

22 JULY 2025

EQUITY RESEARCH - RESULTS FLASH

# KIATNAKIN PHATRA BANK

THAILAND / BANKING

KKP TB

**FINANSIA**  
 FSS INTERNATIONAL INVESTMENT ADVISORY

FSSIA ESG rating



## HOLD

UNCHANGED

## 2Q25 results at first glance

### (+) Big beat from fee income, mark-to-market gain, and low credit cost

KKP reported a 2Q25 net profit of THB1.41b, +83%y-y and 33% q-q – significantly beating our forecast of THB1.0b by 40% and exceeding Bloomberg's consensus by 30%.

The positive surprises were 1) solid core banking fees from private wealth, asset management, and investment banking fees (+25% y-y, +12% q-q); 2) a mark-to-market gain of THB250m in the quarter; 3) a gain from a provision reversal among foreclosed assets (cTHB100m combined in 2Q25); and 4) credit cost was at 108bp in 2Q25 (vs FSSIA's forecast of 120bp) following a more benign NPL formation rate.

KKP's losses from auto foreclosures in its hire-purchase (HP) business dropped to THB631m in 2Q25 vs THB694m in 1Q25 and 1.1b in 2Q24.

The 2Q25 NPL ratio decreased q-q to 4.33% from 4.38% in 1Q25.

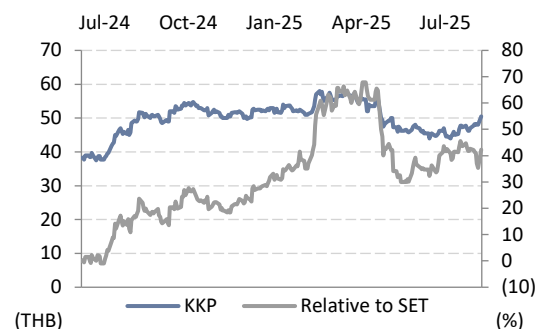
We maintain our HOLD rating for KKP and TP of THB50, based on 0.65x 2025E P/BV (COE of 10.0%, ROE of 7.2%). Despite a cloudy business outlook, we think KKP's current valuations are undemanding on the back of a 0.6x P/BV and a high expected dividend yield of 7.1% for 2025.

### Highlights

- (-) Loan growth** was at -8.5% y-y, -1.3% q-q, and -2.7% YTD. Key drags were auto HP and corporate loans, while mortgages and SMEs posted small loan growth
- (-) NIM** was at 3.95% (-11bp q-q) with a lower yield by 21bp q-q, but was partially offset by a lower funding cost by 9bp q-q to 2.42%.
- (+) Losses from auto sales** dropped to THB631m in 2Q25. This was a result of both lower quantities sold to auction yards and an improved loss given default at c44% of the total average value (from a 50% loss per unit last year).
- (+) Overall asset quality** for KKP was slightly better than our initial expectation, with a lower NPL ratio of 4.33% (vs FSSIA at 4.4%). In detail, KKP recorded a lower NPL ratio from its auto HP mainly. On the other hand, KKP recorded a slightly higher NPL ratio from real estate developers.
- (+) Analyst meeting:** Positive feedback in our view, as KKP has revised down its credit cost + loss from auto sales to 1.8-2.0% (from 2.2-2.4% previously), but the trade-off was a contraction in loans.

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Operating profit	6,258	5,849	6,293	7,117
Net profit	4,985	4,646	5,000	5,660
EPS (THB)	5.89	5.49	5.91	6.68
vs Consensus (%)	-	(1.3)	(2.3)	3.6
Recurring net profit	4,985	4,646	5,000	5,660
Core EPS (THB)	5.89	5.49	5.91	6.68
EPS growth (%)	(8.4)	(6.8)	7.6	13.2
Core P/E (x)	8.6	9.2	8.6	7.6
Dividend yield (%)	7.9	6.5	7.0	7.9
Price/book (x)	0.7	0.7	0.6	0.6
ROE (%)	8.1	7.3	7.6	8.3
ROA (%)	1.0	0.9	1.0	1.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.8	1.0	23.2
Relative to country (%)	(0.3)	(5.1)	34.3
Mkt cap (USD m)	1,292		
3m avg. daily turnover (USD m)	4.7		
Free float (%)	93		
Major shareholder	Thai NVDR (8%)		
12m high/low (THB)	58.25/37.00		
Issued shares (m)	847		

Sources: Bloomberg consensus; FSSIA estimates


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## Key takeaways from KKP's 2Q25 analyst meeting

- Overall, we have positive feedback from KKP's analyst meeting, as the bank has revised down its credit cost + loss from auto foreclosures to 1.8-2.0% from 2.2-2.4% previously. This implies an improvement in credit quality in KKP's loan portfolio, supported by stabilizing used car prices and stronger asset quality from new loan vintages since 2023.
- Note that most of KKP's NPL problems and high losses from auto foreclosures come from the 2022 new lending vintage.
- The strong loan quality among retail loans since 2023 for KKP came with a loan contraction following more prudent loan underwriting standards. Thus, KKP has revised down its loan growth target to negative 5-8% from flat loan growth.
- KKP hopes for lower funding costs from a higher CASA proportion (now at 33% of total deposits) and the retirement of the expensive fixed deposit rate in 2H25. The lower funding costs should shore up its NIM performance. KKP expects its funding costs to decline by c10bp in 2H25 to c2.3%.
- Meanwhile, losses on auto sales showed signs of stabilization, according to KKP's management. The auto loss per unit sold for KKP has improved to 44% from 50% last year on the back of improved demand for used cars and a lower supply to auction yards following fewer auto foreclosures.
- Around THB9.5b of KKP's loans (or 2.7% of total loans) have been successfully restructured under the forbearance program 'You Fight We Help'. Most of them are auto hire-purchase and mortgages with improved repayment at the beginning. KKP disclosed that the impact on its NIM is manageable.
- Regarding the rise in NPLs among real estate developer loans, KKP disclosed that these are relapsed NPLs but are well-collateralized, with collateral values exceeding 200% of the loan amounts. The ongoing problems, in this segment, are oversupply and slow presales at the moment. Thus, KKP regards this segment as manageable with no need for further credit cost.
- KKP's management reiterated its active capital management stance in order to achieve ROE of 9-10% (1H25 at 7.8%). The execution will involve both a share buyback program and an increased dividend payout ratio. From management's perspective, the share buyback program should be more beneficial to the bank in terms of capital optimization.
- After KKP entered into a strategic collaboration with Goldman Sachs Asset Management in 2Q25 for its private wealth management business, the partnership is expected to broaden global investment opportunities for Thai investors, whereby Goldman Sachs Asset Management will provide investment advisory services in multi-asset strategies exclusively to KKP in Thailand. KKP hopes this partnership will enhance its non-NII portion to 30% of total income (1H25 at c27%).

## Exhibit 1: KKP – 2Q25 results summary

Profit and loss	2Q24	3Q24	4Q24	1Q25	2Q25	----- Change -----		6M25	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	25E
Interest income	7,722	7,638	7,273	6,937	6,693	(13.3)	(3.5)	13,630	47.6
Interest expense	2,714	2,701	2,624	2,491	2,381	(12.3)	(4.4)	4,872	50.0
<b>Net interest income</b>	<b>5,009</b>	<b>4,937</b>	<b>4,649</b>	<b>4,446</b>	<b>4,312</b>	<b>(13.9)</b>	<b>(3.0)</b>	<b>8,758</b>	<b>46.4</b>
Non-interest income	1,543	1,668	2,163	1,507	1,876	21.6	24.5	3,384	47.0
Operating income	6,552	6,605	6,813	5,953	6,189	(5.5)	4.0	12,142	46.6
Operating expenses	3,809	4,326	4,119	3,515	3,454	(9.3)	(1.7)	6,969	44.2
<b>Pre-provisioning profits (PPOP)</b>	<b>2,743</b>	<b>2,279</b>	<b>2,693</b>	<b>2,438</b>	<b>2,735</b>	<b>(0.3)</b>	<b>12.2</b>	<b>5,173</b>	<b>50.2</b>
Provisioning expenses	1,769	681	914	1,104	973	(45.0)	(11.9)	2,076	46.6
Pre-tax profit	974	1,598	1,779	1,335	1,762	80.9	32.0	3,097	52.9
Income tax	202	282	372	271	351	73.7	29.6	622	53.2
<b>Reported net profit</b>	<b>769</b>	<b>1,305</b>	<b>1,406</b>	<b>1,062</b>	<b>1,409</b>	<b>83.3</b>	<b>32.8</b>	<b>2,471</b>	<b>53.2</b>

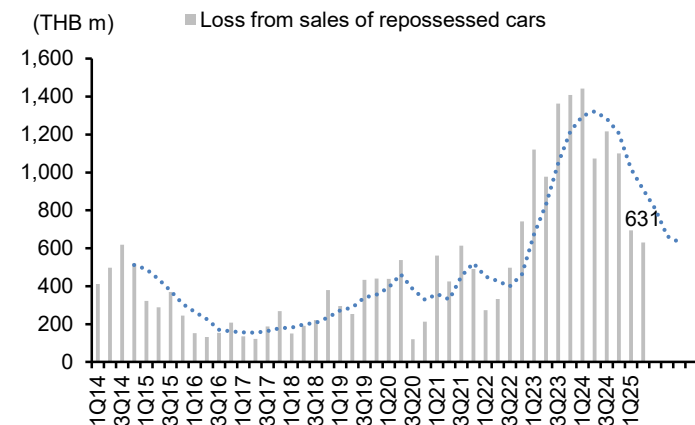
Sources: KKP, FSSIA compilation

## Exhibit 2: KKP – 2Q25 key drivers and ratios

Key drivers and ratios	2Q24	3Q24	4Q24	1Q25	2Q25	Change	
% unless stated otherwise	(%)	(%)	(%)	(%)	(%)	(y-y, ppt)	(q-q, ppt)
Gross loan growth (% q-q)	(1.02)	(4.69)	(1.30)	(1.42)	(1.29)		
Deposits growth (% q-q)	3.53	(6.82)	4.38	(0.57)	0.03		
Yield on receivables	6.43	6.56	6.52	6.34	6.13	(0.30)	(0.21)
Cost of funds	2.48	2.57	2.60	2.50	2.42	(0.06)	(0.09)
Net interest margin	4.17	4.24	4.17	4.06	3.95	(0.22)	(0.11)
Cost-to-income ratio	58.13	65.49	60.47	59.04	55.81	(2.32)	(3.24)
ROA	0.58	1.00	1.11	0.86	1.14	0.57	0.28
ROE	4.94	8.44	9.03	6.69	8.84	3.91	2.15
LDR	105.84	108.27	102.37	101.50	100.16	(5.68)	(1.34)
LDR+borrowing	93.62	97.17	95.13	95.09	95.15	1.53	0.06
CET 1	13.61	14.00	13.98	14.41	14.41	0.80	0.00
Total CAR	16.94	17.34	17.35	17.84	17.84	0.90	0.00
NPL ratio	3.97	4.15	4.21	4.37	4.33	0.35	(0.05)
NPL coverage	136.47	136.06	134.17	130.95	132.62	(3.85)	1.67
Credit cost	1.80	0.71	0.99	1.21	1.08	(0.72)	(0.13)
Non-interest income to total income	23.6	25.2	31.8	25.3	30.3	6.77	5.00
Tax rate	20.7	17.6	20.9	20.3	19.9	(0.82)	(0.38)

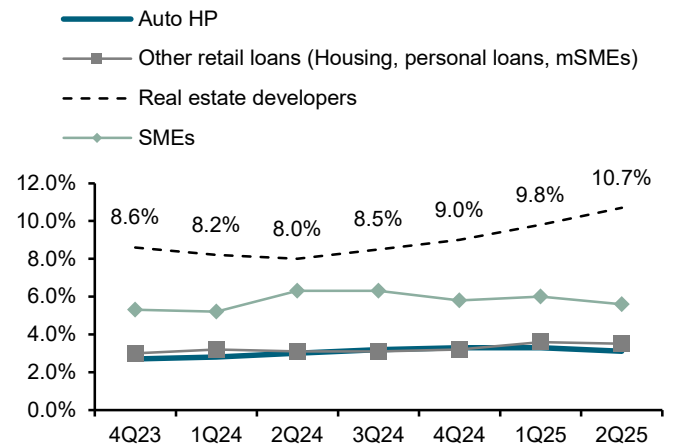
Sources: KKP, FSSIA compilation

## Exhibit 3: Declining trend in auto sales losses for KKP



Sources: KKP, FSSIA compilation

## Exhibit 4: KKP's NPL ratio by segment



Sources: KKP, FSSIA compilation

## Financial Statements

### Kiatnakin Phatra Bank

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Interest Income	30,717	30,515	28,624	29,030	29,846
Interest expense	(8,424)	(10,667)	(9,740)	(9,832)	(10,071)
Net interest income	22,294	19,848	18,884	19,199	19,775
Net fees & commission	5,476	5,396	5,632	5,812	5,997
Foreign exchange trading income	441	1,147	1,147	1,147	1,147
Securities trading income	(12)	23	23	23	23
Dividend income	340	153	159	166	172
Other income	224	234	234	234	234
Non interest income	6,469	6,954	7,196	7,382	7,573
Total income	28,763	26,802	26,080	26,580	27,349
Staff costs	(7,144)	(7,287)	(7,433)	(7,582)	(7,733)
Other operating costs	(8,750)	(9,283)	(8,339)	(8,037)	(7,759)
Operating costs	(15,894)	(16,570)	(15,772)	(15,619)	(15,493)
Pre provision operating profit	12,869	10,232	10,308	10,962	11,856
Expected credit loss	(6,082)	(3,974)	(4,458)	(4,668)	(4,739)
Other provisions	-	-	-	-	-
Operating profit	6,787	6,258	5,849	6,293	7,117
Recurring non operating income	0	0	0	0	0
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	6,787	6,258	5,849	6,293	7,117
Tax	(1,331)	(1,256)	(1,170)	(1,259)	(1,423)
Profit after tax	5,456	5,003	4,680	5,034	5,694
Non-controlling interest	(13)	(18)	(34)	(34)	(34)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	5,443	4,985	4,646	5,000	5,660
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	5,443	4,985	4,646	5,000	5,660
<b>Per share (THB)</b>					
Recurring EPS *	6.43	5.89	5.49	5.91	6.68
Reported EPS	6.43	5.89	5.49	5.91	6.68
DPS	3.00	4.00	3.29	3.54	4.01
<b>Growth</b>					
Net interest income (%)	16.8	(11.0)	(4.9)	1.7	3.0
Non interest income (%)	(23.5)	7.5	3.5	2.6	2.6
Pre provision operating profit (%)	(11.4)	(20.5)	0.7	6.3	8.2
Operating profit (%)	(28.5)	(7.8)	(6.5)	7.6	13.1
Reported net profit (%)	(28.4)	(8.4)	(6.8)	7.6	13.2
Recurring EPS (%)	(28.4)	(8.4)	(6.8)	7.6	13.2
Reported EPS (%)	(28.4)	(8.4)	(6.8)	7.6	13.2
<b>Income Breakdown</b>					
Net interest income (%)	77.5	74.1	72.4	72.2	72.3
Net fees & commission (%)	19.0	20.1	21.6	21.9	21.9
Foreign exchange trading income (%)	1.5	4.3	4.4	4.3	4.2
Securities trading income (%)	0.0	0.1	0.1	0.1	0.1
Dividend income (%)	1.2	0.6	0.6	0.6	0.6
Other income (%)	0.8	0.9	0.9	0.9	0.9
<b>Operating performance</b>					
Gross interest yield (%)	6.46	6.51	6.45	6.42	6.42
Cost of funds (%)	1.95	2.50	2.40	2.38	2.38
Net interest spread (%)	4.51	4.01	4.05	4.04	4.04
Net interest margin (%)	4.7	4.2	4.3	4.2	4.3
Cost/income(%)	55.3	61.8	60.5	58.8	56.6
Cost/assets(%)	3.0	3.2	3.1	3.1	3.0
Effective tax rate (%)	19.6	20.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	46.7	67.9	60.0	60.0	60.0
ROE (%)	9.2	8.1	7.3	7.6	8.3
ROE - COE (%)	(0.8)	(1.9)	(2.7)	(2.4)	(1.7)
ROA (%)	1.0	1.0	0.9	1.0	1.1
RORWA (%)	1.6	1.5	1.4	1.5	1.6
* Pre-exceptional, pre-goodwill and fully diluted					

Sources: Kiatnakin Phatra Bank; FSSIA estimates

## Financial Statements

### Kiatnakin Phatra Bank

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Gross customer loans	397,999	367,836	371,514	382,660	394,905
Allowance for expected credit loss	(20,668)	(20,607)	(21,053)	(21,520)	(21,994)
interest in suspense	7,495	7,713	8,731	8,992	9,280
<b>Net customer loans</b>	<b>384,826</b>	<b>354,941</b>	<b>359,191</b>	<b>370,132</b>	<b>382,191</b>
Bank loans	62,029	38,985	40,154	40,957	42,186
Government securities	-	-	-	-	-
Trading securities	16,035	23,893	23,893	23,893	23,893
Investment securities	36,262	34,540	34,540	34,540	34,540
Cash & equivalents	1,382	1,248	1,480	2,840	1,275
Other interesting assets	-	-	-	-	-
Tangible fixed assets	7,436	7,087	7,228	7,373	7,521
Associates	0	0	0	0	0
Goodwill	5,020	5,088	5,190	5,294	5,399
Other intangible assets	-	-	-	-	-
Other assets	32,337	32,643	32,783	32,927	33,073
<b>Total assets</b>	<b>545,327</b>	<b>498,424</b>	<b>504,460</b>	<b>517,955</b>	<b>530,078</b>
Customer deposits	358,903	359,306	362,899	373,786	385,747
Bank deposits	23,035	17,399	17,399	17,399	17,399
Other interest bearing liabilities	68,900	27,350	27,350	27,350	24,615
Non interest bearing liabilities	33,237	31,204	31,557	31,916	32,282
Hybrid Capital	-	-	-	-	-
<b>Total liabilities</b>	<b>484,074</b>	<b>435,259</b>	<b>439,205</b>	<b>450,451</b>	<b>460,044</b>
Share capital	8,468	8,468	8,468	8,468	8,468
Reserves	52,499	54,397	56,453	58,667	61,164
<b>Total equity</b>	<b>60,967</b>	<b>62,864</b>	<b>64,920</b>	<b>67,135</b>	<b>69,632</b>
Non-controlling interest	286	301	335	369	403
<b>Total liabilities &amp; equity</b>	<b>545,327</b>	<b>498,424</b>	<b>504,460</b>	<b>517,955</b>	<b>530,078</b>
<b>Supplementary items</b>					
Risk weighted assets (RWA)	354,730	328,534	332,642	342,621	353,585
Average interest earning assets	475,659	468,825	443,784	452,183	464,894
Average interest bearing liabilities	431,915	427,446	405,852	413,092	423,148
CET 1 capital	47,655	48,323	49,806	51,403	53,210
Total capital	60,947	61,353	62,836	64,433	64,937
Gross non performing loans (NPL)	12,630	15,503	16,351	16,841	16,976
<b>Per share (THB)</b>					
Book value per share	72.00	74.24	76.67	79.28	82.23
Tangible book value per share	66.07	68.23	70.54	73.03	75.86
<b>Growth</b>					
Gross customer loans	5.4	(7.6)	1.0	3.0	3.2
Average interest earning assets	14.1	(1.4)	(5.3)	1.9	2.8
Total asset (%)	7.4	(8.6)	1.2	2.7	2.3
Risk weighted assets (%)	5.6	(7.4)	1.3	3.0	3.2
Customer deposits (%)	8.3	0.1	1.0	3.0	3.2
<b>Leverage &amp; capital measures</b>					
Customer loan/deposits (%)	107.2	98.8	99.0	99.0	99.1
Equity/assets (%)	11.2	12.6	12.9	13.0	13.1
Tangible equity/assets (%)	10.3	11.6	11.8	11.9	12.1
RWA/assets (%)	65.0	65.9	65.9	66.1	66.7
CET 1 CAR (%)	13.4	14.7	15.0	15.0	15.0
Total CAR (%)	17.2	18.7	18.9	18.8	18.4
<b>Asset Quality (FSSIA's calculation)</b>					
Change in NPL (%)	2.2	22.7	5.5	3.0	0.8
NPL/gross loans (%)	3.2	4.2	4.4	4.4	4.3
Allowance for ECL/gross loans (%)	5.2	5.6	5.7	5.6	5.6
Allowance for ECL/NPL (%)	163.6	132.9	128.8	127.8	129.6
<b>Valuation</b>					
Recurring P/E (x) *	7.9	8.6	9.2	8.6	7.6
Recurring P/E @ target price (x) *	7.8	8.5	9.1	8.5	7.5
Reported P/E (x)	7.9	8.6	9.2	8.6	7.6
Dividend yield (%)	5.9	7.9	6.5	7.0	7.9
Price/book (x)	0.7	0.7	0.7	0.6	0.6
Price/tangible book (x)	0.8	0.7	0.7	0.7	0.7
Price/tangible book @ target price (x)	0.8	0.7	0.7	0.7	0.7
* Pre-exceptional, pre-goodwill and fully diluted					

Sources: Kiatnakin Phatra Bank; FSSIA estimates

# Kiatnakin Phatra Bank PCL (KKP TB)

## FSSIA ESG rating


**62.96 /100**

### Exhibit 5: 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.
★★★★★	<b>&gt;59-79</b>	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>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 6: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		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 7: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>—</b>	<b>—</b>	<b>2.86</b>	<b>2.18</b>
BESG environmental pillar score	—	—	0.08	0.08
BESG social pillar score	—	—	3.95	2.45
BESG governance pillar score	—	—	5.02	4.76
<b>ESG disclosure score</b>	<b>46.15</b>	<b>46.69</b>	<b>45.56</b>	<b>45.90</b>
Environmental disclosure score	31.23	31.56	28.18	28.18
Social disclosure score	19.71	20.98	20.98	22.01
Governance disclosure score	87.36	87.36	87.36	87.36
<b>Environmental</b>				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	No	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	No	No	No
GHG scope 1	2	2	3	3
GHG scope 2 location-based	4	4	3	4
GHG Scope 3	—	—	—	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	18	16	16	19
Renewable energy use	—	—	—	—
Electricity used	8	8	5	7
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

**Exhibit 8: ESG score by Bloomberg (cont.)**

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—
Total waste	—	—	—	—
Waste recycled	—	—	—	—
Waste sent to landfills	—	—	—	—
Environmental supply chain management	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes
Water consumption	74	66	38	51
<b>Social</b>				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	No	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No
Consumer data protection policy	No	No	No	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	61	61	62	63
Pct disabled in workforce	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	0	0	0
Total recordable incident rate - employees	—	—	—	—
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	4,042	3,761	3,704	3,876
Employee turnover pct	10	10	11	13
Total hours spent by firm - employee training	73,784	71,497	48,597	60,117
Social supply chain management	Yes	Yes	Yes	Yes
<b>Governance</b>				
<b>Board size</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>
<b>No. of independent directors (ID)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
No. of women on board	2	3	3	3
No. of non-executive directors on board	7	8	8	8
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	11	14	11	13
Board meeting attendance pct	94	99	99	97
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	50	51	52	53
Age of the oldest director	71	72	73	70
<b>No. of executives / company managers</b>	<b>42</b>	<b>40</b>	<b>40</b>	<b>45</b>
No. of female executives	12	15	15	16
Executive share ownership guidelines	No	No	No	No
<b>Size of audit committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on audit committee	3	3	3	3
Audit committee meetings	11	12	16	13
Audit meeting attendance %	100	100	94	98
<b>Size of compensation committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	7	5	6	6
Compensation meeting attendance %	100	100	94	100
<b>Size of nomination committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of nomination committee meetings	7	5	6	6
Nomination meeting attendance %	100	100	94	100
<b>Sustainability governance</b>				
Verification type	No	No	No	No

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 <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> 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. <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 Sustainabilitys</a>	The Sustainabilitys' 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+										
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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	
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<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

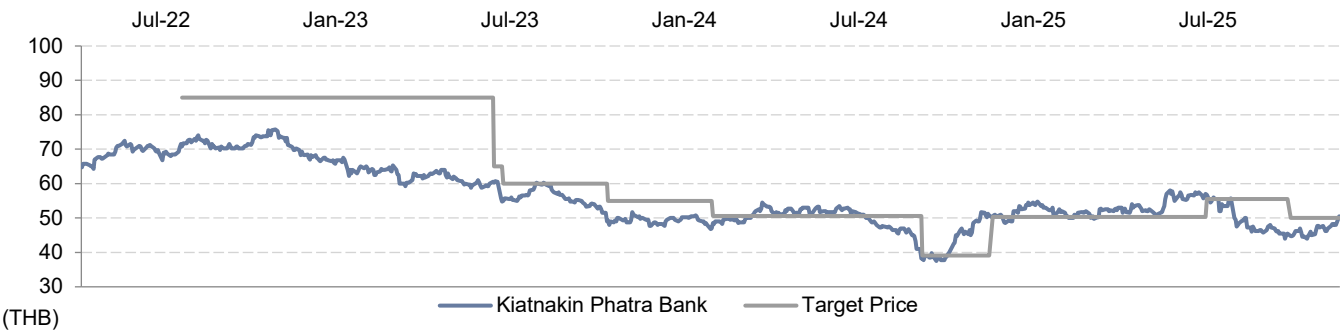
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Kiatnakin Phatra Bank (KKP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
19-Oct-2022	BUY	85.00	24-Oct-2023	HOLD	55.00	20-Sep-2024	HOLD	50.30
17-Jul-2023	HOLD	65.00	23-Jan-2024	HOLD	50.60	27-Mar-2025	HOLD	55.50
25-Jul-2023	HOLD	60.00	23-Jul-2024	HOLD	39.10	06-Jun-2025	HOLD	50.00

Nathapol Pongsukcharoenkul started covering this stock from 27-Mar-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Kiatnakin Phatra Bank	KKP TB	THB 50.50	HOLD	Downside risks to our GGM-based target price include weakened asset quality, high loss from auto repossessions and lower fee income. By contrast, upside risks include better capital market conditions, higher used car prices, and strengthened asset quality.

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-Jul-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.