

## 1Q25 results at first glance

(+) กำไรสูงกว่าคาด 7% จากต้นทุนความเสี่ยงในการปล่อยสินเชื่อและค่าใช้จ่ายในการดำเนินงานที่ต่ำกว่าคาด

KBANK รายงานกำไรสุทธิ 1Q25 อยู่ที่ 13.8 พัน ลบ. (+1% y-y, +28% q-q) กำไรดังกล่าวสูงกว่าที่เราและตลาดคาด 7% และ 9% ตามลำดับจากต้นทุนความเสี่ยงในการปล่อยสินเชื่อ (Credit cost) และค่าใช้จ่ายในการดำเนินงานที่ต่ำกว่าคาดพร้อมสัดส่วนค่าใช้จ่ายในการดำเนินงานต่อรายได้ที่เพียง 40.8%

คุณภาพสินทรัพย์โดยรวมอยู่ในระดับควบคุมได้และใกล้เคียงคาดด้วยสัดส่วนหนี้ต่อคุณภาพที่ 3.75% (ค่อนข้างทรงตัว q-q) ในขณะที่ Credit cost อยู่ที่ 160bp ใกล้เคียงกับเป้าหมายประมาณการของธนาคารฯ ที่ 140 ถึง 160bp และต่ำกว่าที่เราคาดไว้ที่ 166bp

อัตราการก่อตัวของหนี้ต่อคุณภาพมีแนวโน้มลดลง ทั้งนี้ Credit cost และอัตราการก่อตัวของหนี้ต่อคุณภาพที่ลดลงแสดงให้เห็นว่าธนาคารฯ ได้ล้างหนี้เสียในอดีต (2022-24) ไปเรียบร้อยแล้ว ดังนั้นเราจึงเชื่อว่า Credit cost ยังมีแนวโน้มลดลง y-y

KBANK ได้ปรับรายการรายได้และค่าใช้จ่ายในธุรกิจประกันชีวิตภายใต้ Muangthai Life Insurance หลังใช้เกณฑ์ IFRS17 (สัญญาประกันภัย) ในเดือน ม.ค. 25 ดังนั้นเราจึงปรับรายการดังกล่าวด้วยตามลำดับ

เราคงคำแนะนำซื้อที่ราคาเป้าหมาย 186 บาทเนื่องจากเราเชื่อว่า Credit cost มีโอกาสลดลง y-y เป็น 168bp ในปี 2025 เทียบกับ 189bp ในปี 2024

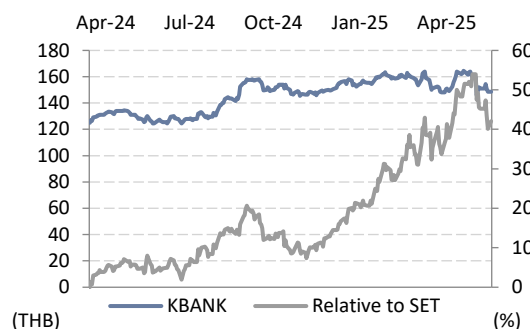
## Highlights

- (-) การเติบโตของสินเชื่อ อยู่ที่ -1.2% y-y และ -2.0% q-q จากสินเชื่อรายย่อยและสินเชื่อธุรกิจเป็นหลัก ในขณะที่สินเชื่อ SME ทรงตัว q-q
- (+) ส่วนต่างดอกเบี้ย อยู่ที่ 3.47% ลดลง 7bp q-q เราคิดว่าส่วนต่างดอกเบี้ยที่ลดลง q-q ของ KBANK นับว่าอยู่ในระดับต่ำเมื่อเทียบกับตัวเลขที่ลดลงของธนาคารอื่น
- (+) สัดส่วนค่าใช้จ่ายในการดำเนินงานต่อรายได้ อยู่ที่ 40.8% ต่ำกว่าที่เราคาดไว้ที่ 42.5% อยู่มาก
- (+) อัตราการก่อตัวของหนี้ต่อคุณภาพรวม แสดงให้เห็นถึงแนวโน้มลดลง Credit cost และอัตราการก่อตัวของหนี้ต่อคุณภาพที่ลดลงชี้ให้เห็นว่าธนาคารฯ ได้ล้างหนี้เสียในอดีต (2022-24) ไปเรียบร้อยแล้ว ดังนั้นเราจึงเชื่อว่า Credit cost ยังมีแนวโน้มลดลง y-y
- สัดส่วนสำรองต่อหนี้ต่อคุณภาพ อยู่ที่ 149% นับเป็นระดับที่สูงที่สุดของธนาคารฯ ในช่วง 3 ปีที่ผ่านมา เราเชื่อว่าตัวเลขดังกล่าวอาจเป็นกันชนที่ดีสำหรับความไม่แน่นอนและหนี้ต่อคุณภาพที่อาจสูงขึ้นในอนาคต
- ในที่ประชุมนักวิเคราะห์ KBANK มองว่าผลประกอบการ 1Q25 ไม่ได้เป็นดัชนีชี้หน้าที่ดีในการคาดการณ์ผลประกอบการของทั้งปี 2025 เนื่องจากยังมีความไม่แน่นอนอยู่มาก (ดูรายละเอียดในหน้า 2)

|                 |           |
|-----------------|-----------|
| TARGET PRICE    | THB186.00 |
| CLOSE           | THB148.50 |
| UP/DOWNSIDE     | +25.3%    |
| TP vs CONSENSUS | +5.5%     |

## KEY STOCK DATA

| YE Dec (THB m)       | 2024   | 2025E  | 2026E  | 2027E  |
|----------------------|--------|--------|--------|--------|
| Operating profit     | 63,422 | 67,280 | 72,212 | 76,192 |
| Net profit           | 48,598 | 51,580 | 55,449 | 58,550 |
| EPS (THB)            | 20.51  | 21.77  | 23.40  | 24.71  |
| vs Consensus (%)     | -      | 1.9    | 2.6    | 2.8    |
| Recurring net profit | 48,598 | 51,580 | 55,449 | 58,550 |
| Core EPS (THB)       | 20.51  | 21.77  | 23.40  | 24.71  |
| EPS growth (%)       | 14.6   | 6.1    | 7.5    | 5.6    |
| Core P/E (x)         | 7.2    | 6.8    | 6.3    | 6.0    |
| Dividend yield (%)   | 6.2    | 6.6    | 7.1    | 7.5    |
| Price/book (x)       | 0.6    | 0.6    | 0.6    | 0.5    |
| ROE (%)              | 8.9    | 8.9    | 9.1    | 9.2    |
| ROA (%)              | 1.2    | 1.2    | 1.3    | 1.4    |



| Share price performance        | 1 Month         | 3 Month | 12 Month |
|--------------------------------|-----------------|---------|----------|
| Absolute (%)                   | (9.5)           | (6.3)   | 19.8     |
| Relative to country (%)        | (5.3)           | 11.7    | 40.6     |
| Mkt cap (USD m)                | 10,629          |         |          |
| 3m avg. daily turnover (USD m) | 59.1            |         |          |
| Free float (%)                 | 80              |         |          |
| Major shareholder              | Thai NVDR (16%) |         |          |
| 12m high/low (THB)             | 165.00/121.50   |         |          |
| Issued shares (m)              | 2,369           |         |          |

Sources: Bloomberg consensus; FSSIA estimates



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ประเด็นเก็บตกสำคัญจากที่ประชุมนักวิเคราะห์หลังผลประกอบการ 1Q25

- แม้ว่าผลประกอบการ 1Q25 จะออกมาดี KBANK มองว่าผลประกอบการ 1Q25 ไม่ได้เป็นดัชนีชี้หน้าที่ดีในการคาดการณ์ผลประกอบการของทั้งปี 2025 เนื่องจากยังมีความไม่แน่นอนอยู่มาก อาทิเช่น สงครามการค้าของทรัมป์ ผลของการเจรจาการค้า การฟื้นตัวของเศรษฐกิจในประเทศ ตัวเลขการท่องเที่ยว ฯลฯ
- จากที่ประชุมนักวิเคราะห์เรามองว่าโดยรวม KBANK มีท่าทีในการประกอบธุรกิจที่ระมัดระวังมากยิ่งขึ้น (แต่ไม่มากเท่า TTB)
- ในที่ประชุมฯ KBANK คงเป้าประมาณการปี 2025 ทั้งหมด อย่างไรก็ดีจากสงครามการค้าของทรัมป์ และผลกระทบจากแนวโน้มเศรษฐกิจในภาพรวมปัจจุบัน Kasikorn Research คาดว่าเศรษฐกิจไทยในปี 2025 จะโต 1.4% และคาดการณ์อัตราดอกเบี้ยนโยบายที่ 1.5% ภายในเดือน ธ.ค. 25 ซึ่งน่าจะส่งผลกระทบต่อส่วนต่างดอกเบี้ย Credit cost และแนวโน้มการเติบโตของสินเชื่อของธนาคารฯ
- ทั้งนี้ในส่วนของเป้า Credit cost ในปัจจุบันที่ 140 ถึง 160bp ในปี 2025 ในกรณีที่เศรษฐกิจมีปัจจัยกดดันเพิ่มขึ้น ประธานเจ้าหน้าที่ฝ่ายการเงินของ KBANK เชื่อว่า Credit cost อาจปรับขึ้นเกินเป้าหมายแต่น่าจะต่ำกว่าระดับในปี 2024 ที่ 190bp ในขณะที่เราคาดไว้ที่ 168bp ดังนั้นเราจึงเชื่อว่า KBANK ยังมีโอกาสที่จะรายงานกำไรสุทธิโต y-y
- ในส่วนของสัดส่วนหนี้ชั้นที่ 2 (ผิวดินชำระ) ที่สูงขึ้น q-q เป็น 8.9% ของสินเชื่อรวม KBANK มองว่าตัวเลขดังกล่าวใกล้เคียงกับที่ธนาคารฯ คาดจากแนวโน้มเศรษฐกิจที่ไม่แน่นอนโดยส่วนมากเป็นสินเชื่อ SME และสินเชื่อที่อยู่อาศัยพร้อมปัจจัยหนุนจากสภาพตลาดทุนจากสินเชื่อที่มากพอ
- แม้ว่าจะมีสงครามการค้าของทรัมป์ KBANK ยังคงเป้าผลตอบแทนต่อส่วนผู้ถือหุ้นที่ 10%+ ในปี 2026 ซึ่งอาจหมายถึง 1) อัตราการจ่ายเงินปันผลที่สูงขึ้นถ้ากำไรต่อหุ้นลดลง 2) เงินปันผลพิเศษเหมือนในปี 2024 และ 3) การซื้อหุ้นคืนจากตลาดถ้ากฎระเบียบของ ตลท. เอื้ออำนวยมากขึ้น
- ทั้งนี้ IFRS17 ได้ส่งผลกระทบต่อผลประกอบการในปี 2024 ของ KBANK โดยทำให้ต้องปรับประมาณ 2% ซึ่งเราเห็นว่าไม่มีนัยสำคัญ
- นอกจากนี้ KBANK ยังเปิดเผยด้วยว่าโครงการบรรเทาหนี้ค้ำประกันช่วยส่งผลกระทบต่อสินเชื่อน้อยกว่า 2% ของสินเชื่อรวม (ส่วนมากเป็นสินเชื่อที่อยู่อาศัย) และกระทบส่วนต่างกำไรประมาณ 1 ถึง 2bp ณ สิ้นเดือน มี.ค. 25

Exhibit 1: KBANK – 1Q25 results summary

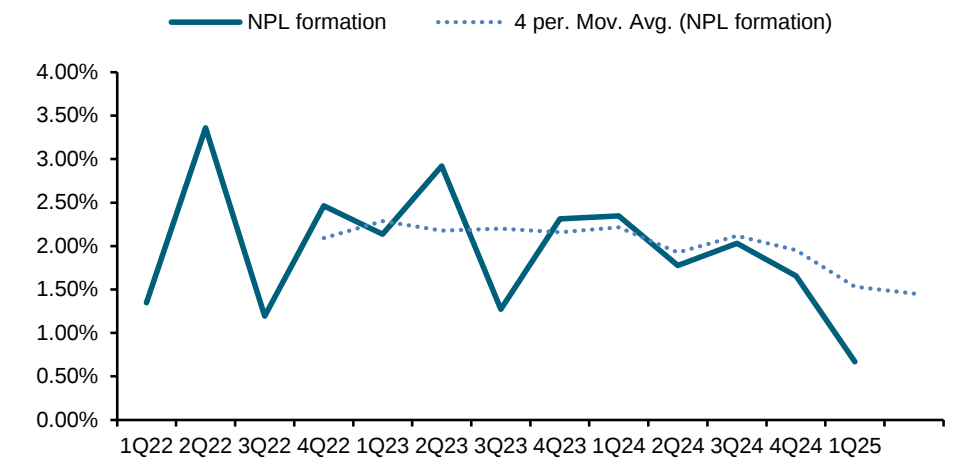
| Profit and loss                 | 1Q24    | 2Q24    | 3Q24    | 4Q24    | 1Q25    | ----- Change ----- |        | 3M25    | % of 25E |
|---------------------------------|---------|---------|---------|---------|---------|--------------------|--------|---------|----------|
|                                 | (THB m) | (THB m) | (THB m) | (THB m) | (THB m) | (y-y%)             | (q-q%) | (THB m) |          |
| Interest income                 | 48,299  | 47,766  | 46,874  | 45,812  | 44,963  | (6.9)              | (1.9)  | 44,963  | 24.4     |
| Interest expense                | 10,113  | 10,298  | 9,838   | 9,815   | 9,537   | (5.7)              | (2.8)  | 9,537   | 24.7     |
| Net interest income             | 38,186  | 37,468  | 37,036  | 35,998  | 35,425  | (7.2)              | (1.6)  | 35,425  | 24.3     |
| Non-interest income             | 11,853  | 12,961  | 11,644  | 12,709  | 13,677  | 15.4               | 7.6    | 13,677  | 26.5     |
| Operating income                | 50,039  | 50,429  | 48,679  | 48,706  | 49,103  | (1.9)              | 0.8    | 49,103  | 24.9     |
| Operating expenses              | 20,051  | 21,888  | 21,501  | 22,295  | 20,052  | 0.0                | (10.1) | 20,052  | 22.8     |
| Pre-provisioning profits (PPOP) | 29,988  | 28,541  | 27,179  | 26,411  | 29,051  | (3.1)              | 10.0   | 29,051  | 26.5     |
| Provisioning expenses           | 11,684  | 11,672  | 11,652  | 12,242  | 9,818   | (16.0)             | (19.8) | 9,818   | 23.2     |
| Pre-tax profit                  | 18,303  | 16,869  | 15,527  | 14,169  | 19,233  | 5.1                | 35.7   | 19,233  | 28.6     |
| Income tax                      | 3,537   | 3,224   | 3,203   | 2,753   | 3,977   | 12.4               | 44.4   | 3,977   | 30.2     |
| Reported net profit             | 13,644  | 12,653  | 11,965  | 10,768  | 13,791  | 1.1                | 28.1   | 13,791  | 26.7     |

Sources: KBANK, FSSIA compilation

**Exhibit 2: KBANK – 1Q25 key drivers and ratios**

| Key drivers and ratios              | 1Q24   | 2Q24   | 3Q24   | 4Q24   | 1Q25   | Change     |            |
|-------------------------------------|--------|--------|--------|--------|--------|------------|------------|
| % unless stated otherwise           | (%)    | (%)    | (%)    | (%)    | (%)    | (y-y, ppt) | (q-q, ppt) |
| Gross loan growth (% q-q)           | (1.07) | 0.97   | (2.17) | 2.06   | (2.03) |            |            |
| Deposits growth (% q-q)             | 0.10   | (1.41) | 3.97   | (1.86) | 0.13   |            |            |
| Yield on receivables                | 4.79   | 4.76   | 4.66   | 4.51   | 4.41   | (0.38)     | (0.10)     |
| Cost of funds                       | 1.36   | 1.40   | 1.33   | 1.32   | 1.29   | (0.08)     | (0.04)     |
| Net interest margin                 | 3.79   | 3.73   | 3.68   | 3.54   | 3.47   | (0.32)     | (0.07)     |
| Cost-to-income ratio                | 40.07  | 43.40  | 44.17  | 45.77  | 40.84  | 0.77       | (4.94)     |
| ROA                                 | 1.27   | 1.18   | 1.11   | 0.99   | 1.27   | 0.00       | 0.28       |
| ROE                                 | 10.10  | 9.26   | 8.74   | 7.69   | 9.57   | (0.53)     | 1.88       |
| LDR                                 | 91.17  | 93.37  | 87.85  | 91.36  | 89.39  | (1.79)     | (1.97)     |
| LDR+borrowing                       | 88.58  | 90.96  | 85.82  | 89.15  | 87.20  | (1.38)     | (1.95)     |
| CET 1                               | 16.70  | 16.80  | 17.89  | 17.51  | 17.65  | 0.95       | 0.14       |
| Total CAR                           | 18.75  | 18.84  | 19.95  | 19.55  | 19.69  | 0.94       | 0.14       |
| NPL ratio                           | 3.79   | 3.72   | 3.82   | 3.74   | 3.75   | (0.04)     | 0.00       |
| NPL coverage                        | 139.44 | 140.54 | 139.41 | 141.61 | 148.68 | 9.24       | 7.07       |
| Credit cost                         | 1.89   | 1.89   | 1.89   | 1.99   | 1.60   | (0.29)     | (0.39)     |
| Non-interest income to total income | 23.7   | 25.7   | 23.9   | 26.1   | 27.9   | 4.17       | 1.76       |
| Tax rate                            | 19.3   | 19.1   | 20.6   | 19.4   | 20.7   | 1.35       | 1.25       |

Sources: KBANK, FSSIA compilation

**Exhibit 3: KBANK's NPL formation trend**

Sources: KBANK, FSSIA compilation

## Financial Statements

Kasikornbank

| Profit and Loss (THB m) Year Ending Dec | 2023     | 2024     | 2025E    | 2026E    | 2027E    |
|-----------------------------------------|----------|----------|----------|----------|----------|
| Interest Income                         | 183,608  | 189,440  | 184,453  | 187,027  | 190,253  |
| Interest expense                        | (35,164) | (40,064) | (38,537) | (38,451) | (38,451) |
| Net interest income                     | 148,444  | 149,376  | 145,916  | 148,576  | 151,802  |
| Net fees & commission                   | 31,181   | 33,279   | 35,509   | 36,766   | 37,501   |
| Foreign exchange trading income         | 12,123   | 13,206   | 13,206   | 13,206   | 13,206   |
| Securities trading income               | (588)    | 45       | 100      | 100      | 100      |
| Dividend income                         | 3,569    | 3,526    | 3,526    | 3,526    | 3,526    |
| Other income                            | (2,076)  | (1,487)  | (810)    | (113)    | 606      |
| Non interest income                     | 44,210   | 48,569   | 51,530   | 53,485   | 54,939   |
| Total income                            | 192,654  | 197,946  | 197,446  | 202,061  | 206,741  |
| Staff costs                             | (40,437) | (42,720) | (43,147) | (43,579) | (44,014) |
| Other operating costs                   | (44,531) | (44,553) | (44,671) | (44,791) | (44,912) |
| Operating costs                         | (84,968) | (87,273) | (87,819) | (88,369) | (88,926) |
| Pre provision operating profit          | 107,685  | 110,673  | 109,627  | 113,691  | 117,815  |
| Expected credit loss                    | (51,840) | (47,251) | (42,347) | (41,479) | (41,623) |
| Other provisions                        | -        | -        | -        | -        | -        |
| Operating profit                        | 55,845   | 63,422   | 67,280   | 72,212   | 76,192   |
| Recurring non operating income          | 0        | 0        | 0        | 0        | 0        |
| Associates                              | -        | -        | -        | -        | -        |
| Goodwill amortization                   | -        | -        | -        | -        | -        |
| Non recurring items                     | -        | -        | -        | -        | -        |
| Profit before tax                       | 55,845   | 63,422   | 67,280   | 72,212   | 76,192   |
| Tax                                     | (10,778) | (12,402) | (13,187) | (14,154) | (14,934) |
| Profit after tax                        | 45,067   | 51,020   | 54,093   | 58,058   | 61,258   |
| Non-controlling interest                | (2,662)  | (2,421)  | (2,513)  | (2,609)  | (2,708)  |
| Preferred dividends                     | -        | -        | -        | -        | -        |
| Other items                             | -        | -        | -        | -        | -        |
| Reported net profit                     | 42,405   | 48,598   | 51,580   | 55,449   | 58,550   |
| Non recurring items & goodwill (net)    | -        | -        | -        | -        | -        |
| Recurring net profit                    | 42,405   | 48,598   | 51,580   | 55,449   | 58,550   |
| <b>Per share (THB)</b>                  |          |          |          |          |          |
| Recurring EPS *                         | 17.90    | 20.51    | 21.77    | 23.40    | 24.71    |
| Reported EPS                            | 17.90    | 20.51    | 21.77    | 23.40    | 24.71    |
| DPS                                     | 6.50     | 9.23     | 9.80     | 10.53    | 11.12    |
| <b>Growth</b>                           |          |          |          |          |          |
| Net interest income (%)                 | 11.6     | 0.6      | (2.3)    | 1.8      | 2.2      |
| Non interest income (%)                 | 9.8      | 9.9      | 6.1      | 3.8      | 2.7      |
| Pre provision operating profit (%)      | 9.3      | 2.8      | (0.9)    | 3.7      | 3.6      |
| Operating profit (%)                    | 19.9     | 13.6     | 6.1      | 7.3      | 5.5      |
| Reported net profit (%)                 | 18.6     | 14.6     | 6.1      | 7.5      | 5.6      |
| Recurring EPS (%)                       | 18.6     | 14.6     | 6.1      | 7.5      | 5.6      |
| Reported EPS (%)                        | 18.6     | 14.6     | 6.1      | 7.5      | 5.6      |
| <b>Income Breakdown</b>                 |          |          |          |          |          |
| Net interest income (%)                 | 77.1     | 75.5     | 73.9     | 73.5     | 73.4     |
| Net fees & commission (%)               | 16.2     | 16.8     | 18.0     | 18.2     | 18.1     |
| Foreign exchange trading income (%)     | 6.3      | 6.7      | 6.7      | 6.5      | 6.4      |
| Securities trading income (%)           | (0.3)    | 0.0      | 0.1      | 0.0      | 0.0      |
| Dividend income (%)                     | 1.9      | 1.8      | 1.8      | 1.7      | 1.7      |
| Other income (%)                        | (1.1)    | (0.8)    | (0.4)    | (0.1)    | 0.3      |
| <b>Operating performance</b>            |          |          |          |          |          |
| Gross interest yield (%)                | 4.59     | 4.70     | 4.53     | 4.53     | 4.55     |
| Cost of funds (%)                       | 1.19     | 1.35     | 1.30     | 1.30     | 1.30     |
| Net interest spread (%)                 | 3.40     | 3.35     | 3.23     | 3.23     | 3.25     |
| Net interest margin (%)                 | 3.7      | 3.7      | 3.6      | 3.6      | 3.6      |
| Cost/income(%)                          | 44.1     | 44.1     | 44.5     | 43.7     | 43.0     |
| Cost/assets(%)                          | 2.0      | 2.0      | 2.0      | 2.0      | 2.0      |
| Effective tax rate (%)                  | 19.3     | 19.6     | 19.6     | 19.6     | 19.6     |
| Dividend payout on recurring profit (%) | 36.3     | 45.0     | 45.0     | 45.0     | 45.0     |
| ROE (%)                                 | 8.2      | 8.9      | 8.9      | 9.1      | 9.2      |
| ROE - COE (%)                           | (1.8)    | (1.1)    | (1.1)    | (0.9)    | (0.8)    |
| ROA (%)                                 | 1.1      | 1.2      | 1.2      | 1.3      | 1.4      |
| RORWA (%)                               | 1.7      | 1.9      | 2.0      | 2.1      | 2.2      |

\* Pre-exceptional, pre-goodwill and fully diluted

Sources: Kasikornbank; FSSIA estimates

## Financial Statements

Kasikornbank

| Balance Sheet (THB m) Year Ending Dec      | 2023             | 2024             | 2025E            | 2026E            | 2027E            |
|--------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Gross customer loans                       | 2,490,398        | 2,504,565        | 2,532,115        | 2,585,290        | 2,647,337        |
| Allowance for expected credit loss         | (133,876)        | (131,706)        | (138,058)        | (144,280)        | (150,523)        |
| interest in suspense                       | 14,970           | 17,328           | 17,472           | 17,838           | 18,267           |
| <b>Net customer loans</b>                  | <b>2,371,492</b> | <b>2,390,187</b> | <b>2,411,529</b> | <b>2,458,848</b> | <b>2,515,080</b> |
| Bank loans                                 | 569,008          | 522,729          | 548,865          | 548,865          | 548,865          |
| Government securities                      | -                | -                | -                | -                | -                |
| Trading securities                         | 48,295           | 61,530           | 61,530           | 61,530           | 61,530           |
| Investment securities                      | 963,305          | 1,018,887        | 1,018,887        | 1,018,887        | 1,018,887        |
| Cash & equivalents                         | 48,690           | 46,021           | 39,066           | 35,640           | 26,360           |
| Other interesting assets                   | -                | -                | -                | -                | -                |
| Tangible fixed assets                      | 59,946           | 59,431           | 59,431           | 59,431           | 59,431           |
| Associates                                 | 11,279           | 13,071           | 13,725           | 14,411           | 15,131           |
| Goodwill                                   | 28,405           | 30,469           | 30,469           | 30,469           | 30,469           |
| Other intangible assets                    | -                | -                | -                | -                | -                |
| Other assets                               | 172,962          | 174,045          | 177,329          | 180,809          | 184,498          |
| <b>Total assets</b>                        | <b>4,283,557</b> | <b>4,325,287</b> | <b>4,370,103</b> | <b>4,418,535</b> | <b>4,470,281</b> |
| Customer deposits                          | 2,699,562        | 2,718,675        | 2,718,675        | 2,718,675        | 2,718,675        |
| Bank deposits                              | 179,207          | 172,144          | 172,144          | 172,144          | 172,144          |
| Other interest bearing liabilities         | 81,572           | 67,334           | 63,967           | 60,769           | 57,730           |
| Non interest bearing liabilities           | 726,380          | 735,518          | 747,141          | 759,099          | 771,405          |
| Hybrid Capital                             | -                | -                | -                | -                | -                |
| <b>Total liabilities</b>                   | <b>3,686,721</b> | <b>3,693,672</b> | <b>3,701,927</b> | <b>3,710,687</b> | <b>3,719,955</b> |
| Share capital                              | 23,693           | 23,693           | 23,693           | 23,693           | 23,693           |
| Reserves                                   | 508,591          | 539,659          | 568,028          | 598,525          | 630,727          |
| <b>Total equity</b>                        | <b>532,285</b>   | <b>563,352</b>   | <b>591,721</b>   | <b>622,218</b>   | <b>654,421</b>   |
| Non-controlling interest                   | 64,551           | 68,263           | 76,455           | 85,630           | 95,905           |
| <b>Total liabilities &amp; equity</b>      | <b>4,283,556</b> | <b>4,325,287</b> | <b>4,370,103</b> | <b>4,418,535</b> | <b>4,470,281</b> |
| <b>Supplementary items</b>                 |                  |                  |                  |                  |                  |
| Risk weighted assets (RWA)                 | 2,613,978        | 2,647,883        | 2,676,960        | 2,733,177        | 2,798,773        |
| Average interest earning assets            | 3,996,841        | 4,034,446        | 4,073,024        | 4,126,455        | 4,184,066        |
| Average interest bearing liabilities       | 2,966,081        | 2,959,247        | 2,956,470        | 2,953,187        | 2,950,069        |
| CET 1 capital                              | 435,585          | 463,584          | 488,502          | 515,289          | 543,573          |
| Total capital                              | 489,298          | 517,753          | 539,962          | 564,176          | 590,017          |
| Gross non performing loans (NPL)           | 94,241           | 93,009           | 96,052           | 97,712           | 99,649           |
| <b>Per share (THB)</b>                     |                  |                  |                  |                  |                  |
| Book value per share                       | 224.66           | 237.77           | 249.74           | 262.61           | 276.21           |
| Tangible book value per share              | 212.67           | 224.91           | 236.88           | 249.75           | 263.35           |
| <b>Growth</b>                              |                  |                  |                  |                  |                  |
| Gross customer loans                       | (0.2)            | 0.6              | 1.1              | 2.1              | 2.4              |
| Average interest earning assets            | 1.9              | 0.9              | 1.0              | 1.3              | 1.4              |
| Total asset (%)                            | 0.9              | 1.0              | 1.0              | 1.1              | 1.2              |
| Risk weighted assets (%)                   | 0.6              | 1.3              | 1.1              | 2.1              | 2.4              |
| Customer deposits (%)                      | (1.8)            | 0.7              | -                | -                | -                |
| <b>Leverage &amp; capital measures</b>     |                  |                  |                  |                  |                  |
| Customer loan/deposits (%)                 | 87.8             | 87.9             | 88.7             | 90.4             | 92.5             |
| Equity/assets (%)                          | 12.4             | 13.0             | 13.5             | 14.1             | 14.6             |
| Tangible equity/assets (%)                 | 11.8             | 12.3             | 12.8             | 13.4             | 14.0             |
| RWA/assets (%)                             | 61.0             | 61.2             | 61.3             | 61.9             | 62.6             |
| CET 1 CAR (%)                              | 16.7             | 17.5             | 18.2             | 18.9             | 19.4             |
| Total CAR (%)                              | 18.7             | 19.6             | 20.2             | 20.6             | 21.1             |
| <b>Asset Quality (FSSIA's calculation)</b> |                  |                  |                  |                  |                  |
| Change in NPL (%)                          | 1.8              | (1.3)            | 3.3              | 1.7              | 2.0              |
| NPL/gross loans (%)                        | 3.8              | 3.7              | 3.8              | 3.8              | 3.8              |
| Allowance for ECL/gross loans (%)          | 5.4              | 5.3              | 5.5              | 5.6              | 5.7              |
| Allowance for ECL/NPL (%)                  | 142.1            | 141.6            | 143.7            | 147.7            | 151.1            |
| <b>Valuation</b>                           |                  |                  |                  |                  |                  |
| Recurring P/E (x) *                        | 8.3              | 7.2              | 6.8              | 6.3              | 6.0              |
| Recurring P/E @ target price (x) *         | 10.4             | 9.1              | 8.5              | 7.9              | 7.5              |
| Reported P/E (x)                           | 8.3              | 7.2              | 6.8              | 6.3              | 6.0              |
| Dividend yield (%)                         | 4.4              | 6.2              | 6.6              | 7.1              | 7.5              |
| Price/book (x)                             | 0.7              | 0.6              | 0.6              | 0.6              | 0.5              |
| Price/tangible book (x)                    | 0.7              | 0.7              | 0.6              | 0.6              | 0.6              |
| Price/tangible book @ target price (x)     | 0.9              | 0.8              | 0.8              | 0.7              | 0.7              |

\* Pre-exceptional, pre-goodwill and fully diluted

Sources: Kasikornbank; FSSIA estimates

# Kasikornbank PCL (KBANK TB)

## FSSIA ESG rating



### Exhibit 4: FSSIA ESG score implication

**84.17 /100**

| Rating | Score   | Implication                                                                                                                                                                                                                                            |
|--------|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ★★★★★  | >79-100 | Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.                                                                                                     |
| ★★★★   | >59-79  | A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.                                                                                                                                          |
| ★★★    | >39-59  | Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.                                                                 |
| ★★     | >19-39  | Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.                                                 |
| ★      | 1-19    | The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC. |

Sources: FSSIA estimates

### Exhibit 5: ESG – peer comparison

|          | FSSIA     | Domestic ratings |         |                |          |           |           | Global ratings       |          |      |         |           | Bloomberg  |           |                  |
|----------|-----------|------------------|---------|----------------|----------|-----------|-----------|----------------------|----------|------|---------|-----------|------------|-----------|------------------|
|          | ESG score | DJSI             | SET ESG | SET ESG Rating | CG score | AGM level | Thai CAC  | Morningstar ESG risk | ESG Book | MSCI | Moody's | Refinitiv | S&P Global | ESG score | Disclosure score |
| SET100   | 69.20     | 5.34             | 4.40    | 4.40           | 4.76     | 4.65      | 3.84      | Medium               | 51.76    | BBB  | 20.87   | 58.72     | 63.91      | 3.72      | 28.17            |
| Coverage | 67.12     | 5.11             | 4.15    | 4.17           | 4.83     | 4.71      | 3.53      | Medium               | 52.04    | BB   | 16.97   | 56.85     | 62.09      | 3.40      | 31.94            |
| BBL      | 62.08     | --               | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 54.70    | --   | 29.00   | 58.68     | 67.00      | 2.19      | 60.06            |
| KBANK    | 84.17     | Y                | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 62.19    | AA   | 46.00   | 73.83     | 83.00      | 4.05      | 59.77            |
| KTb      | 63.10     | --               | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 53.59    | BBB  | 34.00   | 64.64     | 64.00      | 2.12      | 59.11            |
| SCB      | 62.57     | Y                | Y       | Y              | 5.00     | 4.00      | --        | High                 | --       | A    | --      | --        | 86.00      | 3.43      | --               |
| KKP      | 62.96     | --               | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 52.81    | BBB  | --      | 77.56     | 26.00      | 2.18      | 45.90            |
| TISCO    | 61.17     | --               | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 61.41    | --   | --      | 66.13     | 29.00      | 3.57      | 44.21            |
| TTB      | 63.69     | --               | Y       | Y              | 5.00     | 5.00      | Certified | Medium               | 53.98    | --   | 36.00   | 56.17     | 71.00      | 3.20      | 52.96            |

 Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

### Exhibit 6: ESG score by Bloomberg

| FY ending Dec 31                                    | FY 2015      | FY 2016      | FY 2017      | FY 2018      | FY 2019      | FY 2020      | FY 2021      | FY 2022      |
|-----------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>ESG financial materiality scores - ESG score</b> | <b>1.71</b>  | <b>1.80</b>  | <b>2.61</b>  | <b>2.67</b>  | <b>2.67</b>  | <b>2.88</b>  | <b>3.89</b>  | <b>4.05</b>  |
| BESG environmental pillar score                     | 0.08         | 0.08         | 0.08         | 0.18         | 0.18         | 0.24         | 2.93         | 3.43         |
| BESG social pillar score                            | 1.37         | 1.63         | 3.44         | 3.44         | 3.49         | 3.89         | 3.95         | 4.03         |
| BESG governance pillar score                        | 4.90         | 4.74         | 4.83         | 4.91         | 4.81         | 4.88         | 4.86         | 4.74         |
| <b>ESG disclosure score</b>                         | <b>53.57</b> | <b>53.91</b> | <b>59.49</b> | <b>57.60</b> | <b>57.60</b> | <b>58.20</b> | <b>58.20</b> | <b>59.77</b> |
| Environmental disclosure score                      | 29.54        | 29.54        | 33.55        | 37.48        | 37.48        | 40.86        | 40.86        | 40.86        |
| Social disclosure score                             | 34.89        | 35.91        | 48.67        | 39.06        | 39.06        | 37.48        | 37.48        | 42.20        |
| Governance disclosure score                         | 96.12        | 96.12        | 96.12        | 96.12        | 96.12        | 96.12        | 96.12        | 96.12        |
| <b>Environmental</b>                                |              |              |              |              |              |              |              |              |
| Emissions reduction initiatives                     | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          |
| Climate change policy                               | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          |
| Climate change opportunities discussed              | No           | No           | No           | No           | No           | No           | No           | No           |
| Risks of climate change discussed                   | No           | No           | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          |
| GHG scope 1                                         | 9            | 18           | 25           | 21           | 21           | 19           | 16           | 11           |
| GHG scope 2 location-based                          | 91           | 82           | 80           | 87           | 83           | 79           | 74           | 70           |
| GHG Scope 3                                         | 0            | 0            | 0            | 1            | 1            | 1            | 1            | 1            |
| Carbon per unit of production                       | —            | —            | —            | —            | —            | —            | —            | —            |
| Biodiversity policy                                 | No           | No           | No           | No           | No           | No           | No           | No           |
| Energy efficiency policy                            | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          | Yes          |
| Total energy consumption                            | 221          | 140          | 240          | 237          | 229          | 213          | 187          | 189          |
| Renewable energy use                                | —            | —            | 11           | 11           | 7            | 10           | 8            | 27           |
| Electricity used                                    | —            | —            | —            | —            | —            | —            | —            | —            |
| Fuel used - natural gas                             | —            | —            | —            | —            | —            | —            | —            | —            |

Sources: Bloomberg; FSSIA's compilation

## Exhibit 7: ESG score by Bloomberg (cont.)

| FY ending Dec 31                              | FY 2015   | FY 2016   | FY 2017   | FY 2018   | FY 2019   | FY 2020   | FY 2021   | FY 2022   |
|-----------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Fuel used - crude oil/diesel                  | No        | No        | No        | No        | No        | No        | No        | No        |
| Waste reduction policy                        | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Hazardous waste                               | —         | —         | 0         | 0         | 1         | 1         | 2         | 0         |
| Total waste                                   | 9         | 6         | 6         | 8         | 7         | 6         | 5         | 5         |
| Waste recycled                                | —         | —         | —         | 1         | 2         | 2         | 3         | 2         |
| Waste sent to landfills                       | —         | —         | —         | 7         | 5         | 4         | 3         | 3         |
| Environmental supply chain management         | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Water policy                                  | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Water consumption                             | —         | —         | —         | —         | —         | 270       | 283       | 158       |
| <b>Social</b>                                 |           |           |           |           |           |           |           |           |
| Human rights policy                           | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Policy against child labor                    | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Quality assurance and recall policy           | No        | No        | No        | No        | No        | No        | No        | No        |
| Consumer data protection policy               | No        | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Equal opportunity policy                      | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Gender pay gap breakout                       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Pct women in workforce                        | 66        | 68        | 68        | 69        | 69        | 70        | 70        | 70        |
| Pct disabled in workforce                     | —         | —         | 0         | 0         | 0         | 0         | 0         | 0         |
| Business ethics policy                        | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Anti-bribery ethics policy                    | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Health and safety policy                      | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Lost time incident rate - employees           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Total recordable incident rate - employees    | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Training policy                               | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| Fair remuneration policy                      | No        | No        | No        | No        | No        | No        | No        | No        |
| Number of employees – CSR                     | 21,484    | 21,029    | 20,839    | 20,646    | 20,407    | 19,819    | 19,029    | 18,648    |
| Employee turnover pct                         | 17        | 17        | 10        | 8         | 6         | 3         | 7         | 8         |
| Total hours spent by firm - employee training | 1,359,210 | 1,186,240 | 1,094,590 | 881,469   | 928,607   | 847,516   | 712,474   | 753,600   |
| Social supply chain management                | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| <b>Governance</b>                             |           |           |           |           |           |           |           |           |
| <b>Board size</b>                             | <b>17</b> | <b>17</b> | <b>16</b> | <b>17</b> | <b>18</b> | <b>18</b> | <b>18</b> | <b>18</b> |
| <b>No. of independent directors (ID)</b>      | <b>10</b> | <b>10</b> | <b>9</b>  | <b>9</b>  | <b>10</b> | <b>9</b>  | <b>9</b>  | <b>6</b>  |
| No. of women on board                         | 5         | 6         | 6         | 6         | 7         | 7         | 7         | 8         |
| No. of non-executive directors on board       | 14        | 13        | 12        | 12        | 12        | 13        | 13        | 13        |
| Company conducts board evaluations            | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |
| No. of board meetings for the year            | 12        | 12        | 12        | 12        | 12        | 15        | 13        | 12        |
| Board meeting attendance pct                  | 98        | 95        | 95        | 95        | 97        | 97        | 97        | 96        |
| Board duration (years)                        | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         |
| Director share ownership guidelines           | No        | No        | No        | No        | No        | No        | No        | No        |
| Age of the youngest director                  | 45        | 46        | 47        | 48        | 40        | 41        | 42        | 43        |
| Age of the oldest director                    | 71        | 72        | 72        | 70        | 71        | 72        | 68        | 68        |
| <b>No. of executives / company managers</b>   | <b>16</b> | <b>15</b> | <b>17</b> | <b>18</b> | <b>19</b> | <b>15</b> | <b>14</b> | <b>16</b> |
| No. of female executives                      | 5         | 3         | 4         | 4         | 5         | 5         | 5         | 6         |
| Executive share ownership guidelines          | No        | No        | No        | No        | No        | No        | No        | No        |
| <b>Size of audit committee</b>                | <b>4</b>  | <b>4</b>  | <b>4</b>  | <b>4</b>  | <b>4</b>  | <b>4</b>  | <b>4</b>  | <b>4</b>  |
| No. of ID on audit committee                  | 4         | 4         | 4         | 4         | 4         | 4         | 4         | 4         |
| Audit committee meetings                      | 12        | 12        | 12        | 12        | 12        | 12        | 12        | 12        |
| Audit meeting attendance %                    | 90        | 100       | 96        | 90        | 98        | 98        | 100       | 98        |
| <b>Size of compensation committee</b>         | <b>4</b>  | <b>4</b>  | <b>3</b>  | <b>3</b>  | <b>3</b>  | <b>3</b>  | <b>5</b>  | <b>3</b>  |
| No. of ID on compensation committee           | 3         | 3         | 2         | 2         | 2         | 2         | 3         | 2         |
| No. of compensation committee meetings        | 9         | 9         | 10        | 8         | 9         | 10        | 11        | 10        |
| Compensation meeting attendance %             | 94        | 86        | 95        | 96        | 100       | 100       | 100       | 100       |
| <b>Size of nomination committee</b>           | <b>4</b>  | <b>3</b>  | <b>3</b>  | <b>4</b>  | <b>4</b>  | <b>5</b>  | <b>5</b>  | <b>6</b>  |
| No. of nomination committee meetings          | 9         | 6         | 4         | 4         | 5         | 4         | 4         | 6         |
| Nomination meeting attendance %               | 94        | 94        | 94        | 100       | 90        | 95        | 100       | 93        |
| <b>Sustainability governance</b>              |           |           |           |           |           |           |           |           |
| Verification type                             | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       | Yes       |

Sources: Bloomberg; FSSIA's compilation

## Disclaimer for ESG scoring

| ESG score                                                                                                 | Methodology                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Rating                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------|-----------|-------------|----------|-------------|------------|-------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------|-----------|-------------|----------|-------------|------------|-------------|-----------------|---------------------------------------------------------------------------------------------|
| The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) By S&P Global                               | The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.                                                                                                                                                                                                                                                                                                                                         |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| SET ESG Ratings List ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> ) | SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.                                                                                                                                                                                                                                                                                                                                                                                                                                   | To be eligible for <a href="#">SETESG inclusion</a> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality.<br><a href="#">SETESG Index</a> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks. |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)                                     | An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).                                                                                                                                                                                                                                                          |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC                            | It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>                                                                                                                                                                                                                                                                                                            | The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">Thai CAC</a> By Thai Private Sector Collective Action Against Corruption (CAC)                | The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years.<br><i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">Morningstar Sustainalytics</a>                                                                | The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>                                                                                                                                                                                                                                                                                                                                                             | NEGL                                                                                                                          | Low            | Medium                                                                            | High      | Severe      | 0-10     | 10-20       | 20-30      | 30-40       | 40+             |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| NEGL                                                                                                      | Low                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Medium                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | High                                                                                                                          | Severe         |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| 0-10                                                                                                      | 10-20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 20-30                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 30-40                                                                                                                         | 40+            |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">ESG Book</a>                                                                                  | The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">MSCI</a>                                                                                      | MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table> | <b>AAA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 8.571-10.000                                                                                                                  | <b>Leader:</b> | leading its industry in managing the most significant ESG risks and opportunities | <b>AA</b> | 7.143-8.570 | <b>A</b> | 5.714-7.142 | <b>BBB</b> | 4.286-5.713 | <b>Average:</b> | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers | <b>BB</b> | 2.857-4.285 | <b>B</b> | 1.429-2.856 | <b>CCC</b> | 0.000-1.428 | <b>Laggard:</b> | lagging its industry based on its high exposure and failure to manage significant ESG risks |
| <b>AAA</b>                                                                                                | 8.571-10.000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Leader:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | leading its industry in managing the most significant ESG risks and opportunities                                             |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>AA</b>                                                                                                 | 7.143-8.570                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>A</b>                                                                                                  | 5.714-7.142                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>BBB</b>                                                                                                | 4.286-5.713                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Average:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>BB</b>                                                                                                 | 2.857-4.285                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>B</b>                                                                                                  | 1.429-2.856                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>CCC</b>                                                                                                | 0.000-1.428                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Laggard:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | lagging its industry based on its high exposure and failure to manage significant ESG risks                                   |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">Moody's ESG solutions</a>                                                                     | Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">Refinitiv ESG rating</a>                                                                      | Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <a href="#">S&amp;P Global</a>                                                                            | The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| <b>Bloomberg</b>                                                                                          | ESG Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.                                                                                                                                                                                                                                                                                            |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |
| Bloomberg                                                                                                 | ESG Disclosure Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                               |                |                                                                                   |           |             |          |             |            |             |                 |                                                                                                                               |           |             |          |             |            |             |                 |                                                                                             |

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Nathapol Pongsukcharoenkul FSS International Investment Advisory Securities Co., Ltd

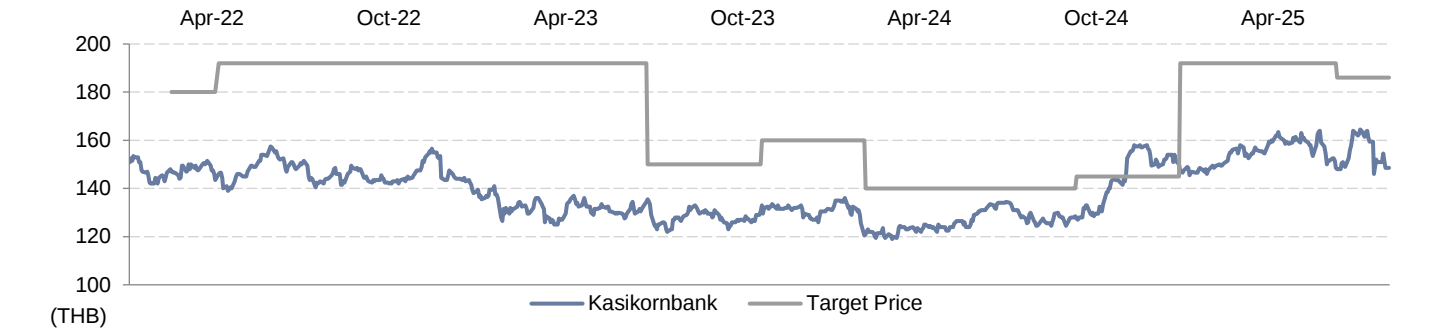
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Kasikornbank (KBANK TB)



| Date        | Rating | Target price | Date        | Rating | Target price | Date        | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 30-May-2022 | BUY    | 180.00       | 24-Oct-2023 | BUY    | 160.00       | 21-Oct-2024 | BUY    | 192.00       |
| 08-Jul-2022 | BUY    | 192.00       | 22-Jan-2024 | HOLD   | 140.00       | 06-Mar-2025 | BUY    | 186.00       |
| 17-Jul-2023 | BUY    | 150.00       | 23-Jul-2024 | BUY    | 145.00       |             |        |              |

Nathapol Pongsukcharoenkul started covering this stock from 06-Mar-2025

Price and TP are in local currency

Source: FSSIA estimates

| Company      | Ticker   | Price      | Rating | Valuation & Risks                                                                                                                                                                  |
|--------------|----------|------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Kasikornbank | KBANK TB | THB 148.50 | 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. |

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.

All share prices are as at market close on 21-Apr-2025 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.