks: | | |
| Average funding costs | 4.00 | % |
| Allotted soft loans = Government co-pay interest (4,500) divided by funding costs (4%) | 112,500 | Bt |
| Soft loan interest rate (0.01%) | 11.25 | Bt |
| Non-bank funding cost reduction | 4,489 | Bt |

The forgone interest income of Bt5,000 would be offset by funding cost savings through soft loans of Bt4,489. Meanwhile, we expect non-banks to recover the loss of Bt511 through a reduction in provisions

Sources: Company data, Thanachart estimates

SAWAD will benefit the most, in our view

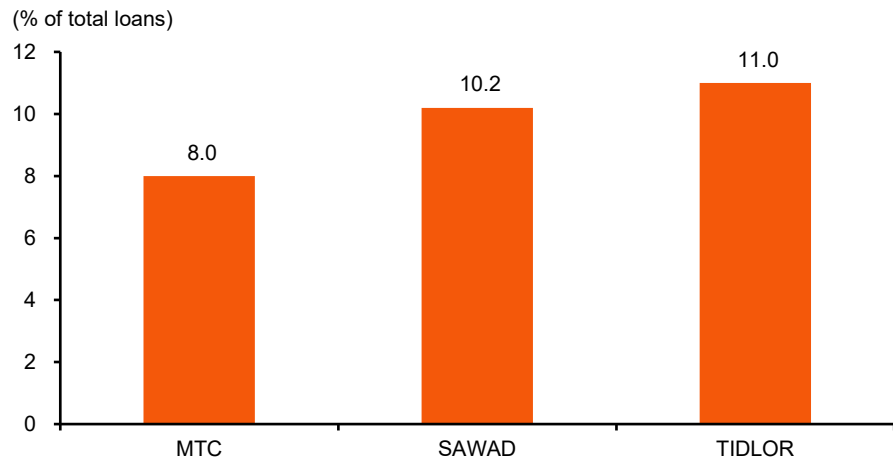
*Prime beneficiaries are
SAWAD, followed by MTC*

SAWAD appears to be the best positioned to benefit from these measures, followed by MTC. SAWAD's greater benefits stem from its larger portion of Stage 2 loans and NPLs than MTC's. Notably, MTC has successfully cleaned up its balance sheet, leading to a decline in Stage 2 loans, NPL formation, and overall NPL levels since 4Q23.

In addition, SAWAD's lower credit rating of BBB+, compared to MTC's A-, presents challenges in securing funding through debenture issuances. This is despite offering higher coupon rates than MTC.

We have not yet incorporated the potential benefits from this restructuring scheme into our earnings forecasts or target prices for SAWAD or MTC.

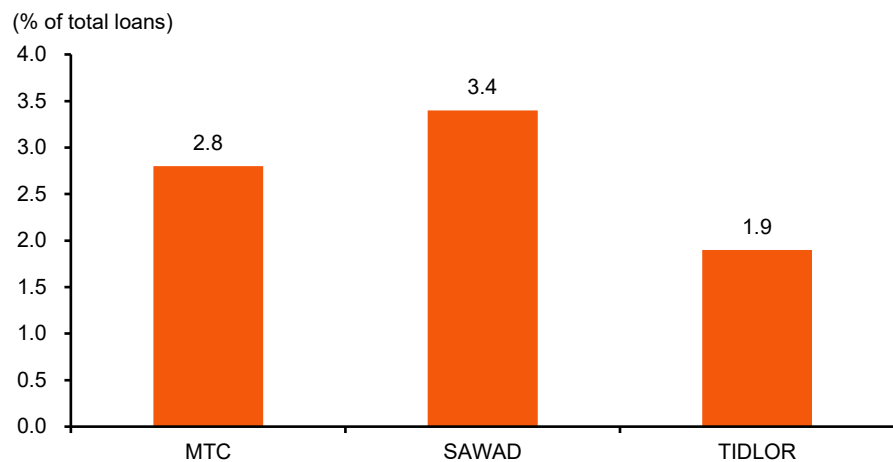
Ex 3: Stage 2 Comparison



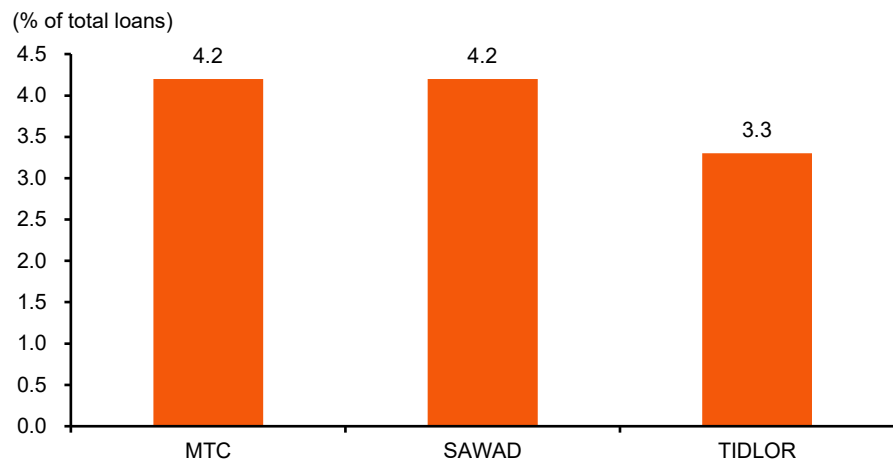
Sources: Company data, Thanachart estimates

Note: We exclude SICR from TIDLOR's Stage 2 loans

Ex 4: NPL Comparison



Sources: Company data, Thanachart estimates

Ex 5: Funding Cost Comparison

Sources: Company data, Thanachart estimates

TIDLOR is excluded from participating in these policies and is likely to be hit by the co-payment interest suspension schemes.

How about TIDLOR?

TIDLOR is excluded from participating in the aforementioned policies. As an affiliate of Bank of Ayudhya (BAY TB, not rated, Bt25.25), TIDLOR is subject to the financial institutions' three-year co-payment interest suspension schemes.

Under these debt relief measures, financial institutions are required to suspend interest payments for three years and reduce principal installments over the same period. The principal reductions are 50% in the first year, 30% in the second year, and 10% in the final year. To support this initiative, the BoT will reduce the Financial Institutions Development Fund (FIDF) fee by 0.23% of total deposits, covering 50% of the forgone interest income, with the remaining 50% absorbed by financial institutions.

Although TIDLOR is not directly subject to the FIDF fee, it can benefit from the FIDF subsidies through its affiliation with BAY. Nevertheless, TIDLOR's average lending yield of close to 19% is significantly higher than banks' average lending yield for auto hire-purchase (HP) and title loans, which stands at approximately 8%. Even with the 50% subsidy, the impact of forgone interest income remains significant for TIDLOR.

The scheme could, however, prove net beneficial for TIDLOR if the participating borrowers are already classified as NPLs. In such cases, TIDLOR would receive principal repayments to settle overdue loans. However, there are concerns about the potential adverse effects if most participating borrowers are in Stage 2.

Key reasons include:**1) High stage 2 loan proportion**

As of 3Q24, TIDLOR's Stage 2 loan portfolio is relatively large, accounting for 17.6% of total loans. Even after excluding the significant increase in credit-impaired (SICR) loans, estimated at 6-7%, the remaining pool of potential eligible borrowers for the scheme still represent a considerable portion of 10-11% of total loans, equivalent to Bt9bn-10bn.

2) Fully collateralized loans at low LTV ratios

TIDLOR's loans are fully collateralized with lower loan-to-value (LTV) ratios compared to banks. Borrowers are incentivized to retain their assets, which prevents most Stage 2 loans from transitioning into NPLs. This dynamic explains TIDLOR's low NPL ratio, which remains under 2%.

3) Short loan duration

With an average loan duration of 24-28 months, participating borrowers who comply with the reduced principal repayment plan are likely to fully repay their loans before the three-year scheme ends.

Despite these challenges, TIDLOR does not expect overwhelming participation in the scheme. The company believes the adverse impact will be manageable. We do not factor the potential negative impacts into our earnings forecasts and TP. Given that TIDLOR's share price has recently declined by 7% month-to-date, these negatives appear to be largely priced into the stock.

Ex 6: Comparison Of Our Key Assumptions

| | | MTC | SAWAD | TIDLOR | Industry |
|---------------------------------------|-----------------|--------------|--------------|--------------|-------------------|
| Rating | | BUY | HOLD | BUY | Overweight |
| Target price | (Bt) | 53.00 | 43.00 | 22.00 | |
| <i>Upside</i> | <i>(%)</i> | 6.0 | 5.5 | 31.0 | |
| Consensus TP | (Bt) | 56.35 | 42.78 | 19.91 | |
| <i>Difference from consensus</i> | <i>(%)</i> | (5.9) | 0.5 | 10.5 | |
| Market cap. | (US\$ m) | 3,105 | 1,803 | 1,434 | |
| Pre-provision profit (Bt m) | 2023A | 10,967 | 8,367 | 7,729 | 27,063 |
| | 2024F | 12,202 | 8,567 | 9,015 | 29,785 |
| | 2025F | 14,364 | 9,227 | 9,959 | 33,550 |
| | 2026F | 16,701 | 10,673 | 11,212 | 38,587 |
| Net profit (Bt m) | 2023A | 4,906 | 5,001 | 3,790 | 13,698 |
| | 2024F | 5,928 | 5,163 | 4,323 | 15,414 |
| | 2025F | 7,292 | 5,769 | 5,074 | 18,135 |
| | 2026F | 9,071 | 6,868 | 6,032 | 21,971 |
| Loan growth (y-y %) | 2023A | 18.8 | 75.3 | 19.9 | 31.4 |
| | 2024F | 17.2 | 0.5 | 8.8 | 9.9 |
| | 2025F | 15.6 | 9.8 | 10.0 | 12.5 |
| | 2026F | 12.5 | 10.0 | 10.0 | 11.2 |
| Borrowing growth (y-y %) | 2023A | 7.0 | 112.8 | 22.4 | 45.0 |
| | 2024F | 20.7 | (11.2) | 7.2 | 6.2 |
| | 2025F | 15.8 | 4.8 | 9.9 | 6.9 |
| | 2026F | 10.0 | 4.8 | 9.4 | 8.8 |
| Net spread (%) | 2023A | 14.6 | 16.7 | 14.4 | 11.9 |
| | 2024F | 13.7 | 16.6 | 14.8 | 13.2 |
| | 2025F | 13.7 | 16.6 | 14.8 | 13.4 |
| | 2026F | 13.8 | 16.6 | 15.2 | 13.3 |
| Non-interest income growth (%) | 2023A | 18.0 | (4.2) | 25.0 | 10.1 |
| | 2024F | 0.7 | (8.9) | 8.7 | 0.3 |
| | 2025F | 1.0 | 5.0 | 12.0 | 7.8 |
| | 2026F | 1.0 | 5.0 | 10.7 | 7.4 |

Sources: Company data, Thanachart estimates

Ex 6: Comparison Of Our Key Assumptions (Con't)

| | | MTC | SAWAD | TIDLOR | Industry |
|---------------------------------------|-------|------------|--------------|---------------|-----------------|
| Bad debt expenses to loans (%) | 2023A | 3.7 | 2.3 | 3.3 | 1.5 |
| | 2024F | 3.1 | 1.9 | 3.6 | 2.7 |
| | 2025F | 2.9 | 1.7 | 3.3 | 2.6 |
| | 2026F | 2.6 | 1.6 | 3.0 | 2.4 |
| NPL ratio (%) | 2023A | 3.1 | 3.1 | 1.4 | 2.6 |
| | 2024F | 2.9 | 3.4 | 1.9 | 2.7 |
| | 2025F | 2.8 | 3.4 | 1.9 | 2.7 |
| | 2026F | 2.8 | 3.4 | 1.8 | 2.7 |
| ROE (%) | 2023A | 16.1 | 18.6 | 14.1 | 16.2 |
| | 2024F | 17.2 | 16.8 | 14.6 | 16.3 |
| | 2025F | 18.2 | 16.0 | 15.7 | 16.7 |
| | 2026F | 19.3 | 16.2 | 17.0 | 17.6 |
| LLC (%) | 2023A | 115.9 | 61.0 | 282.1 | 123.8 |
| | 2024F | 125.3 | 69.3 | 224.9 | 126.5 |
| | 2025F | 126.7 | 69.9 | 227.8 | 127.8 |
| | 2026F | 121.7 | 67.3 | 230.8 | 124.7 |

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 7: Valuation Comparison With Regional Peers

| Name | BBG code | Country | EPS growth | | PE | | P/BV | | ROE | | Div. yield | |
|--------------------------------|-----------|-----------|-------------|-------------|-------------|-------------|------------|------------|-------------|-------------|------------|------------|
| | | | 24F | 25F | 24F | 25F | 24F | 25F | 24F | 25F | 24F | 25F |
| Afterpay Ltd | APT AU | Australia | na | na | na | na | na | na | 16.8 | na | na | na |
| Finvolution Group | FINV US | China | 457.3 | 12.4 | 0.7 | 0.6 | 0.1 | 0.1 | 16.9 | 16.3 | 26.3 | 29.0 |
| Mahindra & Mahindra Fin Secs | MMFS IN | India | (0.2) | 28.2 | 17.6 | 13.7 | 1.7 | 1.6 | 10.4 | 13.4 | 1.8 | 2.3 |
| Bajaj Finance Ltd | BAF IN | India | (1.1) | 15.6 | 30.7 | 26.5 | 5.9 | 4.8 | 22.1 | 19.6 | 0.5 | 0.6 |
| Manappuram Finance Ltd | MGFL IN | India | 1.7 | (8.6) | 6.9 | 7.6 | 1.3 | 1.2 | 20.8 | 16.8 | 2.1 | 2.0 |
| GMO Payment Gateway Inc. | 3769 JP | Japan | (9.0) | 18.3 | 38.4 | 32.4 | 6.4 | 5.5 | 17.9 | 18.8 | 1.3 | 1.5 |
| Infomart Corp. | 2492 JP | Japan | 156.3 | 127.5 | 82.5 | 36.3 | 5.7 | 5.2 | 7.1 | 15.1 | 0.6 | 1.4 |
| Ally Financial Inc | ALLY US | US | (1.2) | 40.3 | 12.7 | 9.0 | 0.9 | 0.8 | 7.1 | 9.0 | 3.2 | 3.3 |
| World Acceptance Corp | WRLD US | US | (14.6) | 14.0 | 10.2 | 8.9 | 1.6 | 1.4 | 15.3 | 15.1 | na | na |
| Navient Corp | NAVI US | US | 32.5 | (40.0) | 6.1 | 10.2 | 0.6 | 0.6 | 9.3 | 5.8 | 4.2 | 4.2 |
| SLM Corp | SLM US | US | 12.3 | 10.6 | 9.9 | 9.0 | 3.1 | 2.6 | 31.6 | 30.4 | 1.7 | 1.9 |
| Amanah Leasing | AMANA TH | Thailand | na | na | na | 11.8 | 0.7 | 0.7 | (0.5) | 5.6 | 6.6 | 3.8 |
| Asia Sermkij Leasing * | ASK TB | Thailand | (38.3) | 14.6 | 7.4 | 6.4 | 0.5 | 0.5 | 6.9 | 7.7 | 6.8 | 7.8 |
| Bangkok Commercial Asset Mgt.* | BAM TB | Thailand | 28.8 | 20.3 | 10.8 | 9.0 | 0.5 | 0.5 | 4.5 | 5.3 | 8.3 | 6.7 |
| Chayo Group | CHAYO TB | Thailand | (16.3) | 45.1 | 10.4 | 7.2 | 0.9 | 0.8 | 7.8 | 10.1 | 1.7 | 1.4 |
| JMT Network Services * | JMT TB | Thailand | (30.5) | 24.6 | 20.0 | 16.1 | 1.0 | 1.0 | 5.2 | 6.4 | 3.0 | 3.7 |
| Krungthai Card * | KTC TB | Thailand | 17.3 | 18.4 | 14.8 | 12.5 | 3.1 | 2.7 | 22.2 | 22.9 | 3.0 | 3.6 |
| Muangthai Capital * | MTC TB | Thailand | 20.8 | 23.0 | 17.9 | 14.5 | 2.9 | 2.5 | 17.2 | 18.2 | 0.8 | 1.0 |
| Saksiam Leasing * | SAK TB | Thailand | 13.5 | 18.9 | 12.3 | 10.4 | 1.7 | 1.5 | 14.0 | 15.3 | 3.2 | 3.9 |
| Srisawad Corporation * | SAWAD TB | Thailand | 3.1 | 11.6 | 12.3 | 11.0 | 1.9 | 1.6 | 16.8 | 16.0 | 0.0 | 0.0 |
| Ratchthani Leasing * | THANI TB | Thailand | 4.5 | 13.1 | 7.2 | 6.3 | 0.7 | 0.7 | 10.4 | 11.1 | 7.6 | 8.7 |
| Ngern Tid Lor * | TIDLOR TB | Thailand | 13.8 | 17.3 | 11.3 | 9.6 | 1.6 | 1.5 | 14.6 | 15.7 | 1.8 | 2.1 |
| Average | | | 32.5 | 21.3 | 17.0 | 12.8 | 2.0 | 1.8 | 13.4 | 14.0 | 4.2 | 4.4 |

Source: Bloomberg

Note: * Thanachart estimates using normalized EPS growth

Based on 13 December 2024 closing price

Thanachart Capital Pcl (TCAP) holds an 89.96% of Thanachart Securities (TNS). TCAP holds a 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 hold a 60% stake in THANI.

STOCK PERFORMANCE

| | Absolute (%) | | | | Rel SET (%) | | | |
|---------------|--------------|-------|--------|--------|-------------|-------|--------|--------|
| | 1M | 3M | 12M | YTD | 1M | 3M | 12M | YTD |
| SET Index | (1.4) | 0.5 | 5.4 | 1.1 | — | — | — | — |
| FINANCE Index | 0.2 | (5.4) | (8.8) | (11.4) | 1.6 | (5.9) | (14.2) | (12.5) |
| MTC | 1.5 | (0.5) | 17.0 | 11.1 | 2.9 | (1.0) | 11.5 | 10.0 |
| SAWAD | 5.8 | (1.2) | 11.4 | 10.7 | 7.2 | (1.7) | 5.9 | 9.6 |
| TIDLOR | (3.4) | (6.7) | (19.3) | (22.6) | (2.1) | (7.2) | (24.8) | (23.7) |

Source: Bloomberg

SECTOR - SWOT ANALYSIS

S — Strength

- Low market penetration
- High pricing power

O — Opportunity

- Expansion into AEC markets

W — Weakness

- Heavy reliance on wholesale funding
- Barriers to entry are not high

T — Threat

- Competition from banks
- Changes in rules 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 (%) |
| Australia | na | na | na | na | na | na | 16.8 | na | na | na |
| China | 457.3 | 12.4 | 0.7 | 0.6 | 0.1 | 0.1 | 16.9 | 16.3 | 26.3 | 29.0 |
| India | 0.1 | 11.7 | 18.4 | 15.9 | 3.0 | 2.5 | 17.8 | 16.6 | 1.5 | 1.6 |
| Japan | 73.7 | 72.9 | 60.4 | 34.4 | 6.0 | 5.4 | 12.5 | 16.9 | 0.9 | 1.5 |
| US | 7.3 | 6.2 | 9.7 | 9.3 | 1.5 | 1.3 | 15.8 | 15.1 | 3.0 | 3.1 |
| Thailand | 12.5 | 17.3 | 13.8 | 11.7 | 2.1 | 1.8 | 16.2 | 16.6 | 0.9 | 1.0 |
| Average | 110.2 | 24.1 | 20.6 | 14.4 | 2.6 | 2.2 | 16.0 | 16.3 | 6.5 | 7.3 |
| MTC | 20.8 | 23.0 | 17.9 | 14.5 | 2.9 | 2.5 | 17.2 | 18.2 | 0.8 | 1.0 |
| SAWAD | 3.1 | 11.6 | 12.3 | 11.0 | 1.9 | 1.6 | 16.8 | 16.0 | 0.0 | 0.0 |
| TIDLOR | 13.8 | 17.3 | 11.3 | 9.6 | 1.6 | 1.5 | 14.6 | 15.7 | 1.8 | 2.1 |
| Average* | 12.5 | 17.3 | 13.8 | 11.7 | 2.1 | 1.8 | 16.2 | 16.6 | 0.9 | 1.0 |

Sources: Bloomberg Consensus

Note: * Thanachart estimate – using normalized EPS
Based on 13 December 2024 closing prices

Muangthai Leasing

INCOME STATEMENT

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|
| Interest Income | 19,199 | 23,500 | 26,973 | 31,180 | 35,401 |
| Interest Expenses | 2,813 | 3,857 | 5,104 | 5,767 | 6,211 |
| Net Interest Income | 16,386 | 19,644 | 21,869 | 25,412 | 29,190 |
| % of total income | 95.0% | 95.0% | 95.5% | 96.1% | 96.5% |
| Fee income | 792 | 921 | 843 | 843 | 843 |
| % of total income | 4.6% | 4.5% | 3.7% | 3.2% | 2.8% |
| Other income | 78 | 105 | 190 | 200 | 210 |
| % of total income | 0.5% | 0.5% | 0.8% | 0.8% | 0.7% |
| Non-interest Income | 869 | 1,026 | 1,033 | 1,043 | 1,053 |
| % of total income | 5.0% | 5.0% | 4.5% | 3.9% | 3.5% |
| Total Income | 17,255 | 20,669 | 22,902 | 26,455 | 30,243 |
| Operating Expenses | 8,069 | 9,702 | 10,700 | 12,091 | 13,542 |
| Pre-provisioning Profit | 9,187 | 10,967 | 12,202 | 14,364 | 16,701 |
| Bad debt expenses | 2,827 | 4,841 | 4,793 | 5,249 | 5,362 |
| Pre-tax Profit | 6,360 | 6,126 | 7,410 | 9,116 | 11,339 |
| Income Tax | 1,267 | 1,220 | 1,482 | 1,823 | 2,268 |
| After Tax Profit | 5,093 | 4,906 | 5,928 | 7,292 | 9,071 |
| Equity Income | 0 | 0 | 0 | 0 | 0 |
| Minority Interest | 0 | 0 | 0 | 0 | 0 |
| Extraordinary Items | 0 | 0 | 0 | 0 | 0 |
| NET PROFIT | 5,093 | 4,906 | 5,928 | 7,292 | 9,071 |
| Normalized Profit | 5,093 | 4,906 | 5,928 | 7,292 | 9,071 |
| EPS (Bt) | 2.4 | 2.3 | 2.8 | 3.4 | 4.3 |
| Normalized EPS (Bt) | 2.4 | 2.3 | 2.8 | 3.4 | 4.3 |

BALANCE SHEET

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Cash and ST investments | 3,213 | 2,822 | 2,000 | 2,000 | 2,000 |
| Other current assets | 424 | 731 | 500 | 553 | 606 |
| Total current assets | 3,637 | 3,553 | 2,500 | 2,553 | 2,606 |
| Gross loans & accr. interest | 120,812 | 142,720 | 168,800 | 195,125 | 219,556 |
| Provisions | 3,686 | 5,169 | 6,100 | 6,885 | 7,442 |
| Net loans | 116,928 | 138,149 | 161,800 | 187,200 | 210,943 |
| Fixed assets | 2,037 | 2,134 | 2,279 | 2,560 | 2,728 |
| Other assets | 5,464 | 6,320 | 7,024 | 7,620 | 8,208 |
| Total assets | 128,066 | 150,156 | 173,603 | 199,933 | 224,485 |
| Short term borrow ing | 31,799 | 46,699 | 58,560 | 59,356 | 66,892 |
| A/P & notes payables | 1,211 | 1,678 | 1,668 | 1,658 | 1,648 |
| Other current liabilities | 2,380 | 2,705 | 3,282 | 3,531 | 3,773 |
| Long term borrow ing | 59,928 | 63,165 | 68,959 | 87,751 | 96,526 |
| Total borrowings | 91,727 | 109,864 | 127,520 | 147,108 | 163,418 |
| Other L-T liabilities | 3,658 | 3,992 | 4,190 | 4,508 | 4,819 |
| Minority interest | 0 | 0 | 0 | 0 | 0 |
| Shareholders' equity | 29,091 | 31,917 | 36,943 | 43,129 | 50,827 |
| Total Liab. & Equity | 128,066 | 150,156 | 173,603 | 199,933 | 224,485 |

Sources: Company data, Thanachart estimates

Muangthai Leasing

VALUATION

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|-------------------------------------|-------|-------|-------|-------|-------|
| Normalized PE (x) | 20.8 | 21.6 | 17.9 | 14.5 | 11.7 |
| Normalized PE - at target price (x) | 22.1 | 22.9 | 19.0 | 15.4 | 12.4 |
| PE (x) | 20.8 | 21.6 | 17.9 | 14.5 | 11.7 |
| PE - at target price (x) | 22.1 | 22.9 | 19.0 | 15.4 | 12.4 |
| P/PPP (x) | 11.5 | 9.7 | 8.7 | 7.4 | 6.3 |
| P/PPP - at target price (x) | 12.2 | 10.2 | 9.2 | 7.8 | 6.7 |
| P/BV (x) | 3.6 | 3.3 | 2.9 | 2.5 | 2.1 |
| P/BV - at target price (x) | 3.9 | 3.5 | 3.0 | 2.6 | 2.2 |
| Dividend yield (%) | 1.9 | 0.4 | 0.8 | 1.0 | 1.3 |
| Normalized EPS (Bt) | 2.4 | 2.3 | 2.8 | 3.4 | 4.3 |
| EPS (Bt) | 2.4 | 2.3 | 2.8 | 3.4 | 4.3 |
| DPS (Bt) | 1.0 | 0.2 | 0.4 | 0.5 | 0.6 |
| PPP/Share (Bt) | 4.3 | 5.2 | 5.8 | 6.8 | 7.9 |
| BV/share (Bt) | 13.7 | 15.1 | 17.4 | 20.3 | 24.0 |
| P/BV to ROE (x) | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 |

FINANCIAL RATIOS

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|-------------------------------------|-------|-------|-------|-------|-------|
| Growth Rate (%) | | | | | |
| Net interest income (NII) | 25.4 | 19.9 | 11.3 | 16.2 | 14.9 |
| Non-interest income (Non-II) | 5.6 | 18.0 | 0.7 | 1.0 | 1.0 |
| Operating expenses | 15.9 | 20.2 | 10.3 | 13.0 | 12.0 |
| Pre-provisioning profit (PPP) | 32.6 | 19.4 | 11.3 | 17.7 | 16.3 |
| Net profit | 3.0 | (3.7) | 20.8 | 23.0 | 24.4 |
| Normalized profit growth | 3.0 | (3.7) | 20.8 | 23.0 | 24.4 |
| EPS | 3.0 | (3.7) | 20.8 | 23.0 | 24.4 |
| Normalized EPS | 3.0 | (3.7) | 20.8 | 23.0 | 24.4 |
| Dividend payout ratio | 39.5 | 9.1 | 15.0 | 15.0 | 15.0 |
| Loan - gross | 30.8 | 18.1 | 18.3 | 15.6 | 12.5 |
| Loan - net | 29.9 | 18.1 | 17.1 | 15.7 | 12.7 |
| Borrowings | 150.7 | 7.0 | 20.7 | 15.8 | 10.0 |
| NPLs | 174.8 | 27.2 | 9.1 | 11.6 | 12.5 |
| Total assets | 30.2 | 17.2 | 15.6 | 15.2 | 12.3 |
| Total equity | 17.0 | 9.7 | 15.7 | 16.7 | 17.8 |
| Operating Ratios (%) | | | | | |
| Net interest margin (NIM) | 14.5 | 14.9 | 13.5 | 13.6 | 13.8 |
| Net interest spread | 15.0 | 14.6 | 13.7 | 13.7 | 13.8 |
| Yield on earnings assets | 18.1 | 17.8 | 17.3 | 17.2 | 17.1 |
| Avg cost of fund | 3.5 | 3.8 | 4.3 | 4.2 | 4.0 |
| NII / operating income | 95.0 | 95.0 | 95.5 | 96.1 | 96.5 |
| Non-II / operating income | 5.0 | 5.0 | 4.5 | 3.9 | 3.5 |
| Fee Income / Opt Income | 4.6 | 4.5 | 3.7 | 3.2 | 2.8 |
| Norm Net Margin | 29.5 | 23.7 | 25.9 | 27.6 | 30.0 |
| Cost-to-income | 46.8 | 46.9 | 46.7 | 45.7 | 44.8 |
| Credit cost - provision exp / loans | 2.7 | 3.7 | 3.1 | 2.9 | 2.6 |
| PPP / total assets | 8.1 | 7.9 | 7.5 | 7.7 | 7.9 |
| PPP / total equity | 34.1 | 36.0 | 35.4 | 35.9 | 35.6 |
| Avg assets/avg equity (leverage) | 4.2 | 4.6 | 4.7 | 4.7 | 4.5 |
| ROA | 4.5 | 3.5 | 3.7 | 3.9 | 4.3 |
| ROE | 18.9 | 16.1 | 17.2 | 18.2 | 19.3 |

Sources: Company data, Thanachart estimates

Muangthai Leasing**FINANCIAL RATIOS**

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|--|--------------|--------------|--------------|--------------|--------------|
| Liquidity and Quality Ratio (%) | | | | | |
| Gross Loan / Borrowings | 474.0 | 523.3 | 512.8 | 512.0 | 523.8 |
| Net Loan / Borrowings | 458.8 | 506.5 | 491.5 | 491.2 | 503.2 |
| Net Loan / Assets | 91.3 | 92.0 | 93.2 | 93.6 | 94.0 |
| Net Loan / Equity | 401.9 | 432.8 | 438.0 | 434.1 | 415.0 |
| S-T / L-T Borrowings | 31.2 | 46.5 | 42.4 | 40.3 | 40.3 |
| Borrowings / Liabilities | 25.8 | 23.1 | 24.1 | 24.3 | 24.1 |
| Interest-bearing Debt / Equity | 315.3 | 344.2 | 345.2 | 341.1 | 321.5 |
| Liabilities / Equity | 340.2 | 370.5 | 369.9 | 363.6 | 341.7 |
| Equity/ Gross loans | 24.1 | 22.4 | 21.9 | 22.1 | 23.1 |
| NPLs | 3,506.6 | 4,461.2 | 4,869.1 | 5,434.4 | 6,114.8 |
| NPLs / Total Loans (NPL Ratio) | 2.9 | 3.1 | 2.9 | 2.8 | 2.8 |
| Loan-Loss-Coverage (Provision / NPLs) | 105.1 | 115.9 | 125.3 | 126.7 | 121.7 |

Sources: Company data, Thanachart estimates

Srisawad Corporation

INCOME STATEMENT

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|--|---------------|---------------|---------------|---------------|---------------|
| Interest Income | 8,780 | 15,744 | 18,171 | 18,723 | 20,662 |
| Interest Expenses | 862 | 2,266 | 3,094 | 2,911 | 2,979 |
| Net Interest Income | 7,918 | 13,478 | 15,077 | 15,811 | 17,683 |
| % of total income | 70.5% | 81.0% | 83.9% | 83.9% | 84.7% |
| Fee income | 1,215 | 740 | 829 | 878 | 0 |
| Gains from loans receivable from purchase of loans | 59 | 0 | 50 | 50 | 0 |
| Insurance commission income | 1,019 | 974 | 1,200 | 1,280 | 0 |
| Other non-interest income | 1,018 | 1,457 | 811 | 826 | 0 |
| Non-interest Income | 3,311 | 3,171 | 2,890 | 3,035 | 3,186 |
| % of total income | 29.5% | 19.0% | 16.1% | 16.1% | 15.3% |
| Total Income | 11,229 | 16,648 | 17,967 | 18,846 | 20,869 |
| Operating Expenses | 5,442 | 8,282 | 9,400 | 9,619 | 10,196 |
| Pre-provisioning Profit | 5,787 | 8,367 | 8,567 | 9,227 | 10,673 |
| Bad debt expenses | 78 | 1,763 | 1,863 | 1,753 | 1,813 |
| Pre-tax Profit | 5,709 | 6,603 | 6,704 | 7,474 | 8,860 |
| Income Tax | 1,097 | 1,375 | 1,341 | 1,495 | 1,772 |
| After Tax Profit | 4,611 | 5,228 | 5,363 | 5,979 | 7,088 |
| Equity Income | 31 | 26 | 0 | 0 | 0 |
| Minority Interest | (351) | (253) | (200) | (210) | (220) |
| Extraordinary Items | 184 | 0 | 0 | 0 | 0 |
| NET PROFIT | 4,476 | 5,001 | 5,163 | 5,769 | 6,868 |
| Normalized Profit | 4,292 | 5,001 | 5,163 | 5,769 | 6,868 |
| EPS (Bt) | 2.9 | 3.2 | 3.3 | 3.7 | 4.4 |
| Normalized EPS (Bt) | 2.8 | 3.2 | 3.3 | 3.7 | 4.4 |

BALANCE SHEET

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|---------------------------------|---------------|----------------|----------------|----------------|----------------|
| Cash and Interbank | 2,823 | 3,962 | 2,000 | 2,000 | 2,000 |
| Other liquid items | 2,872 | 3,310 | 2,501 | 2,511 | 2,521 |
| Total liquid items | 5,694 | 7,273 | 4,501 | 4,511 | 4,521 |
| Gross loans & accr. interest | 55,811 | 97,826 | 98,317 | 107,909 | 118,736 |
| Provisions | 748 | 1,830 | 2,317 | 2,559 | 2,710 |
| Net loans | 55,063 | 95,996 | 96,000 | 105,350 | 116,026 |
| Fixed assets | 1,455 | 2,415 | 2,229 | 1,945 | 1,623 |
| Right of use | 1,372 | 1,416 | 1,396 | 1,375 | 1,352 |
| Other assets | 5,898 | 4,366 | 4,129 | 4,199 | 4,269 |
| Total assets | 69,482 | 111,465 | 108,254 | 117,379 | 127,791 |
| Short term borrow ing | 7,356 | 13,085 | 10,500 | 10,500 | 10,500 |
| Due to related party | 0 | 0 | 0 | 0 | 0 |
| Other current liabilities | 609 | 690 | 698 | 687 | 676 |
| Long term borrow ing | 9,698 | 23,140 | 11,160 | 14,303 | 12,425 |
| Total borrowings | 18,852 | 39,167 | 45,272 | 45,263 | 50,452 |
| Other L-T liabilities | 483 | 498 | 508 | 518 | 528 |
| Minority interest | 18,852 | 39,167 | 45,272 | 45,263 | 50,452 |
| Shareholders' equity | 25,662 | 28,177 | 33,177 | 38,930 | 45,781 |
| Total Liab. & Equity | 69,482 | 111,465 | 108,254 | 117,379 | 127,791 |

Sources: Company data, Thanachart estimates

Srisawad Corporation

VALUATION

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|-------------------------------------|-------|-------|-------|-------|-------|
| Normalized PE (x) | 14.8 | 12.7 | 12.3 | 11.0 | 9.3 |
| Normalized PE - at target price (x) | 15.6 | 13.4 | 13.0 | 11.6 | 9.8 |
| PE (x) | 14.2 | 12.7 | 12.3 | 11.0 | 9.3 |
| PE - at target price (x) | 14.9 | 13.4 | 13.0 | 11.6 | 9.8 |
| P/PPP (x) | 11.0 | 7.6 | 7.4 | 6.9 | 6.0 |
| P/PPP - at target price (x) | 11.6 | 8.0 | 7.8 | 7.3 | 6.3 |
| P/BV (x) | 2.2 | 2.0 | 1.9 | 1.6 | 1.4 |
| P/BV - at target price (x) | 2.3 | 2.1 | 2.0 | 1.7 | 1.5 |
| Dividend yield (%) | 4.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Normalized EPS | 2.8 | 3.2 | 3.3 | 3.7 | 4.4 |
| EPS | 2.9 | 3.2 | 3.3 | 3.7 | 4.4 |
| DPS | 1.8 | 0.0 | 0.0 | 0.0 | 0.0 |
| PPP/Share | 3.7 | 5.4 | 5.5 | 5.9 | 6.8 |
| BV/share | 18.7 | 20.5 | 21.3 | 24.9 | 29.3 |
| P/BV to ROE | 12.8 | 10.7 | 11.4 | 10.2 | 8.6 |

FINANCIAL RATIOS

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|---|-------|-------|--------|-------|-------|
| Growth Rate (%) | | | | | |
| Net interest income (NII) | 30.6 | 70.2 | 11.9 | 4.9 | 11.8 |
| Non-interest income (Non-II) | 5.1 | (4.2) | (8.9) | 5.0 | 5.0 |
| Operating expenses | 56.6 | 52.2 | 13.5 | 2.3 | 6.0 |
| Pre-provisioning profit (PPP) | 0.8 | 44.6 | 2.4 | 7.7 | 15.7 |
| Net profit | (5.2) | 11.7 | 3.2 | 11.7 | 19.1 |
| Normalized profit growth | (5.5) | 16.5 | 3.2 | 11.7 | 19.1 |
| EPS | (5.2) | 11.7 | 3.1 | 11.6 | 19.1 |
| Normalized EPS | (5.5) | 16.5 | 3.1 | 11.6 | 19.1 |
| Dividend payout ratio | 55.2 | 0.3 | 0.4 | 0.3 | 0.3 |
| Loan - gross | 69.3 | 72.4 | (1.5) | 8.6 | 8.9 |
| Loan - net | 65.3 | 74.3 | 0.0 | 9.7 | 10.1 |
| Borrowings | 96.4 | 112.8 | (11.2) | 4.8 | 4.8 |
| NPLs | 10.9 | 116.4 | 11.5 | 9.6 | 9.9 |
| Total assets | 39.1 | 60.4 | (2.9) | 8.4 | 8.9 |
| Total equity | 3.9 | 9.8 | 17.7 | 17.3 | 17.6 |
| Operating Ratios (%) | | | | | |
| Net interest margin (NIM) | 13.3 | 14.9 | 13.7 | 14.0 | 14.4 |
| Net interest spread | 16.6 | 16.7 | 16.6 | 16.6 | 16.6 |
| Yield on earnings assets | 19.0 | 20.5 | 18.5 | 18.2 | 18.2 |
| Avg cost of fund | 3.3 | 4.1 | 4.4 | 4.3 | 4.2 |
| NII / operating income | 70.5 | 81.0 | 83.9 | 83.9 | 84.7 |
| Non-II / operating income | 29.5 | 19.0 | 16.1 | 16.1 | 15.3 |
| Fee income / operating income | 10.8 | 4.4 | 4.6 | 4.7 | 0.0 |
| Normalized net margin | 38.2 | 30.0 | 28.7 | 30.6 | 32.9 |
| Others (late penalty and bad debt recoveries) | 9.1 | 8.8 | 4.5 | 4.4 | 0.0 |
| Cost-to-income | 48.5 | 49.7 | 52.3 | 51.0 | 48.9 |
| Credit cost - provision exp / loans | 0.2 | 2.3 | 1.9 | 1.7 | 1.6 |
| PPP / total assets | 9.7 | 9.2 | 7.8 | 8.2 | 8.7 |
| PPP / total equity | 23.0 | 31.1 | 27.9 | 25.6 | 25.2 |
| Avg assets/avg equity (leverage) | 2.4 | 3.4 | 3.6 | 3.1 | 2.9 |
| ROA | 7.2 | 5.5 | 4.7 | 5.1 | 5.6 |
| ROE | 17.0 | 18.6 | 16.8 | 16.0 | 16.2 |

Sources: Company data, Thanachart estimates

Srisawad Corporation**FINANCIAL RATIOS**

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|--|--------------|--------------|--------------|--------------|--------------|
| Liquidity and Quality Ratio (%) | | | | | |
| Gross Loan / Borrow ings | 613.3 | 654.9 | 756.7 | 821.8 | 895.1 |
| Net Loan / Borrow ings | 506.2 | 546.7 | 641.1 | 703.5 | 774.8 |
| Net Loan / Assets | 79.2 | 86.1 | 88.7 | 89.8 | 90.8 |
| Net Loan / Equity | 214.6 | 340.7 | 289.4 | 270.6 | 253.4 |
| S-T / L-T Borrow ings | 67.6 | 74.5 | 70.1 | 70.1 | 70.1 |
| Borrow ings / Liabilities | 26.9 | 21.9 | 20.8 | 20.0 | 19.1 |
| Interest-bearing Debt / Equity | 136.4 | 264.4 | 199.3 | 178.0 | 158.6 |
| Liabilities / Equity | 157.7 | 284.9 | 216.6 | 192.7 | 171.2 |
| Equity to Gross Loan | 38.5 | 24.5 | 29.3 | 31.6 | 34.2 |
| NPLs | 1,385.3 | 2,997.7 | 3,342.8 | 3,663.5 | 4,025.1 |
| NPLs / Total Loans (NPL Ratio) | 2.5 | 3.1 | 3.4 | 3.4 | 3.4 |
| Loan-Loss-Coverage (Provision / NPLs) | 54.0 | 61.0 | 69.3 | 69.9 | 67.3 |

Sources: Company data, Thanachart estimates

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INCOME STATEMENT

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|
| Interest Income | 12,532 | 15,545 | 18,515 | 20,279 | 22,307 |
| Interest Expenses | 1,235 | 1,842 | 2,424 | 2,610 | 2,524 |
| Net Interest Income | 11,297 | 13,703 | 16,090 | 17,669 | 19,783 |
| % of total income | 80.5% | 80.0% | 81.2% | 80.9% | 81.1% |
| Fee income | 2,710 | 3,380 | 3,667 | 4,107 | 4,549 |
| % of total income | 19.3% | 19.7% | 18.5% | 18.8% | 18.6% |
| Other income | 32 | 47 | 58 | 63 | 68 |
| % of total income | 0.2% | 0.3% | 0.3% | 0.3% | 0.3% |
| Non-interest Income | 2,742 | 3,427 | 3,725 | 4,170 | 4,617 |
| % of total income | 19.5% | 20.0% | 18.8% | 19.1% | 18.9% |
| Total Income | 14,039 | 17,130 | 19,815 | 21,839 | 24,399 |
| Operating Expenses | 7,923 | 9,401 | 10,800 | 11,880 | 13,187 |
| Pre-provisioning Profit | 6,116 | 7,729 | 9,015 | 9,959 | 11,212 |
| Bad debt expenses | 1,583 | 2,986 | 3,611 | 3,617 | 3,673 |
| Pre-tax Profit | 4,533 | 4,744 | 5,404 | 6,342 | 7,539 |
| Income Tax | 893 | 953 | 1,081 | 1,268 | 1,508 |
| After Tax Profit | 3,640 | 3,790 | 4,323 | 5,074 | 6,032 |
| Equity Income | 0 | 0 | 0 | 0 | 0 |
| Minority Interest | 0 | 0 | 0 | 0 | 0 |
| Extraordinary Items | 0 | 0 | 0 | 0 | 0 |
| NET PROFIT | 3,640 | 3,790 | 4,323 | 5,074 | 6,032 |
| Normalized Profit | 3,640 | 3,790 | 4,323 | 5,074 | 6,032 |
| EPS (Bt) | 1.3 | 1.3 | 1.5 | 1.7 | 2.1 |
| Normalized EPS (Bt) | 1.3 | 1.3 | 1.5 | 1.7 | 2.1 |

BALANCE SHEET

| FY ending Dec (Bt m) | 2022A | 2023A | 2024F | 2025F | 2026F |
|---------------------------------|---------------|----------------|----------------|----------------|----------------|
| Cash and ST investments | 2,191 | 1,656 | 1,500 | 1,200 | 1,000 |
| Other current assets | 1,092 | 1,145 | 1,325 | 1,430 | 1,535 |
| Total current assets | 3,283 | 2,800 | 2,825 | 2,630 | 2,535 |
| Gross loans & accr. interest | 83,261 | 98,997 | 103,700 | 114,070 | 125,477 |
| Provisions | 3,199 | 3,981 | 4,498 | 4,967 | 5,433 |
| Net loans | 78,067 | 93,475 | 101,502 | 111,633 | 122,827 |
| Property Foreclosed - net | 171 | 287 | 315 | 477 | 525 |
| Right of use | 1,686 | 1,623 | 1,502 | 1,376 | 1,245 |
| Other assets | 1,521 | 1,963 | 2,063 | 2,163 | 2,263 |
| Total assets | 84,727 | 100,148 | 108,207 | 118,279 | 129,394 |
| Short term borrow ing | 19,719 | 32,369 | 29,146 | 29,282 | 32,710 |
| Other current payables | 1,826 | 1,810 | 1,828 | 1,846 | 1,864 |
| Other current liabilities | 1,057 | 1,067 | 1,075 | 1,079 | 1,083 |
| Long term borrow ing | 36,030 | 35,845 | 44,000 | 51,100 | 55,188 |
| Total borrowings | 55,749 | 68,214 | 73,146 | 80,382 | 87,898 |
| Other L-T liabilities | 572 | 555 | 1,326 | 1,237 | 1,143 |
| Minority interest | 0 | 0 | 0 | 0 | 0 |
| Shareholders' equity | 25,422 | 28,424 | 30,831 | 33,735 | 37,405 |
| Total Liab. & Equity | 84,727 | 100,148 | 108,207 | 118,279 | 129,394 |

Sources: Company data, Thanachart estimates

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VALUATION

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|-------------------------------------|-------|-------|-------|-------|-------|
| Normalized PE (x) | 13.4 | 12.9 | 11.3 | 9.6 | 8.1 |
| Normalized PE - at target price (x) | 17.5 | 16.9 | 14.8 | 12.6 | 10.6 |
| PE (x) | 13.4 | 12.9 | 11.3 | 9.6 | 8.1 |
| PE - at target price (x) | 17.5 | 16.9 | 14.8 | 12.6 | 10.6 |
| P/PPP (x) | 7.9 | 6.3 | 5.4 | 4.9 | 4.4 |
| P/PPP - at target price (x) | 10.4 | 8.3 | 7.1 | 6.4 | 5.7 |
| P/BV (x) | 1.7 | 1.7 | 1.6 | 1.5 | 1.3 |
| P/BV - at target price (x) | 2.2 | 2.2 | 2.1 | 1.9 | 1.7 |
| Dividend yield (%) | 1.7 | 1.6 | 1.8 | 2.1 | 2.5 |
| Normalized EPS (Bt) | 1.3 | 1.3 | 1.5 | 1.7 | 2.1 |
| EPS (Bt) | 1.3 | 1.3 | 1.5 | 1.7 | 2.1 |
| DPS (Bt) | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 |
| PPP/Share (Bt) | 2.1 | 2.7 | 3.1 | 3.4 | 3.8 |
| BV/share (Bt) | 10.2 | 10.1 | 10.6 | 11.6 | 12.8 |
| P/BV to ROE (x) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |

FINANCIAL RATIOS

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|-------------------------------------|-------|-------|-------|-------|-------|
| Growth Rate (%) | | | | | |
| Net interest income (NII) | 29.8 | 21.3 | 17.4 | 9.8 | 12.0 |
| Non-interest income (Non-II) | 23.4 | 25.0 | 8.7 | 12.0 | 10.7 |
| Operating expenses | 20.8 | 18.6 | 14.9 | 10.0 | 11.0 |
| Pre-provisioning profit (PPP) | 40.0 | 26.4 | 16.6 | 10.5 | 12.6 |
| Net profit | 14.9 | 4.1 | 14.1 | 17.4 | 18.9 |
| Normalized profit growth th | 14.9 | 4.1 | 14.1 | 17.4 | 18.9 |
| EPS | 11.0 | 3.8 | 13.8 | 17.3 | 18.9 |
| Normalized EPS | 11.0 | 3.8 | 13.8 | 17.3 | 18.9 |
| Dividend payout ratio | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Loan - gross | 32.3 | 18.9 | 4.8 | 10.0 | 10.0 |
| Loan - net | 32.7 | 19.7 | 8.6 | 10.0 | 10.0 |
| Borrowings | 35.4 | 22.4 | 7.2 | 9.9 | 9.4 |
| NPLs | 75.5 | 9.8 | 41.7 | 9.0 | 8.0 |
| Total assets | 27.4 | 18.2 | 8.0 | 9.3 | 9.4 |
| Total equity | 13.5 | 11.8 | 8.5 | 9.4 | 10.9 |
| Operating Ratios (%) | | | | | |
| Net interest margin (NIM) | 14.9 | 15.0 | 15.4 | 15.6 | 16.0 |
| Net interest spread | 15.0 | 14.4 | 14.8 | 14.8 | 15.2 |
| Yield on earnings assets | 17.3 | 17.2 | 18.0 | 18.0 | 18.0 |
| Avg cost of fund | 2.5 | 2.9 | 3.3 | 3.3 | 2.9 |
| NII / operating income | 80.5 | 80.0 | 81.2 | 80.9 | 81.1 |
| Non-II / operating income | 19.5 | 20.0 | 18.8 | 19.1 | 18.9 |
| Fee Income / Opt Income | 19.3 | 19.7 | 18.5 | 18.8 | 18.6 |
| Norm Net Margin | 25.9 | 22.1 | 21.8 | 23.2 | 24.7 |
| Cost-to-income | 56.4 | 54.9 | 54.5 | 54.4 | 54.0 |
| Credit cost - provision exp / loans | 2.2 | 3.3 | 3.6 | 3.3 | 3.0 |
| PPP / total assets | 8.1 | 8.4 | 8.7 | 8.8 | 9.1 |
| PPP / total equity | 25.6 | 28.7 | 30.4 | 30.8 | 31.5 |
| Avg assets/avg equity (leverage) | 3.2 | 3.4 | 3.5 | 3.5 | 3.5 |
| ROA | 4.8 | 4.1 | 4.1 | 4.5 | 4.9 |
| ROE | 15.2 | 14.1 | 14.6 | 15.7 | 17.0 |

Sources: Company data, Thanachart estimates

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FINANCIAL RATIOS

| FY ending Dec | 2022A | 2023A | 2024F | 2025F | 2026F |
|--|---------|---------|---------|---------|---------|
| Liquidity and Quality Ratio (%) | | | | | |
| Gross Loan / Borrowings | 149.3 | 145.1 | 141.8 | 141.9 | 142.8 |
| Net Loan / Borrowings | 140.0 | 137.0 | 138.8 | 138.9 | 139.7 |
| Net Loan / Assets | 92.1 | 93.3 | 93.8 | 94.4 | 94.9 |
| Net Loan / Equity | 307.1 | 328.9 | 329.2 | 330.9 | 328.4 |
| S-T / L-T Borrowings | 35.4 | 47.5 | 39.8 | 36.4 | 37.2 |
| Borrowings / Liabilities | 94.0 | 95.1 | 94.5 | 95.1 | 95.6 |
| Interest-bearing Debt / Equity | 226.5 | 246.4 | 243.2 | 243.7 | 240.0 |
| Liabilities / Equity | 233.3 | 252.3 | 251.0 | 250.6 | 245.9 |
| Equity/ Gross loans | 30.5 | 28.7 | 29.7 | 29.6 | 29.8 |
| NPLs (Bt m) | 1,285.2 | 1,411.5 | 2,000.0 | 2,180.0 | 2,354.4 |
| NPLs / Total Loans (NPL Ratio) | 1.5 | 1.4 | 1.9 | 1.9 | 1.9 |
| Loan-Loss-Coverage (Provision / NPLs) | 248.9 | 282.1 | 224.9 | 227.8 | 230.8 |

Sources: Company data, Thanachart estimates

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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.

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