

Thailand Banks

1Q26E profit down; revenues and credit costs worsen

- เราคาดว่าธนาคาร 7 แห่งที่เราทำการศึกษารายงานกำไรสุทธิลดลง 2.8% q-q และ 20.8% y-y หากเปรียบเทียบ q-q BBL เป็นผู้นำการเติบโต ขณะที่ SCB มีการปรับตัวลดลงมากที่สุด
- คาดกำไรปี 2026 ลดลง พร้อมความเสี่ยงขาาลงต่อ Credit cost ที่เพิ่มขึ้น
- คงให้คำแนะนำกลุ่ม NEUTRAL โดยมี KTB และ SCB เป็นหุ้นเด่น

คาดการณ์กำไร 1Q26 ลดลงตามรายได้ที่หดตัว

ธนาคาร 7 แห่งที่เราทำการศึกษาคาดว่าจะรายงานกำไรสุทธิรวมใน 1Q26 ที่ 46.3 พัน ลบ. ลดลง 2.8% q-q และ 20.8% y-y คิดเป็น 22% ของประมาณการทั้งปี 2026 ของเรา หากเปรียบเทียบ q-q เราคาดว่าธนาคารส่วนใหญ่จะรายงานกำไรสุทธิลดลง ยกเว้น BBL และ KKP ที่คาดว่าจะเพิ่มขึ้น โดย BBL เติบโตสูงสุด ขณะที่ SCB ลดลงมากที่สุด หากเทียบ y-y เราคาดว่าธนาคารส่วนใหญ่จะรายงานกำไรสุทธิลดลง ยกเว้น KKP และ TTB ที่คาดว่าจะเติบโต โดย KKP ทำได้ดีที่สุด ขณะที่ BBL ลดลงมากที่สุด PPOP ยังแข็งแกร่ง โดยทรงตัวในเชิง q-q แต่ลดลง 14.5% y-y มาอยู่ที่ 101.1 พัน ลบ. NII ยังอ่อนแอ โดยสินเชื่อลดลงเล็กน้อย 0.1% q-q และ 1.1% y-y

คุณภาพสินทรัพย์ยังอยู่ในระดับบริหารจัดการได้; Credit cost ปรับเพิ่ม

คุณภาพสินทรัพย์ใน 1Q26 ยังคงอยู่ในระดับที่บริหารจัดการได้ โดยสินเชื่อธุรกิจขนาดใหญ่ยังทรงตัว ขณะที่สินเชื่อ SMEs และรายย่อยยังได้รับประโยชน์จากมาตรการปรับโครงสร้างหนี้เชิงรุกของธนาคาร นอกจากนี้มาตรการ “คุณสู้เราช่วย” ของ ธปท. ช่วยสนับสนุนเสถียรภาพของการเกิดหนี้ด้วยคุณภาพใหม่และสินเชื่อ Stage 2 สัดส่วนหนี้ด้วยคุณภาพคาดว่าจะเพิ่มขึ้นเล็กน้อยเป็น 3.67% จาก 3.64% ณ สิ้น 4Q25 จากฐานสินเชื่อที่ยังหดตัว ขณะที่ Credit cost ใน 1Q26 คาดว่าจะเพิ่มขึ้นเป็น 138bps จาก 135bps ใน 4Q25 ส่งผลให้ coverage ratio เพิ่มขึ้นเป็น 198% จาก 195% ณ สิ้น 4Q25

คาดการณ์กำไรปี 2026 ลดลง; ความเสี่ยงขาาลงต่อ Credit cost เพิ่มขึ้น

เราคาดว่ากำไรสุทธิรวมจะลดลง 5.4% y-y ในปี 2026 โดยมีสาเหตุหลักจาก NII ที่อ่อนแอลงจากการปรับลดอัตราดอกเบี้ยก่อนหน้าที่กดดัน NIM ลง 40bps ภายใต้สมมติฐานการเติบโตของสินเชื่อแบบระมัดระวังที่ 1.7% y-y ขณะที่กำไรจาก FVTPL กลับสู่ระดับปกติจากฐานสูง คุณภาพสินทรัพย์ยังอยู่ในระดับบริหารจัดการได้ โดย Credit cost ลดลงเป็น 127bps สัดส่วนหนี้ด้วยคุณภาพเพิ่มขึ้นเล็กน้อยเป็น 3.66% และ coverage ratio ปรับลดลงมาอยู่ที่ 196% อย่างไรก็ตาม เรามีความกังวลเพิ่มขึ้นต่อ Credit cost ในปี 2026 ธนาคารส่วนใหญ่ให้แนวโน้ม Credit cost ลดลงจากปี 2025 สะท้อนทิศทางคุณภาพสินทรัพย์ที่ดีขึ้น อย่างไรก็ตาม สภาพแวดล้อมเศรษฐกิจในปัจจุบัน โดยเฉพาะความเสี่ยงจากราคาน้ำมันดิบที่ปรับตัวสูงขึ้น อาจกดดันความสามารถในการชำระหนี้ของลูกหนี้ และทำให้ธนาคารต้องเพิ่ม Credit cost ผ่าน management overlay เพิ่มเติม จากการศึกษาผลกระทบ หาก Credit cost ในปี 2026 เพิ่มขึ้น 10bps จากสมมติฐาน 127bps จะทำให้ประมาณการกำไรสุทธิปี 2026 ของเราลดลง 5.7% จากปัจจุบัน

คงให้คำแนะนำกลุ่ม NEUTRAL โดยมี KTB และ SCB เป็นหุ้นเด่น

เราคงให้คำแนะนำกลุ่มธนาคารไทยที่ NEUTRAL โดยหุ้นเด่นของเราคือ KTB (ราคาเป้าหมาย 36.40 บาท) และ SCB (ราคาเป้าหมาย 170 บาท) นอกจากนี้เราแนะนำ ชื่อ BBL (ราคาเป้าหมาย 188 บาท) และ KKP (ราคาเป้าหมาย 86 บาท)



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1Q26E profit to decline following revenue contraction

The seven banks under our coverage expect to report a combined 1Q26 net profit of THB46.3b, down 2.8% q-q and 20.8% y-y, accounting for 22% of our full-year 2026 forecast. On a q-q basis, we expect all banks to report lower net profit, except for BBL and KKP, which should see increases, with BBL performing best and SCB worst. On a y-y basis, we expect most banks to post net profit contraction, except for KKP and TTB, which should deliver growth, with KKP performing the best and BBL the worst.

PPOP remains solid, broadly stable q-q but declining by 14.5% y-y to THB101.1b. NII remains weak, with loans declining slightly by 0.1% q-q and 1.1% y-y. Corporate loans (41% of total loans, including government and SOE loans) should post q-q growth, mainly driven by short-term working capital. However, SME loans (15%) remain flat as banks stay cautious, while retail loans (39%) decline, particularly auto hire-purchase loans (5%), due to weak domestic car sales following the seasonal peak in 4Q25.

Loan yields decline significantly, leading to a 12bp q-q drop in 1Q26E NIM to 2.81%, despite a smaller loan base and lower funding costs following multiple rate cuts. Non-NII decreases slightly by 0.8% q-q but increases by 2.4% y-y, driven by fee income, although bancassurance and wealth management activities ease after the seasonal peak. Operating expenses decline following seasonality, continued cost control measures, and lower losses from repossessed car sales among auto hire-purchase operators. As a result, the cost-to-income ratio improves to 46.3% from 48.3% in 4Q25.

Exhibit 1: 1Q26 earnings preview of Thai banks under coverage

	1Q26E (THB m)	4Q25 (THB m)	Change (q-q%)	1Q25 (THB m)	Change (y-y%)	%of 26E	2026E (THB m)	Change (y-y%)
BBL	9,072	7,759	16.9	12,618	(28.1)	21	43,286	(5.9)
KBANK	9,871	10,278	(4.0)	13,791	(28.4)	22	43,942	(11.3)
KTB	9,732	10,774	(9.7)	11,714	(16.9)	21	47,009	(2.5)
SCB	9,022	10,144	(11.1)	12,502	(27.8)	20	44,362	(6.6)
TTB	5,155	5,240	(1.6)	5,098	1.1	25	20,731	0.4
KKP	1,808	1,772	2.0	1,061	70.4	29	6,177	4.5
TISCO	1,603	1,642	(2.3)	1,643	(2.4)	24	6,809	2.3
Coverage	46,263	47,609	(2.8)	58,428	(20.8)	22	212,317	(5.4)

Sources: Company data; FSSIA estimates

Exhibit 2: Aggregate banks – 1Q26 earnings preview & 2026-28E

Year end 31 Dec	1Q25	2Q25	3Q25	4Q25	1Q26E	---- Change ----		%of	2025	2026E	2027E	2028E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	26E	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)
Net interest income	147,219	144,044	140,259	135,556	130,850	(3.5)	(11.1)	25	567,075	521,854	526,474	542,908	(8.0)
Non-interest income	58,010	60,162	71,173	59,897	58,223	(2.8)	0.4	23	249,240	254,105	262,985	272,363	2.0
Fee income - net	33,925	32,173	35,441	35,998	34,969	(2.9)	3.1	24	137,538	144,281	151,744	159,643	4.9
Total operating income	205,229	204,206	211,431	195,453	189,073	(3.3)	(7.9)	24	816,315	775,959	789,459	815,271	(4.9)
Total operating expenses	87,090	88,316	88,700	94,319	88,014	(6.7)	1.1	25	358,425	348,510	354,505	363,186	(2.8)
PPOP before tax	118,139	115,890	122,731	101,134	101,058	(0.1)	(14.5)	24	457,891	427,449	434,954	452,085	(6.6)
Expected credit loss	42,748	44,967	43,665	39,828	41,050	3.1	(4.0)	27	171,208	152,655	155,563	159,309	(10.8)
Income tax	14,290	11,572	14,064	10,913	10,930	0.2	(23.5)	22	50,840	50,704	55,537	59,156	(0.3)
Non-controlling interest	2,673	3,057	2,829	2,785	2,815	1.1	5.3	24	11,345	11,773	12,220	12,687	3.8
Net profit	58,428	56,293	62,173	47,609	46,263	(2.8)	(20.8)	22	224,499	212,317	211,634	220,933	(5.4)
EPS (THB)	12.14	11.69	12.91	9.89	9.61	(2.8)	(20.8)	22	46.63	44.10	43.96	45.89	(5.4)
Key ratios	1Q25	2Q25	3Q25	4Q25	1Q26E	---- Change ----			2025	2026E	2027E	2028E	Change
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)		(%)	(%)	(%)	(%)	(y-y %)
Gross NPLs (THB m)	442,471	446,440	438,666	434,829	437,764	0.7	(1.1)		434,829	444,371	450,554	458,526	2.2
Change (% from prior period)	3.0	0.9	(1.7)	(0.9)	0.7				1.2	2.2	1.4	1.8	
NPL ratio (%)*	3.67	3.72	3.74	3.64	3.67				3.64	3.66	3.63	3.61	
Coverage ratio (%)*	186	187	194	195	198				195	196	197	198	
Credit cost (bp)	142	150	147	135	138				143	127	127	127	
Profitability ratio	(%)	(%)	(%)	(%)	(%)				(%)	(%)	(%)	(%)	
Cost to income ratio	42.4	43.2	42.0	48.3	46.6				43.9	44.9	44.9	44.5	
Average yield (%)	4.49	4.37	4.24	4.04	3.87				4.61	4.07	3.95	3.98	
Cost of funds (%)	1.55	1.51	1.46	1.38	1.31				1.57	1.40	1.36	1.38	
Loan spreads	2.94	2.86	2.78	2.66	2.56				3.04	2.67	2.59	2.60	
NIM (%)*	3.24	3.15	3.06	2.93	2.81				3.33	2.93	2.84	2.85	
Non-interest income /total income (%)	28.3	29.5	33.7	30.6	30.8				30.5	32.7	33.3	33.4	
Loan growth	(%)	(%)	(%)	(%)	(%)				(%)	(%)	(%)	(%)	
q-q	(0.6)	(0.3)	(2.3)	1.6	(0.1)								
y-y	(1.4)	(1.0)	(1.6)	(1.5)	(1.1)				(1.2)	1.7	2.4	2.4	
Year-to-date	(0.6)	(0.9)	(3.1)	(1.5)	(0.1)								

Sources: Company data; FSSIA estimates

Most banks had negative loan growth in February 2026; KKP performed the best

The seven banks under our coverage reported a slight rebound in aggregate net loans (net of ECL allowances) in February 2026, reversing from a contraction in the previous month, with net loans increasing by 0.5% m-m but still declining by 1.3% y-y to THB10.61t. Most banks recorded m-m loan growth, mainly driven by sizable corporate loan drawdowns, largely for short-term working capital.

SME loans showed early signs of stabilization and turned slightly positive (except for BBL, which remained in contraction), while retail loans remained broadly stable overall. Auto hire-purchase loans continued to decline, except for TISCO, which still recorded growth in EV-related auto loans. Overall, net loans in 2M26 still contracted by 0.2% YTD, remaining below our conservative 2026 forecast of +1.7% y-y.

Total deposits in February 2026 amounted to THB12.88t, moving in the opposite direction to net loans, declining by 0.1% m-m but increasing by 2.9% y-y. Most banks recorded m-m deposit contraction, except for KBANK (driven by CASA growth), KKP (CASA), and TTB (CASA and lower fixed deposits), which posted the strongest increases. Overall, deposits in 2M26 rose by 0.2% YTD, while loans contracted.

Exhibit 3: Aggregate banks – C.B. report as of February 2026

	BBL	KBANK	KKP	KTB	SCB	TISCO	TTB	Coverage	BAY
Growth (m-m %)									
Loan	0.29	0.24	1.94	1.07	0.38	0.77	0.06	0.52	(0.02)
Deposit	(0.31)	0.82	0.31	(0.32)	(0.67)	(1.04)	0.12	(0.09)	(0.66)
Deposit + Borrowing	(0.32)	0.80	1.43	(0.16)	(0.52)	(0.99)	0.12	(0.01)	(0.63)
Growth (y-y %)									
Loan	(5.30)	0.23	(3.80)	3.88	(3.33)	1.33	(3.38)	(1.28)	(5.25)
Deposit	1.28	6.55	(4.81)	4.57	3.45	0.99	(3.31)	2.90	(6.76)
Deposit + Borrowing	2.04	6.25	(8.18)	4.45	4.01	3.24	(3.65)	2.98	(6.86)
Growth (YTD %)									
Loan	(0.07)	(1.32)	1.96	1.65	(0.58)	0.19	(2.16)	(0.20)	(3.23)
Deposit	0.30	1.72	(1.62)	(0.16)	(0.33)	(2.95)	(0.46)	0.20	(1.84)
Deposit + Borrowing	0.16	1.67	(0.45)	0.21	(0.09)	(3.09)	(0.45)	0.31	(1.77)
LDR (%)	70.41	77.73	99.11	87.26	86.90	111.66	89.42	82.34	86.58

Sources: Company data; FSSIA estimates

Exhibit 4: Aggregate banks – Loan movement in February 2026

Feb-26 (m-m)	BBL	KTB	KBANK	SCB	TTB	KKP	TISCO
LOANS	+	+	+	+	0	+	+
Corporate	+	0	+	+	+	+	+
Government vs SOE		+					
SME		0	0		0	+	+
Commercial	(-)						
Business	(-)						
International	(-)						
Retail	(-)	0	(-)	0	0	(-)	0
Housing	(-)	0			0		(-)
Hire purchase				(-)	(-)	(-)	+
Credit card	(-)			+	(-)		
AutoX							
Others (P-loans, Title loans)		-			+		(-)
DEPOSITS	(-)	(-)	+	(-)	0	+	(-)
CASA	(-)	(-)	+	(-)	+	+	(-)
Fix	(-)	(-)	0	0	(-)	(-)	(-)
Strategic products					+		

Sources: Company data; FSSIA estimates

Asset quality remains manageable; credit costs rise

Asset quality in 1Q26E remains manageable, with corporate loans staying stable, while SMEs and retail loans continue to benefit from banks' proactive debt restructuring measures. In addition, the BoT's "You Fight, We Help" scheme supports stable new NPL formation and Stage 2 loans. Most banks actively manage their portfolios and maintain elevated credit costs, typically with additional management overlays. The NPL ratio should edge up slightly to 3.67% from 3.64% at the end of 4Q25, due to a still-contracting loan base. Meanwhile, 1Q26E credit costs should increase to 138bps from 135bps in 4Q25, pushing the coverage ratio up to 198% from 195% at the end of 4Q25.

Exhibit 5: Aggregate banks – Staged loan

	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
	(THB b)	(THB b)	(THB b)	(THB b)	(THB b)	(%)	(%)	(%)	(%)	(%)
Staged loans						Staged loans – % of total loans				
Stage 1	11,057	11,317	11,245	11,232	11,117	88.78	89.37	89.39	88.64	88.47
Stage 2	908	889	896	1,005	1,009	7.29	7.02	7.12	7.93	8.03
Stage 3	489	458	438	435	440	3.92	3.62	3.48	3.43	3.50
Total	12,453	12,664	12,579	12,672	12,565	100.00	100.00	100.00	100.00	100.00
Allowance for ECL						Allowance for ECL – % of total				
Stage 1	246	262	265	235	244	32.0	33.2	32.5	28.7	28.2
Stage 2	237	252	281	319	345	30.7	31.9	34.5	38.8	39.9
Stage 3	287	276	268	267	275	37.3	34.9	33.0	32.5	31.8
Total	769	790	814	820	865	100.0	100.0	100.0	100.0	100.0
LLR/ Loans	(%)	(%)	(%)	(%)	(%)					
Stage 1	2.2	2.3	2.4	2.1	2.2					
Stage 2	26.0	28.3	31.4	31.7	34.2					
Stage 3	58.7	60.3	61.2	61.3	62.6					
Total	6.2	6.2	6.5	6.5	6.9					
	(%)	(%)	(%)	(%)	(%)					
NPL / TL	3.92	3.62	3.48	3.43	3.50					
NPL vs. Stage 2 loans / TL	11.22	10.63	10.61	11.36	11.53					
LLR / NPL	157.5	172.6	185.8	188.7	196.7					
LLR / (NPL vs. Stage 2)	55.1	58.7	61.0	57.0	59.7					

Sources: Company data; FSSIA compilation

2026E earnings to contract on cautious loan growth and sharp NIM compression

We forecast aggregate net profit to decline by 5.4% y-y in 2026, mainly due to weaker NII as prior rate cuts compress NIM by 40bps, based on our conservative loan growth assumption of 1.7% y-y, while FVTPL gains normalize from a high base. Asset quality remains manageable, with credit costs declining to 127bps, NPLs increasing slightly to 3.66%, and the coverage ratio moderating to 196%. Most banks maintain a cautious stance on loan growth and expect continued NIM pressure, while guiding mid- to high-single-digit fee growth (we forecast +4.9% y-y) supported by wealth management and bancassurance. For 2027–28, we expect a gradual earnings recovery, with net profit growth ranging from flat to 4.4% y-y under conservative loan growth, stable credit costs, and a cost-to-income ratio of 44.5–44.9%.

However, we have growing concerns over the 2026 credit costs. Most banks guide for lower credit costs than in 2025, reflecting improving asset quality trends. Nevertheless, the current economic environment—particularly the risk of rising crude oil prices—could pressure borrowers' repayment capacity and lead banks to increase credit costs through additional management overlays.

Our sensitivity analysis shows that a 10bp increase in 2026 credit costs above our 127bp assumption would reduce our 2026 net profit forecast by 5.7% relative to the current estimate.

Exhibit 6: Sensitivity analysis; Impact of changes in key assumptions on our 2026E net profit

		BBL		KBANK		KTB		KKP		SCB		TISCO		TTB	
		Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse
Loan growth (%)	-2ppt	2.0	0.00	1.0	-1.00	2.0	0.00	1.1	-0.87	2.0	0.00	1.5	-0.50	1.0	-1.00
% change in net profit			(2.0)		(1.2)		(1.5)		(1.4)		(1.5)		(1.8)		(1.3)
NIM (%)	-5bp	2.45	2.40	2.80	2.75	2.42	2.37	4.32	4.27	3.08	3.03	4.82	4.77	3.01	2.96
% change in net profit			(4.8)		(3.3)		(3.1)		(2.3)		(5.1)		(1.8)		(3.9)
Credit costs (bps)	+10bp	110	120	160	170	90	100	170	180	155	165	100	110	135	145
% change in net profit			(4.9)		(4.5)		(4.7)		(4.5)		(4.3)		(2.8)		(5.4)
Cost-to-income (%)	+1ppt	49.8	50.8	44.0	45.0	41.7	42.7	46.4	47.4	42.9	43.9	45.7	46.7	44.6	45.6
% change in net profit			(3.0)		(3.3)		(2.7)		(3.4)		(3.0)		(2.3)		(1.3)

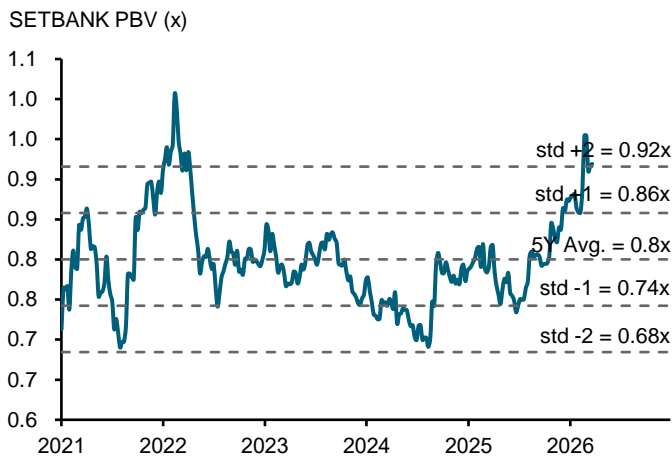
Sources: Company data; FSSIA estimates

Maintain NEUTRAL WEIGHT call, with KTB and SCB as our top picks

We retain our NEUTRAL WEIGHT call on the Thai banking sector. Our top picks are: 1) KTB (TP THB36.40), supported by improving loan growth prospects following the formation of a new government and the rollout of economic stimulus measures, alongside more proactive capital management under its 10%++ ROE guidance, which should enhance shareholder returns; we expect a dividend yield of 5–6% p.a.; and 2) SCB (TP THB170), on expectations of stronger earnings momentum driven by a fuller recovery in its Gen 2–3 businesses (21% of operating income and 10% of 2025 net profit), together with the most attractive dividend yield in the sector at 7–8% p.a.

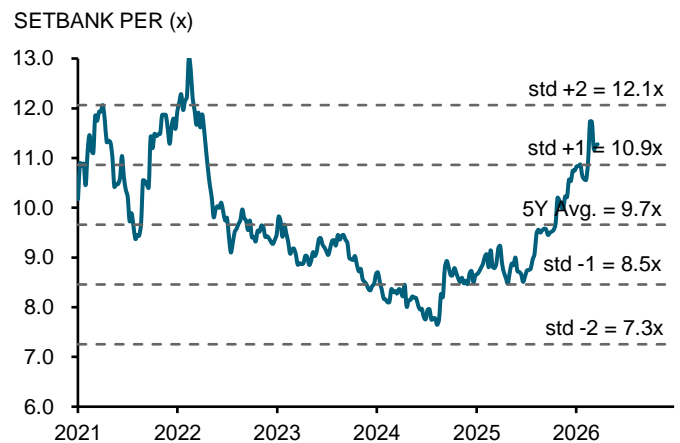
We also recommend buy BBL (TP THB188) for its loan growth opportunities both domestically—supported by new government policies—and overseas, combined with compelling valuation at 0.52x PBV versus our 2026E ROE of 7.4%, and buy KKP (TP THB86) on a more constructive outlook for its capital markets business and an appealing dividend yield of c.7% p.a.

Exhibit 7: SETBANK – one-year prospective PBV band



Sources: Bloomberg; FSSIA compilation

Exhibit 8: SETBANK – one-year prospective PER band



Sources: Bloomberg; FSSIA compilation

Exhibit 9: Peer regional banks comparison, as of 23 March 2026

Company name	BBG code	Share price (LCY)	Target price (LCY)	Upside (%)	Market Cap. (USD m)	PE		PBV		ROE		Div yld	
						26E (x)	27E (x)	26E (x)	27E (x)	26E (%)	27E (%)	26E (x)	27E (x)
Thailand													
Bangkok Bank	BBL TB	163.50	188.00	15	9,455	7.2	7.1	0.5	0.5	7.4	7.2	5.5	5.7
Kasikombank	KBANK TB	186.50	190.00	2	13,283	10.0	9.7	0.7	0.7	7.4	7.3	6.4	6.7
Krung Thai Bank	KTB TB	33.75	36.40	8	14,290	10.0	10.2	1.0	0.9	9.9	9.4	5.6	5.6
SCB X	SCB TB	143.50	170.00	18	14,638	10.9	10.7	1.0	0.9	8.9	8.9	7.9	7.9
TMBThanachart Bank	TTB TB	2.18	2.40	10	6,062	9.1	10.4	0.8	0.8	8.7	7.6	6.6	6.6
Kiatnakin Bank	KKP TB	71.50	86.00	20	1,808	10.2	9.6	1.0	0.9	9.5	10.0	8.0	8.0
Tisco Financial Group	TISCO TB	112.00	117.00	4	2,717	13.2	12.9	2.0	2.0	15.6	15.8	7.1	7.3
Thailand weighted average					62,253	9.8	9.9	0.9	0.9	8.9	8.6	6.5	6.6
Hong Kong													
Industrial & Comm Bank of China	1398 HK	6.37	n/a	n/a	357,841	5.6	5.5	0.5	0.5	8.9	8.5	5.6	5.8
China Construction Bank	939 HK	7.79	n/a	n/a	269,785	5.3	5.1	0.5	0.5	9.4	9.2	5.7	5.9
HSBC Holdings	5 HK	118.90	n/a	n/a	267,432	9.6	8.8	1.4	1.4	15.0	15.8	5.2	5.7
Bank of China	3988 HK	4.59	n/a	n/a	238,352	5.6	5.4	0.5	0.4	8.4	8.3	5.7	5.8
Hong Kong average					1,133,410	6.5	6.1	0.7	0.7	10.4	10.4	5.6	5.8
China													
Industrial & Comm Bank of China	601398 CH	7.25	n/a	n/a	357,839	7.2	6.9	0.6	0.6	8.9	8.6	4.3	4.5
Agricultural Bank of China	601288 CH	6.47	n/a	n/a	321,093	8.1	7.7	0.8	0.7	9.5	9.3	4.0	4.1
China Construction Bank	601939 CH	9.16	n/a	n/a	269,783	7.1	6.9	0.7	0.6	9.4	9.1	4.3	4.4
Bank of China	601988 CH	5.39	n/a	n/a	238,350	7.3	7.1	0.6	0.6	8.6	8.5	4.3	4.4
China average					1,187,065	7.4	7.1	0.7	0.6	9.1	8.9	4.2	4.4
South Korea													
KB Financial Group	105560 KS	144,600	n/a	n/a	36,604	8.3	7.6	0.9	0.8	10.5	10.5	3.2	3.5
Shinhan Financial Group	055550 KS	89,600	n/a	n/a	28,424	7.8	7.1	0.7	0.7	9.3	9.4	3.3	3.7
Hana Financial Group	086790 KS	105,600	n/a	n/a	19,830	6.8	6.2	0.6	0.6	9.4	9.4	4.2	4.6
Industrial Bank of Korea	024110 KS	23,050	n/a	n/a	12,304	6.7	6.4	0.5	0.5	7.8	7.7	5.0	5.4
South Korea average					97,161	7.7	7.0	0.7	0.7	9.6	9.6	3.6	4.0
Indonesia													
Bank Central Asia	BBCA IJ	6,775	n/a	n/a	49,297	13.6	12.5	2.7	2.5	20.9	21.1	4.9	5.4
Bank Rakyat Indonesia Persero	BBRI IJ	3,480	n/a	n/a	31,131	8.7	8.0	1.6	1.5	18.4	19.3	9.8	10.4
Bank Mandiri Persero	BMRI IJ	4,730	n/a	n/a	26,058	7.7	7.2	1.4	1.3	18.7	18.7	8.5	8.8
Bank Negara Indonesia Persero	BBNI IJ	4,390	n/a	n/a	9,664	7.5	6.9	0.9	0.9	12.5	12.8	8.3	9.0
Bank Syariah Indonesia	BRIS IJ	2,110	n/a	n/a	5,745	11.2	9.8	1.6	1.4	15.8	16.0	1.8	2.4
Indonesia average					121,895	10.5	9.6	2.0	1.8	18.9	19.2	7.1	7.5
Malaysia													
Malayan Banking	MAY MK	11.60	n/a	n/a	34,886	12.5	11.9	1.4	1.3	11.4	11.5	5.8	6.1
Public Bank	PBK MK	4.87	n/a	n/a	23,797	12.4	11.7	1.5	1.4	12.2	12.2	5.3	5.5
CIMB Group Holdings	CIMB MK	7.87	n/a	n/a	21,484	10.2	9.6	1.1	1.1	11.3	11.5	6.2	6.6
Hong Leong Bank	HLBK MK	22.88	n/a	n/a	12,333	10.3	9.7	1.1	1.1	11.2	11.3	4.5	4.9
RHB Bank	RHBBANK MK	8.53	n/a	n/a	9,347	10.7	10.1	1.0	1.0	9.9	10.1	5.9	6.2
Malaysia average					101,848	11.5	11.0	1.3	1.2	11.4	11.5	5.6	5.9
Singapore													
DBS Group Holdings	DBS SP	56.42	n/a	n/a	125,443	14.3	13.5	2.3	2.2	16.0	16.6	5.7	6.1
Oversea-Chinese Banking	OCBC SP	21.00	n/a	n/a	73,779	12.4	11.8	1.5	1.4	12.2	12.2	4.6	4.5
United Overseas Bank	UOB SP	36.38	n/a	n/a	46,889	10.6	9.9	1.1	1.1	10.9	11.1	4.8	5.1
Singapore average					246,112	13.0	12.3	1.8	1.8	13.9	14.2	5.2	5.4
Regional average (excl. Thailand)					2,887,491	9.1	8.5	1.1	1.0	11.9	12.0	5.2	5.5
Total average (incl. Thailand)					2,949,744	9.3	8.9	1.1	1.0	11.4	11.4	5.6	5.8

Sources: Bloomberg; FSSIA estimates

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-top: 10px;"> <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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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-top: 10px;"> <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

Usanee Liurut, CISA FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Bank	BBL TB	THB 163.50	BUY	Downside risks are 1) prolonged economic sluggishness affecting loan growth and asset quality and 2) an impact of new regulations from the Bank of Thailand.
Kasikornbank	KBANK TB	THB 186.50	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.
Kiatnakin Phatra Bank	KKP TB	THB 71.50	BUY	Downside risks to our GGM-based target price include weakened asset quality and lower fee income.
Krung Thai Bank	KTB TB	THB 33.75	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.
SCB X	SCB TB	THB 143.50	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. Upside risks comprise 1) the faster-than-expected recovery of EA operation and financial stability and 2) the reduction in Thailand household debts.
Tisco Financial	TISCO TB	THB 112.00	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 are 1) aggressive loan growth; and 2) well-controlled asset quality.
TMBThanachart Bank	TTB TB	THB 2.18	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 are 1) a recovery in domestic car sales, which will support the bank's loan growth, and 2) an increase in the ceiling on auto hire-purchase lending rates.

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-Mar-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.