

BANGKOK BANK

BBL TB

THAILAND / BANKS

BUY

UNCHANGED

Safe bank as always

- In-line 2Q22 NP of THB7b (+10% y-y, -2% q-q).
- Expect stronger momentum in 2H22 NP from lower provisions, higher NIM, and better loan growth.
- Maintain BUY with a 2023 GGM-based TP of THB170.

TARGET PRICE	THB170.00
CLOSE	THB130.50
UP/DOWNSIDE	+30.3%
PRIOR TP	THB170.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.5%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	32,932	38,602	43,027	48,917
Net profit	26,506	30,538	34,035	38,687
EPS (THB)	13.89	16.00	17.83	20.27
vs Consensus (%)	-	(0.5)	(0.6)	(4.3)
Core net profit	26,506	30,538	34,035	38,687
Core EPS (THB)	13.89	16.00	17.83	20.27
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	25.1	15.2	11.5	13.7
Core P/E (x)	9.4	8.2	7.3	6.4
Dividend yield (%)	2.7	3.8	5.0	5.4
Price/book (x)	0.5	0.5	0.5	0.4
ROE (%)	5.6	6.0	6.4	6.9
ROA (%)	0.7	0.7	0.8	0.9

In-line 2Q22 results

BBL reported a 2Q22 net profit of THB6,961m (+10% y-y, -2% q-q), which was in line with the Bloomberg consensus forecast and our estimate. Its 1H22 net profit accounts for 46% of our 2022 net profit forecast.

Decent 2Q22 NP from an improvement in NIM and loan growth

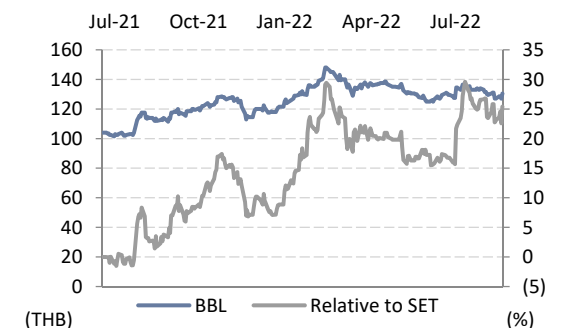
BBL's performance was a mixed bag. There were two positives. First and most importantly, its NIM went up by 16 bps y-y and q-q to 2.18% due to a rise in the floating rate for its international loan portfolio following global rate hikes. We think its NIM should continue at a high level in the following quarters. Second, there was loan growth of 2.5% q-q from corporate and international demand. On the other hand, we see two negatives. First, its fee income went slightly down y-y and q-q from lower bancassurance, mutual fund, and brokerage fees due to the unfavourable capital market conditions. Second, despite good asset quality control leading to a mere 3% q-q rise in its NPLs, BBL conservatively set a high credit cost of 128 bps, up from 100 bps in 1Q22, to cushion macro uncertainty. Its coverage ratio, therefore, continued to increase to 233%.

Solid outlook in 2H22 and 2023

We expect stronger net profit growth momentum y-y and h-h in 2H22. We think BBL will set aside a lower provision y-y and h-h in 2H22 as it already has a sufficient provision cushion. BBL maintained its ECL target at cTHB26b in 2022, which would imply that its 2H22 ECL should be cTHB11b, down from THB15b in 1H22. Also, we think its NIM should be on the uptrend amid global rate hikes which should benefit its international loan portfolio. In 2023, its NIM should widen as we expect BBL to be one of the very first banks to benefit from future rate hikes in Thailand. Thus, we expect its 2023 net profit to rise 12% y-y.

Maintain as our top pick with a 2023 GGM-based TP of THB170

Among our covered banks, we think BBL should benefit the most from the interest rate uptrend. Also, amid the rise in the inflation rate, we have limited concerns about BBL's asset quality due to its portfolio with low concentration risk and a sufficient provision cushion. We, thus, reiterate BBL as one of our top picks and maintain our TP of THB170.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.7)	(3.3)	27.9
Relative to country (%)	(1.9)	5.7	27.5
Mkt cap (USD m)	6,756		
3m avg. daily turnover (USD m)	32.0		
Free float (%)	76		
Major shareholder	Thai NVDR (24%)		
12m high/low (THB)	149.00/100.00		
Issued shares (m)	1,909		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

Among our covered banks, we think BBL should benefit the most from the interest rate uptrend. Also, amid the rise in the inflation rate, we have limited concerns about BBL's asset quality due to its portfolio with low concentration risk and sufficient provision cushion.

We, thus, reiterate BBL as one of our top picks and maintain our TP of THB170.

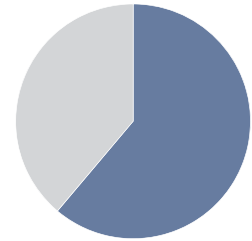
Company profile

Bangkok Bank is a leading bank in Thailand and a major regional bank in Southeast Asia. It is a market leader in corporate and business banking, with a large retail customer base.

www.bangkokbank.com

Principal activities (revenue, 2021)

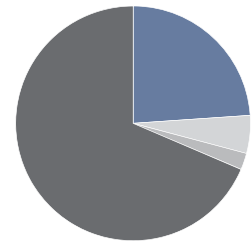
- Net interest income - 61.2 %
- Non-interest income - 38.8 %



Source: Bangkok Bank

Major shareholders

- Thai NVDR - 23.9 %
- Social Security Office - 5.2 %
- UOB Kay Hian (Hong Kong) Limited - 2.3 %
- Others - 68.6 %



Source: Bangkok Bank

Catalysts

Potential share price catalysts for BBL include:

- Lower credit cost from better-than-expected new NPLs;
- The return of foreign fund flows into the Thai stock market.

Risks to our call

Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.

Event calendar

Date	Event
21/22 October 2022	3Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
Net profit (THB m)	30,538	34,035	38,687
Net profit growth (%)	15.2	11.5	13.7
NIM (%)	2.08	2.14	2.25
Loan growth (%)	4.0	3.0	3.0
Fee growth (%)	0.5	2.0	2.0
Non-NII growth (%)	(9.0)	3.2	2.9
Credit cost (bp)	100	98	95
Cost to income (%)	52.0	50.7	49.7

*Including share of profits from associates

Source: FSSIA estimates

Earnings sensitivity

		2022E		
Loan growth	±2ppt	2.0	4.0	6.0
% change in net profit		(2.0)	0.0	2.0
NIM (%)	±5bp	2.03	2.08	2.13
% change in net profit		(5.0)	0.0	5.0
Credit cost (bp)	±10bp	90	100	110
% change in net profit		5.8	0.0	(5.8)

Source: FSSIA estimates

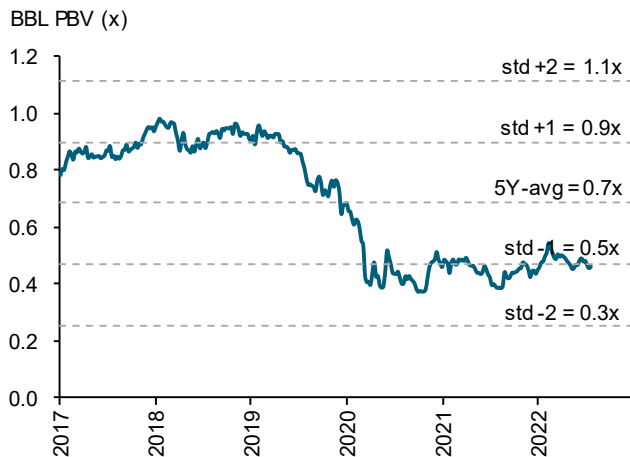
Exhibit 1: BBL – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	Change		1H22			2022E	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	20,027	21,747	23,526	17	8	45,273	14	50	90,148	10	
Non-interest income*	13,796	9,363	10,666	(23)	14	20,030	(20)	44	45,669	(9)	
Operating income*	33,823	31,110	34,192	1	10	65,302	1	48	135,817	1	
Operating expenses	16,289	15,507	17,435	7	12	32,941	3	47	70,584	5	
PPOP before tax*	17,534	15,604	16,757	(4)	7	32,361	(1)	50	65,233	(3)	
Provision	9,810	6,490	8,354	(15)	29	14,843	(8)	56	26,401	(23)	
Income tax	1,263	1,875	1,319	4	(30)	3,195	6	41	7,766	25	
Minority interest	104	121	123	18	2	244	11	46	528	19	
Normalised profit	6,357	7,118	6,961	10	(2)	14,079	6	46	30,538	15	
Extraordinary items	0	0	0			0			0		
Net profit	6,357	7,118	6,961	10	(2)	14,079	6	46	30,538	15	In line with BBG consensus
EPS (THB)	3.33	3.73	3.65	10	(2)	7.38	6	46	16.00	15	
Asset quality ratio											
Gross NPLs (THB m)	111,035	102,342	105,046	(5)	3				112,224	11	
NPL ratios (%)	3.70	3.30	3.40						3.42		
LLR/NPLs (%)	190	229	233						210		
Credit cost (bps)	164	100	128						100		
Profitability ratio											
Cost to income ratio*	48.2	49.8	51.0						52.0		
Average yield (%)	2.8	2.8	3.0						2.9		
Cost of fund (%)	0.9	0.9	0.9						0.9		
Net interest margin (NIM)	2.02	2.02	2.18						2.08		
Non-int inc/total income	40.8	30.1	31.2						33.6		
Loan growth											
y-y	2.8	9.2	9.6						4.0		
q-q	2.2	(0.0)	2.5								Driven by corporate and international segments

*Including share of profits from associates

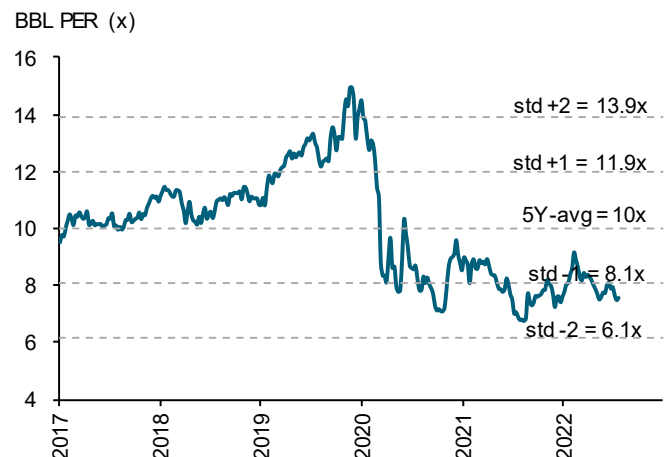
Source: BBL; FSSIA estimates

Exhibit 2: BBL – one-year forward rolling P/BV



Sources: Bloomberg; FSSIA estimates

Exhibit 3: BBL – one-year forward rolling P/E



Sources: Bloomberg; FSSIA estimates

Exhibit 4: Peers comparison

Company name	BBG code	Rec	Share price		Up side (%)	Market Cap (USD m)	EPS growth		PE		Div Yld		ROE		PBV	
			Current (THB)	Target (THB)			22E (%)	23E (%)	22E (x)	23E (x)	22E (%)	23E (%)	22E (%)	23E (%)	22E (x)	23E (x)
Bangkok Bank	BBL TB	BUY	130.50	170.00	30	6,756	15.2	11.5	8.2	7.3	3.8	5.0	6.0	6.4	0.5	0.5
Kasikornbank	KBANK TB	BUY	140.50	192.00	37	9,028	10.6	12.9	7.9	7.0	3.2	3.6	8.5	9.0	0.7	0.6
Kiatnakin Bank	KKP TB	BUY	63.00	82.00	30	1,447	19.8	9.5	7.0	6.4	6.3	7.1	14.2	14.3	1.0	0.9
Krung Thai Bank	KTB TB	BUY	15.00	18.20	21	5,686	26.6	9.7	7.7	7.0	4.6	5.0	7.4	7.6	0.5	0.5
SCB X	SCB TB	BUY	94.00	134.00	43	8,584	9.8	6.6	8.2	7.7	5.3	6.4	8.6	8.5	0.7	0.6
Tisco Financial	TISCO TB	HOLD	88.25	94.00	7	1,916	7.8	3.5	9.7	9.3	8.8	9.3	17.4	17.4	1.6	1.6
TMBThanachart Bank	TTB TB	BUY	1.18	1.40	19	3,092	20.3	12.1	9.1	8.1	5.0	5.6	5.8	6.3	0.5	0.5
Coverage						36,509	14.8	10.0	8.1	7.4	4.6	5.3	8.4	8.6	0.7	0.6

Share prices as of 21 Jul 2022

Sources: Company data; FSSIA estimates

Financial Statements

Bangkok Bank

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	112,524	114,312	125,020	142,344	154,255
Interest expense	(35,477)	(32,156)	(34,872)	(47,248)	(51,785)
Net interest income	77,047	82,156	90,148	95,096	102,470
Net fees & commission	24,711	29,209	29,346	29,932	30,531
Foreign exchange trading income	0	0	0	0	0
Securities trading income	13,570	19,093	11,946	12,482	13,045
Dividend income	2,039	2,252	2,364	2,482	2,482
Other income	1,376	1,622	1,784	1,962	2,159
Non interest income	41,696	52,176	45,440	46,859	48,217
Total income	118,743	134,331	135,587	141,956	150,687
Staff costs	(30,959)	(35,003)	(37,103)	(37,978)	(39,497)
Other operating costs	(31,015)	(32,263)	(33,480)	(34,175)	(35,537)
Operating costs	(61,974)	(67,266)	(70,584)	(72,153)	(75,035)
Pre provision operating profit	56,769	67,066	65,004	69,803	75,652
Provision for bad and doubtful debt	(31,196)	(34,134)	(26,401)	(26,776)	(26,735)
Other provisions	-	-	-	-	-
Operating profit	25,573	32,932	38,602	43,027	48,917
Recurring non operating income	(14)	209	230	253	278
Associates	(14)	209	230	253	278
Goodwill amortization	-	-	-	-	-
Non recurring items	(4,000)	0	0	0	0
Profit before tax	21,559	33,141	38,832	43,280	49,195
Tax	(4,014)	(6,189)	(7,766)	(8,656)	(9,839)
Profit after tax	17,545	26,952	31,066	34,624	39,356
Minority interests	(364)	(445)	(528)	(589)	(669)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	17,181	26,506	30,538	34,035	38,687
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	21,181	26,506	30,538	34,035	38,687
Per share (THB)					
Recurring EPS *	11.10	13.89	16.00	17.83	20.27
Reported EPS	9.00	13.89	16.00	17.83	20.27
DPS	2.50	3.50	5.00	6.50	7.00
Growth					
Net interest income (%)	8.4	6.6	9.7	5.5	7.8
Non interest income (%)	(33.4)	25.1	(12.9)	3.1	2.9
Pre provision operating profit (%)	(27.9)	18.1	(3.1)	7.4	8.4
Operating profit (%)	(44.8)	28.8	17.2	11.5	13.7
Reported net profit (%)	(52.0)	54.3	15.2	11.5	13.7
Recurring EPS (%)	(40.9)	25.1	15.2	11.5	13.7
Reported EPS (%)	(52.0)	54.3	15.2	11.5	13.7
Income Breakdown					
Net interest income (%)	64.9	61.2	66.5	67.0	68.0
Net fees & commission (%)	20.8	21.7	21.6	21.1	20.3
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	11.4	14.2	8.8	8.8	8.7
Dividend income (%)	1.7	1.7	1.7	1.7	1.6
Other income (%)	1.2	1.2	1.3	1.4	1.4
Operating performance					
Gross interest yield (%)	3.30	2.88	2.88	3.20	3.39
Cost of funds (%)	1.22	0.94	0.94	1.25	1.34
Net interest spread (%)	2.08	1.94	1.94	1.95	2.05
Net interest margin (%)	2.3	2.1	2.1	2.1	2.3
Cost/income(%)	52.2	50.1	52.1	50.8	49.8
Cost/assets(%)	1.8	1.7	1.6	1.6	1.6
Effective tax rate (%)	18.6	18.7	20.0	20.0	20.0
Dividend payout on recurring profit (%)	22.5	25.2	31.3	36.5	34.5
ROE (%)	4.8	5.6	6.0	6.4	6.9
ROE - COE (%)	(4.5)	(3.7)	(3.3)	(2.9)	(2.4)
ROA (%)	0.6	0.7	0.7	0.8	0.9
RORWA (%)	0.8	1.0	1.1	1.1	1.3

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok Bank; FSSIA estimates

Financial Statements

Bangkok Bank

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	2,368,238	2,588,339	2,691,873	2,772,629	2,855,808
Total provisions	(185,567)	(228,291)	(235,849)	(251,534)	(266,846)
interest in suspense	6,431	15,978	17,497	18,854	19,991
Net customer loans	2,189,102	2,376,027	2,473,521	2,539,949	2,608,952
Bank loans	519,036	801,212	801,630	783,881	787,204
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	759,394	889,306	913,722	938,858	964,741
Cash & equivalents	73,886	62,552	70,482	78,071	119,181
Other interesting assets	-	-	-	-	-
Tangible fixed assets	74,804	74,476	74,664	75,009	75,494
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	148,802	129,707	133,732	136,255	140,569
Total assets	3,765,023	4,333,281	4,467,751	4,552,022	4,696,141
Customer deposits	2,810,863	3,156,940	3,398,940	3,449,925	3,496,687
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	362,583	480,061	347,170	352,378	419,684
Non interest bearing liabilities	199,267	201,688	201,688	201,688	201,688
Hybrid Capital	-	-	-	-	-
Total liabilities	3,372,713	3,838,688	3,947,798	4,003,990	4,118,059
Share capital	19,088	19,088	19,088	19,088	19,088
Reserves	429,925	473,639	498,903	526,877	556,813
Total equity	449,014	492,727	517,992	545,965	575,902
Minority interests	1,233	1,865	1,961	2,067	2,180
Total liabilities & equity	3,822,960	4,333,281	4,467,751	4,552,022	4,696,141
Supplementary items					
Risk weighted assets (RWA)	2,743,525	2,859,316	2,973,689	3,062,900	3,154,787
Average interest earning assets	3,414,880	3,962,763	4,343,041	4,451,296	4,551,560
Average interest bearing liabilities	2,914,394	3,405,223	3,691,555	3,774,206	3,859,337
Tier 1 capital	431,380	457,469	477,401	500,142	524,095
Total capital	502,065	560,426	580,358	603,099	627,052
Gross non performing loans (NPL)	104,401	101,103	112,224	122,325	128,441
Per share (THB)					
Book value per share	235.21	258.11	271.35	286.00	301.68
Tangible book value per share	235.21	258.11	271.35	286.00	301.68
Growth					
Gross customer loans	14.9	9.3	4.0	3.0	3.0
Average interest earning assets	8.8	16.0	9.6	2.5	2.3
Total asset (%)	17.0	15.1	3.1	1.9	3.2
Risk weighted assets (%)	14.6	4.2	4.0	3.0	3.0
Customer deposits (%)	18.6	12.3	7.7	1.5	1.4
Leverage & capital measures					
Customer loan/deposits (%)	77.9	75.3	72.8	73.6	74.6
Equity/assets (%)	11.9	11.4	11.6	12.0	12.3
Tangible equity/assets (%)	11.9	11.4	11.6	12.0	12.3
RWA/assets (%)	72.9	66.0	66.6	67.3	67.2
Tier 1 CAR (%)	15.7	16.0	16.1	16.3	16.6
Total CAR (%)	18.3	19.6	19.5	19.7	19.9
Asset Quality					
Change in NPL (%)	31.9	(3.2)	11.0	9.0	5.0
NPL/gross loans (%)	4.4	3.9	4.2	4.4	4.5
Total provisions/gross loans (%)	7.8	8.8	8.8	8.8	9.3
Total provisions/NPL (%)	177.7	225.8	210.2	205.6	207.8
Valuation					
Recurring P/E (x) *	11.8	9.4	8.2	7.3	6.4
Recurring P/E @ target price (x) *	15.3	12.2	10.6	9.5	8.4
Reported P/E (x)	14.5	9.4	8.2	7.3	6.4
Dividend yield (%)	1.9	2.7	3.8	5.0	5.4
Price/book (x)	0.6	0.5	0.5	0.5	0.4
Price/tangible book (x)	0.6	0.5	0.5	0.5	0.4
Price/tangible book @ target price (x)	0.7	0.7	0.6	0.6	0.6

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok Bank; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRS	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	
VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MTSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	
GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Sources: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Bank	BBL TB	THB 130.50	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
Kasikornbank	KBANK TB	THB 140.50	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
Kiatnakin Bank	KKP TB	THB 63.00	BUY	Downside risks to our GGM-based target price include weakening asset quality and lower fee income.
Krung Thai Bank	KTB TB	THB 15.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
SCB X	SCB TB	THB 94.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
Tisco Financial	TISCO TB	THB 88.25	HOLD	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand. An upside risk to our GGM-based TP would be lower-than-expected policy rate hikes.
TMBThanachart Bank	TTB TB	THB 1.18	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

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All share prices are as at market close on 21-Jul-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

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 market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.