

# KASIKORNBANK KBANK TB

THAILAND / BANKING

## HOLD

FROM BUY

TARGET PRICE	THB190.00
CLOSE	THB188.50
UP/DOWNSIDE	+0.8%
PRIOR TP	THB190.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-3.9%

## Cautious outlook, dividend-focused

- 2026 business targets remain cautious, with a focus on asset quality and fee growth.
- We revise our 2026–27 net profit forecasts downward to reflect more conservative assumptions on NIM and credit cost.
- Downgrade to HOLD, while maintaining our 2026 TP at THB190.

### Focus on asset quality, fee growth, and cost discipline

In a still-fragile economic outlook, KBANK sets its 2026 business targets cautiously, prioritizing asset quality over aggressive growth, with a loan growth target of 0–2% y-y, driven mainly by corporate loans and secured retail loans, particularly high-end residential mortgages. While these segments generate lower yields, the bank expects to offset this through lower credit costs, new customer acquisition, and cross-selling opportunities, while continuing to limit SME loan growth. The bank's 2026 NIM guidance, implying a decline of 28–48 bps from 3.23% in 2025, comes as no surprise and remains in line with peers. To mitigate concerns over a potential decline in Non-NII in 2026 following exceptionally strong FVTPL and investment gains in 2025, KBANK focuses on fee income growth at mid-to-high single digits, supported by wealth management and bancassurance, strict cost discipline with a cost-to-income ratio target at the mid-40s, and stable credit costs within a 140–160 bps range, under a manageable asset quality outlook with an NPL ratio capped at 3.25%.

### Capital management to enhance shareholder returns

KBANK announces a normal payout ratio of 50–60% for 2025E, alongside the previously announced share buyback plan. While management has yet to confirm whether a special dividend will continue in 2025, we expect total dividends of THB12 per share to remain sustainable, at a 57% payout ratio, after factoring in the share buyback of approximately 0.57% in 2025. This assumption aligns with KBANK's 2025 payout ratio guidance of 55–65% (including share buybacks).

### The forecast reflects lower earnings expectations for 2026–27

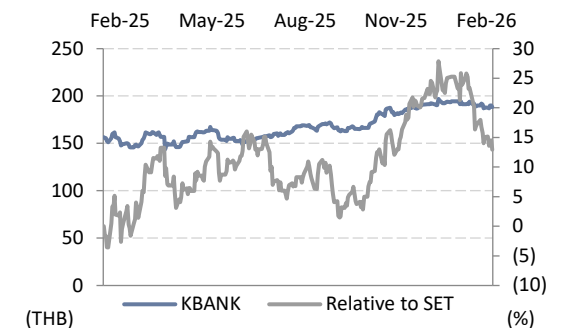
We revise down our 2026–27 net profit forecasts to reflect its 2026 business targets, particularly lower NIM assumptions to capture a sharper-than-expected decline in loan yields, together with a more conservative credit cost assumption set at the upper end of guidance. Following the revision, we expect net profit over 2026–28 to deliver a CAGR of -1.6%, which trails the industry average CAGR of -0.2%.

### Downgrade to HOLD, while maintaining our 2026 TP at THB190

We downgrade our recommendation to HOLD to capture an average dividend yield of c6% p.a., as limited upside remains from our unchanged 2026 TP of THB190 (LT-ROE of 7.50% and COE of 9.84%). With this report, we transfer KBANK coverage to Usanee Liurut.

### KEY STOCK DATA

YE Dec (THB m)	2025	2026E	2027E	2028E
Operating profit	69,640	62,991	65,076	67,999
Net profit	49,565	43,942	45,286	47,286
EPS (THB)	21.05	18.66	19.23	20.08
vs Consensus (%)	-	(11.0)	(4.6)	(3.5)
Recurring net profit	49,565	43,942	45,286	47,286
Core EPS (THB)	21.05	18.66	19.23	20.08
Chg. In EPS est. (%)	-	(6.6)	(7.7)	-
EPS growth (%)	0.5	(11.3)	3.1	4.4
Core P/E (x)	9.0	10.1	9.8	9.4
Dividend yield (%)	6.4	6.4	6.6	6.9
Price/book (x)	0.8	0.7	0.7	0.7
ROE (%)	8.6	7.4	7.3	7.6
ROA (%)	1.1	1.0	1.0	1.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.1)	3.0	18.9
Relative to country (%)	(8.8)	(0.1)	10.8
Mkt cap (USD m)	14,007		
3m avg. daily turnover (USD m)	64.4		
Free float (%)	80		
Major shareholder	Thai NVDR (14%)		
12m high/low (THB)	198.00/142.79		
Issued shares (m)	2,323		

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

- The 2026 business outlook remains cautious, in line with the still-fragile macroeconomic environment, prompting the bank to prioritize loan quality over growth. This approach results in lower-yielding loan portfolios and adds further pressure on NIM, beyond the impact of a declining interest rate cycle.
- The 2026 earnings outlook remains challenging, as the bank focuses on boosting fee income and tightening cost control to offset declining NII and FVTPL gains. Under our estimates, net profit in 2026 would decline by 11.3% y-y.
- Over the past six months, KBANK's share price has outperformed the sector, reflecting its capital management initiatives, particularly the share buyback program and expectations of special dividends, to a large extent. In addition, the stock now trades at a PBV of 0.72x (based on our 2026 ROE forecast of 7.4%), above its 5-year average of 0.60x, which leads us to downgrade our recommendation to HOLD for dividend yield

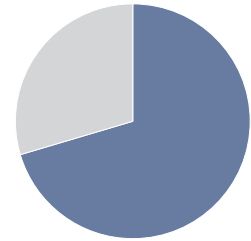
## Company profile

Established on 8 June 1945, Kasikornbank was listed on the Stock Exchange of Thailand in 1976. In 3Q23, KBANK's branch declined to 813 from 2019 of 886. Assets in 3Q23 ranked second at 10.7% of the total assets of all Thai commercial banks.

[www.kasikornbank.com](http://www.kasikornbank.com)

## Revenue breakdown (2025)

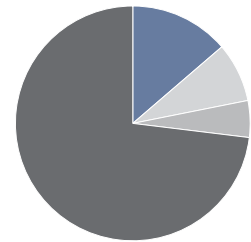
- Net interest income - 70.4 %
- Non-interest income - 29.6 %



Source: Kasikornbank

## Major shareholders (as of 11 Sep 25)

- Thai NVDR - 13.7 %
- State Street Europe Ltd. - 8.2 %
- South East Asia UK (Type C) Nominees - 5.1 %
- Others - 73.1 %



Source: Kasikornbank

## Catalysts

- Stronger loan demand for SME and retail segments.
- Lower-than-expected impact from interest rate cuts.
- Lower credit costs driven by improved asset quality.
- Better-than-expected non-NII from wealth management and bancassurance business.
- More active capital management

## 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. Upside risks comprise 1) lower credit cost from better asset quality; and 2) the better ongoing cost control efficiency

## Event calendar

Date	Event
Apr 2026	1Q26 earnings announcement

## Key assumptions

Key assumptions (%)	2026E	2027E	2028E
Loan growth	1.0	2.0	2.0
NIM	2.80	2.77	2.77
Cost-to-income ratio	44.0	44.0	44.0
Credit cost	160	160	160
NPL ratio	3.63	3.51	3.39
ROE	7.41	7.34	7.61

Source: FSSIA estimates

## Earnings sensitivity

		----- 2026E -----		
Loan growth	<b>±2ppt</b>	(1.0)	<b>1.0</b>	3.0
% change in net profit		(1.2)		1.2
NIM (%)	<b>±5bp</b>	2.75	<b>2.80</b>	2.85
% change in net profit		(3.3)		3.3
Cost-to-income ratio	<b>±1ppt</b>	42.97	<b>43.97</b>	44.97
% change in net profit		(3.3)		3.3
Credit cost (bp)	<b>±10bp</b>	150	<b>160</b>	170
% change in net profit		4.5		(4.5)

Source: FSSIA estimates

## Key takeaways from KBANK's analyst meeting

This Analyst Meeting focused on the officially announced 2026 business targets, with key emphasis on 1) an expected NIM contraction of approximately 28–48 bps in 2026 from 3.23% in 2025, 2) a loan growth target of 0–2% y-o-y, improving from a slight contraction of around 0.28% y-o-y in 2025, 3) 2026 earnings management challenges stemming from a likely decline in Non-NII, as FVTPL gains may not reach the level recorded in 2025, and 4) capital management aimed at enhancing shareholder returns, under a projected normal payout ratio of 50–60%, alongside special dividend payments and a share buyback program in line with the announced plan. The key takeaways are as follows:

**(-) NIM expected to decline in 2026:** Management expects net interest margin (NIM) to decline by approximately 28–48 bps in 2026 from 3.23% in 2025, driven by 1) a sharper-than-expected four cuts in the policy rate (RP rate) totaling 100 bps (to 1.25%), which will fully impact earnings in 2026, together with management's expectation of one additional rate cut in 2026 (25 bps to 1.00%). This target does not come as a surprise when compared with SCB's 2026 NIM guidance, which also implies a similar contraction of around 24–44 bps. 2) new loan origination in 2026 will focus on low-yield segments, led by corporate loans (41%) and retail loans (31%), with an emphasis on high-end residential mortgages (THB100m+ units). These loans yield lower returns due to collateralization, although management expects cross-selling opportunities within this customer base to support fee income growth.

**(0) 2026 loan growth target:** Management targets 0–2% y-y loan growth in 2026, improving from a slight contraction of approximately 0.28% y-y in 2025, under a cautious macro outlook based on a 2026 GDP growth assumption of 1.60%. The bank continues to prioritize asset quality over aggressive growth, with corporate loans expected to grow by -2.0% to 0% y-y and retail loans projected to grow by 5–7% y-y, mainly driven by high-end residential mortgages as discussed earlier. Management remains highly cautious on SME lending, as the bank has yet to see a broad-based and sustainable recovery among SME customers, and therefore sets a business target of -5% to 0% y-y for this segment.

**(0) 2026 earnings management amid Non-NII headwinds:** Earnings management in 2026 faces challenges from a likely decline in Non-NII, as FVTPL gains may fall short of the 2025 level (FVTPL gains of THB15b and investment gains of THB1.35b). More than 70% of FVTPL gains came from FX-related transactions, driven by abnormally high trading volumes following US tariff impacts, while the remainder depends on interest rate volatility and overall market direction, which remain difficult to predict. In response, KBANK adopts a two-pronged strategy to support earnings, including 1) accelerating fee income growth, with solid momentum in wealth management and bancassurance, under a 2026 fee income growth target at mid-to-high single digits, 2) enforcing strict cost control, particularly staff expenses, which should decline following the early retirement (ER) program implemented in 2025 (costing a couple of hundred million baht), while IT-related and transaction-based fee expenses remain necessary, and 3) setting a 2026 credit cost target at 140–160 bps, compared with 163 bps in 2025, while maintaining the upper end of the range at a relatively high level under a view that asset quality will remain broadly stable versus 2025, with an NPL ratio below 3.25% (vs. 3.20% in 2025). Our 2026 credit cost forecast stands at 155 bps, toward the upper end of KBANK's guidance, while a 10-bps increase in credit cost would reduce our 2026 net profit forecast by approximately 5.2%.

**(+) Capital management to enhance shareholder returns:** KBANK announces a normal payout ratio of 50–60% for 2025E, alongside the previously announced share buyback plan. The bank paid a 2024 regular dividend of THB9.50, representing a 46% payout, up from THB6.50 (37%) in 2023 and THB4.00 (27%) in 2022, and declared a special dividend of THB2.50 for 2024 performance, bringing total dividends for 2024 to THB12 per share. While management has yet to confirm whether a special dividend will continue in 2025, we expect total dividends of THB12 per share to remain sustainable, at a 57% payout ratio, after factoring in the share buyback of approximately 0.57% in 2025. This assumption aligns with KBANK's 2025 payout ratio guidance of 55–65% (including share buybacks). At the upper end of the payout range (65%), shareholders could expect 2H25 dividends of up to THB11.75, implying a dividend yield of approximately 6.3%. Meanwhile, KBANK targets a medium-term CET1 ratio of at least 15%, down from 18.0% at end-2025, suggesting further upside potential for ROE, although we expect ROE in 2026–27 to remain below 10%, up from 8.62% in 2025.

## Exhibit 1: Key financial guidance

	KBANK 2025E	KBANK 2025A	KBANK 2026E	FSSIA 2026E
NIM	3.3-3.5%	3.23%	2.75-2.95%	2.80%
Loan growth	Flat	-0.3%	0-2%	1.00%
Net fee income growth	mid to high-single digit	5.8%	mid to high-single digit	7.58%
Cost to income	Low to mid-40s	43.6%	Mid-40s	43.97%
Credit cost (bp)	140-160bp	163	140-160bp	160
NPL ratio	<3.25%	3.20	<3.25%	3.63%
ROE	n/a	8.62%	n/a	7.41%
ROA	n/a	1.11%	n/a	0.95%
Dividend policy	Not less than 25%	N/A	Not less than 25%	64.3%

Sources: KBANK; FSSIA estimates

## Exhibit 2: KBANK earnings revision

	Current			Previous			Change		
	2026E (%)	2027E (%)	2028E (%)	2026E (%)	2027E (%)	2028E (%)	2026E (%)	2027E (%)	2028E (%)
Net profit (THB m)	43,942	45,286	47,286	47,332	49,369	51,855	(7.2)	(8.3)	(8.8)
No of shares (m)	2,323	2,323	2,323	2,369	2,369	2,369	(2.0)	(2.0)	(2.0)
EPS (THB)	18.66	19.23	20.08	19.98	20.84	21.89	(6.6)	(7.7)	(8.3)
DPS (THB)	12.00	12.50	13.00	9.99	10.42	10.94	20.1	20.0	18.8
Dividend payout ratio	64.3	65.0	64.7	50.0	50.0	50.0			
ROE (%)	7.41	7.34	7.61	7.90	7.92	8.00			
Target price (THB)	190			190			0.0		
PBV (x)	0.73			0.73					
L-T ROE	7.45			7.60					
Cost of equity	9.84			10.00					
<b>Key Assumptions</b>									
Net profit growth	(11.3)	3.1	4.4	(0.7)	4.3	5.0			
NIM	2.80	2.77	2.77	3.22	3.23	3.24			
Loan growth	1.0	2.0	2.0	2.1	2.4	2.4			
Fee growth	7.6	7.0	7.0	3.9	2.0	2.0			
Non-NII growth	3.6	5.0	5.0	(2.6)	2.6	2.6			
Credit cost (bp)	160	160	160	155	155	155			
Cost to income	44.0	44.0	44.0	46.1	45.2	44.2			
NPL ratio	3.63	3.51	3.39	3.80	3.78	3.77			

Source: FSSIA estimates

## Exhibit 3: KBANK GGM 2026 TP

Gordon growth model	New	Previous
Sustainable ROE	7.5%	7.6%
g	1.00%	1.00%
ROE-g	6.45%	6.60%
Beta	1.1	1.0
Risk free rate	3.0%	3.0%
Market Risk premium	6.0%	7.0%
COE	9.84%	10.00%
COE-g	8.84%	9.00%
ROE-g/COE-g	0.73	0.73
<b>TP 2026</b>	<b>190.00</b>	<b>190.00</b>

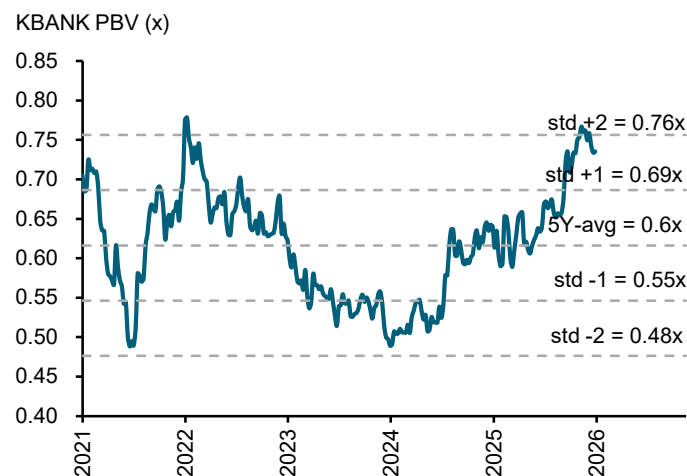
Source: FSSIA estimates

## Exhibit 4: KBANK – 4Q25 operating summary

Year end Dec 31	4Q24	1Q25	2Q25	3Q25	4Q25	----- Change -----		2025	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)
Net interest income	35,998	35,425	34,655	34,158	32,913	(3.6)	(8.6)	137,152	(7.3)
Non-interest income	12,708	13,677	13,944	15,087	14,939	(1.0)	17.6	57,648	14.7
Fee income - net	8,510	8,433	8,216	9,328	9,412	0.9	10.6	35,389	5.8
Total operating income	48,706	49,103	48,599	49,245	47,852	(2.8)	(1.8)	194,800	(1.7)
Total operating expenses	22,295	20,052	20,804	20,965	23,028	9.8	3.3	84,849	0.7
PPOP before tax	26,411	29,051	27,796	28,280	24,824	(12.2)	(6.0)	109,952	(3.5)
Expected credit loss	12,242	9,818	10,050	10,179	10,265	0.8	(16.2)	40,312	(14.7)
Income tax	2,753	3,977	3,482	3,603	2,809	(22.0)	2.0	13,871	5.9
Non-controlling interest	648	1,465	1,776	1,491	1,473	(1.2)	127.3	6,204	53.4
<b>Net profit</b>	<b>10,768</b>	<b>13,791</b>	<b>12,488</b>	<b>13,007</b>	<b>10,278</b>	<b>(21.0)</b>	<b>(4.5)</b>	<b>49,565</b>	<b>(0.1)</b>
EPS (THB)	4.54	5.86	5.30	5.52	4.36	(21.0)	(4.0)	21.05	0.5
<b>Key ratios</b>	<b>4Q24</b>	<b>1Q25</b>	<b>2Q25</b>	<b>3Q25</b>	<b>4Q25</b>	<b>----- Change -----</b>		<b>2025</b>	
<b>Asset quality ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(q-q%)</b>	<b>(y-y%)</b>	<b>(%)</b>	
Gross NPLs (THB m)	91,309	90,161	89,828	89,380	91,950	2.9	0.7	91,950	
Change (% from prior period)	0.7	(1.3)	(0.4)	(0.5)	2.9			0.7	
NPL ratios (%) - reported	3.20	3.19	3.18	3.19	3.20			3.20	
NPL ratio (%)*	3.68	3.71	3.69	3.70	3.71			3.71	
Coverage ratio (%) - reported	152	159	163	166	163			163	
Coverage ratio (%)*	144	150	154	158	156			156	
Credit cost (bp)	199	160	165	168	168			163	
<b>Profitability ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			<b>(%)</b>	
Cost to income ratio	45.8	40.8	42.8	42.6	48.1			43.6	
Average yield (%)	4.43	4.33	4.20	4.09	3.88			4.09	
Cost of funds (%)	1.32	1.29	1.25	1.19	1.14			1.20	
NIM (%) - reported	3.48	3.41	3.31	3.24	3.06			3.23	
NIM (%)*	3.48	3.41	3.32	3.24	3.06			3.23	
Non-interest income/total income (%)	26.1	27.9	28.7	30.6	31.2			29.6	
<b>Liquidity ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			<b>(%)</b>	
Loan to deposit	91.4	89.4	89.5	88.0	86.9			86.9	
Loan to deposit & borrowing (LDBR)	84.0	81.7	82.1	80.6	79.3			79.3	
<b>Capital adequacy ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			<b>(%)</b>	
CAR	20.4	20.5	20.7	21.6	20.4			19.6	
CET 1/ Risk assets	17.4	17.6	17.7	18.7	18.0			16.9	
Tier 2 / Risk assets	2.0	2.0	2.0	2.0	2.0			1.8	
<b>Loan growth</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			<b>(%)</b>	
q-q	2.1	(2.0)	0.0	(0.8)	2.5			0.0	
y-y	(0.3)	(1.2)	(2.2)	(0.7)	(0.3)			(0.3)	
Year-to-date	(0.3)	(2.0)	(2.0)	(2.7)	(0.3)			0.0	

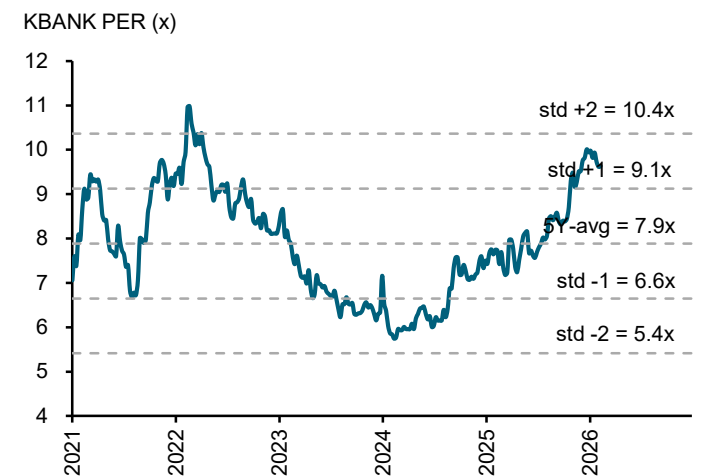
Sources: KBANK; FSSIA compilation

## Exhibit 5: KBANK – one year prospective PBV



Sources: Bloomberg; FSSIA compilation

## Exhibit 6: KBANK – one year prospective PER



Sources: Bloomberg; FSSIA compilation

## Exhibit 7: Peer comparison, as of 6 February, 2026

Company name	BBG code	Share price (LCY)	Target price (LCY)	Upside (%)	Market Cap. (USD m)	---- PE ----		---- PBV ----		---- ROE ----		--- Div yld ---	
						25E (x)	26E (x)	25E (x)	26E (x)	25E (%)	26E (%)	25E (x)	26E (x)
<b>Thailand</b>													
Bangkok Bank	BBL TB	157.00	177.00	13	9,472	6.3	7.1	0.5	0.5	8.3	7.0	5.4	5.4
Kasikornbank*	KBANK TB	188.50	190.00	1	14,007	9.0	10.1	0.8	0.7	8.6	7.4	6.4	6.4
Krung Thai Bank	KTB TB	28.50	29.00	2	12,589	8.6	8.9	0.9	0.8	10.2	9.3	5.7	5.5
SCB X	SCB TB	137.00	134.00	(2)	14,580	10.1	10.7	0.9	0.9	9.2	8.6	7.9	7.5
TMBThanachart Bank	TTB TB	1.98	2.05	4	5,938	8.7	8.8	0.8	0.7	9.0	8.7	6.9	6.8
Kiatnakin Bank	KKP TB	72.50	63.00	(13)	1,860	11.3	11.7	0.9	0.9	8.5	7.9	5.3	5.1
Tisco Financial Group	TISCO TB	111.00	103.00	(7)	2,809	13.4	13.0	2.0	2.0	15.3	15.6	7.0	7.0
<b>Thailand weighted average</b>					<b>61,256</b>	<b>9.0</b>	<b>9.6</b>	<b>0.8</b>	<b>0.8</b>	<b>9.4</b>	<b>8.5</b>	<b>6.5</b>	<b>6.3</b>
<b>Hong Kong</b>													
Industrial & Comm Bank of China	1398 HK	6.49	n/a	n/a	354,654	5.8	5.8	0.5	0.5	9.3	8.9	5.4	5.4
China Construction Bank	939 HK	7.97	n/a	n/a	274,656	5.5	5.5	0.5	0.5	10.0	9.5	5.5	5.6
HSBC Holdings	5 HK	134.80	n/a	n/a	305,519	12.6	11.6	1.8	1.7	12.7	14.4	4.0	4.4
Bank of China	3988 HK	4.66	n/a	n/a	234,444	5.7	5.6	0.5	0.5	8.9	8.4	5.4	5.6
<b>Hong Kong average</b>					<b>1,169,273</b>	<b>7.5</b>	<b>7.2</b>	<b>0.8</b>	<b>0.8</b>	<b>10.3</b>	<b>10.4</b>	<b>5.1</b>	<b>5.2</b>
<b>China</b>													
Industrial & Comm Bank of China	601398 CH	7.26	n/a	n/a	354,654	7.2	7.1	0.7	0.6	9.3	8.9	4.3	4.4
Agricultural Bank of China	601288 CH	6.67	n/a	n/a	329,248	8.6	8.3	0.8	0.8	9.8	9.5	3.7	3.8
China Construction Bank	601939 CH	8.84	n/a	n/a	274,656	6.8	6.8	0.7	0.6	9.9	9.4	4.4	4.5
Bank of China	601988 CH	5.35	n/a	n/a	234,444	7.3	7.3	0.6	0.6	9.0	8.6	4.2	4.4
<b>China average</b>					<b>1,193,001</b>	<b>7.5</b>	<b>7.4</b>	<b>0.7</b>	<b>0.7</b>	<b>9.5</b>	<b>9.1</b>	<b>4.1</b>	<b>4.3</b>
<b>South Korea</b>													
KB Financial Group	105560 KS	149,200	n/a	n/a	38,763	9.7	8.7	1.0	0.9	10.0	10.4	2.5	3.0
Shinhan Financial Group	055550 KS	94,300	n/a	n/a	31,074	9.0	8.2	0.8	0.8	9.1	9.3	2.6	3.1
Hana Financial Group	086790 KS	115,500	n/a	n/a	22,453	8.2	7.5	0.8	0.7	9.5	9.5	3.2	3.7
Industrial Bank of Korea	024110 KS	22,950	n/a	n/a	12,773	6.9	6.8	0.6	0.5	8.2	7.9	4.7	5.0
<b>South Korea average</b>					<b>105,063</b>	<b>8.8</b>	<b>8.1</b>	<b>0.8</b>	<b>0.8</b>	<b>9.4</b>	<b>9.6</b>	<b>3.0</b>	<b>3.5</b>
<b>Indonesia</b>													
Bank Central Asia	BBCA IJ	7,675	n/a	n/a	55,086	16.1	15.0	3.3	3.0	21.1	21.0	4.1	4.5
Bank Rakyat Indonesia Persero	BBRI IJ	3,780	n/a	n/a	33,750	10.1	9.3	1.7	1.7	17.7	18.3	8.8	9.0
Bank Mandiri Persero	BMRI IJ	5,050	n/a	n/a	27,712	9.1	8.4	1.6	1.5	17.8	18.2	8.2	7.6
Bank Negara Indonesia Persero	BBNI IJ	4,530	n/a	n/a	9,944	8.2	7.7	1.0	0.9	12.3	12.5	7.8	8.0
Bank Syariah Indonesia	BRIS IJ	2,380	n/a	n/a	6,574	14.6	12.6	2.2	1.9	15.7	16.1	1.2	1.6
<b>Indonesia average</b>					<b>133,066</b>	<b>12.4</b>	<b>11.5</b>	<b>2.3</b>	<b>2.2</b>	<b>18.6</b>	<b>18.8</b>	<b>6.3</b>	<b>6.4</b>
<b>Malaysia</b>													
Malayan Banking	MAY MK	11.94	n/a	n/a	36,785	13.8	13.3	1.5	1.5	10.9	11.1	5.3	5.5
Public Bank	PBK MK	4.97	n/a	n/a	24,717	13.5	12.8	1.6	1.5	12.2	12.2	4.5	5.0
CIMB Group Holdings	CIMB MK	8.46	n/a	n/a	23,540	11.7	11.1	1.3	1.2	11.1	11.2	5.6	5.7
Hong Leong Bank	HLBK MK	24.90	n/a	n/a	13,708	11.7	11.4	1.3	1.2	11.4	11.2	3.1	3.8
RHB Bank	RHBBANK MK	8.14	n/a	n/a	9,124	10.9	10.5	1.1	1.0	9.9	9.8	5.5	5.8
<b>Malaysia average</b>					<b>107,874</b>	<b>12.8</b>	<b>12.3</b>	<b>1.4</b>	<b>1.4</b>	<b>11.2</b>	<b>11.3</b>	<b>4.9</b>	<b>5.2</b>
<b>Singapore</b>													
DBS Group Holdings	DBS SP	59.30	n/a	n/a	130,909	14.8	14.6	2.4	2.3	16.5	16.1	5.1	5.5
Oversea-Chinese Banking	OCBC SP	21.23	n/a	n/a	75,565	13.0	12.8	1.6	1.5	12.4	12.1	4.7	4.6
United Overseas Bank	UOB SP	38.50	n/a	n/a	50,588	13.9	11.3	1.3	1.2	9.8	11.4	4.8	4.5
<b>Singapore average</b>					<b>257,062</b>	<b>14.1</b>	<b>13.4</b>	<b>1.9</b>	<b>1.9</b>	<b>14.0</b>	<b>14.0</b>	<b>4.9</b>	<b>5.1</b>
<b>Regional average (excl. Thailand)</b>					<b>2,965,340</b>	<b>10.2</b>	<b>9.6</b>	<b>1.2</b>	<b>1.2</b>	<b>11.8</b>	<b>11.8</b>	<b>4.8</b>	<b>5.0</b>
<b>Total average (incl. Thailand)</b>					<b>3,026,596</b>	<b>10.1</b>	<b>9.7</b>	<b>1.2</b>	<b>1.1</b>	<b>11.4</b>	<b>11.3</b>	<b>5.1</b>	<b>5.2</b>

\*2025A

Sources: Bloomberg; FSSIA estimates

## Financial Statements

Kasikornbank

Profit and Loss (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Interest Income	188,068	173,625	158,824	160,699	164,875
Interest expense	(40,064)	(36,473)	(35,023)	(34,951)	(35,771)
Net interest income	148,004	137,152	123,801	125,748	129,104
Net fees & commission	33,434	35,389	38,072	40,737	43,588
Foreign exchange trading income	0	0	0	0	0
Securities trading income	13,247	16,339	14,700	14,700	14,700
Dividend income	3,526	3,386	3,555	3,733	3,920
Other income	34	2,534	3,389	3,504	3,622
Non interest income	50,240	57,648	59,716	62,674	65,830
Total income	198,244	194,800	183,517	188,422	194,935
Staff costs	(41,435)	(42,876)	(38,588)	(39,360)	(40,147)
Other operating costs	(42,815)	(41,973)	(42,113)	(43,563)	(45,557)
Operating costs	(84,250)	(84,849)	(80,701)	(82,923)	(85,704)
Pre provision operating profit	113,993	109,952	102,815	105,499	109,230
Expected credit loss	(47,251)	(40,312)	(39,824)	(40,423)	(41,231)
Other provisions	-	-	-	-	-
Operating profit	66,742	69,640	62,991	65,076	67,999
Recurring non operating income	0	0	0	0	0
Associates	-	-	-	-	-
Goodwill amortization	-	-	-	-	-
Non recurring items	-	-	-	-	-
Profit before tax	66,742	69,640	62,991	65,076	67,999
Tax	(13,095)	(13,871)	(12,535)	(12,950)	(13,532)
Profit after tax	53,648	55,769	50,456	52,126	54,467
Non-controlling interest	(4,045)	(6,204)	(6,514)	(6,839)	(7,181)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	49,603	49,565	43,942	45,286	47,286
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	49,603	49,565	43,942	45,286	47,286
<b>Per share (THB)</b>					
Recurring EPS *	20.94	21.05	18.66	19.23	20.08
Reported EPS	20.94	21.05	18.66	19.23	20.08
DPS	12.00	12.00	12.00	12.50	13.00
<b>Growth</b>					
Net interest income (%)	(0.3)	(7.3)	(9.7)	1.6	2.7
Non interest income (%)	13.6	14.7	3.6	5.0	5.0
Pre provision operating profit (%)	5.9	(3.5)	(6.5)	2.6	3.5
Operating profit (%)	19.5	4.3	(9.5)	3.3	4.5
Reported net profit (%)	17.0	(0.1)	(11.3)	3.1	4.4
Recurring EPS (%)	17.0	0.5	(11.3)	3.1	4.4
Reported EPS (%)	17.0	0.5	(11.3)	3.1	4.4
<b>Income Breakdown</b>					
Net interest income (%)	74.7	70.4	67.5	66.7	66.2
Net fees & commission (%)	16.9	18.2	20.7	21.6	22.4
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	6.7	8.4	8.0	7.8	7.5
Dividend income (%)	1.8	1.7	1.9	2.0	2.0
Other income (%)	0.0	1.3	1.8	1.9	1.9
<b>Operating performance</b>					
Gross interest yield (%)	4.57	4.09	3.60	3.54	3.53
Cost of funds (%)	1.35	1.20	1.11	1.09	1.09
Net interest spread (%)	3.22	2.89	2.49	2.45	2.44
Net interest margin (%)	3.6	3.2	2.8	2.8	2.8
Cost/income(%)	42.5	43.6	44.0	44.0	44.0
Cost/assets(%)	2.0	1.9	1.7	1.7	1.8
Effective tax rate (%)	19.6	19.9	19.9	19.9	19.9
Dividend payout on recurring profit (%)	57.3	57.0	64.3	65.0	64.7
ROE (%)	9.0	8.6	7.4	7.3	7.6
ROE - COE (%)	(0.8)	(1.2)	(2.4)	(2.5)	(2.2)
ROA (%)	1.2	1.1	1.0	1.0	1.0
RORWA (%)	1.9	1.9	1.7	1.7	1.7

\* Pre-exceptional, pre-goodwill and fully diluted

Sources: Kasikornbank; FSSIA estimates

## Financial Statements

Kasikornbank

Balance Sheet (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Gross customer loans	2,483,695	2,476,647	2,501,413	2,551,442	2,602,471
Allowance for expected credit loss	(131,706)	(142,997)	(146,333)	(149,259)	(152,245)
interest in suspense	16,660	19,120	19,761	20,156	20,560
<b>Net customer loans</b>	<b>2,368,649</b>	<b>2,352,770</b>	<b>2,374,842</b>	<b>2,422,339</b>	<b>2,470,786</b>
Bank loans	522,729	559,861	576,657	593,957	611,775
Government securities	-	-	-	-	-
Trading securities	61,088	53,146	46,237	40,226	34,997
Investment securities	1,073,691	1,263,262	1,351,390	1,425,638	1,468,737
Cash & equivalents	46,021	54,049	46,354	44,777	48,304
Other interesting assets	-	-	-	-	-
Tangible fixed assets	114,151	117,412	120,342	123,348	126,432
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	154,624	158,118	161,542	165,088	168,766
<b>Total assets</b>	<b>4,340,954</b>	<b>4,558,618</b>	<b>4,677,363</b>	<b>4,815,372</b>	<b>4,929,797</b>
Customer deposits	2,718,675	2,850,387	2,893,142	2,951,005	3,024,780
Bank deposits	172,144	207,482	211,632	215,864	222,340
Other interest bearing liabilities	67,334	64,478	67,702	69,056	70,437
Non interest bearing liabilities	737,139	762,503	798,804	836,907	876,901
Hybrid Capital	-	-	-	-	-
<b>Total liabilities</b>	<b>3,695,292</b>	<b>3,884,850</b>	<b>3,971,280</b>	<b>4,072,832</b>	<b>4,194,458</b>
Share capital	23,693	23,693	23,693	23,693	23,693
Reserves	545,032	557,453	580,506	606,774	588,366
<b>Total equity</b>	<b>568,726</b>	<b>581,146</b>	<b>604,199</b>	<b>630,468</b>	<b>612,060</b>
Non-controlling interest	76,937	92,622	101,884	112,072	123,280
<b>Total liabilities &amp; equity</b>	<b>4,340,954</b>	<b>4,558,618</b>	<b>4,677,363</b>	<b>4,815,372</b>	<b>4,929,797</b>
<b>Supplementary items</b>					
Risk weighted assets (RWA)	2,865,030	3,008,688	3,087,060	3,178,145	3,253,666
Average interest earning assets	4,111,744	4,247,060	4,414,307	4,543,480	4,664,621
Average interest bearing liabilities	2,959,247	3,040,250	3,147,411	3,204,200	3,276,741
CET 1 capital	484,681	509,503	529,889	553,139	537,625
Total capital	538,833	563,655	584,041	607,291	591,777
Gross non performing loans (NPL)	91,309	91,950	90,750	89,550	88,350
<b>Per share (THB)</b>					
Book value per share	240.04	246.68	260.09	271.40	263.48
Tangible book value per share	240.04	246.68	260.09	271.40	263.48
<b>Growth</b>					
Gross customer loans	(0.3)	(0.3)	1.0	2.0	2.0
Average interest earning assets	1.4	3.3	3.9	2.9	2.7
Total asset (%)	1.3	5.0	2.6	3.0	2.4
Risk weighted assets (%)	1.3	5.0	2.6	3.0	2.4
Customer deposits (%)	0.7	4.8	1.5	2.0	2.5
<b>Leverage &amp; capital measures</b>					
Customer loan/deposits (%)	87.1	82.5	82.1	82.1	81.7
Equity/assets (%)	13.1	12.7	12.9	13.1	12.4
Tangible equity/assets (%)	13.1	12.7	12.9	13.1	12.4
RWA/assets (%)	66.0	66.0	66.0	66.0	66.0
CET 1 CAR (%)	16.9	16.9	17.2	17.4	16.5
Total CAR (%)	18.8	18.7	18.9	19.1	18.2
<b>Asset Quality (FSSIA's calculation)</b>					
Change in NPL (%)	(0.8)	0.7	(1.3)	(1.3)	(1.3)
NPL/gross loans (%)	3.7	3.7	3.6	3.5	3.4
Allowance for ECL/gross loans (%)	5.3	5.8	5.9	5.9	5.9
Allowance for ECL/NPL (%)	144.2	155.5	161.2	166.7	172.3
<b>Valuation</b>					
Recurring P/E (x) *	9.0	9.0	10.1	9.8	9.4
Recurring P/E @ target price (x) *	9.1	9.0	10.2	9.9	9.5
Reported P/E (x)	9.0	9.0	10.1	9.8	9.4
Dividend yield (%)	6.4	6.4	6.4	6.6	6.9
Price/book (x)	0.8	0.8	0.7	0.7	0.7
Price/tangible book (x)	0.8	0.8	0.7	0.7	0.7
Price/tangible book @ target price (x)	0.8	0.8	0.7	0.7	0.7

\* Pre-exceptional, pre-goodwill and fully diluted

Sources: Kasikornbank; FSSIA estimates

# Kasikornbank PCL (KBANK TB)

**FSSIA ESG rating**

★ ★ ★ ★ ★

## Exhibit 8: FSSIA ESG score implication

**81.09 /100**

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 9: 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	65.45	--	Y	AAA	5.00	4.00	Certified	Medium	61.30	--	41.00	63.89	75.00	3.45	59.82
KBANK	81.09	Y	Y	AAA	5.00	5.00	Certified	Low	69.78	AA	48.00	76.99	86.00	--	--
KTB	68.62	--	Y	AAA	5.00	4.00	Certified	Low	58.56	A	36.00	63.38	76.00	--	65.32
SCB	75.10	Y	Y	AAA	5.00	4.00	Certified	Medium	58.91	A	--	70.50	88.00	--	--
KKP	63.34	--	Y	AAA	5.00	5.00	Certified	Medium	58.94	BBB	--	71.86	38.00	2.40	55.28
TISCO	64.02	--	Y	AAA	5.00	5.00	Certified	Medium	63.02	--	--	68.68	39.00	4.29	51.18
TTB	75.32	--	Y	AAA	5.00	5.00	Certified	Low	61.16	A	39.00	53.52	87.00	5.25	56.55

Sources: SETTRADE.com; FSSIA's compilation

## Exhibit 10: ESG score by Bloomberg

FY ending Dec 31	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>ESG financial materiality scores - ESG score</b>	<b>2.61</b>	<b>2.67</b>	<b>2.67</b>	<b>2.88</b>	<b>3.89</b>	<b>4.45</b>	<b>4.97</b>	<b>—</b>
BESG environmental pillar score	0.08	0.18	0.18	0.24	2.93	4.44	4.56	—
BESG social pillar score	3.44	3.44	3.49	3.89	3.95	4.00	5.10	—
BESG governance pillar score	4.83	4.91	4.81	4.88	4.86	5.25	5.16	—
<b>ESG disclosure score</b>	<b>59.49</b>	<b>57.60</b>	<b>57.60</b>	<b>58.20</b>	<b>58.20</b>	<b>61.95</b>	<b>66.52</b>	<b>—</b>
Environmental disclosure score	33.55	37.48	37.48	40.86	40.86	47.39	49.95	—
Social disclosure score	48.67	39.06	39.06	37.48	37.48	42.20	53.39	—
Governance disclosure score	96.12	96.12	96.12	96.12	96.12	96.12	96.12	—
<b>Environmental</b>								
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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG scope 1	25	21	21	19	16	11	15	15
GHG scope 2 location-based	80	87	83	79	74	61	64	67
GHG Scope 3	0	1	1	1	1	18	44,820	46,675
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	240	237	229	213	187	189	198	199
Renewable energy use	11	11	7	10	8	28	27	32
Electricity used	—	—	—	—	—	0	0	0
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

## Exhibit 11: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
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	0	0	1	1	2	0	0	0
Total waste	6	8	7	6	5	5	4	4
Waste recycled	—	1	2	2	3	2	2	2
Waste sent to landfills	—	7	5	4	3	3	2	1
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	270	283	158	243	235
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No	No
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pct women in workforce	68	69	69	70	70	70	71	72
Pct disabled in workforce	0	0	0	0	0	0	0	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	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	20,839	20,646	20,407	19,819	19,029	18,648	18,596	18,617
Employee turnover pct	10	8	6	3	7	8	8	7
Total hours spent by firm - employee training	1,094,590	881,469	928,607	847,516	712,474	753,600	641,153	763,122
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Governance</b>								
Board size	16	17	18	18	18	18	18	13
No. of independent directors (ID)	9	9	10	9	9	6	6	6
No. of women on board	6	6	7	7	7	8	8	8
No. of non-executive directors on board	12	12	12	13	13	13	13	11
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	12	12	12	15	13	12	12	12
Board meeting attendance pct	95	95	97	97	97	96	98	98
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	47	48	40	41	42	43	43	45
Age of the oldest director	72	70	71	72	68	68	69	68
No. of executives / company managers	17	18	19	15	14	16	16	43
No. of female executives	4	4	5	5	5	6	7	15
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	4	4	4	4	4	4	4	4
No. of ID on audit committee	4	4	4	4	4	4	4	4
Audit committee meetings	12	12	12	12	12	12	12	12
Audit meeting attendance %	96	90	98	98	100	98	92	94
Size of compensation committee	3	3	3	3	5	3	3	4
No. of ID on compensation committee	2	2	2	2	3	2	2	2
No. of compensation committee meetings	10	8	9	10	11	10	11	12
Compensation meeting attendance %	95	96	100	100	100	100	97	98
Size of nomination committee	3	4	4	5	5	6	6	5
No. of nomination committee meetings	4	4	5	4	4	6	4	4
Nomination meeting attendance %	94	100	90	95	100	93	88	95
<b>Sustainability governance</b>								
Verification type	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETESG Index</b> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
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.																				
		<table border="1"> <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"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks	
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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) "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

#### Usanee Liurut, CISA 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.

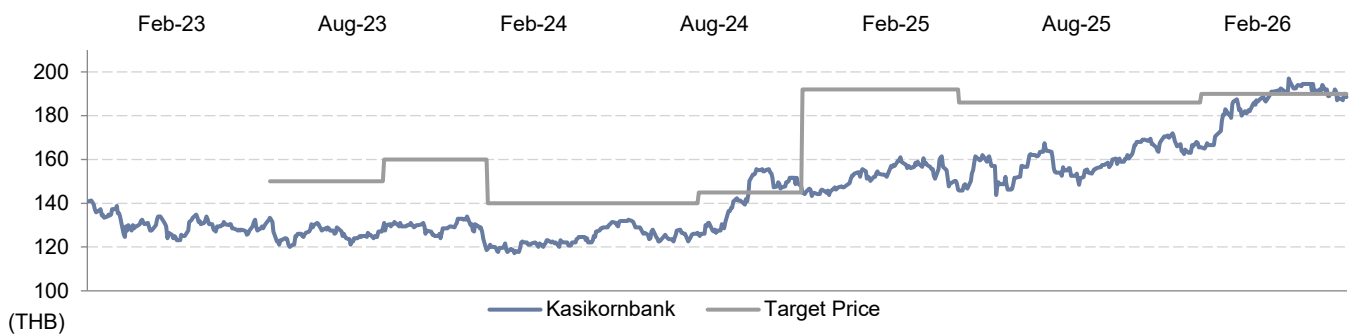
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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### History of change in investment rating and/or target price

#### Kasikornbank (KBANK TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
17-Jul-2023	BUY	150.00	23-Jul-2024	BUY	145.00	02-Oct-2025	BUY	190.00
24-Oct-2023	BUY	160.00	21-Oct-2024	BUY	192.00			
22-Jan-2024	HOLD	140.00	06-Mar-2025	BUY	186.00			

Usanee Liurut, CISA started covering this stock from 9-Feb-2026

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Kasikornbank	KBANK TB	THB 188.50	HOLD	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand. Upside risks comprise 1) lower credit cost from better asset quality; and 2) the better ongoing cost control efficiency

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 06-Feb-2026 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.