

Thai Credit Bank Pcl.

July 16, 2026

CREDIT

Diamond disguised as a stone

OUTPERFORM

Maintain Rating

Valuation: DDM

Target Price/Upside:

Bt36.00/59.29%

Maintain Target Price

Price (Jul 15, 2026)

Bt22.60

Sector: Banking

No. of shares on issue:

1,235mn

Market Cap: Bt27,907mn

CG Scoring (IOD-Y2025):

Excellent

30-day avg turnover: Bt17.55mn

Anti-Corruption Indicator:

Certified

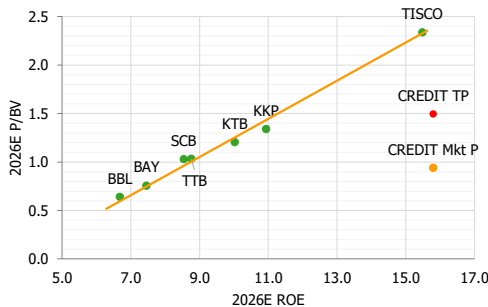
Investment fundamentals

Year end Dec 31	2024A	2025A	2026E	2027E
Company Financials				
Operating revenue (Bt m)	14,618	14,774	15,586	16,964
Core profit (Bt m)	3,626	4,016	4,426	4,755
Net profit (Bt m)	3,626	4,016	4,426	4,755
Net EPS (Bt)	2.94	3.25	3.58	3.85
DPS (Bt)	0.60	0.99	1.08	1.16
BV/shr (Bt)	18.65	21.29	24.08	26.80
Net EPS growth (%)	-3.90	10.78	10.20	7.44
ROAA (%)	2.09	2.05	1.97	1.89
ROAE (%)	17.89	16.28	15.80	15.14
D/E (x)	6.95	6.97	7.03	6.98
Valuation				
PE (x)	6.30	4.77	6.31	5.87
PBV (x)	0.99	0.73	0.94	0.84
Dividend yield (%)	3.24	6.39	4.76	5.11

Investment Topics

- **High-growth niche SME bank with strong execution.** CREDIT focuses on the underserved micro-SME segment, where major banks have reduced their exposure due to higher perceived risks. Despite operating in this higher risk segment, CREDIT has demonstrated strong asset-quality performance, with credit costs declining to near the banking-sector average of around 1.5% while maintaining a stable NPL ratio. CREDIT delivered strong loan growth of 13.6%/11.6% in 2024/25, contrasting with the contraction in SME loan portfolios across the banking sector.
- **TCGC guarantees support growth and mitigate credit risks.** CREDIT leverages TCGC guarantees to expand SME lending while reducing loss severity. TCGC reported a 5M26 approval amount of Bt37bn, up 127% YoY, providing strong potential support for CREDIT to achieve its double-digit loan growth target, given that around 55% of CREDIT's existing loan portfolio is backed by TCGC guarantees.
- **Superior profitability with high ROE vs. peers.** Despite its focus on the higher-risk SME segment, CREDIT's effective credit risk management allows the bank to maintain asset quality while generating a high ROE of 15–16%, significantly above the banking-sector average of ~10%. CREDIT's SME-focused business model supports structurally higher loan yields (~10% for CREDIT vs. ~4–6% for other banks) and NIM (~7% for CREDIT vs. ~3–4% for other banks), while maintaining credit costs at around 1.5%, broadly in line with the banking-sector average.
- **Still in high-growth phase unlike other banks.** We view CREDIT as still being in a high-growth phase, unlike other banks where loan growth has decelerated to low-single-digit levels. We expect CREDIT to deliver a 3-year core profit CAGR of 10.5%, significantly above the banking-sector average of 3.3%, driven by 11% loan CAGR compared with 0.6% for the banking sector. However, CREDIT's dividend payout ratio remains low at 30%, below the banking-sector average of 67%. We believe this is reasonable given CREDIT's current growth stage, strong ROE profile, and the opportunity to reinvest earnings to support future loan expansion.

Deeply discounted valuation



Valuation and Recommendation

- **Initiate coverage with Outperform call and TP of Bt36.** We initiate coverage on CREDIT with an Outperform rating and a target price of Bt36 (total shareholder return of 60%). We highlight its very attractive valuation, as the current share price of Bt22.6 implies 2026/27E PERs of only 6.3x/5.8x and PBV ratios of 0.94x/0.84x, which appear significantly undemanding given its strong expected ROEs of 15.8%/15.1%. Our target price of Bt36 implies 2026/27E PERs of 10.0x/9.4x and PBV ratios of 1.5x/1.3x, despite CREDIT's ROE profile being comparable to TISCO while trading at a significant valuation discount (TISCO is trading at a 2026 PBV of 2.2x). Potential re-rating catalysts include improved market confidence in its ability to manage risks in the high-risk SME segment, a higher dividend payout ratio, and a potential improvement in free float.

Analyst

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About CREDIT: Thai Credit Bank Public Company Limited (CREDIT) is a commercial bank focused on serving underserved retail customers and small business operators through Nano Finance, Micro Finance, and Micro SME lending products. Established in 2007 as a retail bank under the Bank of Thailand's regulatory framework, CREDIT was upgraded to a full-fledged commercial bank in September 2023, expanding its product offerings while maintaining its focus on financial inclusion.

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Diamond disguised as a stone

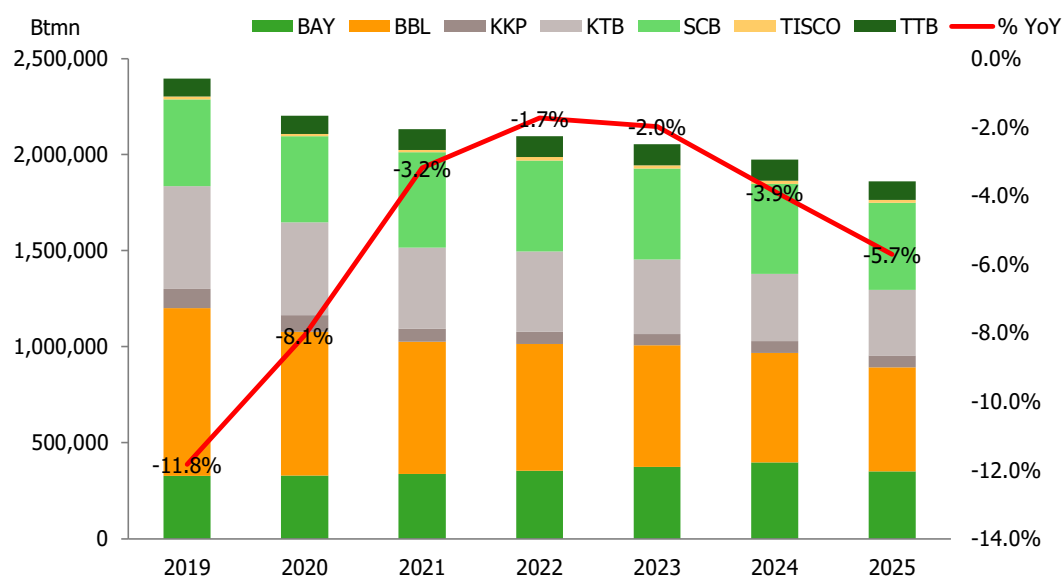
Investment thesis

Leading growth in underserved SME segments

CREDIT's loan growth is concentrated in the micro-SME segment, a market that other banks have been downsizing due to its higher risk profile. However, CREDIT has demonstrated an ability to deliver strong loan growth while maintaining controllable credit risk. The downsizing by other banks has also increased loan demand in the SME market, creating an environment with lower competition.

We observed that the SME loan portfolios of the seven banks under our coverage declined by 3.9%/5.7% in 2024/25, while CREDIT's portfolio exhibited the opposite trend, posting an outstanding loan growth of 13.6%/11.6% over the same period. We therefore believe that CREDIT still has significant loan growth potential and that the SME market remains far from saturation.

Fig 1 SME loan portfolio contraction across the banking sector

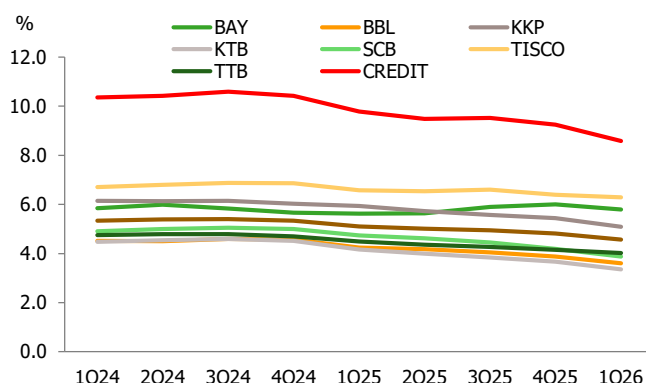


Source: Company data, KS Research

CREDIT's SME-focused loan portfolio supports a structurally higher loan yield and net interest margin (NIM) compared to the other banks. While the SME segment inherently carries higher credit risk due to its more fragile borrower profile, CREDIT has demonstrated a solid track record in risk management. Despite operating in a higher-risk segment, CREDIT has managed to keep its credit cost broadly in line with the banking-sector average. Although CREDIT's reported NPL ratio of around 4.2% is higher than that of other banks, we believe the headline NPL ratio does not fully reflect the underlying asset quality. Around 60% of CREDIT's current NPLs are backed by Thai Credit Guarantee Corporation (TCGC) guarantees and are eligible for claim reimbursement. After adjusting for the impact of these guarantees, CREDIT's adjusted NPL ratio would be around 2%, which is better than the overall banking sector.

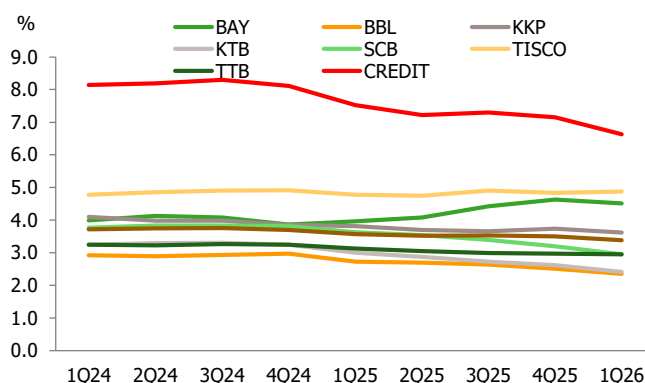
We attribute this to its prudent underwriting discipline, active portfolio monitoring, extensive network of more than 500 lending branches nationwide (similar to finance operators), and effective use of TCGC guarantees to mitigate downside risk. Additionally, CREDIT is focusing on owner-operated small SMEs, with an average ticket size of around Bt10mn. These customers tend to be more committed to protecting their businesses, as they are their main source of income and were built through their own efforts.

Fig 2 CREDIT's loan yield is significantly higher than peers ...



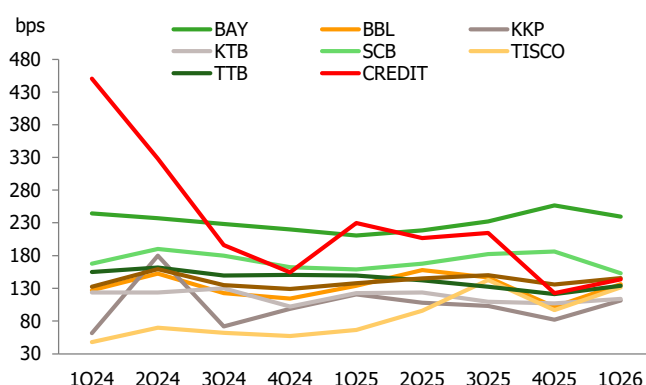
Source: Company data, KS Research

Fig 3 NIM is also significantly higher



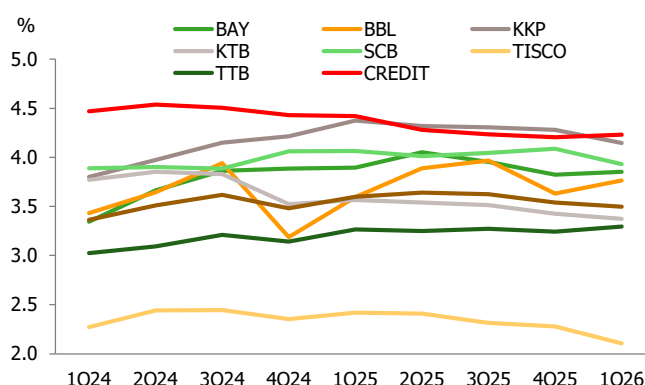
Source: Company data, KS Research

Fig 4 CREDIT's credit cost is in line with peers despite its participation in higher risk SME segments



Source: Company data, KS Research

Fig 5 Reported NPL ratio is higher but 60% of its NPLs are covered by TCGC guarantees



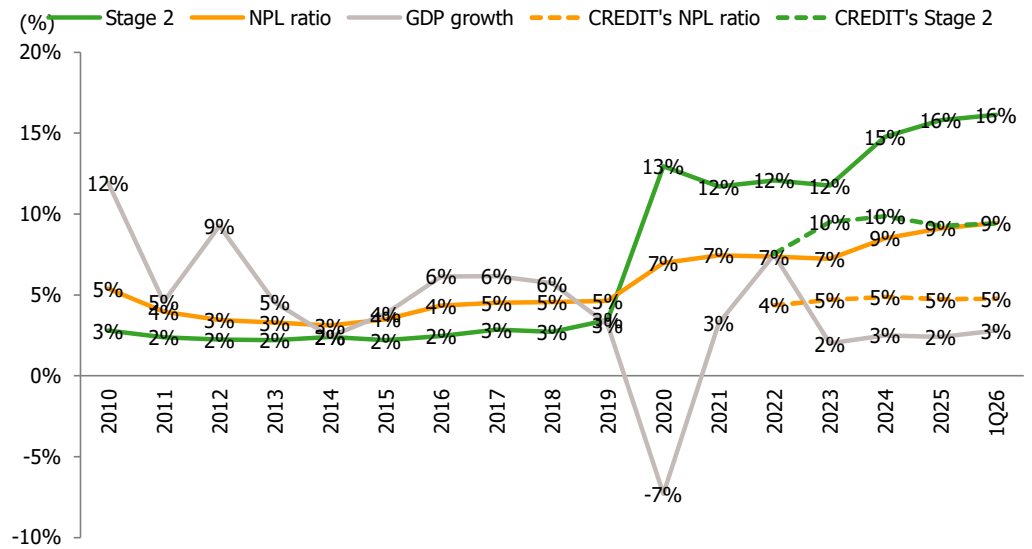
Source: Company data, KS Research

SME segment asset quality deteriorating but CREDIT has outperformed

CREDIT's asset quality has remained stable, in contrast with the broader SME segment, which saw deterioration after the COVID-19 pandemic, reflected in rising Stage 2 loans and NPLs. This was mainly because SMEs are highly sensitive to economic conditions, while the K-shaped recovery limited income growth for lower- to middle-tier customers and constrained their repayment capacity. However, CREDIT has been able to differentiate its asset-quality trend by focusing on owner-operated small SMEs, with an average ticket size of around Bt10mn, and a high branch coverage of 500 branches to handle debt collection. These customers tend to be more committed to protecting their businesses, as they are their main source of income and were built through their own efforts. CREDIT's active loan restructuring policy has also helped support asset quality.

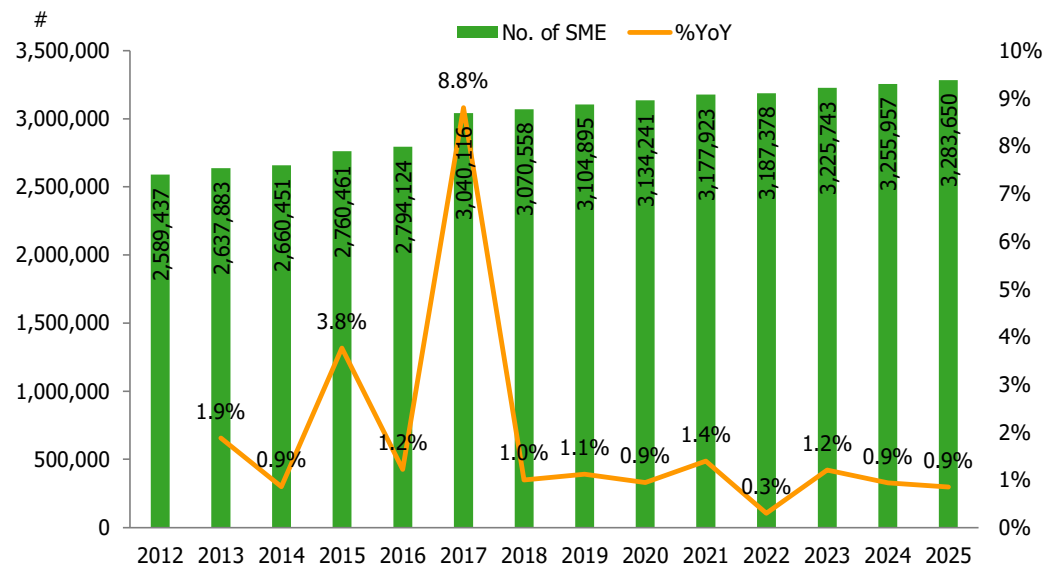
In addition, government policies continue to focus on strengthening SME resilience, including Thai Help Thai Plus, the expansion of the TCGC guarantee budget, and targeted soft-loan or interest-subsidy programs to improve small-business liquidity and investment. These measures should support SME cash flow and encourage renewed lending activity, laying the groundwork for a recovery in asset quality and loan demand in the sector.

Fig 6 SME segment asset quality deteriorating but CREDIT has outperformed



Source: BOT, MSME, Company data, KS Research

Fig 7 Number of SMEs have gradually increased but at a very slow rate



Source: MSME

Fig 8 Market share of each SME industry

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Wholesale and retail trade; repair of motor vehicles and motorcycles	36%	36%	35%	35%	35%	34%	34%	35%	35%	34%	34%	34%
Manufacturing	27%	27%	26%	24%	25%	24%	23%	21%	21%	21%	19%	19%
Real estate activities	11%	11%	11%	11%	11%	12%	13%	13%	12%	12%	13%	13%
Financial and insurance activities	19%	20%	20%	19%	20%	19%	21%	6%	7%	9%	8%	8%
Accommodation and food service activities	5%	6%	6%	6%	6%	6%	6%	8%	9%	10%	9%	9%
Construction	4%	4%	4%	4%	4%	4%	5%	5%	5%	6%	6%	6%
Electricity, gas, steam, and air conditioning supply	5%	5%	6%	7%	6%	7%	7%	4%	4%	4%	4%	4%
Transportation and storage	4%	4%	4%	3%	3%	3%	3%	3%	3%	3%	4%	4%
Agriculture, forestry, and fishing	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Administrative and support service activities	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

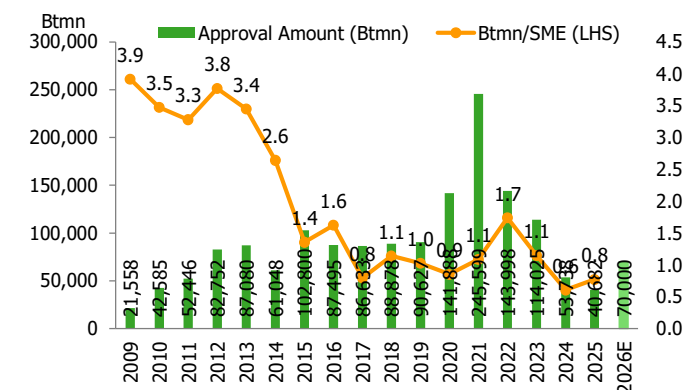
Source: BOT

Uses TCGC to support loan growth and mitigate credit risks

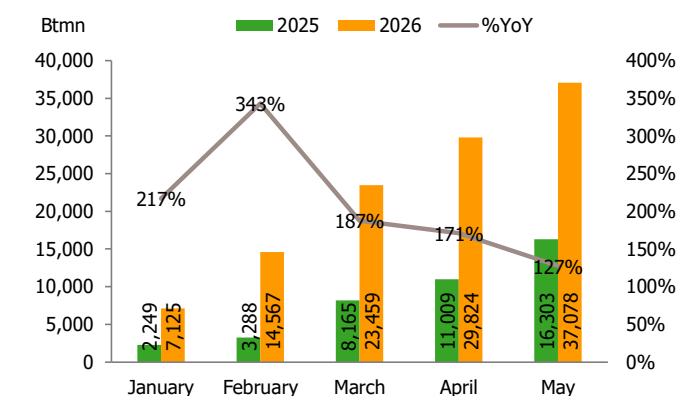
According to TCGC, its accumulated YTD guarantee approval amount reached Bt37bn in May 2026, up 127% YoY and equivalent to 53% of its full-year 2026 target. This reinforces our positive view of CREDIT's strong loan growth outlook in 2026, with TCGC-backed lending serving as a key growth driver because around 55% of CREDIT's existing loan portfolio is backed by TCGC guarantees. We highlight CREDIT's ability to leverage TCGC guarantee programs, which enables the bank to expand lending to a broader range of SME and micro-SME customers, particularly those with limited collateral. At the same time, the risk-sharing mechanism helps mitigate loss-given-default (LGD) and credit costs, supporting sustainable loan growth while preserving asset quality.

TCGC provides a credit-risk buffer for CREDIT, allowing the bank to lend more to higher-risk SME clients while helping reduce credit costs. The guaranteed terms vary depending on each government program, but TCGC typically covers around 30% of the approved loan amount for 7–10 years. As long as NPLs during the guarantee period stay below this 30% coverage, CREDIT should benefit from the program. Based on this, we estimate that CREDIT would start to incur losses on TCGC-backed loans if NPL formation exceeds around 3–4% per year.

We observe that CREDIT's NPL formation stood at 3.0%/2.9%/1.5%/1.7% in 2023, 2024, 2025 and 1Q26, indicating that the bank has been able to effectively manage its asset quality and will not incur loss under the TCGC program. On the negative side, one of the mechanisms CREDIT uses to maintain asset quality is a loan refurbishment program, which puts pressure on the overall loan yield of its portfolio as seen in the decline in loan yield to 10.0%/10.1%/9.0%/8.3% in 2023, 2024, 2025 and 1Q26.

Fig 9 Historical TCGC approved amount and Btmn per SME


Source: TGC, MSME

Fig 10 Accumulated TCGC-approved amount has grown by 127% YTD


Source: TGC, MSME

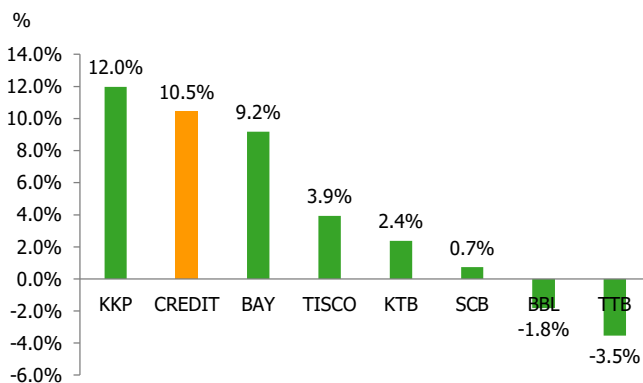
Expect strong double-digit 3-year CAGR for EPS, significantly better than peers

We forecast CREDIT will deliver a three-year EPS CAGR of 10.5% (2026-2028E), significantly above the banking-sector average of 3.3%. We expect this strong core-profit growth to be driven by CREDIT's expansion in the SME segment, where competition is less intense than in traditional banking segments, particularly as several major banks have scaled back their SME exposure.

We forecast CREDIT's loans to grow at a three-year CAGR of 11.0%, compared with 0.6% for the banking sector. At the same time, we conservatively assume that CREDIT will maintain its credit cost and NPL ratio at current levels, despite our expectation that SMEs should benefit from government stimulus measures (Thais Help Thais+, BOT's SME Credit Boost, etc.) and a resilient GDP growth outlook of 2.3% for 2026, according to the BOT, vs 2.4% in 2025.

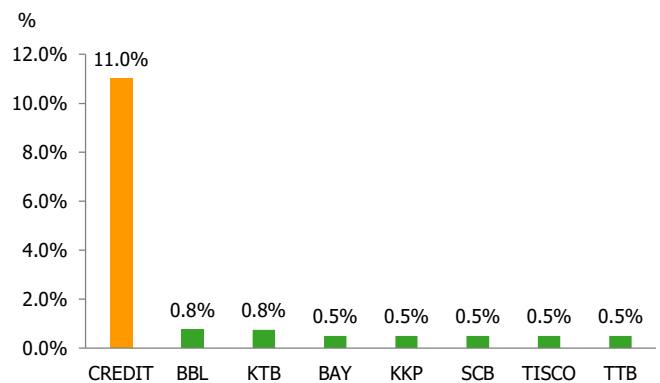
We expect CREDIT to deliver core-profit growth of 10.2%/7.4%/13.8% YoY in 2026/27/28, supported by loan growth of 12.3%/10.4%/10.4% and credit cost of 1.6%/1.5%/1.4%, respectively. Our forecasts also incorporate the potential impact of lower loan yields. CREDIT is likely to continue supporting borrowers through loan restructuring, with around 5.4% of total gross loans enrolled in the "You Fight, We Help" program, under which repayment rates will gradually increase from 50% to 70% in 2026-27. As a result, we expect NIM to narrow to 6.5%/6.4%/6.4% in 2026/27/28 from 7.2% in 2025.

Fig 11 Leading 3-year core profit CAGR (2025-28E)



Source: KS Research, Company data

Fig 12 Leading 3-year loan growth CAGR (2025-28E)



Source: KS Research, Company data

Macroeconomic tailwinds

Thailand's GDP growth is expected to slow but has likely passed bottom already

We believe CREDIT is in a strong position to benefit from the improving macroeconomic outlook in 2026 as accelerating GDP growth will enhance both loan demand for SMEs and reduce asset quality risk. We expect Thailand's GDP to grow by 1.9% in 2026, revised up from our previous estimate of 1.6% in the prior quarter. However, this still reflects a slowdown from 2.4% growth in 2025. Private consumption is likely to soften due to persistently high household debt, which continues to weigh on purchasing power. Investment is also expected to remain subdued, with limited momentum from the private sector, while public spending faces constraints from budget limitations and elevated public debt.

Exports are projected to see modest growth, following earlier front-loading ahead of new U.S. tariff measures. Tourism remains the only sector expected to show a clear recovery, rebounding from a low base last year. Nonetheless, we believe the Thai economy already bottomed out in 2H25, supported by stronger-than-expected 4Q25 data and improved fiscal visibility, as the budget approval process is likely to proceed on schedule following a clear election outcome and faster-than-expected government formation.

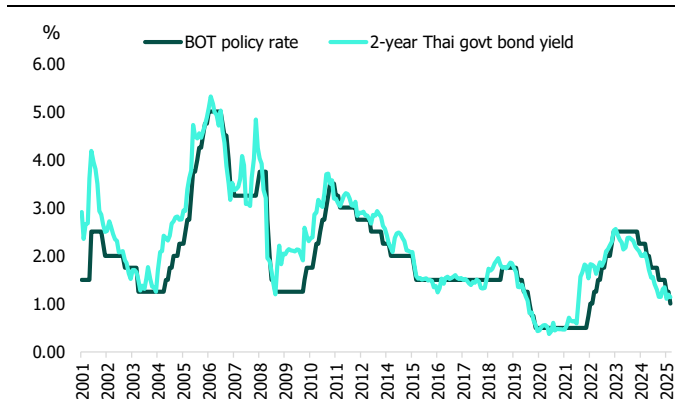
Fig 13 Economic forecasts

Economic forecast (% YoY)	2023	2024	2025	2026F (prior)	2026F (new)
GDP growth	2.0	2.5	2.4	1.6	1.9 ▲
Private consumption	6.9	4.4	2.7	1.8	1.8
Public expenditure	-4.7	2.5	0.6	0.4	0.4
Gross fixed capital formation	-7.6	-7.6	4.9	1.3	1.4 ▲
Private investment	3.1	-1.6	3.5	1.2	1.8 ▲
Public investment	-4.2	4.8	8.9	2.5	1.9 ▼
Exports - USD terms	-1.5	5.5	12.9	-1.2	1.6 ▲
Imports - USD terms	-4.2	5.9	12.9	-0.8	1.8 ▲
Tourist arrivals (m.n.)	28.2	35.5	33.0	34.1	34.1
Headline inflation	1.2	0.4	-0.1	0.4	0.4
Policy rate (% EOP)	2.5	2.25	1.25	1.00	1.00
10-year Thai govt bond yield (% EOP)	2.68	2.25	1.64	1.70	1.70
2-year Thai govt bond yield (% EOP)	2.33	2.00	1.11	1.10	1.10
Fed fund rate (% EOP)	5.50	4.50	3.75	3.00	3.00
10-year US treasury yield (% EOP)	3.88	4.57	4.17	4.20	4.20
2-year US treasury yield (% EOP)	4.25	4.24	3.47	3.30	3.30
USDTHB (EOP)	34.3	34.4	31.5	32.8	32.8
Dubai oil price (US\$/bbl, Avg)	82.0	79.7	68.3	62.0	62.0

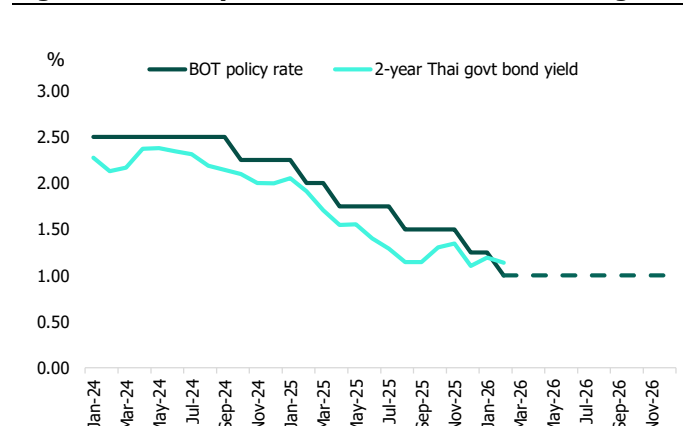
Source: KS Research, K Research, BOT, NESDC, Bloomberg

The BOT's rate-cut cycle has likely ended, with policy rates reaching their low outside of crisis periods

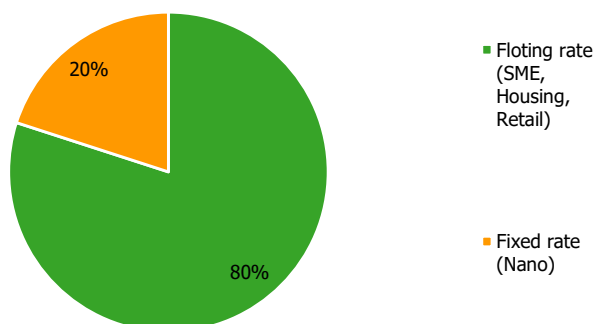
We believe CREDIT shares similar characteristics with large commercial banks in benefiting from a rising interest rate environment, given that around 80% of its loan portfolio is floating rate. Rising inflationary pressures could prompt the Fed to delay policy rate cuts, reinforcing our view that the BOT has reached the end of its easing cycle. We expect the policy rate to remain at 1.00% throughout 2026. Following the rate cut at the February MPC meeting, we believe the current easing cycle has effectively concluded, barring a significant economic shock. Historically, a 1.00% policy rate has represented the effective lower bound during past economic slowdowns, excluding the COVID-19 period, when the rate fell to 0.50%.

Fig 14 Policy rates and short-term bond yields typically move in tandem


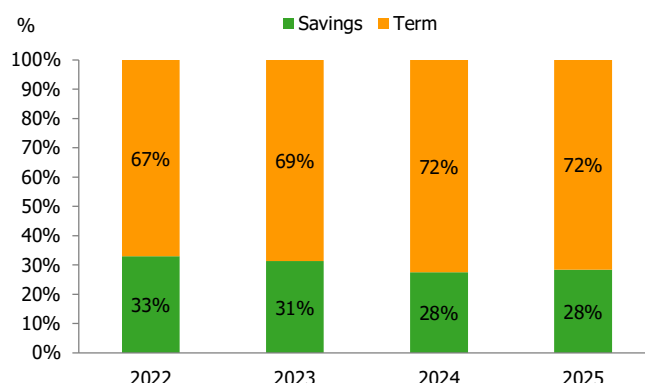
Source: Bloomberg, KS Research

Fig 15 S-T bond yields to trade within a $\pm 1\%$ range


Source: Bloomberg, KS Research

Fig 16 Most of CREDIT's loan portfolio is at floating rate


Source: Company data, KS Research

Fig 17 ... but borrowing is mostly from term deposits


Source: Company data, KS Research

Risks from virtual banks are limited

We believe the impact of virtual banks on CREDIT should be limited and manageable in the near term, as their deposit market share is expected to remain small, while CREDIT's extensive branch network and physical customer touchpoints should remain key competitive advantages.

Over the longer term, virtual banks could become a structural competitive threat; however, we believe the magnitude of the risk will depend on their ability to demonstrate scalable credit underwriting capabilities and establish sustainable deposit funding sources.

Virtual banks are unlikely to materially disrupt deposit competition in near term

In the short term, we expect virtual banks to compete for deposits by offering attractive deposit rates, making them direct competitors to CREDIT, which also relies on high-yield and long-term deposit products to support funding growth. However, we believe the impact should not be material and manageable. Even under our bull-case scenario, as presented in a KSecurities Banking Sector report dated June 12, 2026, our banking analyst estimates that virtual banks could reach total deposits of Bt27bn in 2027 and Bt218bn by 2032, equivalent to only 0.2% and 1.3% of Thailand's current total deposits of Bt17.1trn, respectively. Given their relatively small scale, we do not expect virtual banks to materially constrain CREDIT's growth potential or its ability to raise deposits in the near term.

Fig 18 Our forecasts for Thai virtual banks

Assumptions	Bear			Base			Bull		
	2027	2032	2036	2027	2032	2036	2027	2032	2036
Breakeven periods	10 years			7-8 years			5 years		
Loan penetration	3%	20%	30%	5%	30%	50%	6%	38%	65%
No. of loan customers	1.0	6.9	10.4	1.7	10.4	17.3	2.1	13.2	22.5
Loan book (Btmn)	5,717	61,385	134,810	9,529	109,579	378,705	12,474	196,582	697,267
Deposits (Btmn)	16,940	85,256	174,753	22,138	155,842	428,323	27,258	218,259	654,884
LDR	34%	72%	77%	43%	70%	88%	46%	90%	106%
Net profit (Btmn)	(913)	(2,004)	919	(1,127)	(1,373)	5,449	(1,372)	1,728	21,459
Paid-up capital (Btmn)	18,000	30,000	30,000	18,000	30,000	50,000	18,000	35,000	55,000
Total equity (Btmn)	16,738	18,787	17,455	16,550	20,138	48,354	16,305	28,754	94,421
ROE	-6%	-10%	5%	-7%	-7%	13%	-9%	7%	26%
CIR	205%	62%	37%	175%	57%	29%	157%	40%	26%
Loan yield	19.0%	16.0%	14.5%	19.0%	15.0%	13.0%	19.0%	15.5%	13.5%
Cost of funds	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Fee income per account (Bt)	130	273	511	120	299	619	130	483	1,379
Credit cost	14.0%	9.0%	7.5%	11.0%	7.0%	6.3%	12.0%	7.5%	6.0%

Source: KS Research

Penetration risks to lending market from virtual banks

Virtual banks could penetrate the unsecured lending market by aggressively leveraging transaction data, telco data, and customer spending behavior. While this could have some impact on CREDIT's SME segment over time, the more direct impact is likely to fall on non-bank lenders, including KTC, AEONTS, and auto title loan providers. If virtual banks can successfully develop scalable alternative-data-based underwriting models, they may be able to offer more competitive interest rates and extend unsecured credit without requiring collateral, potentially challenging traditional auto title loan business models.

However, global case studies suggest that only a limited number of virtual banks have managed to scale sustainably, given the challenges of maintaining asset quality, monetizing customers, and building customer trust to attract deposits. In addition, successful virtual banks typically take two to eight years to reach breakeven, suggesting that the competitive threat to CREDIT is likely to be gradual rather than immediate.

Fig 19 Summary of successful and failed VB cases globally

Virtual bank	Launch	Customers	Time to breakeven	Latest profitability	Latest ROE	Key success/failure factors	Implication
Nubank (Brazil)	2013	~135mn	8 years	NP of USD2.9bn in 2025	33%	Scale and insurance cross selling	Monetization is key for both lending and cross selling
KakaoBank (Korea)	2017	~25mn	2 years	NP of KRW480bn in 2025	7.20%	Kakao ecosystem resulting in low CAC, with fee diversification	Ecosystem access is valuable
WeBank (China)	2014	~400mn	2-3 years	NP of RMB11bn in 2025	18.94%	Tencent ecosystem + AI and alternative data underwriting	Data and AI can become competitive advantages
Volt (Australia)	2019	~100k	Never	Loss	N/A	Unable to raise capital before reaching scale	Strong shareholder funding is important
Xinja (Australia)	2019	~200k	Never	Loss	N/A	Strong deposit growth but cannot monetize	Deposit growth do not means success
Moven (US)	2011	Limited scale	Never	Loss	N/A	Good user experiences but weak economics and high CAC	Strong technology alone cannot sustain banking business

Source: Company filings, annual reports, investor presentations, company websites, and KS Research

Financials

Expect 3-year earnings CAGR of 10.5%, outperforming banking sector peers' 2%

We project CREDIT to deliver a strong 3-year (2025–28) core profit CAGR of 10.5%, significantly higher than the banking sector average of 2% and the second highest among peers, behind only KKP's 3-year core profit CAGR of 12%. We expect this growth to be driven by: 1) a robust 3-year loan portfolio CAGR of 11%, supported by expansion in the niche SME segment; 2) manageable asset quality through the use of TCGC guarantees; and 3) lower funding costs as deposits are repriced at lower rates. We forecast a DPS of Bt1.08/Bt1.16/Bt1.32 for 2026/27/28, implying dividend yields of 4.7%/5.1%/5.8%, respectively, based on the current price of Bt22.6, with a dividend payout ratio of 30%.

Fig 20 Our 2026-28E earnings forecasts

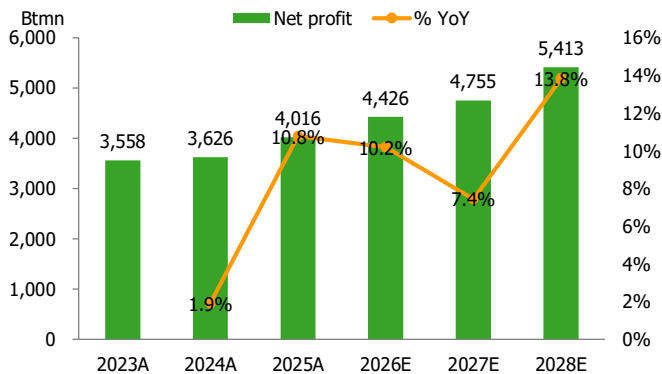
Profit & Loss (Btm)	2023A	2024A	2025A	2026E	2027E	2028E
Interest income	15,895	18,138	18,163	18,678	20,548	22,934
Interest expense	2,563	3,407	3,657	3,691	4,130	4,561
Net interest income	13,331	14,731	14,507	14,988	16,418	18,373
Non interest income	137	(111)	243	598	546	199
Operating income	13,468	14,620	14,750	15,586	16,964	18,572
Operating expenses	4,945	5,831	6,442	6,967	7,799	8,488
PPOP	8,523	8,789	8,307	8,619	9,165	10,084
Provision charges	4,062	4,249	3,304	3,079	3,220	3,318
Op profit after prov'ns	4,460	4,540	5,004	5,540	5,944	6,766
Net non operating items	(6)	(2)	24	(0)	0	0
Pre-tax profit	4,455	4,538	5,028	5,540	5,944	6,766
Income tax	897	913	1,012	1,114	1,189	1,353
Reported net profit	3,558	3,626	4,016	4,426	4,755	5,413
Shares out (m)	1,165	1,235	1,235	1,235	1,235	1,235
Shares out (avg adj, m)	582	1,232	1,235	1,235	1,235	1,235
EPS (basic, Bt)	6.11	2.94	3.25	3.58	3.85	4.38
EPS (fully diluted, Bt)	6.11	2.94	3.25	3.58	3.85	4.38
BVPS (Bt)	15.03	18.65	21.29	24.08	26.80	29.91

Balance sheet (Btm)	2023A	2024A	2025A	2026E	2027E	2028E
Gross loans	144,157	163,159	181,866	204,252	225,456	248,861
Accrued interest	5,897	7,312	8,380	9,292	10,257	11,322
Accumulated provisions	9,873	10,739	12,110	13,599	15,123	16,568
Net loans & accrued	140,181	159,731	178,136	199,946	220,590	243,615
Cash	513	535	800	589	650	718
Total assets	163,444	183,102	209,542	238,883	264,196	292,421
Customer deposits	116,762	132,599	155,655	170,210	187,880	207,384
Long term borrowings	2,612	2,636	2,662	2,732	3,015	3,328
Shareholders' funds	17,505	23,032	26,295	29,733	33,099	36,939
NPLs	6,116	7,228	7,644	8,571	9,419	10,355

Ratios (% , ann)	2023A	2024A	2025A	2026E	2027E	2028E
Yield on IEAs	10.23	10.54	9.38	8.48	8.30	8.36
Cost of funds (IBLs)	1.91	2.29	2.20	1.95	1.94	1.94
Net interest spread	8.32	8.25	7.18	6.53	6.36	6.42
Net interest margin	8.58	8.56	7.49	6.80	6.63	6.70
Cost/income	36.7	39.9	43.6	44.7	46.0	45.7
ROA	2.32	2.09	2.05	1.97	1.89	1.94
ROE	22.3	17.9	16.3	15.8	15.1	15.5
Gross loans/deposits	123	123	117	120	120	120
LDR + borrowing	121	121	115	118	118	118
Core tier I	13.1	14.8	14.4	14.1	14.5	14.9
Total CAR	16.3	17.7	17.0	16.5	16.7	16.9
NPLs/loans	4.2	4.4	4.2	4.2	4.2	4.2
Reserve coverage	161	149	158	159	161	160
Credit cost (bps)	301	277	191	159	150	140
Loan growth	14.5	13.2	11.5	12.3	10.4	10.4

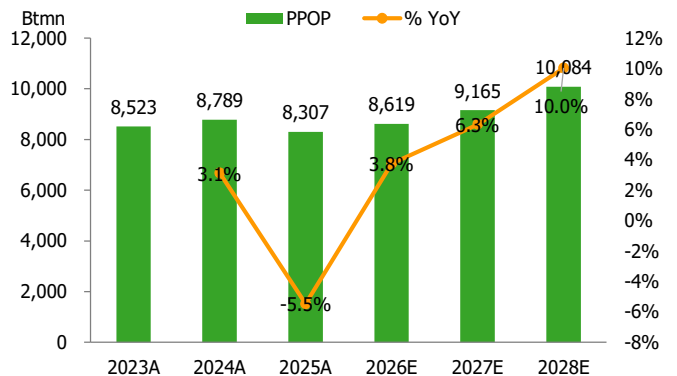
Source: KS Research, Company data

Fig 21 Earnings and YoY growth



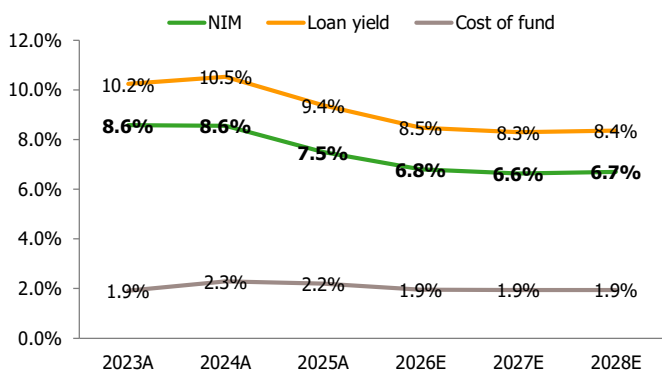
Source: KS Research, Company data

Fig 22 PPOP and YoY growth



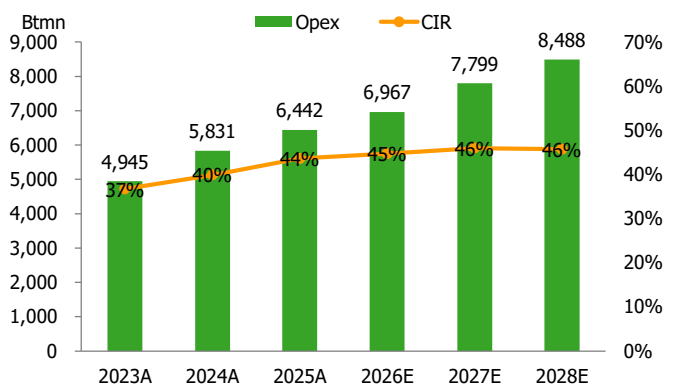
Source: KS Research, Company data

Fig 23 NIM vs. loan yield vs. cost of funds



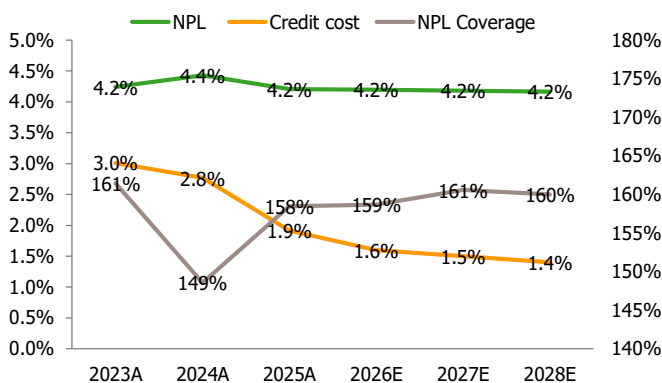
Source: KS Research, Company data

Fig 24 Opex and cost-to-income ratio



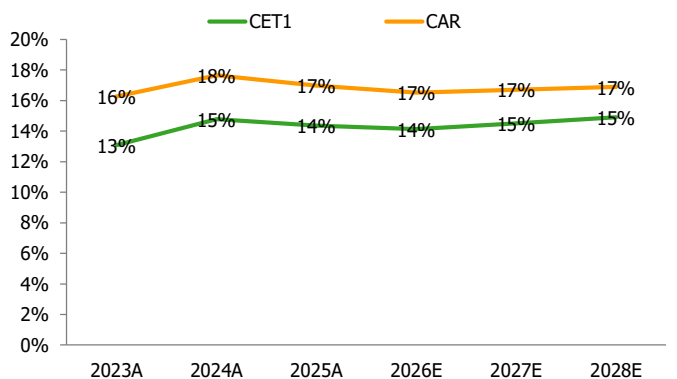
Source: KS Research, Company data

Fig 25 NPL vs credit cost



Source: KS Research, Company data

Fig 26 CET1 and CAR



Source: KS Research, Company data

2Q26 preview: Expect earnings to significantly improve YoY but decline QoQ

CREDIT is scheduled to report its 2Q26 financial results on the evening of July 21, with a tentative analyst meeting scheduled for Aug. 4. We expect core profit to rise strongly YoY, supported by a significant improvement in NPL formation, but to decline QoQ due to lower loan yields following the full-quarter impact of the policy-rate cut in 1Q26 and the debt-restructuring program. We forecast 2Q26 core profit of Bt1.1bn, up 16% YoY but down 8% QoQ. Loan growth should remain solid at 13% YoY and 3% QoQ. Meanwhile, we expect NIM to decline to 6.7%, from 7.5% in 2Q25 and 6.9% in 1Q26, reflecting the full impact of the 1Q26 policy-rate cut and the debt-restructuring.

Fig 27 2Q26 performance preview

Profit & Loss (Btm)	1Q25A	2Q25A	3Q25A	4Q25A	1Q26A	2Q26E	QoQ, %	YoY, %
Interest income	4,501	4,463	4,577	4,623	4,539	4,582	1%	3%
Interest expense	901	928	927	900	895	915	2%	-1%
Net interest income	3,599	3,534	3,650	3,723	3,644	3,667	1%	4%
Non interest income	(7)	37	87	126	150	153	2%	319%
Operating income	3,593	3,571	3,738	3,849	3,793	3,820	1%	7%
Operating expenses	1,518	1,541	1,614	1,769	1,667	1,708	2%	11%
PPOP	2,075	2,030	2,123	2,079	2,127	2,112	-1%	4%
Provision charges	944	873	936	550	664	766	15%	-12%
Op profit after prov'ns	1,131	1,157	1,187	1,529	1,463	1,345	-8%	16%
Net non operating items	(0)	(7)	84	(53)	(0)	0	100%	100%
Pre-tax profit	1,131	1,150	1,271	1,476	1,462	1,345	-8%	17%
Income tax	228	225	257	301	298	269	-10%	20%
Reported net profit	902	925	1,014	1,175	1,164	1,076	-8%	16%

Balance sheet (Btm)	1Q25A	2Q25A	3Q25A	4Q25A	1Q26A	2Q26E	QoQ, %	YoY, %
Gross loans	165,890	171,662	177,670	181,866	188,752	194,414	3%	13%
NPLs	7,333	7,346	7,522	7,644	7,987	8,176	2%	11%

Ratios (% , ann)	1Q25A	2Q25A	3Q25A	4Q25A	1Q26A	2Q26E	QoQ, ppt	YoY, ppt
Yield on IEAs	9.79	9.49	9.53	9.25	8.60	8.33	(0.3)	(1.2)
Cost of funds (IBLs)	2.29	2.31	2.25	2.10	1.97	1.93	(0.0)	(0.4)
Net interest margin	7.83	7.52	7.60	7.45	6.90	6.66	(0.2)	(0.9)
Cost/income	42.2	43.2	42.2	46.6	43.9	44.7	0.8	1.5
ROA	1.95	1.95	2.08	2.31	2.16	1.92	(0.2)	(0.0)
ROE	15.4	15.4	16.5	18.3	17.3	15.5	(1.9)	0.1
Gross loans/deposits	121	122	124	117	114	120	6.5	(1.8)
NPLs/loans	4.4	4.3	4.2	4.2	4.2	4.2	(0.0)	(0.1)
Reserve coverage	151	154	157	158	155	156	1.2	1.4
Credit cost (bps)	230	207	214	122	143	160	16.6	(46.9)

Source: KS Research, Company data

We are more conservative than company guidance

Overall, our forecasts are more conservative than management's guidance, as we expect NIM to continue contracting due to the debt restructuring program and the cost-to-income ratio (CIR) to edge higher on increased IT investment. CREDIT targets: 1) double-digit loan growth in 2026 (vs. our forecast of 12.3%, compared with 11.5% growth in 2025 and 13.8% in 1Q26); 2) NIM of 7.5%–8.0% (vs. our forecast of 6.5%, compared with 7.2% in 2025 and 6.9% in 1Q26); 3) a cost-to-income ratio of 42%–44% (vs. our forecast of 44.7%, compared with 43.6% in 2025 and 43.9% in 1Q26); 4) a credit cost of 1.5%–2.0% (vs. our forecast of 1.6%, compared with 1.6% in 2025 and 1.4% in 1Q26); 5) an NPL ratio of below 4.5% (vs. our forecast of 4.2%, unchanged from 2025 and 1Q26); and 6) ROE of 16%–20% (vs. our forecast of 15.8%, compared with 16.3% in 2025 and 17.3% in 1Q26).

Fig 28 We are more conservative than company guidance

	2025	1Q26	2026E		Note
			Company	KS	
Loan growth	11.5%	13.8%	double-digits	12.3%	Inline
NIM	7.2%	6.9%	7.5%-8.5%	6.5%	Conservative
CIR	43.6%	43.9%	42%-44%	44.7%	Conservative
Credit cost	1.6%	1.4%	1.5%-2.0%	1.6%	Inline
NPL	4.2%	4.2%	<4.5%	4.2%	Inline
ROE	16.3%	17.3%	16%-20%	15.8%	Conservative

Source: Company data, KS Research

Valuations and Recommendations

Initiate coverage of CREDIT with an Outperform call

We initiate coverage of CREDIT with an Outperform rating and end-2027 target price of Bt36.0. We like CREDIT for 1) its attractive valuation, as the current price of Bt22.6 implies PERs in 2026/27/28 of only 6.3x/5.8x/5.2x and PBV ratios of 0.94x/0.84x/0.76x compared to expected high ROEs of 15.8%/15.1%/15.5%; 2) its high growth performance with expected 3-year net profit CAGR (2026-28E) of 10.5%, which is significantly higher than the banking sector average of 3.3% and also loan growth 3-year CAGR of 11.0% compared to the banking average of 0.6%, implying a PEG of 0.6x; and 3) potential capital management with the current dividend payout ratio of 30%, which is lower than the average of 67% of its banking peers.

Estimate target price for CREDIT of Bt36.0

We derive our target price for CREDIT of Bt36.0 using a dividend discount model under the Gordon growth framework, consistent with our valuation methodology for the banking and finance sectors. Our key assumptions are a 12.2% cost of equity (risk-free rate of 3%, market return of 11%, and beta of 1.15), a sustainable ROE of 15%, and a long-term growth rate of 2%. We apply a beta of 1.15, in line with 1-year historical Beta on Bloomberg, significantly above the banking-sector average of 0.77x, to reflect CREDIT's exposure to higher-risk customer segments, particularly SMEs, as well as the stock's relatively low free float.

We therefore view CREDIT's implied valuation at our target price as undemanding, given its superior profitability relative to the sector and its ROE profile comparable to TISCO's. Our target price of Bt36.0 implies 2026/27 P/E ratios of 10.0x/9.4x and P/BV ratios of 1.5x/1.3x, despite CREDIT's strong expected ROEs of 15.8%/15.1% in 2026/27 and a sustainable ROE assumption of 15.5%. By comparison, TISCO, which is expected to generate similar ROEs of 15.5%/15.9% in 2026/27, trades at significantly higher PERs of 14.7x/13.8x and PBV ratios of 2.2x/2.2x. Meanwhile, the banking-sector average, with substantially lower expected ROEs of 9.7%/9.7%, trades at 2026/27 PERs of 11.8x/11.5x and PBV ratios of 1.2x/1.1x.

Fig 29 DDM with Gordon Growth Model valuation

Valuations, input													
Risk free rate	3.00%												
Risk premium	8.00%												
Analyst BETA	1.15												
- BB's adjusted BETA	1.15												
Discount rate	12.20%												
Sustainable ROE	15.00%												
Sustainable Payout ratio	30.00%												
Target growth rate	2.00%												
Steady state PBV	1.27												
Steady state BVPS, year 5	33.22												
	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E	1Q28E	2Q28E	3Q28E	4Q28E	1Q29E	2Q29E	3Q29E	4Q29E
DPS	0.27	0.28	0.29	0.29	0.30	0.32	0.33	0.33	0.34	0.34	0.35	0.35	0.36
BVPS													33.22
E(PBV)													1.27
Terminal value													42.34
CF to Equity	0.27	0.28	0.29	0.29	0.30	0.32	0.33	0.33	0.34	0.34	0.35	0.35	42.70
DCF	0.27	0.27	0.29	0.28	0.30	0.31	0.31	0.31	0.30	0.30	0.29	0.29	33.58
NPV	36.0												

Source: KS Research

Fig 30 Valuation summary

Financials - Banking														
Stock	Rating	Price (Bt) Jul 15, 2026	Target price (Bt)	Upside (%)	P/E (x)		P/BV (x)		Net profit grth (%)*		Div. yield (%)		ROE (%)	
					2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
BAY	OP	45.25	47.50	5.0	9.8	8.8	0.8	0.7	6.7	12.2	3.1	3.4	7.4	7.8
BBL	OP	198.5	203.00	2.3	9.7	9.2	0.6	0.6	-15.2	5.1	5.1	5.4	6.7	6.8
CREDIT	OP	22.6	36.00	59.3	6.3	5.9	0.9	0.8	10.2	7.4	4.8	5.1	15.8	15.1
KKP	OP	106.5	114.00	7.0	12.7	12.8	1.3	1.3	26.5	2.8	6.3	6.4	10.9	10.5
KTB	OP	41.25	47.00	13.9	11.6	11.4	1.2	1.2	3.1	2.0	6.6	6.8	10.0	9.9
SCB	OP	155.5	162.00	4.2	12.1	11.1	1.0	1.0	-8.5	8.1	6.6	7.2	8.5	9.0
TISCO	N	125	120.00	-4.0	14.3	13.8	2.3	2.3	4.8	3.9	6.2	6.2	16.2	16.7
TTB	N	2.66	2.40	-9.8	11.7	12.7	1.0	1.0	2.5	-11.8	5.4	5.7	8.8	7.8
Simple Average (* % YoY change)					11.0	10.7	1.2	1.1	-2.2	4.3	5.5	5.8	10.5	10.5
Financials - Finance & Securities														
Stock	Rating	Price (Bt) Jul 15, 2026	Target price (Bt)	Upside (%)	P/E (x)		P/BV (x)		Net profit grth (%)*		Div. yield (%)		ROE (%)	
					2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
AEONTS	OP	109	120.00	10.1	7.9	8.0	0.9	0.9	8.2	9.5	5.6	5.2	11.2	11.5
ASK	UP	12.3	7.50	-39.0	15.2	15.1	0.7	0.7	7.3	0.6	3.3	3.3	4.7	4.6
HENG	UP	0.94	0.69	-26.6	26.2	16.9	0.7	0.7	302.7	55.0	5.6	5.6	2.7	4.1
KTC	OP	38.25	39.00	2.0	12.2	11.4	2.1	1.9	3.6	7.4	4.7	5.0	17.7	17.7
MICRO	N	1.27	0.90	-29.1	14.1	11.7	0.6	0.6	81.6	20.8	3.1	3.1	4.0	4.7
MTC	OP	32.25	35.80	11.0	9.5	8.3	1.4	1.2	6.9	14.2	1.1	1.2	15.6	15.5
TIDLOR	OP	19	21.90	15.3	9.1	8.7	1.4	1.3	22.3	4.3	4.3	4.6	16.5	15.5
TURBO	OP	1.71	2.20	28.7	7.5	6.4	1.1	1.0	20.4	19.0	5.3	6.3	15.3	16.5
SAK	N	3.36	3.40	1.2	8.5	8.2	1.0	0.9	-6.0	4.1	5.3	5.5	11.7	11.4
SAWAD	OP	24.5	27.40	11.8	7.5	7.0	1.0	0.9	8.6	7.3	3.4	3.6	12.7	12.3
TCAP	N	72.5	58.40	-19.4	9.5	11.1	0.9	0.9	3.1	-14.0	4.8	4.8	9.2	7.6
THANI	N	2.08	1.72	-17.3	10.5	10.5	0.9	0.8	7.7	-0.5	4.8	4.7	8.6	8.1
Simple Average (* % YoY change)					11.5	10.3	1.1	1.0	8.0	4.1	4.3	4.4	10.8	10.8

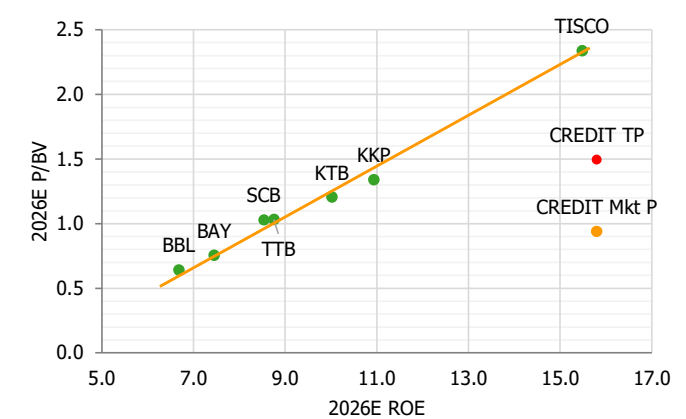
Source: KS Research

Fig 31 Sensitivity analysis on ROE and Beta

2027E TP (Bt/shr)		BETA				
		1.05	1.1	1.15	1.2	1.25
ROE	13%	33.7	32.2	30.8	29.6	28.4
	14%	36.6	34.9	33.4	32.0	30.7
	15%	39.4	37.6	36.0	34.5	33.1
	16%	42.2	40.3	38.5	36.9	35.4
	17%	45.0	43.0	41.1	39.3	37.7
Upside to market price (%)		BETA				
		1.05	1.1	1.15	1.2	1.25
ROE	13%	49.3%	42.6%	36.5%	30.8%	25.6%
	14%	61.8%	54.5%	47.8%	41.6%	35.9%
	15%	74.3%	66.4%	59.2%	52.5%	46.3%
	16%	86.8%	78.3%	70.5%	63.3%	56.6%
	17%	99.3%	90.2%	81.8%	74.1%	66.9%

Source: KS Research, Company data

Fig 32 CREDIT's valuation vs. peers



Source: KS Research, Company data

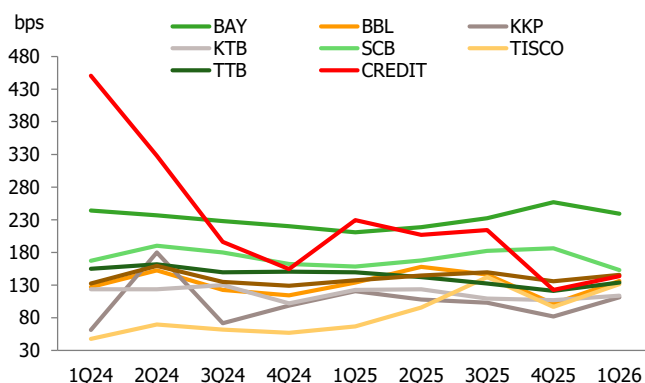
Key factors to unlock the CREDIT value

We view CREDIT as an undervalued, high-growth stock with a proven execution track record. In our view, the stock's underperformance and valuation discount relative to the banking sector have been driven primarily by four key concerns. We believe these concerns will gradually ease over time, while the stock is currently trading at a deeply undervalued level, offering an attractive risk-reward opportunity.

First, investors remain cautious over CREDIT's SME-focused client base, as the segment is generally viewed as more fragile and vulnerable to asset-quality deterioration. This concern has been reinforced by the fact that several major banks have reduced their SME exposure amid weaker asset-quality trends and a more cautious outlook.

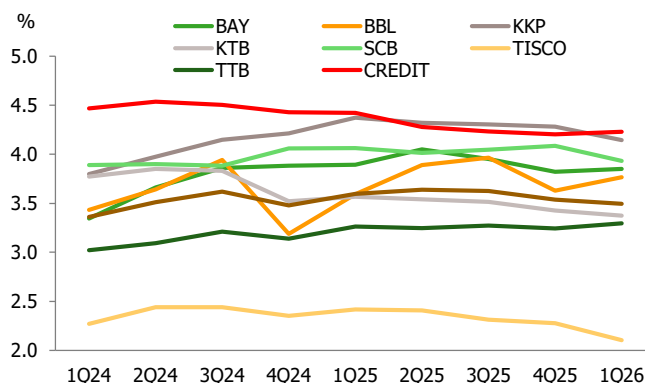
- We believe CREDIT has demonstrated that its use of TCGC guarantees, together with its expertise in SME credit risk management, can support sustainable growth while keeping asset quality under control. With the strong track record of controllable NPL formation and sustainability loan growth. Although CREDIT's reported NPL ratio of around 4.2% is higher than that of other banks, around 60% of CREDIT's current NPLs is backed by TCGC guarantees and are eligible for claim reimbursement. After adjusting for the impact of these guarantees, CREDIT's adjusted NPL ratio would be around 2%, which is slightly better than the overall banking sector.

Fig 33 Credit cost comparisons (bps)



Source: Company data, KS Research

Fig 34 NPL ratio comparisons (%)

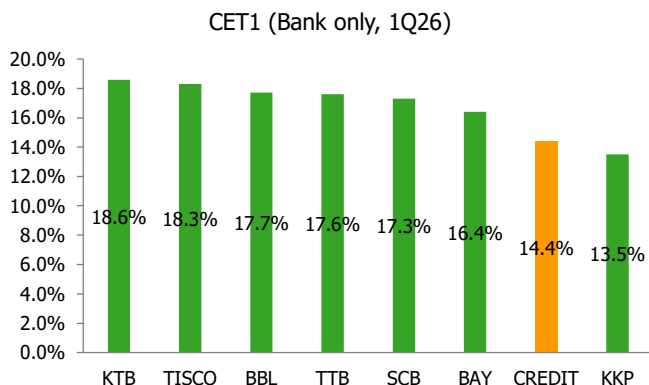


Source: Company data, KS Research

Second, CREDIT's dividend payout remains below that of other banks, which typically pay out 60%-80% of earnings compared with CREDIT's payout of only 30%.

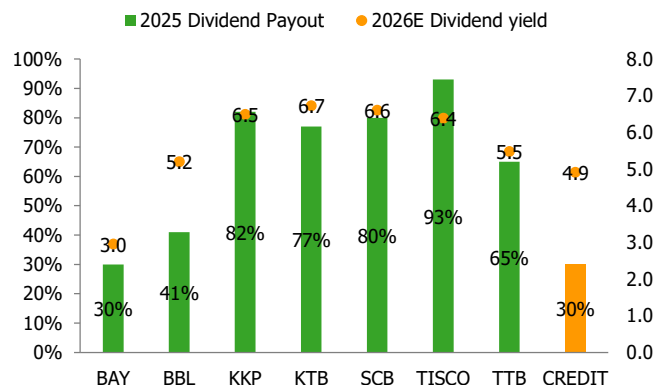
- We view this as reasonable given that CREDIT is still growing at a much faster pace than the sector. With ROE of 15%, which is significantly higher than the banking-sector average of 10%, we believe management's decision to prioritize reinvestment and loan growth over capital distribution is justified.
- If CREDIT shifts its strategy from pursuing rapid growth to optimizing capital management, similar to more mature banks, we believe it could increase its dividend payout ratio to 45% while maintaining its target CET1 ratio. Under this scenario, we estimate DPS could increase by approximately 50%, implying an attractive dividend yield of around 8% at the current share price. This could enhance the stock's investment appeal, particularly among income-focused investors while still preserving sufficient capital to support sustainable long-term growth.

Fig 35 CET1 ratio (bank only)



Source: Company data, KS Research

Fig 36 Dividend payout ratio vs. dividend yields

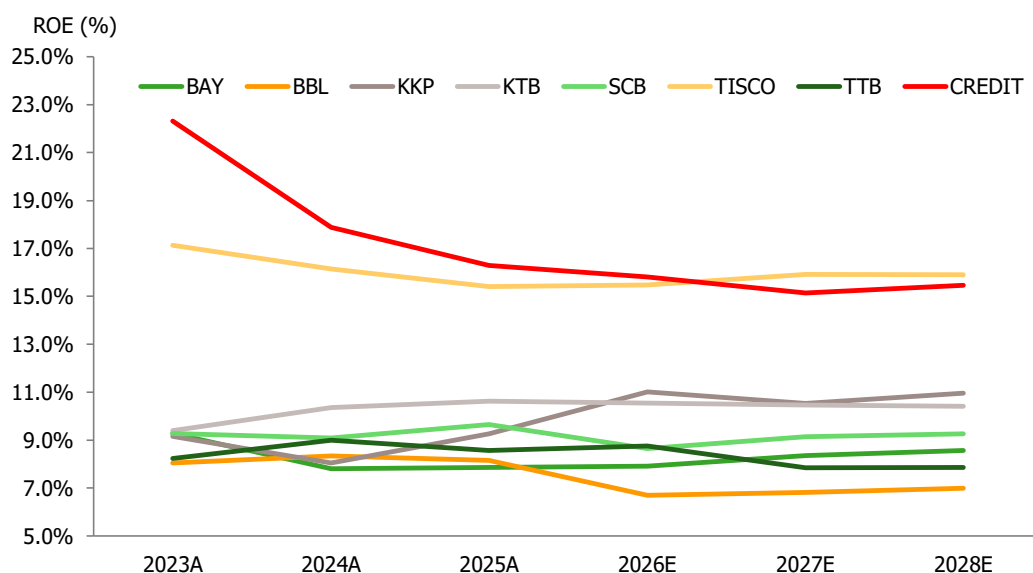


Source: Company data, KS Research

Third, we expect CREDIT's ROE to trend downward over time primarily due to its conservative dividend payout policy. By retaining a larger portion of earnings to support future loan growth, shareholders' equity is expected to grow faster than earnings, leading to a gradual decline in ROE.

- We believe the decline in ROE does not reflect deteriorating operating fundamentals. We expect ROE to bottom out at around 15%, while CREDIT is currently trading at just 0.9x P/BV implies an ROE of only 11.3%, which is significantly below its reported ROE of 16.3% in 2025 and our ROE forecasts of 15.8%/15.1%/15.4% for 2026/27/28 based on a dividend payout ratio of 30%, suggesting ROE to bottom in 2027 and rebound in 2028 vs. our GGM model that uses an ROE of 15%.
- Furthermore, if CREDIT shifts toward a higher dividend payout over time, this would reduce equity accumulation and help sustain a higher ROE, providing additional upside to our assumptions.

Fig 37 ROE movement

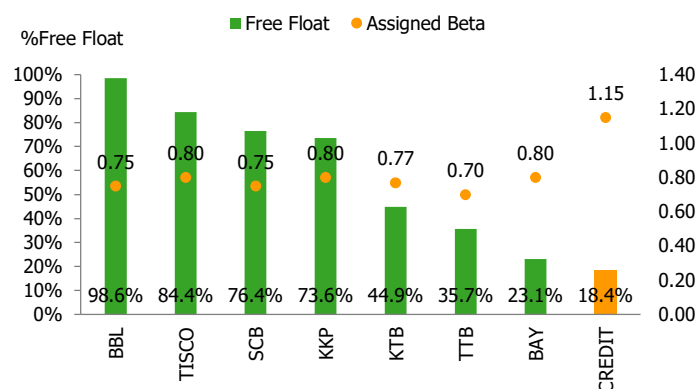


Source: KS Research, Company data

Fourth, CREDIT's shareholder structure is dominated by the founding family, resulting in a relatively low free float of 30%, which is lower than that of most listed banking peers. The limited free float is likely to constrain trading liquidity, reducing the stock's attractiveness to institutional investors, particularly large domestic and foreign funds that require sufficient liquidity to build and exit positions efficiently.

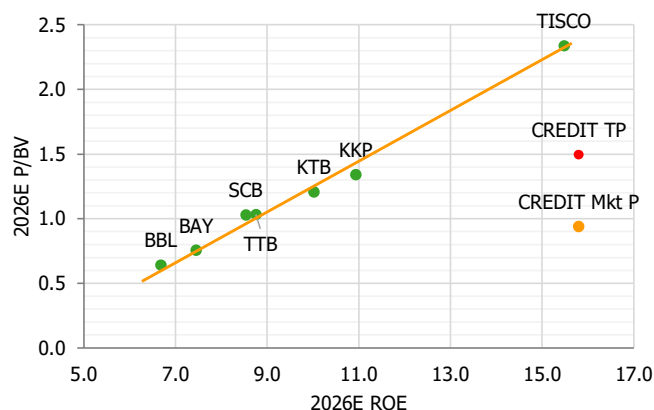
- We believe the Chaiyawan family, CREDIT's major shareholder with a 70% stake is unlikely to materially reduce its ownership position. However, OCA Investment Holdings I Pte. Ltd. (OCA), a Singapore-incorporated private equity-backed holding company under Olympus Capital Asia, currently holds a 7.5% stake in CREDIT, down from 24% prior to the IPO. According to CREDIT's IPO filing, the company assumed that OCA would fully divest its stake after the IPO. Therefore, we believe there is a high probability that OCA will eventually exit its investment in CREDIT. A disposal of OCA's remaining stake could increase CREDIT's free float to 25.9% from the current 18.4%.
- However, we incorporate higher than average beta of 1.15x compared to banking peers' average of 0.76x to present the risk of both its business and its low free float, which we believe the current stock valuation at 0.96x PBV with 15.5% ROE is still lower than its intrinsic value.

Fig 38 Stock free float vs. our beta assumptions



Source: KS Research, Company data

Fig 39 Banking sector 2026 PBV vs ROE



Source: KS Research, Company data

Key risks

Risks in TCGC reliance

CREDIT has meaningful exposure to SME borrowers, some of whom rely on credit-guarantee schemes provided by the Thai Credit Guarantee Corporation (TCGC). These guarantees help reduce CREDIT's loss exposure and support lending to customers with limited collateral. However, any reduction in the availability, coverage, or effectiveness of TCGC guarantee program could constrain CREDIT's ability to extend new loans, increase its loss-given-default, and lead to higher credit costs. Delays in claim processing or changes in guaranteed conditions could also weaken the expected risk-mitigation benefits.

Economic risks

CREDIT, as a commercial bank focused primarily on SME lending, is exposed to economic conditions that directly affect its customers' cash flows and repayment capacity. A sharp economic slowdown, weaker domestic consumption, rising unemployment, or declining business activity could pressure SME revenues and lead to higher NPL formation and credit costs. SME borrowers are generally more vulnerable to economic volatility than large corporates because they have more limited access to funding, lower liquidity buffers, and greater sensitivity to changes in operating costs. Prolonged inflation, higher energy prices, or geopolitical disruptions could therefore weaken asset quality and reduce loan demand. A slowdown in economic activity could also constrain CREDIT's loan growth and weigh on fee income and profitability.

Asset quality risks

Asset quality remains a key risk for CREDIT due to its concentration in SME lending, a segment that typically carries higher credit risk than corporate and retail lending. SMEs are more sensitive to weaker economic conditions, rising input costs, and fluctuations in cash flow, which could lead to higher Stage 2 loans, NPL formation, and credit costs. Although CREDIT has historically generated high loan yields that compensate for the higher risk profile of its customers, a significant deterioration in asset quality could offset this benefit. The bank's relatively rapid loan growth may also create seasoning risk, as newly originated loans could begin to show weaker performance over time. Any deterioration in the quality of borrowers under debt-restructuring program could further delay the normalization of credit costs and weigh on future profitability.

Regulatory risks

CREDIT is subject to regulations imposed by the Bank of Thailand, including requirements related to capital adequacy, responsible lending, debt restructuring, customer treatment, and loan classification. Changes in these regulations could affect CREDIT's growth, operating costs, and profitability.

Given CREDIT's focus on higher-risk SME customers, tighter underwriting requirements or stricter responsible-lending rules could limit loan growth or increase compliance costs. Changes to debt-relief or restructuring measures could also affect interest income recognition, NPL classification, and provisioning requirements. In addition, higher capital or liquidity requirements could constrain the bank's ability to expand its balance sheet or distribute dividends.

Interest rate risks

CREDIT is exposed to interest-rate risk through the repricing mismatch between its interest-earning assets and funding costs. A decline in policy rates may reduce loan yields, particularly if lending rates reprice faster than deposit and funding costs, resulting in NIM compression. Conversely, a sharp rise in interest rates could increase funding costs and weaken borrowers' repayment capacity. SMEs may be particularly sensitive to higher financing costs, which could lead to slower loan demand and weaker asset quality. CREDIT's ability to manage deposit pricing, funding mix, and loan repricing will therefore be important in maintaining its NIM and profitability.

Background – Thai Credit Bank Pcl.

Thai Credit Bank Public Company – Company background

Thai Credit Bank Public Company Limited (CREDIT) is a commercial bank focused on serving underserved retail customers and small business operators through Nano and Micro Finance and Micro SME lending products. The bank commenced operations in 2007 as a retail bank under the Bank of Thailand's regulatory framework and was upgraded to a full-fledged commercial bank in September 2023. The transition expanded its ability to offer a broader range of banking, financial, and investment products while maintaining its strategic focus on underserved customer segments.

CREDIT was listed on the SET in 2024 under the ticker symbol CREDIT at an IPO price of Bt29 per share, implying a market capitalization of Bt35.8bn at listing. The IPO raised approximately Bt7.4bn in new equity.

The bank primarily targets grassroots entrepreneurs, including small merchants, street vendors, and micro and small business owners who typically face difficulties accessing formal financial services. Through its lending products, CREDIT seeks to promote financial inclusion by providing sustainable access to formal credit and supporting business growth and improved living standards. This strategy is guided by the bank's philosophy, "Everyone Matters."

Fig 40 CREDIT loan products

Product Category	Loan Type	Target Customer	Credit Limit (THB mn)	Tenor	Interest Rate	Collateral	LTV
Micro SME loan							
SME Loan (Collateral ≥ Loan)	Term Loan	Individual & juristic micro-entrepreneurs	Up to 50mn	Up to 20 years	Bank lending rate +/- spread	Real estate and/or TCGC guarantee	≤ 100%
Micro SME Loan (Loan > Collateral)	Term Loan	Individual & juristic micro-entrepreneurs	Up to 30mn	Up to 12 years	Bank lending rate +/- spread	Real estate and/or TCGC guarantee	5x collateral value
Unsecured Loan	Term / Revolving	Individual & juristic micro-entrepreneurs	Up to 15mn	Up to 10 years	Bank lending rate +/- spread	None	None
Overdraft (OD)	Overdraft	Individual & juristic micro-entrepreneurs	Up to 20mn	1 year (annual review)	Bank lending rate +/- spread	Real estate / TCGC guarantee / unsecured	≤ 100% (secured)
ESG Loan	Term / Revolving	Entrepreneurs investing in environmental or green businesses	Up to 35mn	Up to 12 years	Bank lending rate +/- spread	Real estate / TCGC guarantee / unsecured	≤ 100%
Micro and Nano finance							
Nano Credit	Revolving Loan	Small-scale merchants and micro-entrepreneurs requiring working capital	THB 100,000	1 year (annual review)	33% p.a.	None	None
Micro Credit	Revolving Loan	Small business owners with more stable operations seeking higher credit limits than Nano loans	THB 200,000	1 year (annual review)	28% p.a.	None	None
Micro Plus	Revolving Loan	Registered small business operators with more than 2 years of operating history	THB 500,000	1 year (annual review)	24% p.a.	None	None
Micro Max	Revolving Loan	Larger small business operators with established business track records requiring higher credit limits	THB 1,000,000	1 year (annual review)	18-22% p.a.	None	None
Home equity loan							
Home for Cash	Term Loan	Homeowners or property owners seeking to unlock liquidity from real estate assets	Up to 10mn	Up to 30 years	Bank rate ± spread	Real estate	BOT limit
Refinance Home Loan	Term Loan	Retail customers looking to refinance home loans from other financial institutions	Up to 20mn	Up to 30 years	Bank rate ± spread	Real estate	BOT limit
Refinance Plus	Term Loan	Customers seeking refinancing with additional credit line (cash-out refinancing)	Up to 15mn	Up to 30 years	Bank rate ± spread	Real estate	BOT limit

Source: Company data, KS Research

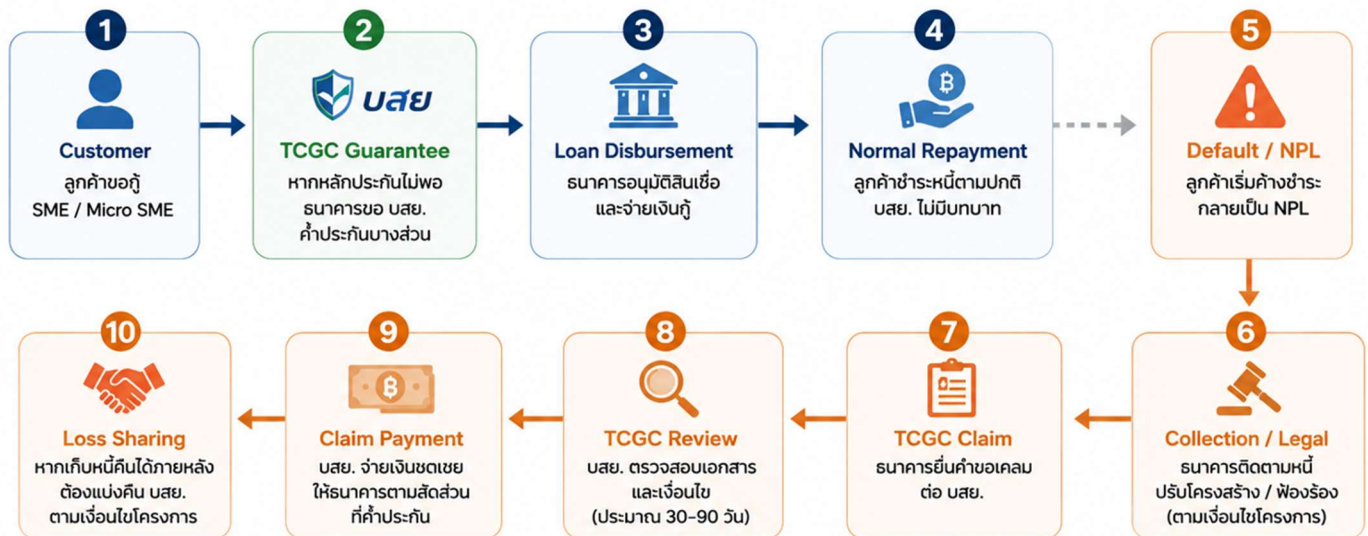
Differentiates itself by focusing on the TCGC program

CREDIT has increasingly utilized TCGC (Thai Credit Guarantee Corporation) programs to support loan origination while maintaining prudent risk management. Around 55% of CREDIT's current loan portfolio was backed by TCGC. The guaranteed scheme enables the bank to extend credit to micro-SME customers with limited collateral, thereby expanding its addressable market and supporting loan growth. At the same time, the risk-sharing mechanism helps mitigate downside risks through lower loss-given-default (LGD) and credit costs, enhancing the risk-adjusted return profile of the portfolio. We view TCGC-backed lending as a key competitive advantage for CREDIT, allowing the bank to balance growth and asset quality more effectively than conventional unsecured lending.

What is TCGC?

TCGC plays a key role in supporting SME lending by providing partial credit guarantees to borrowers with insufficient collateral, enabling banks to expand lending to underserved micro-SME customers. In the event of default, the bank remains responsible for debt collection, restructuring, and legal proceedings before submitting a claim to TCGC for compensation. Depending on the program, TCGC typically shares a portion of the credit risk, helping reduce loss-given-default (LGD) and credit costs while supporting loan growth and improving risk-adjusted returns. This risk-sharing mechanism allows participating banks to serve a broader customer base while maintaining asset quality and capital efficiency.

Fig 41 TCGC process from upstream to downstream



Source: TCGC, KS Research

Subsidiary

The bank has one subsidiary, Thai Micro Digital Solutions Co., Ltd. (TMDS), which provides payment services under the supervision of the Bank of Thailand.

Fig 42 CREDIT's company structure



Source: Company data

Branches (as of 4Q25)

The bank operates a nationwide branch network across 74 provinces in Thailand to enhance customer accessibility and facilitate access to formal financial services. The Bank's lending network consists of 1) lending branches, which serve as primary branches located in major cities; and 2) nano credit offices (kiosks), which function as sub-branches of lending branches and are located in or near marketplaces. As of 4Q25, the bank operated 500 lending branches. In addition, the bank operated 33 deposit service branches, primarily located in Bangkok and its metropolitan area, serving individual and affluent customers with high-value and long-term savings needs.

Fig 43 Branches (as of 4Q25)



Source: Company data

Pre-and post-IPO shareholder structure

Prior to the IPO, CREDIT's shareholding structure was highly concentrated among the Chaikawan family through a holding company structure. The bank's largest shareholder was VNB Holding Company Limited (VNB), a Thai holding company primarily owned by V.C. Property Co., Ltd., which held 99.98% of VNB as of May 2023. In turn, V.C. Property Co., Ltd. was owned by members of the Chaikawan family, with Mr. Chai Chaikawan, Mr. Vanich Chaikawan, and Mr. Winyou Chaikawan being the largest shareholders holding 23%, 20%, and 20% stakes, respectively. This ownership structure reflects the significant influence of the Chaikawan family over the bank prior to its public listing.

Following the IPO, the shareholder base became more diversified with the addition of public investors. Nevertheless, VNB Holding Company Limited remains the largest shareholder with a 52.2% stake followed by Thai Life Insurance PCL and OCA Investment Holdings I Pte. Ltd., which hold 9.6% and 7.5% stakes, respectively.

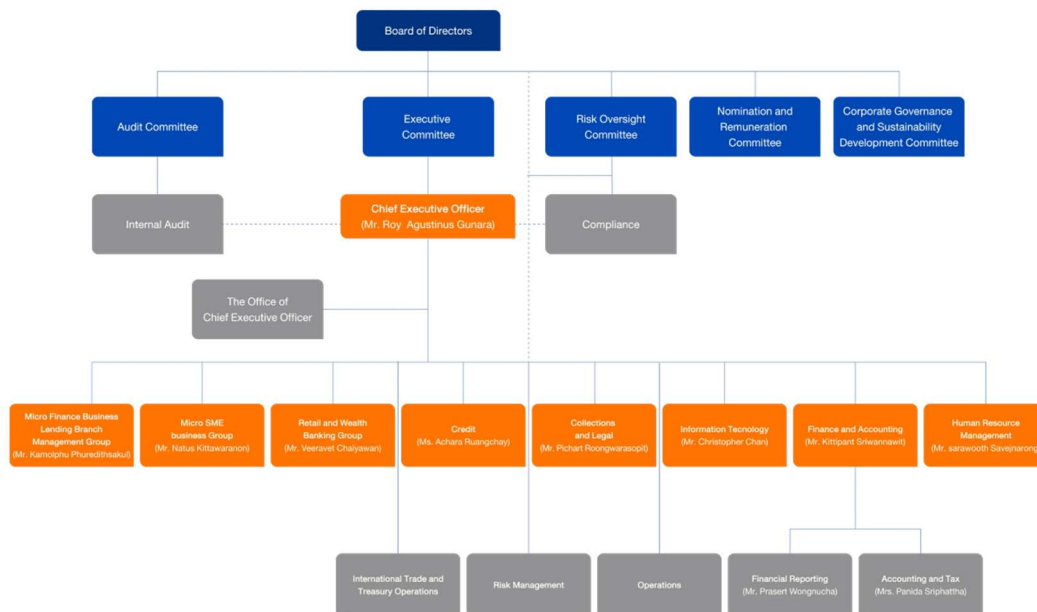
Note that the shares reported under UBS AG Singapore Branch represent a portion of Mr. Winyou Chaikawan's shareholding held through a custodian account and should be viewed together with his directly held shares.

Fig 44 Pre-IPO and current shareholder structure

Shareholder structure	Before IPO		Shareholder structure	As of May 2026	
	No. of shares	%		No. of shares	%
V.C. Property group companies and Chaikawan family members	837,558,124	71.9	VNB HOLDING COMPANY LIMITED	624,128,934	50.5
- V.C. Property group companies	735,608,934	63.2	Thai Life Insurance Public Company Limited	118,250,000	9.6
- VNB Holding Company Limited	617,232,334	53.0	OCA Investment Holdings I Pte. Ltd.	92,904,922	7.5
- Thai Life Insurance Public Company Limited	118,250,000	10.2	Mr. Winyou Chaikawan	79,445,690	6.4
- Other minority shareholders	126,600	0.0	- Mr. Winyou Chaikawan	60,300,690	4.9
- Mr. Winyou Chaikawan	78,342,290	6.7	- UBS AG SINGAPORE BRANCH	19,145,000	1.6
- Mr. Veeravet Chaikawan's group	23,606,900	2.0	SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	52,000,000	4.2
- Mr. Veeravet Chaikawan	23,606,500	2.0	Mrs. Mijitra Gunara	44,701,176	3.6
- Well Glass Company Limited	200	0.0	ASIAN DEVELOPMENT BANK-SNA CUSTODY	35,588,200	2.9
- Piam Anan Company Limited	200	0.0	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	32,747,800	2.7
OCA Investment Holdings I Pte. Ltd.	282,323,232	24.2	INTERNATIONAL FINANCE CORPORATION	29,117,600	2.4
Mrs. Mijitra Gunara	44,701,176	3.8	Mr. Veeravet Chaikawan	24,056,500	1.9
Baan Thai Real Estate Company Limited	200	0.0	PNL CLIENT CUSTODY ASSET ACCOUNT	18,389,500	1.5
Fortuna Capital Company Limited	200	0.0	DBS BANK LTD. AC DBS NOMINEES-PB CLIENTS	12,800,000	1.0
CNT Liquor Company Limited	200	0.0	Thai NVDR Company Limited	8,615,545	0.7
Jerdsee Company Limited	200	0.0	CHOMBUENG COMPANY LIMITED	8,204,700	0.7
			Others	53,888,655	4.4
Total	1,164,583,332	100.0	Total	1,234,839,222	100.0

Source: TCGC, KS Research

Fig 45 Company management structure



Source: Company data

Fig 46 Board of directors

Name	Position(s)
Prof. Kitipong Uraepatanapong	Chairman / Chairman of the Corporate Governance and Sustainability Development Committee
Mr. Winyou Chaiyawan	Vice chairman / Chairman of the Executive Committee / Member of the Risk Oversight Committee / Member of the Corporate Governance and Sustainability Development Committee
Mr. Anupap Kuvichkul	Independent Director / Chairman of the Audit Committee
Mr. Supachai Sukhanindr	Independent director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Risk Oversight Committee
Miss Ada Ingawanij	Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Sustainability Development Committee
Mr. Gaurav Malik	Director / Member of the Nomination and Remuneration Committee / Member of the Risk Oversight Committee
Mr. Stephen Tirador Briones	Director / Member of the Nomination and Remuneration Committee / Chairman of the Risk Oversight Committee
Miss Krisana Aramkulchai	Director
Mr. Roy Agustinus Gunara	Director / Vice chairman of Executive Committee / Member of the Risk Oversight Committee / Chief Executive Officer

Source: Company data

Fig 47 Management team

Name	Position(s)
Mr. Roy Agustinus Gunara	Chief Executive Officer (CEO)
Mr. Kamolphu phuredithsakul	Senior Executive Vice President
Mr. Natus Kittawaranon	Senior Executive Vice President
Mr. Veerawat Chaiyawan	Senior Executive Vice President
Ms. Achara Ruangchay	First Executive Vice President
Mr. Pichart Rungwarasopit	First Executive Vice President
Mr. Kittipant Sriwannawit	First Executive Vice President
Mr. Tsz Ying Christopher Chan	First Executive Vice President
Mr. Sarawooth Savejnarong	First Executive Vice President
Mrs. Suwimol Visavavigrant	First Executive Vice President

Source: Company data

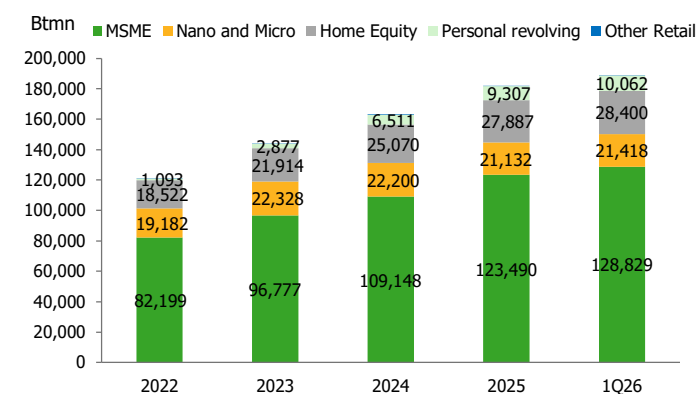
Fig 48 Company milestones

Year	Milestones
1970	Established as Thai Keha Credit Foncier Company Limited, operating in the financial services business.
2005	Registered as a public company under the name Thai Keha Credit Foncier Public Company Limited and increased registered capital to THB 1.0 billion.
2006	Obtained a commercial banking license from the Ministry of Finance.
2007	Commenced commercial banking operations and changed its name to Thai Credit Retail Bank Public Company Limited.
2013	Introduced lending branches dedicated to serving micro-enterprises and SMEs.
2015	Became the first commercial bank in Thailand to offer Nano and Micro Finance loans without collateral or guarantors.
2016	Launched the "Tang To Know-how" financial literacy program to support SMEs and retail customers.
2018	Established Thai Micro Digital Solutions Co., Ltd. (TMDS) to provide digital financial services.
2019	Launched SME loan products, personal revolving loans, and the "Micro Pay" e-Wallet platform.
2022	Upgraded from a retail commercial bank to a commercial bank and launched the "alpha by Thai Credit" mobile banking application.
2023	Received a full commercial banking license, secured a USD 105 million financing facility from IFC, and rebranded as Thai Credit Bank Public Company Limited.
2024	Successfully completed its IPO and listed on the Stock Exchange of Thailand under the ticker symbol "CREDIT"; launched Alpha Savings and Green Loan products.
2025	Expanded its full-service branch network to 33 branches, including its first provincial branch in Chiang Mai; received Fitch Ratings of A(thai)/F1(thai) with Stable Outlook; obtained ISO 14064-1 certification; relocated headquarters to V. One Tower; and paid its first dividend of THB 0.60 per share.

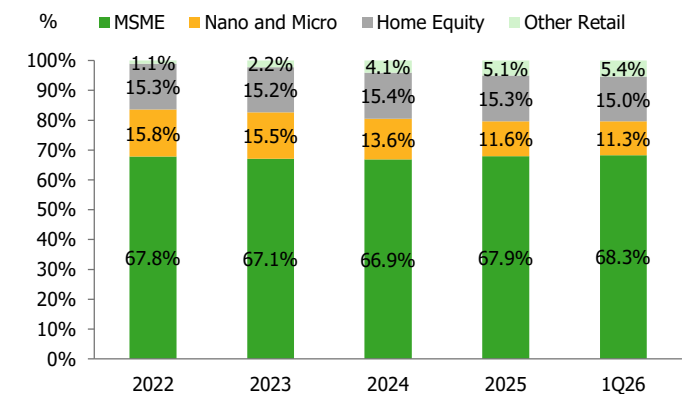
Source: Company data

Loan portfolio breakdown

Around 70% of CREDIT's loan portfolio comprises Micro SME loans followed by home equity loans at 15% and nano and microfinance loans at 11%. We have observed a declining trend in the proportion of nano and microfinance loans, which is in line with the company's strategy to reduce portfolio risk by lowering its exposure to higher-risk microfinance segments.

Fig 49 Loans to customers by type


Source: Company data

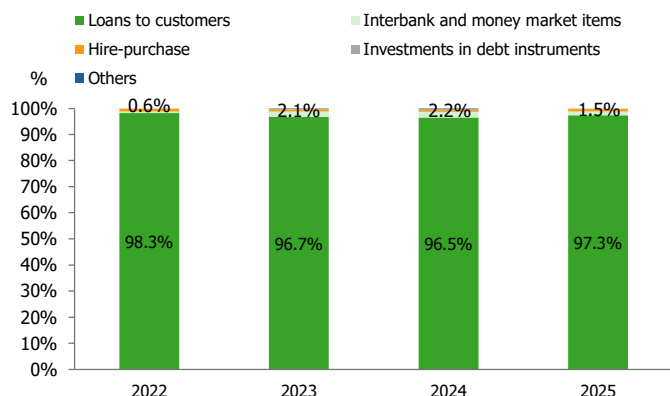
Fig 50 Loans to customers by type


Source: Company data

Revenue breakdown

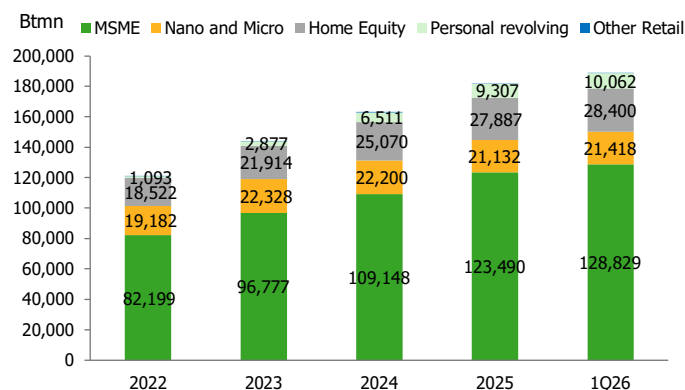
CREDIT's revenue is primarily derived from interest income generated from customer loans, which accounted for 96%-98% of total revenue during 2022-2025. Non-interest income contributed only 2%-4%, mainly from insurance brokerage fees and operating fees.

Fig 51 Revenue breakdown



Source: Company data

Fig 52 Loans to customers by type

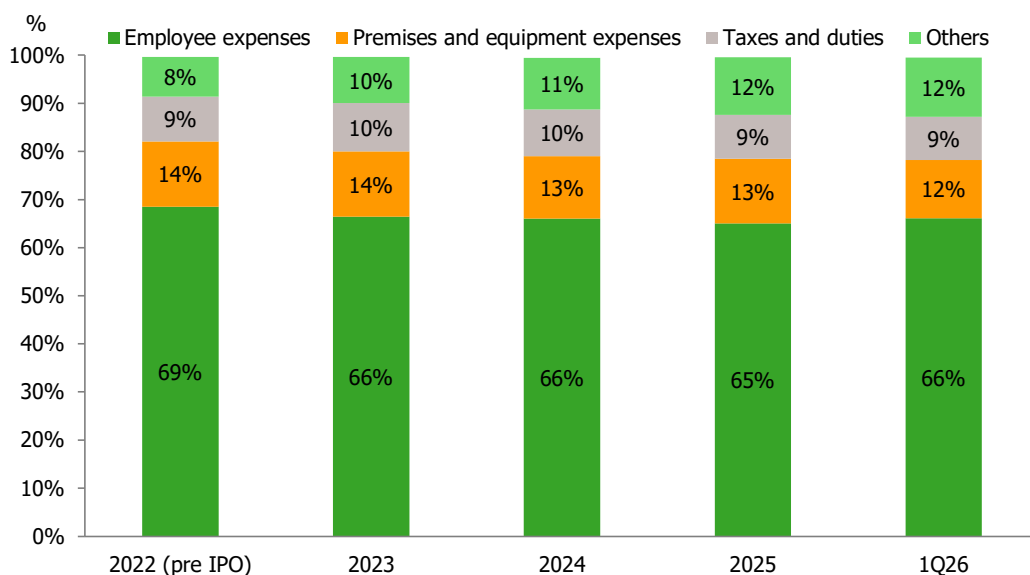


Source: Company data

Cost breakdown

CREDIT's cost structure has remained stable since 2023 with no significant changes in the proportion of each cost component. Operating expense is primarily driven by employee expense, which accounts for around 66% of total operating expense followed by depreciation and amortization expense related to equipment and IT systems, which represent approximately 12%.

Fig 53 Opex breakdown

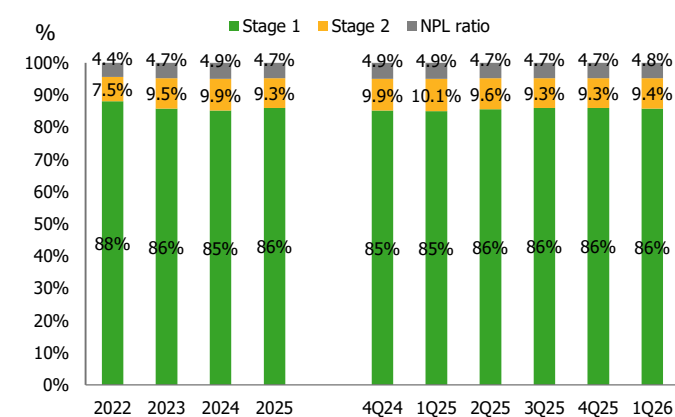


Source: Company data

Asset quality

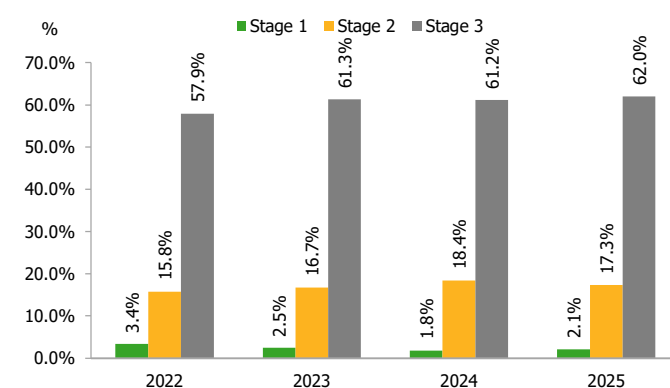
CREDIT asset quality has remained stable for three years since 2023 with Stage 2 loans to total loans of around 9.5% and an NPL ratio of around 4.7% (including accrued interest). However, around 60% of CREDIT's current NPLs are backed by TCGC guarantees and are eligible for claim reimbursement. After adjusting for the impact of these guarantees, CREDIT's adjusted NPL ratio would be around 2%, which is slightly better than the overall banking sector.

Fig 54 Loan staging (including accrued interests)



Source: Company data, KS Research

Fig 55 Percent of ECL in each loan stage



Source: Company data, KS Research

ESG assessment

Environmental factors

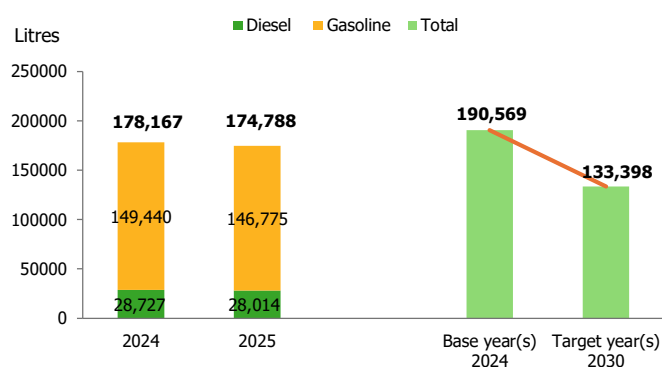
CREDIT demonstrates a proactive commitment to environmental sustainability through initiatives aimed at reducing resource consumption and mitigating climate-related impacts. The bank promotes energy efficiency across its operations by encouraging responsible electricity usage, optimizing air-conditioning systems, adopting virtual meetings to reduce travel-related emissions, and gradually expanding the use of hybrid vehicles. These initiatives contributed to a 4% reduction in electricity consumption, a 55% decrease in water usage, and reductions of 20% and 6% in diesel and gasoline consumption, respectively, compared with the previous year. CREDIT also emphasizes responsible waste management through recycling campaigns and plastic bottle collection programs, resulting in approximately 2,984 kg of waste being recycled in 2025. Furthermore, the bank has established long-term climate commitments, targeting Carbon Neutrality by 2050 and Net-Zero Greenhouse Gas Emissions by 2065. These efforts not only enhance operational efficiency and reduce the bank's environmental footprint but also support its broader climate strategy and long-term sustainability objectives.

Energy Management Performance

CREDIT is committed to improving energy efficiency and reducing energy consumption across its operations. In 2024, the bank established a target to reduce electricity and fuel consumption by 30% by 2030, using 2024 as the baseline year. In 2025, CREDIT continued implementing energy-saving initiatives, including electricity conservation measures and the gradual transition of its leased vehicle fleet to hybrid vehicles. As a result, total electricity consumption decreased by 4% from 5,292,700.73 kilowatt-hours in 2024 to 5,074,847.40 kilowatt-hours in 2025. Fuel consumption also declined, with gasoline consumption decreasing by 6% and diesel consumption decreasing by 20% compared to the previous year. These improvements reflect the BANK'S ongoing efforts to achieve its 2030 energy reduction targets.

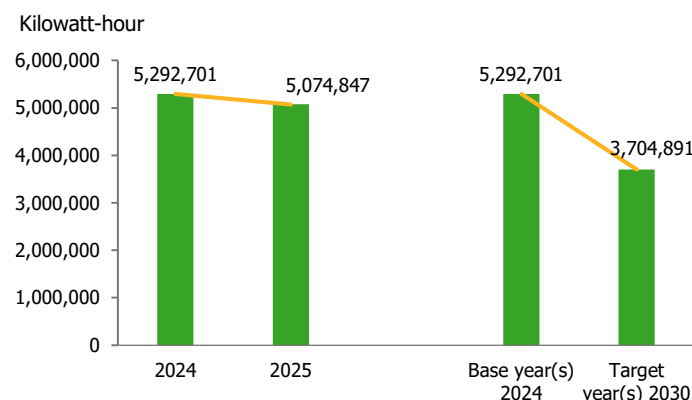
Note that the 2024 baseline fuel consumption used for target setting includes external fuel consumption, while the reported fuel consumption data excludes external fuel consumption. Therefore, the figures may not be directly comparable.

Fig 56 Reduction of fuel consumption



Source: Company data

Fig 57 Reduction of electricity purchased and fuel consumption



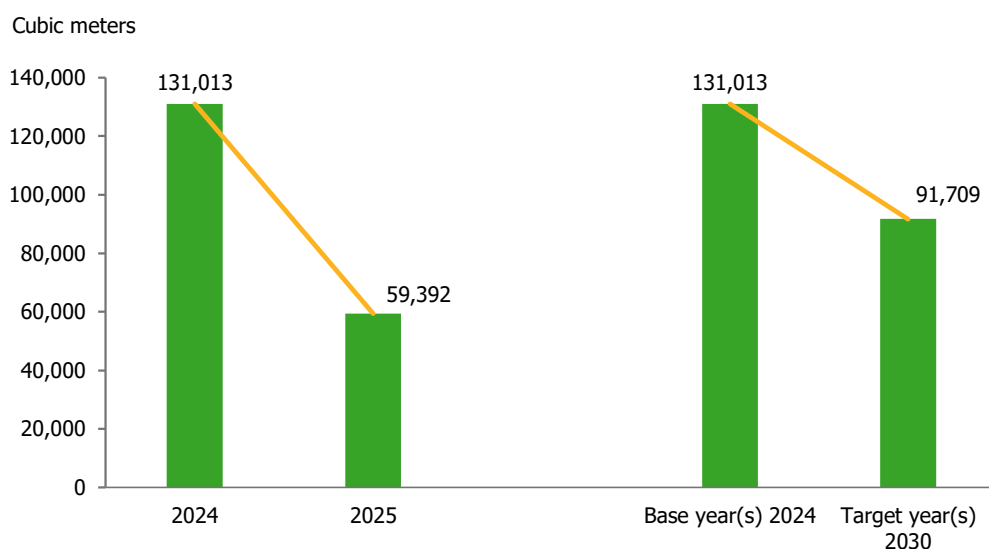
Source: Company data

Water Management Performance

In 2025, CREDIT continued implementing water conservation initiatives through employee awareness campaigns and the application of the 3R principles (Reduce, Reuse, Recycle) in its operations. As a result, total water withdrawal decreased from 131,012.85 cubic meters in 2024 to 59,392.00 cubic meters in 2025, supporting progress toward the bank's target of reducing water withdrawal by 30% by 2030.

Note that in 2025, water consumption data was recorded based on actual meter readings, whereas previous data was estimated from water utility expense.

Fig 58 Water withdrawal by source



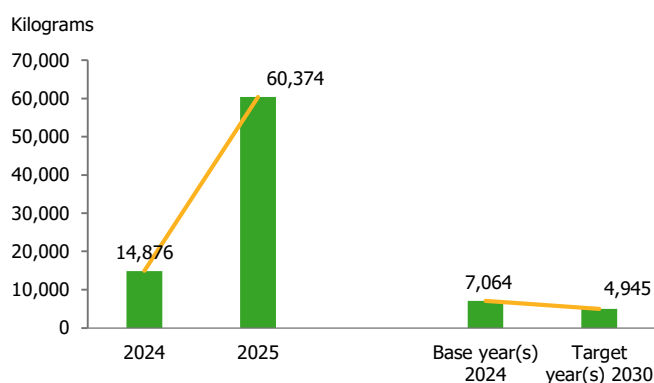
Source: Company data

Waste Management Performance

In 2025, CREDIT continued implementing waste reduction initiatives, including the "Plastic Bottle Donation for Recycling" project to promote employee participation in waste segregation and resource recovery under the circular economy principle. As a result, a total of 2,984 kilograms of plastic bottles were collected and recycled into reusable products such as T-shirts, supporting landfill waste reduction and efficient resource utilization. Overall, total waste generated increased to 60,374 kilograms in 2025 from 14,876 kilograms in 2024.

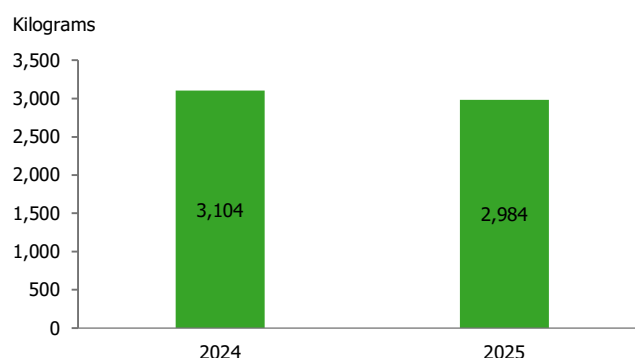
Note that the increase in total waste generated in 2025 is primarily due to expanded data collection coverage and improved waste tracking processes, resulting in more complete reporting compared to previous years.

Fig 59 Reduction of waste generation: Non-hazardous waste



Source: Company data

Fig 60 Waste reuse and recycling

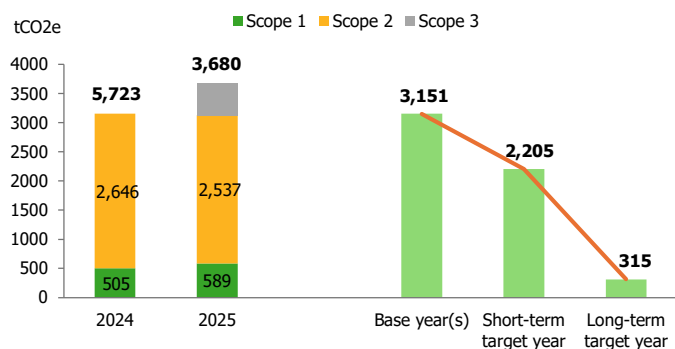


Source: Company data

Energy Management Performance

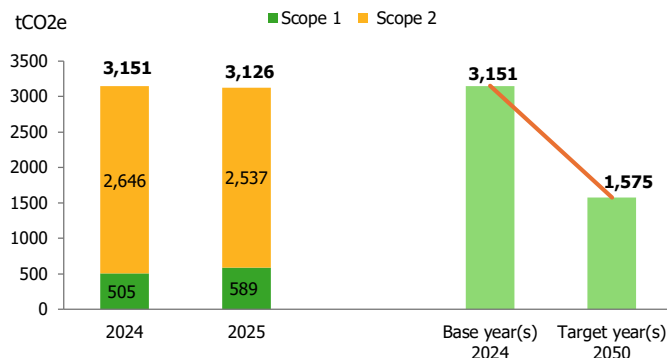
CREDIT is committed to reducing greenhouse gas (GHG) emissions in line with its decarbonization targets and continuously improves the completeness and transparency of its emissions disclosure in accordance with the GHG Protocol. In 2025, total GHG emissions increased to 3,680.00 tCO₂e, representing an 18.46% increase compared to 2024. This increase was primarily due to the expanded disclosure of Scope 3 emissions, reflecting a broader and more comprehensive reporting boundary rather than an operational increase in emissions. CREDIT continues to implement emission reduction initiatives across Scope 1 and Scope 2, including energy efficiency measures and fuel optimization, to support its long-term targets of reducing GHG emissions by 30% by 2030 and achieving carbon neutrality by 2050 and net zero emissions by 2065.

Fig 61 Greenhouse gas management: Corporate greenhouse gas emission



Source: Company data

Fig 62 Carbon neutrality targets



Source: Company data

Social factor

CREDIT places significant emphasis on social responsibility by promoting financial inclusion, employee well-being, human rights, and community development. The bank adheres to internationally recognized human rights principles and implements a Human Rights Due Diligence (HRDD) process to identify, assess, and mitigate potential human rights risks across its operations and value chain. In addition, CREDIT promotes fair employment practices, equal opportunities, diversity, and continuous employee development while supporting employment opportunities for vulnerable groups. Beyond its workforce, the bank actively supports community development through financial literacy programs, entrepreneurship training, and capacity-building initiatives aimed at improving economic opportunities for underserved communities and micro-entrepreneurs. Through programs such as Tang To Know-how and community development initiatives that strengthen local economic resilience and self-reliance, CREDIT helps enhance financial capabilities, expand economic opportunities, and support sustainable livelihoods. These efforts, together with collaborations with local stakeholders and community organizations, contribute to education, social welfare, and environmental awareness, reinforcing the bank's commitment to inclusive growth and long-term social impact.

Fig 63 Financial Literacy Program: "Tang To Know-how"



Source: Company data

Fig 64 Sustainable Community Development Project: Ban Mankong Pracha Samakkhi Community, Bang Phlat District

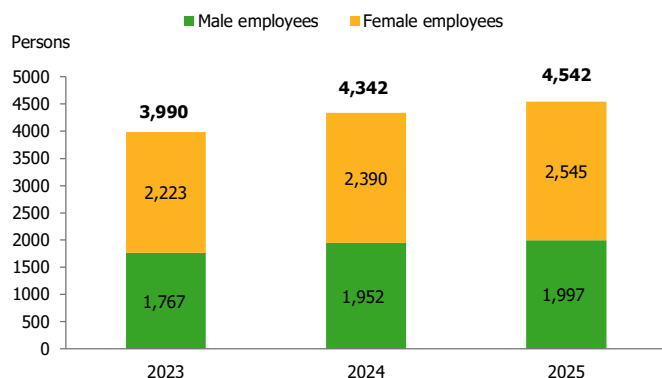


Source: Company data

Employee and Labor Management

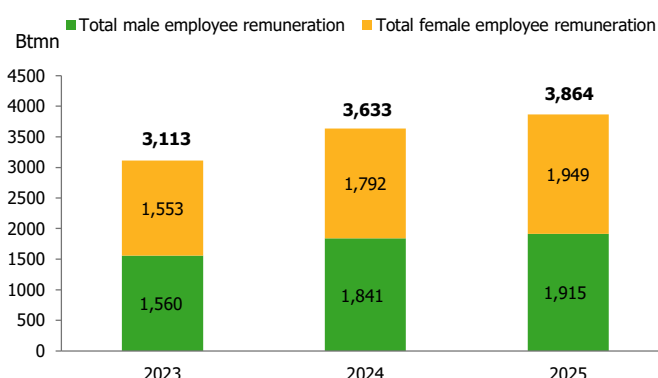
CREDIT is committed to fostering an inclusive workplace, supporting employee well-being and developing workforce capabilities. In 2025, the company employed 4,542 employees and continued to promote diversity, equality, and inclusion across the organization. CREDIT provides fair remuneration and development opportunities for employees, with average training hours reaching 17.70 hours per person in 2025. The company also promotes a safe working environment and employee engagement, contributing to a reduction in the voluntary turnover rate to 22.32% in 2025.

Fig 65 Hiring employees



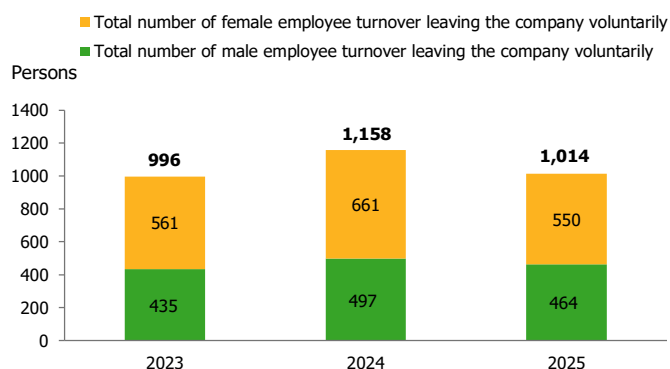
Source: Company data

Fig 66 Employee remuneration



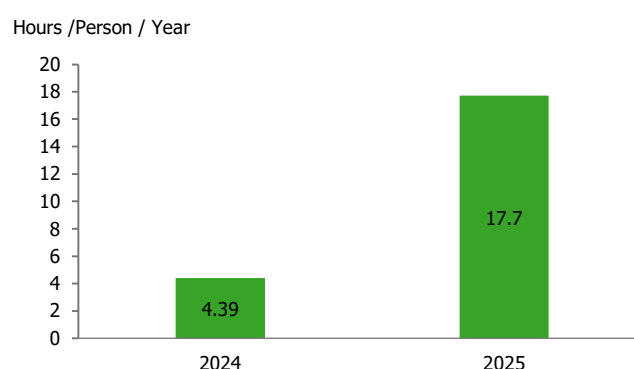
Source: Company data

Fig 67 Employee engagement



Source: Company data

Fig 68 Average employee training hours



Source: Company data

Governance factor

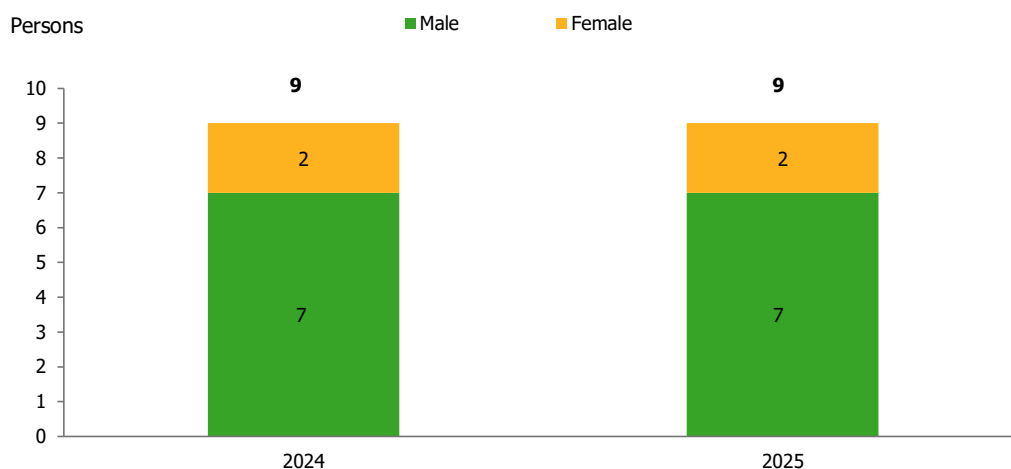
CREDIT maintains a governance framework that supports sustainable business growth and effective risk management. ESG considerations are integrated into the bank's strategic planning and risk management processes through regular policy reviews, materiality assessments, and sustainability oversight mechanisms. The bank has established dedicated governance structures, including a Climate Change Working Team, to oversee climate-related initiatives and environmental risk management. In addition, CREDIT applies an Environmental and Social Management System (ESMS) within its lending processes to assess and manage environmental and social risks associated with customers and business activities. The bank further strengthens transparency and accountability through regular ESG disclosures, independent verification of greenhouse gas emissions data, and structured stakeholder engagement. These practices enhance the bank's governance standards while supporting its long-term sustainability objectives.

Corporate Governance

CREDIT maintains a balanced and effective governance structure to support transparent and accountable decision-making. In 2025, the board of directors comprised 9 members, with 7 male directors and 2 female directors. The board included 3 executive directors and 4 independent directors, reflecting a balanced mix of management and independent oversight.

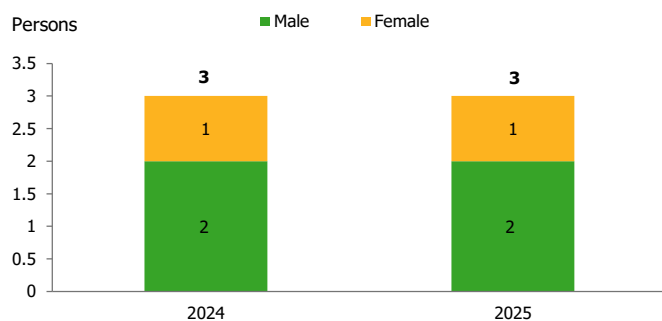
The company also provides whistleblowing and complaint channels to report potential violations of laws, regulations, or the company's code of conduct, supporting transparency and ethical business practices.

Fig 69 Total directors



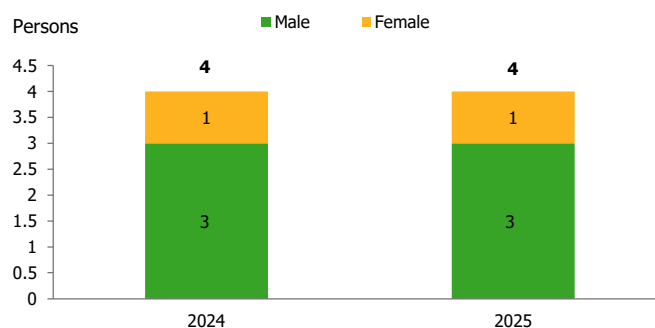
Source: Company data

Fig 70 Executive directors



Source: Company data

Fig 71 Independent directors



Source: Company data

Price performance

	Unit	3M	6M	12M	24M	YTD
Absolute return						
credit	(%)	#N/A	#N/A	#N/A	#N/A	#N/A
Sector	(%)	23.5	28.3	55.8	72.6	28.9
SET Index	(%)	9.6	27.8	40.4	22.8	29.4
Relative return						
credit vs. Sector	(%)	n.m.	n.m.	n.m.	n.m.	n.m.
BANK vs. SET	(%)	13.9	0.5	15.4	49.8	-0.5

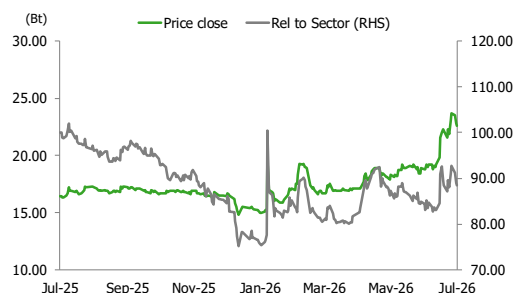
Source: Bloomberg, KS Research

Price performance relative to SET Index



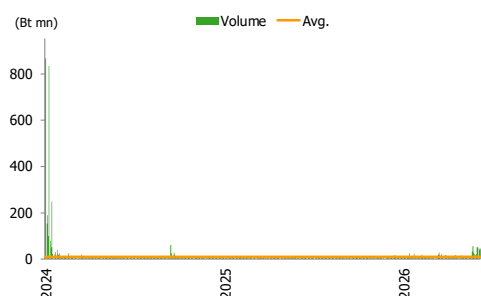
Source: Bloomberg, KS Research

Price performance relative to sector



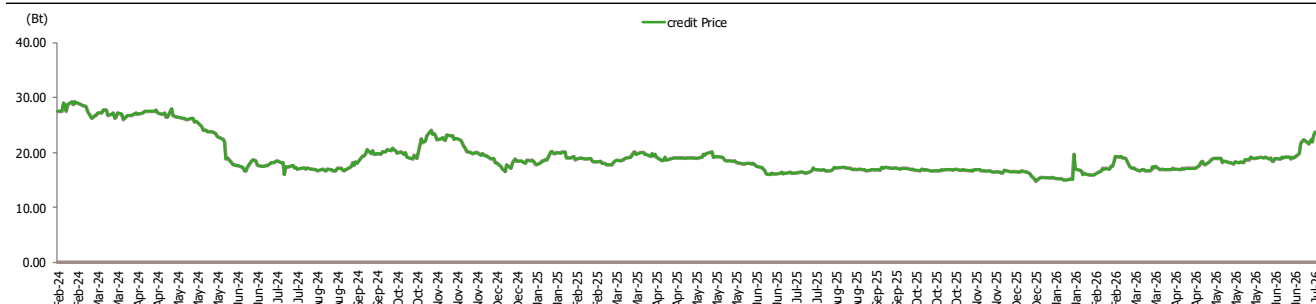
Source: Bloomberg, KS Research

Trading Volume



Source: SETSMART, KS Research

Historical price and Target price



Source: KS Research

Earnings forecast comparison

	Unit	KS	2026 Bloomberg	Diff	KS	2027 Bloomberg	Diff
Revenue	(Bt mn)	19,276	16,351	15%	21,094	17,971	15%
EBITDA	(Bt mn)	8,619	n.a.	n.m.	9,165	n.a.	n.m.
EBIT	(Bt mn)	8,619	9,214	-7%	9,165	10,634	-16%
Net profit	(Bt mn)	4,426	4,436	0%	4,755	4,879	-3%
EPS	(Bt)	3.58	3.70	-3%	3.85	4.06	-5%
DPS	(Bt)	1.08	1.11	-3%	1.16	1.21	-5%

Source: Bloomberg, KS Research. Note: The data from Bloomberg is updated on a monthly basis.

Shareholders (as of: 07-May-2026)

Name	(%)
บริษัท รี เ็น บี โฮลดิ้ง จำกัด	50.54
บริษัท ไทยประกันชีวิต จำกัด (มหาชน)	9.58
OCA INVESTMENT HOLDINGS I PTE LTD	7.52
MR. WINYOU CHAIYAWAN	4.88
SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	4.21
MRS. MIJITRA GUNARA	3.62
ASIAN DEVELOPMENT BANK-SNA CUSTODY	2.88
CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	2.65
INTERNATIONAL FINANCE CORPORATION	2.36
MR. VEERAVET CHAIYAWAN	1.95

Source: SETSMART

Previous research publications

Date	Headline
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Source: KS Research

Target price and Recommendation revision

Date	Price (Bt)	TP (Bt)	Recommendation
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Source: KS Research

KS ESG analysis: Thai Credit Bank PCL.

ESG score : A Source: SET ESG Ratings
THSI certified: No
DJSI certified: No

2025 Awards

- Creativity Award from the SEC
- Excellent Corporate Governance (5 Stars)
- Credit Rating A(thai)/F1(thai)
- Leading ESG Award (Social Product)
- Carbon Footprint for Organization
- Fortune Southeast Asia 500

Company overview

- CREDIT is a commercial bank committed to financial inclusion, providing banking services to underserved retail customers and micro and small enterprises. Guided by its philosophy, "Everyone Matters," the Bank expands access to formal financial services and supports sustainable growth.

Analyst opinion

- CREDIT achieved its first SET ESG Rating of "A" in 2025, reflecting meaningful progress in strengthening its ESG practices. The Bank continued to enhance its environmental management, social responsibility, and corporate governance while advancing its financial inclusion strategy, reinforcing its commitment to sustainable long-term growth.

Environmental aspect

1. Net-zero carbon emission target	unit	2024	2025
2. Electricity consumption	KWh	5,292,701	5,074,847
3. GHG emission	Tons_CO2_eq	3,151	3,126
4. Water consumption	Cubic meters	131,013	59,392
5. Waste reuse and recycle	Kg	3,104	2,984

Analyst comment

- The Bank remains committed to its net-zero emissions target by 2065. In 2025, electricity consumption and GHG emissions per employee increased slightly, reflecting business expansion and a larger workforce. Water consumption and waste generation remained stable, indicating continued efforts in resource management despite operational growth. improvement.

Social aspect

	unit	2024	2025
1. Total number of employees	person	4,342	4,542
2. Gender diversity	% female	55.0	56.0
3. Employee Turnover rate	%	26.7	22.3
4. Training hours	Hrs/head/year	4.4	17.7
5. Significant labor dispute	case	0	0

Analyst comment

- The increase in total employees reflects ongoing business expansion. Employee turnover improved, declining from 26.67% to 22.32%, while training hours increased significantly, demonstrating the Bank's continued investment in employee development. Female representation remained stable, and no significant labor disputes were reported.

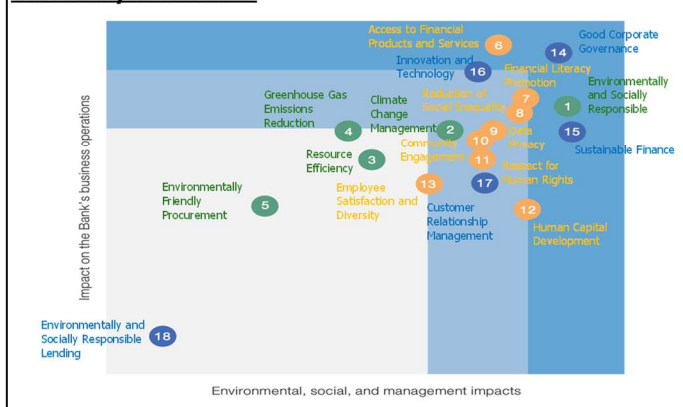
Governance aspect

	unit	2024	2025
1. Independent director	% of total board	44.44	44.44
2. Executive director	% of total board	33.33	33.33
3. Supplier Code of Conduc	Yes/No	No	No
4. Innovation development	Yes/No	No	No

Analyst comment

- The Bank maintained a stable governance structure in 2025, with independent directors accounting for 44.44% of the Board and executive directors remaining at 33.33%. The absence of supplier and innovation-related incidents reflects continued adherence to sound governance practices and effective oversight.

Materiality assessment



Source: Company, SETSmart, SETTrade, KS Research

CREDIT : Year-end 31 Dec

Income Statement (Btmn)	2024A	2025A	2026E	2027E	2028E	Key Statistics & Ratio	2024A	2025A	2026E	2027E	2028E
Interest Income	18,138	18,163	18,678	20,548	22,934	Per share (Bt)					
Interest expense	-3,407	-3,657	-3,691	-4,130	-4,561	Reported EPS	2.94	3.25	3.58	3.85	4.38
Net Interest Income	14,731	14,507	14,988	16,418	18,373	DPS	0.60	0.99	1.08	1.16	1.32
Non-Interest Income	-113	267	598	546	199	BV	18.65	21.29	24.08	26.80	29.91
Non-Interest Expense	-5,831	-6,442	-6,967	-7,799	-8,488						
PPOP	8,787	8,332	8,619	9,165	10,084	Valuation analysis					
Provision charges	-4,249	-3,304	-3,079	-3,220	-3,318	Reported P/E (X)	6.30	4.77	6.31	5.87	5.16
Profit after provision	4,538	5,028	5,540	5,944	6,766	P/BV (X)	0.99	0.73	0.94	0.84	0.76
Net non-operating item	0	0	0	0	0	Dividend yield (%)	3.24	6.39	4.76	5.11	5.82
Pre-tax profit	4,538	5,028	5,540	5,944	6,766						
Income tax	-913	-1,012	-1,114	-1,189	-1,353	Profitability ratio					
NPAT	3,626	4,016	4,426	4,755	5,413	Yield on IEAs (%)	10.54	9.38	8.48	8.30	8.36
Minority Interest	0	0	0	0	0	Cost of funds (%)	2.29	2.20	1.95	1.94	1.94
Core Profit	3,626	4,016	4,426	4,755	5,413	Spread (%)	8.25	7.18	6.53	6.36	6.42
Extraordinary items	0	0	0	0	0	Net Interest Margin (%)	8.56	7.49	6.80	6.63	6.70
FX gain (loss)	0	0	0	0	0	Non-NII to operating income (%)	-0.76	1.65	3.84	3.22	1.07
Reported net profit	3,626	4,016	4,426	4,755	5,413	Cost to income (%)	39.89	43.61	44.70	45.98	45.70
Balance Sheet (Btmn)						Effective Tax Rate (%)	20.11	20.12	20.11	20.00	20.00
Gross loans	163,159	181,866	204,252	225,456	248,861	ROA (%)	2.09	2.05	1.97	1.89	1.94
Accrued interest	7,312	8,380	9,292	10,257	11,322	ROE (%)	17.89	16.28	15.80	15.14	15.46
Allowance for doubtful accounts	-10,739	-12,110	-13,599	-15,123	-16,568	Asset Quality					
Net loans	159,731	178,136	199,946	220,590	243,615	Credit cost (%)	2.77	1.91	1.59	1.50	1.40
Cash and equivalents	535	800	589	650	718	NPLs ratio (%)	4.43	4.20	4.20	4.18	4.16
Interbank assets	16,347	21,074	24,425	27,831	31,624	Coverage ratio (%)	149	158	159	161	160
Investments	2,170	2,629	6,355	7,015	7,743	Capital Adequacy					
Foreclosed properties	1,074	1,242	1,213	1,213	1,213	Common Equity Tier 1 (%)	15.40	14.35	14.61	14.96	15.31
Fixed assets	1,480	1,860	1,961	2,167	2,400	CAR (%)	17.66	16.99	16.53	16.70	16.89
Other assets	1,402	2,663	3,201	3,536	3,916	Leverage Ratio					
Total assets	183,102	209,542	238,883	264,196	292,421	Loans/Deposit (%)	120.65	114.87	118.10	118.10	118.10
Customer deposit	132,599	155,655	170,210	187,880	207,384	IBLs/Equity (X)	6.64	6.64	6.71	6.66	6.59
Interbank liabilities	20,258	19,004	29,204	32,463	36,201	Liabilities/Equity (X)	6.95	6.97	7.03	6.98	6.92
Borrowings	0	0	0	0	0	Growth					
Other liabilities	4,577	5,927	7,004	7,738	8,569	Gross Loans (%)	13.18	11.47	12.31	10.38	10.38
Total liabilities	160,070	183,247	209,150	231,097	255,482	Total Asset (%)	12.03	14.44	14.00	10.60	10.68
Paid up capital	6,174	6,174	6,174	6,174	6,174	Customer Deposit (%)	13.56	17.39	9.35	10.38	10.38
Share premium	2,329	2,329	2,329	2,329	2,329	Net Interest Income (%)	10.50	-1.52	3.32	9.55	11.91
Retained earnings	13,924	17,187	20,614	23,980	27,821	Non-Interest Income (%)	-186.02	-336.73	123.74	-8.74	-63.55
Minority interests	0	0	0	0	0	PPOP (%)	3.17	-5.18	3.44	6.33	10.03
Total shareholders' equity	23,032	26,295	29,733	33,099	36,939	Reported Net Profit (%)	1.90	10.78	10.20	7.44	13.83
Total equity & liabilities	183,102	209,542	238,883	264,196	292,421	Reported EPS(%)	-3.90	10.78	10.20	7.44	13.83

Source: Company, KS estimates

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Outperform: Expected total return of 10% or more within a 12-month period

Neutral: Expected total return between -10% and 10% within a 12-month period

Underperform: Expected total return of -10% or worse within a 12-month period

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