22 APRIL 2025

EQUITY RESEARCH - RESULTS FLASH

SCB X SCB TB

THAILAND / BANKING

FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

FSSIA ESG rating ★★★★

HOLD

UNCHANGED

TARGET PRICE	THB130.00
CLOSE	THB112.50
UP/DOWNSIDE	+15.6%
TP vs CONSENSUS	+2.9%

1Q25 results at first glance

(+) 9% beat from OPEX and credit cost

SCB reported a 1Q25 net profit of THB12.5b, +11% y-y and +7% q-q. This was higher than our estimate by 9% and the Bloomberg consensus by 5%, mainly due to lower-than-expected OPEX and credit cost at 159bp in 1Q25 (FSSIA: 173bp).

The overall asset quality conditions were roughly stable q-q in 1Q25 and in line with our expectation. The NPL ratio was at 4.06% in 1Q25 with a stable NPL formation trend. Nonetheless, our calculated NPL formation rate of 181bp is relatively high for SCB in the past three years. Thus, asset quality for SCB remains the key issue to monitor, in our view.

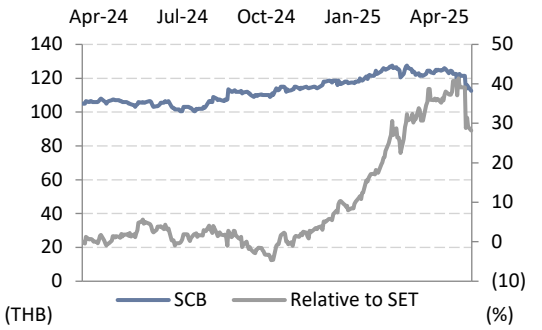
We maintain our HOLD rating for SCB and TP of THB130. The major downside risks include concerns over its asset quality and the impact from a lower NIM following the interest rate cut downcycle.

Highlights

- **(0) Loan growth** was at -1% y-y and +0.9% q-q, mainly driven by corporate loans. Meanwhile, retail loans at the bank were flat q-q, and consumer finance subsidiaries or SCB's Gen 2 – CardX (credit card and personal loans) and AutoX (auto title loans) – posted a loan contraction of 4% q-q.
- **(-) NIM** was at 3.82%, down 22bp q-q from a lower loan yield (-30bp q-q) following loan repricing. Meanwhile, funding costs were benign at 1.37%, down 9bp q-q.
- **(+) Non NII** posted growth of 6% y-y and 5% q-q, which was above our expectation on the back of a high marked-to-market gain (THB3.4b) and moderate fee income growth (+1% y-y and q-q) from bancassurance and wealth management.
- **(+) Cost-to-income ratio** was only at 39.9%, much better than our estimate of 42% thanks to lower premises expenses and no OPEX from Purple Ventures or the Robinhood application, which terminated service in 2024.
- **(+) Credit cost** was at 159bp in 1Q25 vs our preview of 173bp. By business group, SCB's Gen 1 business or its banking business posted a 120bp credit cost (stable y-y) and the Gen 2 business (consumer finance like CardX and AutoX) posted 700bp, which was lower from c900bp and mainly came from a lower write-off value y-y from credit card and personal loans.
- SCB's loan proportion under stage II (delinquent) was at 8.0% of total loans in 1Q25, slightly higher q-q.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Operating profit	56,803	59,277	61,513	65,012
Net profit	43,943	46,165	47,906	50,632
EPS (THB)	13.05	13.71	14.23	15.04
vs Consensus (%)	-	1.7	2.1	3.1
Recurring net profit	43,943	46,165	47,906	50,632
Core EPS (THB)	13.05	13.71	14.23	15.04
EPS growth (%)	1.0	5.1	3.8	5.7
Core P/E (x)	8.6	8.2	7.9	7.5
Dividend yield (%)	9.3	9.7	10.1	10.7
Price/book (x)	0.8	0.8	0.7	0.7
ROE (%)	9.1	9.4	9.5	9.9
ROA (%)	1.3	1.3	1.4	1.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.0)	(8.2)	9.2
Relative to country (%)	(5.9)	9.5	28.2
Mkt cap (USD m)			11,443
3m avg. daily turnover (USD m)			35.5
Free float (%)			53
Major shareholder			King Rama X (24%)
12m high/low (THB)			128.00/100.00
Issued shares (m)			3,367

Sources: Bloomberg consensus; FSSIA estimates

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Key takeaways from SCB's 1Q25 analyst meeting

- Overall, SCB has a conservative stance for its 2025 business outlook given Trump's upcoming tariff trade war. The major cushion for SCB's net profit in 2025, in our view, is managing OPEX and keeping the cost-to-income ratio below 40% and credit cost within 150 to 170bp as per SCB's 2025 target. (FSSIA's at 164bp).
- SCB's management has shifted its priority to asset quality protection rather than loan growth expansion.
- For precautionary actions against Trump's trade war: 1) SCB set an extra provision of THB700m in 1Q25 as management overlay; and 2) SCB has screened business loans with direct exposure to US exports and found they were up to THB200b or 8.2% of total loans. Nonetheless, this does not include the indirect impact on SCB's retail loans, which need close monitoring soon.
- In addition, SCB's economist has projected another three interest rate cuts in Thailand to 1.25% by Dec-25. This projection will pressure the NIM outlook for SCB inevitably. Our sensitivity analysis suggests that every 25bp cut to the policy interest rate would impact SCB's net profit by 3.9%, all else being equal. SCB's CFO hopes that the room to manage its NIM is lower than the CASA rate from 25bp currently, which is not easy, we believe.
- Many questions in the analyst meeting focused on SCB's NPLs, especially for AutoX and the corporate and mortgage loan segments. For AutoX (auto title loans), with the sharp increase in NPLs q-q to 2.4% in 1Q25, SCB believes this should be a short-term effect. However, we believe this could be the start of an NPL upcycle for AutoX after operating for three years, along with the subdued economic recovery.
- For the lower corporate NPL ratio, SCB disclosed that this was mainly from the repayment stream from debt restructuring. For mortgages, management commented that this was partly due to unsuccessful debtors after the end of the Covid forbearance program under the Blue scheme in 2H24. We are skeptical about the upward trend for SCB's mortgage loans in the future, as we believe the NPLs in this segment will take a long time to solve and are not easy to write off. Note that mortgage loans were around 32% of SCB's total loans, while NPLs for SCB's mortgage loans were at 3.8% in 1Q25 (1Q24: 2.9%).
- SCB disclosed that the enrollment for the forbearance program 'You Fight We Help' (YFWH) makes up a cTHB40-50b loan value (2% of total loans), which should not impact SCB's performance much. Most of them are mortgages.
- Lastly, SCB is still aiming for ROE of 10%+ in the medium term (2026-28E). However, with a high 80% payout ratio and pressure on its net profit outlook, we think SCB now has limited room to increase its ROE.

Exhibit 1: SCB – 1Q25 results summary

Profit and loss	1Q24	2Q24	3Q24	4Q24	1Q25	-------- Change --------		3M25	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	25E
Interest income	41,380	42,406	42,963	42,572	40,628	(1.8)	(4.6)	40,628	24.5
Interest expense	9,619	9,830	10,328	10,120	9,581	(0.4)	(5.3)	9,581	24.6
Net interest income	**31,761**	**32,576**	**32,635**	**32,452**	**31,047**	**(2.2)**	**(4.3)**	**31,047**	**24.5**
Non-interest income	11,234	10,678	9,661	11,377	11,949	6.4	5.0	11,949	26.7
Operating income	42,995	43,253	42,295	43,829	42,997	0.0	(1.9)	42,997	25.1
Operating expenses	18,100	18,568	17,606	18,702	17,140	(5.3)	(8.4)	17,140	23.7
Pre-provisioning profit (PPOP)	**24,895**	**24,685**	**24,689**	**25,127**	**25,857**	**3.9**	**2.9**	**25,857**	**26.1**
Provisioning expenses	10,201	11,626	10,967	9,799	9,570	(6.2)	(2.3)	9,570	24.1
Pre-tax profit	14,694	13,059	13,722	15,328	16,287	10.8	6.3	16,287	27.5
Income tax	3,354	2,908	2,626	3,336	3,545	5.7	6.3	3,545	28.5
Reported net profit	**11,281**	**10,016**	**10,941**	**11,707**	**12,502**	**10.8**	**6.8**	**12,502**	**27.1**

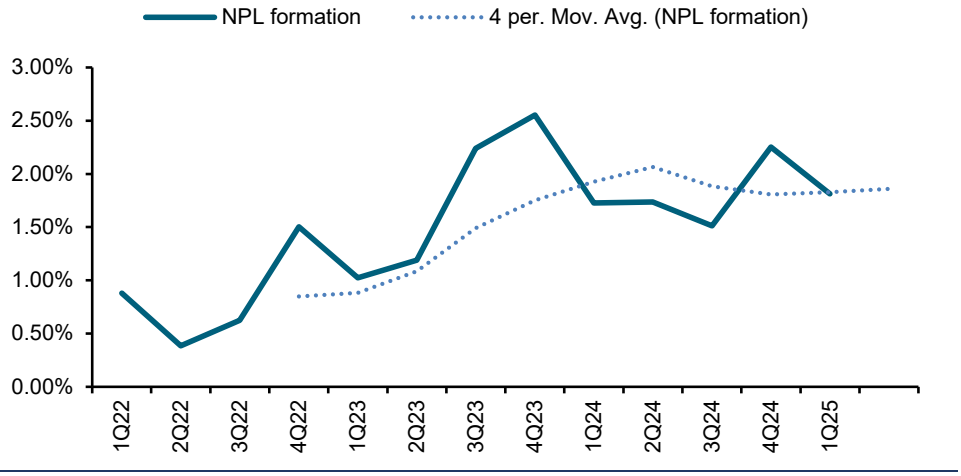
Sources: SCB, FSSIA compilation

Exhibit 2: SCB – 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)	0.91	(0.43)	(0.15)	(1.28)	0.90		
Deposits growth (% q-q)	(1.32)	1.94	(1.01)	1.69	(0.09)		
Yield on receivables	5.18	5.31	5.37	5.30	5.00	*(0.18)*	*(0.30)*
Cost of funds	1.40	1.41	1.49	1.46	1.37	*(0.03)*	*(0.09)*
Net interest margin	3.97	4.08	4.08	4.04	3.82	*(0.15)*	*(0.22)*
Cost-to-income ratio	42.10	42.93	41.63	42.67	39.86	*(2.24)*	*(2.81)*
ROA	1.32	1.16	1.27	1.36	1.44	*0.12*	*0.08*
ROE	9.33	8.33	9.21	9.69	10.10	*0.78*	*0.41*
LDR	101.58	99.22	100.09	97.16	98.13	*(3.45)*	*0.97*
LDR+borrowing	97.84	94.64	95.78	93.14	93.99	*(3.85)*	*0.85*
CET 1	17.50	17.60	17.90	17.80	17.70	*0.20*	*(0.10)*
Total CAR	18.60	18.80	19.00	18.90	18.80	*0.20*	*(0.10)*
NPL ratio	3.89	3.90	3.89	4.06	4.06	*0.17*	*0.00*
NPL coverage	160.57	161.73	163.92	158.02	156.09	*(4.48)*	*(1.94)*
Credit cost	1.67	1.90	1.80	1.62	1.59	*(0.09)*	*(0.03)*
Non-interest income to total income	26.1	24.7	22.8	26.0	27.8	*1.66*	*1.83*
Tax rate	22.8	22.3	19.1	21.8	21.8	*(1.06)*	*0.00*

Sources: SCB, FSSIA compilation

Exhibit 3: SCB's NPL formation trend – steady trend but at 3-year high level



Sources: SCB, FSSIA compilation

Financial Statements

SCB X

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Interest Income	161,121	169,320	165,563	166,947	169,880
Interest expense	(36,439)	(39,896)	(38,981)	(38,813)	(38,640)
Net interest income	124,682	129,424	126,582	128,134	131,240
Net fees & commission	32,723	31,144	32,078	33,492	34,966
Foreign exchange trading income	8,828	8,904	9,349	9,817	10,307
Securities trading income	68	(264)	0	0	0
Dividend income	150	285	299	314	330
Other income	4,651	2,882	2,945	3,011	3,077
Non interest income	46,421	42,950	44,671	46,633	48,680
Total income	171,103	172,373	171,253	174,766	179,920
Staff costs	(33,796)	(35,707)	(35,350)	(36,057)	(36,778)
Other operating costs	(37,984)	(37,270)	(36,897)	(37,635)	(38,388)
Operating costs	(71,781)	(72,977)	(72,247)	(73,692)	(75,166)
Pre provision operating profit	99,323	99,397	99,006	101,075	104,755
Expected credit loss	(43,600)	(42,594)	(39,729)	(39,562)	(39,742)
Other provisions	-	-	-	-	-
Operating profit	55,723	56,803	59,277	61,513	65,012
Recurring non operating income	0	0	0	0	0
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	0	0	0	0	-
Profit before tax	55,723	56,803	59,277	61,513	65,012
Tax	(11,955)	(12,224)	(12,448)	(12,918)	(13,653)
Profit after tax	43,768	44,579	46,829	48,595	51,360
Non-controlling interest	(247)	(636)	(664)	(689)	(728)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	43,521	43,943	46,165	47,906	50,632
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	43,521	43,943	46,165	47,906	50,632
Per share (THB)					
Recurring EPS *	12.93	13.05	13.71	14.23	15.04
Reported EPS	12.93	13.05	13.71	14.23	15.04
DPS	10.34	10.44	10.97	11.38	12.03
Growth					
Net interest income (%)	15.6	3.8	(2.2)	1.2	2.4
Non interest income (%)	(0.3)	(7.5)	4.0	4.4	4.4
Pre provision operating profit (%)	17.5	0.1	(0.4)	2.1	3.6
Operating profit (%)	9.9	1.9	4.4	3.8	5.7
Reported net profit (%)	15.9	1.0	5.1	3.8	5.7
Recurring EPS (%)	15.9	1.0	5.1	3.8	5.7
Reported EPS (%)	15.9	1.0	5.1	3.8	5.7
Income Breakdown					
Net interest income (%)	72.9	75.1	73.9	73.3	72.9
Net fees & commission (%)	19.1	18.1	18.7	19.2	19.4
Foreign exchange trading income (%)	5.2	5.2	5.5	5.6	5.7
Securities trading income (%)	0.0	(0.2)	-	-	-
Dividend income (%)	0.1	0.2	0.2	0.2	0.2
Other income (%)	2.7	1.7	1.7	1.7	1.7
Operating performance					
Gross interest yield (%)	4.93	5.19	5.04	5.02	5.02
Cost of funds (%)	1.31	1.43	1.38	1.36	1.34
Net interest spread (%)	3.62	3.76	3.66	3.66	3.68
Net interest margin (%)	3.8	4.0	3.9	3.9	3.9
Cost/income(%)	42.0	42.3	42.2	42.2	41.8
Cost/assets(%)	2.1	2.1	2.1	2.1	2.1
Effective tax rate (%)	21.5	21.5	21.0	21.0	21.0
Dividend payout on recurring profit (%)	80.0	80.0	80.0	80.0	80.0
ROE (%)	9.3	9.1	9.4	9.5	9.9
ROE - COE (%)	(0.7)	(0.9)	(0.6)	(0.5)	(0.1)
ROA (%)	1.3	1.3	1.3	1.4	1.4
RORWA (%)	1.9	1.9	1.9	2.0	2.1

* Pre-exceptional, pre-goodwill and fully diluted

Sources: SCB X; FSSIA estimates

Financial Statements

SCB X

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Gross customer loans	2,426,563	2,403,379	2,427,413	2,478,388	2,537,870
Allowance for expected credit loss	(148,985)	(147,643)	(155,589)	(163,501)	(171,450)
interest in suspense	23,467	24,867	25,002	25,527	26,140
Net customer loans	**2,301,045**	**2,280,603**	**2,296,826**	**2,340,415**	**2,392,560**
Bank loans	436,797	553,169	553,169	553,169	553,169
Government securities	-	-	-	-	-
Trading securities	92,534	114,352	114,352	114,352	114,352
Investment securities	386,162	314,837	317,985	321,165	324,377
Cash & equivalents	40,676	43,801	65,093	59,872	47,157
Other interesting assets	-	-	-	-	-
Tangible fixed assets	45,988	45,208	46,112	47,035	47,975
Associates	1,970	1,842	1,842	1,842	1,842
Goodwill	21,692	21,211	21,211	21,211	21,211
Other intangible assets	-	-	-	-	-
Other assets	111,859	111,515	112,503	113,525	114,583
Total assets	**3,438,723**	**3,486,539**	**3,529,094**	**3,572,585**	**3,617,226**
Customer deposits	2,442,860	2,473,626	2,498,362	2,523,346	2,548,579
Bank deposits	221,459	229,839	229,839	229,839	229,839
Other interest bearing liabilities	109,911	106,745	111,015	115,455	120,073
Non interest bearing liabilities	180,759	181,493	185,685	190,044	194,578
Hybrid Capital	-	-	-	-	-
Total liabilities	**2,954,989**	**2,991,702**	**3,024,900**	**3,058,684**	**3,093,069**
Share capital	33,671	33,671	33,671	33,671	33,671
Reserves	444,411	454,965	464,198	473,779	483,905
Total equity	**478,082**	**488,636**	**497,869**	**507,450**	**517,576**
Non-controlling interest	5,651	6,201	6,326	6,452	6,581
Total liabilities & equity	**3,438,722**	**3,486,539**	**3,529,094**	**3,572,585**	**3,617,226**
Supplementary items					
Risk weighted assets (RWA)	2,358,515	2,396,562	2,420,416	2,471,245	2,530,554
Average interest earning assets	3,269,732	3,260,454	3,284,976	3,325,644	3,384,069
Average interest bearing liabilities	2,791,687	2,792,219	2,824,712	2,853,927	2,883,565
CET 1 capital	417,536	427,000	435,427	444,172	453,414
Total capital	443,680	453,364	462,846	472,687	483,070
Gross non performing loans (NPL)	96,832	97,610	99,785	101,495	103,490
Per share (THB)					
Book value per share	141.99	145.12	147.86	150.71	153.72
Tangible book value per share	135.54	138.82	141.56	144.41	147.42
Growth					
Gross customer loans	2.1	(1.0)	1.0	2.1	2.4
Average interest earning assets	1.7	(0.3)	0.8	1.2	1.8
Total asset (%)	(0.5)	1.4	1.2	1.2	1.2
Risk weighted assets (%)	2.3	1.6	1.0	2.1	2.4
Customer deposits (%)	(4.4)	1.3	1.0	1.0	1.0
Leverage & capital measures					
Customer loan/deposits (%)	94.2	92.2	91.9	92.8	93.9
Equity/assets (%)	13.9	14.0	14.1	14.2	14.3
Tangible equity/assets (%)	13.3	13.4	13.5	13.6	13.7
RWA/assets (%)	68.6	68.7	68.6	69.2	70.0
CET 1 CAR (%)	17.7	17.8	18.0	18.0	17.9
Total CAR (%)	18.8	18.9	19.1	19.1	19.1
Asset Quality (FSSIA's calculation)					
Change in NPL (%)	1.6	0.8	2.2	1.7	2.0
NPL/gross loans (%)	4.0	4.1	4.1	4.1	4.1
Allowance for ECL/gross loans (%)	6.1	6.1	6.4	6.6	6.8
Allowance for ECL/NPL (%)	153.9	151.3	155.9	161.1	165.7

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	8.7	8.6	8.2	7.9	7.5
Recurring P/E @ target price (x) *	10.1	10.0	9.5	9.1	8.6
Reported P/E (x)	8.7	8.6	8.2	7.9	7.5
Dividend yield (%)	9.2	9.3	9.7	10.1	10.7
Price/book (x)	0.8	0.8	0.8	0.7	0.7
Price/tangible book (x)	0.8	0.8	0.8	0.8	0.8
Price/tangible book @ target price (x)	1.0	0.9	0.9	0.9	0.9

* Pre-exceptional, pre-goodwill and fully diluted

Sources: SCB X; FSSIA estimates

SCB X PCL (SCB TB)

FSSIA ESG rating

★★★★

62.57 /100

Exhibit 4: FSSIA ESG score implication

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	61.33
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; 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
ESG financial materiality scores - ESG score	**1.85**	**1.83**	**2.65**	**3.04**	**2.65**	**2.83**	**2.89**	**3.43**
BESG environmental pillar score	0.00	0.00	0.00	0.00	0.00	0.00	0.08	—
BESG social pillar score	2.02	2.25	4.19	5.21	4.05	4.19	4.24	—
BESG governance pillar score	4.25	3.66	3.88	3.91	4.11	4.66	4.64	—
ESG disclosure score	**45.82**	**48.25**	**49.39**	**50.60**	**53.91**	**53.91**	**52.24**	**—**
Environmental disclosure score	28.21	28.78	29.60	29.60	35.82	35.82	35.82	—
Social disclosure score	21.74	28.48	31.08	34.70	32.13	32.13	32.13	—
Governance disclosure score	87.36	87.36	87.36	87.36	93.62	93.62	88.62	—
Environmental								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	No	No	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	No	No	Yes	Yes	Yes	Yes
GHG scope 1	0	0	9	11	11	10	3	7
GHG scope 2 location-based	25	22	22	20	18	13	11	43
GHG Scope 3	—	3	14	15	14	10	8	0
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	Yes	No	No	No	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	51	53	52	50	45	34	29	104
Renewable energy use	—	—	—	—	—	—	—	—
Electricity used	51	52	52	50	45	34	29	86
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	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—	—
Total waste	—	—	—	—	4	4	3	3
Waste recycled	—	—	—	—	1	1	1	1
Waste sent to landfills	—	—	—	—	4	3	2	2
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—	0
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No	No
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	68	69	71	71	70	71	73	68
Pct disabled in workforce	—	—	—	—	—	—	—	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	—	—	—	—	—	—	—	—
Total recordable incident rate - employees	—	—	—	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	24,106	26,652	27,493	26,751	25,953	23,899	22,051	29,015
Employee turnover pct	14	10	11	12	14	10	11	17
Total hours spent by firm - employee training	1,306,990	1,679,080	1,704,570	1,899,320	1,764,800	1,171,050	992,295	1,537,800
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	**17**	**16**	**16**	**17**	**17**	**15**	**17**	**16**
No. of independent directors (ID)	**9**	**9**	**9**	**9**	**10**	**9**	**9**	**8**
No. of women on board	3	3	3	1	2	2	4	3
No. of non-executive directors on board	13	13	14	14	16	14	13	15
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	12	16	17	20	16	15	13	18
Board meeting attendance pct	95	91	90	89	91	96	99	99
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	44	45	46	50	51	52	—	47
Age of the oldest director	83	84	85	86	74	75	—	77
No. of executives / company managers	**8**	**12**	**17**	**17**	**13**	**17**	**18**	**10**
No. of female executives	1	3	6	5	3	6	7	2
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	**4**	**5**	**3**	**3**	**3**	**3**	**3**	**3**
No. of ID on audit committee	4	5	3	3	3	3	3	3
Audit committee meetings	14	12	12	13	13	14	14	12
Audit meeting attendance %	96	91	94	95	97	98	100	100
Size of compensation committee	**5**	**5**	**5**	**4**	**4**	**3**	**4**	**4**
No. of ID on compensation committee	3	3	3	2	2	3	3	4
No. of compensation committee meetings	9	11	12	12	13	16	24	14
Compensation meeting attendance %	88	93	93	91	92	95	98	100
Size of nomination committee	**5**	**5**	**5**	**4**	**4**	**3**	**4**	**4**
No. of nomination committee meetings	9	11	12	12	13	16	24	14
Nomination meeting attendance %	88	93	93	91	92	95	98	100
Sustainability governance								
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 (DJSI) 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 (SETESG) by The Stock Exchange of Thailand (SET)	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 **SETESG inclusion**, 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. **SETESG Index** 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.
CG Score 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%).
AGM level 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%). (*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&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)*	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.
Thai CAC 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. *(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.)*	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.
Morningstar Sustainalytics	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. *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 & peer reviews.*	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. NEGL: 0-10 / Low: 10-20 / Medium: 20-30 / High: 30-40 / Severe: 40+
ESG Book	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.
MSCI	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. AAA 8.571-10.000 AA 7.143-8.570 A 5.714-7.142 BBB 4.286-5.713 BB 2.857-4.285 B 1.429-2.856 CCC 0.000-1.428	**Leader:** leading its industry in managing the most significant ESG risks and opportunities **Average:** a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers **Laggard:** lagging its industry based on its high exposure and failure to manage significant ESG risks
Moody's ESG solutions	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.	
Refinitiv ESG rating	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. *(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)*	
S&P Global	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.	
Bloomberg	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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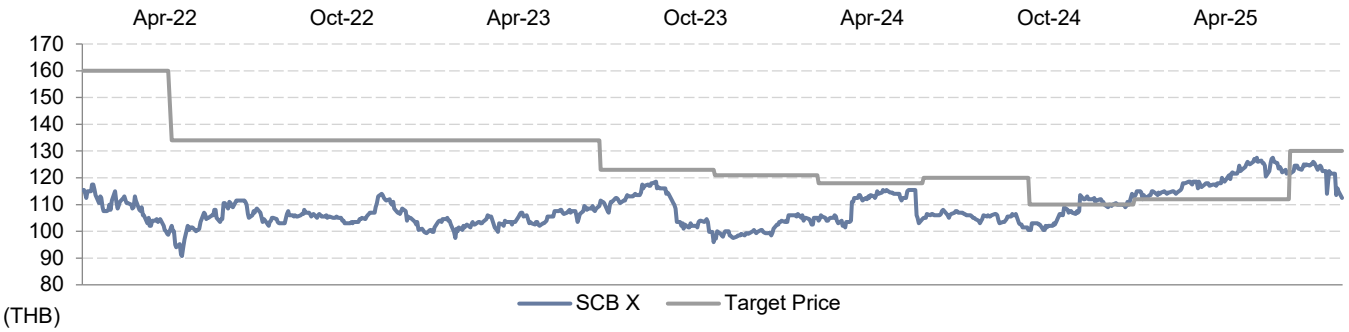
History of change in investment rating and/or target price

SCB X (SCB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Apr-2022	BUY	160.00	24-Oct-2023	BUY	121.00	23-Jul-2024	HOLD	110.00
08-Jul-2022	BUY	134.00	22-Jan-2024	BUY	118.00	22-Oct-2024	HOLD	112.00
17-Jul-2023	BUY	123.00	22-Apr-2024	BUY	120.00	06-Mar-2025	HOLD	130.00

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
SCB X	SCB TB	THB 112.50	HOLD	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand. Upside risks comprise 1) the faster-than-expected recovery of EA operations and financial stability; and 2) a reduction in Thai household debt.

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 (target price* - current price) / 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.