EQUITY RESEARCH - TRANSFER OF COVERAGE

BANGKOK COMMERCIAL ASSET MNGT.
THAILAND / FINANCE & SECURITIES

BAM TB

HOLD
UNCHANGED

TARGET PRICE	**THB6.85**
CLOSE	**THB8.05**
UP/DOWNSIDE	**-14.9%**
PRIOR TP	**THB9.00**
CHANGE IN TP	**-23.9%**
TP vs CONSENSUS	**-3.1%**

Slowdown tests new leadership

- เราคาดปัจจัยกดดันการเติบโตซึ่งจะฉุดการเก็บหนี้ในระดับหนึ่งแม้ว่าจะมีพัฒนาการเชิงบวกหลัง ดร. รักษ์เริ่มเข้ารับตำแหน่ง
- เราคาดว่า BAM จะรายงานกำไรสุทธิ 2025 อยู่ที่ 2,932 ลบ. สูงขึ้น 83% y-y จากการเก็บหนี้จากบัญชีที่มีมูลค่าสูง
- เราคงคำแนะนำถือ BAM ที่ราคาเป้าหมายใหม่ที่ 6.85 บาท

บททดสอบของผู้นำใหม่

ภายใต้ประธานเจ้าหน้าที่บริหารที่ได้รับการแต่งตั้งใหม่ของ BAM ดร. รักษ์ วรกิจโภคาทรกำลังวางตำแหน่งบริษัทฯ เพื่อให้เกิดการเติบโตอย่างยั่งยืนผ่าน 2 ความคิดริเริ่มสำคัญ: 1) การฟื้นฟูลูกหนี้ด้อยคุณภาพให้กลับมามีสภาพคล่องทางการเงินผ่านแผนการชำระหนี้แบบยืดหยุ่นผ่านระบบดิจิตอลอย่าง BAM Choice และ 2) การเพิ่มศักยภาพของสินทรัพย์ด้อยคุณภาพให้สามารถทำการตลาดได้มากยิ่งขึ้นโดยใช้ประโยชน์จากความร่วมมือใหม่ในการปรับปรุงสินทรัพย์ให้เป็นที่อยู่อาศัยพร้อมใช้ ในขณะที่เรามองกลยุทธ์ดังกล่าวเป็นบวกเรายังคงระมัดระวังในระยะสั้นจากปัจจัยกดดันต่อเนื่องในด้านเศรษฐกิจมหภาคซึ่งอาจฉุดรั้งแนวโน้มการเก็บหนี้

ภาพเศรษฐกิจมหภาคที่อ่อนแอจะกดดันการเก็บหนี้

จากสถานการณ์ภาษีนำเข้าของทรัมป์ที่ชัดเจนมากยิ่งขึ้นเรามองว่าการเติบโตของเศรษฐกิจไทยในปี 2025 และ 2026 จะชะลอตัวอย่างหลีกเลี่ยงไม่ได้ จากประมาณการตัวเลขการเติบโตทางเศรษฐกิจที่ต่ำกว่า 2% ซึ่งมีแนวโน้มสูงขึ้นในทั้ง 2 ปีเราคาดว่าความสามารถในการเก็บหนี้ของ BAM จะเผชิญความท้าทายแม้ว่าจะมีพัฒนาการใหม่ ๆ ภายใต้การบริหารของ ดร. รักษ์ ในขณะที่เราคาดว่าการเก็บหนี้ในปี 2025 จะอยู่ในเกณฑ์ที่ดีที่ประมาณ 17.8พัน ลบ. บนสมมติฐานการเก็บหนี้จากบัญชีที่มีมูลค่าสูง 2 รายการ (หนี้ด้อยคุณภาพ: 2.8พัน ลบ., สินทรัพย์ด้อยคุณภาพ: 1.45พัน ลบ.) เราคาดว่าตัวเลขในปี 2026-27 จะอยู่ในระดับที่ต่ำกว่า โดยคาดว่าจะอยู่ที่ 15.5พัน ลบ. และ 16.4พัน ลบ. ตามลำดับ

การลงทุนขยายหนี้ด้อยคุณภาพที่ทรงตัวแม้ว่าอุปทานน่าจะพุ่งขึ้น

จากข้อมูลในไตรมาส 1Q25 ของ ธปท. หนี้ด้อยคุณภาพในระบบการเงินของไทยสูงขึ้น 1.5% y-y เป็นประมาณ 510พัน ลบ. เราเชื่อว่า BAM ในฐานะที่เป็นผู้เล่นรายใหญ่ที่สุดในตลาดฯ อยู่ในตำแหน่งที่ดีที่จะได้ประโยชน์มากที่สุดจากอุปทานหนี้ด้อยคุณภาพที่สูงขึ้น อย่างไรก็ดีจากข้อจำกัดทางการเงินของบริษัทฯ เมื่อพิจารณาจากสัดส่วนหนี้ต่อส่วนผู้ถือหุ้น เราคาดว่า BAM จะยังเลือกซื้อหนี้ด้อยคุณภาพด้วยความระมัดระวังและคงอัตราการลงทุนในหนี้ด้อยคุณภาพไว้ตามเดิมที่ประมาณ 9.0-9.3% ซึ่งทำให้คาดว่าการซื้อหนี้ด้อยคุณภาพจะอยู่ที่ประมาณ 8พัน ลบ. ในปี 2025 และ 2026 ก่อนลดลงเหลือ 7.8พัน ลบ. ในปี 2027 ในขณะเดียวกันเราคาดอัตราการจ่ายเงินปันผลจะทรงตัวที่ประมาณ 70% ในช่วง 3 ปีข้างหน้า

คงคำแนะนำถือที่ราคาเป้าหมายใหม่ที่ 6.85 บาท

เราคงคำแนะนำถือ BAM แม้ว่ากำไรปี 2025 น่าจะออกมาดีจากการเก็บหนี้จำนวนมากใน 2Q25 เราเชื่อว่าช่วงเวลาหลังปี 2025 จะมีความไม่แน่นอนมากยิ่งขึ้นเมื่อพิจารณาจากแนวโน้มการเติบโตทางเศรษฐกิจที่ชะลอตัวของไทยและระดับหนี้ครัวเรือนที่สูงขึ้น ราคาเป้าหมายของเราในปี 2025 อยู่ที่ 6.85 บาท (GGM) บนสมมติฐาน Target P/BV ที่ 0.48x (ROE 6.5%, COE 12.2%) ทั้งนี้บทวิเคราะห์ฉบับนี้ปัจจุบันจัดทำโดยคุณณฐพล พงษ์สุขเจริญกุล

KEY STOCK DATA

YE Mar (THB m)	2024	2025E	2026E	2027E
Operating profit	1,949	3,512	1,948	2,332
Net profit	1,603	2,932	1,626	1,947
EPS (THB)	0.50	0.91	0.50	0.60
vs Consensus (%)	-	24.5	(10.1)	(3.7)
Recurring net profit	1,603	2,932	1,626	1,947
Core EPS (THB)	0.50	0.91	0.50	0.60
Chg. In EPS est. (%)	-	82.8	(10.7)	-
EPS growth (%)	4.5	82.9	(44.5)	19.7
Core P/E (x)	16.2	8.9	16.0	13.4
Dividend yield (%)	4.3	7.9	4.3	5.1
Price/book (x)	0.6	0.6	0.6	0.6
ROE (%)	3.6	6.6	3.6	4.2
ROA (%)	1.2	2.1	1.1	1.3

	Jul-24	Oct-24	Jan-25	Apr-25	Jul-25

BAM — Relative to SET
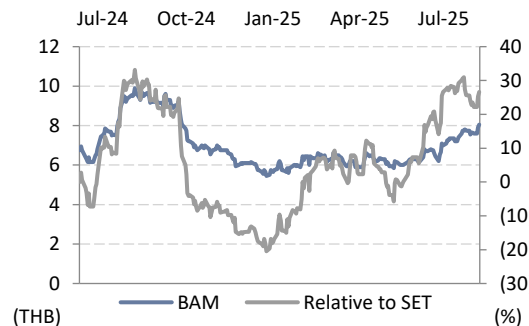
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	13.4	26.8	19.3
Relative to country (%)	(0.7)	22.0	25.4

Mkt cap (USD m)	801
3m avg. daily turnover (USD m)	3.5
Free float (%)	21
Major shareholder	FIDF (46%)
12m high/low (THB)	10.20/5.35
Issued shares (m)	3,232

Sources: Bloomberg consensus; FSSIA estimates

Nathapol Pongsukcharoenkul
Fundamental Investment Analyst on Securities; License no. 049193
nathapol.p@fssia.com, +66 2646 9974

Peemapon Nunthakunatip
Research Assistant

บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 31 กรกฎาคม 2025

Investment thesis

We have a HOLD rating on BAM for the following:

1) We expect a slowdown in growth to pressure BAM's collection to some extent. We project 2025 collections to total cTHB17.8b, in line with BAM's target. Subsequently, we expect toned down collections in 2026 and 2027 totaling THB15.5b and THB16.4b, respectively.

2) We project a relatively flat NPL investment rate of 9.0-9.3%, bringing the nominal amount to cTHB8b in 2025 and 2026 before decreasing slightly to THB7.8b in 2027, reflecting BAM's cautious approach amid existing funding constraints. The D/E ratio then should remain around 2.2x-2.15x over the period.

3) We expect BAM's net profit in 2026-27 to normalize down from 2025 high (THB2,932m) to cTHB1,626 (-45%y-y) and cTHB1,947m (20% y-y), reflecting a slowdown in collections.
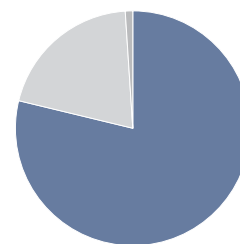
Company profile

BAM was established in 1998 following the financial crisis in Thailand. Its key businesses include the purchase or transfer of non-performing loans (NPLs) and non-performing assets (NPAs) for management or for further disposal or transfer.

www.bam.co.th

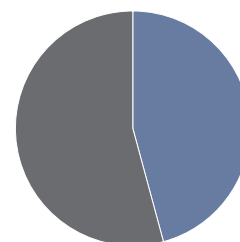## Principal activities (revenue, 2024)

- NPLs management - 78.8 %
- NPAs management - 20.2 %
- Other income - 1.0 %

Source: Bangkok Commercial Asset Mngt.

Major shareholders

- FIDF - 45.8 %   ■ Others - 54.2 %

Source: Bangkok Commercial Asset Mngt.

Catalysts

1) Better-than-expected collections from NPL and NPA business.

2) Better-than-expected investment in NPL receivables.

3) Lower-than-expected interest expense and cost of funds.

Risks to our call

Downside risks to our GGM-based TP include 1) lower cash collection than estimated; 2) lower-than-expected bad debt acquisition; and 3) a downturn in the property market. Upsides include 1) better-than-expected economic conditions and debt repayment momentum; and 2) an acceleration in the demand for NPAs.

Event calendar

Date	Event
Aug 2025	2Q25 earnings result and analyst meeting

Key assumptions

	2025E (THB m)	2026E (THB m)	2027E (THB m)
Net profit	2,932	1,626	1,947
growth (y-y%)	83%	-45%	20%
Gross NPL receivables	86,313	86,860	86,874
growth (y-y%)	-0.1%	0.6%	0.0%
Total collection	17,844	15,565	16,379
growth (y-y%)	18%	-13%	5%
Cost of funds (%)	3.42%	3.39%	3.48%

Source: FSSIA estimates

Earnings sensitivity

		--------------- 2025E ----------------		
Income-to-collection ratio	±1%	55%	56%	57%
% change in net profit		*(6.1)*		*6.1*
Investment rate	±5%	4.3%	9.3%	14.3%
% change in net profit		*(0.4)*		*0.4*
Cost of funds	±10bp	3.3%	3.4%	3.5%
% change in net profit		*3.0*		*3.0*

Source: FSSIA estimates

FINANSIA

Slowdown tests new leadership

Maintain HOLD call on BAM with a new TP of THB6.85

Dr. Rak Vorrakitpokatorn's early tenure as CEO has been off to a promising start, highlighted by the successful collection of THB4.25b from large-ticket NPL and NPA deals in 2Q25. Concurrently, under his new leadership, BAM is also pivoting toward sustainable growth by building new partnerships and adopting more flexible debtor-centric restructuring strategies, aimed at supporting long-term value recovery. That said, despite what is likely to be a strong 2025 earnings result driven by large collections in 2Q25, we believe the period just beyond 2025 will be less certain, given that Thailand's subdued economic growth outlook and elevated household debt levels could continue to pressure the retail and SME segments.

Thus, while new partnerships could enhance NPA collection efficiency and the softer macro environment may create attractive opportunities for NPL acquisitions, we expect these positives to take time to materialize, with some delays in overall collections. While we see BAM positioning itself well under the new leadership to offer promising long-term growth, given the current price, we see limited upside in the near-term from macro headwinds.

We maintain our HOLD call on BAM, awaiting clearer catalysts for re-rating, particularly around collection efficiency. Our GGM-based 2025 TP is THB6.85, referencing a target P/BV of 0.48x (sustainable ROE of 6.5%, COE of 12.2%).

Exhibit 1: BAM – GGM 2025 TP

Target price calculation based on Gordon Growth Model (GGM)			
Sustainable ROE	6.5%	**Cost of Equity (COE) calculation**	
COE	12.2%	Risk Free Rate	3%
Sustainable Growth	1.3%	Market Risk Premium	7%
Derived P/BV	0.48	Equity Beta (x)	1.31
		COE	12.2%
2025E BVPS	14.3		
Target Price (THB)	**6.85**		

Sources: BAM; FSSIA estimates

Exhibit 2: BAM – TP sensitivity

	----------------------- Growth rate assumption -----------------------				
ROE	**1.1%**	**1.2%**	**1.3%**	**1.4%**	**1.5%**
6.70%	7.24	7.17	7.11	7.04	6.97
6.60%	7.11	7.04	6.98	6.91	6.84
6.50%	6.98	6.91	**6.85**	6.78	6.71
6.40%	6.85	6.78	6.71	6.64	6.57
6.30%	6.72	6.65	6.58	6.51	6.44

Sources: BAM; FSSIA estimates

Exhibit 3: ROE and ROA, 2020-27E

Sources: BAM; FSSIA estimates

FINANSIA
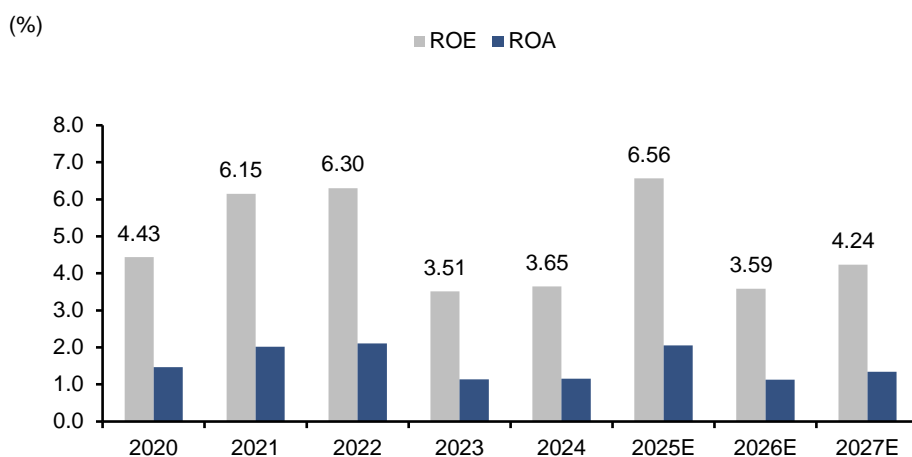
Exhibit 4: BAM – prospective P/BV band

BAM PBV (x)

std +2 = 2.1x
std +1 = 1.6x
5y -avg = 1.1x
std -1 = 0.6x
std -2 = 0.2x

Sources: Bloomberg; FISSA estimates

Exhibit 5: BAM – prospective PER band

BAM PER (x)

std +2 = 41.3x
std +1 = 32.1x
5Y-avg = 22.9x
std -1 = 13.8x
std -2 = 4.6x
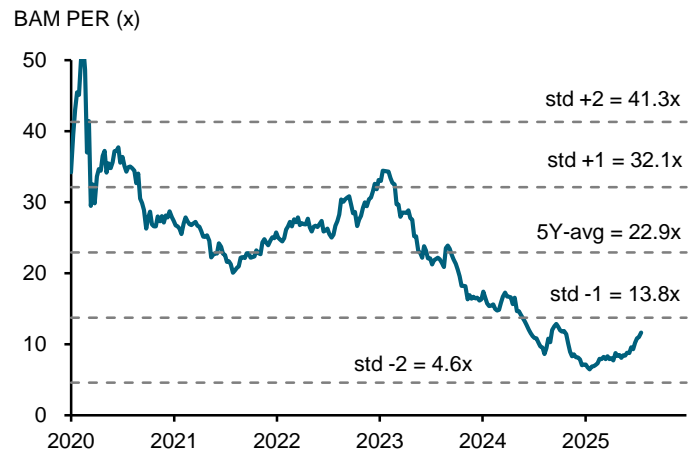
Sources: Bloomberg; FISSA estimates

Exhibit 6: Peers financial comparisons, as of 30 Jul 2025

Company name	code	Rec	Share price (LCY)	Target price (LCY)	Up side (%)	PE 25E (x)	PE 26E (x)	PBV 25E (x)	PBV 26E (x)	ROE 25E (%)	ROE 26E (%)	Div yld 25E (x)	Div yld 26E (x)
Auto title													
Muangthai Capital	MTC TB	BUY	38.00	56.00	47.4	11.4	9.7	1.9	1.6	17.6	17.6	1.3	1.5
Srisawad Corp	SAWAD TB	HOLD	20.10	30.50	51.7	6.4	5.9	0.9	0.8	14.7	13.8	1.6	1.7
Ngern Tid Lor	TIDLOR TB	BUY	17.90	19.00	6.1	11.2	10.0	1.6	1.4	14.6	14.7	1.3	1.5
Saksiam Leasing	SAK TB	BUY	3.58	5.28	47.5	7.9	7.0	1.1	1.0	14.4	15.0	5.3	6.0
Unsecured finance													
AEON Thana Sinsap (Thailand)	AEONTS TB	HOLD	100.00	142.00	42.0	7.8	7.1	0.9	0.8	11.9	12.1	5.4	5.9
Krungthai Card	KTC TB	BUY	28.75	32.00	11.3	9.6	9.2	1.7	1.5	18.3	17.3	4.7	4.9
Hire-purchase truck													
Asia Sermkij Leasing	ASK TB	REDUCE	7.75	5.90	(23.9)	25.8	15.5	0.5	0.5	3.2	3.4	1.9	3.2
Ratchthani Leasing	THANI TB	HOLD	1.69	1.41	(16.6)	11.6	10.7	0.8	0.7	6.7	7.0	4.3	4.7
AMCs													
Bangkok Commercial Asset Mgmt.	BAM TB	HOLD	8.05	6.85	(14.9)	8.9	16.0	0.6	0.6	6.6	3.6	7.9	4.3
JMT Network services	JMT TB	HOLD	11.10	17.00	53.2	8.0	7.3	0.6	0.6	7.4	7.8	7.5	8.2
Chayo Group	CHAYO TB	BUY	1.48	4.00	170.3	3.5	3.0	0.4	0.3	11.8	12.1	4.3	5.0
Average						10.2	9.2	1.0	0.9	11.6	11.3	4.1	4.3

Note: The Chairman of The Board of Directors of Finansia Syrus Securities PCL is also AEONTS's Director.
Sources: Bloomberg; FISSA estimates

FINANSIA

New leadership put to the test

Appointed in April 2025, Dr. Rak Vorrakitpokatorn assumed the leadership of BAM at a time when the company is navigating a shift in the economic and policy landscape. With a background in banking, public finance, and debt restructuring, including his recent tenure as president of the Export-Import Bank of Thailand, Dr. Rak brings a proactive system-oriented leadership style. His early focus has been on operational reform and direct customer engagement, repositioning BAM from a passive debt collector to a more outreach-driven distressed asset manager.

For NPLs, BAM plans to leverage its digital platform, *BAM Choice*, as an enabler of its "TDR (troubled debt restructuring) Factory" strategy. The initiative is designed to streamline and standardize the restructuring process by tailoring repayment plans with more flexible terms, thereby improving retail debtors' debt servicing ability. As part of the initiative, BAM is also planning to establish a dedicated Financial Advisory Center, which will act as a platform to support distressed debtors by providing restructuring guidance and rewarding good payment behavior (i.e. debtors with regular payments over 12 months) with refinancing opportunities from financial partners.

Exhibit 7: Dr. Rak's 3P strategy

Source: BAM

Exhibit 8: Overview of BAM's business model

Source: BAM

FINANSIA
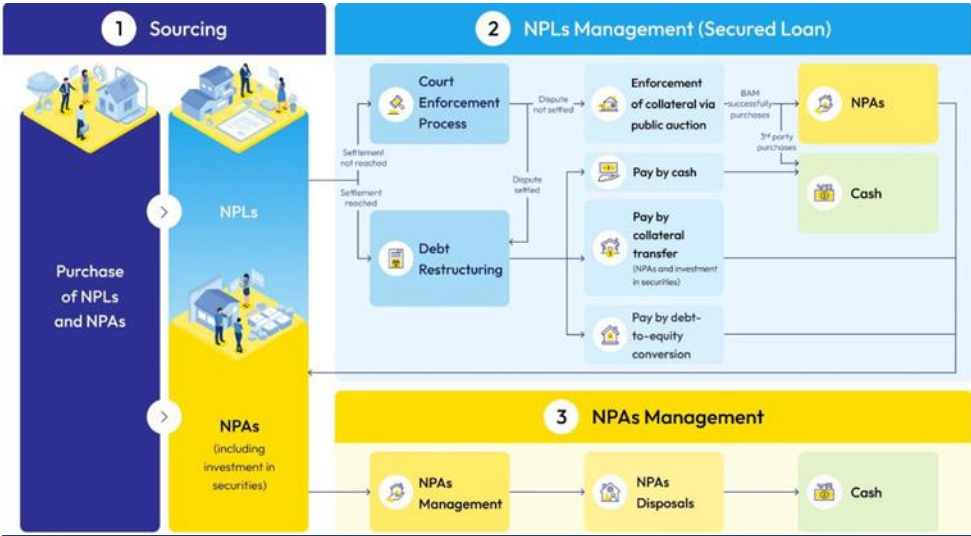
In terms of NPAs, BAM is shifting its NPA sales strategy from simple assets to actively marketing NPAs as an investment opportunity. The company is promoting three potential return sources for buyers:

1. Immediate purchase discounts: NPAs are being offered at c10-16% below appraised value as well as zero percent financing, supported by targeted promotions and campaigns.
2. Long-term capital appreciation: Buyers are encouraged to view purchased properties as medium- to long-term investments, with BAM highlighting potential price recovery as the property market stabilizes.
3. Rental opportunities: For income-seeking investors, BAM promotes the potential to generate stable rental yields, particularly in urban and tourist-heavy areas.

Furthermore, BAM has signed MOUs with two new partners so far in 2025, namely Vbeyond Development PCL and Siamese Asset PCL. These partnerships aim to enhance BAM's ability to efficiently convert NPA inventory into cash collections by leveraging the partners' marketing channels for greater asset exposure. Moreover, through initiatives such as "fix-and-flip" strategies, residential NPA assets can be refurbished into move-in ready properties at reasonable prices, adding value and increasing resale potential.

We view these developments as positive and supportive of long-term growth, however in the near term there are some caveats. The effectiveness of these initiatives depends heavily on macro sentiment and buyers' confidence in the property market, both of which remain soft in the near term. The coming quarters and years will be critical in assessing the effectiveness of Dr. Rak's turnaround strategy for BAM, as executing such initiatives in the current macro and policy environment presents significant operational and execution challenges.

Exhibit 9: Example of BAM's zero financing on NPAs

Source: BAM

Exhibit 10: BAM and Siamese Asset partnership plan

Source: BAM

FINANSIA
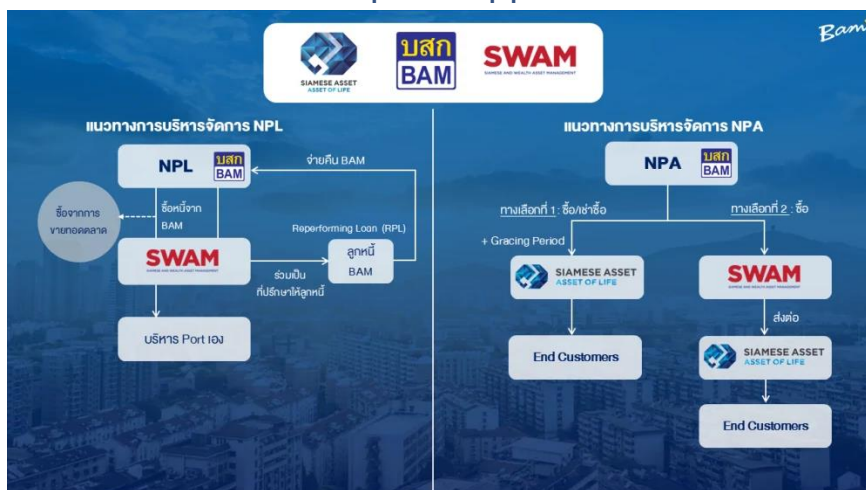
A soft macro backdrop to pressure collections

With more clarity on the Trump tariff situation, where we expect tariffs on Thai exports will likely be ranging between 19-36% (c19-20% being in line with rates imposed on other SEA countries such as Vietnam, Indonesia, and the Philippines), we believe sluggish Thai GDP growth appears inevitable. With multiple research houses now expecting sub-2% GDP growth in 2025 and 2026. The National Economic and Social Development Council (NESDC), for instance, expects US tax measures to weigh on export performance and erode investor confidence, thereby dampening private investment. Consequently, the latest 2025 projection shows Thai GDP growth in the range of 1.3-2.3% (down from the 2.3-3.3% range), with a median estimate of 1.8%. Adding to the pressure, Thai household debt, though gradually declining, remains elevated at approximately 87% of GDP, leaving consumers with limited capacity for discretionary spending.

Exhibit 11: NESDC's 2025 Thai GDP growth projection, as of May 19; multiple downward revisions, namely investment and private consumption

	----------- Actual data -----------			----- Projection for 2025 -----	
	2022	**2023**	**2024**	**17-Feb-25**	**19-May-25**
GDP Growth (%)	**2.6**	**2.0**	**2.5**	**2.3 – 3.3**	**1.3 – 2.3**
Investment (%)	2.2	1.2	0.0	3.6	0.9
Private (%)	4.6	3.1	(1.6)	3.2	(0.7)
Public (%)	(3.9)	(4.2)	4.8	4.7	5.5
Private consumption (%)	6.2	6.9	4.4	3.3	2.4
Government Consumption (%)	0.1	(4.7)	2.5	1.3	1.3
Export Volume (%)	6.2	2.4	7.8	5.3	3.5
Import Volume (%)	3.4	(2.5)	6.3	3.5	0.4

Sources: NESDC; FSSIA compilation

Exhibit 12: Thai household debt to GDP, 1Q15-1Q25; gradually declining from the peak in 2021, but still elevated compared to pre-COVID-19 levels

(%)
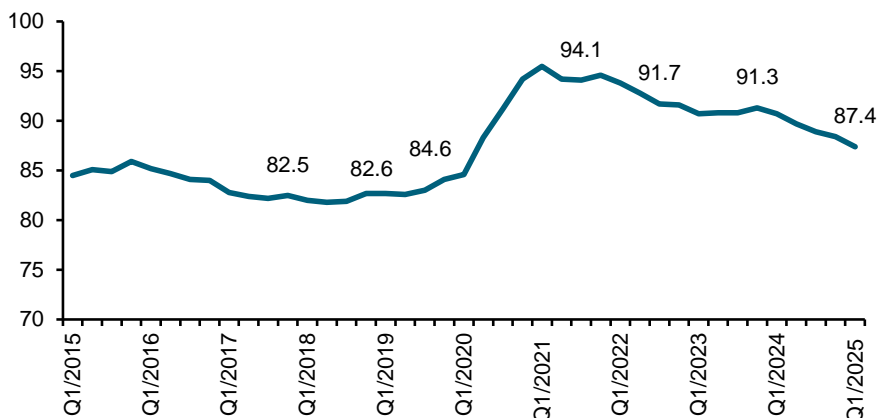
Sources: BOT; FSSIA compilation

While Dr. Rak's "TDR Factory" initiative supports long-term NPL collection growth, near-term challenges remain, in our view. In the current weak macroeconomic environment, we believe that such concessions may weigh on near-term performance. More generous repayment terms could risk lengthening amortization on NPLs and delay gains to be realized from collections, particularly as debtors' repayment capacities remain limited. However, one key advantage for BAM, as the largest AMC operator with the biggest asset share, is its active participation in the NPL market. We anticipate that its scale will allow BAM to acquire NPLs at relatively attractive prices, which could help offset some of the pressure from its flexible debt restructuring strategy. This is particularly true in the current environment, where the NPL supply is expected to remain high due to persistent macro headwinds in the Thai economy.

FINANSIA

Exhibit 13: AMC industry asset shares, as of Dec 2024; BAM remains a leading player in the industry with 45% of AMC industry's total assets
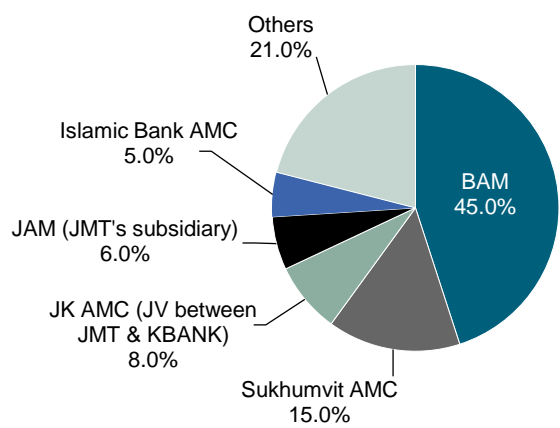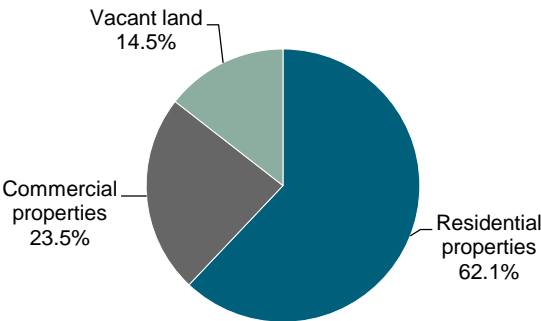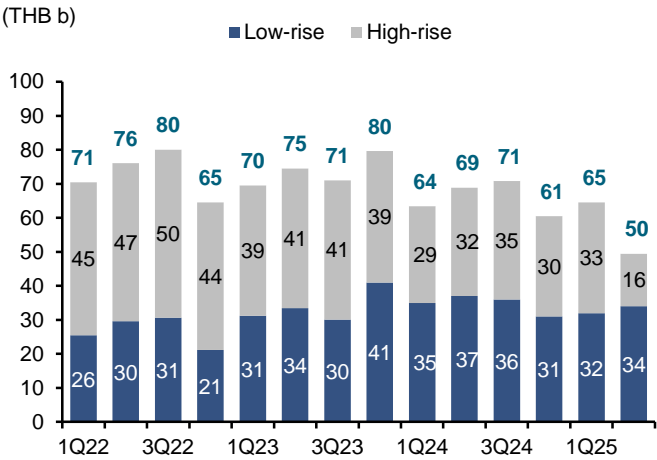

Sources: BAM; FSSIA compilation

From an NPA standpoint, despite optimism surrounding BAM's new partnerships, we remain cautious. Thailand's residential property market has yet to show clear signs of recovery, with 2Q25 presales projected to plunge 23% q-q and 28% y-y to an 18-quarter low of THB50.2b. High-rises such as condominiums have been hit the hardest, with 2Q25E presales dropping to just THB16b, further pressured by disruptions following the earthquake in late March. Meanwhile, low-rise properties appear to be much more resilient to the challenging macro backdrop, partly supported by a shift in demand from condo buyers.

Exhibit 14: Property sector quarterly presales, 1Q24-2Q25E

Sources: Company data; FSSIA estimates

Exhibit 15: BAM's NPA breakdown as of 1Q25

Sources: BAM: FSSIA compilation

In our view, the fragile property market environment could continue to weigh on NPA sales momentum, limiting the immediate earnings impact from BAM's new partnerships. However, there is some room for optimism. For one, we estimate that condominiums account for only 5-7% of BAM's residential NPA portfolio, suggesting room for better-than-expected NPA sales given the resilient demand for low-rise properties. Furthermore, we expect that the newly appointed Bank of Thailand (BOT) governor, Mr. Vitai Ratanakorn, will adopt a more business-friendly stance, with the potential for multiple rate cuts going forward. The recent relaxation of mortgage LTV rules to 110%, effective through 2Q26, may also provide marginal support to NPA sales by easing financing constraints for buyers.

FINANSIA

Nevertheless, overall financial conditions ultimately depend on banks' lending appetite, and most commercial banks under our coverage are reporting negative YTD loan growth, as they shift focus from yield generation to balance sheet protection, favoring lower-risk corporate lending. Ultimately, while we expect a sound 2025 collection of cTHB17.8b (+18% y-y) from BAM based on two large-ticket collections in 2Q25, we remain prudent in our 2026-27 estimates. Subsequently, we expect BAM to post 2026 and 2027 collections of THB15.5bn (-13% y-y) and THB16.4bn (+5% y-y), respectively.

Exhibit 16: Loan growth of commercial banks under our coverage, %YTD 6M25; negative loan growth on aggregate of -1.1% YTD
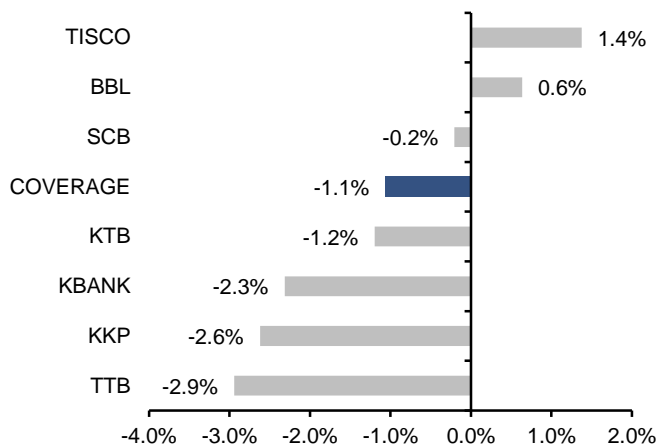
Sources: Company data; FSSIA compilation

Exhibit 17:   Collection mix, 2020-27E; 18% growth in 2025 collection from two large-ticket collections worth THB4.25b
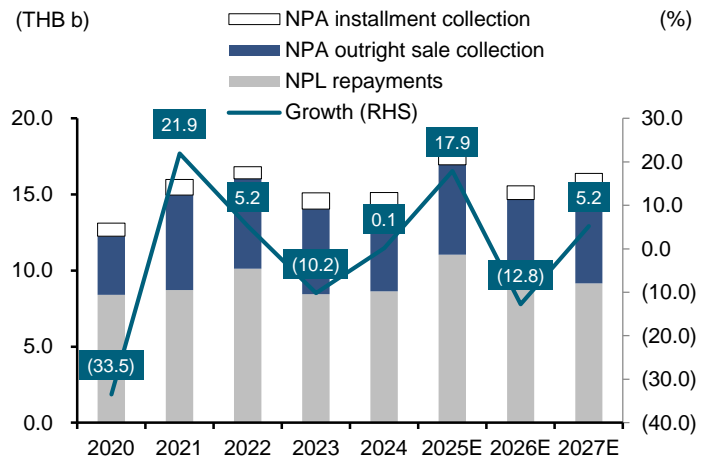
Sources: BAM; FSSIA estimates

Exhibit 18: Collection-to-asset ratio, 2019-27E
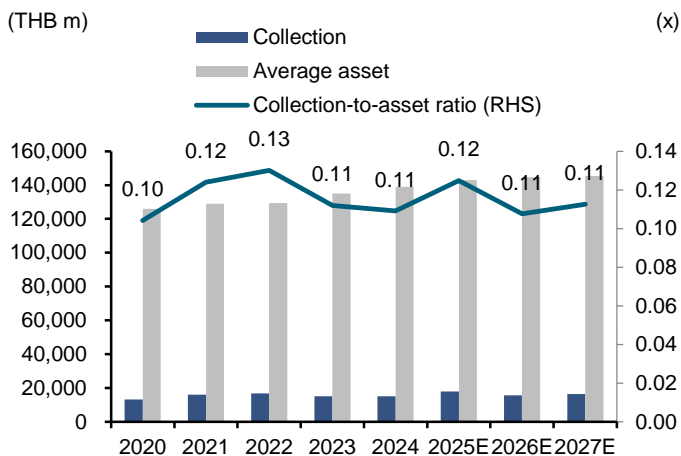
Sources: BAM; FSSIA estimates

Exhibit 19: Income-to-collection ratio, 2019-27E
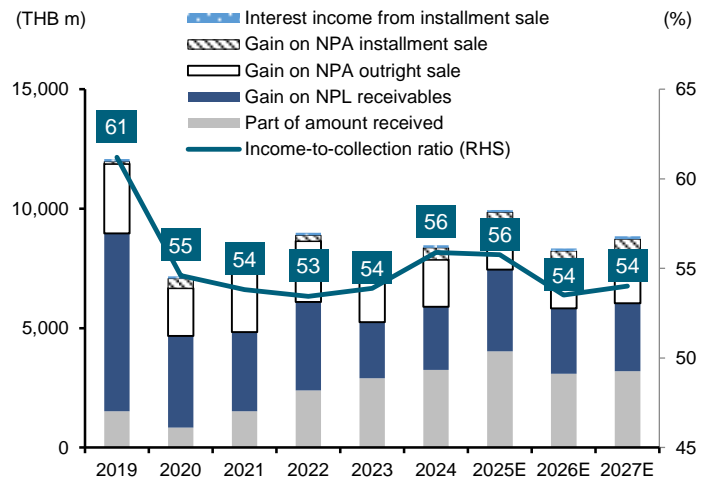
Sources: BAM; FSSIA estimates

In terms of collection efficiency, BAM's historical collection-to-asset ratio averages c0.11-0.12x, while its income-to-collection ratio stands at c53-56%. We believe that any sustained acceleration in these metrics through 2025-27 above these ranges could suggest that initiatives under Dr. Rak's leadership are beginning to yield results, presenting potential upside risk to our current HOLD call despite the macro headwinds.

FINANSIA

Flat investment in NPL growth despite expected supply surge

According to the BOT, NPLs across the Thai financial system rose 1.5% y-y to approximately THB510bn in 1Q25, pushing the system-wide NPL ratio to 2.82%. Meanwhile, special mentioned (SM) loans also increased substantially by 9.8% y-y to cTHB1.2tr, with the SM loan ratio increasing above 6.7%. Dr. Rak projects that a portion of these SM loans could migrate into NPLs by year-end, creating a significant opportunity for distressed asset players such as BAM to capitalize on through strategic NPL acquisitions.

Exhibit 20: SM loans and NPL ratio in Thai financial institution system, 1Q15-1Q25; SM loans above 6.7% of total loans as of 1Q25
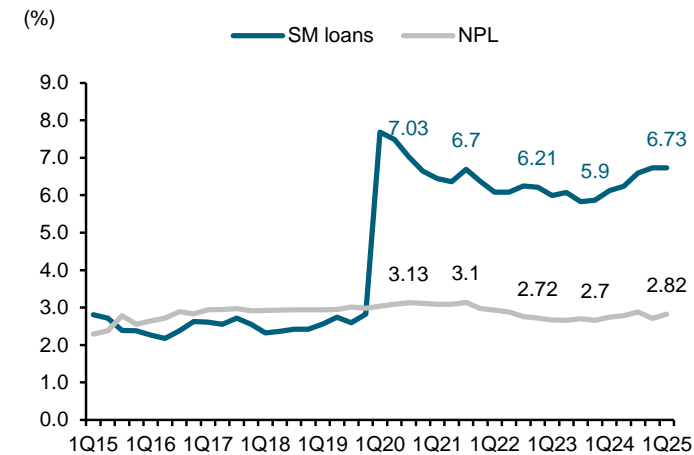
Sources: BOT; FSSIA compilation

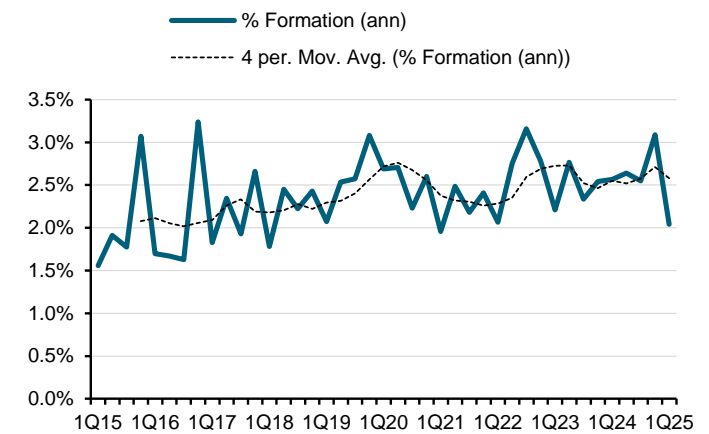**Exhibit 21: Commercial banks' NPL outflow, 1Q15-1Q25; outflow rate could remain stagnant due to loan forbearance programs**
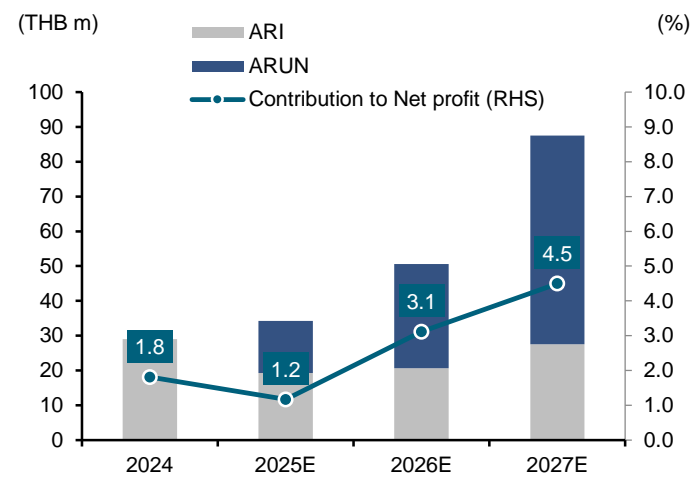

Sources: BOT; FSSIA compilation

While we view this as a positive development in terms of investment, some risks remain. Financial institutions may continue to prioritize internal debt restructuring over writing off NPLs for auction, either voluntarily or through government initiatives such as the "You Fight, We Help" program. Given the current macroeconomic environment, the emergence of similar government support programs would not be unexpected. This could slow NPL acquisition momentum for BAM and limit the available NPL supply in the market.

Nonetheless, BAM can still gain early access to financial institutions' NPLs through its joint-venture AMCs. BAM's JV with Kasikornbank (Arun) and with Government Savings Bank (Ari) was established to expand BAM's reach into a higher volume of NPLs while sharing risk with its financial institution partners. Contributions from these JVs remain small at this stage (cTHB8m, 3.7% of net profit in 1Q25), as they are likely still in the ramp-up phase, having only been formed in late 2024. We expect their contribution to increase over time as operations scale up and more NPL portfolios are channeled through them.

That said, we still expect BAM to benefit meaningfully from the anticipated rise in NPL supply, supported by its scale and active market presence. However, given several factors limiting BAM's funding capacity, which we address in the following section, BAM is likely to remain pragmatic and selective in its acquisitions, prioritizing NPLs with attractive pricing, strategic locations, and strong recovery potential, rather than simply targeting higher volumes. Thus, we expect a stable investment rate from BAM at c9.0-9.3% throughout 2025, 2026, and 2027, translating to a nominal investment of cTHB8bn in each year.

FINANSIA

Exhibit 22: JVs' contribution to net profit, 2024-27E

(THB m)   (%)

Legend: ARI, ARUN, Contribution to Net profit (RHS)

Values shown: 1.8 (2024), 1.2 (2025E), 3.1 (2026E), 4.5 (2027E)

Sources: BAM; FSSIA estimates

Exhibit 23: Investment in NPLs and investment rate, 2019-27E

(THB b)   (%)

Legend: Investment in NPLs, Investment rate (RHS)

Values shown: 15.7 (2019), 12.7 (2020), 4.3 (2021), 9.9 (2022), 17.7 (2023), 9.1 (2024), 9.3 (2025E), 9.3 (2026E), 9.0 (2027E)

Sources: BAM; FSSIA estimates

FINANSIA
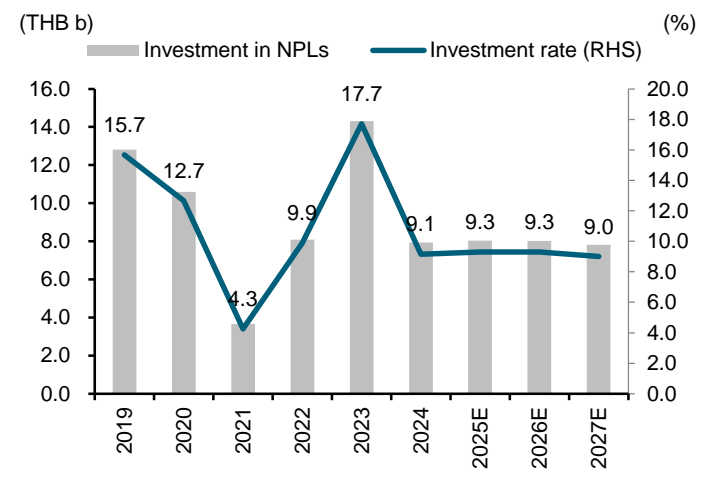
A delicate balance between funding, leverage, and capital preservation

We foresee limits to BAM's ability to pursue NPL acquisitions in the upcoming period. To start, BAM's leverage profile has already been edging higher, with its D/E ratio rising from the low 2x range in 2022 to around 2.2x by the end of 2024. Looking ahead, we expect collection headwinds in 2H25 and 2026 stemming from weaker economic growth and the weak property market, which are likely to pressure both BAM's internal cash flow and profitability. In this context, we believe that aggressively levering up to acquire NPLs may not yield immediate returns—the higher interest expenses would burden earnings without guaranteeing faster collections or recovery in the near term.

Capital preservation adds yet another layer of complexity. BAM has maintained a high dividend payout ratio of c65-80% and is a constituent of a high-dividend index (SETHD), making dividend stability an important market signal for the company, in our view. We believe that any initiative to cut dividends in order to alleviate its interest burden or to fund aggressive NPL purchases could weigh heavily on investor sentiment, particularly given the recent TRIS credit rating outlook downgrade from stable to negative (current rating: A-), a signal of heightened pressure on BAM's financial flexibility.

As such, we expect BAM's management to remain cautious on incremental leverage in the near term, prioritizing stability and shareholder payouts over rapid NPL portfolio expansion. We expect BAM's D/E ratio to remain relatively stable (in the range of 2.22x to 2.15x) over the next three years. The company is likely to wait for clearer visibility on the collection trend before materially scaling up acquisitions. Likewise, we expect BAM's cost of funds to be benign, declining gradually from 3.50% in 2024 to around 3.42% in 2025 and 3.38% in 2026, reflecting the BOT's rate cuts implemented in late 2024 and the further cuts expected in 2025. Lastly, we expect a stable DPR of c70% for the next three years, given BAM's objective to build confidence among shareholders.

Exhibit 24: D/E ratio, 2019-27E
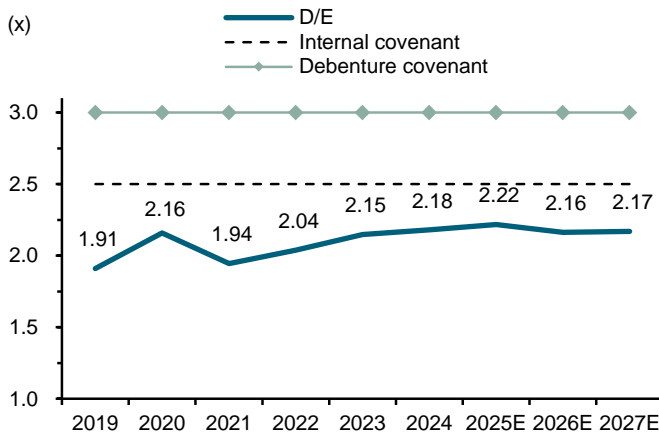
Sources: BAM; FSSIA estimates

Exhibit 25: Interest expense and cost of funds, 2019-27E
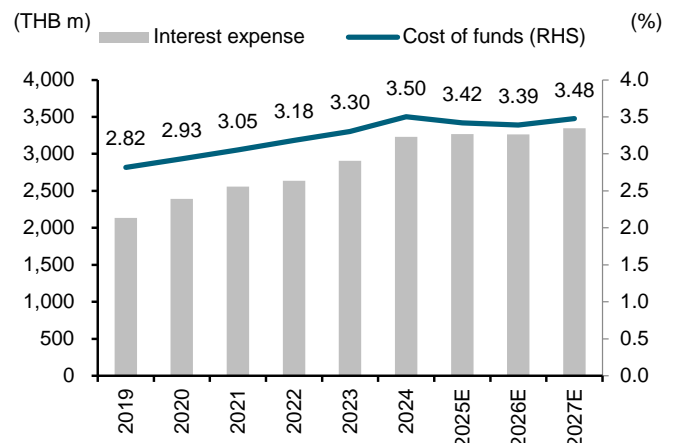
Sources: BAM; FSSIA estimates

Exhibit 26: DPS and DPR, 2019-27E

Sources: BAM; FSSIA estimates

FINANSIA

2Q25E earnings preview

We expect BAM to post a 2Q25 net profit of approximately THB1,707m, a significant increase of 690% q-q and 274% y-y, driven primarily by large-ticket NPL and NPA collections totaling THB4.25b during the period (NPL: THB2.8b, NPA: THB1.45b). We estimate total collections for the quarter to reach around THB7,359m, representing a substantial rise of 131% q-q and 87% y-y, which would push 1H25 collections to approximately THB10.5b, accounting for 59% of BAM's full-year 2025 collection target of THB17.8b.

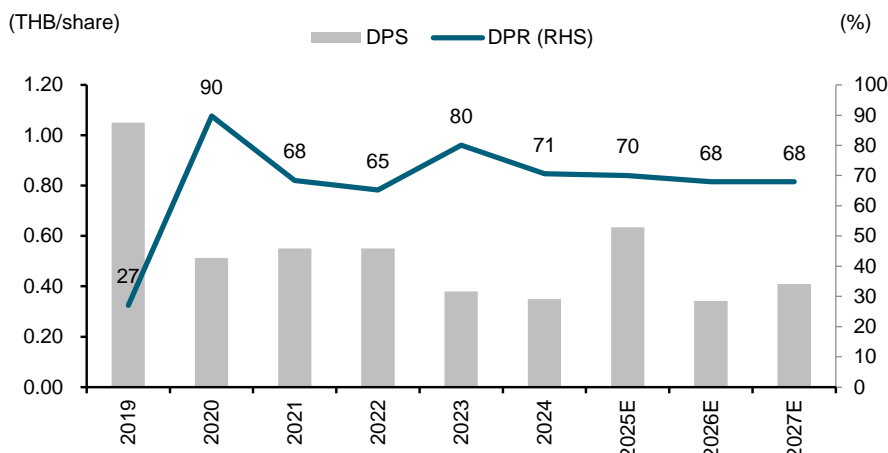Net interest income, supported by the large NPL collections, is expected to rise to THB3,131m (84% q-q and 76% y-y), while total non-interest income, driven by the sizable NPA transactions, is projected to increase to cTHB1,000m (114% q-q and 23% y-y).

NPL investments for the quarter are also expected to increase q-q to cTHB3.4b from zero in 1Q25, as BAM did not deploy cash for NPL acquisitions in 1Q25 due to delayed auctions by financial institutions, which hindered timely due diligence. These postponed acquisitions are now likely to be recognized in 2Q25.

Exhibit 27:   BAM – 2Q25 earnings preview

| | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25E | --------- Change -------- | | % of | 2025E | Change |
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	25E	(THB m)	(y-y %)
Interest income from NPLs receivables	2,552	2,543	2,509	2,480	3,930	58	54	56%	11,430	13.2
Interest income from installment loans	15	33	21	23	27	19	82	50%	101	(11.9)
Other interest income	10	-	(3)	15	1	(93)	(90)	41%	39	(533.3)
Total interest income	2,577	2,576	2,527	2,518	3,958	57	54	56%	11,570	13.4
Interest expense	(802)	(764)	(894)	(813)	(827)	2	3	50%	(3,269)	1.2
Net interest income	1,775	1,812	1,633	1,705	3,131	84	76	58%	8,301	19.1
Gain on NPA sales	693	385	463	327	852	161	23	58%	2,027	2.2
Gain on installment loans	100	113	181	65	89	37	(12)	41%	371	(24.0)
Share of profit from JV	-	-	29	8	9	21	-	50%	34	18.1
Other non-interest income	23	25	52	68	51	(25)	125	47%	254	127.7
Total non-interest income	816	523	725	467	1,002	114	23	55%	2,687	2.8
Operating expenses	(730)	(714)	(790)	(635)	(785)	24	8	48%	(2,957)	1.5
ECL expense	(1,296)	(1,312)	(1,011)	(1,267)	(1,240)	(2)	(4)	55%	(4,518)	(4.2)
Pre-tax profit	565	309	557	271	2,108	678	273	68%	3,512	80.2
Income tax	(109)	(49)	(93)	(55)	(400)	634	268	78%	(580)	67.5
Net profit	456	260	464	216	1,707	690	274	66%	2,932	82.9
EPS (THB)	0.14	0.08	0.14	0.07	0.53	690	274	66%	0.91	82.9
Cash collection										
NPL cash collection	1,973	2,162	2,326	1,955	4,514	130.9	128.8	59%	11,037	27.9
NPA cash collection	1,973	1,255	1,925	1,237	2,846	130.1	44.2	60%	6,807	4.2
Total cash collection	3,945	3,417	4,251	3,192	7,359	130.6	86.5	59%	17,844	17.7
Key balance sheet items										
Gross NPL receivables	88,424	88,093	86,417	84,919	84,682	(0.3)	(4.2)		86,313	(0.1)
Gross NPA	46,903	47,174	47,453	47,728	47,161	(1.2)	0.5		48,942	3.0
Additional acquisition	4,558	1,711	464	0	3,397	-	(25.5)		8,037	1.4
Key financial ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt, q-q)	(ppt, y-y)		(%)	(ppt, y-y)
Cost-to-income ratio	28.2	30.6	33.5	29.2	18.99	(10.2)	(9.2)		26.91	(3.5)
Cost of funds	3.5	3.3	3.8	3.5	3.58	0.1	0.1		3.42	(0.1)
Income-to-collection ratio	56.6	57.3	50.3	55.0	52	(3.2)	(4.8)		55.76	(0.1)
Net profit margin	13.45	8.37	14.26	7.24	34.42	27.2	21.0		20.57	8.1
ROA	1.32	0.74	1.32	0.62	1.22	0.6	(0.1)		2.05	0.9
ROE	4.17	2.38	4.22	1.95	3.77	1.8	(0.4)		6.56	2.9
D/E (x)	2.23	2.20	2.18	2.12	2.07	(0.1)	(0.2)		2.22	0.0

Sources: BAM; FSSIA estimates

FINANSIA

Exhibit 28:   BAM – operating performance by segment

| | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25E | --------- Change --------- | | % of | 2025E | Change |
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	25E	(THB m)	(y-y %)
Revenue from NPL management	2,552	2,543	2,509	2,480	3,930	58.5	54.0	56%	11,430	13.2
Part of amount received	733	817	826	727	1,535	111.1	109.4	56%	4,029	24.0
Part of accrued NPL receivables	1,128	1,116	1,036	1,140	1,086	(4.7)	(3.7)	56%	3,980	(5.4)
Gain on NPL receivables	691	610	647	613	1,309	113.5	89.4	56%	3,421	29.7
Revenue from NPA management	808	531	664	415	968	133.6	19.8	55%	2,500	(3.4)
Gain on NPAs	693	385	463	327	852	161.0	23.0	58%	2,027	2.2
Interest income from installment loans	15	33	21	23	27	18.8	82.1	50%	101	(11.9)
Gain on installment loans	100	113	181	65	89	36.7	(11.5)	41%	371	(24.0)

Sources: BAM; FSSIA estimates

Exhibit 29:   Collection mix, 1Q22-2Q25E: spike in 2Q25 collection from two large ticket collections worth THB4.25bn
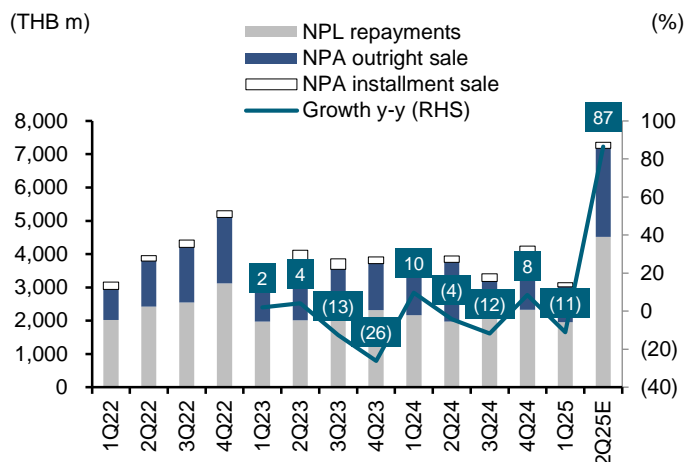
Sources: BAM; FSSIA compilation

Exhibit 30:   1H25E collection vs BAM's 2025 target
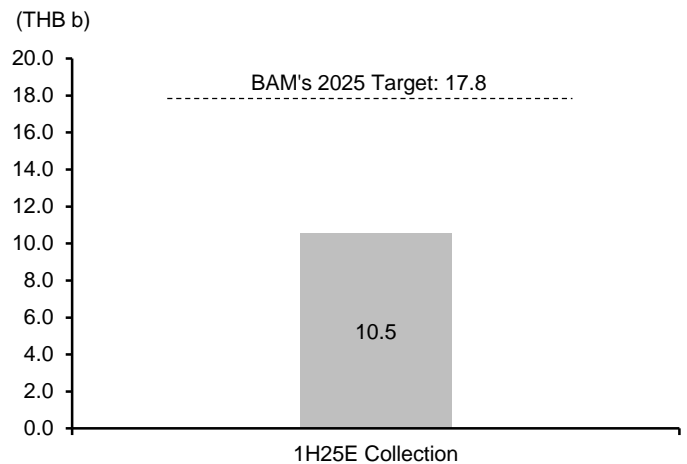
Sources: BAM; FSSIA estimates

Exhibit 31: Net interest income, 1Q22-2Q25E
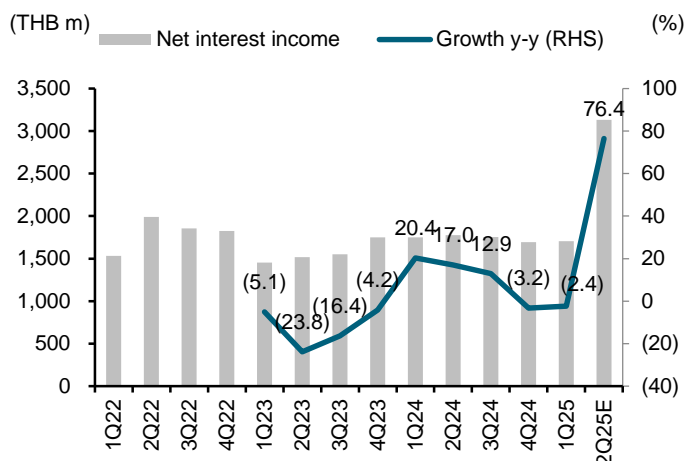
Sources: BAM; FSSIA estimates

Exhibit 32: Non-interest income, 1Q22-2Q25E

Sources: BAM; FSSIA estimates

FINANSIA

Exhibit 33: Investment in NPLs and investment rate, 1Q22-2Q25E

Sources: BAM; FSSIA estimates

FINANSIA

Financial Statements

Bangkok Commercial Asset Mngt.

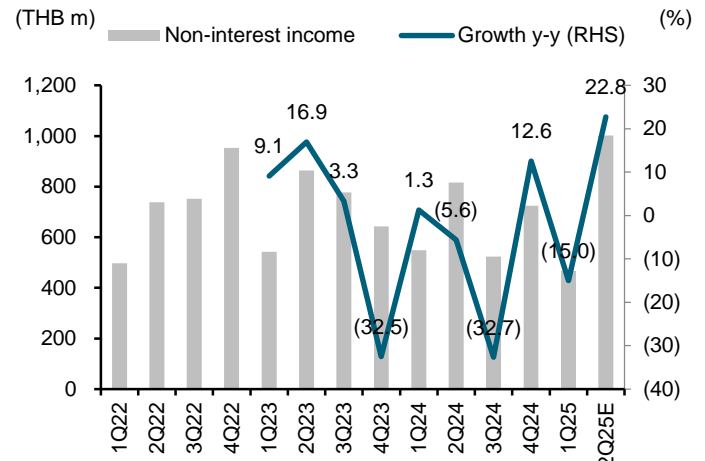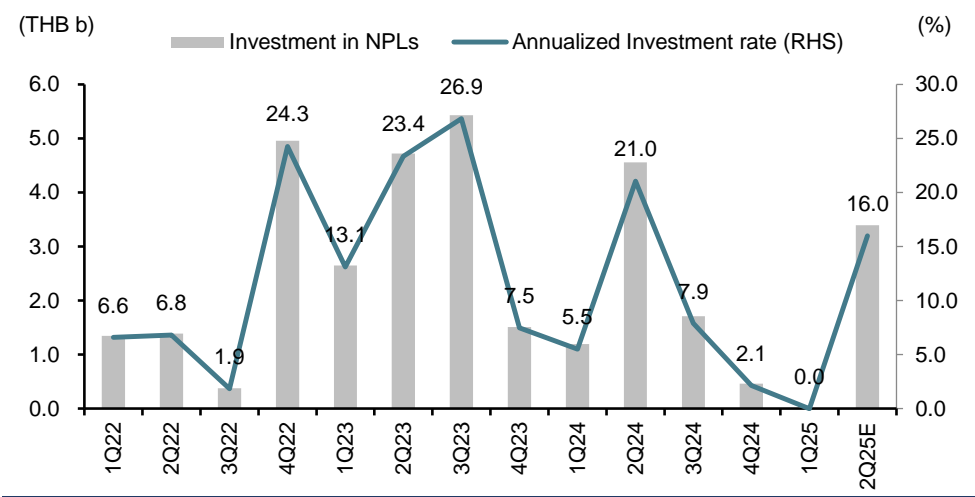| Profit and Loss (THB m) Year Ending Mar	2023	2024	2025E	2026E	2027E
Interest Income	9,177	10,199	11,570	9,905	10,154
Interest expense	(2,908)	(3,231)	(3,269)	(3,262)	(3,348)
Net interest income	6,269	6,968	8,301	6,643	6,807
Net fees & commission	-	-	-	-	-
Foreign exchange trading income	-	-	-	-	-
Securities trading income	-	-	-	-	-
Dividend income	-	-	-	-	-
Other income	2,827	2,613	2,687	2,585	2,912
Non interest income	2,827	2,613	2,687	2,585	2,912
Total income	9,096	9,581	10,988	9,228	9,718
Staff costs	-	-	-	-	-
Other operating costs	(3,028)	(2,914)	(2,957)	(2,912)	(2,997)
Operating costs	(3,028)	(2,914)	(2,957)	(2,912)	(2,997)
Pre provision operating profit	6,068	6,667	8,031	6,316	6,721
Expected credit loss	(4,225)	(4,717)	(4,518)	(4,367)	(4,389)
Other provisions	-	-	-	-	-
Operating profit	1,843	1,949	3,512	1,948	2,332
Recurring non operating income	-	-	-	-	-
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	1,843	1,949	3,512	1,948	2,332
Tax	(309)	(347)	(580)	(322)	(385)
Profit after tax	1,534	1,603	2,932	1,626	1,947
Non-controlling interest	-	-	-	-	-
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	1,534	1,603	2,932	1,626	1,947
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	1,534	1,603	2,932	1,626	1,947
Per share (THB)					
Recurring EPS *	0.47	0.50	0.91	0.50	0.60
Reported EPS	0.47	0.50	0.91	0.50	0.60
DPS	0.38	0.35	0.64	0.34	0.41
Growth					
Net interest income (%)	(12.9)	11.2	19.1	(20.0)	2.5
Non interest income (%)	(3.9)	(7.6)	2.8	(3.8)	12.6
Pre provision operating profit (%)	(16.4)	9.9	20.5	(21.4)	6.4
Operating profit (%)	(42.5)	5.8	80.2	(44.5)	19.7
Reported net profit (%)	(43.7)	4.5	82.9	(44.5)	19.7
Recurring EPS (%)	(43.7)	4.5	82.9	(44.5)	19.7
Reported EPS (%)	(43.7)	4.5	82.9	(44.5)	19.7
Income Breakdown					
Net interest income (%)	68.9	72.7	75.5	72.0	70.0
Net fees & commission (%)	-	-	-	-	-
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	-	-	-	-	-
Dividend income (%)	-	-	-	-	-
Other income (%)	31.1	27.3	24.5	28.0	30.0
Operating performance					
Gross interest yield (%)	-	-	-	-	-
Cost of funds (%)	3.30	3.50	3.42	3.39	3.48
Net interest spread (%)	(3.30)	(3.50)	(3.42)	(3.39)	(3.48)
Net interest margin (%)	-	-	-	-	-
Cost/income(%)	33.3	30.4	26.9	31.6	30.8
Cost/assets(%)	2.2	2.1	2.1	2.0	2.1
Effective tax rate (%)	16.8	17.8	16.5	16.5	16.5
Dividend payout on recurring profit (%)	80.1	70.6	70.0	68.0	68.0
ROE (%)	3.5	3.6	6.6	3.6	4.2
ROE - COE (%)	(8.7)	(8.6)	(5.6)	(8.6)	(8.0)
ROA (%)	1.1	1.2	2.1	1.1	1.3
RORWA (%)	-	-	-	-	-

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok Commercial Asset Mngt.; FSSIA estimates

FINANSIA

Financial Statements
Bangkok Commercial Asset Mngt.

Balance Sheet (THB m) Year Ending Mar	2023	2024	2025E	2026E	2027E
Gross customer loans	86,575	86,417	86,313	86,860	86,874
Allowance for expected credit loss	(25,667)	(30,171)	(34,151)	(38,124)	(42,107)
interest in suspense	17,051	21,257	25,237	29,210	33,193
Net customer loans	**77,959**	**77,503**	**77,399**	**77,946**	**77,960**
Bank loans	-	-	-	-	-
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	459	736	724	731	753
Cash & equivalents	107	93	104	81	84
Other interesting assets	37,316	39,821	43,305	40,971	41,981
Tangible fixed assets	1,190	1,155	1,171	1,189	1,207
Associates	-	666	700	751	838
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	20,284	20,661	21,712	22,610	23,733
Total assets	**137,315**	**140,634**	**145,116**	**144,279**	**146,556**
Customer deposits	-	-	-	-	-
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	90,518	93,912	97,317	95,077	97,553
Non interest bearing liabilities	3,167	2,498	2,694	3,577	2,754
Hybrid Capital	-	-	-	-	-
Total liabilities	**93,685**	**96,410**	**100,011**	**98,654**	**100,307**
Share capital	16,160	16,160	16,160	16,160	16,160
Reserves	27,469	28,065	28,945	29,465	30,088
Total equity	**43,629**	**44,225**	**45,105**	**45,626**	**46,249**
Non-controlling interest	-	-	-	-	-
Total liabilities & equity	**137,315**	**140,635**	**145,116**	**144,280**	**146,556**
Supplementary items					
Risk weighted assets (RWA)	n/a	n/a	n/a	n/a	n/a
Average interest earning assets	n/a	n/a	n/a	n/a	n/a
Average interest bearing liabilities	88,035	92,215	95,614	96,197	96,315
CET 1 capital	n/a	n/a	n/a	n/a	n/a
Total capital	0	0	0	0	0
Gross non performing loans (NPL)	n/a	n/a	n/a	n/a	n/a
Per share (THB)					
Book value per share	13.50	13.68	13.96	14.12	14.31
Tangible book value per share	13.50	13.68	13.96	14.12	14.31
Growth					
Gross customer loans	7.1	(0.2)	(0.1)	0.6	0.0
Average interest earning assets	-	-	-	-	-
Total asset (%)	3.4	2.4	3.2	(0.6)	1.6
Risk weighted assets (%)	-	-	-	-	-
Customer deposits (%)	-	-	-	-	-
Leverage & capital measures					
Customer loan/deposits (%)	-	-	-	-	-
Equity/assets (%)	31.8	31.4	31.1	31.6	31.6
Tangible equity/assets (%)	31.8	31.4	31.1	31.6	31.6
RWA/assets (%)	-	-	-	-	-
CET 1 CAR (%)	-	-	-	-	-
Total CAR (%)	-	-	-	-	-
Asset Quality (FSSIA's calculation)					
Change in NPL (%)	-	-	-	-	-
NPL/gross loans (%)	-	-	-	-	-
Allowance for ECL/gross loans (%)	29.6	34.9	39.6	43.9	48.5
Allowance for ECL/NPL (%)	-	-	-	-	-

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	17.0	16.2	8.9	16.0	13.4
Recurring P/E @ target price (x) *	14.4	13.8	7.6	13.6	11.4
Reported P/E (x)	17.0	16.2	8.9	16.0	13.4
Dividend yield (%)	4.7	4.3	7.9	4.3	5.1
Price/book (x)	0.6	0.6	0.6	0.6	0.6
Price/tangible book (x)	0.6	0.6	0.6	0.6	0.6
Price/tangible book @ target price (x)	0.5	0.5	0.5	0.5	0.5

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok Commercial Asset Mngt.; FSSIA estimates

FINANSIA

Bangkok Commercial Asset Mngt. (BAM TB)

<div style="border: box">

FSSIA ESG rating

★ ★ ★

</div>

55.19 /100

Exhibit 34: 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 35: ESG – peer comparison

	FSSIA	------------------ Domestic ratings -----------------------						--------------------------------- Global ratings -------------------------						--- Bloomberg ---	
	ESG score	DJSI	SET THSI	THSI	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
BAM	55.19	--	Y	Y	5.00	4.00	Certified	Medium	47.11	B	--	49.29	14.00	2.88	54.79
CHAYO	13.00	--	--	--	4.00	4.00	--	--	--	--	--	--	--	--	--
JMT	35.60	--	--	--	4.00	5.00	Declared	Medium	--	BBB	--	12.70	13.00	--	39.90

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 36: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	**—**	**—**	**2.16**	**2.88**
BESG environmental pillar score	—	—	0.00	0.00
BESG social pillar score	—	—	2.08	3.50
BESG governance pillar score	—	—	4.46	4.59
ESG disclosure score	**30.85**	**37.10**	**45.20**	**54.79**
Environmental disclosure score	0.00	14.38	32.35	55.45
Social disclosure score	11.28	15.66	22.01	27.72
Governance disclosure score	81.10	81.10	81.10	81.10
Environmental				
Emissions reduction initiatives	No	No	Yes	Yes
Climate change policy	No	No	No	No
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	No	No	No
GHG scope 1	—	—	0	0
GHG scope 2 location-based	—	—	1	1
GHG Scope 3	—	—	2	0
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	No	No	Yes	Yes
Total energy consumption	—	—	10	3
Renewable energy use	—	—	0	0
Electricity used	—	—	7	2
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

FINANSIA

Exhibit 37: 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	No	No	Yes	Yes
Hazardous waste	—	—	0	0
Total waste	—	—	0	0
Waste recycled	—	—	—	0
Waste sent to landfills	—	—	—	—
Environmental supply chain management	No	Yes	Yes	Yes
Water policy	No	No	No	Yes
Water consumption	—	—	30	28
Social				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No
Consumer data protection policy	No	Yes	Yes	Yes
Equal opportunity policy	No	No	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	—	—	53	55
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
Total recordable incident rate - employees	—	—	—	—
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	1,297	1,291	1,285	1,285
Employee turnover pct	—	—	—	8
Total hours spent by firm - employee training	—	—	39,835	43,690
Social supply chain management	No	Yes	Yes	Yes
Governance				
Board size	**10**	**10**	**9**	**11**
No. of independent directors (ID)	**4**	**4**	**4**	**5**
No. of women on board	3	3	2	2
No. of non-executive directors on board	7	6	6	10
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	22	19	15	15
Board meeting attendance pct	92	98	99	97
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	47	48	49	50
Age of the oldest director	64	65	66	67
No. of executives / company managers	**7**	**9**	**9**	**8**
No. of female executives	1	2	2	2
Executive share ownership guidelines	No	No	No	No
Size of audit committee	**4**	**4**	**4**	**4**
No. of ID on audit committee	4	4	4	4
Audit committee meetings	18	16	16	16
Audit meeting attendance %	85	98	97	97
Size of compensation committee	**3**	**4**	**3**	**4**
No. of ID on compensation committee	1	2	2	3
No. of compensation committee meetings	14	17	12	14
Compensation meeting attendance %	98	100	100	98
Size of nomination committee	**3**	**4**	**3**	**4**
No. of nomination committee meetings	14	17	12	14
Nomination meeting attendance %	98	100	100	98
Sustainability governance				
Verification type	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

FINANSIA

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	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

ESG score	Methodology	Rating
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	**Leader:**	leading its industry in managing the most significant ESG risks and opportunities
AA	7.143-8.570		
A	5.714-7.142		
BBB	4.286-5.713	**Average:**	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
BB	2.857-4.285		
B	1.429-2.856		
CCC	0.000-1.428	**Laggard:**	lagging its industry based on its high exposure and failure to manage significant ESG risks

ESG score	Methodology	
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

FINANSIA

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.

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Bangkok Commercial Asset Mngt. (BAM TB)
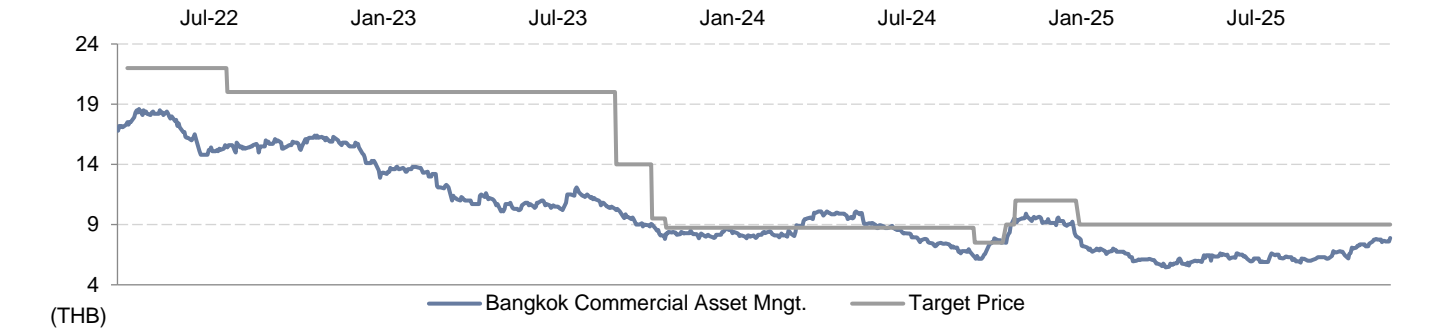
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-Aug-2022	BUY	22.00	14-Nov-2023	HOLD	8.75	09-Sep-2024	BUY	11.00
02-Nov-2022	BUY	20.00	05-Aug-2024	HOLD	7.50	01-Nov-2024	HOLD	9.00
02-Oct-2023	BUY	14.00	15-Aug-2024	BUY	7.50			
02-Nov-2023	HOLD	9.50	30-Aug-2024	BUY	9.00			

Nathapol Pongsukcharoenkul started covering this stock from 31-Jul-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Commercial Asset Mngt.	BAM TB	THB 8.05	HOLD	Downside risks to our GGM-based TP include 1) lower cash collection than estimated; 2) lower-than-expected bad debt acquisition; and 3) a downturn in the property market. Upsides include 1) better-than-expected economic conditions and debt repayment momentum; and 2) an acceleration in the demand for NPAs.

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 30-Jul-2025 unless otherwise stated.

FINANSIA

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.