

# Thailand Banks

## Resilience to headwinds through the rest of 2026

- 1Q26 earnings beat on strong non-NII and cost control; NII/NIM remained weak. 2Q26 may soften on lower non-NII and still-elevated credit costs.
- We raise 2026-28 forecasts slightly (+1.2–1.3%), with flat CAGR; expect 2026 profit -4.3% y-y before gradual recovery, but downside risks from credit costs remain.
- Maintain NEUTRAL WEIGHT call, with KTB and BBL as top picks.

### 1Q26 profit beats on non-NII strength and cost control

The seven banks under coverage posted a combined 1Q26 net profit of THB57.2b, beating estimates by 24% and consensus by 11%, rising 20.0% q-q but slipping 2.2% y-y (27% of FY26E). The beat was driven by stronger-than-expected PPOP of THB115b (+13.7% q-q), underpinned by robust non-NII (THB67.7b, +13.1% q-q, +16.8% y-y) from FVTPL gains, trading income, dividends, and solid fee income supported by favorable capital markets. In contrast, NII remained weak at THB130b (-4.1% q-q, -11.7% y-y) amid NIM compression (down 16bps q-q to 2.77%) despite lower funding costs, as loan yields dropped more than expected. Loan growth was modest (+1.2% q-q), led by corporate lending, while SME and retail segments—especially auto HP—remained soft, except for TISCO's EV push, with mortgages as a key support. Cost discipline and lower repossessed car losses, combined with strong non-NII, drove the cost-to-income ratio down sharply to 41.8%.

### Asset quality holds steady; credit costs front-loaded with MO

Asset quality in 1Q26 remained manageable, with stable corporate loans and continued support for SME and retail segments from proactive debt restructuring, alongside the BoT's "You Fight, We Help" scheme helping contain new NPL formation and stabilise Stage 2 loans. Banks continued to actively manage portfolios and maintain elevated credit costs, often with additional management overlays. The NPL ratio edged down to 3.62% from 3.64% at the end of 2025, supported by loan growth. ECLs totaled THB41.5b, increasing 4.2% q-q but declining 2.9% y-y. Credit costs rose in line with expectations to 138bps from 135bps in 4Q25, lifting the coverage ratio to 204% from 195% at the end of 2025.

### 2026E earnings to contract; rising downside risks to credit costs

Following 1Q26 results, we raise KBANK's 2026–28 earnings by 5.7–5.8% p.a. on stronger non-NII, while we trim TISCO's 2026 slightly but lift 2027–28 on better fees and efficiency. We lift aggregate earnings by 1.2–1.3%, bringing CAGR to broadly flat. We expect 2026 profit to fall 4.3% y-y on weaker NII and NIM compression, followed by a gradual recovery in 2027–28. However, we see rising downside risks to credit costs, which could reach 138bps vs our 127bps assumption and cut earnings by c4.6% per +10bps.

### Maintain NEUTRAL WEIGHT call, with KTB and BBL as top picks

We retain our NEUTRAL WEIGHT call on the Thai banking sector. Our top picks are KTB (TP THB36.40) and BBL (TP THB188). We also recommend buy SCB (TP THB170) and KKP (TP THB86).



**Usanee Liurut, CISA**

Fundamental Investment Analyst on Capital Market; License no. 017928  
usanee.l@fssia.com, +66 2646 9758

**Peemapon Nunthakunatip**

Research Assistant

## 1Q26 profit beats on non-NII strength and cost control

The seven banks under our coverage reported a combined 1Q26 net profit of THB57.2b, 24% above our estimate and 11% above consensus, rising strongly by 20.0% q-q but slipping 2.2% y-y, accounting for 27% of our FY26 forecast. On a q-q basis, all banks delivered profit growth except TTB, with KBANK the strongest and TTB the weakest. On a y-y basis, most banks posted growth, except SCB and BBL, which declined, with KKP leading the pack and SCB lagging behind.

PPOP came in at THB115b, also above expectations, rising 13.7% q-q but down 2.6% y-y, driven by a much stronger-than-expected non-NII of THB67.7b (+13.1% q-q, +16.8% y-y vs our forecast of -2.8% q-q, flat y-y). The outperformance was mainly from FVTPL investment gains, trading income, seasonal dividend income, and stronger-than-expected net fee income (+13.1% q-q, +16.8% y-y vs our forecast of -2.9% q-q, +3.1% y-y), supported by favorable capital market conditions. Strong capital markets lifted brokerage fees and wealth- and asset management-related fees, as lower interest rates prompted depositors to shift liquidity into higher-yielding assets.

NII came in weak as expected at THB130b, declining 4.1% q-q and 11.7% y-y. Loans grew better than expected, rising 1.2% q-q but remaining flat y-y. Corporate loans (41% of total, including government and SOEs) led the q-q growth, driven mainly by short-term working capital as businesses built inventory amid unusually high oil prices. However, SME loans (15%) continued to contract q-q as banks remained cautious, while retail loans (39%) declined, particularly auto hire-purchase (5%)—except for TISCO, which saw more aggressive growth in EV lending—due to weaker domestic car sales following the 4Q25 seasonal peak. Mortgage loans were the main exception, still showing growth across most banks.

Loan yields fell sharply, worse than expected by 24bps (vs our forecast of 17bps) to 3.80%, due to lending rate cuts in late Feb-26 and the impact of the “You fight, We help” relief program. However, funding costs declined more than expected by 12bps (vs 7bps forecast), supported by a higher CASA mix as economic uncertainty toward quarter-end prompted wealth clients to shift into short-term deposits. As a result, NIM contracted by 16bps q-q to 2.77% in 1Q26, broadly in line with expectations.

Operating expenses declined on seasonality, ongoing cost control, and lower losses from repossessed car sales among auto hire-purchase operators, along with much stronger-than-expected non-NII, driving the cost-to-income ratio down to 41.8% (vs our forecast of 46.6%) from 48.3% in 4Q25.

### Exhibit 1: 1Q26 earnings summary of Thai banks under coverage

	1Q26	4Q25	Change	1Q25	Change	%of	2026E	Change
	(THB m)	(THB m)	(q-q%)	(THB m)	(y-y%)	26E	(THB m)	(y-y%)
BBL	10,994	7,759	41.7	12,618	(12.9)	25	43,286	(5.9)
KBANK	14,667	10,278	42.7	13,791	6.3	32	46,458	(6.3)
KTB	12,437	10,774	15.4	11,714	6.2	26	47,009	(2.5)
SCB	10,195	10,144	0.5	12,502	(18.4)	23	44,362	(6.6)
TTB	5,170	5,240	(1.3)	5,098	1.4	25	20,731	0.4
KKP	1,955	1,772	10.3	1,061	84.3	32	6,177	4.5
TISCO	1,734	1,642	5.6	1,643	5.5	26	6,787	1.9
<b>Coverage</b>	<b>57,152</b>	<b>47,609</b>	<b>20.0</b>	<b>58,428</b>	<b>(2.2)</b>	<b>27</b>	<b>214,812</b>	<b>(4.3)</b>

Sources: Company data; FSSIA estimates

## Exhibit 2: Aggregate banks – 1Q26 earnings summary

Year end 31 Dec	1Q25	2Q25	3Q25	4Q25	1Q26	---- 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	135,557	129,961	(4.1)	(11.7)	25	567,075	521,854	526,474	542,908	(8.0)
Non-interest income	58,010	60,162	71,173	59,897	67,745	13.1	16.8	26	249,240	257,694	266,692	276,143	3.4
Fee income - net	33,925	32,173	35,441	35,998	37,915	5.3	11.8	26	137,538	144,481	151,895	159,797	5.0
<b>Total operating income</b>	<b>205,229</b>	<b>204,206</b>	<b>211,431</b>	<b>195,454</b>	<b>197,706</b>	<b>1.2</b>	<b>(3.7)</b>	<b>25</b>	<b>816,315</b>	<b>779,548</b>	<b>793,166</b>	<b>819,052</b>	<b>(4.5)</b>
Total operating expenses	87,090	88,316	88,700	94,319	82,682	(12.3)	(5.1)	24	358,425	348,510	354,593	363,334	(2.8)
<b>PPOP before tax</b>	<b>118,139</b>	<b>115,890</b>	<b>122,731</b>	<b>101,135</b>	<b>115,024</b>	<b>13.7</b>	<b>(2.6)</b>	<b>27</b>	<b>457,891</b>	<b>431,038</b>	<b>438,573</b>	<b>455,717</b>	<b>(5.9)</b>
Expected credit loss	42,748	44,967	43,665	39,828	41,510	4.2	(2.9)	27	171,208	153,130	155,804	159,554	(10.6)
Income tax	14,290	11,572	14,064	10,913	12,965	18.8	(9.3)	25	50,840	51,323	56,210	59,830	1.0
Non-controlling interest	2,673	3,057	2,829	2,785	3,397	22.0	27.1	29	11,345	11,773	12,220	12,687	3.8
<b>Net profit</b>	<b>58,428</b>	<b>56,293</b>	<b>62,173</b>	<b>47,610</b>	<b>57,152</b>	<b>20.0</b>	<b>(2.2)</b>	<b>27</b>	<b>224,499</b>	<b>214,812</b>	<b>214,339</b>	<b>223,647</b>	<b>(4.3)</b>
EPS (THB)	12.14	11.69	12.91	9.89	11.87	20.1	(2.2)	27	46.63	44.62	44.52	46.46	(4.3)
<b>Key ratios</b>	<b>1Q25</b>	<b>2Q25</b>	<b>3Q25</b>	<b>4Q25</b>	<b>1Q26</b>	<b>---- Change ----</b>			<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>	<b>Change</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>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(y-y %)</b>
Gross NPLs (THB m)	442,471	446,440	438,666	434,829	436,999	0.5	(1.2)		434,829	444,371	450,554	458,526	2.2
Change (% from prior period)	3.0	0.9	(1.7)	(0.9)	0.5				1.2	2.2	1.4	1.8	
NPL ratio (%)*	3.66	3.72	3.74	3.64	3.62				3.64	3.66	3.63	3.61	
Coverage ratio (%)*	186	187	194	195	204				195	196	197	198	
Credit cost (bp)	141	149	147	135	138				143	127	127	127	
<b>Profitability ratio</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>				<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	
Cost to income ratio	42.4	43.2	42.0	48.3	41.8				43.9	44.7	44.7	44.4	
Average yield (%)	4.48	4.36	4.24	4.04	3.80				4.61	4.07	3.95	3.98	
Cost of funds (%)	1.55	1.51	1.46	1.38	1.26				1.57	1.40	1.36	1.38	
Loan spreads	2.94	2.86	2.78	2.66	2.54				3.04	2.67	2.59	2.60	
NIM (%)*	3.23	3.15	3.06	2.93	2.77				3.33	2.93	2.84	2.85	
Non-NII/total income (%)	28.3	29.5	33.7	30.6	34.3				30.5	33.1	33.6	33.7	
<b>Loan growth</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>				<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	
q-q	(0.3)	(0.6)	(2.3)	1.6	1.2								
y-y	(1.0)	(1.0)	(1.6)	(1.5)	(0.1)				(1.2)	1.7	2.4	2.4	
Year-to-date	(0.3)	(0.9)	(3.1)	(1.5)	1.2								

\*FSSIA calculation

Sources: Company data; FSSIA estimates

## Asset quality holds steady; credit costs front-loaded with MO

Asset quality in 1Q26 remains manageable. Corporate loans stay stable, while SME and retail segments continue to benefit from proactive debt restructuring. The BoT's "You Fight, We Help" scheme also helps contain new NPL formation and stabilise stage 2 loans. Most banks actively manage portfolios and maintain elevated credit costs, often with additional management overlays.

The NPL ratio edged down slightly to 3.62% from 3.64% at the end of 2025, supported by loan growth. ECLs totaled THB41.5b in 1Q26, rising 4.2% q-q but declining 2.9% y-y. Meanwhile, credit costs rose in line with our expectations to 138bps from 135bps in 4Q25, lifting the coverage ratio to 204% from 195% at the end of 2025.

## Exhibit 3: Aggregate banks – Staged loan

	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
	(THB b)	(THB b)	(THB b)	(THB b)	(THB b)	(%)	(%)	(%)	(%)	(%)
<b>Staged loans</b>						<b>% Staged loan to total loan</b>				
Stage 1	11,060	11,320	11,248	11,234	11,119	88.79	89.37	89.40	88.64	88.48
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	12,457	12,666	12,583	12,674	12,567	100.00	100.00	100.00	100.00	100.00
<b>Allowance for ECL</b>						<b>% ECL to total allowance</b>				
Stage 1	248	263	265	236	245	32.2	33.3	32.6	28.7	28.3
Stage 2	237	252	281	319	345	30.6	31.8	34.5	38.8	39.9
Stage 3	287	276	268	267	275	37.1	34.9	32.9	32.5	31.8
Total	772	791	815	821	865	100.0	100.0	100.0	100.0	100.0
<b>LLR/ Loans</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>					
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					
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>					
NPL / TL	3.92	3.62	3.48	3.43	3.50					
NPL vs. Stage 2 loans / TL	11.21	10.63	10.60	11.36	11.52					
LLR / NPL	158.0	172.7	186.0	188.8	196.9					
LLR / (NPL vs. Stage 2)	55.2	58.7	61.1	57.0	59.7					

Sources: Company data; FSSIA compilation

## 2026E earnings to fall; NII/NIM drag, downside risks from credit costs rise

Following the 1Q26 results, we revise our 2026–2028 aggregate net profit forecasts as follows:

**KBANK:** raised by 5.7–5.8% p.a. on average, reflecting higher non-NII growth assumptions, particularly non-fee income driven by FVTPL gains and investment income.

**TISCO:** 2026 earnings trimmed slightly by 0.3% despite raising our credit cost assumption to 120bps (from 100bps), as stronger fee income and non-NII growth largely offset the impact. We raise our 2027–28 earnings forecasts by 0.4–0.9%, even after increasing credit cost assumptions to 110bps (from 100bps), supported by a lower cost-to-income ratio assumption.

We forecast aggregate net profit to decline by 4.3% 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 rising slightly to 3.66%, and the coverage ratio moderating to 196%. Most banks remain cautious on loan growth and expect continued NIM pressure, while guiding mid- to high-single-digit fee growth (we forecast +5.0% 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 4.3% y-y, under conservative loan growth, stable credit costs, and a cost-to-income ratio of 44.4–44.7%.

However, we see rising risks to our 2026 credit cost assumptions. While most banks expect lower credit costs than in 2025, reflecting improving asset quality, the current macro backdrop—particularly the risk of higher crude oil prices—could pressure borrowers' repayment capacity and prompt banks to raise provisions through additional management overlays, as already seen in 1Q26. If these conditions persist, credit costs could remain elevated at around the 1Q26 level of 138bps, above our full-year 2026 forecast of 127bps.

Our sensitivity analysis suggests that a 10bp increase in 2026 credit costs above our 127bp assumption would reduce our 2026 net profit forecast by 4.6% from current estimates.

## Exhibit 4: Sensitivity analysis: Impact of changes in key assumptions on our 2026E net profit

		BBL		KBANK		KTB		KKP		SCB		TISCO		TTB		Coverage	
		Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse	Base	Worse
Loan growth (%)	<b>-2ppt</b>	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	1.7	-0.3
% change in net profit			(2.0)		(1.2)		(1.5)		(1.4)		(1.5)		(1.8)		(1.3)		(1.5)
NIM (%)	<b>-5bp</b>	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	2.93	2.88
% change in net profit			(4.8)		(3.3)		(3.1)		(2.3)		(5.1)		(1.8)		(3.9)		(3.9)
Credit costs (bps)	<b>+10bp</b>	110	120	160	170	90	100	170	180	155	165	120	130	135	145	127	137
% change in net profit			(4.9)		(3.2)		(4.7)		(4.5)		(4.3)		(2.8)		(5.4)		(4.6)
Cost-to-income (%)	<b>+1ppt</b>	50	51	43	44	42	43	46	47	42	43	45	46	45	46	45	46
% change in net profit			(3.0)		(4.3)		(2.7)		(3.4)		(3.0)		(2.4)		(1.3)		(2.8)

Source: FSSIA estimates

## Exhibit 5: Aggregate banks – 2026-28E Earnings revision

	New			Previous			Change		
	2026E (%)	2027E (%)	2028E (%)	2026E (%)	2027E (%)	2028E (%)	2026E (%)	2027E (%)	2028E (%)
Net profit (THB m)	214,812	214,339	223,647	212,317	211,634	220,933	1.2	1.3	1.2
EPS (THB)	44.62	44.52	46.46	44.10	43.96	45.89	1.2	1.3	1.2
DPS (THB)	28.71	29.07	30.21	28.71	29.07	30.21	0.0	0.0	0.0
Net interest income (THB m)	521,854	526,474	542,908	521,854	526,474	542,908	0.0	0.0	0.0
Non-interest income (THB m)	257,694	266,692	276,143	254,105	262,985	272,363	1.4	1.4	1.4
ECLs (THB m)	153,130	155,804	159,554	152,655	155,563	159,309	0.3	0.2	0.2
Net profit growth (%)	(0.04)	(0.00)	0.04	(0.05)	(0.00)	0.04			
NIM (%)	2.93	2.84	2.85	4.06	4.06	4.06			
Loan growth (%)	1.7	2.4	2.4	1.7	2.4	2.4			
Credit cost (bp)	127	127	127	127	127	127			

Source: FSSIA estimates

## Exhibit 6: Aggregate banks – Key sector data

	2024	2025	2026E	2027E	2028E
Net profit (THB m)	217,829	224,499	214,812	214,339	223,647
EPS (THB)	45.0	46.6	44.6	44.5	46.5
Change y-y (%)	9.4	3.6	(4.3)	(0.2)	(4.3)
P/E (X)	8.9	10.2	11	11	10.6
BVS (THB)	495.1	512.4	521.2	537.7	545.7
P/B (X)	0.81	0.92	0.94	0.91	0.9
ROE (%)	9.3	9.2	8.6	8.4	8.6
ROA (%)	1.2	1.2	1.1	1.1	1.1
Dividend yield (%)	6.4	6.6	5.8	5.9	6.2
Dividend payout ratio (%)	56.5	67.4	64.3	65.3	65.0

Sources: Company data; FSSIA estimates

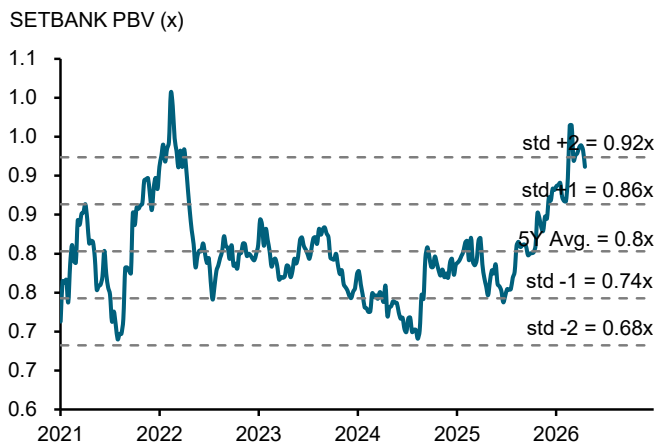
### Maintain NEUTRAL WEIGHT call, with KTB and BBL as our top picks

We retain our NEUTRAL WEIGHT call on the Thai banking sector. Our top picks are KTB and BBL (replacing SCB), supported by their strong corporate-focused loan base, which provides better resilience to current economic headwinds.

- 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.;
- 2) 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%

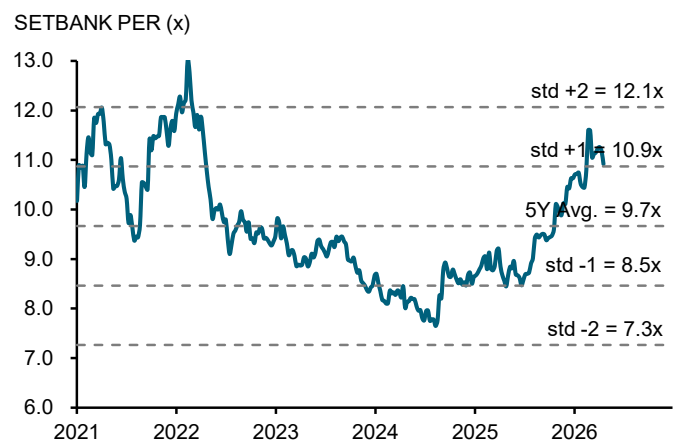
We also recommend buy SCB (TP THB170) on expectations of stronger earnings momentum driven by a fuller recovery in its Gen 2–3 businesses (21% of operating income and 10% of 2025 net profit), together with the most attractive dividend yield in the sector at 7–8% p.a., and buy KKP (TP THB86) on improving asset quality in its banking business, a more constructive outlook for capital markets, 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 22 Apr 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)
<b>Thailand</b>													
Bangkok Bank	BBL TB	163.00	188.00	15	9,665	7.2	7.0	0.5	0.5	7.4	7.2	6.1	6.3
Kasikombank	KBANK TB	189.00	202.00	7	13,802	9.8	9.5	0.7	0.7	7.9	7.9	6.3	6.6
Krung Thai Bank	KTB TB	32.75	36.40	11	14,246	9.7	9.9	1.0	0.9	10.0	9.5	6.4	6.4
SCB X	SCB TB	134.50	170.00	26	14,067	10.2	10.1	0.9	0.9	8.9	8.9	8.4	8.5
TMBThanachart Bank	TTB TB	2.24	2.40	7	6,386	9.4	10.7	0.8	0.8	8.7	7.6	6.4	6.4
Kiatnakin Bank	KKP TB	82.50	86.00	4	2,139	11.8	11.0	1.1	1.1	9.5	10.0	6.9	6.9
Tisco Financial Group	TISCO TB	114.00	117.00	3	2,836	13.4	13.0	2.1	2.1	15.6	16.0	7.0	7.1
<b>Thailand weighted average</b>					<b>63,141</b>	<b>9.7</b>	<b>9.7</b>	<b>0.9</b>	<b>0.9</b>	<b>9.0</b>	<b>8.8</b>	<b>6.8</b>	<b>6.9</b>
<b>Hong Kong</b>													
Industrial & Comm Bank of China	1398 HK	7.13	n/a	n/a	378,521	6.2	5.9	0.5	0.5	8.9	8.6	5.1	5.2
China Construction Bank	939 HK	8.77	n/a	n/a	302,231	5.9	5.7	0.5	0.5	9.4	9.2	5.1	5.3
HSBC Holdings	5 HK	144.00	n/a	n/a	310,450	11.1	10.1	1.7	1.6	15.1	15.9	4.5	5.0
Bank of China	3988 HK	5.11	n/a	n/a	259,037	6.0	5.9	0.5	0.5	8.6	8.4	5.2	5.4
<b>Hong Kong average</b>					<b>1,250,238</b>	<b>7.3</b>	<b>6.9</b>	<b>0.8</b>	<b>0.8</b>	<b>10.5</b>	<b>10.5</b>	<b>5.0</b>	<b>5.2</b>
<b>China</b>													
Industrial & Comm Bank of China	601398 CH	7.52	n/a	n/a	378,521	7.4	7.1	0.7	0.6	9.0	8.7	4.2	4.3
Agricultural Bank of China	601288 CH	7.07	n/a	n/a	354,694	8.7	8.3	0.8	0.8	9.6	9.4	3.6	3.8
China Construction Bank	601939 CH	9.79	n/a	n/a	302,231	7.5	7.2	0.7	0.6	9.4	9.2	4.1	4.2
Bank of China	601988 CH	5.84	n/a	n/a	259,037	7.8	7.6	0.7	0.6	8.6	8.4	4.0	4.2
<b>China average</b>					<b>1,294,483</b>	<b>7.9</b>	<b>7.6</b>	<b>0.7</b>	<b>0.7</b>	<b>9.2</b>	<b>8.9</b>	<b>4.0</b>	<b>4.1</b>
<b>South Korea</b>													
KB Financial Group	105560 KS	157,600	n/a	n/a	39,145	8.7	8.0	0.9	0.8	10.6	10.6	3.0	3.3
Shinhan Financial Group	055550 KS	98,900	n/a	n/a	31,500	8.5	7.7	0.8	0.7	9.4	9.5	3.0	3.4
Hana Financial Group	086790 KS	119,700	n/a	n/a	22,137	7.5	6.8	0.7	0.6	9.5	9.6	3.8	4.2
Industrial Bank of Korea	024110 KS	22,400	n/a	n/a	11,925	6.4	6.1	0.5	0.5	7.7	7.7	5.2	5.6
<b>South Korea average</b>					<b>104,707</b>	<b>8.1</b>	<b>7.4</b>	<b>0.8</b>	<b>0.7</b>	<b>9.7</b>	<b>9.7</b>	<b>3.4</b>	<b>3.8</b>
<b>Indonesia</b>													
Bank Central Asia	BBCA IJ	6,450	n/a	n/a	46,131	13.2	12.1	2.6	2.4	20.7	20.9	5.1	5.6
Bank Rakyat Indonesia Persero	BBRI IJ	3,240	n/a	n/a	28,117	8.1	7.5	1.5	1.4	18.2	18.9	10.6	11.1
Bank Mandiri Persero	BMRI IJ	4,750	n/a	n/a	25,298	7.6	7.1	1.4	1.3	18.9	18.8	9.1	9.4
Bank Negara Indonesia Persero	BBNI IJ	3,830	n/a	n/a	8,363	6.7	6.1	0.8	0.8	12.3	12.7	9.3	10.0
Bank Syariah Indonesia	BRIS IJ	1,995	n/a	n/a	5,225	10.6	9.2	1.5	1.3	15.5	15.8	1.8	2.4
<b>Indonesia average</b>					<b>113,135</b>	<b>10.1</b>	<b>9.3</b>	<b>1.9</b>	<b>1.7</b>	<b>18.8</b>	<b>19.1</b>	<b>7.5</b>	<b>8.0</b>
<b>Malaysia</b>													
Malayan Banking	MAY MK	11.22	n/a	n/a	34,258	12.2	11.7	1.4	1.3	11.5	11.5	5.9	6.2
Public Bank	PBK MK	4.76	n/a	n/a	23,673	12.4	11.8	1.5	1.4	12.2	12.2	5.0	5.3
CIMB Group Holdings	CIMB MK	7.74	n/a	n/a	21,233	10.2	9.6	1.1	1.1	11.4	11.5	6.2	6.6
Hong Leong Bank	HLBK MK	22.62	n/a	n/a	12,421	10.4	9.7	1.1	1.1	11.3	11.3	4.5	4.9
RHB Bank	RHBBANK MK	8.27	n/a	n/a	9,057	10.3	9.7	1.0	1.0	10.0	10.2	6.2	6.5
<b>Malaysia average</b>					<b>100,643</b>	<b>11.4</b>	<b>10.9</b>	<b>1.3</b>	<b>1.2</b>	<b>11.5</b>	<b>11.5</b>	<b>5.6</b>	<b>5.9</b>
<b>Singapore</b>													
DBS Group Holdings	DBS SP	57.20	n/a	n/a	127,366	14.6	13.7	2.3	2.3	16.0	16.6	5.7	6.1
Oversea-Chinese Banking	OCBC SP	22.59	n/a	n/a	77,347	13.1	12.4	1.5	1.5	12.2	12.2	4.4	4.2
United Overseas Bank	UOB SP	37.02	n/a	n/a	48,058	11.0	10.2	1.2	1.1	10.8	11.0	4.6	4.9
<b>Singapore average</b>					<b>252,770</b>	<b>13.4</b>	<b>12.6</b>	<b>1.9</b>	<b>1.8</b>	<b>13.8</b>	<b>14.2</b>	<b>5.1</b>	<b>5.3</b>
<b>Regional average (excl. Thailand)</b>					<b>3,115,975</b>	<b>9.3</b>	<b>8.7</b>	<b>1.1</b>	<b>1.1</b>	<b>11.9</b>	<b>11.9</b>	<b>5.2</b>	<b>5.5</b>
<b>Total average (incl. Thailand)</b>					<b>3,179,116</b>	<b>9.5</b>	<b>9.0</b>	<b>1.1</b>	<b>1.0</b>	<b>11.4</b>	<b>11.4</b>	<b>5.5</b>	<b>5.8</b>

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 <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%). <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&amp;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 &amp; 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+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-top: 10px;"> <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
<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																		
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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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

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.

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

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

Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Bank	BBL TB	THB 163.00	BUY	Upside risks to our GGM-based TP are 1) accelerated loan growth owing to economic recovery and 2) a positive development of asset quality, which should bode well for its credit costs; 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 189.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
Kiatnakin Phatra Bank	KKP TB	THB 82.50	BUY	Downside risks to our GGM-based target price include weakened asset quality and lower fee income.
Krung Thai Bank	KTB TB	THB 32.75	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 134.50	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.
Tisco Financial	TISCO TB	THB 114.00	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 2.24	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 22-Apr-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.