

Investor Presentation

For 2023



Bangkok Bank



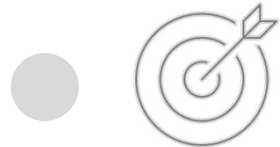
2023 Key highlights



Operating environment



2023 Financial performance



2024 Key focus and target

2023 Key highlights

Prudent approach has been key to delivering sustainable returns over the years

Net profit
41.6 bn Baht

Net interest margin
3.02%

**Net fees and
service income**
-1.0% YoY

**Cost-to-income
ratio**
48.8%

Loan
-0.4% YTD

Deposit
-0.8% YTD

NPL ratio
2.7%





Coverage ratio
314.7%

**Loan-to-deposit
ratio**
83.9%

Tier 1 ratio
16.1%

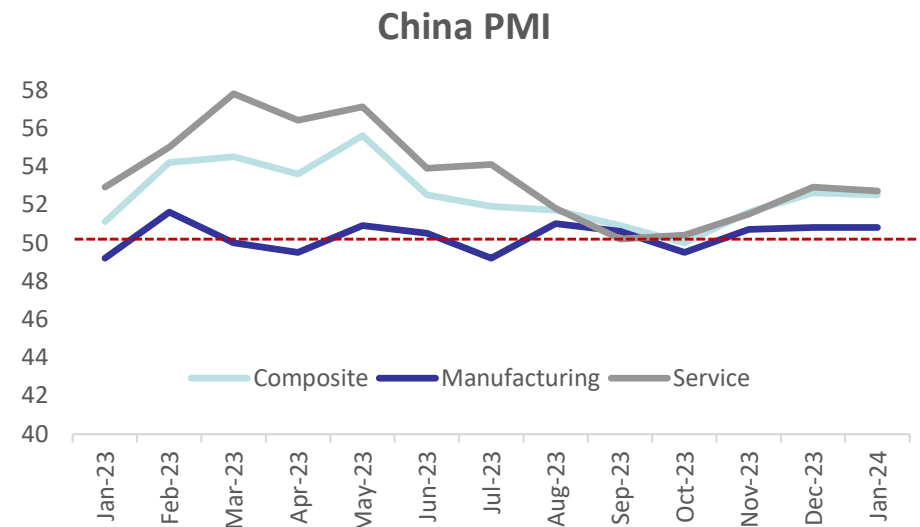
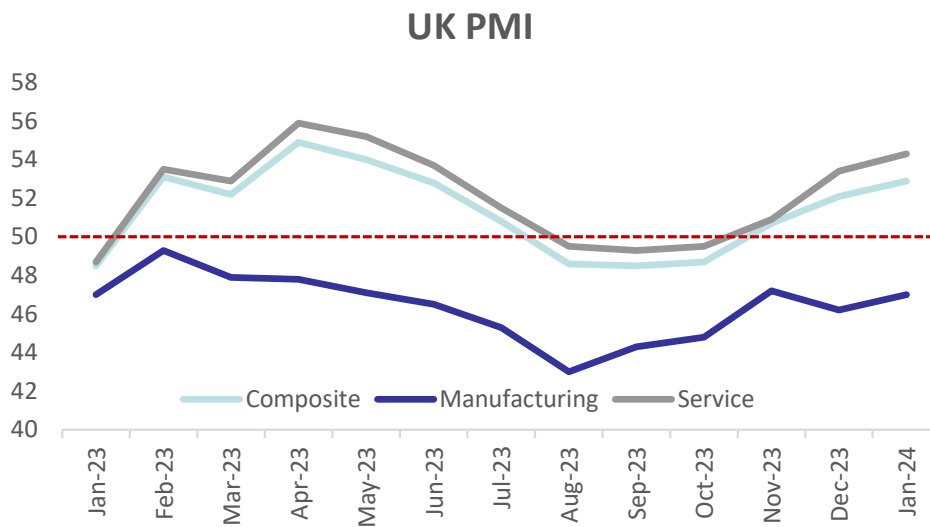
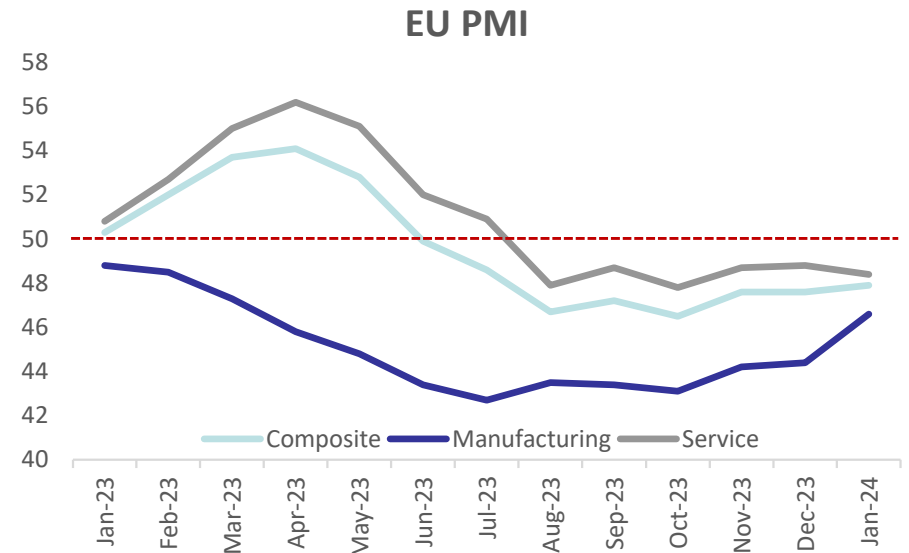
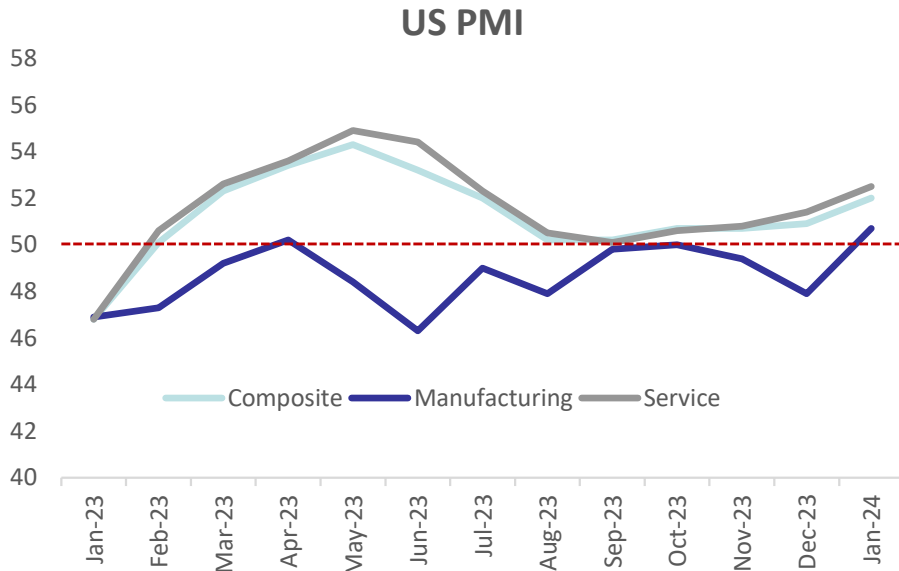
- Deliver strong 2023 financial performance, mainly led by net interest income growth supported by diversified asset portfolio
- Net fees remained soft from security business, while credit card and bancassurance showed improvement
- Consistent multi-year investment to improve operational efficiency while keeping a manageable cost to income ratio
- Manageable asset quality with a prudent loan portfolio
- Maintain disciplined balance sheet management with well-secured reserves, healthy liquidity and sound capital positions to withstand uncertainty and support long-term perspective to growth

Bangkok Bank

-  2023 Key highlights
-  **Operating environment**
-  2023 Financial performance
-  2024 Key focus and target

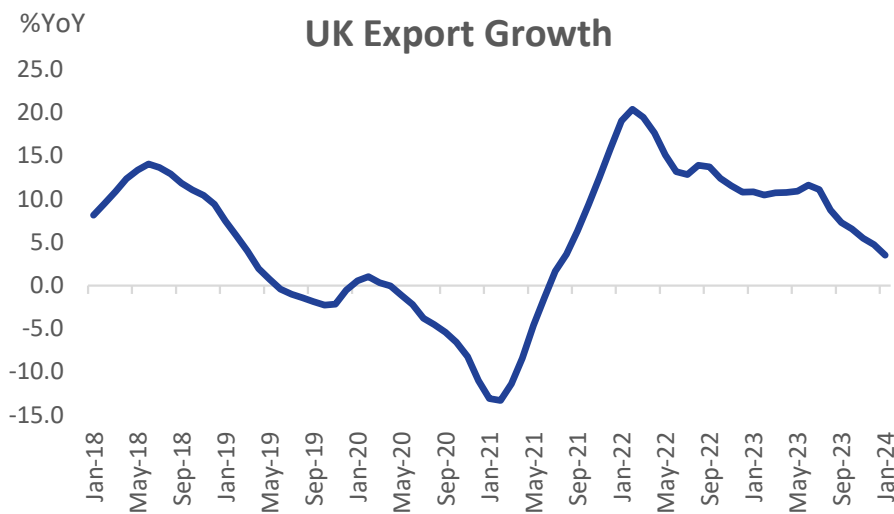
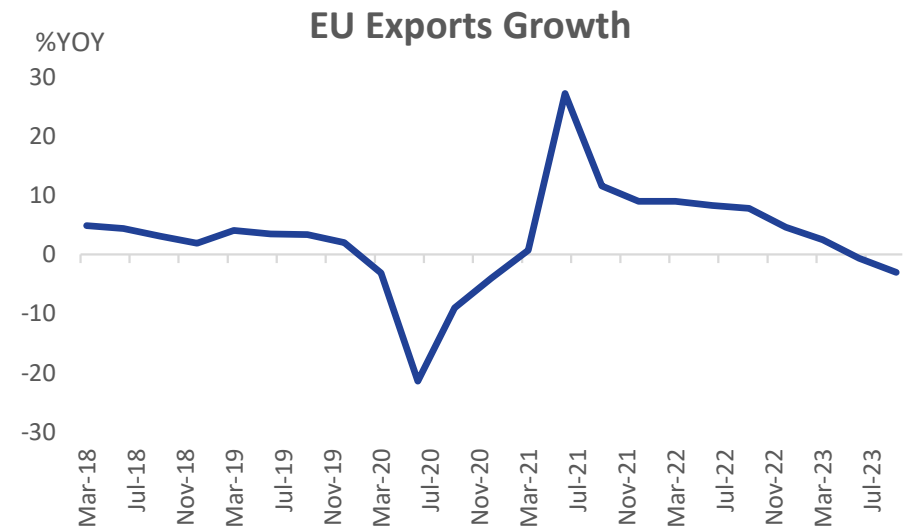
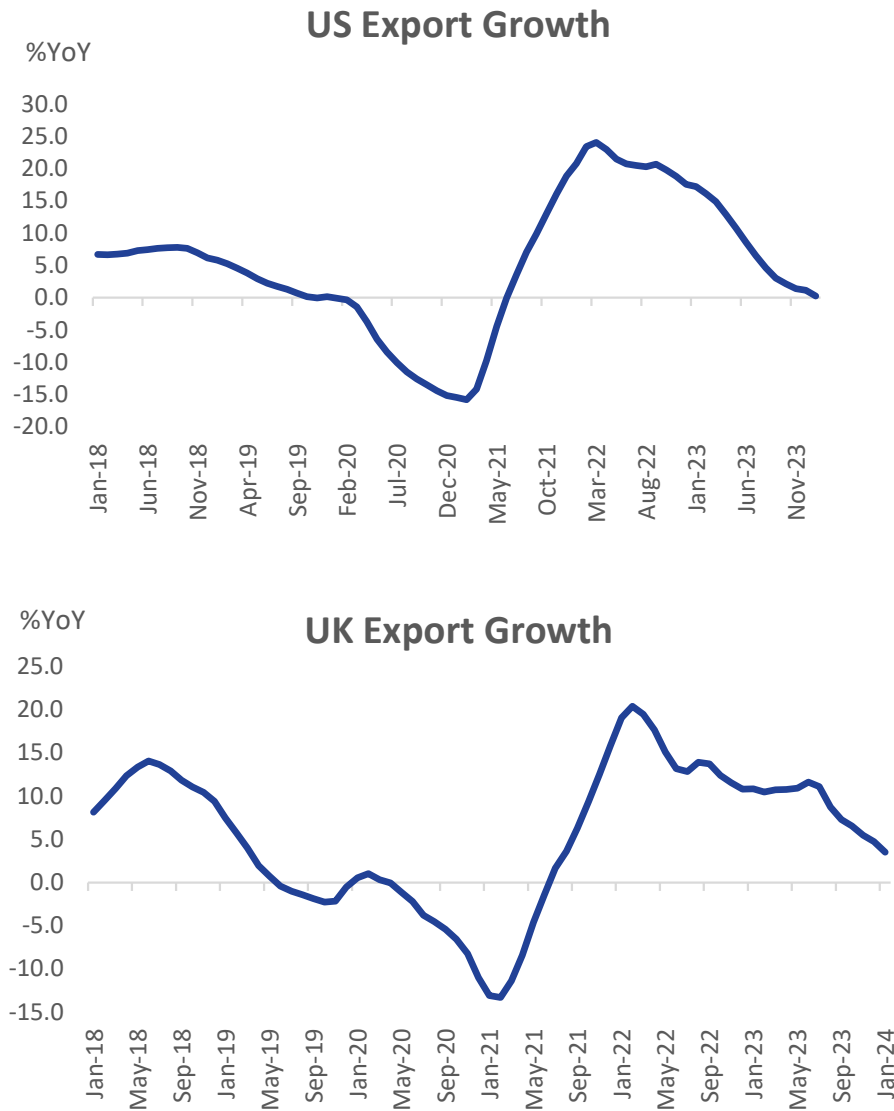
Global headwinds: PMI figures suggest weaknesses in manufacturing activities for most major countries

PMI



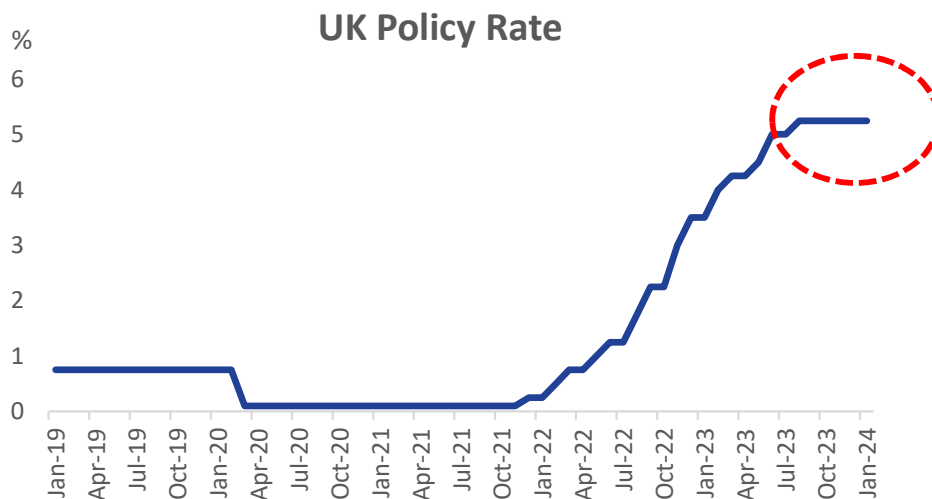
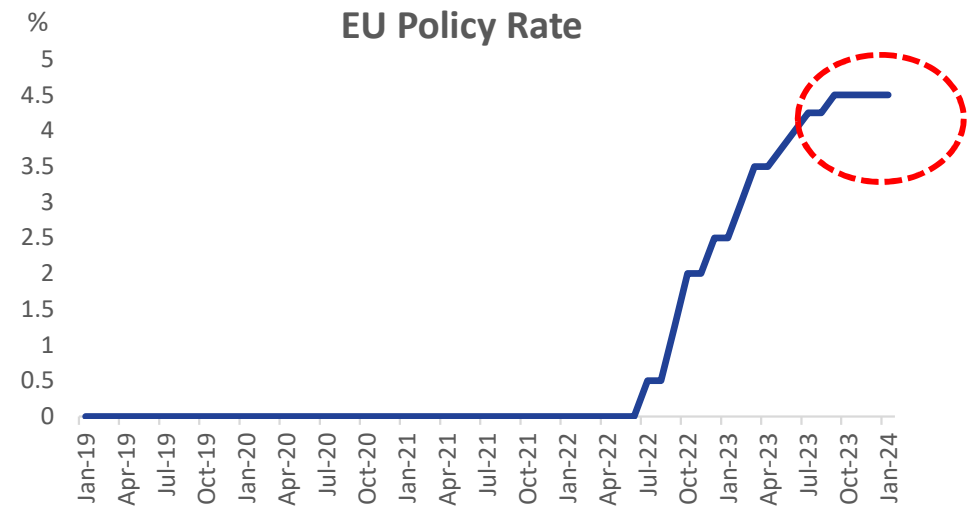
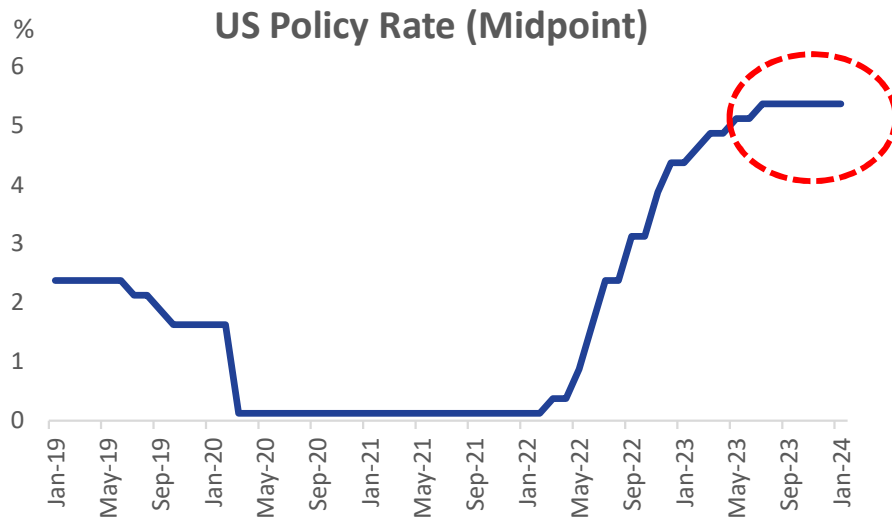
Global headwinds: exports have also slowed down in many economies

Exports



Meanwhile central banks in major economies will continue to hold their policy rates until mid-2024

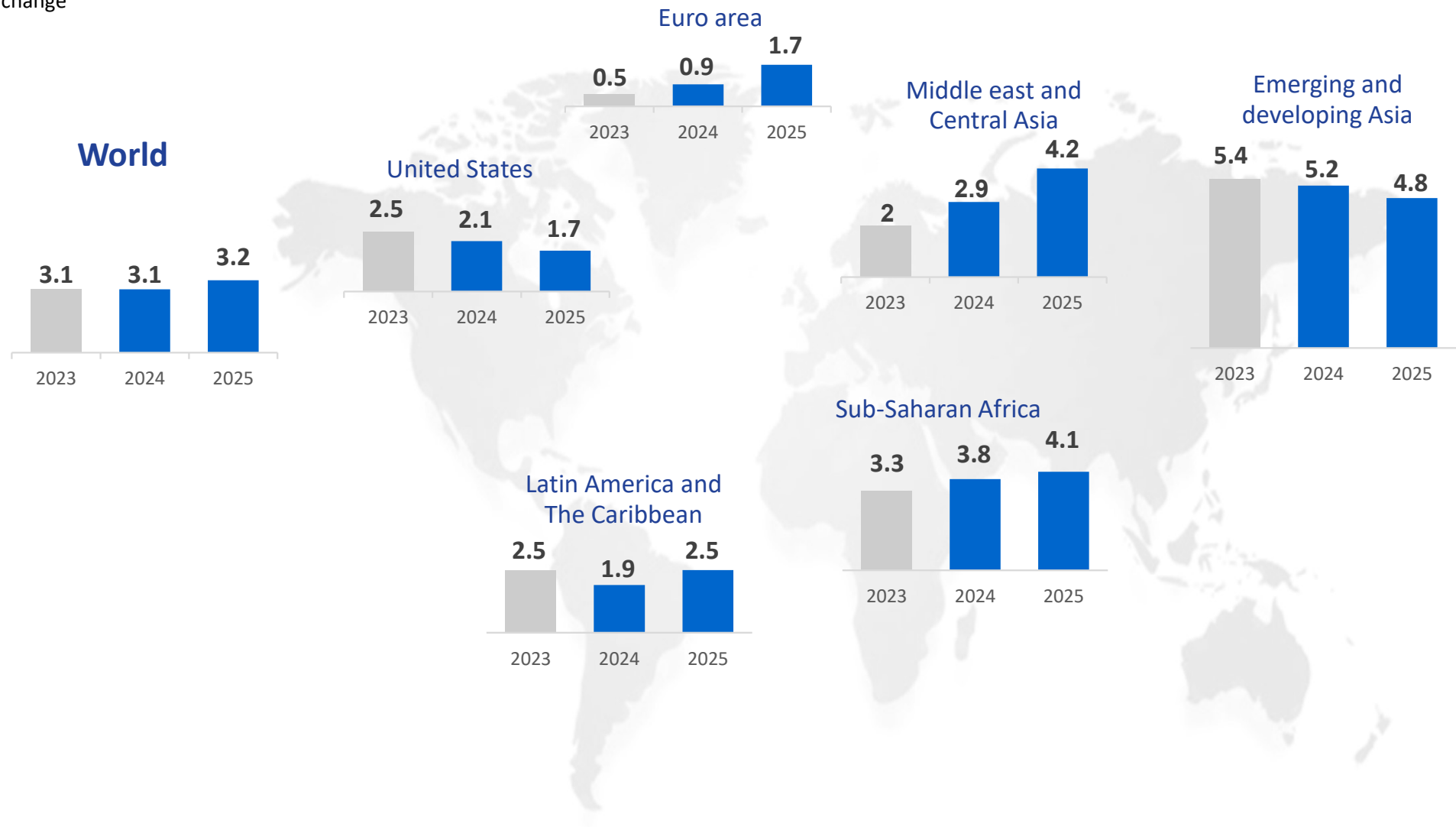
Policy rate



Consequently, IMF predicts continue global slowdown in 2024-2025

Growth projections by region, real GDP growth

% change



IMF forecasts for key Asian economies

World Economic Outlook (ASIA), January 2024 update

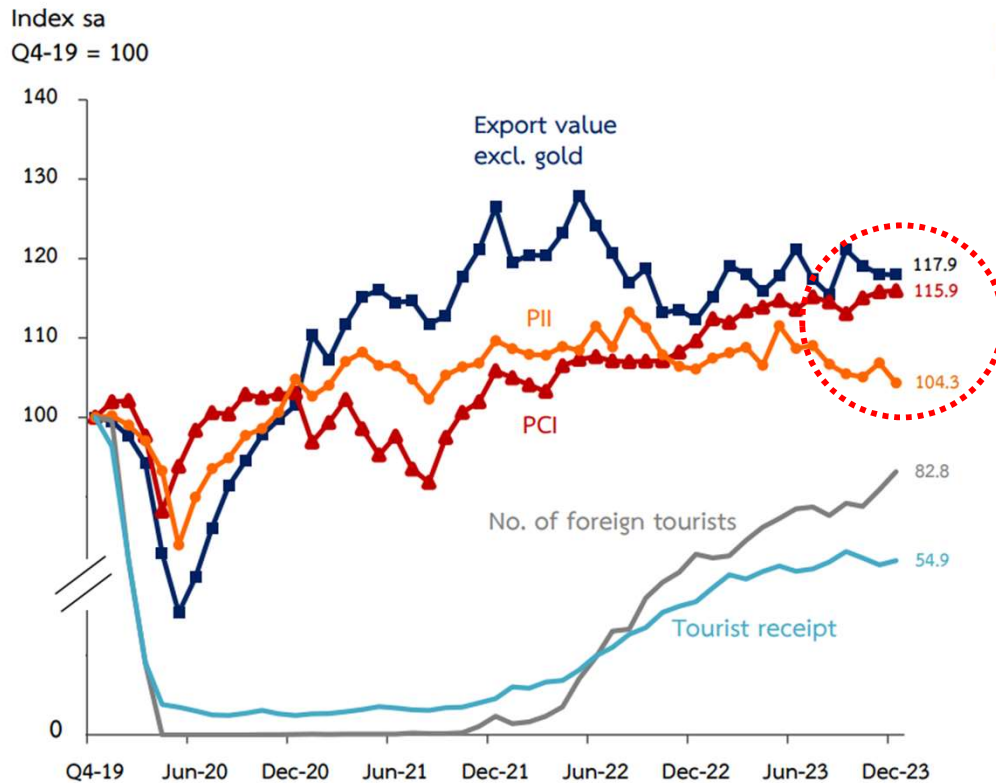
ASIA	Estimate		Projections	
(Economies Real GDP Growth percent change)	2022	2023	2024	2025
China	3.0	5.2	4.6	4.1
India *	7.2	6.7	6.5	6.5
Japan	1.0	1.9	0.9	0.8
Korea	2.6	1.4	2.3	2.3
ASEAN-5**	5.5	4.2	4.7	4.4
Indonesia	5.3	5.0	5.0	5.0
Malaysia	8.7	4.0	4.3	4.4
Philippines	7.6	5.3	6.0	6.1
Thailand	2.6	2.5	4.4	2.0

Note : For India, data and projections are presented on a fiscal year (FY) basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 5.7 percent in 2024 and 6.8 percent in 2025 based on calendar year.

** ASEAN-5 : Indonesia, Malaysia, Philippines, Singapore, Thailand.

Lackluster global economy has significantly impacted Thai exports and manufacturing...

Economic Indicator - Demand

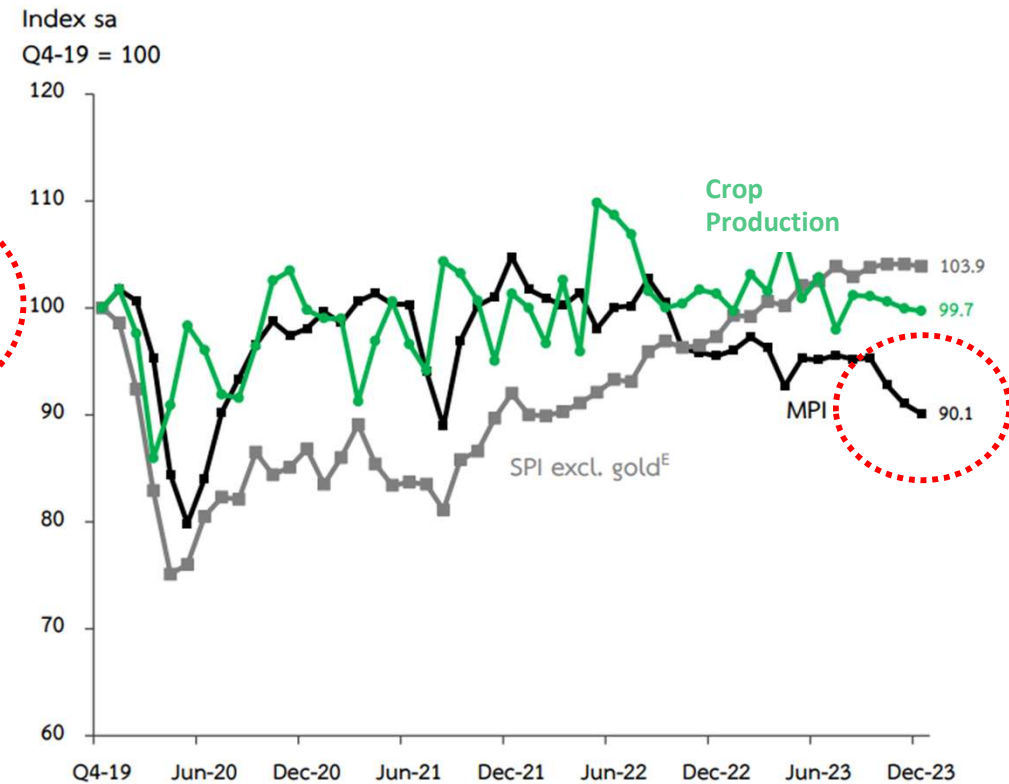


Note: PCI = Private Consumption Index PII = Private Investment Index
Source: Bank of Thailand

Note: PII – Private Investment Index
MPI – Manufacturing Production Index

PCI – Private Consumption Index
SPI – Service Production Index

Economic Indicator - Supply



Note: MPI = Manufacturing Production Index
SPI = Service Production Index (Excludes public administration and services, and gold activities)
E = Estimated data

...in line with declining regional exports since mid-2022

Export value

Nov 2023 = 23.1 Bn USD (3.9%YoY)

Dec 2023 = 22.4 Bn USD (3.0%YoY)

Excl. Gold = 22.8 Bn USD (3.6%YoY)

Excl Gold = 22.0 Bn USD (1.3%YoY)

%YoY	Share 2022	2022	2023	2022		2023							
				H1	H2	Q1	Q2	Q3	Q4	Nov	Dec	%MoM sa	
Agriculture	6.9	1.0	3.8	9.9	-8.2	6.0	-3.0	10.6	5.3	12.5	-10.0	-14.2	
Fishery	0.6	-2.1	-8.5	2.8	-6.3	-13.2	-0.4	-16.4	-3.3	-6.5	-0.3	6.2	
Manufacturing	88.9	4.8	-1.1	10.4	-0.5	-2.0	-5.4	-1.0	4.7	4.2	3.9	1.0	
Agro-manufacturing	13.7	6.5	-3.8	10.3	2.8	0.6	-8.2	-7.5	0.5	-1.1	0.3	-0.2	
Electronics	11.9	3.7	-3.7	9.3	-1.2	-8.1	-6.1	-5.1	4.9	8.1	5.4	2.9	
Electrical Appliances	9.2	2.7	4.0	3.3	2.1	4.6	9.3	2.1	-0.1	1.4	-2.0	-0.8	
Automotive	14.3	-1.0	7.6	-4.8	2.9	10.3	5.3	13.5	1.5	-4.7	2.0	8.3	
Machinery & Equipment	8.3	6.3	-0.8	7.2	5.4	-0.6	-1.5	0.8	-1.8	2.7	-10.7	-7.2	
Petroleum Related	12.2	1.5	-10.4	19.8	-14.1	-15.7	-23.2	-9.6	13.5	11.0	13.3	-0.5	
Total (BOP Basis)	100.0	5.4	-1.7	11.8	-0.7	-3.8	-5.0	-2.0	4.6	3.9	3.0	0.7	
Excl. Gold		4.3	-1.4	9.6	-0.8	-1.6	-5.1	-1.8	3.5	3.6	1.3	-0.1	
Excl. Gold & Petroleum Related		4.7	-0.1	8.1	1.3	0.5	-2.2	-0.7	2.3	2.7	-0.1	0.0	

Note: Data above are recorded by custom basis, except total export value which is recorded by BOP basis.
Custom basis considers recording as goods pass through Customs, while BOP basis considers changes in ownership between residents and non-residents.

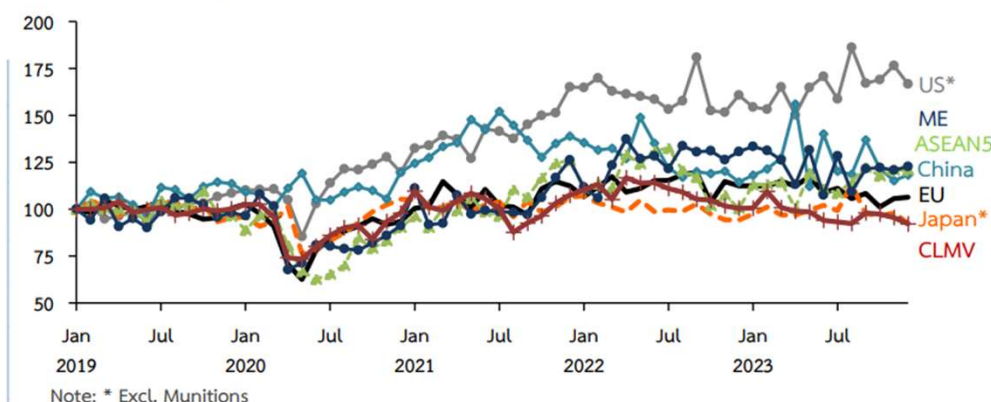
%MoMsa calculated from seasonally adjusted data, using data since 2007 (subject to revision).

Source: Compiled from Customs Department's data

Export performance

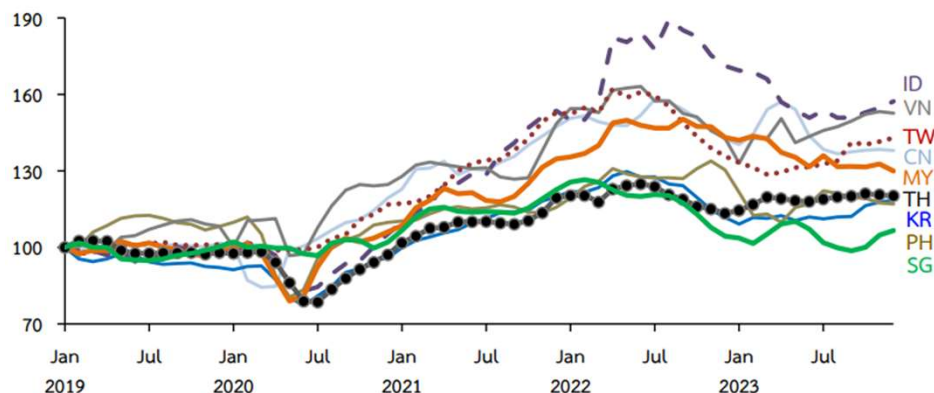
Thai Export to Major Destinations

Index sa, 3mma
(Jan 2019 = 100) Excl. gold



Asian Export Performance

Index sa, 3mma
(Jan 2019 = 100)



Note: Thai export excludes gold. Indonesian export excludes oil&gas. Hongkong domestic export. Singapore domestic export excludes oil.

Source: CEIC, Customs Department, calculated by Bank of Thailand

Strong tourism recovery expected to continue in 2024

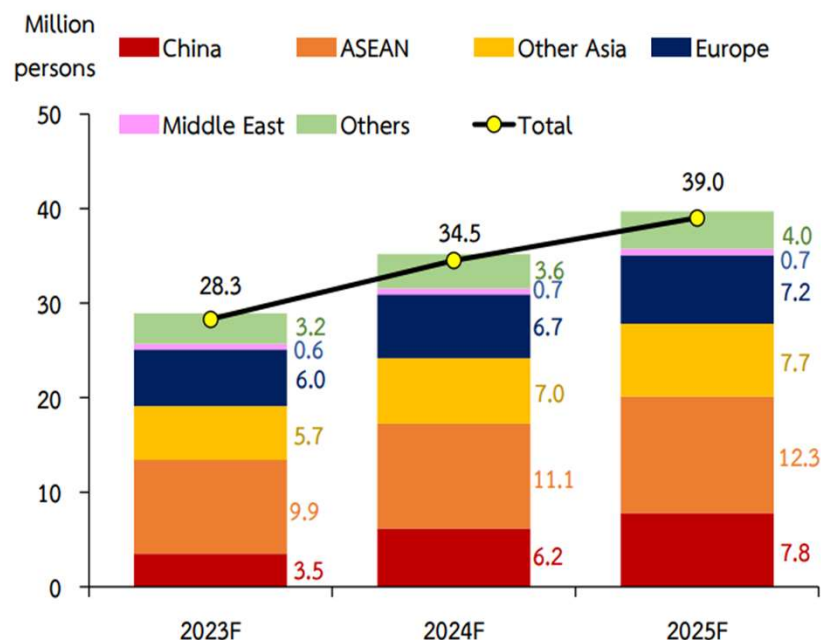
Projection of foreign tourist arrivals by nationality

Million persons

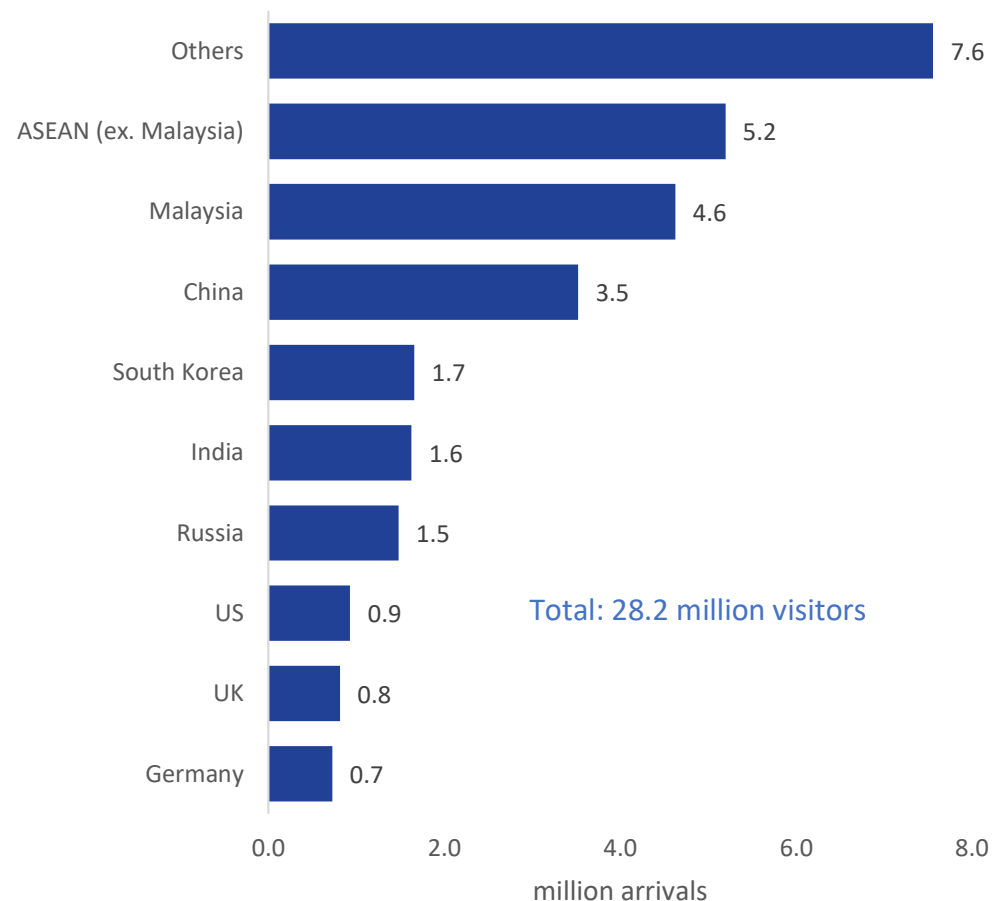
Projection of foreign tourist arrivals

	2022*	2023	2024	2025
Million persons	11.2	28.3 (28.5)	34.5 (35.0)	39.0
% of 2019 value	28%	71% (72%)	87% (88%)	98%

Note: * denotes outturn, () = forecast from Monetary Policy Report Q3-2023

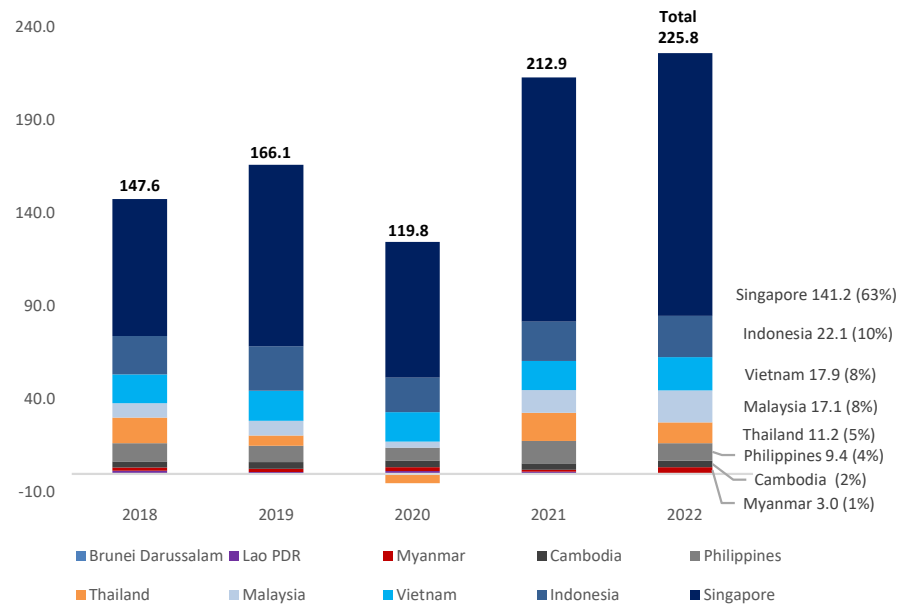


Tourist Arrivals by Nationality (2023)

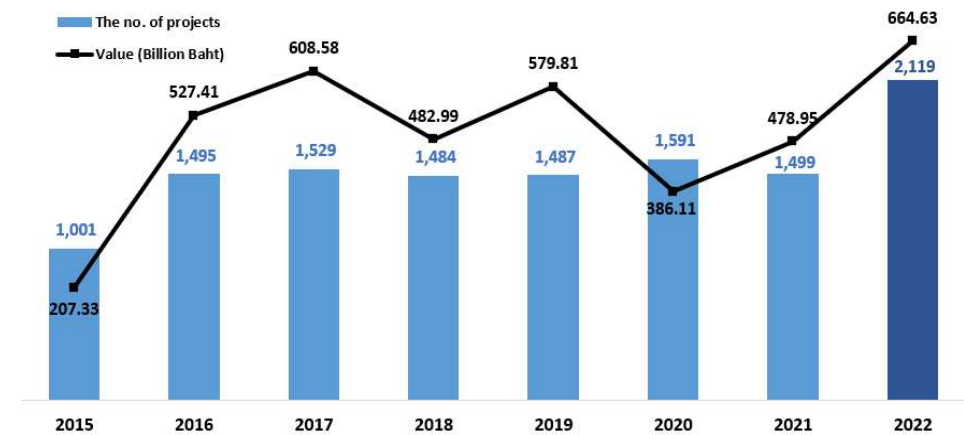


At the same time, inflows of FDI to ASEAN have been increasing since 2020

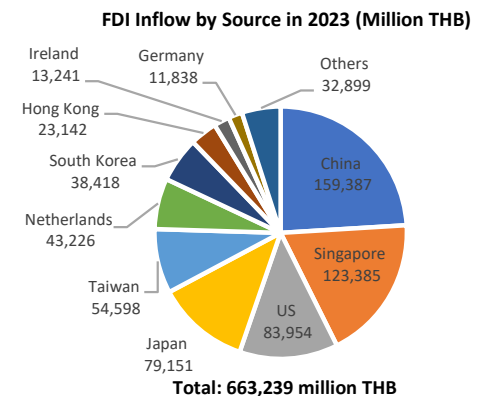
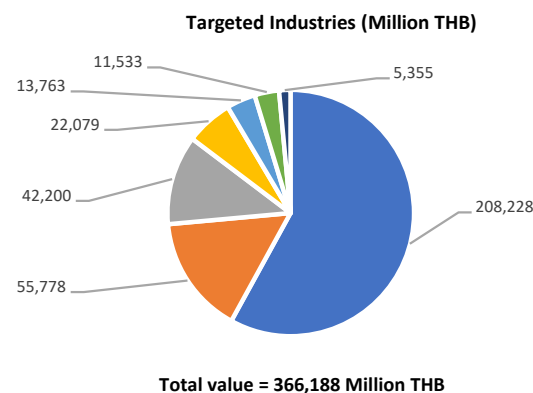
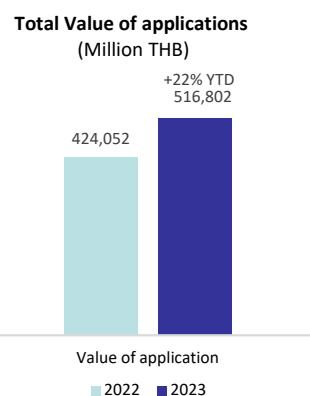
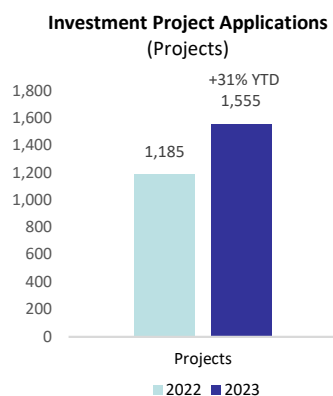
Flows of Inward Foreign Direct Investment (FDI) to ASEAN Countries (Billion USD)



Applications for BOI incentives



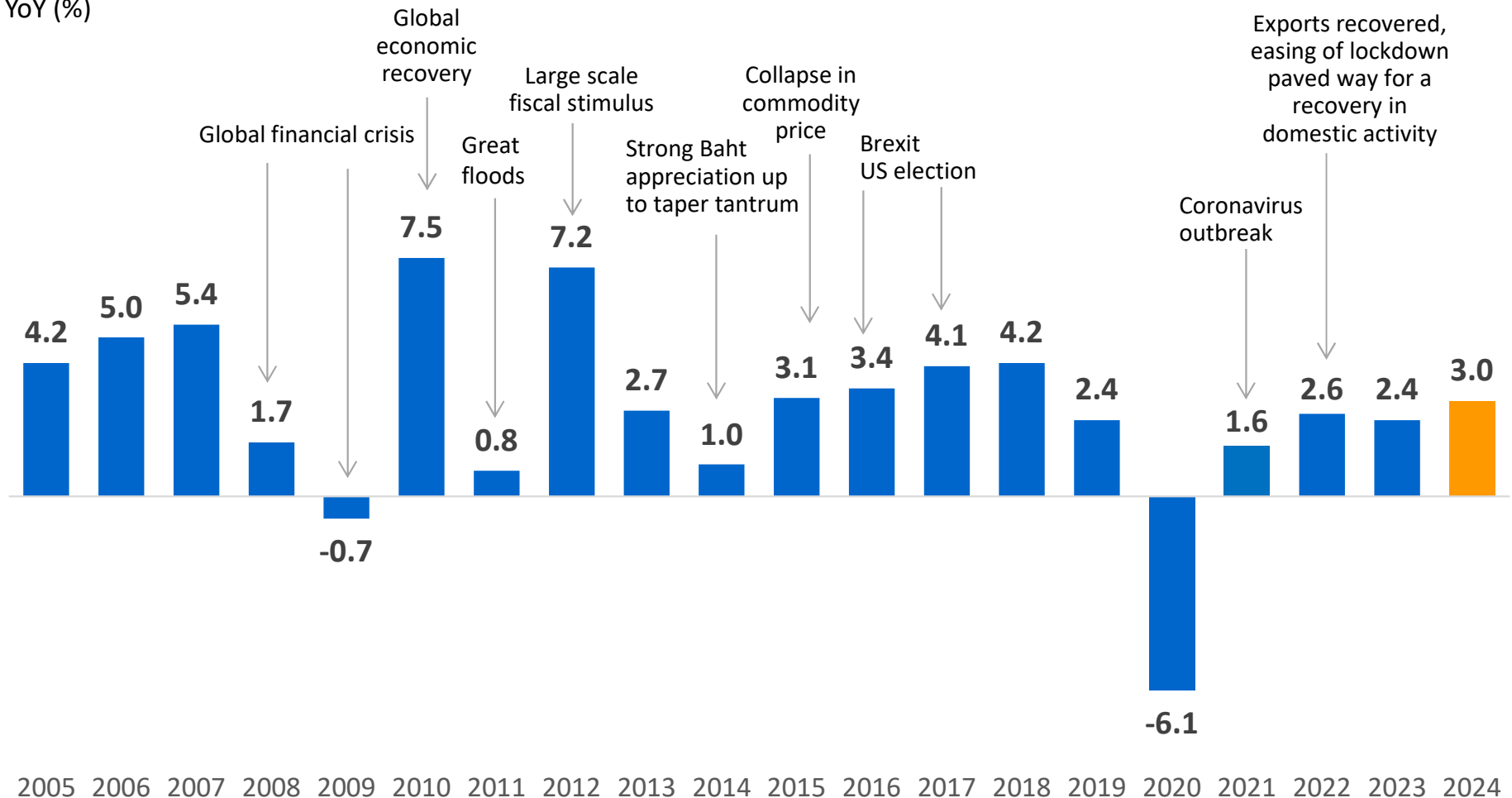
Thailand's Total Investment (January-September 2023)



Bangkok Bank forecasts uncertainties and global economic headwinds will limit Thai economic growth to around 3% in 2024

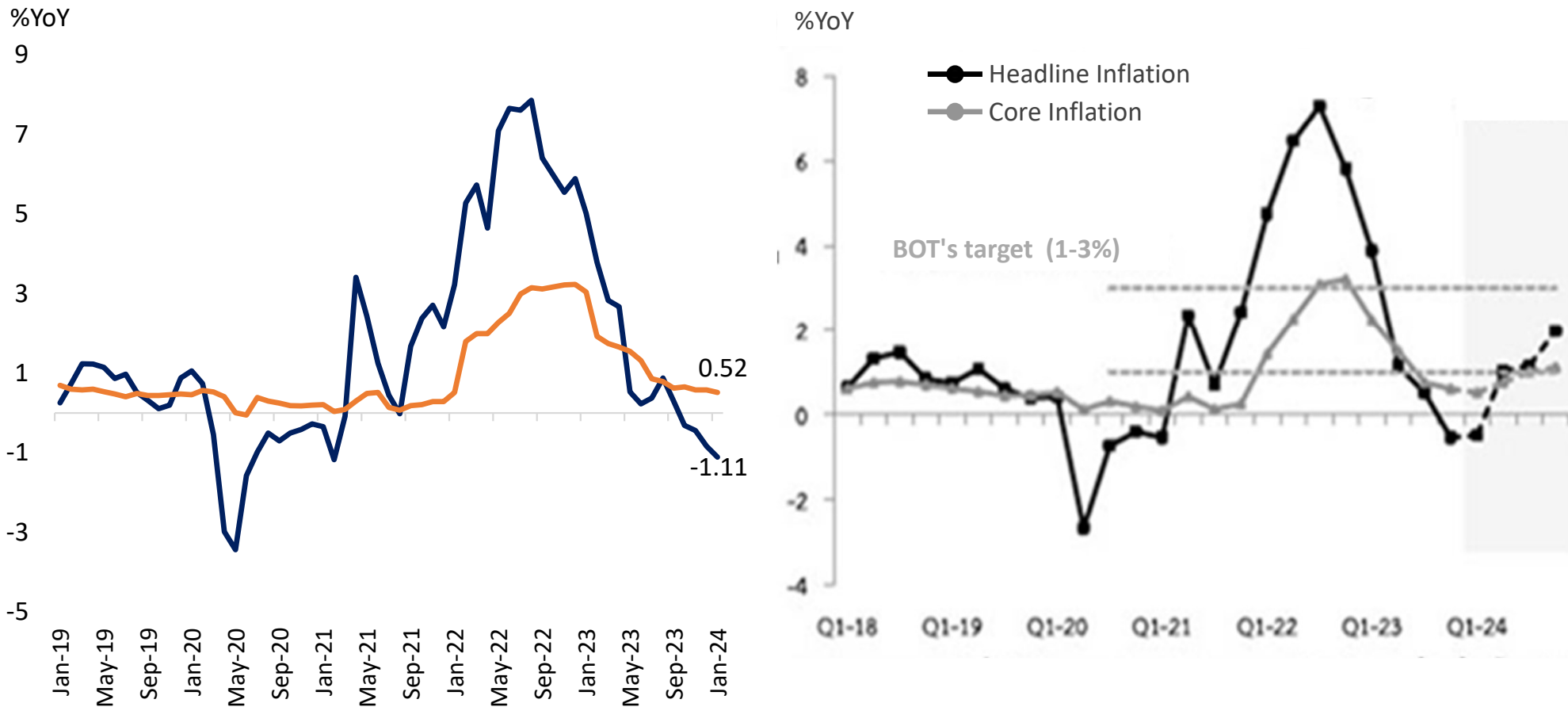
GDP growth

YoY (%)



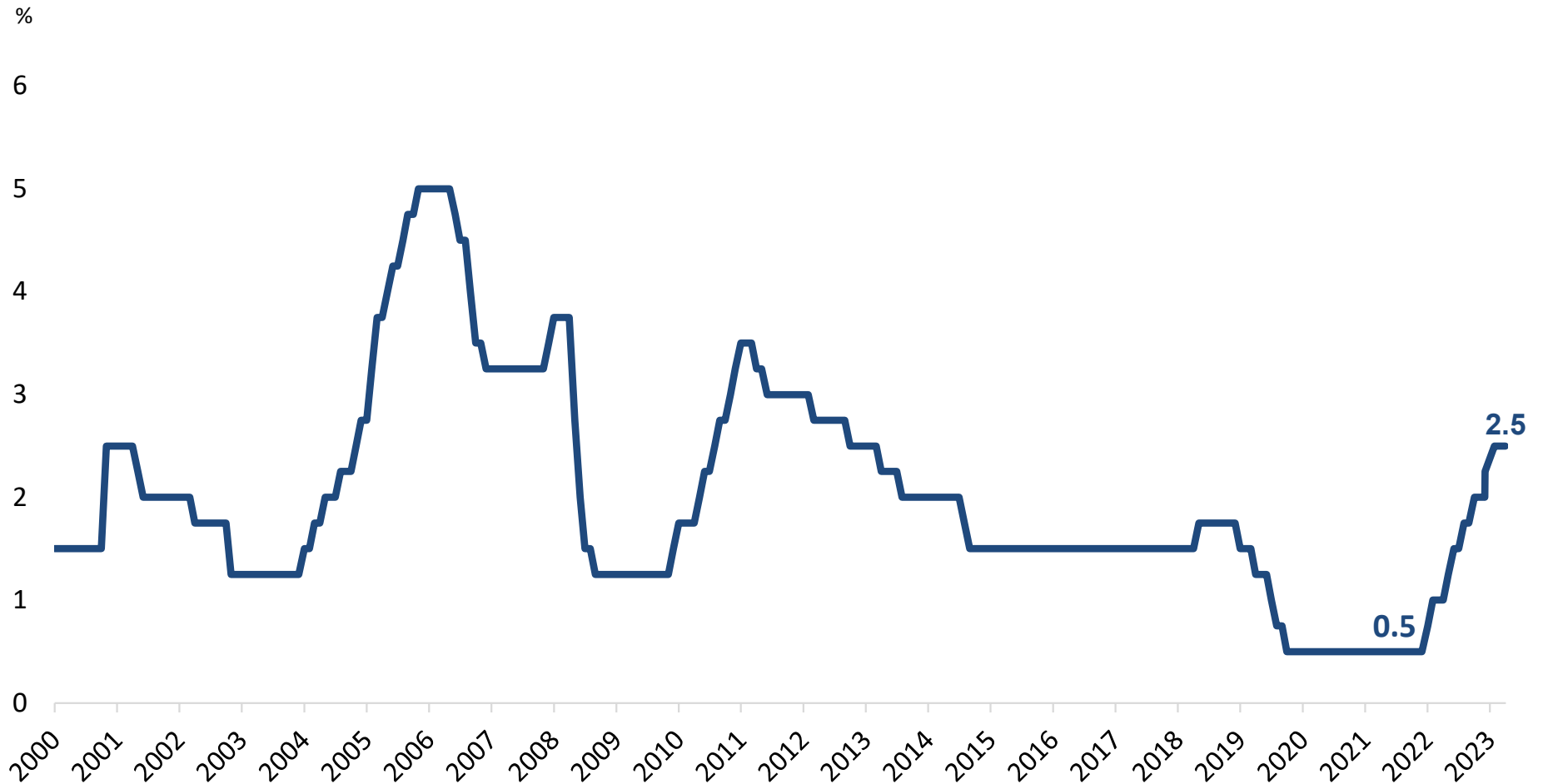
Thai headline and core inflation have eased

Thailand's Inflations



Thailand policy interest rate has returned to normal level

Policy interest rate



New phase and long-term challenges



Digital transformation



Supply chain of coming FDI



Regionalization and globalization







ESG and energy transition trend



Regional infrastructure

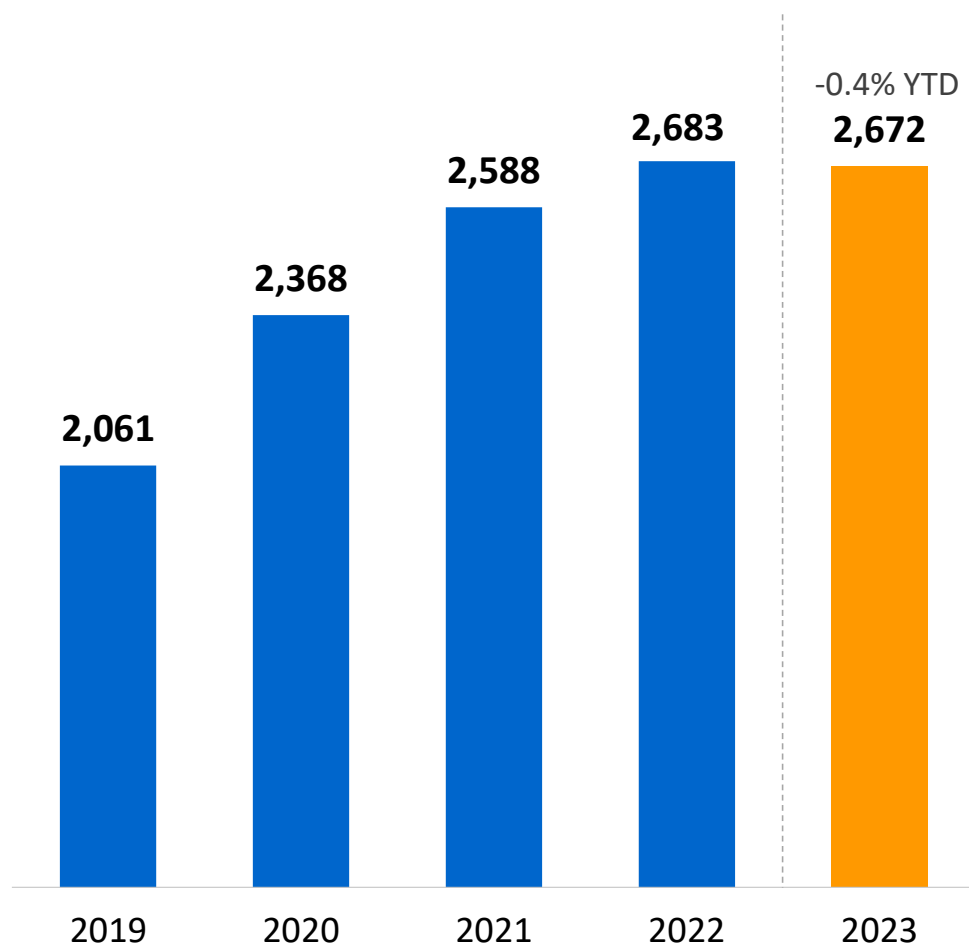
Bangkok Bank

-  2023 Key highlights
-  Operating environment
-  **2023 Financial performance**
-  2024 Key focus and target

Slower than expected economic growth resulted in small decline of loan, while maintaining well-diversified portfolio

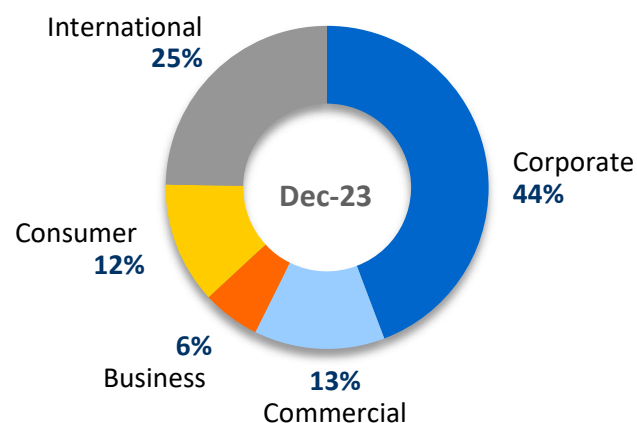
Loan

Billion Baht



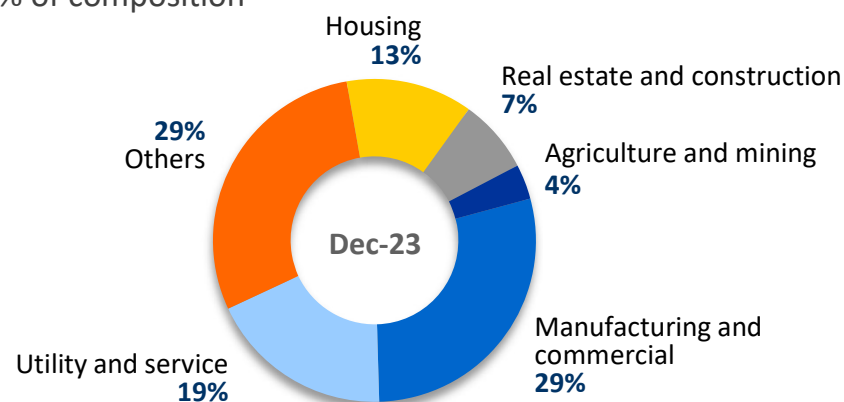
Loan by business unit^{/1}

% of composition



Loan by industry

% of composition



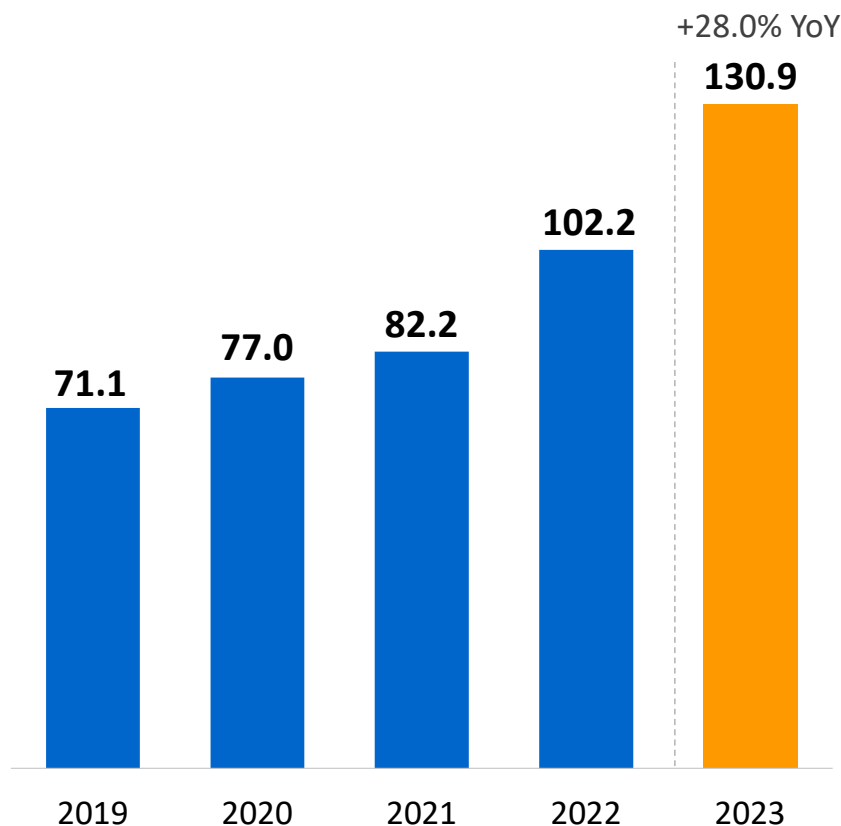
Note: Loan included Permata's financial performance since May 2020

^{/1} Corporate banking serves large domestic and multinational companies. Commercial banking serves medium-sized enterprises. Business banking serves small-sized enterprises. Consumer banking provides retail banking services. International banking provides services through BBL's international presences in 14 economies.

Net interest income grew supported by net interest margin expansion following interest rate trend

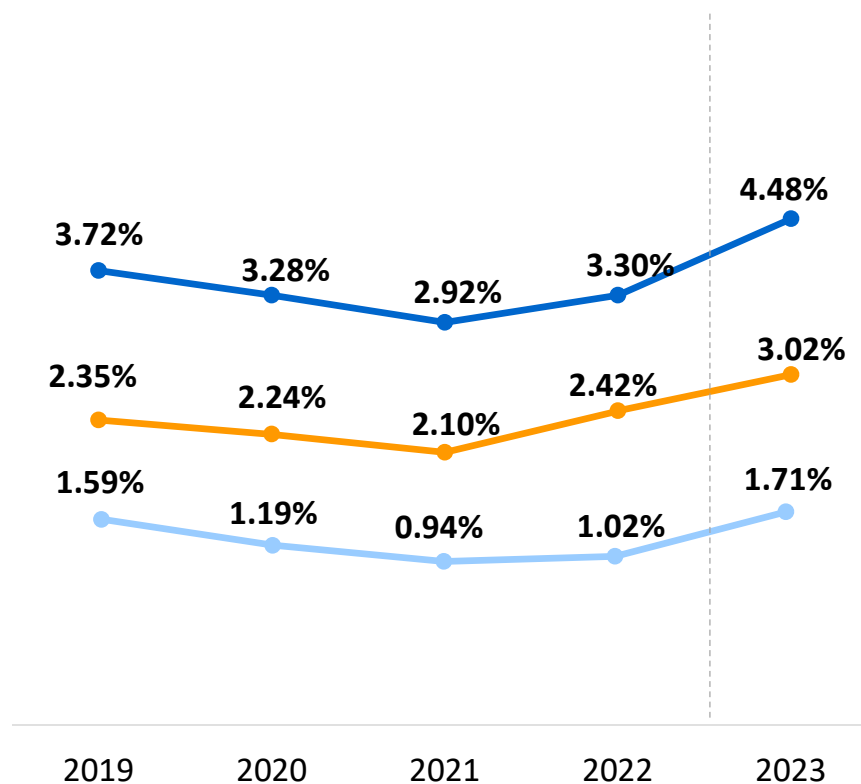
Net interest income

Billion Baht



NIM, Yield on earning asset, Cost of fund

%



Policy rate	1.250%	0.500%	0.500%	1.250%	2.500%
MLR	6.000%	5.250%	5.250%	5.850%	7.100%
MOR	6.875%	5.875%	5.875%	6.350%	7.550%

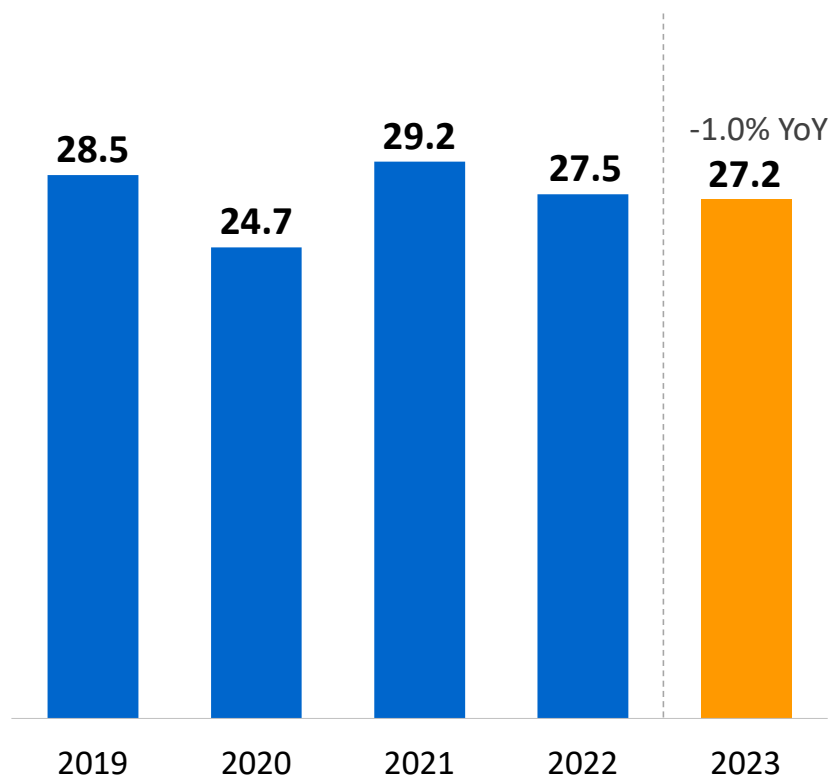
- Yield on earning assets
- NIM
- Cost of funds



Net fees remained soft from security business amid subdued market sentiments, while credit card and bancassurance showed improvement

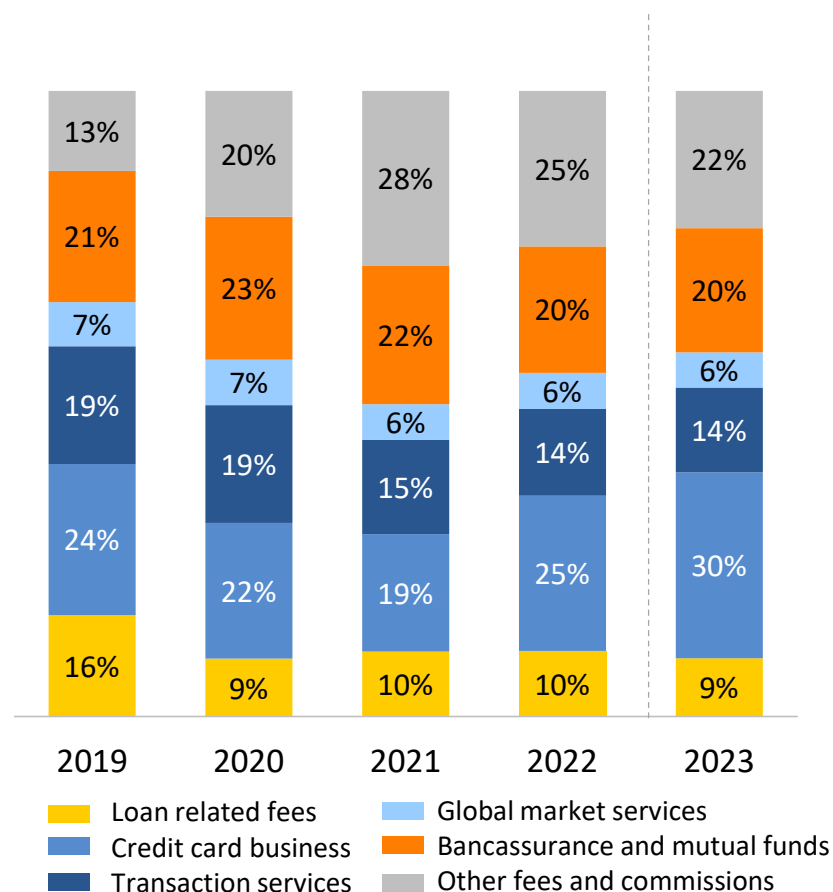
Net fees and service income

Billion Baht



Fees and service income

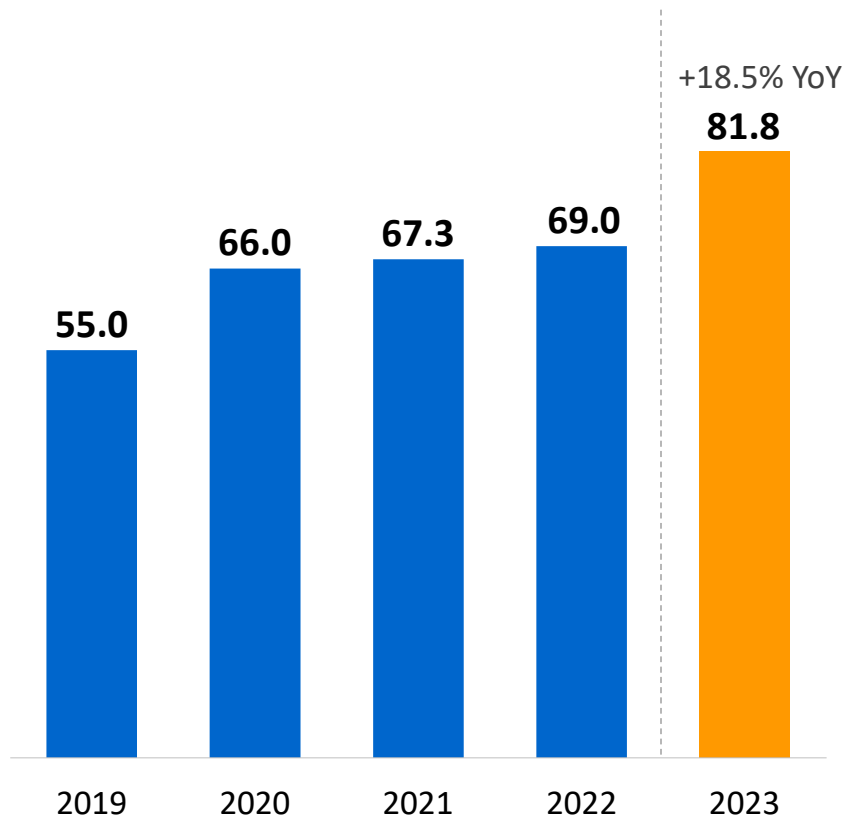
% of composition



Continue to focus operational efficiency improvement while maintaining manageable cost to income ratio

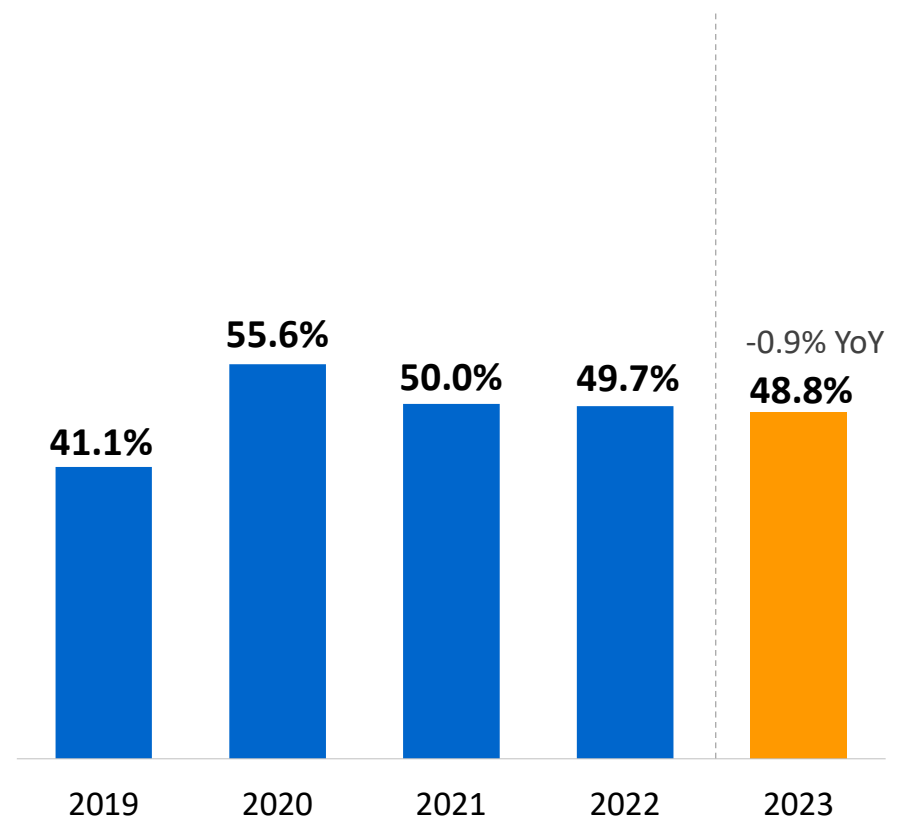
Operating expenses

Billion Baht



Cost to income ratio

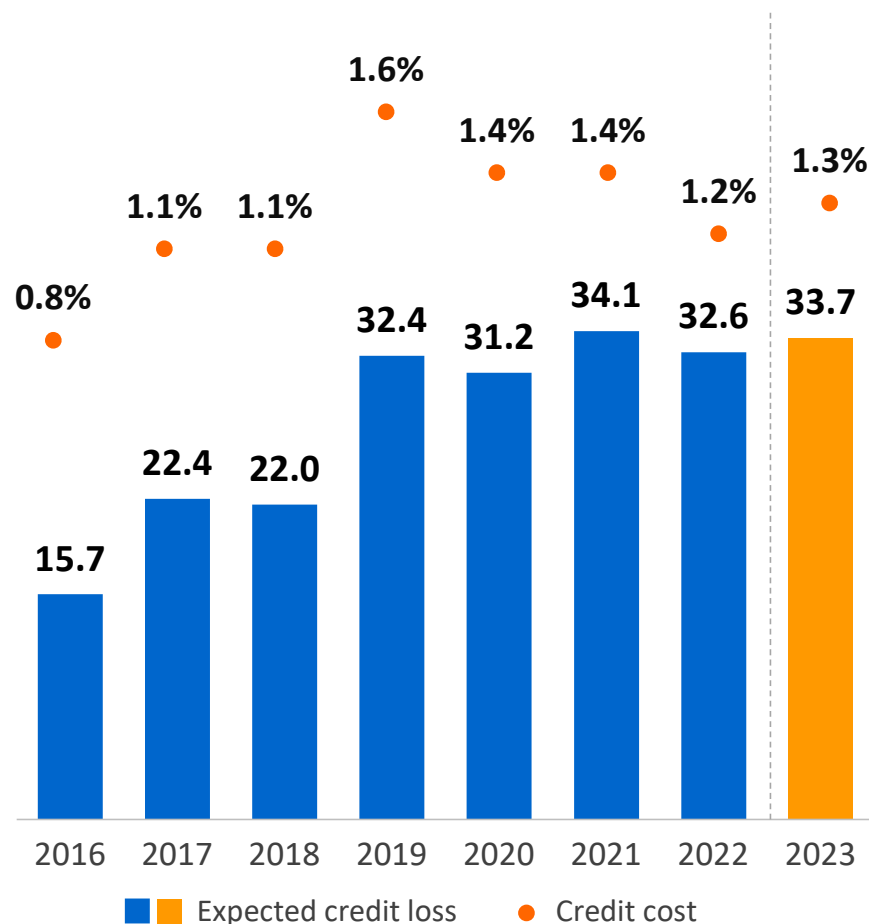
%



Manageable asset quality led to lower NPL and higher coverage ratio

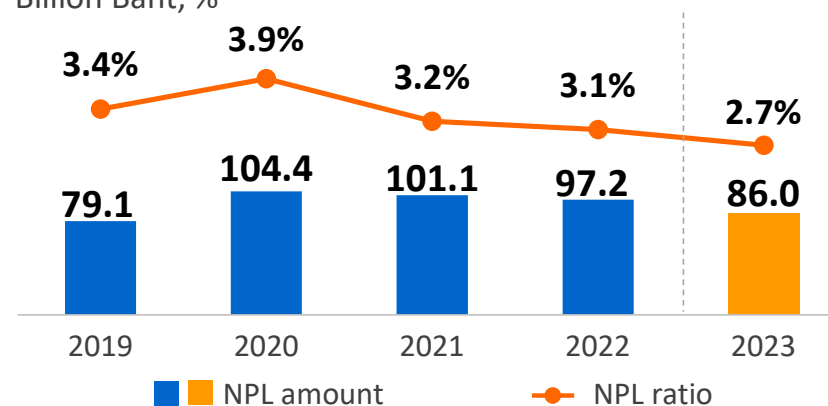
Expected credit loss (Provision), Credit cost

Billion Baht, %



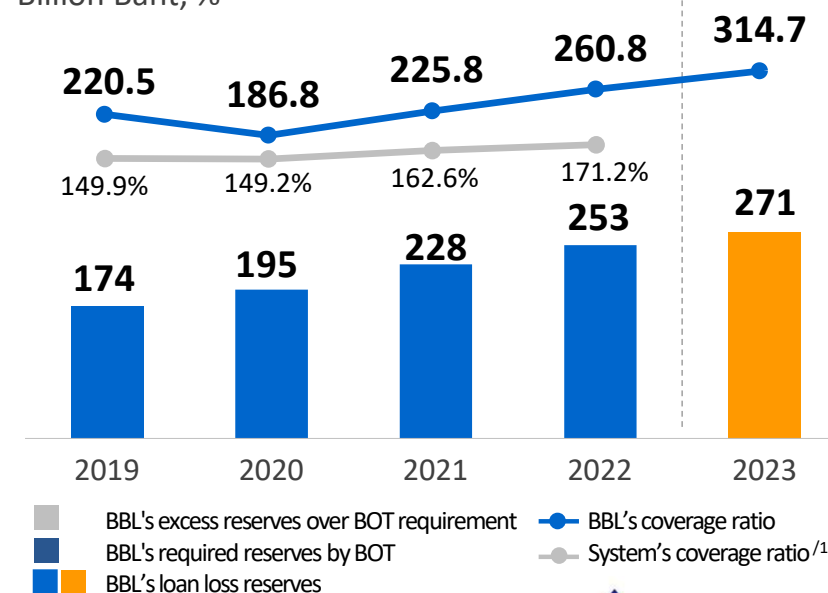
NPL amount, NPL ratio

Billion Baht, %



Loan loss reserve (LLR), Coverage ratio

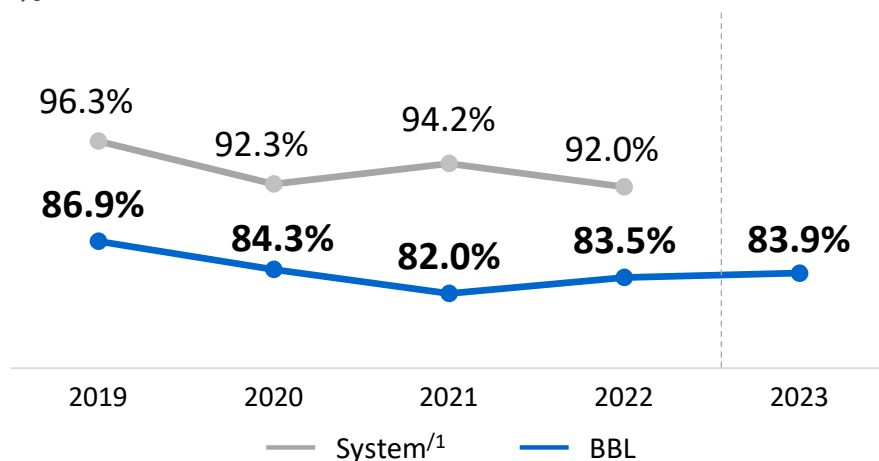
Billion Baht, %



Healthy funding and liquidity position

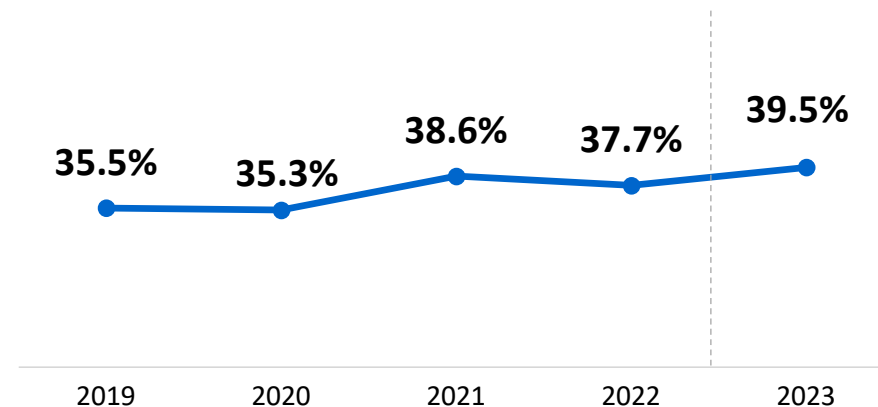
Loan-to-deposit ratio

%



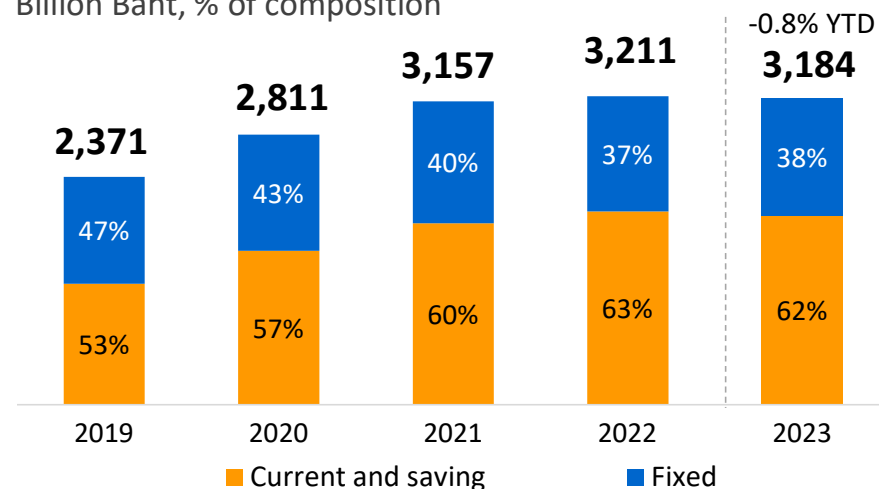
Liquid assets^{/2}

% of total assets



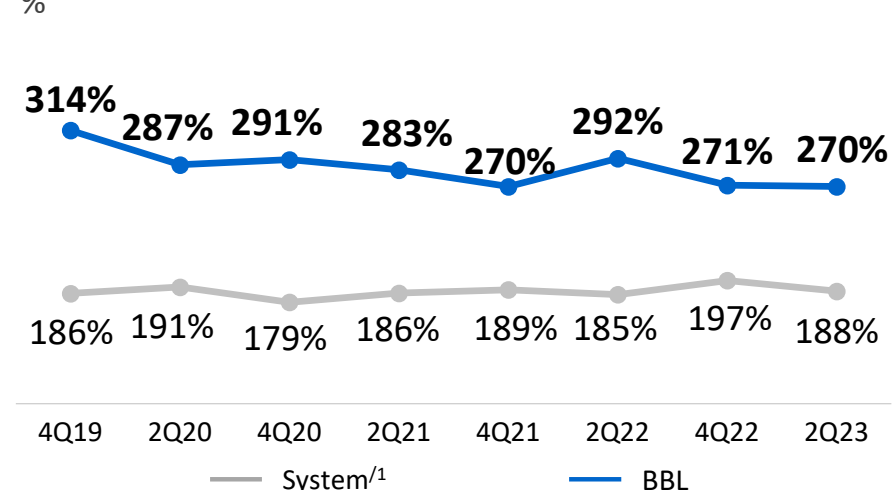
Deposit

Billion Baht, % of composition



Liquidity coverage ratio^{/3}

%



Notes: /1 System refers to all commercial banks in Thailand (Source: Bank of Thailand, Bangkok Bank analysis)

/2 Since 2020 liquid assets are defined as cash, interbank and money market items, debt securities and marketable equity securities

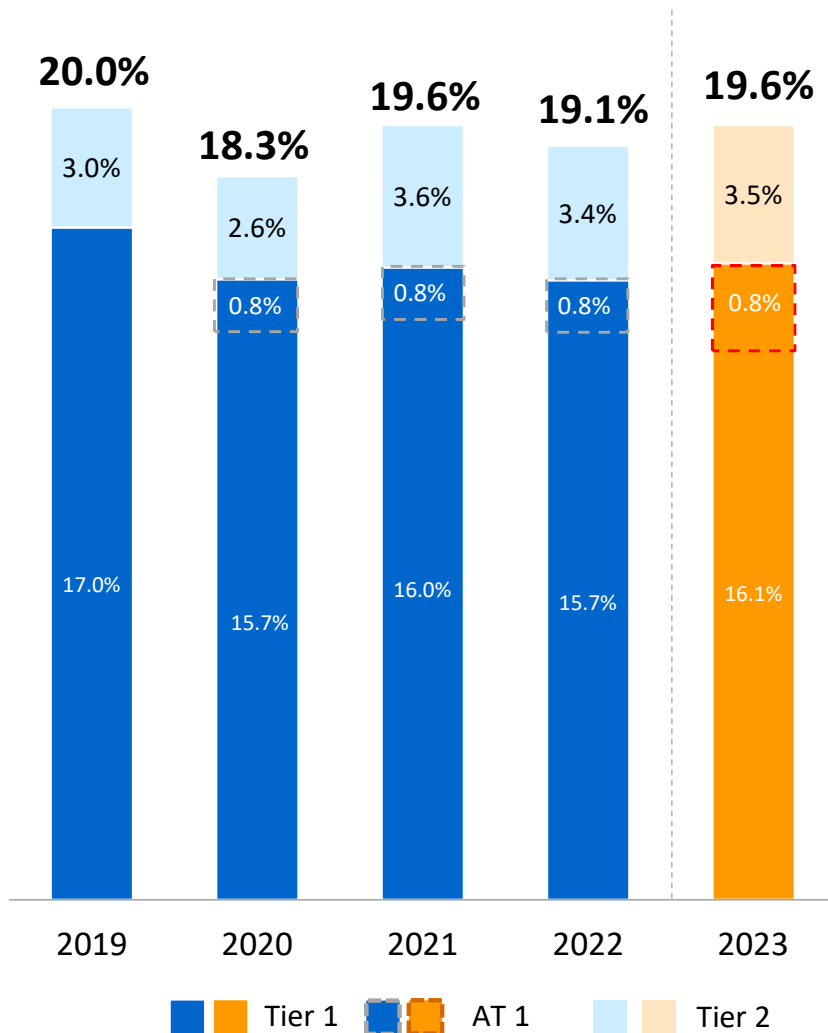
/3 For BBL, LCR is computed as an average ratio of month-end LCR in the quarter. For System, LCR is as of month.

Include Permata's financial performance since May 2020

Capital position above minimum requirements

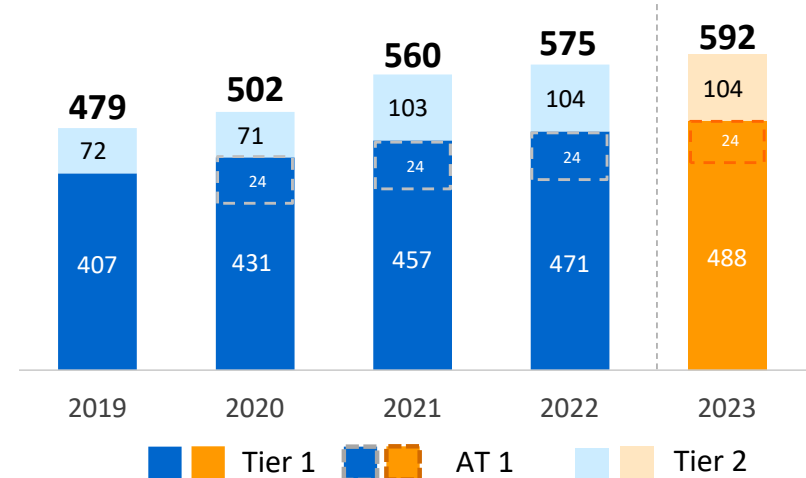
Consolidated capital ratios

%

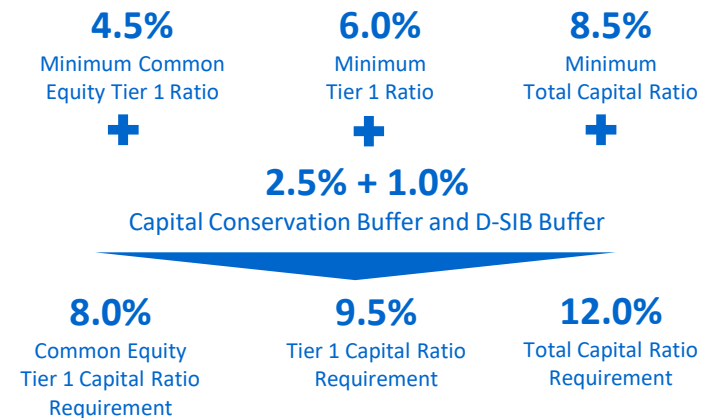


Capital base





Billion Baht



Regulatory capital ratio requirements



Bangkok Bank

-  2023 Key highlights
-  Operating environment
-  2023 Financial performance
-  **2024 Key focus and target**

Key Focus and Strategy



Regionalization

Leveraging our network couple with corporate and international expertise to maximize customers' growth potential in Thailand and regional market, particularly focusing on high-value industries

Digitalization

Developing a data driven organization through digitalizing systems, automation and use of AI including intelligent technologies such as predictive AI and generative AI to improve organizational competitiveness



Urbanization

Innovating services to support the evolving lifestyle and wealth needs of individual customers while helping business customers to thrive in the changing urban landscape

Sustainability

Be Resilient

Be Responsible

Be Customer Centric

Be Caring

Be Ethical

2024 Financial target

Consolidated	2024 Financial target
Loan growth	3-5%
NPL ratio (gross)	±3.0%
Net interest margin	Around 2.8%
Net fee income growth	Low single digit
Cost to income ratio	High-40s%
Credit cost	0.9-1.0%

Note: The above financial targets are based on the Bank's preliminary estimates that may change due to the operating environments and other unforeseen circumstances.

Appendix

Financial position

Million Baht

	Dec-20	Dec-21	Dec-22	Sep-23	Dec-23	Growth (%) QoQ	YTD
Loan	2,368,238	2,588,339	2,682,691	2,723,751	2,671,964	-1.9%	-0.4%
Deposit	2,810,863	3,156,940	3,210,896	3,163,297	3,184,283	0.7%	-0.8%
LDR	84.3%	82.0%	83.5%	86.1%	83.9%	-2.2%	0.4%
NPL ^{/1}	104,401	101,103	97,188	94,884	85,955	-9.4%	-11.6%
NPL ratio ^{/1}	3.9%	3.2%	3.1%	3.0%	2.7%	-0.3%	-0.4%
Allowance for ECL to NPL ^{/1}	186.8%	225.8%	260.8%	283.3%	314.7%	31.4%	53.9%
Allowance for ECL to loan	8.2%	8.8%	9.4%	9.9%	10.1%	0.2%	0.7%
Liquid assets ^{/2} to total assets	35.3%	38.6%	37.7%	37.5%	39.5%	2.0%	1.8%
CASA	57.0%	59.8%	62.6%	61.5%	61.7%	0.2%	-0.9%
CET1 ^{/3}	14.9%	15.2%	14.9%	15.4%	15.4%	0.0%	0.5%
Tier 1 ratio ^{/3}	15.7%	16.0%	15.7%	16.2%	16.1%	-0.1%	0.4%
CAR ^{/3}	18.3%	19.6%	19.1%	19.6%	19.6%	0.0%	1.3%

Note:

/1 Including interbank and money market lending

/2 Liquid assets consist of cash, interbank and money market items, debt securities and marketable equity securities

/3 Based on Basel III standards issued by BOT since January 1, 2013

Financial performance – Year

Million Baht

	2019	2020	2021	2022	2023	Growth (%) YoY
Net interest income	71,071	77,046	82,156	102,223	130,860	28.0%
Net fees income	28,505	24,711	29,209	27,508	27,234	-1.0%
Other operating income	34,171	16,971	23,176	9,164	9,393	2.5%
Total income	133,746	118,728	134,541	138,895	167,487	20.6%
Operating expense	54,963	65,974	67,266	69,019	81,775	18.5%
Expected credit loss ^{/1}	32,351	31,196	34,134	32,647	33,666	3.1%
Net profit ^{/2}	35,816	17,181	26,507	29,306	41,636	42.1%
EPS ^{/2} (Baht per share)	18.76	9.00	13.89	15.35	21.81	42.1%
NIM	2.35%	2.24%	2.10%	2.42%	3.02%	0.6%
Net fee income ratio	21.3%	20.8%	21.7%	19.8%	16.3%	-3.5%
Cost to income ratio	41.1%	55.6%	50.0%	49.7%	48.8%	-0.9%
ROA ^{/2}	1.13%	0.48%	0.65%	0.67%	0.93%	0.26%
ROE ^{/2}	8.45%	3.96%	5.62%	5.86%	8.01%	2.15%

Note:

/1 Prior to 2020 is impairment loss of loans and debt securities

/2 Attributable to owners of the Bank

Financial performance – 4Q23

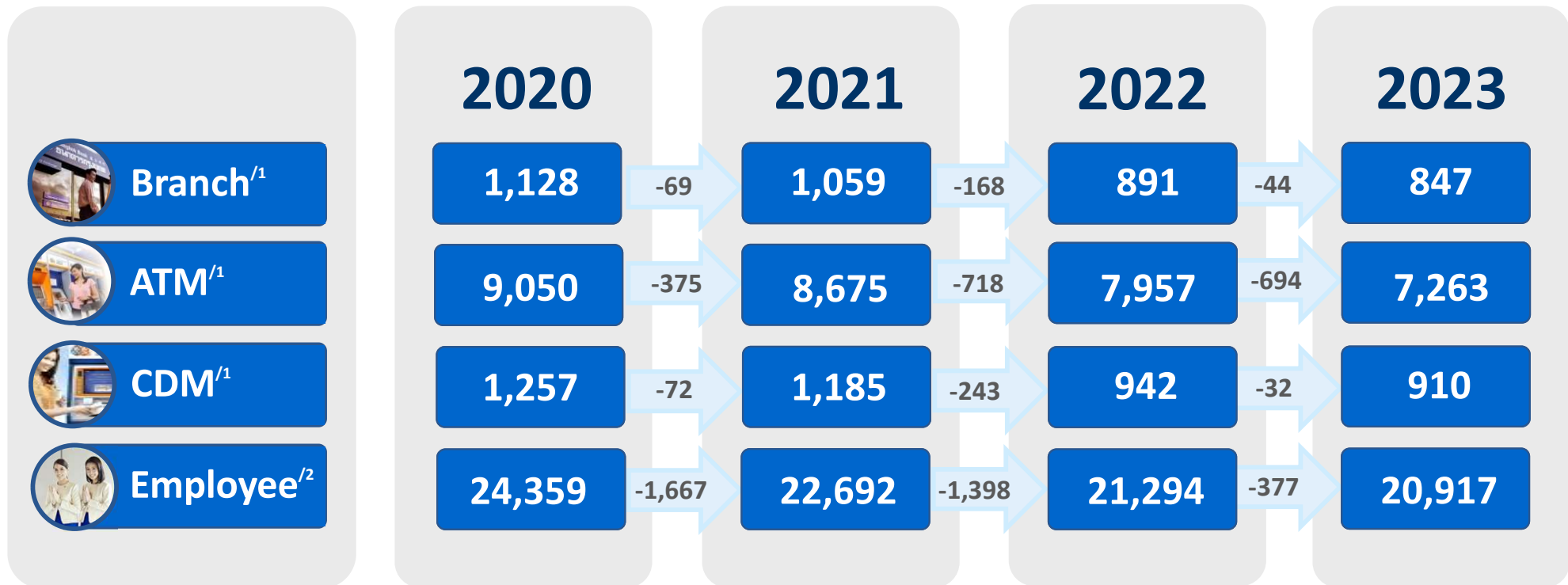
Million Baht

	4Q22	3Q23	4Q23	Growth (%)	
				QoQ	YoY
Net interest income	30,454	34,130	35,165	3.0%	15.5%
Net fees and service income	6,958	6,773	6,768	-0.1%	-2.7%
Other operating income	-527	1,670	259	-84.5%	149.1%
Total income	36,886	42,573	42,192	-0.9%	14.4%
Operating expense	19,071	19,208	23,621	23.0%	23.9%
Expected credit loss	7,914	8,969	7,343	-18.1%	-7.2%
Net profit/ ¹	7,569	11,350	8,863	-21.9%	17.1%
EPS/ ¹ (Baht per share)	3.97	5.95	4.64	-21.9%	17.1%
NIM	2.84%	3.11%	3.19%	0.08%	0.35%
Net fees and service income ratio	18.9%	15.9%	16.0%	0.1%	-2.9%
Cost to income ratio	51.7%	45.1%	56.0%	10.9%	4.3%
ROA/ ¹	0.68%	1.00%	0.78%	-0.22%	0.10%
ROE/ ¹	5.92%	8.59%	6.65%	-1.94%	0.73%

Note:

33 /1 Attributable to owners of the Bank

Network



Note: Consolidated

/1 Domestic operation

/2 Exclude Permata's employee

Long-standing international presence in 14 economies

1 **Cambodia**

Branch: 1
Number of year: 9

2 **China^{/1}**

Branch: 5
Number of year: 37

3 **Hong Kong**

Branch: 1
Number of year: 69

4 **Indonesia**

Branch: 216
Number of year: 55

5 **Japan**

Branch: 2
Number of year: 68

6 **Laos**

Branch: 1
Number of year: 30

7 **Malaysia^{/1}**

Branch: 5
Number of year: 64

8 **Myanmar**

Branch: 1
Number of year: 27

9 **Philippines**

Branch: 1
Number of year: 28

10 **Singapore**

Branch: 1
Number of year: 66

11 **Taiwan**

Branch: 3
Number of year: 58

12 **UK**

Branch: 1
Number of year: 66

13 **USA**

Branch: 1
Number of year: 58

14 **Vietnam**

Branch: 2
Number of year: 31



Note: As of December 2023

/1 Wholly-owned subsidiary

One Family, One Team

Vision To be a bank which provides quality financial services in line with customers' requirements, and is well equipped with qualified human resources and world-class technology and working systems, while maintaining its status as a well-established international bank and a leading Asian bank

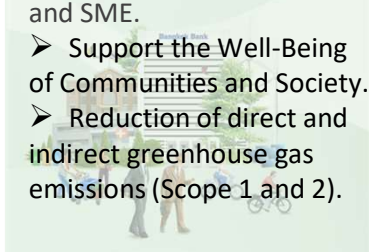
Be Resilient

- Achieve minimum capital requirements set by the BOT.
- Provide training on major risk issues for executives and employees.
- Improve online training courses on significant risk issues.



Be Responsible

- Integrate ESG issues into policies, standards and processes of credit consideration.
- Building awareness on the importance of responsible finance and ESG risk management in the credit approval process.
- Promote eco-friendly loans.
- Extend service points through banking agents.
- Financial inclusion for vulnerable groups.
- Provide knowledge sharing activities for farmers and SME.
- Support the Well-Being of Communities and Society.
- Reduction of direct and indirect greenhouse gas emissions (Scope 1 and 2).



Be Customer Centric

- Developing products and service channels that meet the needs and suit the lifestyles of customers.
- Attain customer satisfaction scores ~ 95 in branch service and ~ 80 in Mobile Banking.
- Achieve 100% training of executives and employees on cybersecurity and personal data protection.



Be Caring

- Concentrated on two areas of skills development: Business as Usual (BAU) skills, and lifelong learning skills that are necessary for future work.
- Initiate new courses to develop skills and increase average training hours per employee.
- Provide fair, comprehensive and appropriate welfare to employees.



Be Ethical

- Achieve "Excellent" rating from the Corporate Governance Report of Thai Listed Companies (CGR) conducted by the Thai Institute of Directors (IOD).
- Achieve 100% of all employees training on the Bank's Code of Conduct, Anti-Corruption, Anti-Money Laundering and Counter Terrorism and Proliferation of Weapons of Mass Destruction Financing (AML/CTPF) and Market Conduct.
- Building awareness among employees to ensure proper management and alignment with regulations and international standards.



Sustainability Performance



For further information

Contact:

Investor Relations team

Tel (66) 2 626 4981

Email: IR@bangkokbank.com

Bangkok Bank website

www.bangkokbank.com

This presentation is made by Bangkok Bank and may not be copied, altered, offered, sold or otherwise distributed to any other person by any recipient without the consent of Bangkok Bank. Although all reasonable effort has been made to ensure the facts stated herein are accurate and that the opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of Bangkok Bank. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by Bangkok bank as being accurate. Neither Bangkok Bank nor any of its directors, officers, employees, and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this information. The facts and information contained herein are as up to date as is reasonably possible and may be subject to revision in the future. Neither Bangkok Bank nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this presentation. Neither Bangkok Bank nor any of its directors, officers, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this presentation. This presentation may contain projections or other forward-looking statements related to Bangkok Bank that involve risks and uncertainties. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. All forward-looking statements are based on information available to Bangkok Bank on the date of its posting and Bangkok Bank assumes no obligation to update such statements unless otherwise required by applicable law. This presentation does not constitute an offer or invitation to subscribe for, or purchase, any shares of Bangkok Bank.