

TMBTHANACHART BANK

THAILAND / BANKING

TTB TB

HOLD

 UNCHANGED

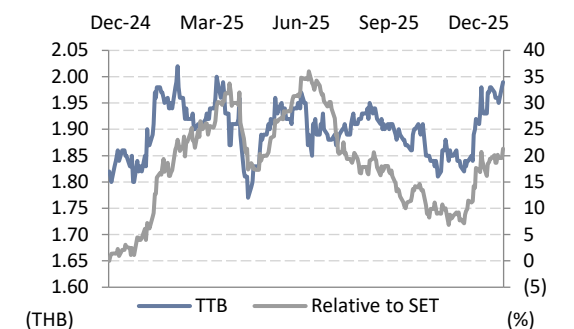
Second phase of share buyback program

- TTB has announced the second phase of its three-year share buyback program, with a total budget of up to THB8.9b and preliminary buyback price up to THB2.00 per share.
- With no price premium, we believe the buyback amount could fall short for the second phase.

TARGET PRICE	THB2.05
CLOSE	THB1.99
UP/DOWNSIDE	+3.0%
TP vs CONSENSUS	+3.5%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Operating profit	19,976	20,633	20,761	21,748
Net profit	21,031	21,871	21,799	22,835
EPS (THB)	0.22	0.23	0.23	0.24
vs Consensus (%)	-	9.5	8.0	15.9
Recurring net profit	21,031	21,871	21,799	22,835
Core EPS (THB)	0.22	0.23	0.23	0.24
EPS growth (%)	13.9	4.0	(0.3)	4.8
Core P/E (x)	9.1	8.8	8.8	8.4
Dividend yield (%)	6.6	6.8	6.8	7.1
Price/book (x)	0.8	0.8	0.8	0.7
ROE (%)	9.0	9.0	8.7	8.8
ROA (%)	1.2	1.3	1.2	1.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	8.2	5.9	7.0
Relative to country (%)	8.9	9.8	20.5
Mkt cap (USD m)	5,993		
3m avg. daily turnover (USD m)	22.8		
Free float (%)	39		
Major shareholder	Thanachart Capital PCL (24%)		
12m high/low (THB)	2.02/1.74		
Issued shares (m)	96,623		

Sources: Bloomberg consensus; FSSIA estimates

The second phase of share buyback during 22 Jan – 4 Feb 2026

TTB has announced the second phase of its three-year share buyback program, with a total budget of up to THB8.9b (comprising THB7.0b of planned budget plus THB1.9b of remaining budget from the first phase). The execution will be via General Offer between 22 Jan and 4 Feb 2026 (around 10 trading days), which is faster than the conventional Automatic Order Matching (AOM) mechanism (6-month period).

The preliminary buyback price range is THB1.90–2.00 per share

TTB expects the preliminary buyback price range is THB1.90–2.00 per share, with the final price to be confirmed on 5 Jan 2026, based on the 30-day average trading price. At the indicated price range, the second phase is expected to cover 4.56–4.80% of total paid-up shares. Note that, for the first phase that completed in Aug 2025, amounted to THB5.1b or 2.76% of paid-up shares. Combined two phases, TTB's buyback shares could be up to 7.56% of paid-up shares, underscoring management's proactive capital-management stance in order to enhance ROE generation.

With no price premium, the buyback amount could fall short

We view the program positively as it supports ROE enhancement through balance-sheet optimization. The THB8.9b budget for the second phase is in line with our expectations. However, with the preliminary buyback price capped at THB2.00, broadly in line with the current share price at THB1.99. With no explicit price premium, we anticipate a muted price reaction. Moreover, the absence of a premium could raise the possibility that the actual buyback amount in the second phase could fall short of the budget during the 10-day execution window, we believe.

Maintain HOLD and TP of THB2.05

Assuming full utilization of the second-phase budget, our estimates suggest TTB's ROE could increase by up to c30bps, driven by a lower share base with unchanged earnings. Given the limited near-term valuation upside, we maintain our HOLD rating on TTB with an unchanged TP of THB2.05, based on 0.76x P/BV (COE: 10%, ROE: 7.8%).


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Recap: 3-year treasury stock program

In January 2025, TTB approved a treasury stock program for three years (2025 to 2027) with a maximum budget of THB21b.

There are three phases for the program. The first phase was during 3 Feb to 1 Aug 2025 (6 months) with a maximum budget of THB7b. This is equivalent to 3.5b shares or 3.6% of total paid-up shares via automated order matching in the SET.

The second phase and third phase (in 2026-27E, respectively) will depend on the board of directors' approval, related regulations (with 6-month grace period after previous treasury stock program) and the bank's excess liquidity.

The rationale behind this is better capital management and enhancing ROE and EPS amid muted loan growth projections.

Implication in our view

Overall, this 3-year plan is a positive move for TTB's capital management, in our view. The repurchase program will lower the number of shares outstanding. Our net profit forecast for 2025-27 at an absolute amount will be the same (around THB22-23b per year).

Assuming full utilization of the second-phase budget, our estimates suggest TTB's ROE could increase by up to c30bps, driven by a lower share base with unchanged earnings.

Eventually, this program would be positive for EPS, ROE and share price sentiment, in our view, from better capital management.

We expect TTB's CAR ratio after phase 2 in 2026 should be above 19%.

Exhibit 1: Banks' dividend payout ratio and capital base comparison

2025E	Dividend payout ratio	Dividend yield	ROE	CET1	CAR ratio	Comments
BBL	34%	5.4%	7.7%	17.4%	20.7%	*** Need further actions, in our view.
KBANK	50%	5.5%	8.3%	18.7%	20.7%	Active management with share buyback program now. Special DPS is upside risk
SCB	80%	8.4%	9.2%	18.0%	19.1%	High payout already
KTB	49%	6.0%	10.2%	19.5%	21.4%	Now active management. Possible special DPS but no plan for share buyback
TTB	60%	7.0%	8.6%	17.1%	19.6%	Treasury stock during 2025-27E. To resume in 22 Jan 2026 via short-term General Offer.
TISCO	94%	7.2%	14.9%	16.5%	18.1%	High payout already. Maintain DPS at THB7.75
KKP	60%	5.9%	7.8%	15.8%	19.9%	Raised payout ratio for capital optimization together with ongoing share buyback

Sources: Company data, FSSIA estimates

Financial Statements

TMBThanachart Bank

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Interest Income	79,134	82,783	77,345	76,250	76,868
Interest expense	(21,926)	(26,331)	(23,914)	(23,534)	(23,280)
Net interest income	57,207	56,452	53,431	52,717	53,589
Net fees & commission	10,362	9,373	9,729	10,096	10,474
Foreign exchange trading income	1,666	1,770	1,823	1,878	1,934
Securities trading income	52	244	256	269	282
Dividend income	0	0	0	0	0
Other income	1,674	1,561	1,638	1,721	1,808
Non interest income	13,754	12,948	13,446	13,963	14,499
Total income	70,961	69,399	66,877	66,679	68,087
Staff costs	(16,795)	(15,693)	(15,379)	(15,379)	(15,379)
Other operating costs	(14,485)	(13,878)	(13,878)	(13,922)	(14,010)
Operating costs	(31,280)	(29,571)	(29,257)	(29,301)	(29,390)
Pre provision operating profit	39,682	39,828	37,620	37,378	38,698
Expected credit loss	(22,199)	(19,852)	(16,987)	(16,618)	(16,950)
Other provisions	-	-	-	-	-
Operating profit	17,482	19,976	20,633	20,761	21,748
Recurring non operating income	0	0	0	0	0
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	17,482	19,976	20,633	20,761	21,748
Tax	980	1,055	1,238	1,038	1,087
Profit after tax	18,462	21,031	21,871	21,799	22,835
Non-controlling interest	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	18,462	21,031	21,871	21,799	22,835
Non recurring items & goodwill (net)	-	-	-	-	-
Recurring net profit	18,462	21,031	21,871	21,799	22,835
Per share (THB)					
Recurring EPS *	0.19	0.22	0.23	0.23	0.24
Reported EPS	0.19	0.22	0.23	0.23	0.24
DPS	0.11	0.13	0.14	0.14	0.14
Growth					
Net interest income (%)	10.8	(1.3)	(5.4)	(1.3)	1.7
Non interest income (%)	(3.4)	(5.9)	3.9	3.8	3.8
Pre provision operating profit (%)	10.5	0.4	(5.5)	(0.6)	3.5
Operating profit (%)	(0.4)	14.3	3.3	0.6	4.8
Reported net profit (%)	30.1	13.9	4.0	(0.3)	4.8
Recurring EPS (%)	30.1	13.9	4.0	(0.3)	4.8
Reported EPS (%)	30.1	13.9	4.0	(0.3)	4.8
Income Breakdown					
Net interest income (%)	80.6	81.3	79.9	79.1	78.7
Net fees & commission (%)	14.6	13.5	14.5	15.1	15.4
Foreign exchange trading income (%)	2.3	2.6	2.7	2.8	2.8
Securities trading income (%)	0.1	0.4	0.4	0.4	0.4
Dividend income (%)	-	-	-	-	-
Other income (%)	2.4	2.2	2.4	2.6	2.7
Operating performance					
Gross interest yield (%)	4.46	4.78	4.60	4.54	4.53
Cost of funds (%)	1.42	1.77	1.66	1.64	1.61
Net interest spread (%)	3.04	3.01	2.94	2.90	2.92
Net interest margin (%)	3.2	3.3	3.2	3.1	3.2
Cost/income(%)	44.1	42.6	43.7	43.9	43.2
Cost/assets(%)	1.7	1.7	1.7	1.7	1.7
Effective tax rate (%)	(5.6)	(5.3)	(6.0)	(5.0)	(5.0)
Dividend payout on recurring profit (%)	55.0	60.6	60.0	60.0	60.0
ROE (%)	8.2	9.0	9.0	8.7	8.8
ROE - COE (%)	(1.8)	(1.0)	(1.0)	(1.3)	(1.2)
ROA (%)	1.0	1.2	1.3	1.2	1.3
RORWA (%)	1.4	1.7	1.7	1.7	1.7

* Pre-exceptional, pre-goodwill and fully diluted

Sources: TMBThanachart Bank ; FSSIA estimates

Financial Statements

TMBThanachart Bank

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Gross customer loans	1,327,964	1,240,874	1,230,947	1,230,947	1,246,334
Allowance for expected credit loss	(63,502)	(59,007)	(60,706)	(62,367)	(64,062)
interest in suspense	8,674	8,422	8,001	8,001	8,101
Net customer loans	1,273,136	1,190,289	1,178,242	1,176,581	1,190,373
Bank loans	267,486	288,562	288,562	294,333	300,220
Government securities	-	-	-	-	-
Trading securities	2,470	10,381	10,693	11,014	11,344
Investment securities	179,088	156,350	157,913	159,492	161,087
Cash & equivalents	15,487	14,809	20,457	23,217	27,275
Other interesting assets	-	-	-	-	-
Tangible fixed assets	20,859	15,392	15,546	15,701	15,858
Associates	8,614	8,584	8,756	8,931	9,109
Goodwill	23,434	25,003	25,253	25,506	25,761
Other intangible assets	-	-	-	-	-
Other assets	33,859	39,153	39,305	39,459	39,614
Total assets	1,824,434	1,748,523	1,744,727	1,754,233	1,780,641
Customer deposits	1,386,581	1,328,594	1,315,308	1,315,308	1,331,749
Bank deposits	87,794	90,184	90,184	90,184	90,184
Other interest bearing liabilities	59,531	29,247	29,247	29,247	29,247
Non interest bearing liabilities	61,180	62,685	63,427	64,214	65,047
Hybrid Capital	-	-	-	-	-
Total liabilities	1,595,087	1,510,710	1,498,166	1,498,953	1,516,227
Share capital	92,246	92,531	92,531	92,531	92,531
Reserves	137,101	145,281	154,029	162,749	171,883
Total equity	229,347	237,812	246,561	255,280	264,414
Non-controlling interest	0	0	0	0	0
Total liabilities & equity	1,824,434	1,748,523	1,744,727	1,754,233	1,780,641
Supplementary items					
Risk weighted assets (RWA)	1,282,225	1,250,802	1,271,758	1,291,950	1,333,187
Average interest earning assets	1,774,825	1,730,162	1,681,604	1,681,097	1,696,207
Average interest bearing liabilities	1,538,784	1,490,966	1,441,382	1,434,739	1,442,960
CET 1 capital	200,895	209,704	217,564	225,398	233,604
Total capital	265,420	241,405	249,265	257,098	265,304
Gross non performing loans (NPL)	41,006	38,975	39,715	40,632	41,198
Per share (THB)					
Book value per share	2.37	2.46	2.55	2.64	2.74
Tangible book value per share	2.13	2.20	2.29	2.38	2.47
Growth					
Gross customer loans	(3.5)	(6.6)	(0.8)	-	1.3
Average interest earning assets	1.8	(2.5)	(2.8)	0.0	0.9
Total asset (%)	(0.1)	(4.2)	(0.2)	0.5	1.5
Risk weighted assets (%)	(0.4)	(2.5)	1.7	1.6	3.2
Customer deposits (%)	(0.9)	(4.2)	(1.0)	-	1.3
Leverage & capital measures					
Customer loan/deposits (%)	91.8	89.6	89.6	89.5	89.4
Equity/assets (%)	12.6	13.6	14.1	14.6	14.8
Tangible equity/assets (%)	11.3	12.2	12.7	13.1	13.4
RWA/assets (%)	70.3	71.5	72.9	73.6	74.9
CET 1 CAR (%)	15.7	16.8	17.1	17.4	17.5
Total CAR (%)	20.7	19.3	19.6	19.9	19.9
Asset Quality (FSSIA's calculation)					
Change in NPL (%)	(1.7)	(5.0)	1.9	2.3	1.4
NPL/gross loans (%)	3.1	3.1	3.2	3.3	3.3
Allowance for ECL/gross loans (%)	4.8	4.8	4.9	5.1	5.1
Allowance for ECL/NPL (%)	154.9	151.4	152.9	153.5	155.5
Valuation					
Recurring P/E (x) *	10.4	9.1	8.8	8.8	8.4
Recurring P/E @ target price (x) *	10.7	9.4	9.1	9.1	8.7
Reported P/E (x)	10.4	9.1	8.8	8.8	8.4
Dividend yield (%)	5.3	6.6	6.8	6.8	7.1
Price/book (x)	0.8	0.8	0.8	0.8	0.7
Price/tangible book (x)	0.9	0.9	0.9	0.8	0.8
Price/tangible book @ target price (x)	1.0	0.9	0.9	0.9	0.8

* Pre-exceptional, pre-goodwill and fully diluted

Sources: TMBThanachart Bank ; FSSIA estimates

TMBThanachart Bank PCL (TTB TB)

FSSIA ESG rating

★ ★ ★ ★

63.69 /100

Exhibit 2: 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 3: 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	53.49

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 4: 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	1.76	1.79	1.92	2.14	2.82	3.02	3.16	3.20
BESG environmental pillar score	0.00	0.00	0.08	0.08	0.38	0.68	0.82	0.82
BESG social pillar score	1.90	2.10	2.23	2.65	4.29	4.17	4.18	4.34
BESG governance pillar score	4.09	3.78	3.99	4.15	3.63	4.13	4.44	4.32
ESG disclosure score	41.00	41.34	43.27	43.64	46.86	50.40	49.27	53.49
Environmental disclosure score	17.09	17.09	17.43	17.76	21.14	22.86	19.48	32.14
Social disclosure score	24.67	25.70	31.14	31.92	31.92	40.84	40.84	40.84
Governance disclosure score	81.10	81.10	81.10	81.10	87.36	87.36	87.36	87.36
Environmental								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	Yes	Yes	Yes	Yes	Yes
GHG scope 1	0	0	0	0	1	1	0	4
GHG scope 2 location-based	31	30	29	27	28	15	22	22
GHG Scope 3	1	1	1	0	0	0	0	3
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	45	44	42	39	57	32	46	46
Renewable energy use	—	—	—	—	—	—	—	—
Electricity used	44	43	42	37	57	31	45	44
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 5: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—	—
Total waste	0	0	0	0	0	0	0	0
Waste recycled	0	0	0	0	0	0	0	0
Waste sent to landfills	—	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	No	No	No	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	278	223	255	154	208	181	—	—
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	No	No	No	No	No
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	Yes	Yes	Yes
Pct women in workforce	70	70	71	71	71	69	69	68
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
Total recordable incident rate - employees	—	—	—	—	—	—	—	—
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	9,270	8,980	8,547	8,373	8,135	8,838	15,102	14,620
Employee turnover pct	28	29	31	35	27	14	16	23
Total hours spent by firm - employee training	324,450	269,400	273,504	318,174	284,725	132,570	694,692	891,820
Social supply chain management	No	No	No	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	11	12	12	12	13	13	14	14
No. of independent directors (ID)	3	4	4	4	4	5	5	5
No. of women on board	0	0	0	1	0	1	2	3
No. of non-executive directors on board	10	11	11	11	8	8	13	13
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	13	13	16	14	17	16	19	15
Board meeting attendance pct	89	84	88	93	92	95	99	99
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	57	57	57	48	48	49	50	51
Age of the oldest director	71	72	73	74	69	70	71	72
No. of executives / company managers	7	7	6	6	7	11	12	12
No. of female executives	0	0	1	2	3	4	5	5
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	2	3	3	3	3	3	3	3
No. of ID on audit committee	2	3	3	3	3	3	3	3
Audit committee meetings	14	12	12	12	15	25	13	13
Audit meeting attendance %	90	100	94	94	91	98	100	100
Size of compensation committee	4	4	4	4	4	5	5	5
No. of ID on compensation committee	2	2	2	2	1	2	2	2
No. of compensation committee meetings	14	12	14	14	13	12	12	12
Compensation meeting attendance %	95	88	94	89	97	95	97	97
Size of nomination committee	4	4	4	4	4	5	5	5
No. of nomination committee meetings	14	12	14	14	13	12	12	12
Nomination meeting attendance %	95	88	94	89	97	95	97	97
Sustainability governance								
Verification type	No	No	No	No	Yes	Yes	Yes	Yes

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <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+									
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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) "SETESG". The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Nathapol Pongsukcharoenkul FSS International Investment Advisory Securities Co., Ltd

Finansia Syrus Securities Public Company Limited and FSS International Investment Advisory Securities Company Limited are subsidiaries of Finansia X Public Company Limited, with shared directors or executives.

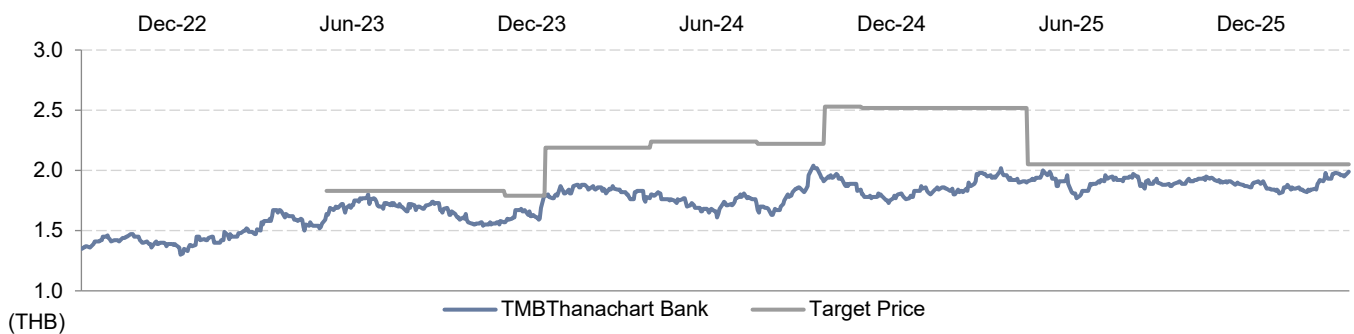
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History of change in investment rating and/or target price

TMBThanachart Bank (TTB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
17-Jul-2023	BUY	1.83	22-Apr-2024	BUY	2.24	21-Oct-2024	BUY	2.52
18-Dec-2023	HOLD	1.79	23-Jul-2024	BUY	2.22	13-Mar-2025	HOLD	2.05
22-Jan-2024	BUY	2.19	19-Sep-2024	BUY	2.53			

Nathapol Pongsukcharoenkul started covering this stock from 13-Mar-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
TMBThanachart Bank	TTB TB	THB 1.99	HOLD	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand. Upside risks include 1) resumption of loan growth, especially retail loans (mortgage, auto, unsecured loans); 2) benign asset quality with lower credit cost; and 3) better-than-expected OPEX control.

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 16-Dec-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

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

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

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

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

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

Industry Recommendations

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

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

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

Country (Strategy) Recommendations

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

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

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