

23 JULY 2024

SPOTLIGHT ON THAILAND

Published Reports

- CH.KARNCHANG (CK TB) - Share price fall diverges from fundamental uptrend; Maintain BUY TP THB27.00
- BANGKOK BANK (BBL TB) - 2Q24 profit beat but deteriorated asset quality; Downgrade to HOLD TP THB157.00

Results Comments

- KBANK - More stabilized 2024 performance
- KKP - 2Q24 profit missed; Asset quality dragged
- SCB - Continued several headwinds in 2H24
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Economics

- CrowdStrike shares tumble 13% on IT outage impact
- Chinese EV makers urged to use parts made in Thailand
- ANA preserves load factor on Thailand-Japan routes
- Bad debt spike blamed on drop in spending
- China shares lead regional decline as risk rises

Corporate News

- Scandal stalks stocks
- Uptick rule helping to make SET more robust
- Country's leading banks post mixed results for first half

Indices	Index as of 22-Jul-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET +	1,317	(0.6)	(7.0)	(3,291)
China SHCOMP	2,964	(0.6)	(0.4)	
Hong Kong HSI	17,636	1.3	3.5	
India SENSEX	80,502	(0.1)	11.4	4,065
Indonesia JCI	7,322	0.4	0.7	(121)
Korea KOSPI	2,764	(1.1)	4.1	18,695
MY FBMKLCI	1,622	(0.9)	11.5	
PH PCOMP	6,712	(1.2)	4.1	(453)
SG FSSTI	3,437	(0.3)	6.1	
Taiwan TWSE	22,257	(2.7)	24.1	(3,144)
VN VNINDEX	1,255	(0.8)	11.0	(1,954)
MSCI Emerging	1,085	(0.4)	6.0	
Nikkei 225	39,599	(1.2)	18.3	
FTSE 100	8,199	0.5	6.0	
CAC 40	7,622	1.2	1.0	
DAX	18,407	1.3	9.9	
Dow Jones	40,415	0.3	7.2	
Nasdaq	18,008	1.6	20.0	
S&P 500	5,564	1.1	16.7	
Brent	82.40	(0.3)	7.0	
Dubai	82.45	(3.0)	7.8	
WTI	79.78	(0.2)	9.2	
GOLD	2,396.59	(0.0)	16.1	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	19,781	19,502	278	52
Retail	11,358	11,134	224	30
Prop Trade	2,303	2,476	(173)	6
Local Institution	4,356	4,685	(329)	12
Total Trade	37,797	37,797	(0)	100

Rates	Last close 19/07/2024	1M ago 19/06/2024	End last yr 29/12/2023	1yr ago 19/07/2023
THB/USD	36.28	36.68	34.14	34.04
Inflation *	0.62	1.54	(0.83)	0.23
MLR **	7.12	7.12	7.12	6.87
1Y Fixed *	1.65	1.65	1.65	1.41
Govt bond 10Y	2.62	2.74	2.68	2.55

Commodity (USD/bbl)	Last close 22/07/2024	1M ago 21/06/2024	End last yr 29/12/2023	1yr ago 21/07/2023
Brent	82.40	85.24	77.04	81.07
Dubai	82.45	84.75	76.51	81.69
WTI	78.40	80.73	71.65	77.07
Gold	2,397	2,335	2,063	1,955
Baltic Dry	1,902	1,997	2,094	978
(USD/ton)	19-Jul-24	12-Jul-24	25-Dec-20	21-Jul-23
Coal	137.34	133.36	84.45	130.10
% change	3.0	4.4	62.6	5.6

* chg y-y% last at end of most recent month end; ** Avg of 4 major banks;

Sources: Bloomberg, except coal from BANPU

+ as of 19 Jul

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Thailand Equity Sales:

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Published Reports

CH.KARNCHANG (CK TB) - Share price fall diverges from fundamental uptrend; Maintain BUY TP THB27.00

2Q-3Q24 profit should be healthy due to dividends and profit-sharing

We expect a 2Q24 net profit of THB490m (+305% q-q, +1% y-y), supported by 1) dividends earned from TTW and subsidiaries of THB287m and 2) profit-sharing from associates of THB322m (+95% q-q, +26% y-y). To elaborate, the profit-sharing from BEM should grow q-q and y-y due to its robust core unit and dividends earned. Also, the profit-sharing from CKP should recover q-q in line with higher water levels. Meanwhile, we anticipate the contractor unit to be stable, with projected revenue of THB9.4b (-1% q-q, +2% y-y) and gross margin assumption of 7.5% brought on by continued progress of the Luang Prabang hydropower project, the South Purple Line, and the Den Chai double-track project. Furthermore, we forecast the 3Q24 profit to continue accelerating due to a high season of BEM and CKP.

Orange Line should support backlog to surpass THB200b

Following the announced investments of MRTA and BEM in the Orange Line on Jul 18, CK should sign construction contracts with BEM on Jul 23. The project would have a combined value of THB110b and a construction period of 5-6 years. It would comprise civil works on the west side equaling THB83b and system installation and M&E amounting to THB27b, driving the backlog from THB120b to THB210b in 3Q24, with M&E works on the east side to start first and the construction on the west side to begin in 2025 at 5% of the total works. Apart from that, BEM is discussing double-deck expressway contracts with EXAT. It anticipates clarity by this year, which may imply THB35b new contracts for CK.

Positive development of new auctions unveils new potential contracts

On top of its affiliates, CK has the potential to participate in new auctions in 2H24, such as the Khon Kaen - Nong Khai double-track project (THB28.7b) with a bid submission date on Aug 20, a Ramathibodi Hospital building, and the Yothi Medical Innovation District project (THB10b). Other than that, several state projects under consideration progressed well. They may open for auction in 2025. They include M5 and M9 motorways, double tracks, extensions of the Red Line, and an east expansion of the Suvarnabhumi Airport.

Maintain BUY call at a higher TP of THB27

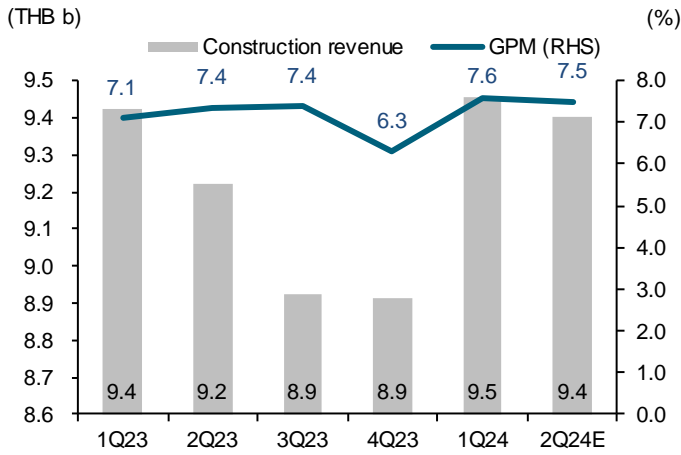
We have increased our TP to THB27 from THB26 (SOTP) to factor in a higher value of BEM after including the Orange Line. We reaffirm our BUY rating after the stock plunged 12% in two months due to political uncertainty. Also, the loss was higher than STEC (-8%), ITD (-9%), and UNIQ (-11%), contrary to its superior fundamentals backed by its solid back and rising profit outlook. CK traded on 18.5x PE2024 and 1.3x PBV2024, lower than 22.2x PE and 1.9x PBV in 2017 when it signed contracts on the East Orange Line (on Feb 9), with a close reported profit. Additionally, the current share price implies a 48% discount from the NAV of its subsidiaries and associates (BEM, CKP, and TTW), higher than 21% in 2017.

Exhibit 1: CK – 2Q24 results preview

	2Q23	3Q23	4Q23	1Q24	2Q24E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	9,220	8,925	8,915	9,458	9,400	(0.6)	2.0
Cost of sales	8,541	8,267	8,353	8,741	8,695	(0.5)	1.8
Gross profit	679	658	562	717	705	(1.6)	3.9
SG&A	470	533	554	533	540	1.3	15.0
Operating profit	209	125	8	184	165	(10.1)	(21.1)
Other income	545	440	220	209	488	133.6	(10.4)
Interest expense	474	480	481	360	390	8.5	(17.7)
Tax expense	(23)	(19)	(32)	(33)	(50)	n/a	n/a
Associates	255	595	469	165	322	94.5	25.9
Reported net profit	486	641	156	121	490	304.9	0.8
Core profit	486	641	156	121	490	304.9	0.8
Key ratios (%)						(ppt)	(ppt)
Gross margin	7.4	7.4	6.3	7.6	7.5	(0.1)	0.1
SG&A to sales	5.1	6.0	6.2	5.6	5.7	0.1	0.6
Operating margin	2.3	1.4	0.1	1.9	1.8	(0.2)	(0.5)
Net margin	5.3	7.2	1.8	1.3	5.2	3.9	(0.1)
Norm margin	5.3	7.2	1.8	1.3	5.2	3.9	(0.1)

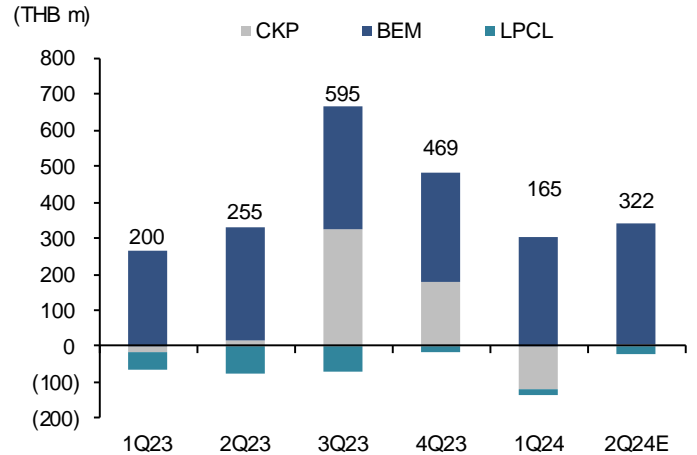
Sources: CK; FSSIA estimates

Exhibit 2: Quarterly revenue and GPM



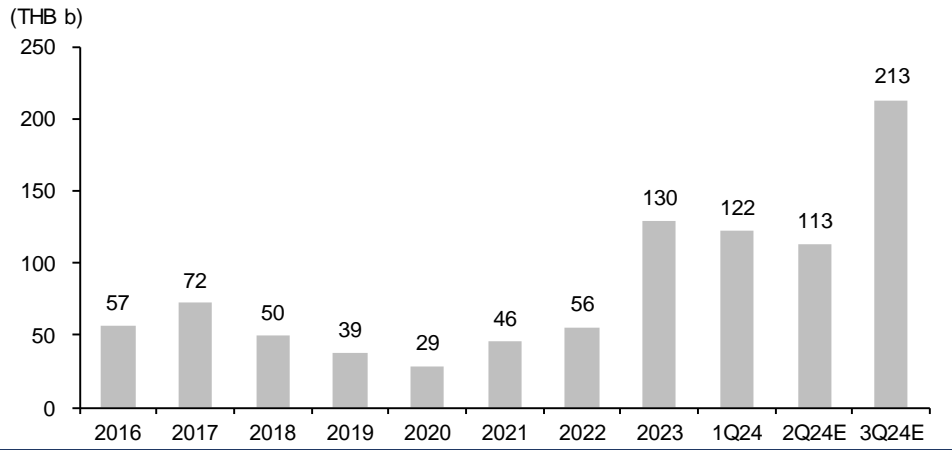
Sources CK; FSSIA estimates

Exhibit 3: Quarterly associates



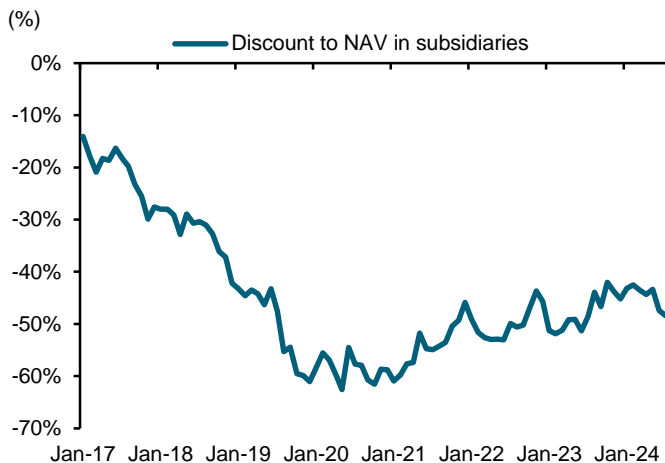
Sources CK; FSSIA estimates

Exhibit 4: Backlog



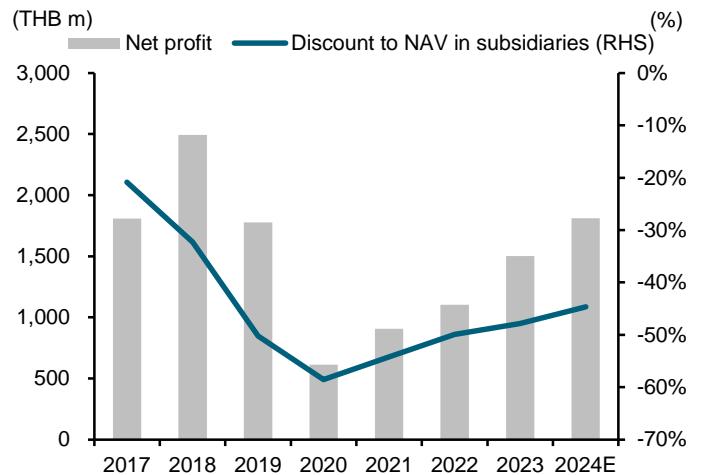
Sources CK; FSSIA estimates

Exhibit 5: Discount to NAV in subsidiaries



Source: FSSIA's compilations

Exhibit 6: Net profit and discount to NAV in subsidiaries



Source: FSSIA's compilations

BANGKOK BANK (BBL TB) - 2Q24 profit beat but deteriorated asset quality; Downgrade to HOLD TP THB157.00

2Q24 profit beat our forecast from MTM investment gains

The 2Q24 net profit rose sharply by 12.2% q-q and 4.6% y-y, amounting to 11.8THBb, beating our forecast and BBG consensus by 9.6% and 12.8%, respectively. PPOP was better than expected, marking a significant increase of 10.3% q-q and 8.9% y-y, buoyed by 1) higher-than-expected non-NII, mark-to-market FVTPL investment gains of THB2.42b, and 2) lower-than-expected effective tax rate. Loans contracted 0.6% q-q as expected (but +0.8% y-y and +1.8%YTD), dragged by corporate repayment (domestic and international) after a massive surge at the end of 1Q24, aligning with its 3-5% loan growth guidance in 2024. NIM posted a slight drop, by 3bp to 2.94%, pressured by a rise in the cost of funds. The cost-to-income ratio was narrower q-q to 44.1% against the backdrop of accelerated non-NII.

Deteriorated but manageable asset quality

The 2Q24 NPL ratio mounted more aggressively than expected to 3.64% due mainly to 1) relapsed restructured loans in the manufacturing and commercial segment, with a broad base, not a specific industry, 2) the continued contraction of the loan base, and 3) its practice to write off aggressively in 4Q (2Q24 figure was cTHB1b). In addition, BBL pointed out that its stage 2 loans also surged significantly from the longer-than-expected reclassification. However, it reaffirmed that the international loan quality had no alarms in 2Q24. The credit cost spiked higher than expected to 153 bp, exceeding its c100-bp guidance in 2024, thanks to the MTM investment gain booking. However, the abnormal 1H24 credit cost level of 140bp still aligned with BBL's desire to set aside ECL reserve heavily in 1H24 before decreasing it in 2H24. Consequently, the 2Q24 coverage ratio finished at 283%, which remained the highest in the industry.

Maintain 2024-26 forecast; NII and fee growths are key catalysts

We retain our 2024-26 forecast with a 3.7% CAGR, assuming a stable NIM (stable 2024 RP rate) and a slight increase in the credit cost (to factor in the sluggish economic recovery and rising concerns over its corporate loan quality) exceeding its c100bp guidance.

Downgrade to HOLD; maintain 2024 TP of THB157

We have downgraded our recommendation to HOLD (from Buy) for its attractive dividend yield of c5-6% p.a. Our rating cut reflected rising concerns over its asset quality. However, we maintain our 2024 GGM-based TP of THB157, implying a P/BV of 0.54x (under an expected LT-ROE of 7.0% and COE of 12.2%).

Exhibit 7: BBL – 2Q24 operation summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	--- Change ---		1H23	1H24	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y %)	2024E	(THB m)	(y-y %)
Net interest income	31,487	34,130	35,165	33,422	33,134	(0.9)	5.2	61,564	66,556	8.1	49	134,594	2.9
Non-interest income	10,956	8,443	7,013	8,260	10,404	25.9	(5.0)	21,171	18,664	(11.8)	50	37,643	2.8
Fee income - net	6,571	6,773	6,768	6,927	6,850	(1.1)	4.2	13,693	13,776	0.6	50	27,513	1.0
Total operating income	42,443	42,573	42,178	41,682	43,538	4.5	2.6	82,735	85,220	3.0	49	172,237	2.8
Total operating expenses	20,111	19,208	23,607	19,618	19,208	(2.1)	(4.5)	38,961	38,826	(0.3)	46	84,143	2.9
PPOP before tax	22,332	23,365	18,572	22,064	24,330	10.3	8.9	43,775	46,394	6.0	53	88,094	2.8
Expected credit loss	8,880	8,969	7,343	8,582	10,425	21.5	17.4	17,354	19,007	9.5	54	35,000	4.0
Income tax	2,047	2,938	2,281	2,849	1,993	(30.1)	(2.6)	4,774	4,842	1.4	46	10,619	6.3
Non-controlling interest	112	108	84	109	105	(4.5)	(7.0)	224	214	(4.7)	49	438	5.0
Net profit	11,293	11,350	8,863	10,524	11,807	12.2	4.6	21,422	22,331	4.2	53	42,037	1.0
EPS (THB)	5.92	5.95	4.64	5.51	6.19	12.2	4.6	11.22	11.70	4.2	53	22.02	1.0
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	--- Change ---		1H23	1H24	Change		2024E	Change
Asset quality ratio	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(%)	(%)	(y-y %)		(%)	(y-y %)
Gross NPLs (THB m)	93,285	94,884	85,955	93,949	99,140	5.5	6.3	93,285	99,140	6.3		94,955	10.5
% from prior period	(5.2)	1.7	(9.4)	9.3	5.5			(11.2)	6.3			10.5	
NPL ratio (%)*	3.46	3.48	3.22	3.43	3.64			3.46	3.64			3.45	
Coverage ratio (%)*	287	283	315	292	283			287	283			298	
NPL ratios (%) - reported	2.90	3.00	2.72	2.98	3.20			2.90	3.20				
Coverage ratio (%) - reported	287	283	315	292	283			287	283				
Credit cost (bp)	133	132	109	127	153			130	140			129	
Profitability ratio	(%)	(%)	(%)	(%)	(%)			(%)	(%)			(%)	
Cost to income ratio	47.4	45.1	56.0	47.1	44.1			47.1	45.6			48.9	
Average yield (%)	4.26	4.51	4.70	4.59	4.59			4.17	4.62			4.43	
Cost of funds (%)	1.70	1.74	1.87	1.96	1.99			1.63	1.99			1.80	
NIM (%)*	2.83	3.06	3.14	2.97	2.94			2.81	2.98			2.94	
NIM (%) - reported	2.91	3.11	3.19	3.06	3.06			2.91	3.05				
Non-NII /total inc. (%)	25.8	19.8	16.6	19.8	23.9			25.6	21.9			21.9	
Loan growth	(%)	(%)	(%)	(%)	(%)			(%)	(%)			(%)	
q-q	2.2	0.9	(1.9)	2.4	(0.6)								
y-y	1.7	(2.6)	(0.4)	3.6	0.8			1.7	0.8			3.0	
Year-to-date	0.6	1.5	(0.4)	2.4	1.8			0.6	1.8				

Sources: BBL; FSSIA estimates

Results Comments

KBANK - More stabilized 2024 performance

2Q24 profit q-q corrected in line with expectation

KBANK delivered an in-line 2Q24 net profit of THB12.6b, dropping by 6.2% q-q but jumping 15.1% y-y, while PPOP mounted to THB28.5b, dipping by 3.0% q-q but rising 4.8% y-y. The decrease in net profit q-q was due to the weaker-than-expected net interest income by 2.8% q-q (but still increased 2.1% y-y) and operating expenses that accelerated higher than expected (from marketing expenses / IT-related / one-time employee subsidy measure) as reflected in increasing cost-to-income ratio to 43.4% from an abnormal of 41.3% in 1Q24 (the 1H24 cost-to-income ratio of 42.4% was still in line with its 2024 guidance at low to mid 40%).

However, the non-NII increased more than expected. Most came from the mark-to-market gains on FVTPL investments of THB3.17b vs. THB 2.50b of our expected, while the net premiums earned from its life insurance business (MTL) showed a lower negative figure. Net fee income dropped as expected, dragged by decreased credit cards, acceptance, aval, and guarantee fees.

Loans in 2Q24 returned positive of 1.0% q-q 1.6% y-y but were still slightly negative 0.1% YTD, higher than estimated. However, the growth concentrated at the quarter end from the corporate (38%) and housing (15%) segments. Meanwhile, SME (28%) and other retail (12%) - credit cards and personal loans also contracted YTD. Overall loan growth remains below its 2024 guidance of 3-5% y-y and ours of 5.0% y-y, where KBANK reaffirmed the lower bound approach.

NIM was slightly lower than expected, at 3.68%, due to a shrinking loan yield, which KBANK addressed the issues from 1) its greater emphasis on the secured, low-yield segment, 2) a pricing strategy to good quality customers, and 3) the interest rate reduction campaign to its vulnerable customers (5% of totals). However, the 1H24 NIM increased to 3.76%, which was higher than its 2024 guidance of 3.66% and ours of 3.60%, as we expect NIM to continue downward in 2H24.

Asset quality continues to be a critical focus in 2H24

Asset quality was stable, as expected. Despite no alarms in 2Q24, KBANK reiterated its critical focus in 2024. The NPL ratio (FSSIA's calculated) slightly decreased to 3.64%, while the reported NPL ratio was 3.18%, still in line with its 2024 guidance of not exceeding 3.25%. In addition, the NPL outflow (write-offs and sales) tended downward in 1H24, 33% of 2023 figures of THB92.5b, aligning with its 2024 guidance of c70%. However, the stage 2 loans increased by 1.2% q-q and 3.6% y-y, but the proportion remained stable at around 7.3-7.4% of totals since 1Q23. Credit costs were stable at 189bp, consistent with 2024 guidance of 175-195bp and below our target of 200bp. Accordingly, the coverage ratio rose slightly to 144% from 142% in 1Q24.

Regarding the EA loan issue, KBANK disclosed the minimal impacts on its ECLs, full reserves, and other financial targets following its shallow exposure to the customer. For ITD, the bank reaffirmed the better situation since the company had got new funding support from the consortium banks, while KBANK had already set aside partial reserves and classified the loans as stage 2.

Exhibit 8: KBANK – 2Q24 operations summary

Year end Dec 31	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	Change		1H23	1H24	% of	2024E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	24E	(THB m)	(y-y%)	
Net interest income	34,875	36,701	38,019	38,849	38,528	37,468	(2.8)	2.1	71,576	75,996	6.2	51	149,813	0.9
Non-interest income	11,699	11,369	9,096	12,046	11,624	12,961	11.5	11.0	23,068	24,585	6.6	53	46,060	4.2
Fee income - net	8,111	7,711	7,803	7,550	8,299	8,078	(2.7)	4.7	15,828	16,377	3.5	52	31,772	1.9
Total operating income	46,574	48,070	47,115	50,895	50,152	50,429	0.6	4.9	94,644	100,581	6.3	51	195,863	1.7
Total operating expenses	19,793	20,847	19,821	24,508	20,713	21,888	5.7	5.0	40,840	42,801	4.8	47	90,016	5.9
PPOP before tax	26,781	27,223	27,294	26,387	29,439	28,541	(3.0)	4.8	54,004	57,981	7.4	55	105,847	(1.7)
Expected credit loss	12,892	12,784	12,793	13,572	11,894	11,872	(0.1)	(8.7)	25,478	23,357	(8.3)	46	51,053	(15)
Income tax	2,562	2,760	2,838	2,617	3,403	3,224	(5.2)	16.8	5,322	6,827	24.5	65	10,137	(5.9)
Non-controlling interest	685	685	381	810	807	991	11.4	44.7	1,471	1,858	26.3	68	2,716	2.0
Net profit	10,741	10,994	11,282	9,388	13,486	12,653	(6.2)	15.1	21,735	26,139	20.3	62	41,942	(1.1)
EPS (THB)	4.53	4.64	4.78	3.98	5.89	5.34	(6.2)	15.1	9.17	11.03	20.3	62	17.70	(1.1)
Key ratios	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24E	Change		1H23	1H24		2024E		
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(%)	(%)		(%)		
Gross NPLs (THB m)	87,840	92,884	89,459	94,241	93,273	93,273	0.0	0.4	92,884	93,273	0.4	99,344		
Change (% from prior period)	(6.1)	6.0	(3.7)	5.3	(1.0)	0.0			(5.8)	0.4		7.9		
NPL ratio (%) - reported	3.04	3.20	3.11	3.19	3.19				3.20					
NPL ratio (%)*	3.58	3.79	3.67	3.78	3.79	3.75			3.79	3.75		3.80		
Coverage ratio (%) - reported	167	147	155	162	160				147					
Coverage ratio (%)*	146	138	145	142	139	139			138	139		139		
Credit cost (bp)	205	208	209	220	189	189			208	189		200		
Profitability ratio	(%)	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)		
Cost to income ratio	42.5	43.4	42.1	48.2	41.3	43.4			42.9	42.4		46.0		
Average yield (%)	4.22	4.49	4.89	4.82	4.76	4.89			4.37	4.77		4.54		
Cost of funds (%)	1.02	1.15	1.25	1.34	1.36	1.40			1.09	1.39		1.30		
NIM (%) - reported	3.46	3.63	3.76	3.83	3.76									
NIM (%)*	3.47	3.64	3.77	3.84	3.77	3.68			3.57	3.78		3.60		
Non-interest income/total income (%)	25.1	23.7	19.3	23.7	23.2	25.7			24.4	24.4		23.5		
Liquidity ratio									(%)	(%)		(%)		
Loan to deposit	90.8	90.4	90.9	92.3	91.2	93.4			90.4	93.4		92.7		
Loan to deposit & borrowing (LDBR)	83.1	82.3	82.8	84.1	82.7	85.3			82.3	85.3		90.0		
Capital adequacy ratio	(%)	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)		
CAR	18.9	19.0	19.6	19.4	19.4	20.4			19.0	20.4		19.0		
CET 1 / Risk assets	15.9	16.1	16.7	16.5	16.5	17.5			16.1	17.5		16.2		
Tier 2 / Risk assets	2.0	2.0	2.0	2.0	2.0	3.0			2.0	3.0		1.8		
Loan growth	(%)	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)		
q-q	(1.2)	(0.6)	(0.5)	2.1	(1.1)	1.0								
y-y	0.3	(1.6)	(1.1)	(0.2)	(0.1)	1.6			(1.6)	1.6		5.0		
Year-to-date	(1.2)	(1.8)	(2.3)	(0.2)	(1.1)	(0.1)			(1.8)	(0.1)				

Source: KBANK

KKP - 2Q24 profit missed; Asset quality dragged

Rising ECLs and lower spread caused the hiccup in 2Q24 profit

KKP' surprised the market with a disappointing 2Q24 net profit at an abnormal low of THB769m, which was heavily corrected by 49.0% q-q and 45.4% y-y. The critical drag was the rise in ECLs and credit costs. However, its loss on sales of repossessed vehicles reduced significantly to THB1.07b (from THB1.44b in 1Q24) on the backdrop of the decreasing number of repossessed cars sold.

PPOP increased by 9.0% Q-Q but dwindled by 24.5% Y-Y, amounting to THB2.74b, thanks to the operating expense reduction, mainly from the loss on sales of repossessed cars, which lowered the cost-to-income ratio to 58.1% (41.8% excluding the loss on sales of the repossessed car from 42.1% in 1Q24). However, the operating income-- NII and non-NII-- contracted meaningfully both q-q and y-y. The lower-than-expected NIM was due mainly to the rising cost of funds—the changes in deposit mix toward term deposits, the lingering high-interest cost of US funding—and the lower loan yield. Regarding the non-NII, KKP disclosed the impacts of fewer working days on its capital market and trading business (30% of totals in 1H24) to be higher than peers. Moreover, a stricter SET regulation also hurt its brokerage fees.

Overall, the 1H24 net profit dropped by 34.9% y-y, accounting for 39% of our previous 2024 net profit forecast.

Asset quality turned negative with a more deterioration sign

We viewed KKP's asset quality as unfavorable and had more cause for concern in 2H24E. The 2Q24 NPL ratio spiked q-q to 4.11%. In addition to the lower loan base effect, the slippage of the 2021-22 vintage hire-purchase to stage 3 loans and the impact of its qualitative NPL classification in commercial lending—SME and real estate—with its excuse of being an impact from the slow economic recovery were also critical pressure in 2Q24. Moreover, the rising stage 2 loans following the deterioration in the SMEs and housing segment led to its decision to set an extra THB300m ECLs for management overlay. Excluding the management overlay impact, credit costs rose from an increasing LGD (60-month rolling backward following TFRS9) in the hire-purchase segment. KKP foresees the continued rise of LGD in 2H24 as the blended 2023 vintage--good quality loans with lower LGD, would take time. Therefore, the coverage ratio could sustain q-q at 132%.

KKP reaffirmed that it has no risk exposures in EA loans and stocks that could impact the bank and its subsidiary's investments. Despite having the EA collateral shares in Lombard lending, its wealthy customers could replace the shares with cash and other assets without damaging the bank.

Exhibit 9: KKP – 2Q24 operations summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	Change		1H23	1H24	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	24E	(THB m)	(y-y%)
Net interest income	5,521	5,988	5,562	5,253	5,009	(4.7)	(9.3)	10,744	10,262	(4.5)	50	20,503	(8.0)
Non-interest income	1,902	1,456	1,393	1,579	1,543	(2.3)	(18.8)	3,620	3,123	(13.7)	51	6,177	(4.5)
Fee income - net	1,464	1,337	1,333	1,23	1,171	4.3	(20.0)	2,807	2,294	(18.3)	49	4,661	(14.9)
Total operating income	7,423	7,444	6,955	6,832	6,552	(4.1)	(11.7)	14,364	13,384	(6.8)	50	26,680	(7.2)
Total operating expenses	3,791	4,293	4,596	4,316	3,809	(11.8)	0.5	7,030	8,125	15.6	50	16,118	14
PPOP before tax	3,632	3,151	2,359	2,516	2,743	9.0	(24.5)	7,334	5,259	(28.3)	50	10,562	(17.9)
Expected credit loss	1,878	1,878	1,429	809	1,789	10.6	(5.8)	2,975	2,378	(20.4)	46	5,200	(14.5)
Income tax	342	201	270	400	202	(49.5)	(41.0)	859	602	(29.9)	56	1,072	(18.4)
Non-controlling interest	3	4	2	1	3	350.3	2.9	6	4	(38.6)	22	18	43.5
Net profit	1,408	1,268	657	1,506	769	(49.0)	(45.4)	3,493	2,275	(34.9)	53	4,271	(21.5)
EPS (THB)	166	150	0.78	1.78	0.91	(49.0)	(45.4)	4.13	2.89	(34.9)	53	5.04	(21.5)
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	Change		1H23	1H24	Change	2024E		
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)			(y-y%)	(%)		
Gross NPLs (THB m)	14,928	14,764	13,220	15,804	16,108	3.2	7.9	14,928	16,108	36.3		15,870	
Change (% from prior period)	9.3	(1.1)	(10.5)	18.0	3.2			36.3	7.9			20.0	
NPL ratios (%) - reported	3.60	3.50	3.20	3.80	4.00			3.60					
NPL ratio (%)*	3.74	3.69	3.31	3.94	4.11			3.74	4.11			4.10	
Coverage ratio (%) - reported	143	145	165	137	137			143					
Coverage ratio (%)*	136	139	157	132	132			136	132			135	
Credit cost (bp) - incl loss from repossessed car	292	304	284	206	289			276	247			285	
Profitability ratio	(%)	(%)	(%)	(%)	(%)								(%)
Cost to income ratio	51.1	57.7	66.1	63.2	58.1			48.9	60.7			60.4	
Average loan yield (%)	7.04	7.01	7.32	7.20	7.11			7.28	7.16			7.18	
Cost of funds (%)	1.82	2.00	2.21	2.36	2.48			1.80	2.47			2.49	
Loan spread	5.23	5.01	5.11	4.84	4.63			5.47	4.70			4.69	
NIM (%)*	4.53	4.81	4.36	4.16	4.04			4.57	4.17			4.08	
Non-int inc/total income (%)	25.6	19.6	20.0	23.1	23.6			25.2	23.3			23.2	
Loan growth	(%)	(%)	(%)	(%)	(%)								(%)
q-q	3.9	0.3	(0.3)	(0.7)	(1.0)								
y-y	18.6	11.3	5.7	3.2	(1.8)			18.6	(1.8)			(3.0)	
Year-to-date	5.7	6.1	5.7	(0.7)	(1.7)			5.7	(1.7)				

Source: KKP

SCB - Continued several headwinds in 2H24

Rising ECLs and lower non-NII dragged down 2Q24 profit

SCB reported a 2Q24 net profit of THB10.0b, 5% below our estimate and BBG consensus, which decreased by 11.2% q-q and 15.6% y-y. Key drags were 1) rising ECLs and operating expenses (mainly from one-off expenses related to the cessation of the Robinhood application) and 2) dropping non-NII, which offset the increase in NII. Loan growth slowed as expected, with a slight drop YTD, far below its 3-5% y-y 2024 guidance and our 2.5% y-y previous forecast, primarily pressured by corporate loans (35%) reduction, whereas the SMEs (17%) and retail (41%) were relatively flat q-q. In contrast to the loan under portfolio companies, it showed a 2.5% q-q increase, mainly from AutoX and others (Monix and ABACUS digital), while CardX continued contracting due to its de-risking policy since 1Q24.

NIM was better than expected, increasing by 17bp to 3.90%, mainly supported by loan yield expansion on the effect of the blue scheme corporate loan prepayment. In contrast, the cost of funds was healthy control and in line with expectations. Non-NII decreased by 5.0% q-q and 21.0% y-y, attributed to lowering net fee income (bancassurance and loan-related fees) and FVTPL investment gains (mainly from mark-to-market gains from the investment portfolio at SCB 10X). However, the cost-to-income ratio finished in line with expectations at 42.9%, a slight increase from 42.1% in 1Q24.

Deteriorated asset quality, particularly in the retail segment

Asset quality deteriorated worse than expected. Despite the stable NPL ratio of 3.90% (FSSIA's calculated) following its proactive management (sales and write-offs), its stage 2 loans increased q-q by THB11.3b and stabilized at 7.2% of total loans, mainly from the EA lending (THB12b of which THB500m is unsecured and the rest is secured project financing) and partly from the housing (Gen 1) and CardX (Gen 2) loans. SCB addressed that the rising 2Q24 credit costs to 190bp were mainly from its Gen 2 segment, while an extra THB800m was for the unsecured portion of EA loans, which SCB believes the coverage is enough. Hence, the coverage ratio could post a relatively stable q-q at 156%.

Exhibit 10: SCB – 2Q24 operations summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	---- Change ----		1H23	1H24	% of	2024E		
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	y-y%	24E	(THB m)	(y-y%)
Net interest income	30,791	31,536	33,413	31,761	32,576	2.6	5.8	59,734	64,337	7.7	50	129,713	4.0
Non-interest income	13,525	11,809	9,130	11,234	10,878	(5.0)	(21.1)	25,482	21,912	(14.0)	46	47,418	2.1
Fee income - net	8,509	8,440	7,466	7,897	7,529	(4.7)	(11.5)	17,418	15,426	(11.4)	46	33,546	2.5
Total operating income	44,316	43,344	42,543	42,995	43,253	0.6	(2.4)	85,216	86,249	1.2	49	177,131	3.5
Total operating expenses	17,016	18,490	19,517	18,100	18,568	2.6	9.1	33,773	36,668	8.6	48	76,454	6.5
PPOP before tax	27,300	24,854	23,026	24,895	24,685	(0.8)	(9.6)	51,443	49,580	(3.6)	49	100,677	1.4
Expected credit loss	12,098	12,245	9,330	10,201	11,826	14.0	(3.9)	22,025	21,828	(0.9)	46	47,909	9.9
Income tax	3,289	2,891	2,828	3,354	2,908	(13.3)	(11.6)	6,436	6,262	(2.7)	55	11,345	(5.1)
Non-controlling interest	46	55	73	59	137	1314	199.5	118	196	65.2	78	252	2.0
Net profit	11,868	9,663	10,995	11,281	10,014	(11.2)	(15.6)	22,864	21,295	(6.9)	52	41,170	(5.4)
EPS (THB)	3.52	2.87	3.27	3.35	2.97	(11.2)	(15.6)	6.79	6.3	(6.9)	52	12.23	(5.4)
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	---- Change ----		1H23	1H24		2024E		
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(THB m)	y-y%		(%)	
Gross NPLs (THB m)	93,028	95,576	96,832	95,236	95,097	(0.1)	2.2	93,028	95,097	2.2		100,932	
Change (% from prior period)	(2.2)	2.7	1.3	(1.6)	(0.1)			(9.3)	2.2			4.2	
NPL ratios (%) - reported	3.25	3.30	3.44	3.52	3.34			3.25	3.34				
NPL ratio (%)*	3.84	3.89	3.99	3.89	3.90			3.84	3.90			4.08	
Coverage ratio (%) - reported	171	167	160	161	162			171	162				
Coverage ratio (%)*	165	162	164	166	166			165	166			160	
Credit cost (bp)	201	201	163	167	190			184	180			195	
Profitability ratio	(%)	(%)	(%)	(%)	(%)							(%)	
Cost to income ratio	38.4	42.7	45.9	42.1	42.9			39.8	42.5			43.2	
Average yield (%)	4.75	4.87	5.15	4.99	5.08			4.83	4.99			5.11	
Cost of funds (%)	126	135	142	140	141			122	139			155	
NIM (%) - reported	3.70	3.74	3.96	3.83	3.90			3.61					
NIM (%)*	3.70	3.74	3.96	3.83	3.90			3.61	3.83			3.82	
Non-NII/total income (%)	30.5	27.2	21.5	26.1	24.7			29.9	25.4			26.8	
Loan growth	(%)	(%)	(%)	(%)	(%)			(%)	(%)			(%)	
q-q	1.0	1.3	(1.2)	0.9	(0.4)								
y-y	2.7	4.6	2.1	2.1	0.6			2.7	0.6			2.5	
Year-to-date	1.9	3.3	2.1	0.9	0.5			1.9	0.5				

Source: SCB

TTB - 2Q24 profit in line; Sluggish core profit

TTB delivered an in-line 2Q24 net profit of THB5.36b, increasing by 0.4% q-q and 17.3% y-y. Following its variable incentive compensation reduction and cost efficiency, a dropping operating expense could offset a weakening operating income and a rising ECL impact. Accordingly, PPOP amounted to THB10.2b, growing by 0.6% q-q and 2.7% y-y. NII remained sluggish as expected, with a slight decrease of 1.5% q-q but an increase of 0.7% y-y, aligning with its loan contraction of 1.4% q-q, 4.9% y-y, and 2.4% YTD, pressured by its low-yield portfolio – hire-purchase lending (24%) for new and used cars and housing loans (25%) – despite increasing high-yield loans (12%). In addition, 2Q24 NIM reduced lower than expected by 2bp to 3.24%, mainly from the rising cost of funds, which its loan yield management could not offset. However, given its 95% loan-to-deposit ratio, we expect less pressure on the cost side in 2H24. The correction in non-NII by 2.6% q-q and 13.1% y-y was primarily due to a drop in net fee income, particularly Bancassurance fees tied to new loan booking.

The 1H24 net profit amounts to THB10.7b, growing significantly by 20.6% y-y and accounting for 55% of our full-year forecast. Thanks to the tax benefits (THB12.7b remaining as of 2Q24), TTB could have the financial flexibility to cushion its bottom line while sustaining a high level of ECLs to tackle NPLs and build up its coverage ratio.

Manageable asset quality, more prudent in ECL reserves

We view TTB's asset quality as no cause for concern. A lower loan base caused the 2Q24 NPL ratio to increase slightly to 3.09%, while the absolute NPL figures grew minimally. However, the credit costs elevated to 162bp, exceeding their normal level of 133bp, of which THB1.09b was an additional provision for future uncertainties. In addition, the coverage ratio reduced slightly to 152% following its aggressive write-offs.

Regarding the EA lending, TTB disclosed its tiny exposures of cTHB450m, comprising long-term secured and short-term unsecured loans. However, the bank plans to reclassify the loan stage and provide reserves in 3Q24, of which the impact could be lower than the stated amount due to the ongoing repayment as usual. We reiterate the minimal effects on 2024E net profit due mainly to its ample management overlay (c17% of total LLRs) to buffer.

Exhibit 11: TTB – 2Q24 operations summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	Change		1H23	1H24	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	24E	(THB m)	(y-y%)
Net interest income	14,093	14,665	14,948	14,397	14,185	(15)	0.7	27,595	28,583	3.6	50	57,305	0.2
Non-interest income	3,668	3,335	3,384	3,273	3,187	(2.6)	(13.1)	7,035	6,460	(8.2)	48	13,371	(2.8)
Fee income - net	2,659	2,505	2,638	2,454	2,209	(10.0)	(16.9)	5,218	4,664	(10.6)	47	9,877	(4.7)
Total operating income	17,760	18,000	18,332	17,671	17,372	(1.7)	(2.2)	34,630	35,043	1.2	50	70,675	(0.4)
Total operating expenses	7,883	7,777	8,338	7,570	7,210	(4.8)	(8.3)	5,166	4,781	(2.5)	48	30,555	(2.3)
PPOP before tax	9,897	10,223	9,996	10,100	10,162	0.6	2.7	19,464	20,262	4.1	51	40,121	1.1
Expected credit loss	4,244	4,354	9,328	5,117	5,281	3.2	24.4	8,520	0,397	22.0	50	20,929	(5.7)
Income tax	1,087	133	(4,197)	(351)	(474)	35.0	N/A	2,083	(828)	N/A	N/A	0	N/A
Net profit	4,566	4,735	4,867	5,335	5,356	0.4	17.3	8,861	10,690	20.6	56	19,192	4.0
EPS (THB)	0.05	0.05	0.05	0.06	0.06	0.4	17.3	0.09	0.11	20.6	56	0.20	4.0
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	Change		1H23	1H24	Change	2024E		
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(%)		
Gross NPLs (THB m)	40,719	40,279	41,008	39,759	40,105	0.9	(15)	40,719	40,105	(15)	40,600		
Change (% from prior period)	(3.1)	(1.1)	18	(3.0)	0.9								(10)
NPL ratios (%) - reported	2.63	2.67	2.62	2.66	2.64								2.64
NPL ratio (%)*	2.99	2.96	3.09	3.02	3.09								3.15
Coverage ratio (%) - reported	144	144	155	155	152								152
Coverage ratio (%)*	144	144	155	155	152								157
Credit cost (bp)	125	128	277	155	162								160
Profitability ratio	(%)	(%)	(%)	(%)	(%)								(%)
Cost to income ratio	44.3	43.2	45.5	42.8	41.5								43.2
Average yield (%)	4.38	4.64	4.81	4.77	4.81								4.81
Cost of funds (%)	139	147	160	175	182								183
NIM (%) - reported	3.18	3.34	3.39	3.28	3.28								N/A
NIM (%)*	3.17	3.38	3.42	3.28	3.24								3.12
Non-interest income/total income (%)	20.7	18.5	18.5	18.5	18.3								18.4
Loan growth	(%)	(%)	(%)	(%)	(%)								(%)
q-q	0.4	(0.1)	(2.6)	(1.0)	(1.4)								
y-y	(2.1)	(2.2)	(3.5)	(3.2)	(4.9)								(3.0)
Year-to-date	(0.9)	(1.0)	(3.5)	(1.0)	(2.4)								(0.9)

Source: TTB

KTB - 2Q24 profit in line with our estimate but 5% below BBG consensus

KTB reported a 2Q24 net profit of THB11.1b, growing by 1.1% q-q and 10.2% y-y. PPOP was THB23.0b, increasing 0.2% q-q and 6.1% y-y, supported by higher net interest income and lower operating expenses, which could offset lower non-NII. In addition, we have no cause for concern about its asset quality in this period. 1H24 net profit grew 10.1% y-y, accounting for 59% of our full-year forecasts. We retain our 2024-26 forecast and maintain a BUY call with a 2024 GGM-based TP of THB 19.90, implying 0.65x P/BV (expected LT-ROE 8% and COE 11.8%).

Highlights

(+) Net interest income amounted to THB30.0, increasing slightly by 1.7% q-q and 8.2% y-y. Loans contracted at 2.2% q-q, 0.7% y-y, and 0.6% YTD, mainly from corporate (28%) and government and state enterprise (16%) loan repayments. Meanwhile, SMEs continued shrinking following the bank's de-risking policy in the high-risk segment. However, retail—housing (19%) and personal loans (24%)—could grow minimally q-q. KTB maintains its 2024 loan guidance at 3.0% y-y, with the expected loan demand to accelerate in 2H24. NIM increased by 6bp to 3.37% on higher loan yields (more high-yield concentrated) and accelerating interest expenses. Overall, the 1H24 spiked to 3.39%, exceeding its 2024 guidance of 3.00-3.30% and 3.28% of our target.

(-) Non-interest income was worse than expected due to the effects of dropping net fee income by 5.4% q-q (seasonality factor) but increasing by 10.0% y-y (from credit card transactions and mutual fund fees). The 1H24 net fees could grow by 9.2% y-y, exceeding its 2024 guidance of low to mid-single-digit growth and 1.5% y-y of our forecast. Moreover, the bad debt recovery decreased more than expected in 2Q24 to THB2b vs. THB3.3b of our expectation and THB3.11b in 1Q24.

(+) Operating expenses were better than expected, mainly due to a decrease in impairment loss from properties for sale to THB1.61b vs. THB3.79b in 1Q24. KTB expects the figure to lower in 2H24. The cost-to-income ratio decreased to 41.7% from 43.6% in 1Q24. Overall, the 1H24 cost-to-income ratio finished at 42.6%, aligning with its 2024 guidance of below mid-40% and 43.4% of ours.

(O) Asset quality has no cause for concern in 2Q24. As expected, the NPL ratio slightly increased to 3.85% from 3.77% in 1Q24, partly due to a decreased loan base, while the NPL amounts decreased slightly q-q. The stage 2 loans also reduced 3.7% q-q to 7.5% of total loans from 7.7% at the end of 1Q24. Credit costs and coverage ratio were stable q-q as expected, at 124bp and 176%, respectively. Overall, the 1H24 credit costs rose to 125bp, below its 2024 guidance of 120-130bp and our target of 140bp.

For the EA lending exposure, KTB disclosed no details but indicated a minimal impact on its 2024 guidance.

Exhibit 12: KTB – 2Q24 operations summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	--- Change ---		1H23	1H24	% of	2024E change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	24E (THB m) (y-y %)
Net interest income	27,771	29,667	30,362	29,561	30,055	1.7	8.2	53,390	59,617	11.7	51 117,455 3.6
Non-interest income	7,944	9,221	9,228	11,141	9,394	(5.7)	18.3	17,597	20,535	16.7	54 37,887 4.6
Fee income - net	4,797	5,503	5,434	5,577	5,277	(5.4)	10.0	9,935	10,854	9.2	51 21,186 1.5
Total operating income	35,715	38,888	39,590	40,703	39,449	(3.1)	10.5	70,987	80,152	12.9	52 155,142 3.8
Total operating expenses	14,028	16,733	17,745	17,731	16,438	(7.3)	17.2	27,879	34,168	23.4	51 67,398 8.4
PPOP before tax	21,686	22,155	21,845	22,972	23,012	0.2	6.1	43,308	45,984	6.2	52 87,744 0.5
Expected credit loss	7,754	8,157	13,070	8,029	8,004	(0.3)	3.2	15,858	16,032	1.1	44 36,252 (2.2)
Income tax	2,884	2,774	1,733	2,936	2,877	(2.0)	0.5	5,395	5,813	7.7	58 10,093 19
Non-controlling interest	912	941	931	929	936	0.7	2.7	1,832	1,865	1.8	49 3,779 2.0
Net profit	10,156	10,282	6,111	11,078	11,195	1.1	10.2	20,223	22,273	10.1	59 37,621 2.7
EPS (THB)	0.73	0.74	0.44	0.79	0.80	1.1	10.2	1.45	1.59	10.1	59 2.89 2.7
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	--- Change ---		1H23	1H24		2024E
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(%)
Gross NPLs (THB m)	98,810	98,309	99,407	98,815	98,701	(0.1)	(0.1)	98,810	98,701	(0.1)	98,887 (0.5)
Change (% from prior period)	(3.6)	(0.5)	1.1	(0.6)	(0.1)			(5.4)	(0.1)		(0.5)
NPL ratios (%) - reported	3.11	3.10	3.08	3.14	3.12			3.11	3.12		
NPL ratio (%)*	3.83	3.74	3.86	3.77	3.85			3.83	3.85		3.80
Coverage ratio (%) - report	177	180	181	182	181			177	181		
Coverage ratio (%)*	171	174	174	175	176			171	176		176
Credit cost (bp)	120	125	201	124	124			122	125		140
Profitability ratio	(%)	(%)	(%)	(%)	(%)						(%)
Cost to income ratio	39.3	43.0	44.8	43.6	41.7			39.0	42.6		43.4
Average yield (%)	4.26	4.57	4.74	4.58	4.65			4.11	4.69		4.56
Cost of funds (%)	1.21	1.32	1.49	1.46	1.48			1.17	1.49		1.48
NIM (%) - reported	3.00	3.20	3.38	3.41	3.31			3.10	3.35		
NIM (%)*	3.21	3.42	3.45	3.31	3.37			3.09	3.39		3.28
Non-interest income/total	22.2	23.7	23.3	27.4	23.8			24.8	25.6		24.3
Loan growth	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)
q-q	(0.2)	2.0	(2.0)	1.6	(2.2)						
y-y	(2.2)	0.7	(0.8)	1.4	(0.7)			(2.2)	(0.7)		1.0
Year-to-date	(0.8)	1.4	(0.8)	1.6	(0.8)			(0.8)	(0.8)		

Source: KTB

KTC - 2Q24 profit in line; Loans missed

KTC reported a 2Q24 net profit of THB1.83b, marginally increasing by 1.3% q-q and 1.1% y-y, aligning with our estimate but 5% above BBG consensus. The PPOP was at THB3.98b, which showed an increase of 0.8% q-q and 7.4% y-y, bearing credit cost pressure but offset by a more prominent contribution from debt recovery income. Loan showed a flat growth of 0.4% q-q and 0.2% y-y, coming short of our 1.9% y-y estimate for 2024 because of stricter lending approval rate and accelerated write-off practices. The effect manifested in both the credit card (66%) and personal loan (32%) segments, while the leasing portfolio of KTBL (2%) continued its sharp contraction where the current effort is on quality control on the existing portfolio. The 1H24 net profit accounts for 47% of our 2024E. For 2H24, we expect a high season of business with both loan and spending growth likely to accelerate h-h along with the net profit.

We foresee some downside to our estimates from underperforming loan growth. However, upsides from the rising recovery income should cover up, leaving only marginal deviations from our 2024-26E net profit. Meanwhile, we retain our unfavorable outlook for the unsecured finance industry over asset quality concerns. Therefore, we maintain our HOLD recommendation with a GGM-based 2024 TP at THB40.00, implying a 2.57x PBV ratio (LT ROE 18.0%, COE 9.0%).

Highlights

(-) Net interest income (NII): 2Q24 NII showed flat movements on both q-q and y-y basis, which aligned with dim loan growth due to slowing lending activity and higher write-offs. The 2Q24 cost of funds continued its rising path, but, thanks to the higher-than-expected loan yield, the loan spreads of 12.24% showed a 36bp q-q increase (but declined 27bp y-y).

(+) Non-NII increased moderately more than expected, moving by +0.8% q-q and making a sharp pick up of 21.8% y-y. On the y-y basis, the figure received boosts from 1) merchant discount fees with a 2Q24 spending volume growth of 11.5% y-y (but remained lower than KTC's aggressive 15% target for 2024) and 2) the bad debt recovery income (collections from written-off loans) for THB1.0b compared to its usual level of cTHB800m/quarter.

(-) OPEX was flat q-q but increased 10.5% y-y, moderately higher than expected. It realized rising service fee expenses, following the expanding spending volume and IT expenses during the period. The 2Q24 cost-to-income finished at 37.2% (we estimated 35.4%).

(0) Asset quality: The weakening conditions of KTC's asset quality reflect the rising credit costs in 2Q24 at 6.44%, which moderately increased from 6.23% in 1Q24. From the amount, management stated to have set aside some additional overlay for prospective uncertainties. However, thanks to its faster write-off practices, the 2Q24 NPL ratio fell moderately to 1.96%, lower than our estimate of 2.01%, and declined from 1.98% in 1Q24. Accordingly, the coverage ratio rose to 363% from 354% in 1Q24.

Exhibit 13: KTC – 2Q24 operations summary

KTC	2Q23	3Q23	4Q23	1Q24	2Q24	— Change —		1H24	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	24E	(THB m)	(%)
Interest income	3,972	4,096	4,149	4,008	4,004	(0.1)	0.8	8,012	3.0	47	16,996	11.4
Interest expense	415	441	456	451	448	(0.8)	7.9	899	11.6	46	1,962	22.3
Net interest income	3,557	3,655	3,693	3,557	3,556	(0.0)	(0.0)	7,113	2.1	47	15,034	10.2
Non-interest income	2,280	2,376	2,532	2,755	2,777	0.8	21.8	5,533	21.9	55	10,026	6.5
Operating income	5,837	6,031	6,225	6,312	6,333	0.3	8.5	12,646	9.9	50	25,060	8.7
Operating expenses	2,135	2,252	2,429	2,369	2,359	(0.4)	10.5	4,728	14.8	50	9,369	8.4
PPOP	3,702	3,779	3,795	3,943	3,975	0.8	7.4	7,918	7.2	50	15,691	8.9
Expected credit loss	1,438	1,477	1,612	1,683	1,690	0.4	17.5	3,374	20.3	55	6,162	21.1
Profit before tax	2,263	2,302	2,184	2,260	2,284	1.1	0.9	4,544	(0.8)	48	9,529	2.2
Income tax expense	463	464	439	467	469	0.4	1.3	936	2.2	49	1,906	0.0
Net profit	1,806	1,856	1,761	1,803	1,826	1.3	1.1	3,630	(1.3)	47	7,674	3.1
EPS (THB)	0.70	0.72	0.68	0.70	0.71	1.3	1.1	1.41	(1.3)	47	2.98	3.1
Key balance sheet highlights												
Loan - gross	105,588	106,700	112,347	105,347	105,803	0.4	0.2	105,803	0.2		114,435	7.8
Interest bearing debt	63,351	63,213	66,918	59,814	62,392	4.3	(1.5)	62,392	(1.5)		67,140	8.0
Earnings assets	98,342	100,111	108,082	101,599	102,575	1.0	4.3	102,575	4.3		121,001	10.6
Leverage ratio	(x)	(x)	(x)	(x)	(x)							
IBD/E (x)	1.98	1.86	1.88	1.60	1.73			1.73			1.68	
D/E (x)	2.19	2.08	2.16	1.84	1.98			1.98			1.95	
Asset quality ratio	(%)	(%)	(%)	(%)	(%)							
Gross NPLs (THB m)	2,130	2,481	2,439	2,091	2,071	(1.0)	(2.8)	2,071	(2.8)		2,373	
NPL ratio	2.02	2.33	2.17	1.98	1.96			1.96			2.07	
Coverage ratio - LLR/ NPLs	433	382	400	354	363			363			343	
Credit cost (bp)	554	560	593	623	644			638			547	
LLR/TL	8.74	8.87	8.69	7.02	7.11			7.11			7.11	
Profitability ratios	(%)	(%)	(%)	(%)	(%)							(%)
Cost-to-income ratio	36.58	37.34	39.03	37.53	37.24			37.39			37.39	
Yield on loans	15.21	15.44	15.15	14.73	15.17			15.16			14.99	
Cost of funds	2.70	2.79	2.80	2.85	2.93			2.86			2.93	
Spreads	12.51	12.65	12.35	11.88	12.24			12.30			12.06	
Net interest margin (NIM)	13.38	13.46	12.99	12.54	12.98			14.16			12.59	
ROE	22.06	22.28	20.05	19.60	19.75			21.19			20.32	
ROA	7.10	7.10	6.42	6.54	6.79			6.87			6.66	
Loan growth	(%)	(%)	(%)	(%)	(%)							
q-q	2.2	1.1	5.3	(6.2)	0.4							
y-y	11.1	10.0	7.8	2.0	0.2			0.2			1.9	
YTD	1.3	2.4	7.8	(6.2)	(5.8)			(5.8)				

Source: KTC

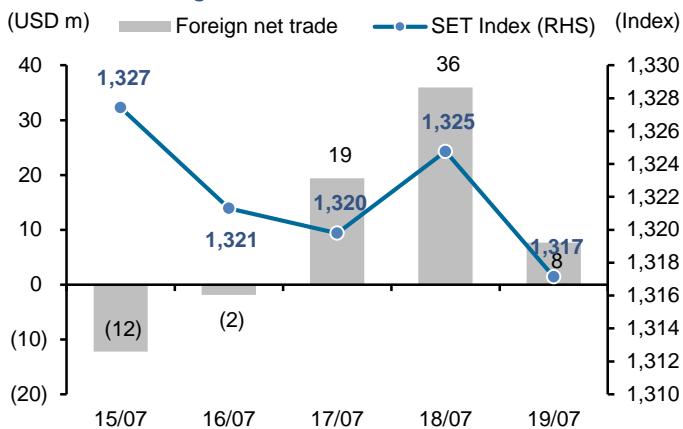
Economic news

- [CrowdStrike shares tumble 13% on IT outage impact](#) BANGKOK POST: Shares of CrowdStrike plunged 13% on Monday, extending their loss-making streak, after Wall Street analysts downgraded the stock on concerns over the financial fallout from a global cyber outage last week. CrowdStrike's glitchy update to its security software crashed computers powered by Microsoft's Windows operating system, disrupting internet services across the globe and affecting a broad swathe of industries including airlines, banking and healthcare. Microsoft said on Saturday about 8.5 million Windows devices, or less than 1% of all Windows machines, were affected.
- [Chinese EV makers urged to use parts made in Thailand](#) BANGKOK POST: The Industry Ministry is requesting Chinese electric vehicle manufacturers assemble their EVs with at least 40% of parts sourced locally in a move to support the automotive supply chain in Thailand. The 40% threshold was suggested following talks involving the ministry and GAC Aion New Energy Automobile, an EV maker under Guangzhou Automobile Corporation (GAC), which has promised to use 40% local content. Thai auto parts makers, which are mostly familiar with components designed for internal combustion engines (ICE), still require support from car manufacturers, though the latter are shifting their focus to electric mobility technology, said Industry Minister Pimphattra Wichaikul.
- [ANA preserves load factor on Thailand-Japan routes](#) BANGKOK POST: Despite a weak yen, Japanese carrier ANA has maintained the load factor on Thailand-Japan routes at the same robust level as 2019, with more of its passengers being Thai tourists as well as long-haul travellers transiting in Japan. Daishi Yoshihara, general manager of Thailand, said Thailand has been one of the airline's strongest routes in Asia-Pacific and Southeast Asia following the pandemic, along with Singapore and Shanghai. Mr Yoshihara said the weak yen encouraged more Thais and other foreign tourists to visit Japan, but the situation doesn't favour Japan's outbound market as exchange rates were more costly for Japanese nationals.
- [Bad debt spike blamed on drop in spending](#) BANGKOK POST: An increase in non-performing loans (NPLs) during the first seven months of this year primarily stems from wholesale and retail businesses, according to the Small and Medium Enterprise Development Bank of Thailand (SME D Bank). Phichit Mitrawong, the bank's managing director, said sluggish economic conditions have led to a contraction in consumer purchasing power, affecting the sales of domestic wholesale and retail businesses. As of July, the bank's NPLs stood at 13% of its total loan portfolio of 100 billion baht, which means that the bank currently has NPLs amounting to around 13 billion baht.
- [China shares lead regional decline as risk rises](#) BANGKOK POST: RECAP: Asian equities and currencies declined on Friday as economic and geopolitical risks trumped market optimism surrounding US interest-rate cuts. Mainland Chinese stocks in Hong Kong led the region's losses as the Communist Party's third plenum failed to convince investors about economic growth impetus. The SET index moved in a range of 1,317.14 and 1,330.84 points this week, before closing on Friday at 1,317.14, down 1.1% from the previous week, with thin daily turnover averaging 39.02 billion baht. Retail investors were net buyers of 2.48 billion baht, followed by foreign investors at 1.48 billion and brokerage firms at 323.1 million. Institutional investors were net sellers of 4.28 billion baht.

Corporate news

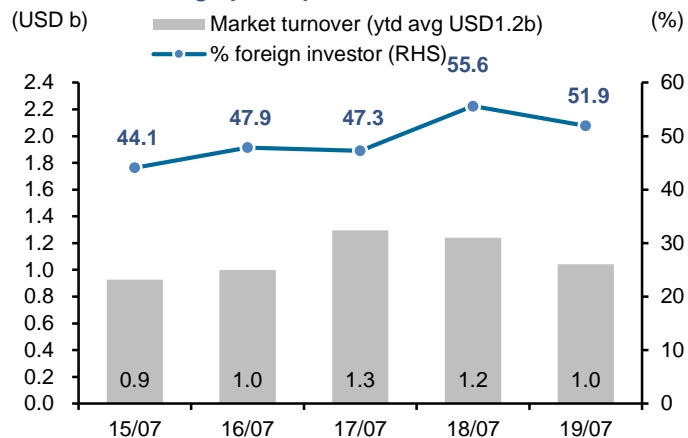
- [Scandal stalks stocks](#) BANGKOK POST: The Stock Exchange of Thailand (SET) was recently hit by an accounting and embezzlement scandal at Stark Corporation, which is estimated to have cost at least 14.7 billion baht in damages to shareholders and stock investors. The debacle affected 4,704 shareholders, while the former chairman and several other top executives are now being prosecuted. The scandal involving the listed manufacturer of cable and wire products represents one of Thailand's largest corporate frauds in recent years. Now investors have been shocked by the Securities and Exchange Commission's (SEC) accusations against the management of Energy Absolute (EA), the renewable energy company whose aggressive expansion made it one of the blue-chip stocks on the SET.
- [Uptick rule helping to make SET more robust](#) BANGKOK POST: The Thai stock market has become more robust over the past three weeks following the introduction of an uptick rule that has helped tighten control over short-selling and reduced volatility. Short-selling transactions on average were lighter than in the previous month and rapid declines in individual stock prices were less severe than in the first half of this year. However, this might not apply to some stocks with specific factors beyond fundamentals, such as Energy Absolute (EA), which has been rocked by fraud charges levelled against its former CEO and deputy CEO by the Securities and Exchange Commission. EA was already facing questions about its financial stability, which in turn led to worries about provisioning and loan reclassification in the banking sector, though this has not materialised yet. However, the overall market did not fall sharply, as it might have done in response to such an incident in the past. Moreover, sentiment was lifted by big news about the planned amalgamation of GULF and INTUCH, which drove shares within the group including GULF, INTUCH, ADVANC and THCOM.
- [Country's leading banks post mixed results for first half](#) BANGKOK POST: The big three banks reported mixed results for the first half of this year. Despite lowering loan rates to support vulnerable customers amid a sluggish economic recovery, their overall income growth remained positive. Bangkok Bank (BBL) and its subsidiaries posted a net profit of 22.3 billion baht for the first half of 2024, up 4.2% from the same period last year. The bank's net interest income rose by 8.1%, driven by loan growth and higher yields on earning assets, although this was partially offset by increased deposit costs, according to the bank's statement to the Stock Exchange of Thailand (SET). The net interest margin stood at 3.05%. Additionally, net fees and service income grew as bancassurance and mutual fund services performed strongly.

Exhibit 14: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 15: Foreign participation



Source: Bloomberg

Exhibit 16: Index performance

	SET Index		Index performance (% change)								
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem
% of SET Index			20%	10%	10%	10%	6%	6%	3%	8%	2%
Current	1,317.14	(0.6)	(0.7)	(0.9)	0.0	(0.4)	(0.9)	(0.9)	0.2	(0.3)	(3.7)
-5D	1,332.04	(1.1)	(2.0)	(2.5)	1.7	(1.2)	(1.6)	(1.1)	(0.9)	(1.2)	(8.6)
-1M	1,303.82	1.0	(0.1)	0.4	8.1	4.7	1.2	1.5	0.5	(4.6)	(5.5)
-3M	1,332.08	(1.1)	(6.5)	(2.2)	13.1	(2.4)	9.1	(9.3)	(6.5)	(6.3)	(23.4)
-6M	1,382.51	(4.7)	(10.4)	(5.1)	10.0	(2.9)	3.1	(10.5)	(13.7)	(4.5)	(18.5)
-1Y	1,536.64	(14.3)	(17.2)	(12.7)	4.4	(17.4)	0.6	(17.3)	(25.4)	(17.9)	(35.3)
WTD	1,332.04	(1.1)	(2.0)	(2.5)	1.7	(1.2)	(1.6)	(1.1)	(0.9)	(1.2)	(8.6)
MTD	1,300.96	1.2	(0.2)	0.2	6.6	3.4	(0.0)	2.2	0.3	(0.3)	(8.1)
QTD	1,300.96	1.2	(0.2)	0.2	6.6	3.4	(0.0)	2.2	0.3	(0.3)	(8.1)
End of last year	1,415.85	(7.0)	(11.9)	(8.2)	11.0	(6.7)	0.5	(13.4)	(19.6)	(4.5)	(26.8)

Source: Bloomberg

Exhibit 17: Trade by investor types

	SET Index		Exchange rate (USD:THB)	SET Index		Equity trading / Net position				Bond Net foreign (USD m)
	Index	Change (y-y%)		Average daily turnover (THB m)	Average daily turnover (USD m)	Foreign (USD m)	Retail (USD m)	PropTrade (USD m)	Local Inst (USD m)	
2019	1,579.84	1.0	31.06	52,468	1,689	(1,496)	(662)	477	1,681	(502)
2020	1,449.35	(8.3)	31.29	67,335	2,152	(8,287)	6,873	459	953	(1,005)
2021	1,657.62	14.4	32.00	88,443	2,764	(1,632)	3,630	435	(2,330)	6,550
2022	1,668.66	15.1	34.78	53,589	1,541	5,362	(656)	56	(4,758)	4,111
2023	1,415.85	(15.2)	34.81	51,072	1,467	(5,507)	3,348	(146)	2,305	318
2024YTD	1,317.14	(7.0)	36.18	42,590	1,177	(5,507)	3,348	(146)	2,305	319
1Q23	1,609.17	(5.1)	33.92	63,300	1,866	(1,646)	1,594	(83)	136	612
2Q23	1,503.10	(4.2)	34.48	47,432	1,376	(1,461)	593	(120)	987	(178)
3Q23	1,471.43	(7.4)	35.17	49,809	1,416	(1,420)	825	261	333	(716)
4Q23	1,415.85	(15.2)	35.64	42,734	1,199	(981)	336	(204)	849	601
1Q24	1,377.94	(14.4)	35.67	49,376	1,384	(2,164)	2,185	(81)	(172)	(796)
2Q24	1,300.96	(13.4)	36.71	43,013	1,172	(1,748)	962	58	276	(474)
3Q24	1,317.14	(10.5)	36.38	35,880	986	(1,292)	119	(32)	(26)	0
Jan-24	1,364.52	(18.4)	35.20	62,067	1,763	(562)	888	25	(42)	(112)
Feb-24	1,370.67	(15.5)	35.85	44,920	1,253	(1,105)	157	(62)	(178)	(429)
Mar-24	1,377.94	(14.4)	35.95	41,142	1,144	(498)	1,140	(44)	48	(255)
Apr-24	1,367.95	(10.5)	36.78	42,530	1,156	(378)	(52)	(56)	(1)	(697)
May-24	1,345.66	(12.3)	36.64	43,600	1,190	(886)	203	92	160	511
Jun-24	1,300.96	(13.4)	36.70	42,908	1,169	(484)	811	22	117	(287)
Jul-24	1,317.14	(15.4)	36.38	35,880	986	(306)	119	(32)	(26)	0
2024YTD	1,317.14	(7.0)	36.18	42,590	1,177	(6,202)	3,266	(54)	77	(1,270)
15/7/2024	1,327.43		36.21	33,604	928	(12)	61	9	(58)	(112)
16/7/2024	1,321.31		36.11	36,029	998	(2)	25	16	(39)	(41)
17/7/2024	1,319.79		35.88	46,506	1,296	19	(0)	(13)	(6)	221
18/7/2024	1,324.76		35.97	44,631	1,241	36	(17)	(3)	(16)	(16)
19/7/2024	1,317.14		36.28	37,797	1,042	8	6	(5)	(9)	(72)

Source: Bloomberg

Exhibit 18: Upcoming events

Date Time	Event		Survey	Actual	Prior
07/19/2024 03:30	Gross International Reserves	Jul-12	--	\$227.8b	\$225.7b
07/19/2024 03:30	Forward Contracts	Jul-12	--	\$28.3b	\$28.4b
07/18/2024 07/24	Car Sales	Jun	--	--	49871
07/23/2024 07/31	Customs Exports YoY	Jun	2.75%	--	7.20%
07/23/2024 07/31	Customs Imports YoY	Jun	2.55%	--	-1.70%
07/23/2024 07/31	Customs Trade Balance	Jun	\$615m	--	\$656m
07/25/2024 07/30	Mfg Production Index ISIC NSA YoY	Jun	-0.90%	--	-1.54%
07/25/2024 07/30	Capacity Utilization ISIC	Jun	--	--	59.77
07/26/2024 03:30	Gross International Reserves	Jul-19	--	--	\$227.8b
07/26/2024 03:30	Forward Contracts	Jul-19	--	--	\$28.3b
07/31/2024 03:00	BoP Current Account Balance	Jun	--	--	\$647m
07/31/2024 03:30	Exports YoY	Jun	--	--	7.80%
07/31/2024 03:30	Exports	Jun	--	--	\$25930m
07/31/2024 03:30	Imports YoY	Jun	--	--	-2.30%
07/31/2024 03:30	Imports	Jun	--	--	\$23105m
07/31/2024 03:30	Trade Balance	Jun	--	--	\$2825m
07/31/2024 03:30	BoP Overall Balance	Jun	--	--	\$551m
07/31/2024 20:30	S&P Global Thailand PMI Mfg	Jul	--	--	51.7
08/01/2024 03:30	Business Sentiment Index	Jul	--	--	48.7
08/04/2024 23:30	CPI YoY	Jul	--	--	0.62%
08/04/2024 23:30	CPI NSA MoM	Jul	--	--	-0.31%
08/04/2024 23:30	CPI Core YoY	Jul	--	--	0.36%
08/06/2024 08/13	Consumer Confidence Economic	Jul	--	--	52.6
08/06/2024 08/13	Consumer Confidence	Jul	--	--	58.9
08/18/2024 22:30	GDP YoY	2Q	--	--	1.50%
08/18/2024 22:30	GDP SA QoQ	2Q	--	--	1.10%

Source: Bloomberg

Exhibit 19: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
KEX	1/8/2024	13/6/2024	Common	3.2	Baht	0.6196 : 1	21/08/2024 - 27/08/2024	2812500000
STPI	1/8/2024	13/6/2024	Common	3.4	Baht	12 : 1	20/08/2024 - 26/08/2024	133442549
MGI	15/8/2024	24/6/2024	Warrants	-	Baht	2.5 : 1	-	84000000
SGC	16/8/2024	2/7/2024	Common	-	Baht	1 : 1	-	3270000000

Source: SET

Exhibit 20: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Meeting Place / Channel for Inquiry
M-II	31/7/2024	23/8/2024	Conversion to Reit	MFC Asset Management PCL. Office, Room 2306-2307, 23rd floor, Column Tower, 199 Ratchadapisek Road, Klongtoey, Bangkok 10110
MNIT	31/7/2024	22/8/2024	Conversion to Reit	MFC Asset Management PCL. Office, Room 2306-2307, 23rd floor, Column Tower, 199 Ratchadapisek Road, Klongtoey, Bangkok 10110
MNRF	31/7/2024	22/8/2024	Conversion to Reit	MFC Asset Management PCL. Office, Room 2306-2307, 23rd floor, Column Tower, 199 Ratchadapisek Road, Klongtoey, Bangkok 10110
MIT	1/8/2024	23/8/2024	Capital increase, Acquisition and disposition of assets / Acquisition or Disposition of Assets	MFC Asset Management PCL. Office, Room 2306-2307, 23rd floor, Column Tower, 199 Ratchadapisek Road, Klongtoey, Bangkok 10110
NOVA	1/8/2024	22/8/2024	-	through electronic means
GULF	8/8/2024	3/10/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets	at Ballroom, The Conrad Bangkok Hotel, 87 Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok
INTUCH	8/8/2024	3/10/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets	By electronic media
GCAP	20/9/2024	15/10/2024	Capital increase, Connected transaction	E-Meeting

Source: SET

Exhibit 21: Management trading as of 19 July 2024

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Gunkul Engineering (GUNKUL)	Gunkul Dhumrongpiyawut	Common Shares	7/18/2024	3,738,600	2.48	Buy	9.27
Tirathai (TRT)	Chong Yih Tai	Common Shares	7/16/2024	50,000	4.56	Buy	0.23
TPI Polene (TPIPL)	Orapin Leophairatana	Common Shares	7/18/2024	1,000,000	1.28	Buy	1.28
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	7/15/2024	54,500,000	0.14	Sell	7.63
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	7/16/2024	69,000,000	0.13	Sell	8.97
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	7/17/2024	17,000,000	0.14	Sell	2.38
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	7/18/2024	29,000,000	0.13	Sell	3.77
Sirakorn (SK)	Phaiboon Kittivorapat	Common Shares	7/18/2024	140,700	0.68	Buy	0.10
Siam Wellness Group (SPA)	Phumiphan Bunjapamai	Common Shares	7/18/2024	50,000	6.30	Buy	0.32
Yggdrazil Group (YGG)	Tanat Juwiwat	Common Shares	7/15/2024	3,000,000	1.34	Sell	4.02
Yggdrazil Group (YGG)	Tanat Juwiwat	Common Shares	7/16/2024	7,200,000	1.36	Sell	9.79
Yggdrazil Group (YGG)	Tanat Juwiwat	Common Shares	7/17/2024	9,800,000	1.33	Sell	13.03
Eason & Co (EASON)	Petcharat Eksangkul	Common Shares	7/18/2024	28,000	1.23	Buy	0.03
East Coast Furnitech (ECF)	Pacharatanapong Suksawad	Common Shares	7/18/2024	20,000	0.47	Buy	0.01
Exotic Food PCL (XO)	Pichayada Sasiwongpakdee	Common Shares	7/16/2024	48,100	27.50	Buy	1.32
Exotic Food PCL (XO)	Pichayada Sasiwongpakdee	Common Shares	7/16/2024	108,100	27.32	Sell	2.95
Asian Phytoceuticals (APCO)	Arunee Wiriyachitra	Common Shares	7/18/2024	400,000	7.50	Sell	3.00
Asian Phytoceuticals (APCO)	Pichaet Wiriyachitra	Common Shares	7/18/2024	400,000	7.50	Sell	3.00

Source: SEC

Exhibit 22: Management trading as of 22 July 2024

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Gunkul Engineering (GUNKUL)	Gunkul Dhumrongpiyawut	Common Shares	7/19/2024	9,400,000	2.46	Buy	23.12
Gunkul Engineering (GUNKUL)	Gunkul Dhumrongpiyawut	Common Shares	7/19/2024	1,000,000	2.46	Buy	2.46
Chayo Group (CHAYO)	Nattawat Yasasin	Common Shares	7/17/2024	60,000	3.24	Buy	0.19
Chayo Group (CHAYO)	Nattawat Yasasin	Common Shares	7/18/2024	798,400	3.19	Buy	2.55
Sunsweet (SUN)	Jiraporn Kittikhunchai	Common Shares	7/19/2024	5,000,000	3.94	Sell	19.70
Civil Engineering (CIVIL)	Anuwat Lertchaiworagul	Common Shares	7/16/2024	44,500	1.86	Sell	0.08
TPI Polene (TPIPL)	Orapin Leophairatana	Common Shares	7/19/2024	1,241,800	1.28	Buy	1.59
Beryl 8 Plus (BE8)	Mr. Sean Player Wolfman	Common Shares	6/24/2024	23,810	16.70	Sell	0.40
Yong Concrete (YONG)	Witawat Rungruangphon	Common Shares	7/19/2024	50,000	1.64	Buy	0.08
Inter Far East Engineering (IFEC)	Thavich Taychanavakul	Common Shares	7/16/2024	60,000,000	0.03	Buy	1.80
East Coast Furnitech (ECF)	Pacharatanapong Suksawad	Common Shares	7/19/2024	10,000	0.45	Buy	0.00
MK Restaurant Group (M)	Tantawan Thirakomen	Common Shares	7/19/2024	20,000	26.75	Buy	0.54

Source: SEC

Exhibit 23: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
BBL13P2412A	23/7/2024	BBL	KGI	Put	SET	10/12/2024	100
EA13C2412A	23/7/2024	EA	KGI	Call	SET	10/12/2024	11
OSP13C2412A	23/7/2024	OSP	KGI	Call	SET	10/12/2024	32
PTTEP19C2412A	23/7/2024	PTTEP	YUANTA	Call	SET	12/12/2024	182.5
SCB19C2412A	23/7/2024	SCB	YUANTA	Call	SET	12/12/2024	127.5

Source: SET

Exhibit 24: Upcoming XD

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
CN01	24/07/2024	-	Baht	-	-	21/08/2024	-	-	-
BLAND	25/07/2024	0.01	Baht	-	RE	16/08/2024	0.55	1.8%	1
ASIA	26/07/2024	0.13	Baht	01/01/2024 - 31/03/2024	Both	08/08/2024	6.35	2.0%	1
ASML01	30/07/2024	-	Baht	-	-	28/08/2024	-	-	-
TMW	30/07/2024	4.15	Baht	01/04/2023 - 31/03/2024	NP	16/08/2024	62.00	6.7%	5
LPF	31/07/2024	0.2155	Baht	01/03/2024 - 31/05/2024	NP	16/08/2024	12.50	1.7%	10.1948
EPG	01/08/2024	0.1	Baht	01/04/2023 - 31/03/2024	NP	21/08/2024	4.78	2.1%	1
KYE	01/08/2024	29.85	Baht	01/04/2023 - 31/03/2024	NP	22/08/2024	337.00	8.9%	10
PTL	01/08/2024	0.19	Baht	-	RE	22/08/2024	12.10	1.6%	1
SIA19	01/08/2024	-	Baht	-	-	23/08/2024	-	-	-
SINGTEL80	01/08/2024	-	Baht	-	-	12/09/2024	-	-	-
ROCTEC	07/08/2024	0.013	Baht	01/04/2023 - 31/03/2024	NP	21/08/2024	0.83	1.6%	0.1
MSFT80X	15/08/2024	-	Baht	-	-	09/10/2024	-	-	-
SBUX80X	16/08/2024	-	Baht	-	-	26/09/2024	-	-	-
NINTENDO19	27/09/2024	-	Baht	-	-	30/12/2024	-	-	-

Source: SET