

# Krung Thai Bank

Krung Thai Bank  
Public Company Limited

# KTB

Bloomberg KTB.TB  
Reuters KTB.BK



## 2Q24: Pretty stable, as expected

In line with expectations, 2Q24 results reflected: 1) stable NPL and credit cost, 2) contracting loans, 3) better NIM expansion than expected, 4) lower non-NII (mainly other income) and 5) higher cost to income ratio. We expect 2H24 earnings to fall HoH but rise YoY. We maintain Outperform with an unchanged TP of Bt22.

**2Q24: In line with estimates.** KTB reported 2Q24 earnings of Bt11.2bn (+1% QoQ, +10% YoY), in line with INVX and consensus forecasts. The main elements are summarized below.

- Asset quality: NPLs slipped 1% QoQ (+7% vs. 8% in 1Q24 if write-offs are added back, suggesting stable NPL inflow). Credit cost was stable QoQ at 1.24%. LLR coverage was stable at 176%. We maintain our 2024F credit cost at 1.3%.
- Loans: -2.2% QoQ, -0.7% YoY, -0.6% YTD. Loan growth by segment: corporate -4.0% QoQ, -2.4% YoY, -4%; government -5.2% QoQ, -4.0% YoY, +6.3% YTD; SME -5.0% QoQ, -8.5% YoY, -6.7% YTD; and retail 0.8% QoQ, +3.7% YoY, +0.8% YTD. We cut our 2024F loan growth to 1% from 3%.
- NIM: Better than expected, +6 bps QoQ, on a 7 bps QoQ rise in yield on earning assets (mainly on investments) and a 2 bps QoQ rise in cost of funds.
- Non-NII: -17% QoQ (+14% YoY), due to lower other income (chiefly bad debt recovery) and gain on financial instruments and investment. Net fee income fell 5% QoQ (+10% YoY).
- Cost to income ratio: +345 bps QoQ (+24 bps YoY) to 38.04%, due to lower top lines and higher opex (+6% QoQ, excluding impairment loss of NPAs). Impairment loss on NPAs fell 58% QoQ.

**2H24 and 2024 outlook.** 1H24 earnings account for 54% of our full-year forecast. We expect 2H24 earnings to fall HoH but rise YoY, with a QoQ drop in 3Q24 (lower NIM from unsustainable investment yield and higher opex) and be flattish YoY. Then in 4Q24 we expect a seasonal QoQ fall in (larger opex and ECL) but a YoY rise (lower ECL). We forecast growth in 2024 earnings of 11%, with 1% loan growth, 8 bps NIM expansion, a 13 bps ease in credit cost, a 7% recovery in non-NII and a slight increase in cost to income ratio.

**Maintain Outperform with an unchanged TP.** We keep our Outperform rating with an unchanged TP of Bt22 (based on 0.65x PBV for 2025F).

**Key risks:** 1) Asset quality risk from an uneven economic recovery, 2) slower loan growth on low demand and high competition, 3) lower NIM from interest rate cuts and 4) ESG risk from market conducts and cyber security.

### Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Net profit	(Bt mn)	33,698	36,616	40,724	43,586	46,155
EPS	(Bt)	2.41	2.62	2.91	3.12	3.30
BVPS	(Bt)	26.91	28.78	31.12	33.22	35.43
DPS	(Bt)	0.68	0.87	1.02	1.09	1.16
P/E	(x)	7.09	6.53	5.87	5.49	5.18
EPS growth	(%)	56.09	8.66	11.22	7.03	5.89
P/BV	(x)	0.64	0.59	0.55	0.51	0.48
ROE	(%)	9.15	9.40	9.73	9.69	9.62
Dividend yield	(%)	3.99	5.08	5.96	6.38	6.76

Source: InnovestX Research

## Tactical: OUTPERFORM

(3-month)

### Stock data

Last close (Jul 19) (Bt)	17.10
Target price (Bt)	22.00
Mkt cap (Btbn)	238.99
Mkt cap (US\$mn)	6,582

Beta	L
Mkt cap (% SET)	1.47
Sector % SET	10.45
Shares issued (mn)	13,976
Par value (Bt)	5.15
12-m high / low (Bt)	20.5 / 15.4
Avg. daily 6m (US\$mn)	23.54
Foreign limit / actual (%)	25 / 10
Free float (%)	44.9
Dividend policy (%)	- 40

### Share performance

(%)	1M	3M	12M
Absolute	0.6	6.9	(15.8)
Relative to SET	(0.9)	8.1	(2.7)

Source: SET, InnovestX Research

### 2023 Sustainability/2022 ESG Score

SET ESG Ratings	AAA
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### ESG Bloomberg Rank in the sector

ESG Score Rank	1/12
Environmental Score Rank	1/12
Social Score Rank	1/12
Governance Score Rank	5/12

### ESG comment

With a SET ESG rating of AAA, KTB's ESG score is above the sector average, particularly on social issues.

Source: Bloomberg Finance L.P.

### Analyst

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**Our view on ESG**

With a SET ESG ratings of AAA, KTB’s ESG score is above the sector average, particularly on social issues. We view that KTB provides concrete targets on environmental and social issues with a committed timeline and actual performance relative to its targets. We view KTB’s management and governance as satisfactory, with a decent board of directors.

**EGS Disclosure Score**

<b>Bloomberg ESG Score</b>	<b>66.44 (2022)</b>
Rank in Sector	1/12

<b>CG Rating</b>	<b>DJSI</b>	<b>SETESG</b>	<b>SET ESG Ratings</b>
KTB 5	No	Yes	AAA

Source: Thai Institute of Directors (IOD), SET

**Environmental Issue (E)**

- KTB’s environmental policies: 1) efficient use of resources and environmental management, covering energy consumption, electricity consumption, water consumption, waste management as well as Scope 1, 2 and 3 greenhouse gas (GHG) emissions and supporting Thailand’s commitment to Carbon Neutrality and Net Zero Emission and 2) environmental responsibility throughout its value chain, including responsible lending with the development of Green Lending.
- In 2023, the Bank prepared a report on the Task Force on Climate-Related Financial Disclosure (TCFD), disclosing information based on international standards and promoting the integration of climate risk factors into risk strategies and management in business operations.

**Governance Issue (G)**

- As of December 31, 2023, KTB has had 10 directors, comprising 1 executive director and 9 non-executive directors whereby 5 of them are Independent Directors (50% of the total directors). The number of Independent Directors exceeds the requirements of the Office of the Securities and Exchange Commission (SEC), requiring that at least one-third of the Board must be Independent Directors, and must not be less than 3 persons. In this regard, the structure of the Board of Directors is diverse, consisting of 1 female member (as an Independent Director)

**Social Issue (S)**

- KTB’s social policies: 1) Human resources management covering labor practice, human capital development and talent attraction & retention,; 2) Social responsibility through operations that are in line with market conduct, honest presentation of product and service information to customers as well as developing financial products and services that are comprehensive, diverse, accessible to people at all levels, along with promoting financial literacy; 3) Human rights of rights holders related to the Bank’s operations; 4) Community engagement to improve the quality of life of the community through both the Bank’s social projects and projects undertaken by the Bank with partner organizations.
- KTB has uplifted the quality of life of Thai people by developing Paotang mobile application as Thailand Open Digital Platform.

**ESG Disclosure Score**

	2021	2022
<b>ESG Disclosure Score</b>	<b>57.25</b>	<b>66.44</b>
<b>Environment</b>	<b>42.01</b>	<b>47.66</b>
GHG Scope 1	11.57	14.10
GHG Scope 2 Location-Based	44.77	42.12
GHG Scope 3	9.95	27.26
Total Energy Consumption	179.97	137.19
Total Waste	1.40	1.27
Water Consumption	121.08	118.67
<b>Social</b>	<b>42.26</b>	<b>64.24</b>
Community Spending	310.68	140.88
Number of Customer Complaints	35,416	14,208
Pct Women in Management	37.21	39.29
Pct Women in Workforce	70.38	71.28
Number of Employees - CSR	18,937	17,157
Employee Turnover Pct	9.11	12.39
Total Hours Spent by Firm - Employee Training	2,102,850	1,350,850
<b>Governance</b>	<b>87.36</b>	<b>87.36</b>
Size of the Board	12	12
Number of Executives / Company Managers	19	19
Number of Non Executive Directors on Board	8	11
Number of Female Executives	3	3
Number of Women on Board	2	2
Number of Independent Directors	6	6

Source: Bloomberg Finance L.P.

**Disclaimer**

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company’s scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Interest & dividend income	(Btmn)	122,972	112,837	104,832	113,475	152,369	164,669	167,738	174,333
Interest expense	(Btmn)	34,655	24,494	21,460	23,070	38,949	45,816	46,316	47,569
<b>Net interest income</b>	(Btmn)	<b>88,316</b>	<b>88,343</b>	<b>83,372</b>	<b>90,405</b>	<b>113,419</b>	<b>118,854</b>	<b>121,422</b>	<b>126,764</b>
Non-interest income	(Btmn)	35,917	31,844	31,368	33,891	34,692	37,026	37,177	37,172
Non-interest expenses	(Btmn)	62,474	53,465	52,731	54,771	62,157	68,542	68,329	70,503
Pre-provision profit	(Btmn)	61,759	66,722	62,009	69,525	85,955	87,338	90,269	93,432
Provision	(Btmn)	23,814	44,903	32,524	24,338	37,085	33,662	33,016	32,968
Pre-tax profit	(Btmn)	37,946	21,819	29,485	45,188	48,870	53,675	57,253	60,464
Tax	(Btmn)	7,233	4,441	5,975	9,077	9,902	10,735	11,451	12,093
Equities & minority interest	(Btmn)	1,429	647	1,921	2,413	2,352	2,216	2,216	2,216
<b>Core net profit</b>	(Btmn)	<b>29,284</b>	<b>16,732</b>	<b>21,588</b>	<b>33,698</b>	<b>36,616</b>	<b>40,724</b>	<b>43,586</b>	<b>46,155</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>29,284</b>	<b>16,732</b>	<b>21,588</b>	<b>33,698</b>	<b>36,616</b>	<b>40,724</b>	<b>43,586</b>	<b>46,155</b>
<b>EPS</b>	(Bt)	<b>2.09</b>	<b>1.20</b>	<b>1.54</b>	<b>2.41</b>	<b>2.62</b>	<b>2.91</b>	<b>3.12</b>	<b>3.30</b>
<b>DPS</b>	(Bt)	<b>0.75</b>	<b>0.28</b>	<b>0.42</b>	<b>0.68</b>	<b>0.87</b>	<b>1.02</b>	<b>1.09</b>	<b>1.16</b>

### Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Cash	(Btmn)	68,434	68,161	63,544	61,591	55,626	56,234	57,333	58,500
Interbank assets	(Btmn)	338,771	519,631	469,216	550,941	701,162	613,516	659,530	692,507
Investments	(Btmn)	426,174	360,112	382,055	322,942	303,186	411,980	411,980	411,980
<b>Gross loans</b>	(Btmn)	<b>2,089,874</b>	<b>2,331,998</b>	<b>2,628,963</b>	<b>2,592,838</b>	<b>2,576,516</b>	<b>2,602,281</b>	<b>2,680,350</b>	<b>2,814,367</b>
Accrued interest receivable	(Btmn)	5,155	16,199	20,579	25,373	22,909	22,909	22,909	22,909
Loan loss reserve	(Btmn)	135,268	150,523	173,322	174,379	173,317	192,063	212,523	234,490
<b>Net loans</b>	(Btmn)	<b>1,959,761</b>	<b>2,197,674</b>	<b>2,476,220</b>	<b>2,443,832</b>	<b>2,426,108</b>	<b>2,433,127</b>	<b>2,490,736</b>	<b>2,602,786</b>
<b>Total assets</b>	(Btmn)	<b>3,012,216</b>	<b>3,327,780</b>	<b>3,556,745</b>	<b>3,592,410</b>	<b>3,677,700</b>	<b>3,710,394</b>	<b>3,819,133</b>	<b>3,969,444</b>
Deposits	(Btmn)	2,155,865	2,463,225	2,614,747	2,590,236	2,646,872	2,646,872	2,726,278	2,845,689
Interbank liabilities	(Btmn)	215,823	274,566	296,344	277,099	282,696	282,696	282,696	282,696
Borrowings	(Btmn)	96,841	86,564	133,817	151,172	160,839	160,839	160,839	160,839
<b>Total liabilities</b>	(Btmn)	<b>2,663,890</b>	<b>2,972,717</b>	<b>3,182,633</b>	<b>3,199,847</b>	<b>3,256,853</b>	<b>3,256,853</b>	<b>3,336,260</b>	<b>3,455,671</b>
Minority interest	(Btmn)	10,039	11,561	14,059	16,267	18,470	18,470	18,470	18,470
Paid-up capital	(Btmn)	72,005	72,005	72,005	72,005	72,005	72,005	72,005	72,005
<b>Total Equities</b>	(Btmn)	<b>338,287</b>	<b>343,503</b>	<b>360,053</b>	<b>376,296</b>	<b>402,376</b>	<b>435,070</b>	<b>464,403</b>	<b>495,303</b>
<b>BVPS</b>	(Bt)	<b>24.20</b>	<b>24.57</b>	<b>25.75</b>	<b>26.91</b>	<b>28.78</b>	<b>31.12</b>	<b>33.22</b>	<b>35.43</b>

### Key Assumptions and Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
<b>Growth</b>									
YoY loan growth	(%)	3.24	11.59	12.73	(1.37)	(0.63)	1.00	3.00	5.00
YoY non-NII growth	(%)	10.85	(11.34)	(1.50)	8.05	2.36	6.73	0.41	(0.01)
<b>Profitability</b>									
Yield on earn'g assets	(%)	4.40	3.68	3.13	3.27	4.32	4.57	4.55	4.55
Cost on int-bear'g liab	(%)	1.46	0.93	0.73	0.76	1.28	1.48	1.48	1.47
Spread	(%)	2.94	2.75	2.40	2.51	3.05	3.09	3.07	3.07
Net interest margin	(%)	3.16	2.88	2.49	2.60	3.22	3.30	3.29	3.31
ROE	(%)	9.09	4.91	6.14	9.15	9.40	9.73	9.69	9.62
ROA	(%)	1.02	0.53	0.63	0.94	1.01	1.10	1.16	1.19
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	4.90	4.55	4.03	3.86	3.83	4.02	4.10	4.11
LLR/NPLs	(%)	131.76	140.49	162.27	172.49	174.29	183.54	193.19	202.79
Provision expense/Total loans	(%)	1.16	2.03	1.31	0.93	1.43	1.30	1.25	1.20
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	92.77	91.46	95.65	94.58	91.77	92.68	92.84	93.61
<b>Efficiency</b>									
Cost to income ratio	(%)	44.48	43.20	44.14	43.01	38.89	39.16	39.93	39.96
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	19.00	19.11	20.12	19.80	20.70	20.87	21.59	21.97
Tier-1	(%)	15.24	15.79	16.86	16.69	17.62	17.78	18.57	19.07
Tier-2	(%)	3.76	3.32	3.26	3.11	3.09	3.09	3.02	2.89

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Interest & dividend income	(Btmn)	28,758	31,248	34,105	36,872	39,650	41,741	40,881	41,472
Interest expense	(Btmn)	5,864	6,642	8,486	9,101	9,983	11,379	11,319	11,416
<b>Net interest income</b>	(Btmn)	<b>22,894</b>	<b>24,606</b>	<b>25,619</b>	<b>27,771</b>	<b>29,667</b>	<b>30,362</b>	<b>29,561</b>	<b>30,056</b>
Non-interest income	(Btmn)	8,321	9,913	9,254	7,810	8,661	8,967	10,736	8,927
Non-interest expenses	(Btmn)	14,314	15,696	13,650	14,028	16,733	17,745	17,731	16,438
Earnings before tax & provision	(Btmn)	16,902	18,823	21,223	21,552	21,596	21,583	22,567	22,545
Provision	(Btmn)	5,667	7,532	8,104	7,754	8,157	13,070	8,029	8,004
Pre-tax profit	(Btmn)	11,235	11,291	13,120	13,798	13,438	8,513	14,538	14,542
Tax	(Btmn)	2,270	2,494	2,531	2,864	2,774	1,733	2,936	2,877
Equities & minority interest	(Btmn)	516	688	522	778	382	670	524	469
<b>Core net profit</b>	(Btmn)	<b>8,450</b>	<b>8,109</b>	<b>10,067</b>	<b>10,156</b>	<b>10,282</b>	<b>6,111</b>	<b>11,078</b>	<b>11,195</b>
Extra item	(Btmn)	0	0	0	0	0	0	0	0
<b>Net profit</b>	(Btmn)	<b>8,450</b>	<b>8,109</b>	<b>10,067</b>	<b>10,156</b>	<b>10,282</b>	<b>6,111</b>	<b>11,078</b>	<b>11,195</b>
<b>EPS</b>	(Bt)	<b>0.60</b>	<b>0.58</b>	<b>0.72</b>	<b>0.73</b>	<b>0.74</b>	<b>0.44</b>	<b>0.79</b>	<b>0.80</b>

### Balance Sheet

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
Cash	(Btmn)	55,416	61,591	58,387	52,855	50,195	55,626	57,194	49,170
Interbank assets	(Btmn)	584,544	550,941	644,561	632,696	565,748	701,162	564,831	640,227
Investments	(Btmn)	319,301	322,942	240,922	274,787	289,152	303,186	411,980	368,841
<b>Gross loans</b>	(Btmn)	<b>2,611,892</b>	<b>2,592,838</b>	<b>2,582,256</b>	<b>2,578,124</b>	<b>2,630,244</b>	<b>2,576,516</b>	<b>2,618,151</b>	<b>2,560,989</b>
Accrued interest receivable	(Btmn)	22,510	25,373	26,367	18,359	21,926	22,909	23,889	23,835
Loan loss reserve	(Btmn)	177,329	174,379	181,601	169,268	171,303	173,317	172,757	173,292
<b>Net loans</b>	(Btmn)	<b>2,457,073</b>	<b>2,443,832</b>	<b>2,427,022</b>	<b>2,427,215</b>	<b>2,480,867</b>	<b>2,426,108</b>	<b>2,469,283</b>	<b>2,411,532</b>
<b>Total assets</b>	(Btmn)	<b>3,691,704</b>	<b>3,592,410</b>	<b>3,569,070</b>	<b>3,610,274</b>	<b>3,627,349</b>	<b>3,677,700</b>	<b>3,717,055</b>	<b>3,682,775</b>
Deposits	(Btmn)	2,601,631	2,590,236	2,620,709	2,579,084	2,611,351	2,646,872	2,602,050	2,650,867
Interbank liabilities	(Btmn)	301,874	277,099	220,229	280,320	242,497	282,696	333,140	259,447
Borrowings	(Btmn)	169,528	151,172	150,588	159,205	162,153	160,839	158,558	157,239
<b>Total liabilities</b>	(Btmn)	<b>3,314,320</b>	<b>3,199,847</b>	<b>3,162,214</b>	<b>3,206,334</b>	<b>3,218,603</b>	<b>3,256,853</b>	<b>3,280,338</b>	<b>3,252,426</b>
Minority interest	(Btmn)	15,438	16,267	17,188	16,596	17,538	18,470	19,321	18,610
Paid-up capital	(Btmn)	72,005	72,005	72,005	72,005	72,005	72,005	72,005	72,005
<b>Total Equities</b>	(Btmn)	<b>361,946</b>	<b>376,296</b>	<b>389,667</b>	<b>387,344</b>	<b>391,208</b>	<b>402,376</b>	<b>417,396</b>	<b>411,739</b>
<b>BVPS</b>	(Bt)	<b>25.89</b>	<b>26.91</b>	<b>27.87</b>	<b>27.70</b>	<b>27.98</b>	<b>28.78</b>	<b>29.85</b>	<b>29.45</b>

### Financial Ratios

FY December 31	Unit	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24
<b>Growth</b>									
YoY loan growth	(%)	2.03	(1.37)	(2.88)	(2.16)	0.70	(0.63)	1.39	(0.66)
YoY non-NII growth	(%)	19.23	18.20	12.70	4.89	4.09	(9.54)	16.01	14.30
<b>Profitability</b>									
Yield on earn'g assets	(%)	3.30	3.58	3.93	4.24	4.55	4.73	4.56	4.63
Cost on int-bear'g liab	(%)	0.77	0.87	1.13	1.21	1.32	1.49	1.46	1.48
Spread	(%)	2.53	2.71	2.80	3.03	3.23	3.24	3.09	3.15
Net interest margin	(%)	2.63	2.82	2.96	3.20	3.40	3.44	3.30	3.36
ROE	(%)	9.42	8.79	10.51	10.46	10.57	6.16	10.81	10.80
ROA	(%)	0.92	0.90	1.13	1.13	1.13	0.66	1.19	1.22
<b>Asset Quality</b>									
NPLs/Total Loans	(%)	4.01	3.90	3.97	3.83	3.74	3.86	3.77	3.85
LLR/NPLs	(%)	169.31	172.49	177.10	171.31	174.25	174.29	174.83	175.57
Provision expense/Total loans	(%)	0.86	1.16	1.25	1.20	1.25	2.01	1.24	1.24
<b>Liquidity</b>									
Loans/Deposits & borrowings	(%)	94.25	94.58	93.18	94.15	94.83	91.77	94.84	91.20
<b>Efficiency</b>									
Cost to income ratio	(%)	43.99	45.77	38.35	37.80	40.27	39.03	34.59	38.04
<b>Capital Fund</b>									
Capital adequacy ratio	(%)	20.63	19.80	19.75	20.06	20.47	20.70	20.50	20.75
Tier-1	(%)	16.47	16.69	16.55	16.86	17.37	17.62	17.33	17.57
Tier-2	(%)	4.16	3.11	3.20	3.20	3.10	3.09	3.17	3.18

**Figure 1: Quarterly results**

P & L (Bt mn)	2Q23	1Q24	2Q24	%YoY ch	%QoQ ch	1H23	1H24	% YoY ch	% full year
Interest income	36,872	40,881	41,472	12	1	70,978	82,352	16	50
Interest expense	9,101	11,319	11,416	25	1	17,587	22,735	29	50
Net interest income	27,771	29,561	30,056	8	2	53,390	59,617	12	50
Non-interest income	7,810	10,736	8,927	14	(17)	17,064	19,663	15	53
Operating expenses	14,028	17,731	16,438	17	(7)	27,679	34,168	23	50
Pre-provision profit	21,552	22,567	22,545	5	(0)	42,776	45,112	5	52
Provision	7,754	8,029	8,004	3	(0)	15,858	16,032	1	48
Pre-tax profit	13,798	14,538	14,542	5	0	26,918	29,079	8	54
Income tax	2,864	2,936	2,877	0	(2)	5,395	5,813	8	54
MI and equity	(778)	(524)	(469)	40	10	(1,300)	(993)	24	NA
Net profit	10,156	11,078	11,195	10	1	20,223	22,274	10	55
EPS (Bt)	0.73	0.79	0.80	10	1	1.45	1.59	10	55
B/S (Bt mn)	2Q23	1Q24	2Q24	%YoY ch	%QoQ ch	1H23	1H24	%YoY ch	% full year
Gross loans	2,578,124	2,618,151	2,560,989	(1)	(2)	2,578,124	2,560,989	(1)	NM
Deposits	2,579,084	2,602,050	2,650,867	3	2	2,579,084	2,650,867	3	NM
BVPS (Bt)	27.70	29.85	29.45	6	(1)	27.70	29.45	6	NM
Ratios (%)	2Q23	1Q24	2Q24	%YoY ch*	%QoQ ch*	1H23	1H24	YoY ch*	% full year
Yield on earn. asset	4.24	4.56	4.63	0.39	0.07	4.09	4.60	0.51	NM
Cost of funds	1.21	1.46	1.48	0.27	0.02	1.17	1.47	0.31	NM
Net interest margin	3.20	3.30	3.36	0.16	0.06	3.07	3.33	0.25	NM
Cost to income	37.80	34.59	38.04	0.24	3.45	38.07	36.28	(1.79)	NM
Credit cost	1.20	1.24	1.24	0.03	(0.00)	1.23	1.25	0.02	NM
NPLs/total loans	3.83	3.77	3.85	0.02	0.08	3.83	3.85	0.02	NM
LLR/NPLs	171.31	174.83	175.57	4.27	0.74	171.31	175.57	4.27	NM

Source: KTB and InnovestX Research

Note: \* Percentage points

**Figure 2: Valuation summary** (price as of Jul 19, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
BAY	Neutral	24.80	29.0	20.5	5.5	5.6	5.1	7	(1)	9	0.5	0.5	0.4	9	9	9	3.6	3.6	3.9
BBL	Outperform	132.50	180.0	41.9	6.1	5.8	5.3	42	5	11	0.5	0.5	0.4	8	8	8	5.3	6.0	6.4
KBANK	Neutral	128.00	145.0	18.4	7.2	7.0	6.2	19	3	12	0.6	0.5	0.5	8	8	8	5.1	5.1	5.5
KKP	Neutral	41.00	38.0	(1.8)	6.4	9.0	8.2	(28)	(29)	10	0.6	0.6	0.5	9	6	7	7.3	5.6	6.1
KTB	Outperform	17.10	22.0	34.6	6.5	5.9	5.5	9	11	7	0.6	0.5	0.5	9	10	10	5.1	6.0	6.4
SCB	No rec	101.50			7.9	7.6	6.8	16	3	12	0.7	0.7	0.7	9	9	10	10.2	10.5	11.8
TCAP	Neutral	46.00	55.0	26.6	7.3	7.1	6.9	38	3	3	0.8	0.7	0.6	10	9	9	7.0	7.1	7.3
TISCO	Neutral	93.75	103.0	17.4	10.3	11.3	12.5	1	(9)	(9)	1.8	1.7	1.7	17	15	14	8.2	7.5	6.8
TTB	Neutral	1.76	1.9	12.5	9.3	8.1	7.5	30	14	7	0.8	0.7	0.7	8	9	9	6.0	7.4	8.0
<b>Average</b>					<b>7.4</b>	<b>7.5</b>	<b>7.1</b>	<b>15</b>	<b>(0)</b>	<b>8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>6.4</b>	<b>6.5</b>	<b>6.9</b>

Source: InnovestX Research

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**CG Rating 2023 Companies with CG Rating**

**Companies with Excellent CG Scoring**

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI<sup>1</sup>, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTCG, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFICO, SEAOL, SECURE, SELIC, SENA, SENX, SFP<sup>2</sup>, SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

**Companies with Very Good CG Scoring**

2S, AS, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KM, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

**Companies with Good CG Scoring**

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC<sup>3</sup>, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

**Corporate Governance Report**

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To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

<sup>1</sup>OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

<sup>2</sup>SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

<sup>3</sup>TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

**Anti-corruption Progress Indicator**

**Certified (ได้มาตรฐาน)**

2S, AAI, ADVANC, AE, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BLA, BPP, BRR, BSBM, BTC, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTCG, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

**Declared (ประกาศเจตนา)**

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

**N/A**

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCC, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAG, SCGD, SICE, SCL, SCP, SDC, SE, SEAFICO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

**Explanations**

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