

China

HOLD (no change)

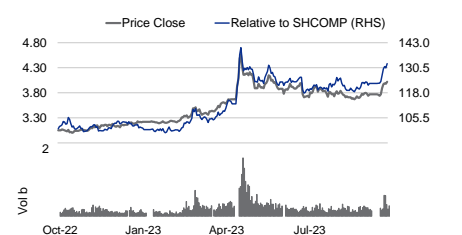
Consensus ratings*: Buy 14 Hold 6 Sell 2

Current price:	Rmb4.02
Target price:	Rmb3.70
Previous target:	Rmb3.70
Up/downside:	-8.0%
CGS-CIMB / Consensus:	-4.8%
Reuters:	601988.SS
Bloomberg:	601988 CH
Market cap:	US\$146,068m Rmb1,068,311m
Average daily turnover:	US\$81.65m Rmb598.0m
Current shares o/s:	294,388m
Free float:	28.4%

*Source: Bloomberg

Key changes in this note

➤ No changes.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	8.6	8.4	31.8
Relative (%)	10.8	12.8	32.5

Major shareholders	% held
Huijin	67.8
SSF	2.7

Analyst(s)

Michael CHANG, CFA

T (852) 2539 1323

E michael.chang@cgs-cimb.com

Laura LI Zhiyi

T (852) 2532 1127

E laura.li@cgs-cimb.com

Bank of China-A

Addressing Malaysian investor feedback

- We hosted BOC in Malaysia on a roadshow, with investor interest on issues relating to profits, NIM, dividends, property, asset quality and loan growth.
- We continue to be confident in FY23F – 25F stability of profits and dividend payout ratios, despite continued revenue pressures & economic challenges.
- NIM pressure remains greatest between 2Q23 and 3Q24F, with impacts from mortgage backbook pricing of about 6bp in FY24F, in our view.
- BOC-A remains our top SOE A-share bank pick. Reiterate Hold rating, TP unchanged at Rmb3.70.

Much Malaysian investor interest in meeting BOC

We brought Bank of China (BOC) to Malaysia to meet investors, with many questions from institutional investors centered around the outlook for bank profitability, net interest margins (NIM), the property sector, asset quality, and loan growth, as well as the sustainability of BOC's dividend payout ratio.

We see BOC's strong record of stable profits since 2015 persisting

BOC emphasised its strong record of stable-to-rising net profits (prior to deductions for minority interests, preference share dividends and perpetual bond payments) since FY15 (Fig 1). We see this continuing despite FY23F – 25F revenue pressures relating to net interest margins (NIM) and fee growth, given its sizable buildup of provisioning and non-performance loan recognition buffers, as argued in [Significant buffers to absorb LPR cuts](#), dated 15 Aug 2023. We assess BOC's excess buffers over regulatory minimum could fall by 26% pts over FY22 - FY25F to 75% of FY25F pre-tax profits, and fall by 19% pts over FY22 – FY25F to 55% of FY25F pre-provisioning operating profits (PPOP) (Fig 2). As argued in [Addressing dividend and profit concerns](#), dated 11 Jul 2023, we do not expect cuts to BOC's dividend payout ratios or DPS over FY23F – 25F.

NIM pressure greatest over 2Q23 – 3Q24F period, in our view

We see BOC's NIM pressure to be the greatest over the 2Q23 – 3Q24F period, due to lower loan prime rates, a worsening time deposit mix, lower mortgage rates, as well as mortgage back-book repricing, with mortgage back-book repricing to have a -6bp impact on FY24F NIM, in our view. The People's Bank of China (PBOC) has recently stated that as of 1 Oct 2023, 56% of all system mortgages have seen their back-book reprice, with these repriced mortgages seeing a 73bp fall in mortgage yields. Furthermore, Sep 2023 yields on all mortgages had fallen 42bp mom to 4.29%.

Reiterate Hold rating; remains our top SOE A-share bank pick

Our stress-test adjusted GGM-based TP remains unchanged at Rmb3.70. We reiterate our Hold rating on support from continued high FY24F dividend yields but offset by FY23F – 25F revenue pressures. Upside risks include improving asset quality and economic recovery. Key downside risks: a worse-than-expected NIM trend and greater social responsibilities impacting its profits.

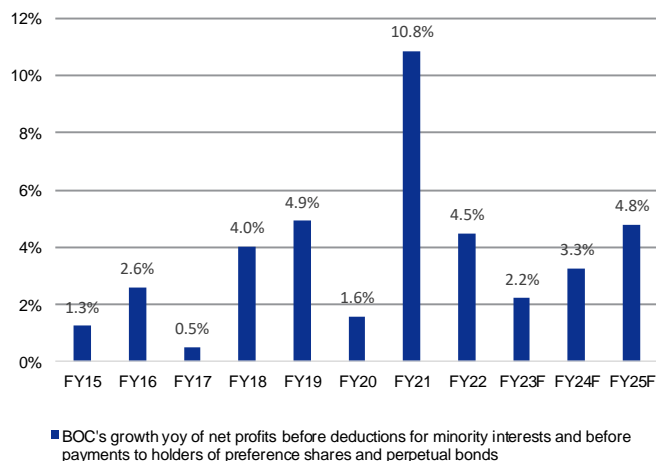
Financial Summary

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Net Interest Income (Rmbm)	425,142	460,678	469,339	468,974	496,247
Total Non-Interest Income (Rmbm)	180,575	158,461	162,049	170,924	184,089
Operating Revenue (Rmbm)	605,717	619,139	631,388	639,898	680,336
Total Provision Charges (Rmbm)	(104,220)	(103,993)	(106,487)	(103,554)	(115,784)
Net Profit (Rmbm)	205,908	214,020	219,079	226,636	238,141
Core EPS (Rmb)	0.70	0.73	0.74	0.77	0.81
Core EPS Growth	13.9%	3.9%	2.4%	3.4%	5.1%
FD Core P/E (x)	5.75	5.53	5.40	5.22	4.97
DPS (Rmb)	0.22	0.23	0.24	0.25	0.26
Dividend Yield	5.50%	5.77%	5.91%	6.11%	6.42%
BVPS (Rmb)	6.47	6.99	7.54	8.11	8.71
P/BV (x)	0.62	0.58	0.53	0.50	0.46
ROE	11.2%	10.8%	10.2%	9.8%	9.6%
EPS/Consensus EPS (x)			0.99	0.97	0.96

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

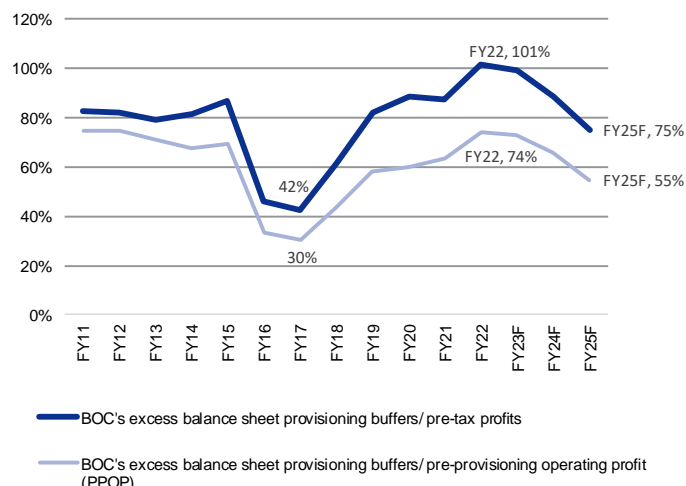
Addressing Malaysian investor feedback

Figure 1: BOC's growth yoy of net profits before deductions for minority interests and before payments to holders of preference shares and perpetual bonds has been above zero since FY15



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 2: Despite the erosion of provisioning buffers over regulatory minimum requirements, BOC's FY25F excess provisioning buffers remain at a healthy level, at 75% of FY25F pre-tax profits and 55% of FY25F pre-provisioning operating profits (PPOP)



SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS

Figure 3: Valuation using a stress-test-adjusted GGM

(Rmb)	Assumptions and forecasts
Equity risk premium	8.0%
Risk free rate	3.0%
Beta	0.55
COE	7.4%
g	3.0%
Sustainable ROE (based on FY25F ROE)	9.6%
Initial target P/BV	1.50x
Asset quality valuation discount	-36%
National service' discount	-55%
Final target P/BV	0.43
FY24F BVPS	7.83
Initial target price	3.37
Average A-H share premium applied	19%
Valuation incorporating average A-H share gap since start-2011	4.00
Weighting given to A-H valuation gap	50%
Hence, final A-share target price	3.70
Current price (Rmb)	4.02
Share price upside	-8%
TP-implied sustainable ROE	5.1%

SOURCES: CGS-CIMB RESEARCH ESTIMATES
Share price as of 18 Oct 2023

Figure 4: China banks valuation table (H-share and A-share banks)



Company	Ticker	Rating	Mkt cap (US\$ bn)	Price (Lcy)	Target price (Lcy)	Upside/ Downside	P/BV (x)		P/E (x)		P/POP (x)		Dividend yield		ROE(%)		
							FY23F	FY24F	FY23F	FY24F	FY23F	FY24F	FY23F	FY24F	FY23F	FY24F	
ICBC	1398 HK	Add	229.1	3.88	3.90	1%	0.38	0.35	3.7	3.5	2.1	2.1	8.6	8.8	10.8	10.3	
CCB	0939 HK	Add	163.4	4.65	5.70	23%	0.37	0.34	3.3	3.2	2.0	2.0	9.2	9.4	11.5	10.9	
BOC	3988 HK	Add	147.9	2.82	3.60	28%	0.35	0.32	3.5	3.4	2.0	1.9	9.1	9.4	10.2	9.8	
ABC	1288 HK	Add	169.5	2.96	2.90	-2%	0.40	0.37	3.9	3.8	2.2	2.1	8.2	8.5	10.7	10.3	
BOCOM	3328 HK	Add	54.6	4.87	4.90	1%	0.37	0.35	3.9	3.8	2.1	2.1	8.4	8.7	9.8	9.5	
CMB	3968 HK	Add	116.7	32.30	57.30	77%	0.82	0.73	5.2	4.6	3.5	3.4	6.3	7.2	16.6	16.7	
CITIC	0998 HK	Add	36.4	3.69	5.30	44%	0.28	0.26	2.7	2.4	1.2	1.1	10.4	11.5	10.9	11.1	
MSB	1988 HK	Reduce	22.6	2.71	2.20	-19%	0.21	0.20	3.4	3.2	1.3	1.3	8.9	9.5	6.3	6.5	
CQRCB	3618 HK	Hold	5.6	3.07	2.50	-19%	0.28	0.26	3.0	2.7	1.7	1.7	10.2	11.2	9.5	10.0	
H-share weighted average								0.42	0.39	3.8	3.6	2.2	2.2	8.5	8.9	11.4	11.0
ICBC - A	601398 CH	Reduce	229.1	4.93	3.80	-23%	0.52	0.48	5.0	4.8	2.9	2.9	6.3	6.5	10.8	10.3	
CCB - A	601939 CH	Hold	163.4	6.75	5.60	-17%	0.57	0.53	5.2	5.0	3.2	3.1	5.9	6.0	11.5	10.9	
BOC - A	601988 CH	Hold	147.9	4.02	3.70	-8%	0.53	0.50	5.4	5.2	3.0	3.0	5.9	6.1	10.2	9.8	
ABC - A	601288 CH	Reduce	169.5	3.74	2.90	-22%	0.55	0.51	5.3	5.1	3.0	2.9	6.1	6.3	10.7	10.3	
BOCOM - A	601328 CH	Reduce	54.6	5.95	4.90	-18%	0.49	0.46	5.1	5.0	2.8	2.7	6.4	6.6	9.8	9.5	
CMB - A	600036 CH	Add	116.7	32.49	53.60	65%	0.88	0.79	5.6	5.0	3.8	3.7	5.9	6.6	16.6	16.7	
CITIC - A	601998 CH	Add	36.4	5.89	6.00	2%	0.49	0.45	4.6	4.2	2.0	2.0	6.1	6.7	10.9	11.1	
MSB - A	600016 CH	Reduce	22.6	3.75	2.40	-36%	0.31	0.30	5.0	4.7	2.0	2.0	6.0	6.4	6.3	6.5	
PAB - A	000001 CH	Add	30.6	10.95	14.70	34%	0.52	0.46	4.3	3.7	1.6	1.5	3.0	3.5	12.7	13.1	
CQRCB - A	601077 CH	Reduce	5.6	4.29	3.00	-30%	0.42	0.39	4.5	4.1	2.6	2.5	6.8	7.5	9.5	10.0	
A-share weighted average								0.58	0.54	5.2	4.9	3.0	2.9	5.9	6.2	11.7	11.4
Combined sector weighted average								0.50	0.46	4.5	4.2	2.6	2.6	7.2	7.5	11.5	11.2

SOURCES: CGS-CIMB RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG
 (*ICBC: INDUSTRIAL AND COMMERCIAL BANK OF CHINA; CCB: CHINA CONSTRUCTION BANK; BOC: BANK OF CHINA; ABC: AGRICULTURAL BANK OF CHINA;
 BOCOM: BANK OF COMMUNICATIONS; CMB: CHINA MERCHANTS BANK; CITIC: CHINA CITIC BANK; MSB: CHINA MINSHENG BANK;
 CQRCB: CHONGQING RURAL COMMERCIAL BANK)
 DATA AS OF 18 OCT 2023

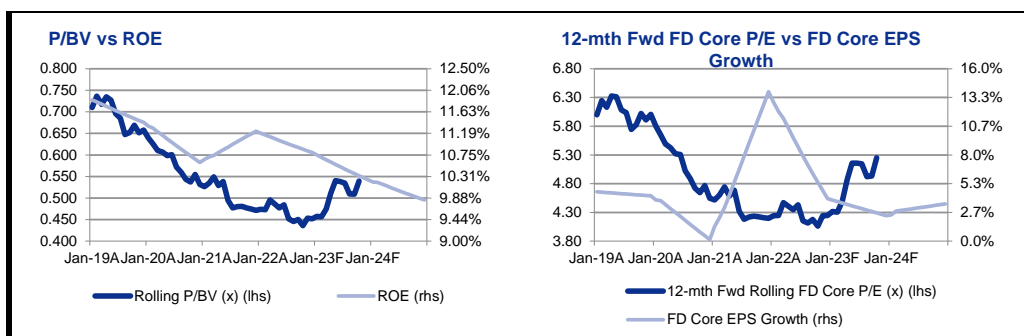
Figure 5: Key financial summary

Profit & loss								
(Rmb m)	2018	2019	2020	2021	2022	2023F	2024F	2025F
Net interest income	359,706	374,250	415,918	425,142	460,678	469,339	468,974	496,247
yoy	6.3%	4.0%	11.1%	2.2%	8.4%	1.9%	-0.1%	5.8%
Non interest income	144,100	175,760	151,729	180,575	158,461	162,049	170,924	184,089
yoy	-0.9%	22.0%	-13.7%	19.0%	-12.2%	2.3%	5.5%	7.7%
Total revenue	503,806	550,010	567,647	605,717	619,139	631,388	639,898	680,336
yoy	4.1%	9.2%	3.2%	6.7%	2.2%	2.0%	1.3%	6.3%
Operating expenses	-176,979	-198,269	-202,411	-226,355	-231,196	-235,770	-238,948	-254,048
Pre-prov profit	326,827	351,741	365,236	379,362	387,943	395,618	400,950	426,288
yoy	5.5%	7.6%	3.8%	3.9%	2.3%	2.0%	1.3%	6.3%
Provisioning expenses	-99,294	-102,153	-119,016	-104,220	-103,993	-106,487	-103,554	-115,784
Net profit to common shareholders	173,295	180,579	180,841	205,908	214,020	219,079	226,636	238,141
yoy	4.6%	4.2%	0.1%	13.9%	3.9%	2.4%	3.4%	5.1%
Key balance sheet items								
(Rmb m)	2018	2019	2020	2021	2022	2023F	2024F	2025F
Loans	11,787,683	13,034,189	14,183,385	15,674,994	17,507,349	19,536,393	21,781,060	24,261,851
Interbank assets	1,482,289	1,464,426	1,742,465	1,902,229	1,989,160	2,088,618	2,193,049	2,302,701
Investments	5,054,551	5,514,062	5,591,117	6,164,671	6,445,743	6,739,432	7,047,806	7,371,598
Deposits	14,883,596	15,817,548	16,879,171	18,142,887	20,201,825	22,125,138	24,528,351	27,169,069
Interbank liabilities	1,731,209	1,668,046	1,917,003	2,682,739	2,240,323	2,177,281	2,064,724	1,883,579
Common shareholders' equity	1,513,266	1,651,808	1,760,929	1,905,648	2,058,084	2,220,670	2,388,400	2,563,965
Total shareholders' equity	1,725,397	1,976,696	2,162,837	2,350,553	2,567,571	2,740,446	2,918,800	3,105,496
RWA	12,841,526	14,123,915	15,109,085	16,323,713	16,818,275	17,976,615	19,381,219	20,463,603
Total assets	21,267,275	22,769,744	24,402,659	26,722,408	28,913,857	30,905,267	33,320,052	35,898,855
yoy								
Loans	8.2%	10.6%	8.8%	10.5%	11.7%	11.6%	11.5%	11.4%
Interbank assets	30.5%	-1.2%	19.0%	9.2%	4.6%	5.0%	5.0%	5.0%
Investments	11.0%	9.1%	1.4%	10.3%	4.6%	4.6%	4.6%	4.6%
Deposits	9.0%	6.3%	6.7%	7.5%	11.3%	9.5%	10.9%	10.8%
Interbank liabilities	21.5%	-3.6%	14.9%	39.9%	-16.5%	-2.8%	-5.2%	-8.8%
Common shareholders' equity	8.4%	9.2%	6.6%	8.2%	8.0%	7.9%	7.6%	7.4%
Total shareholders' equity	9.4%	14.6%	9.4%	8.7%	9.2%	6.7%	6.5%	6.4%
RWA	5.6%	10.0%	7.0%	8.0%	3.0%	6.9%	7.8%	5.6%
Total assets	9.2%	7.1%	7.2%	9.5%	8.2%	6.9%	7.8%	7.7%
Key ratios & drivers								
	2018	2019	2020	2021	2022	2023F	2024F	2025F
EPS (Rmb)	0.59	0.61	0.61	0.70	0.73	0.74	0.77	0.81
EPS Growth	4.6%	4.2%	0.1%	13.9%	3.9%	2.4%	3.4%	5.1%
BVPS (Rmb)	5.14	5.61	5.98	6.47	6.99	7.54	8.11	8.71
BVPS Growth	8.4%	9.2%	6.6%	8.2%	8.0%	7.9%	7.6%	7.4%
ROAE	11.9%	11.4%	10.6%	11.2%	10.8%	10.2%	9.8%	9.6%
ROAA	0.88%	0.85%	0.82%	0.85%	0.82%	0.78%	0.75%	0.73%
DPS (Rmb)	0.18	0.19	0.20	0.22	0.23	0.24	0.25	0.26
Payout ratio	31%	31%	32%	32%	32%	32%	32%	32%
Core tier 1 ratio	11.4%	11.3%	11.3%	11.3%	11.8%	12.1%	12.0%	12.2%
Tier 1 ratio	12.3%	12.8%	13.2%	13.3%	14.1%	14.2%	14.0%	14.1%
Total CAR	15.0%	15.6%	16.2%	16.5%	17.5%	17.3%	16.9%	16.8%
Equity/Assets	8.3%	8.9%	9.2%	9.1%	9.2%	9.2%	9.1%	8.9%
Loan-deposit ratio	80%	83%	85%	87%	88%	88%	89%	89%
NPL ratio	1.42%	1.37%	1.46%	1.33%	1.32%	1.16%	1.15%	1.15%
NPL coverage	181.8%	182.5%	177.6%	186.8%	188.5%	191.0%	169.0%	147.5%
LLR to loan	2.57%	2.50%	2.60%	2.49%	2.49%	2.22%	1.94%	1.70%
Cost-income ratio	35%	36%	36%	37%	37%	37%	37%	37%
Net interest margin	1.90%	1.84%	1.85%	1.75%	1.76%	1.66%	1.54%	1.51%
Non interest income/ total income	29%	32%	27%	30%	26%	26%	27%	27%
Credit cost	0.88%	0.82%	0.87%	0.70%	0.63%	0.57%	0.50%	0.50%

SOURCES: CGS-CIMB RESEARCH ESTIMATES

Refinitiv ESG Scores	
	
<h2>ESG in a nutshell</h2>	
<p>Bank of China (BOC) scored a B- rating for its combined ESG score by Refinitiv in 2022. It has rigorously practiced the concept of green and low-carbon services and reduced paper consumption. As of end-2020, the electronic conciliation rate of BOC reached 97.8%, and its use of electronic bills have saved 257m paper sheets, according to the bank. It also incorporated the requirements of green finance into credit policies and established the Bank of China University in May 2020 to empower its employees' career development and cultivate innovative talents. To help the government achieve carbon neutrality by 2060, the bank has created a roadmap for the implementation of its green finance plan in 2021-2025 in 15 aspects, including organisational structure, stress tests and product innovation.</p>	
<p>Keep your eye on</p> <p>The pace at which green finance solutions are rolled out by the China banks, as well as the extent to which the China banks ramped up lending to coal and energy companies in late 2021 to help ease China's power shortages.</p>	<p>Implications</p> <p>According to Reuters in Sep 2021, BOC stated that it would stop financing new coal mining and coal power projects overseas from 4Q21. This may not yet be factored into valuations, in our view, and we think a successful pullback from financing in these segments should be positive for valuations.</p>
<p>ESG highlights</p> <p>BOC's B- Refinitiv combined ESG score is at the upper end of ESG scoring among China banks, driven by its strengthened risk management capabilities, people-oriented working culture, and increased green finance projects.</p>	<p>Implications</p> <p>BOC has made great strides in supporting sustainable development over the past few years. While not priced in at the current stage, we believe BOC's ESG progress and prominence could support future re-rating cycles.</p>
<p>Trends</p> <p>In 2022, BOC's Refinitiv combined ESG score fell from B in 2021 to B-. Its Environmental pillar score rose from B- in both 2016 and 2017 to B from 2018 onwards, before rising to A in 2022. Its Governance pillar score fell from B in 2021 to C+ in 2022. Its Social pillar score has been more volatile, from C+ in 2019, B- in 2020, to B in 2021 and 2022. Similarly, its Refinitiv ESG controversies score has been volatile, moving from A+ in 2019 and 2020, A- in 2021 and finally C+ in 2022.</p>	<p>Implications</p> <p>On average, the improvements seem to be positive, with further improvements most likely, in our view, driven by its Environment pillar score over the medium to long term. We think this will be driven by its role as an important state-owned-enterprise (SOE) bank to support green financing, and thus help China achieve its targets of peak carbon emissions by 2030 and carbon neutrality by 2060. We think this has positive implications on its ESG score.</p>
<small>SOURCES: CGS-CIMB RESEARCH, REFINITIV</small>	

BY THE NUMBERS



Profit & Loss

(Rmbm)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Net Interest Income	425,142	460,678	469,339	468,974	496,247
Total Non-Interest Income	180,575	158,461	162,049	170,924	184,089
Operating Revenue	605,717	619,139	631,388	639,898	680,336
Total Non-Interest Expenses	(226,355)	(231,196)	(235,770)	(238,948)	(254,048)
Pre-provision Operating Profit	379,362	387,943	395,618	400,950	426,288
Total Provision Charges	(104,220)	(103,993)	(106,487)	(103,554)	(115,784)
Operating Profit After Provisions	275,142	283,950	289,132	297,396	310,504
Pretax Income/(Loss) from Assoc.	1,478	645	645	645	645
Operating EBIT (incl Associates)	276,620	284,595	289,777	298,041	311,149
Non-Operating Income/(Expense)	0	0	0	0	0
Profit Before Tax (pre-EI)	276,620	284,595	289,777	298,041	311,149
Exceptional Items	0	0	0	0	0
Pre-tax Profit	276,620	284,595	289,777	298,041	311,149
Taxation	(49,281)	(47,091)	(46,989)	(47,363)	(48,457)
Consolidation Adjustments & Others					
Exceptional Income - post-tax					
Profit After Tax	227,339	237,504	242,787	250,678	262,692
Minority Interests	(10,780)	(10,065)	(10,289)	(10,623)	(11,132)
Pref. & Special Div	(10,651)	(13,419)	(13,419)	(13,419)	(13,419)
FX And Other Adj.	0	0	0	0	0
Net Profit	205,908	214,020	219,079	226,636	238,141
Recurring Net Profit	205,908	214,020	219,079	226,636	238,141

Balance Sheet Employment

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Gross Loans/Cust Deposits	86.4%	86.7%	88.3%	88.8%	89.3%
Avg Loans/Avg Deposits	85.3%	86.5%	87.5%	88.6%	89.1%
Avg Liquid Assets/Avg Assets	38.6%	37.9%	35.9%	33.5%	31.3%
Avg Liquid Assets/Avg IEAs	40.6%	40.1%	37.8%	35.3%	32.9%
Net Cust Loans/Assets	57.3%	59.1%	61.9%	64.2%	66.6%
Net Cust Loans/Broad Deposits	68.9%	71.7%	74.4%	76.4%	78.5%
Equity & Provs/Gross Cust Loans	16.7%	16.4%	15.5%	14.6%	13.8%
Asset Risk Weighting	61.2%	58.3%	58.3%	58.3%	57.1%
Provision Charge/Avg Cust Loans	0.70%	0.63%	0.57%	0.50%	0.50%
Provision Charge/Avg Assets	0.408%	0.374%	0.357%	0.323%	0.335%
Total Write Offs/Average Assets	0.322%	0.206%	0.370%	0.353%	0.369%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(Rmbm)	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Total Gross Loans	16,932,407	18,681,446	20,769,195	23,075,502	25,621,015
Liquid Assets & Invst. (Current)	6,164,671	6,445,743	6,739,432	7,047,806	7,371,598
Other Int. Earning Assets	2,228,726	2,313,859	1,854,037	1,563,824	1,162,075
Total Gross Int. Earning Assets	25,325,804	27,441,048	29,362,664	31,687,132	34,154,687
Total Provisions/Loan Loss Reserve	(390,090)	(436,756)	(432,892)	(423,363)	(411,596)
Total Net Interest Earning Assets	24,935,714	27,004,292	28,929,772	31,263,768	33,743,092
Intangible Assets	19,411	21,517	21,517	21,517	21,517
Other Non-Interest Earning Assets	1,084,887	1,026,012	1,045,745	1,077,720	1,125,614
Total Non-Interest Earning Assets	1,104,298	1,047,529	1,067,262	1,099,237	1,147,131
Cash And Marketable Securities	644,816	815,063	855,816	898,607	943,537
Long-term Investments	0	0	0	0	0
Total Assets	26,684,828	28,866,884	30,852,850	33,261,612	35,833,760
Customer Interest-Bearing Liabilities	18,550,654	20,668,160	22,586,488	24,983,224	27,615,883
Bank Deposits	3,638,296	3,156,181	3,083,349	2,958,071	2,761,100
Interest Bearing Liabilities: Others	1,415,032	1,565,840	1,549,101	1,527,353	1,500,294
Total Interest-Bearing Liabilities	23,603,982	25,390,181	27,218,937	29,468,647	31,877,277
Bank's Liabilities Under Acceptances					
Total Non-Interest Bearing Liabilities	767,873	956,105	945,884	932,605	916,082
Total Liabilities	24,371,855	26,346,286	28,164,821	30,401,252	32,793,359
Shareholders' Equity	2,225,153	2,427,589	2,590,175	2,757,905	2,933,470
Minority Interests	125,400	139,982	150,271	160,894	172,027
Total Equity	2,350,553	2,567,571	2,740,446	2,918,800	3,105,496

Key Ratios

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Total Income Growth	6.71%	2.22%	1.98%	1.35%	6.32%
Operating Profit Growth	3.87%	2.26%	1.98%	1.35%	6.32%
Pretax Profit Growth	12.3%	2.9%	1.8%	2.9%	4.4%
Net Interest To Total Income	70.2%	74.4%	74.3%	73.3%	72.9%
Cost Of Funds	1.63%	1.75%	1.94%	2.06%	2.09%
Return On Interest Earning Assets	3.25%	3.36%	3.46%	3.46%	3.46%
Net Interest Spread	1.63%	1.61%	1.52%	1.40%	1.37%
Net Interest Margin (Avg Deposits)	2.43%	2.40%	2.22%	2.01%	1.92%
Net Interest Margin (Avg RWA)	2.71%	2.78%	2.70%	2.51%	2.49%
Provisions to Pre Prov. Operating Profit	27.5%	26.8%	26.9%	25.8%	27.2%
Interest Return On Average Assets	1.67%	1.66%	1.57%	1.46%	1.44%
Effective Tax Rate	17.8%	16.5%	16.2%	15.9%	15.6%
Net Dividend Payout Ratio	31.6%	31.9%	31.9%	31.9%	31.9%
Return On Average Assets	0.81%	0.77%	0.73%	0.71%	0.69%

Key Drivers

	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Loan Growth (%)	10.5%	11.7%	11.6%	11.5%	11.4%
Net Interest Margin (%)	1.8%	1.8%	1.7%	1.5%	1.5%
Non Interest Income Growth (%)	19.0%	-12.2%	2.3%	5.5%	7.7%
Cost-income Ratio (%)	37.4%	37.3%	37.3%	37.3%	37.3%
Provision charge as % avg loans	0.7%	0.6%	0.6%	0.5%	0.5%
Effective tax rate (%)	17.8%	16.5%	16.2%	15.9%	15.6%
Net NPL Ratio (%)	1.3%	1.3%	1.2%	1.2%	1.2%
Provisioning coverage ratio (%)	186.8%	188.5%	191.0%	169.0%	147.5%
Loan Loss Reserve (%)	2.5%	2.5%	2.2%	1.9%	1.7%
Deposit Growth (%)	7.5%	11.3%	9.5%	10.9%	10.8%
Loan-deposit Ratio (%)	87.5%	87.8%	88.3%	88.8%	89.3%
Core Tier 1 ratio (%)	11.3%	11.8%	12.1%	12.0%	12.2%
Risk weighted assets to total assets ratio (%)	61.1%	58.2%	58.2%	58.2%	57.0%
Dividend payout ratio (%)	31.6%	31.9%	31.9%	31.9%	31.9%

SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

DISCLAIMER

The content of this report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by and belongs to CGS-CIMB. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS-CIMB entity as listed in the table below.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

By accepting this report, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the “Restrictions on Distributions” set out below). Any failure to comply with these limitations may constitute a violation of law. This publication is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of CGS-CIMB.

The information contained in this research report is prepared from data believed to be correct and reliable at the time of issue of this report. CGS-CIMB may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CGS-CIMB has no obligation to update this report in the event of a material change to the information contained in this report. CGS-CIMB does not accept any obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant, (ii) ensure that the content of this report constitutes all the information a prospective investor may require, (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, CGS-CIMB, its affiliates and related persons including CGS International Holdings Limited (“CGSIHL”) and CIMB Group Sdn. Bhd. (“CIMBG”) and their respective related corporations (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof. In particular, CGS-CIMB disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CGS-CIMB considers to be reasonable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of CGS-CIMB or any of its affiliates (including CGSIHL, CIMBG and their respective related corporations) to any person to buy or sell any investments.

CGS-CIMB, its affiliates and related corporations (including CGSIHL, CIMBG and their respective related corporations) and/or their respective directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this research report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities. Further, CGS-CIMB, its affiliates and their respective related corporations (including CGSIHL, CIMBG and their respective related corporations) do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS-CIMB or its affiliates (including CGSIHL, CIMBG and their respective related corporations) may enter into an agreement with the company(ies) covered in this report relating to the production of research reports. CGS-CIMB may disclose the contents of this report to the company(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. The analyst(s) who prepared this research report is prohibited from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation for, or view of, a particular company. Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations and the research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this research report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CGS-CIMB entity as listed in the table below. The term “CGS-CIMB” shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case except as otherwise stated herein, CGS-CIMB Securities International Pte. Ltd. and its affiliates, subsidiaries and related corporations.

Country	CGS-CIMB Entity	Regulated by
Hong Kong	CGS-CIMB Securities (Hong Kong) Limited	Securities and Futures Commission Hong Kong
Indonesia	PT CGS-CIMB Sekuritas Indonesia	Financial Services Authority of Indonesia
Malaysia	CGS-CIMB Securities Sdn. Bhd.	Securities Commission Malaysia
Singapore	CGS-CIMB Securities (Singapore) Pte. Ltd.	Monetary Authority of Singapore
South Korea	CGS-CIMB Securities (Hong Kong) Limited, Korea Branch	Financial Services Commission and Financial Supervisory Service
Thailand	CGS-CIMB Securities (Thailand) Co. Ltd.	Securities and Exchange Commission Thailand

Other Significant Financial Interests:

(i) As of October 18, 2023 CGS-CIMB has a proprietary position in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

(ii) Analyst Disclosure: As of October 18, 2023, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

This report does not purport to contain all the information that a prospective investor may require. Neither CGS-CIMB nor any of its affiliates (including CGSIHL, CIMBG and their related corporations) make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Neither CGS-CIMB nor any of its affiliates nor their related persons (including CGSIHL, CIMBG and their related corporations) shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CGS-CIMB's clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this research report.

The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

Restrictions on Distributions

Australia: Despite anything in this report to the contrary, this research is provided in Australia by CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited. This research is only available in Australia to persons who are "wholesale clients" (within the meaning of the Corporations Act 2001 (Cth) and is supplied solely for the use of such wholesale clients and shall not be distributed or passed on to any other person. You represent and warrant that if you are in Australia, you are a "wholesale client". This research is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of the individual recipient. CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited do not hold, and are not required to hold an Australian financial services license. CGS-CIMB Securities (Singapore) Pte. Ltd. and CGS-CIMB Securities (Hong Kong) Limited rely on "passporting" exemptions for entities appropriately licensed by the Monetary Authority of Singapore (under ASIC Class Order 03/1102) and the Securities and Futures Commission in Hong Kong (under ASIC Class Order 03/1103).

Canada: This research report has not been prepared in accordance with the disclosure requirements of Dealer Member Rule 3400 – Research Restrictions and Disclosure Requirements of the Investment Industry Regulatory Organization of Canada. For any research report distributed by CIBC, further disclosures related to CIBC conflicts of interest can be found at <https://researchcentral.cibcwm.com>.

China: For the purpose of this report, the People's Republic of China ("PRC") does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan. The distributor of this report has not been approved or licensed by the China Securities Regulatory Commission or any other relevant regulatory authority or governmental agency in the PRC. This report contains only marketing information. The distribution of this report is not an offer to buy or sell to any person within or outside PRC or a solicitation to any person within or outside of PRC to buy or sell any instruments described herein. This report is being issued outside the PRC to a limited number of institutional investors and may not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose.

France: Only qualified investors within the meaning of French law shall have access to this report. This report shall not be considered as an offer to subscribe to, or used in connection with, any offer for subscription or sale or marketing or direct or indirect distribution of financial instruments and it is not intended as a solicitation for the purchase of any financial instrument.

Germany: This report is only directed at persons who are professional investors as defined in sec 31a(2) of the German Securities Trading Act (WpHG). This publication constitutes research of a non-binding nature on the market situation and the investment instruments cited here at the time of the publication of the information.

The current prices/yields in this issue are based upon closing prices from Bloomberg as of the day preceding publication. Please note that neither the German Federal Financial Supervisory Agency (BaFin), nor any other supervisory authority exercises any control over the content of this report.

Hong Kong: This report is issued and distributed in Hong Kong by CGS-CIMB Securities (Hong Kong) Limited ("CHK") which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CGS-CIMB Securities (Hong Kong) Limited. The views and opinions in this research report are our own as of the date hereof and are subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. CHK has no obligation to update its opinion or the information in this research report.

This publication is strictly confidential and is for private circulation only to clients of CHK.

CHK does not make a market on other securities mentioned in the report.

None of the analyst(s) or the associates serve as an officer of the listed corporation mentioned in this report.

CIMB does not have an officer serving in any of the listed corporation mentioned in this report

CIMB does not receive any compensation or other benefits from any of the listed corporation mentioned, relating to the production of research reports.

Indonesia: This report is issued and distributed by PT CGS-CIMB Sekuritas Indonesia (“CGS-CIMB Indonesia”). The views and opinions in this research report are our own as of the date hereof and are subject to change. CGS-CIMB Indonesia has no obligation to update its opinion or the information in this research report. This report is for private circulation only to clients of CGS-CIMB Indonesia. Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents except in compliance with applicable Indonesian capital market laws and regulations.

This research report is not an offer of securities in Indonesia. The securities referred to in this research report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute an offer within the meaning of the Indonesian capital market law and regulations.

Ireland: CGS-CIMB is not an investment firm authorised in the Republic of Ireland and no part of this document should be construed as CGS-CIMB acting as, or otherwise claiming or representing to be, an investment firm authorised in the Republic of Ireland.

Malaysia: This report is distributed in Malaysia by CGS-CIMB Securities Sdn. Bhd. (“CGS-CIMB Malaysia”) solely for the benefit of and for the exclusive use of our clients. Recipients of this report are to contact CGS-CIMB Malaysia, at Level 29, Menara Aras Raya, No. 11, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia, in respect of any matters arising from or in connection with this report. CGS-CIMB Malaysia has no obligation to update, revise or reaffirm its opinion or the information in this research report after the date of this report.

New Zealand: In New Zealand, this report is for distribution only to persons who are wholesale clients pursuant to section 5C of the Financial Advisers Act 2008.

Singapore: This report is issued and distributed by CGS-CIMB Securities (Singapore) Pte Ltd (“CGS-CIMB Singapore”). CGS-CIMB Singapore is a capital markets services licensee under the Securities and Futures Act 2001. Accordingly, it is exempted from the requirement to hold a financial adviser’s licence under the Financial Advisers Act, 2001 (“FAA”) for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. CGS-CIMB Singapore is subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CGS-CIMB Singapore, 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #09-01, Singapore 018983 in respect of any matters arising from, or in connection with this report. CGS-CIMB Singapore has no obligation to update its opinion or the information in this research report. This publication is strictly confidential and is for private circulation only. If you have not been sent this report by CGS-CIMB Singapore directly, you may not rely, use or disclose to anyone else this report or its contents.

If the recipient of this research report is not an accredited investor, expert investor or institutional investor, CGS-CIMB Singapore accepts legal responsibility for the contents of the report without any disclaimer limiting or otherwise curtailing such legal responsibility. If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CGS-CIMB Singapore is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

- (a) Section 34 of the FAA (obligation to disclose product information);
- (b) Section 36 (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation) of the FAA;
- (c) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (d) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16];
- (e) Section 45 (obligation on disclosure of interest in specified products), and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which are relates to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars, and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that as CGS-CIMB Singapore is exempt from Section 36 of the FAA, the recipient will also not be able to file a civil claim against CGS-CIMB Singapore for any loss or damage arising from the recipient’s reliance on any recommendation made by CGS-CIMB Singapore which would otherwise be a right that is available to the recipient under Section 36 of the FAA. .

CGS-CIMB Singapore, its affiliates and related corporations, their directors, associates, connected parties and/or employees may own or have positions in specified products of the company(ies) covered in this research report or any specified products related thereto and may from time to time add to or dispose of, or may be materially interested in, any such specified products. Further, CGS-CIMB Singapore, its affiliates and its related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in specified products of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS-CIMB Singapore does not make a market on the securities mentioned in the report.

South Korea: This report is issued and distributed in South Korea by CGS-CIMB Securities (Hong Kong) Limited, Korea Branch (“CGS-CIMB Korea”) which is licensed as a cash equity broker, and regulated by the Financial Services Commission and Financial Supervisory Service of Korea. In South Korea, this report is for distribution only to professional investors under Article 9(5) of the Financial Investment Services and Capital Market Act of Korea (“FSCMA”).

Spain: This document is a research report and it is addressed to institutional investors only. The research report is of a general nature and not personalised and does not constitute investment advice so, as the case may be, the recipient must seek proper advice before adopting any investment

decision. This document does not constitute a public offering of securities.

CGS-CIMB is not registered with the Spanish Comision Nacional del Mercado de Valores to provide investment services.

Sweden: This report contains only marketing information and has not been approved by the Swedish Financial Supervisory Authority. The distribution of this report is not an offer to sell to any person in Sweden or a solicitation to any person in Sweden to buy any instruments described herein and may not be forwarded to the public in Sweden.

Switzerland: This report has not been prepared in accordance with the recognized self-regulatory minimal standards for research reports of banks issued by the Swiss Bankers' Association (Directives on the Independence of Financial Research).

Thailand: This report is issued and distributed by CGS-CIMB Securities (Thailand) Co. Ltd. ("CGS-CIMB Thailand") based upon sources believed to be reliable (but their accuracy, completeness or correctness is not guaranteed). The statements or expressions of opinion herein were arrived at after due and careful consideration for use as information for investment. Such opinions are subject to change without notice and CGS-CIMB Thailand has no obligation to update its opinion or the information in this research report.

Corporate Governance Report (CGR): ([Thai CGR and Anti-Corruption of Thai Listed Companies - Click here](#))

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS-CIMB Thailand does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
Description:	Excellent	Very Good	Good	N/A	N/A

United Arab Emirates: The distributor of this report has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This report is strictly private and confidential and has not been reviewed by, deposited or registered with UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This report is being issued outside the United Arab Emirates to a limited number of institutional investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the sale of investments under any subscription agreement or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

United Kingdom and European Economic Area (EEA): In the United Kingdom and European Economic Area, this material is also being distributed by CGS-CIMB Securities (UK) Limited ("CGS-CIMB UK"). CGS-CIMB UK is authorized and regulated by the Financial Conduct Authority and its registered office is at 53 New Broad Street, London EC2M 1JJ. The material distributed by CGS-CIMB UK has been prepared in accordance with CGS-CIMB's policies for managing conflicts of interest arising as a result of publication and distribution of this material. This material is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of CGS-CIMB UK; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), (c) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Order; (d) are outside the United Kingdom subject to relevant regulation in each jurisdiction, material(all such persons together being referred to as "relevant persons"). This material is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

This material is categorised as non-independent for the purposes of CGS-CIMB UK and therefore does not provide an impartial or objective assessment of the subject matter and does not constitute independent research. Consequently, this material has not been prepared in accordance with legal requirements designed to promote the independence of research and will not be subject to any prohibition on dealing ahead of the dissemination of research. Therefore, this material is considered a marketing communication.

United States: This research report is distributed in the United States of America by CGS-CIMB Securities (USA) Inc, a U.S. registered broker-dealer and an affiliate of CGS-CIMB Securities Sdn. Bhd., CGS-CIMB Securities (Singapore) Pte Ltd, PT CGS-CIMB Sekuritas Indonesia, CGS-CIMB Securities (Thailand) Co. Ltd and CGS-CIMB Securities (Hong Kong) Limited and is distributed solely to persons who qualify as "U.S. Institutional Investors" as defined in Rule 15a-6 under the Securities and Exchange Act of 1934. This communication is only for Institutional Investors whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. CGS-CIMB Securities (USA) Inc, is a FINRA/SIPC member and takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS-CIMB Securities (USA) Inc.

CGS-CIMB Securities (USA) Inc. does not make a market on other securities mentioned in the report.

CGS-CIMB Securities (USA) Inc. has not managed or co-managed a public offering of any of the securities mentioned in the past 12 months.

CGS-CIMB Securities (USA) Inc. has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

CGS-CIMB Securities (USA) Inc. neither expects to receive nor intends to seek compensation for investment banking services from any of the company mentioned within the next 3 months.

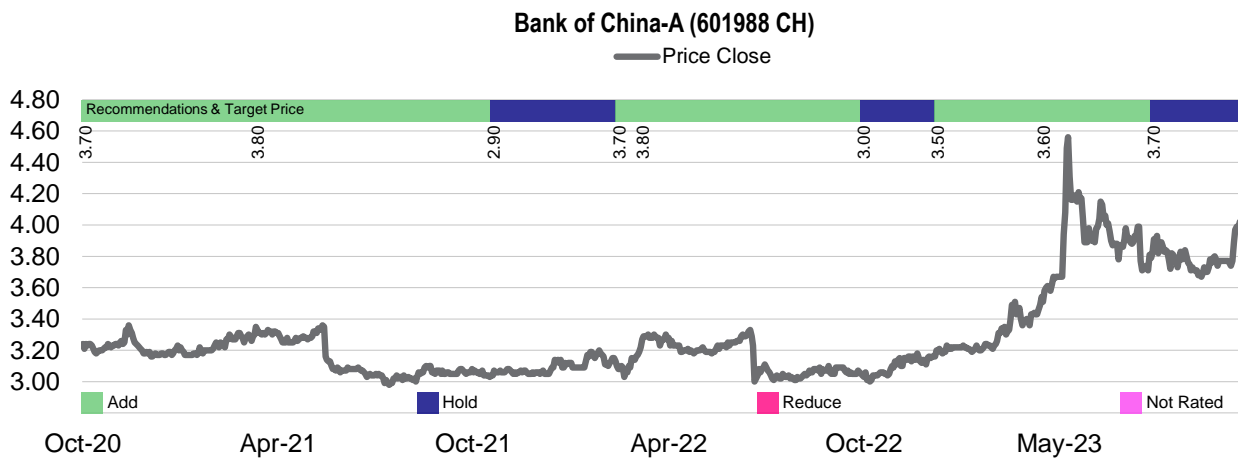
United States Third-Party Disclaimer: If this report is distributed in the United States of America by Raymond James & Associates, Inc ("RJA"), this report is third-party research prepared for and distributed in the United States of America by RJA pursuant to an arrangement between RJA and CGS-CIMB Securities International Pte. Ltd. ("CGS-CIMB"). CGS-CIMB is not an affiliate of RJA. This report is distributed solely to persons who qualify as "U.S. Institutional Investors" or as "Major U.S. Institutional Investors" as defined in Rule 15a-6 under the Securities and Exchange Act of 1934, as amended. This communication is only for U.S. Institutional Investors or Major U.S. Institutional Investor whose ordinary business activities involve

investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major U.S. Institutional Investor must not rely on this communication. The delivery of this report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. If you are receiving this report in the U.S from RJA, a FINRA/SIPC member, it takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS-CIMB Securities (USA) Inc. or RJA. <https://raymondjames.com/InternationalEquityDisclosures>

Other jurisdictions: In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is only for distribution to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Distribution of stock ratings and investment banking clients for quarter ended on 30 September 2023		
634 companies under coverage for quarter ended on 30 September 2023		
	Rating Distribution (%)	Investment Banking clients (%)
Add	66.7%	0.9%
Hold	23.7%	0.0%
Reduce	9.6%	0.2%

Spitzer Chart for stock being researched (2 year data)



Recommendation Framework

Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.