

KRUNG THAI BANK KTB TB

THAILAND / BANKING

BUY
UNCHANGED

Positive drivers remain

- ปัจจัยบวกต่อ KTB ในมุมมองของเรา ได้แก่ 1) การขยายตัวของสินเชื่อ 2) รายได้ที่ไม่ใช่ดอกเบี้ย (non-NII) ที่แข็งแกร่ง และ 3) ต้นทุนความเสี่ยงด้านเครดิตที่อยู่ในระดับต่ำที่ 110–120 bps
- เราคาดว่า KTB จะทำ ROE ได้ในช่วง 9–10% พร้อมกับให้ Dividend yield ราว 6%
- คงคำแนะนำ “ซื้อ” ที่ราคาเป้าหมายใหม่ 29 บาท โดย KTB เป็นหนึ่งในหุ้นเด่นที่เราเลือก

โมเมนตัมเชิงบวกยังคงอยู่

เราคาดว่า KTB จะสามารถรักษาโมเมนตัมเชิงบวกได้ในช่วงปี 2025–2027 โดยได้รับแรงหนุนจาก 1) การขยายตัวของสินเชื่อในอัตรา 2–3% ซึ่งขับเคลื่อนโดยสินเชื่อภาครัฐ รัฐวิสาหกิจ (SOEs) และสินเชื่อรายย่อย 2) รายได้ที่ไม่ใช่ดอกเบี้ย (non-NII) ที่เพิ่มขึ้น รวมถึงกำไรจากการปรับมูลค่าทรัพย์สินของหุ้น THAI และบริการดิจิทัล 3) คุณภาพสินทรัพย์ที่อยู่ในระดับแข็งแกร่ง โดยมีต้นทุนเครดิตราว 110–120bps เทียบกับค่าเฉลี่ยกลุ่มที่ 143bps และ 4) อัตราผลตอบแทนเงินปันผลที่คาดว่าจะอยู่ในระดับสูงราว 6%

คุณภาพสินทรัพย์ที่รอบคอบ หนุนต้นทุนเครดิตต่ำ

ต้นทุนเครดิตของ KTB ใน 1H25 อยู่ที่ 124bp โดยเรามองว่า KTB ยังมีโอกาสปรับลดต้นทุนเครดิตลงได้ใน 2H25 จากคุณภาพสินทรัพย์ที่แข็งแกร่ง และการกลับรายการสำรองหนี้สูญบางส่วนจากการฟื้นฟูกิจการของ THAI หากเงินกู้กลับมาสู่ขั้นลูกหนี้ปกติ or Stage I (คาดการณ์เดือนก.ย. 2025) ประกอบกับแนวโน้มการก่อตัวของ NPL ที่ปรับตัวดีขึ้นอย่างต่อเนื่องในช่วง 3 ปีที่ผ่านมา และสัดส่วนเงินกู้จำนวนมากที่มีความเสี่ยงผิดนัดชำระใกล้เคียงศูนย์ (กล่าวคือเงินกู้ที่เกี่ยวข้องกับภาครัฐราว 20% ของพอร์ตสินเชื่อทั้งหมด) เราจึงคาดว่าต้นทุนเครดิตของ KTB จะอยู่ที่ระดับ 110–120bp ในช่วงปี 2025–2027.

คาด ROE ที่ 9-10% พร้อม Dividend Yield รว 6%

ในด้านการบริหารทุน KTB จะยังคงรักษานโยบายการจ่ายปันผลในอัตราสูงที่ประมาณ 6% ดังนั้น เราจึงยังคงคาดการณ์อัตราจ่ายปันผล (payout ratio) ที่ราว 50% และ ROE ที่ระดับ 9-10% สำหรับปี 2025–2027 ซึ่งระดับ ROE ดังกล่าวอาจสูงที่สุดในกลุ่มธนาคารขนาดใหญ่ของไทย ตามมุมมองของเรา โดยที่ KTB มีอัตราส่วนเงินกองทุนชั้นที่ 1 (CET1) อยู่ที่ 19.5% และอัตราส่วนเงินกองทุนรวม (CAR) อยู่ที่ 21.4% ในปี 2025 ซึ่งเป็นระดับสูงสุดในกลุ่มอุตสาหกรรม เราจึงเชื่อว่าอัตราจ่ายปันผล 50% ของ KTB สามารถรักษาไว้ได้ต่อเนื่องในช่วงปี 2025–2027

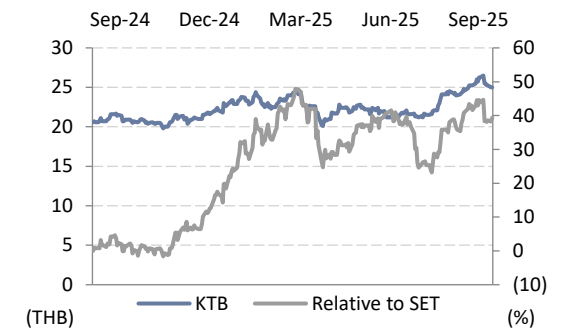
ปรับประมาณการ; คงคำแนะนำ “ซื้อ” พร้อมราคาเป้าหมายใหม่ที่ 29.00 บาท

เราปรับเพิ่มประมาณการกำไรสุทธิปี 2025 ขึ้น 8% เพื่อสะท้อนกำไรจากการถือหุ้น THAI ที่สูงขึ้น แต่ได้ปรับลดประมาณการกำไรปี 2026–2027 ลง 3–10% เป็นหลัก เนื่องจากคาดการณ์ NIM ที่ลดลงตามวัฏจักรดอกเบี้ยขาลง หลังการปรับประมาณการกำไร พร้อมกับการคาดการณ์ ROE ที่สูงขึ้นใกล้เคียงระดับ 10% เราได้ปรับเลื่อนราคาเป้าหมายอ้างอิง GGM ไปสิ้นปี 2026 อยู่ที่ 29.00 บาท (จากเดิม 25.80 บาท) ซึ่งสะท้อนค่า P/BV ปี 2026E ที่ 0.83 เท่า (อิง COE ที่ 10.0% และ ROE ที่ 8.6%) เรายังคงคำแนะนำ “ซื้อ” หุ้น KTB ในฐานะหุ้นเด่นของกลุ่มธนาคารร่วมกับ KBANK

TARGET PRICE	THB29.00
CLOSE	THB25.00
UP/DOWNSIDE	+16.0%
PRIOR TP	THB25.80
CHANGE IN TP	+12.4%
TP vs CONSENSUS	+8.2%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Operating profit	59,255	62,929	60,382	59,957
Net profit	43,856	46,568	44,682	44,368
EPS (THB)	3.14	3.33	3.20	3.17
vs Consensus (%)	-	4.8	2.8	(3.6)
Recurring net profit	43,856	46,568	44,682	44,368
Core EPS (THB)	3.14	3.33	3.20	3.17
Chg. In EPS est. (%)	-	7.5	(3.0)	(9.6)
EPS growth (%)	19.8	6.2	(4.0)	(0.7)
Core P/E (x)	8.0	7.5	7.8	7.9
Dividend yield (%)	6.2	6.5	6.3	6.2
Price/book (x)	0.8	0.7	0.7	0.7
ROE (%)	10.4	10.2	9.3	8.8
ROA (%)	1.3	1.3	1.2	1.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	4.2	17.9	20.8
Relative to country (%)	2.5	(1.6)	37.3
Mkt cap (USD m)	10,981		
3m avg. daily turnover (USD m)	36.2		
Free float (%)	45		
Major shareholder	FIDF (55%)		
12m high/low (THB)	26.50/19.70		
Issued shares (m)	13,976		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

We expect KTB to maintain positive momentum in 2025-27, supported by:

- Continued loan expansion of 2-3%, driven by government-, state-owned enterprises (SOEs) and retail loan segments;
- Higher non-interest income (non-NII), including marked-to-market gains from THAI's shares, mutual fund fees and digital services;
- Benign asset quality conditions with credit costs of c120bp;
- A high dividend payout ratio of c50%. Accordingly, we expect KTB's ROE to be 9-10% in 2025-26, the highest level among the top five large Thai banks.

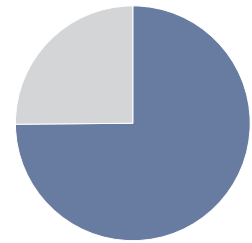
Company profile

Krung Thai Bank began operations in 1966 and in 1989 was the first privatised state enterprise to be listed on the SET. Key focuses for KTB are retail loans (mortgage, personal loans, credit cards) and government-related segment.

www.ktb.co.th

Principal activities (revenue, 2024)

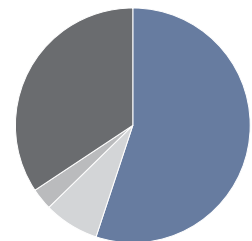
- Net interest income - 74.9 %
- Non-interest income - 25.1 %



Source: Krung Thai Bank

Major shareholders

- FIDF - 55.1 %
- Thai NVDR - 7.6 %
- EGAT Saving and Credit Cooperative Limited - 3.0 %
- Others - 34.3 %



Source: Krung Thai Bank

Catalysts

- Stronger loan demand across retail, corporate and government-related segments.
- Lower-than-expected impact from interest rate cuts.
- A better-than-expected non-NII from bancassurance and digital engagement.
- Benign asset quality with credit cost remaining low.

Risks to our call

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

Event calendar

Date	Event
Oct 2025	3Q25 results announcement
Jan 2026	4Q25 results announcement
Feb 2026	2025 DPS announcement

Key assumptions

Key assumptions (%)	2025E	2026E	2027E
Loan growth	2.19	2.40	2.40
NIM	2.97	2.97	2.96
Cost-to-income ratio	41.73	42.87	42.96
Credit cost	1.20	1.10	1.10
NPL ratio	3.62	3.60	3.57
ROE	10.21	9.31	8.82

Source: FSSIA estimates

Earnings sensitivity

		----- 2026E -----		
Loan growth (%)	±1ppt	1.40	2.40	3.40
<i>% change in net profit</i>		(0.7)		0.7
NIM (%)	±5bp	2.92	2.97	3.02
<i>% change in net profit</i>		(4.2)		4.2
Cost-to-income ratio (%)	±1ppt	41.87	42.87	43.87
<i>% change in net profit</i>		3.6		(3.6)
Credit cost (bp)	±10bp	100	110	120
<i>% change in net profit</i>		6.2		(6.2)

Source: FSSIA estimates

Positive drivers remain

Exhibit 1: KTB – GGM based 2026 TP

Target price calculation based on Gordon Growth Model (GGM)			
Sustainable ROE	8.6%	Cost of Equity (COE) calculation	
COE	10.0%	Risk Free Rate	3.0%
Long-term growth (g)	2.0%	Market Risk Premium	7.0%
Derived P/BV multiple (x)	0.83	Equity Beta (x)	1.00
		COE	10.0%
Dec 2026E BV per share (THB)	35.15		
Derived target price (THB)	29.00		

Source: FSSIA estimates

Exhibit 2: KTB's target price sensitivity

ROE	Growth rate assumption				
	0.0%	1.0%	2.0%	3.0%	4.0%
6.6%	23.2	21.9	20.2	18.1	15.2
7.6%	26.7	25.8	24.6	23.1	21.1
8.6%	30.2	29.7	29.0	28.1	26.9
9.6%	33.7	33.6	33.4	33.1	32.8
10.6%	37.3	37.5	37.8	38.2	38.7

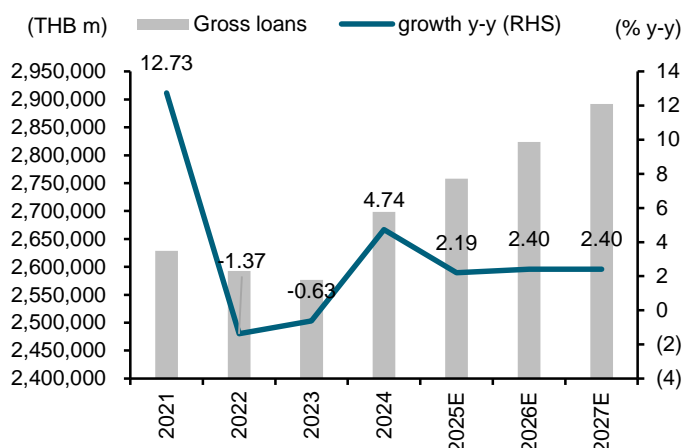
Source: FSSIA estimates

Exhibit 3: 2025-27 earnings revisions

	Revised forecast			Previous forecast			Change		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Net interest income	107,979	110,653	112,607	112,340	114,378	117,556	-3.9%	-3.3%	-4.2%
Non-interest income	56,383	48,924	47,763	45,131	47,092	49,185	24.9%	3.9%	-2.9%
PPOP	95,771	91,159	91,473	88,880	93,052	97,843	7.8%	-2.0%	-6.5%
Loan loss provisions	32,842	30,777	31,516	30,337	30,777	31,516	8.3%	0.0%	0.0%
Net profit	46,568	44,682	44,368	43,322	46,083	49,083	7.5%	-3.0%	-9.6%
Key ratio							(ppt)	(ppt)	(ppt)
NIM (%)	2.97	2.97	2.96	3.09	3.07	3.09	(0.12)	(0.10)	(0.13)
Cost to income (%)	41.73	42.87	42.96	43.56	42.37	41.32	(1.83)	0.50	1.64
ROA (%)	1.23	1.15	1.11	1.14	1.18	1.23	0.09	(0.04)	(0.12)
ROE (%)	10.21	9.31	8.82	9.52	9.63	9.75	0.69	(0.32)	(0.93)
Credit cost (%)	1.20	1.10	1.10	1.11	1.10	1.10	0.09	0.00	0.00
Loan growth (%)	2.19	2.40	2.40	2.19	2.40	2.40	0.00	0.00	0.00
Net profit growth (%)	6.18	-4.05	-0.70	-1.22	6.37	6.51	7.40	(10.42)	(7.21)

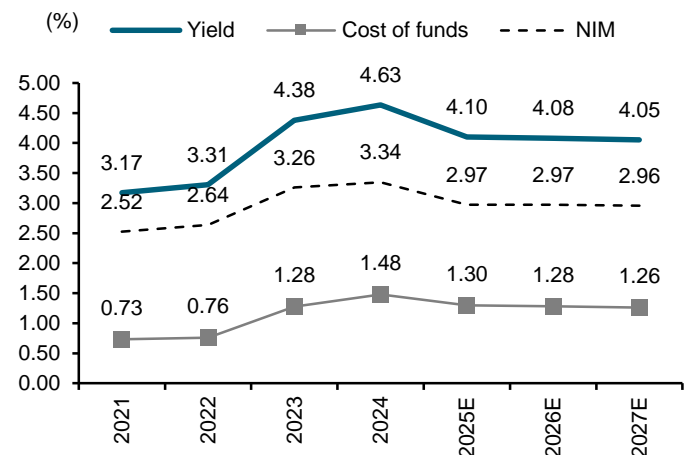
Source: FSSIA estimates

Exhibit 4: KTB's loan growth



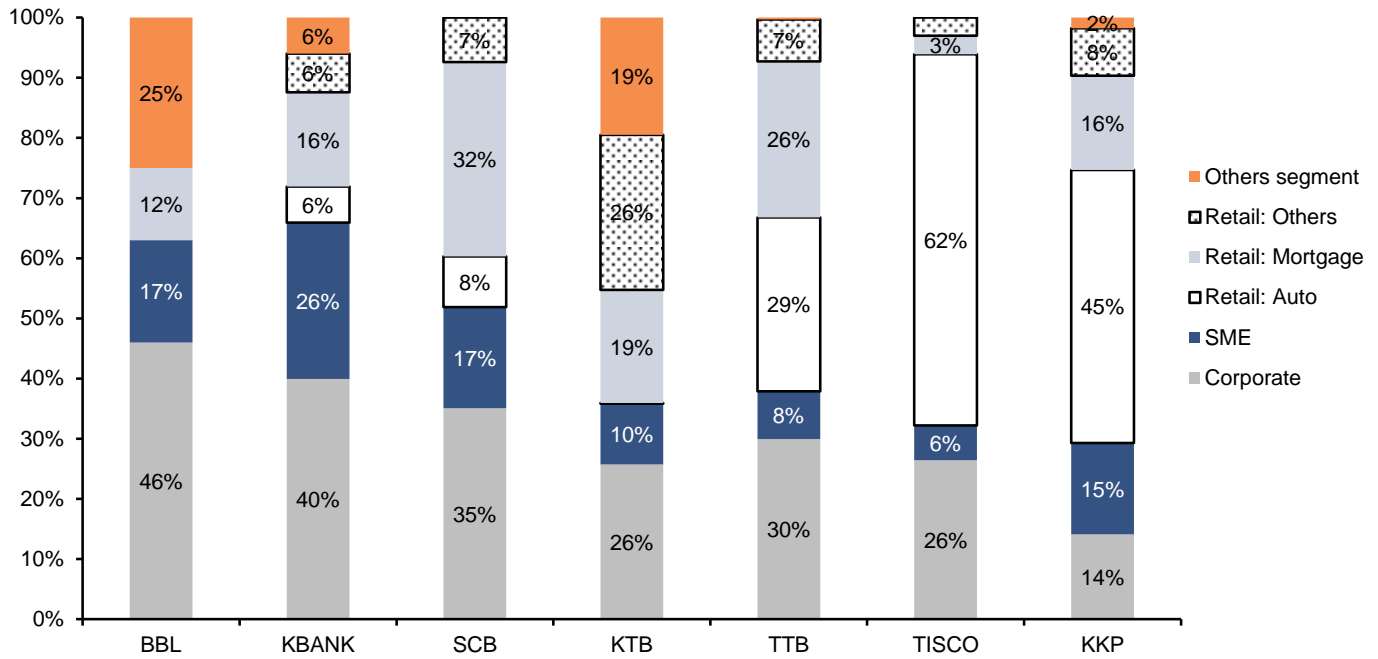
Sources: KTB, FSSIA estimates

Exhibit 5: Yield, cost of funds and NIM



Sources: KTB, FSSIA estimates

Exhibit 6: Thai banks' loan breakdown – almost 20% of KTB's loans are government and state-owned enterprises (SOEs) with near-zero probability of default



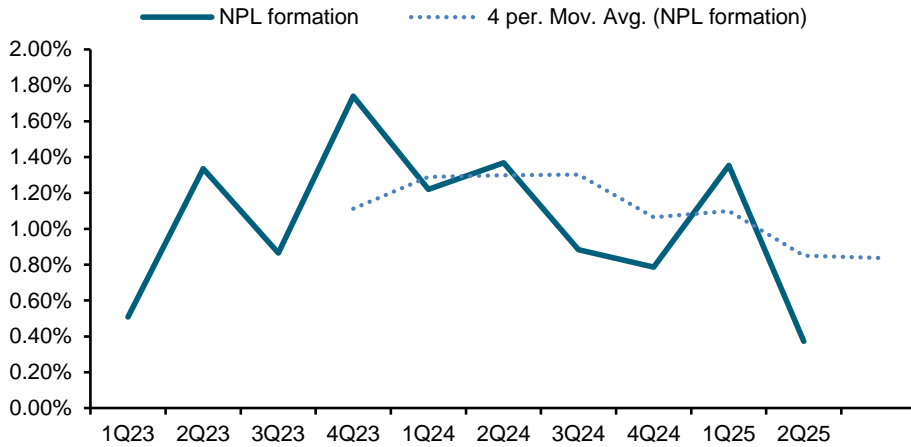
Sources: Banks' company data, FSSIA compilation

On the positive side, KTB aims to penetrate quality retail loans, such as home-for-cash products for salaried employees and payroll-linked personal loans, both with a controllable risk profile. We believe these products will support a stable loan balance for KTB. Another driver of loan growth, in our view, could be government-related lending. Management sees high demand in this segment from the Public Debt Management Office (PDMO). However, KTB noted that pricing is very competitive among state banks.

For NIM management, we think the major pressure will come from 1) a policy rate cut to 1.0% by Jun-26 (vs. 1.5% in Sep-25); and 2) a change in loan mix, with more government-related loans that generate very low yields. On the other hand, greater penetration of quality retail loans and downward repricing of fixed deposits should partly offset NIM pressure, in our view.

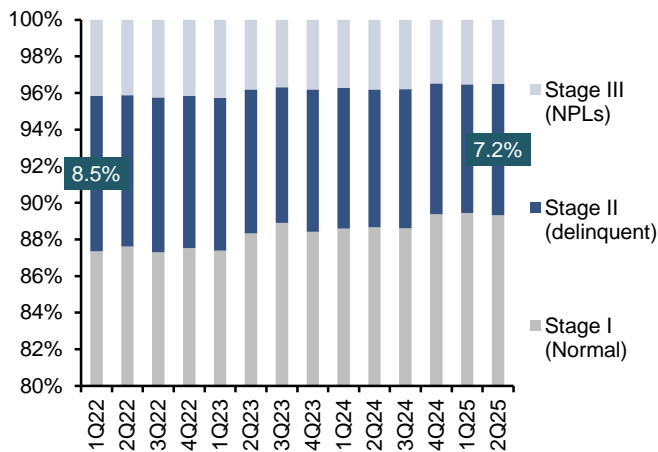
KTB's CEO maintains his commitment to launching a virtual bank (expected to start operations in 2Q26), underpinned by Thailand's large underground economy (c50% of GDP), a strong ecosystem with AIS and OR, and robust user engagement on the Paotang e-wallet, which has more than 40m users. We expect the contribution from the virtual bank to be minimal in 2026E, as profits will be recognized as associates' contributions and initial profitability will be limited by high start-up costs.

Exhibit 7: KTB's NPL formation rate and trendline (4-period moving average)



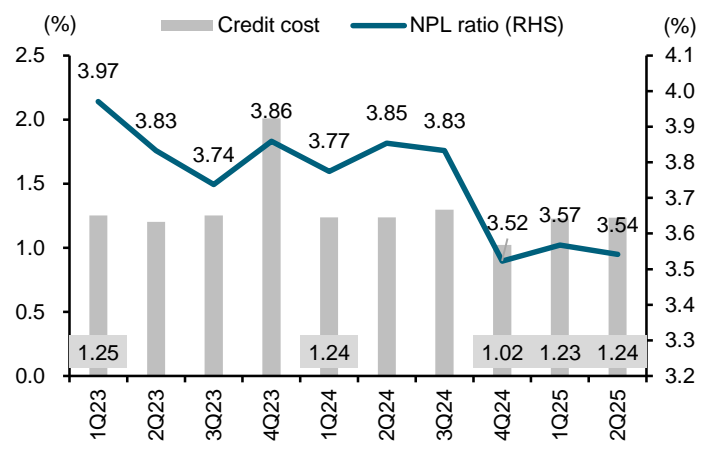
Sources: KTB, FSSIA's compilation

Exhibit 8: Lower proportion of stage II loans (delinquent) ...



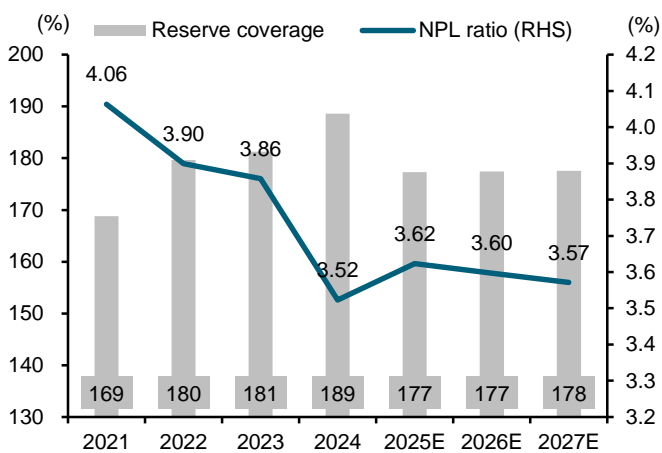
Sources: KTB, FSSIA compilation

Exhibit 9: ... as well as a lower NPL ratio



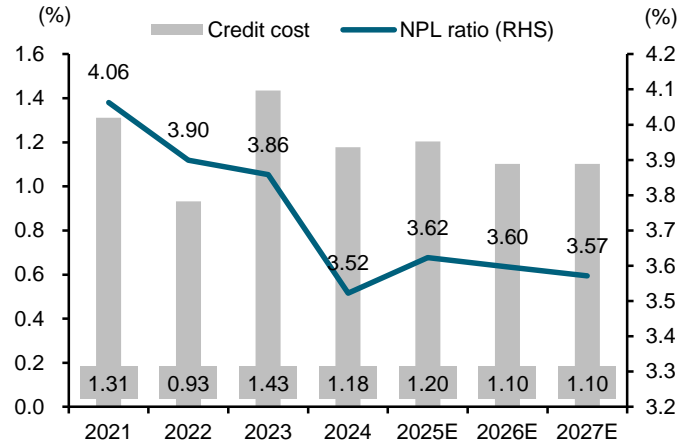
Sources: KTB, FSSIA compilation

Exhibit 10: High reserve coverage and lower NPL ratio ...



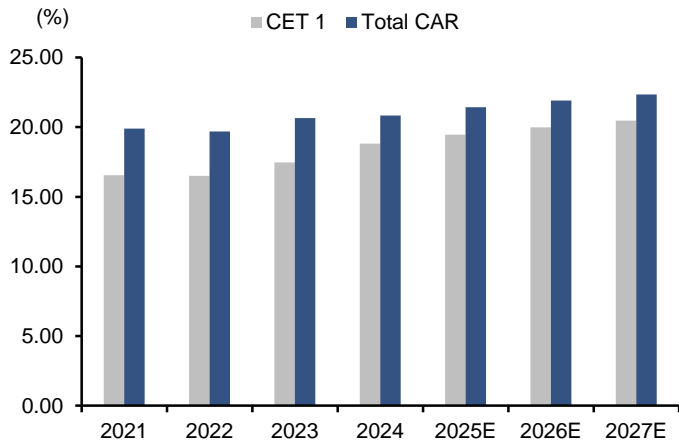
Sources: KTB, FSSIA estimates

Exhibit 11: ... allows KTB to lower credit costs to 110-120bp in 2025-27



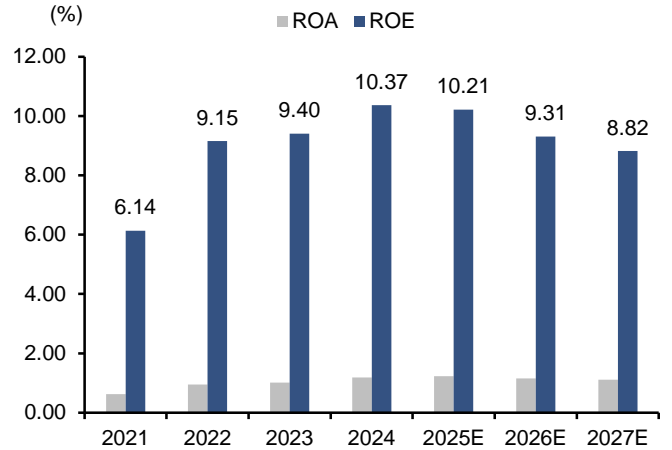
Sources: KTB, FSSIA estimates

Exhibit 12: Sufficient capital base with CET around 20%



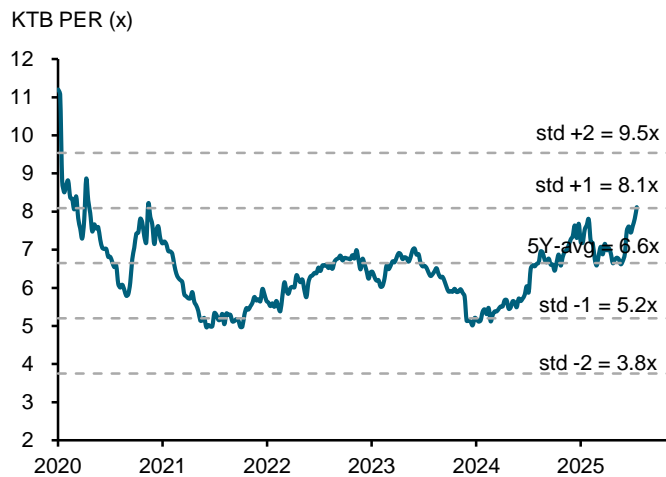
Sources: KTB, FSSIA estimates

Exhibit 13: ROA and ROE



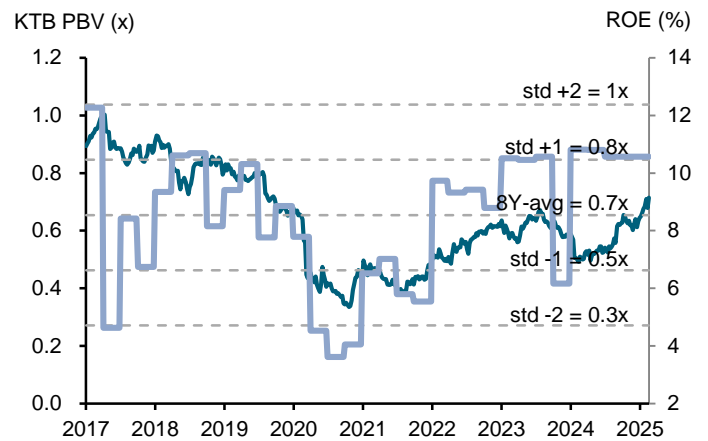
Sources: KTB, FSSIA estimates

Exhibit 14: KTB – one-year prospective P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 15: KTB – one-year prospective P/BV band



Sources: Bloomberg, FSSIA estimates

Financial Statements

Krung Thai Bank

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Interest Income	152,369	165,105	149,013	151,974	154,173
Interest expense	(38,949)	(45,990)	(41,034)	(41,321)	(41,565)
Net interest income	113,419	119,115	107,979	110,653	112,607
Net fees & commission	20,872	22,282	23,483	24,747	26,077
Foreign exchange trading income	5,178	4,703	5,408	5,679	5,963
Securities trading income	195	891	909	927	945
Dividend income	319	384	396	408	420
Other income	9,481	11,727	26,187	17,164	14,357
Non interest income	36,046	39,988	56,383	48,924	47,763
Total income	149,465	159,102	164,362	159,577	160,370
Staff costs	(26,133)	(27,374)	(26,826)	(26,290)	(26,290)
Other operating costs	(36,024)	(41,404)	(41,765)	(42,129)	(42,608)
Operating costs	(62,157)	(68,778)	(68,591)	(68,419)	(68,898)
Pre provision operating profit	87,309	90,324	95,771	91,159	91,473
Expected credit loss	(37,085)	(31,070)	(32,842)	(30,777)	(31,516)
Other provisions	-	-	-	-	-
Operating profit	50,223	59,255	62,929	60,382	59,957
Recurring non operating income	0	0	0	0	-
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	50,223	59,255	62,929	60,382	59,957
Tax	(9,902)	(11,576)	(12,586)	(12,076)	(11,991)
Profit after tax	40,321	47,679	50,343	48,305	47,966
Non-controlling interest	(3,705)	(3,823)	(3,776)	(3,623)	(3,597)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	36,616	43,856	46,568	44,682	44,368
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	36,616	43,856	46,568	44,682	44,368
Per share (THB)					
Recurring EPS *	2.62	3.14	3.33	3.20	3.17
Reported EPS	2.62	3.14	3.33	3.20	3.17
DPS	0.87	1.55	1.63	1.57	1.56
Growth					
Net interest income (%)	25.5	5.0	(9.3)	2.5	1.8
Non interest income (%)	3.0	10.9	41.0	(13.2)	(2.4)
Pre provision operating profit (%)	23.6	3.5	6.0	(4.8)	0.3
Operating profit (%)	8.5	18.0	6.2	(4.0)	(0.7)
Reported net profit (%)	8.7	19.8	6.2	(4.0)	(0.7)
Recurring EPS (%)	8.7	19.8	6.2	(4.0)	(0.7)
Reported EPS (%)	8.7	19.8	6.2	(4.0)	(0.7)
Income Breakdown					
Net interest income (%)	75.9	74.9	65.7	69.3	70.2
Net fees & commission (%)	14.0	14.0	14.3	15.5	16.3
Foreign exchange trading income (%)	3.5	3.0	3.3	3.6	3.7
Securities trading income (%)	0.1	0.6	0.6	0.6	0.6
Dividend income (%)	0.2	0.2	0.2	0.3	0.3
Other income (%)	6.3	7.4	15.9	10.8	9.0
Operating performance					
Gross interest yield (%)	4.38	4.63	4.10	4.08	4.05
Cost of funds (%)	1.28	1.48	1.30	1.28	1.26
Net interest spread (%)	3.10	3.15	2.80	2.80	2.79
Net interest margin (%)	3.3	3.3	3.0	3.0	3.0
Cost/income(%)	41.6	43.2	41.7	42.9	43.0
Cost/assets(%)	1.7	1.9	1.8	1.8	1.7
Effective tax rate (%)	19.7	19.5	20.0	20.0	20.0
Dividend payout on recurring profit (%)	33.1	49.3	49.0	49.0	49.0
ROE (%)	9.4	10.4	10.2	9.3	8.8
ROE - COE (%)	(0.6)	0.4	0.2	(0.7)	(1.2)
ROA (%)	1.1	1.3	1.3	1.2	1.2
RORWA (%)	2.0	2.4	2.5	2.3	2.3

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Krung Thai Bank; FSSIA estimates

Financial Statements

Krung Thai Bank

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Gross customer loans	2,576,516	2,698,611	2,757,813	2,824,001	2,891,777
Allowance for expected credit loss	(173,317)	(173,879)	(177,163)	(180,241)	(183,392)
interest in suspense	22,909	24,343	24,825	25,139	25,742
Net customer loans	2,426,108	2,549,075	2,605,475	2,668,899	2,734,126
Bank loans	701,162	534,775	561,514	561,514	561,514
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	263,708	351,085	365,129	379,734	394,923
Cash & equivalents	55,626	56,889	57,209	71,991	85,864
Other interesting assets	-	-	-	-	-
Tangible fixed assets	31,064	29,237	29,822	30,419	31,027
Associates	13,533	19,866	20,264	20,669	21,082
Goodwill	23,226	22,918	22,918	22,918	22,918
Other intangible assets	-	-	-	-	-
Other assets	163,274	180,338	180,900	181,474	182,059
Total assets	3,677,700	3,744,184	3,843,231	3,937,617	4,033,514
Customer deposits	2,646,872	2,731,344	2,802,359	2,869,616	2,938,487
Bank deposits	282,696	255,872	258,431	261,015	263,625
Other interest bearing liabilities	160,839	132,464	132,464	132,464	132,464
Non interest bearing liabilities	166,447	160,117	161,326	162,557	163,809
Hybrid Capital	-	-	-	-	-
Total liabilities	3,256,853	3,279,797	3,354,580	3,425,651	3,498,385
Share capital	72,005	72,005	72,005	72,005	72,005
Reserves	330,371	371,833	396,098	419,412	442,576
Total equity	402,376	443,838	468,103	491,417	514,581
Non-controlling interest	18,470	20,549	20,549	20,549	20,549
Total liabilities & equity	3,677,700	3,744,184	3,843,231	3,937,617	4,033,514
Supplementary items					
Risk weighted assets (RWA)	2,037,273	2,008,361	2,052,506	2,101,558	2,151,995
Average interest earning assets	3,481,109	3,562,928	3,634,464	3,724,852	3,806,731
Average interest bearing liabilities	3,054,457	3,105,044	3,156,467	3,228,175	3,298,835
CET 1 capital	355,554	377,999	399,455	420,043	440,486
Total capital	420,514	418,316	439,772	460,360	480,803
Gross non performing loans (NPL)	99,407	95,065	99,929	101,583	103,271
Per share (THB)					
Book value per share	28.79	31.76	33.49	35.16	36.82
Tangible book value per share	27.13	30.12	31.85	33.52	35.18
Growth					
Gross customer loans	(0.6)	4.7	2.2	2.4	2.4
Average interest earning assets	1.5	2.4	2.0	2.5	2.2
Total asset (%)	2.4	1.8	2.6	2.5	2.4
Risk weighted assets (%)	(0.7)	(1.4)	2.2	2.4	2.4
Customer deposits (%)	2.2	3.2	2.6	2.4	2.4
Leverage & capital measures					
Customer loan/deposits (%)	91.7	93.3	93.0	93.0	93.0
Equity/assets (%)	10.9	11.9	12.2	12.5	12.8
Tangible equity/assets (%)	10.3	11.2	11.6	11.9	12.2
RWA/assets (%)	55.4	53.6	53.4	53.4	53.4
CET 1 CAR (%)	17.5	18.8	19.5	20.0	20.5
Total CAR (%)	20.6	20.8	21.4	21.9	22.3
Asset Quality (FSSIA's calculation)					
Change in NPL (%)	(1.7)	(4.4)	5.1	1.7	1.7
NPL/gross loans (%)	3.9	3.5	3.6	3.6	3.6
Allowance for ECL/gross loans (%)	6.7	6.4	6.4	6.4	6.3
Allowance for ECL/NPL (%)	174.4	182.9	177.3	177.4	177.6
Valuation					
Recurring P/E (x) *	9.5	8.0	7.5	7.8	7.9
Recurring P/E @ target price (x) *	11.1	9.2	8.7	9.1	9.1
Reported P/E (x)	9.5	8.0	7.5	7.8	7.9
Dividend yield (%)	3.5	6.2	6.5	6.3	6.2
Price/book (x)	0.9	0.8	0.7	0.7	0.7
Price/tangible book (x)	0.9	0.8	0.8	0.7	0.7
Price/tangible book @ target price (x)	1.1	1.0	0.9	0.9	0.8

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Krung Thai Bank; FSSIA estimates

Krung Thai Bank PCL (KTB TB)

FSSIA ESG rating

★★★★

63.10 /100

Exhibit 16: 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 17: 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	61.33
SCB	62.57	Y	Y	Y	5.00	4.00	--	High	--	A	--	--	86.00	3.43	--
KKP	62.96	--	Y	Y	5.00	5.00	Certified	Medium	52.81	BBB	--	77.56	26.00	2.18	45.90
TISCO	61.17	--	Y	Y	5.00	5.00	Certified	Medium	61.41	--	--	66.13	29.00	3.57	44.21
TTB	63.69	--	Y	Y	5.00	5.00	Certified	Medium	53.98	--	36.00	56.17	71.00	3.20	52.96

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 18: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	1.36	1.75	1.82	1.72	2.13	2.07	2.14	2.12
BESG environmental pillar score	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BESG social pillar score	1.18	1.88	1.95	1.92	2.63	2.65	2.72	2.63
BESG governance pillar score	3.69	4.06	4.28	3.83	4.34	4.03	4.18	4.28
ESG disclosure score	38.85	41.85	42.19	42.19	53.35	55.27	56.12	61.33
Environmental disclosure score	6.74	8.46	8.46	8.46	34.46	38.63	38.63	39.47
Social disclosure score	28.57	29.56	30.59	30.59	38.12	39.69	42.26	57.07
Governance disclosure score	81.10	87.36	87.36	87.36	87.36	87.36	87.36	87.36
Environmental								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	No	No	No
GHG scope 1	—	—	—	—	14	14	12	15
GHG scope 2 location-based	7	135	128	60	53	50	45	42
GHG Scope 3	—	—	—	—	26	28	27	43
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	No	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	—	—	—	211	203	180	174
Renewable energy use	—	—	—	—	0	0	0	0
Electricity used	—	232	219	103	105	100	90	84
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 19: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	No	No	No	No	No	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	0	0	0
Total waste	—	—	—	—	3	4	3	3
Waste recycled	—	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	170	147	121	119
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No	No
Consumer data protection policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	69	69	69	70	70	70	70	71
Pct disabled in workforce	—	—	—	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	0	0	0	0	0	0
Total recordable incident rate - employees	0	0	0	0	0	0	0	0
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	24,057	23,611	22,417	21,606	21,133	20,262	18,937	17,157
Employee turnover pct	—	—	—	—	7	5	9	12
Total hours spent by firm - employee training	2,742,500	1,726,760	1,693,780	1,591,920	1,507,460	2,322,770	2,102,850	1,350,850
Social supply chain management	No	No	No	No	Yes	Yes	Yes	Yes
Governance								
Board size	12	12	12	12	11	12	12	12
No. of independent directors (ID)	4	6	6	6	5	6	6	6
No. of women on board	0	1	1	1	2	2	2	2
No. of non-executive directors on board	9	11	11	11	10	8	8	11
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	28	27	27	24	27	26	23	22
Board meeting attendance pct	93	96	92	84	94	97	100	96
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	51	44	45	47	48	49	49	50
Age of the oldest director	61	62	63	64	64	65	66	67
No. of executives / company managers	21	20	20	20	19	21	19	22
No. of female executives	7	4	5	4	3	3	3	3
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	4	4	3	3	3	3	3
No. of ID on audit committee	3	4	4	3	3	3	3	3
Audit committee meetings	19	26	25	22	20	22	19	26
Audit meeting attendance %	91	96	95	95	98	100	98	98
Size of compensation committee	4	3	3	3	2	3	3	3
No. of ID on compensation committee	3	2	3	2	1	2	2	2
No. of compensation committee meetings	20	19	17	17	21	20	15	15
Compensation meeting attendance %	95	95	90	92	94	100	100	100
Size of nomination committee	4	3	3	3	2	3	3	3
No. of nomination committee meetings	20	19	17	17	21	20	15	15
Nomination meeting attendance %	95	95	90	92	94	100	100	100
Sustainability governance								
Verification type	No	No	No	No	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <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&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.																			
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. <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.																			
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. <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 & 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 border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
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. <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</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>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	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
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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. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
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

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Nathapol Pongsukcharoenkul FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

Krung Thai Bank (KTB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
25-Oct-2022	BUY	21.20	25-Mar-2024	BUY	19.90	06-Jun-2025	BUY	25.80
17-Jul-2023	BUY	23.10	09-Oct-2024	BUY	23.50			
22-Jan-2024	HOLD	19.90	12-Mar-2025	BUY	26.50			

Nathapol Pongsukcharoenkul started covering this stock from 12-Mar-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Krung Thai Bank	KTB TB	THB 25.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.

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 23-Sep-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

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

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

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

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

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

Industry Recommendations

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

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

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

Country (Strategy) Recommendations

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

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

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