



# **Bangkok Bank Public Company Limited**

## **Management Discussion and Analysis**

for the Quarter Ended March 31, 2025

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## Management Discussion and Analysis

### Overview of the Economy and Banking Industry

#### *Thai Economy in the First Quarter of 2025*

The Thai economy in the first quarter of 2025 expanded from the previous quarter. The main driver was the continuous growth and acceleration in exports during the first quarter in line with increasing industrial production, particularly the automotive and electronic sectors. This was partly due to the accelerated exports ahead of the U.S. import tariff. Private consumption continued to expand, primarily supported by the service sector. Government spending also increased both in current and investment expenditures. However, the number of international tourists, especially from China, declined from the previous quarter.

Headline inflation remained within the Bank of Thailand's target range, increasing to 1.08 percent from 1.00 percent in the previous quarter driven by higher fresh food prices. Core inflation stood at 0.89 percent, increasing from 0.78 percent in the previous quarter due to higher processed food prices. The average exchange rate was 33.95 THB/USD, appreciating from 34.00 and 35.67 THB/USD in the previous quarter and the same period last year, respectively.

The Monetary Policy Committee reduced the policy interest rate by 0.25 percent at its meetings in February and April 2025, bringing the current policy rate to 1.75 percent. This decision was based on expectations that the Thai economy is likely to slow down due to uncertainties surrounding U.S. import tariffs, global trade policies and the duration of trade negotiations. The Monetary Policy Committee forecasts that if the U.S. import tariffs remain similar to the current rates (Reference Scenario), the Thai economy is expected to grow by 2.0 percent in 2025. If the US import tariffs are set at higher rates (Alternative Scenario), the Thai economy is expected to grow by 1.3 percent in 2025. The factors supporting Thai economic expansion include government spending and stimulus measures such as the temporary relaxation of loan-to-value (LTV) regulations for housing and related loans, as well as the extension of the reduction in property transfer and mortgage registration fees to 0.01 percent for properties priced below Baht 7 million.

#### *Thai Banking Industry*

At the end of the first quarter of 2025, loans in the commercial banking system decreased, while deposits increased, resulting in a lower loan to deposit ratio compared to the end of last year. The ratio of non-performing loan (NPL) to total loans increased from the end of last year.

The Bank of Thailand's Credit Conditions Report indicated that loan demand increased in the first quarter of 2025, particularly from SME businesses in the agricultural and manufacturing sectors for replenishing inventories, investment, working capital, and refinancing existing debt. In contrast, corporate loan demand slightly decreased. Consumer loan demand remained stable, with the exception of auto-leasing loans which increased predominantly due to promotional activities. In the second quarter of 2025, financial institutions anticipate that loan demand will continue to increase, especially corporate loan demand for working capital and refinancing, while SME loan demand is expected to decline due to seasonal factors. Consumer loan demand is expected to increase, particularly for housing loans, driven by government measures aimed at stimulating real estate transactions. Additionally, credit card loan is likely to expand due to the seasonal consumption pattern. The report was prepared in early March, therefore the loan outlook in the second quarter may not reflect the impact of the earthquake (March 28) and the announcement of U.S. import tariff measures (April 2).

Commercial banks place importance on providing assistance to all customer groups while supporting government policies for transitioning towards the sustainability of the Thai economy. This includes addressing household debt issues under the 'You Fight, We Help' program as well as previous debt resolution measures, and promoting responsible lending practices together with encouraging good financial discipline. Furthermore, commercial banks must monitor various risks from uncertainties in global trade policy. In terms of technology, commercial banks have continued to enhance their capabilities by leveraging technology and data to develop financial innovations and services that meet customer needs and prepare for future competition. This includes ongoing development of their cybersecurity capabilities to enhance customer confidence.

Commercial banks continued to place greater emphasis on liquidity management with a focus on restructuring deposits appropriately, managing costs and maintaining their liquidity in line with the Bank of Thailand's regulations, as well as focusing on asset quality and prudent risk management. The commercial banking system retains high levels of capital and has regularly increased loan loss reserves which will enable it to support credit demand and manage economic volatility going forward.

### Overall Picture of the Bank and its Subsidiaries

Million Baht					
Item	Q1/25	Q4/24	Q1/24	%QoQ	%YoY
Net profit <sup>/1</sup>	12,618	10,404	10,524	21.3%	19.9%
Earnings per share (Baht)	6.61	5.45	5.51	21.3%	19.9%
Net interest margin	2.89%	3.09%	3.06%	(0.20)%	(0.17)%
Net fees and service income to operating income ratio	16.6%	15.7%	16.6%	0.9%	-
Cost to income ratio	45.5%	53.1%	47.1%	(7.6)%	(1.6)%
Return on average assets <sup>/1</sup>	1.11%	0.92%	0.93%	0.19%	0.18%
Return on average equity <sup>/1</sup>	9.15%	7.50%	7.81%	1.65%	1.34%

<sup>/1</sup> Attributable to owners of the Bank

Million Baht					
Item	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
Loans	2,720,983	2,693,301	2,736,427	1.0%	(0.6)%
Deposits	3,225,131	3,169,654	3,198,332	1.8%	0.8%
Loan to deposit ratio	84.4%	85.0%	85.6%	(0.6)%	(1.2)%
Non-performing loan (Gross NPL) <sup>/1</sup>	97,793	85,833	93,949	13.9%	4.1%
Gross NPL to total loans ratio <sup>/1</sup>	3.0%	2.7%	3.0%	0.3%	-
Allowance for expected credit losses to NPL ratio <sup>/1</sup>	300.3%	334.3%	291.7%	(34.0)%	8.6%
Total capital adequacy ratio	21.00%	20.35%	19.72%	0.65%	1.28%

<sup>/1</sup> Including interbank and money market lending



Bangkok Bank and its subsidiaries reported a net profit of Baht 12,618 million in the first quarter of 2025, an increase of 19.9 percent from the same quarter last year primarily driven by total operating income. Net interest income amounted to Baht 31,909 million, with a net interest margin of 2.89 percent, in line with market interest rate trends. Net fees and service income growth was driven by loan related fees as well as bancassurance and mutual fund services, which continue to perform well, couple with increases in gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL) and gains on investments in accordance with market conditions. Regarding the increase in operating expenses, the Bank continues to improve operational efficiency alongside focusing on cost management. As a result, the cost to income ratio stood at 45.5 percent. The Bank set aside Baht 9,067 million for expected credit losses in the first quarter of 2025, at a similar level to the same quarter last year.

At the end of March 2025, the Bank's total loans amounted to Baht 2,720,983 million, an increase of 1.0 percent from the end of last year, driven by loans to large corporate customers. The non-performing loan to total loans ratio remained manageable at 3.0 percent. Under the Bank's continuous prudent management approach, the ratio of the allowance for expected credit losses to non-performing loan remained strong at 300.3 percent.

As of March 31, 2025, the Bank's deposits amounted to Baht 3,225,131 million, an increase of 1.8 percent from the end of last year, with the loan to deposit ratio at 84.4 percent. The total capital adequacy ratio, Tier 1 capital adequacy ratio, and Common Equity Tier 1 capital adequacy ratio of the Bank and its subsidiaries stood at 21.00 percent, 16.54 percent and 15.77 percent, respectively, comfortably above the Bank of Thailand's minimum capital requirements.

### Operating Income and Expenses of the Bank and its Subsidiaries

Million Baht					
Item	Q1/25	Q4/24	Q1/24	%QoQ	%YoY
Net interest income	<b>31,909</b>	33,977	33,422	(6.1)%	(4.5)%
Non-interest income	<b>13,745</b>	10,804	8,260	27.2%	66.4%
Operating expenses	<b>20,752</b>	23,757	19,618	(12.6)%	5.8%
Expected credit losses	<b>9,067</b>	7,634	8,582	18.8%	5.7%
Operating profit before tax	<b>15,835</b>	13,390	13,482	18.3%	17.5%
Income tax expenses	<b>3,132</b>	2,896	2,849	8.1%	9.9%
Net profit	<b>12,703</b>	10,494	10,633	21.1%	19.5%
Net profit <sup>/1</sup>	<b>12,618</b>	10,404	10,524	21.3%	19.9%
Total comprehensive income <sup>/1</sup>	<b>8,286</b>	6,216	26,592	33.3%	(68.8)%

<sup>/1</sup> Attributable to owners of the Bank

Bangkok Bank and its subsidiaries reported a net profit attributable to owners of the Bank in the first quarter of 2025 of Baht 12,618 million, increasing by 21.3 percent from the previous quarter, driven by the Bank's diversified sources of income. Non-interest income increased due to higher investment income and net fees and service income from loans related fees, as well as bancassurance and mutual fund services. The net interest income declined in line with interest rate environment. Operating expenses decreased due to effective expense management. The Bank also set aside expected credit losses under its consistently prudent approach.



Compared with the first quarter of 2024, net profit attributable to owners of the Bank grew by 19.9 percent, primarily driven by total operating income. Non-interest income increased due to investment income aligned with market conditions. Net interest income decreased in line with interest rate trends. Regarding the increase in operating expenses, the Bank continues to improve operational efficiency. Expected credit losses for the first quarter of 2025 remained at a similar level to the same quarter last year.

### Net Interest Income

Net interest income in the first quarter of 2025 amounted to Baht 31,909 million, decreasing from the previous quarter and the same quarter last year. This was mainly due to a decrease in interest income on loans, in line with interest rate environment. The net interest margin stood at 2.89 percent.

Million Baht					
Item	Q1/25	Q4/24	Q1/24	%QoQ	%YoY
<b>Interest Income</b>					
Loans	37,467	40,016	39,765	(6.4)%	(5.8)%
Interbank and money market items	5,015	4,889	5,570	2.6%	(10.0)%
Investments	6,989	7,495	6,337	(6.8)%	10.3%
<b>Total interest income</b>	<b>49,471</b>	<b>52,400</b>	<b>51,672</b>	<b>(5.6)%</b>	<b>(4.3)%</b>
<b>Interest expenses</b>					
Deposits	9,498	10,073	10,320	(5.7)%	(8.0)%
Interbank and money market items	2,272	2,489	1,984	(8.7)%	14.5%
Contributions to Financial Institutions Development Fund and Deposit Protection Agency	3,142	3,103	3,102	1.3%	1.3%
Debt issued and borrowings	2,650	2,758	2,844	(3.9)%	(6.8)%
<b>Total interest expenses</b>	<b>17,562</b>	<b>18,423</b>	<b>18,250</b>	<b>(4.7)%</b>	<b>(3.8)%</b>
<b>Net interest income</b>	<b>31,909</b>	<b>33,977</b>	<b>33,422</b>	<b>(6.1)%</b>	<b>(4.5)%</b>
Yield on earning assets	4.47%	4.77%	4.73%	(0.30)%	(0.26)%
Cost of funds	1.89%	1.99%	1.97%	(0.10)%	(0.08)%
Net interest margin	2.89%	3.09%	3.06%	(0.20)%	(0.17)%

Bangkok Bank Interest Rate	Mar'25	Dec'24	Sep'24	Jun'24	Mar'24	Dec'23
<b>Loans (%)</b>						
MOR	7.100	7.350	7.550	7.550	7.550	7.550
MRR	6.950	7.000	7.050	7.050	7.300	7.300
MLR	6.825	6.900	7.100	7.100	7.100	7.100
<b>Deposits (%)</b>						
Savings	0.250	0.250	0.450	0.450	0.450	0.450
3-month Fixed	1.000	1.000	1.200	1.200	1.200	1.200
6-month Fixed	1.100	1.100	1.250	1.250	1.250	1.250
12-month Fixed	1.450	1.450	1.600	1.600	1.600	1.600
<b>Bank of Thailand Policy Rate (%)</b>	<b>2.000</b>	<b>2.250</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>	<b>2.500</b>

### *Non-interest Income*

Non-interest income for the first quarter of 2025 amounted to Baht 13,745 million, increasing from the previous quarter. This was primarily due to higher gains on investments and net fees and service income, driven by both loan related fees and continuous growth in bancassurance and mutual fund services.

Compared with the same quarter last year, non-interest income increased from gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL) and gains on investments in accordance with market conditions. In addition, net fees and service income increased from loan related fees as well as bancassurance and mutual fund services, continuing to perform well.

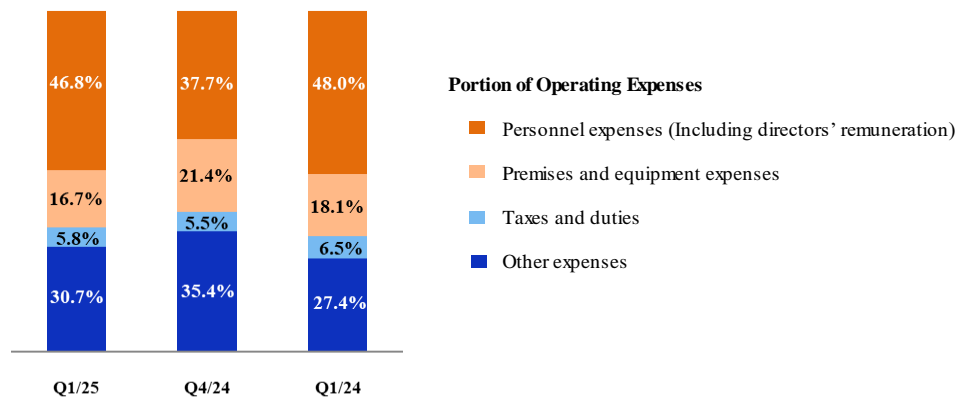
Million Baht					
Item	Q1/25	Q4/24	Q1/24	%QoQ	%YoY
Fees and service income	11,938	11,085	11,269	7.7%	5.9%
<u>Less</u> fees and service expenses	4,346	4,073	4,342	6.7%	0.1%
<b>Net fees and service income</b>	<b>7,592</b>	7,012	6,927	8.3%	9.6%
Gains (losses) on financial instruments measured at FVTPL	1,957	2,986	(82)	(34.5)%	2,486.6%
Gains on investments	2,897	133	182	2,078.2%	1,491.8%
Share of profit from investment using equity method	50	48	52	4.2%	(3.8)%
Gains on disposal of assets	255	54	146	372.2%	74.7%
Dividend income	739	328	795	125.3%	(7.0)%
Other operating income	255	243	240	4.9%	6.3%
<b>Total other operating income</b>	<b>6,153</b>	3,792	1,333	62.3%	361.6%
<b>Total non-interest income</b>	<b>13,745</b>	10,804	8,260	27.2%	66.4%
Net fees and service income to operating income ratio	16.6%	15.7%	16.6%	0.9%	-

### Operating Expenses

Operating expenses for the first quarter of 2025 amounted to Baht 20,752 million, a decrease of 12.6 percent from the fourth quarter of 2024 due to seasonality of expenses and appropriate cost management.

Compared with the first quarter last year, operating expenses increased by 5.8 percent. The Bank continues to improve operational efficiency alongside focusing on cost management. As a result, the cost to income ratio stood at 45.5 percent.

Million Baht					
Item	Q1/25	Q4/24	Q1/24	%QoQ	%YoY
Personnel expenses	<b>9,666</b>	8,858	9,359	9.1%	3.3%
Directors' remuneration	<b>54</b>	87	60	(37.9)%	(10.0)%
Premises and equipment expenses	<b>3,460</b>	5,082	3,552	(31.9)%	(2.6)%
Taxes and duties	<b>1,194</b>	1,319	1,273	(9.5)%	(6.2)%
Other expenses	<b>6,378</b>	8,411	5,374	(24.2)%	18.7%
<b>Total operating expenses</b>	<b>20,752</b>	23,757	19,618	(12.6)%	5.8%
Cost to income ratio	<b>45.5%</b>	53.1%	47.1%	(7.6)%	(1.6)%



### Expected Credit Losses

In the first quarter of 2025, the Bank set aside Baht 9,067 million for expected credit losses, adhering to its consistently prudent approach. This takes into account the lower-than-expected growth prospects of the Thai economy and high household debt levels, which may constrain domestic consumption and weigh on private sector confidence. Additionally, there are uncertainties in the period ahead due to the impact from U.S. trade policy on the global economy.





## Significant Items in the Financial Position

### Assets

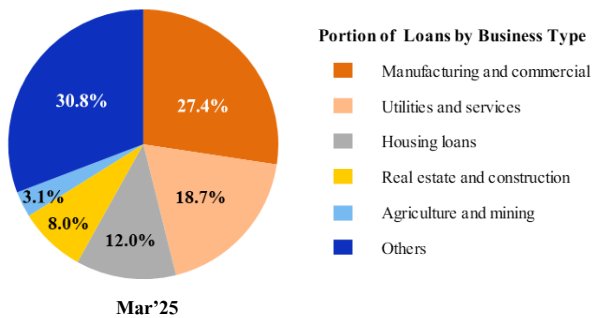
As of March 31, 2025, total assets amounted to Baht 4,628,379 million, increasing 1.7 percent from the end of December 2024.

Million Baht					
Item	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
Net interbank and money market items	794,182	752,269	647,181	5.6%	22.7%
Financial assets measured at FVTPL	109,635	105,577	107,196	3.8%	2.3%
Net investments	1,015,568	989,975	1,022,183	2.6%	(0.6)%
Net investments in associates	1,061	1,011	1,463	4.9%	(27.5)%
Loans	2,720,983	2,693,301	2,736,427	1.0%	(0.6)%
Net properties for sale	5,559	5,921	8,890	(6.1)%	(37.5)%
<b>Total assets</b>	<b>4,628,379</b>	<b>4,551,379</b>	<b>4,556,914</b>	<b>1.7%</b>	<b>1.6%</b>

### Loans

As of March 31, 2025, loans amounted to Baht 2,720,983 million, increasing 1.0 percent from the end of December 2024 mainly from loans to large corporate customers.

Million Baht					
Loans by Business Type	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
Manufacturing and commercial	745,066	730,261	780,566	2.0%	(4.5)%
Utilities and services	508,843	500,761	507,246	1.6%	0.3%
Housing loans	326,318	331,795	337,462	(1.7)%	(3.3)%
Real estate and construction	218,633	209,384	201,643	4.4%	8.4%
Agriculture and mining	85,062	88,813	101,157	(4.2)%	(15.9)%
Others	837,061	832,287	808,353	0.6%	3.6%
<b>Total loans</b>	<b>2,720,983</b>	<b>2,693,301</b>	<b>2,736,427</b>	<b>1.0%</b>	<b>(0.6)%</b>



The Bank and its subsidiaries had loans distributed across business sectors, with 27.4 percent in the manufacturing and commercial sector, 18.7 percent in the utilities and services sector, 12.0 percent in the housing loans sector, and 8.0 percent in the real estate and construction sector. The increase in loans from the end of December 2024, was mainly from the manufacturing and commercial sector.



### *Classified Loans and Allowance for Expected Credit Losses*

As of the end of March 2025, non-performing loan (Gross NPL) totaled Baht 97,793 million. The Gross NPL to total loans ratio stood at a manageable level of 3.0 percent. The allowance for expected credit losses was Baht 293,695 million. As a result, the allowance for expected credit losses to NPL ratio was at a strong level of 300.3 percent.

Million Baht					
Item	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
<b><u>Consolidated</u></b>					
Non-performing loan (Gross NPL) <sup>/1</sup>	<b>97,793</b>	85,833	93,949	13.9%	4.1%
Gross NPL to total loans ratio <sup>/1</sup>	<b>3.0%</b>	2.7%	3.0%	0.3%	-
Net NPL to net total loans ratio <sup>/1</sup>	<b>0.7%</b>	0.6%	0.8%	0.1%	(0.1)%
Allowance for expected credit losses to NPL ratio	<b>300.3%</b>	334.3%	291.7%	(34.0)%	8.6%
<b><u>The Bank</u></b>					
Non-performing loan (Gross NPL) <sup>/1</sup>	<b>85,440</b>	73,118	79,146	16.9%	8.0%
Gross NPL to total loans ratio <sup>/1</sup>	<b>3.0%</b>	2.6%	3.0%	0.4%	-

<sup>/1</sup> Including interbank and money market lending

Million Baht						
Item	Loans and Interbank & Money Market			Allowance for Expected Credit Losses <sup>/1</sup>		
	Mar'25	Dec'24	Mar'24	Mar'25	Dec'24	Mar'24
Non-credit-impaired	<b>3,417,919</b>	3,360,376	3,290,290	<b>214,255</b>	216,984	201,692
Credit-impaired	<b>97,793</b>	85,833	93,949	<b>79,440</b>	69,982	72,379
<b>Total</b>	<b>3,515,712</b>	3,446,209	3,384,239	<b>293,695</b>	286,966	274,071

<sup>/1</sup> Including allowance for expected credit losses of loans, interbank and money market items, loan commitments and financial guarantee contracts

### Investments

As of March 31, 2025, the Bank and its subsidiaries had total investments of Baht 1,125,203 million, increasing 2.7 percent from the end of December 2024. The Bank had Baht 621,302 million in investments in Thai government and state enterprise securities, accounting for 55.2 percent of total investments. Foreign debt securities amounted to Baht 288,704 million, and net investment in equity securities amounted to Baht 98,475 million.

Million Baht					
Investments by Investment Holding	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
Trading securities	16,605	15,673	30,624	5.9%	(45.8)%
Securities measured at FVTPL	93,030	89,904	76,572	3.5%	21.5%
Debt securities measured at amortized cost	108,917	109,831	118,751	(0.8)%	(8.3)%
Debt securities measured at FVOCI	817,628	777,626	805,639	5.1%	1.5%
Equity securities measured at FVOCI	89,023	102,518	97,793	(13.2)%	(9.0)%
<b>Total investments</b>	<b>1,125,203</b>	<b>1,095,552</b>	<b>1,129,379</b>	<b>2.7%</b>	<b>(0.4)%</b>

### Liabilities and Shareholders' Equity

Total liabilities, as of March 31, 2025, amounted to Baht 4,063,162 million, increasing 1.7 percent from the end of December 2024, mainly from deposits and debt issued and borrowings.

Million Baht					
Item	Mar'25	Dec'24	Mar'24	%QoQ	%YoY
Deposits	3,225,131	3,169,654	3,198,332	1.8%	0.8%
Interbank and money market items	337,468	346,936	328,084	(2.7)%	2.9%
Financial liabilities measured at FVTPL	17,721	17,763	19,410	(0.2)%	(8.7)%
Debt issued and borrowings	249,317	213,785	202,620	16.6%	23.0%
<b>Total liabilities</b>	<b>4,063,162</b>	<b>3,994,506</b>	<b>3,999,337</b>	<b>1.7%</b>	<b>1.6%</b>
<b>Shareholders' equity</b> <sup>/1</sup>	<b>563,325</b>	<b>555,039</b>	<b>555,567</b>	<b>1.5%</b>	<b>1.4%</b>

<sup>/1</sup> Attributable to owners of the Bank



### Deposits

Total deposits, as of March 31, 2025, amounted to Baht 3,225,131 million, increasing 1.8 percent from the end of last year, driven by savings account deposits. The loan to deposit ratio was 84.4 percent.

		Million Baht						
Deposits Classified by Product Type	Mar'25		Dec'24		Mar'24		%QoQ	%YoY
	Amount	Portion	Amount	Portion	Amount	Portion		
Current	275,894	8.6%	268,865	8.5%	284,586	8.9%	2.6%	(3.1)%
Savings	1,712,441	53.1%	1,662,444	52.4%	1,699,730	53.1%	3.0%	0.7%
Fixed	1,236,796	38.3%	1,238,345	39.1%	1,214,016	38.0%	(0.1)%	1.9%
<b>Total deposits</b>	<b>3,225,131</b>	<b>100.0%</b>	<b>3,169,654</b>	<b>100.0%</b>	<b>3,198,332</b>	<b>100.0%</b>	<b>1.8%</b>	<b>0.8%</b>
Loan to deposit ratio		<b>84.4%</b>		<b>85.0%</b>		<b>85.6%</b>	<b>(0.6)%</b>	<b>(1.2)%</b>

### Debt Issued and Borrowings

Total debt issued and borrowings, as of March 31, 2025, amounted to Baht 249,317 million, an increase of 16.6 percent from the end of December 2024 due mainly to the issuance of 15-year subordinated notes qualifying as Basel III-compliant Tier 2 capital of USD 1,000 million in March 2025.

		Million Baht						
Debt Issued and Borrowings Classified by Type of Instruments	Mar'25		Dec'24		Mar'24		%QoQ	%YoY
	Amount	Portion	Amount	Portion	Amount	Portion		
Senior unsecured notes	114,900	46.0%	112,733	52.7%	94,215	46.5%	1.9%	22.0%
Subordinated notes	134,063	53.7%	100,301	46.8%	107,587	53.0%	33.7%	24.6%
Others	664	0.3%	1,074	0.5%	1,067	0.5%	(38.2)%	(37.8)%
Total (before discount on borrowings)	249,627	100.0%	214,108	100.0%	202,869	100.0%	16.6%	23.0%
<u>Less</u> discount on borrowings	310		323		249		(4.0)%	24.5%
<b>Total debt issued and borrowings</b>	<b>249,317</b>		<b>213,785</b>		<b>202,620</b>		<b>16.6%</b>	<b>23.0%</b>

### Shareholders' Equity

Shareholders' equity attributable to owners of the Bank, as of March 31, 2025, amounted to Baht 563,325 million, an increase of Baht 8,286 million, or 1.5 percent, from the end of 2024. This was due to the inclusion of net profit attributable to the Bank for the first quarter of 2025.

### Sources and Utilization of Funds

As of March 31, 2025, the Bank and its subsidiaries' primary sources of funds consisted of deposits of Baht 3,225,131 million or 69.7 percent, equity attributable to owners of the Bank of Baht 563,325 million or 12.2 percent, interbank and money market items on liabilities of Baht 337,468 million or 7.3 percent, and debt issued and borrowings including financial liabilities measured at fair value through profit or loss (FVTPL) amounting to Baht 267,038 million or 5.8 percent.

The utilization of funds comprised loans of Baht 2,720,983 million or 58.8 percent, net investments, including financial assets measured at FVTPL and net investments in associates of Baht 1,126,264 million or 24.3 percent, and net interbank and money market assets of Baht 794,182 million or 17.2 percent.

### *Capital Reserves and Capital Adequacy Ratio*

Under the principles of Basel III, the Bank of Thailand (BOT) currently requires commercial banks registered in Thailand and members of their financial groups to maintain minimum levels of capital adequacy as measured by three ratios: the Common Equity Tier 1 capital adequacy ratio at no less than 4.50 percent, the Tier 1 capital adequacy ratio at no less than 6.00 percent, and the Total Capital Adequacy ratio at no less than 8.50 percent – measured as a percentage of total risk-weighted assets. The BOT also requires a capital conservation buffer of more than 2.50 percent. Since the Bank is classified by the BOT as a Domestic Systemically Important Bank (D-SIB), it must have an additional Common Equity Tier 1 ratio at 1.00 percent for Higher Loss Absorbency (HLA). Consequently, the Bank is required to maintain the Common Equity Tier 1 capital adequacy ratio at more than 8.00 percent, the Tier 1 capital adequacy ratio at more than 9.50 percent, and the total capital adequacy ratio at more than 12.00 percent – measured as percentages of total risk-weighted assets.

As of March 31, 2025, the Bank's Common Equity Tier 1 capital adequacy ratio was 15.77 percent, the Tier 1 capital adequacy ratio was 16.54 percent, and the total capital adequacy ratio was 21.00 percent, which was above the BOT's minimum capital requirements.

#### *Consolidated*

Million Baht

Item	Mar'25		Dec'24		Mar'24		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	488,018	15.77%	492,953	16.18%	478,931	15.56%	> 8.00%
Tier 1 capital	511,829	16.54%	516,755	16.96%	502,725	16.33%	> 9.50%
Tier 2 capital	137,821	4.46%	103,305	3.39%	104,160	3.39%	
<b>Total capital</b>	<b>649,650</b>	<b>21.00%</b>	<b>620,060</b>	<b>20.35%</b>	<b>606,885</b>	<b>19.72%</b>	<b>&gt; 12.00%</b>

#### *The Bank*

Million Baht

Item	Mar'25		Dec'24		Mar'24		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	482,638	17.26%	487,366	17.82%	467,635	17.00%	> 8.00%
Tier 1 capital	506,230	18.10%	510,958	18.68%	491,227	17.85%	> 9.50%
Tier 2 capital	134,880	4.82%	100,549	3.68%	100,996	3.68%	
<b>Total capital</b>	<b>641,110</b>	<b>22.92%</b>	<b>611,507</b>	<b>22.36%</b>	<b>592,223</b>	<b>21.53%</b>	<b>&gt; 12.00%</b>



### Liquid Assets

Liquid assets consisted of cash, net interbank and money market items, debt securities, and marketable equity securities. As of March 31, 2025, the ratio of liquid assets to total assets and liquid assets to deposits was 40.1 percent and 57.6 percent, respectively.

Item	Mar'25	Dec'24	Mar'24
Liquid assets/Total assets (%)	40.1	39.4	38.0
Liquid assets/Deposits (%)	57.6	56.6	54.2

### Credit Ratings

Details of the Bank's credit ratings are as follows:

Credit Rating Agency	Mar'25	Dec'24	Mar'24
<b>Moody's Investors Service</b>			
Long-term Deposit	Baa1	Baa1	Baa1
Short-term Deposit	P-2	P-2	P-2
Senior Unsecured Debt Instrument	Baa1	Baa1	Baa1
Subordinated Debt Instrument	Baa2	Baa2	Baa2
Subordinated Debt (Basel III-compliant Tier 2 securities)	Baa3	Baa3	Baa3
Subordinated Debt (Basel III-compliant Tier 1 securities)	Ba1	Ba1	Ba1
Financial Strength (BCA)	baa1	baa1	baa1
Outlook	Stable	Stable	Stable
<b>S&amp;P Global Ratings</b>			
Long-term Issuer Credit Rating	BBB+	BBB+	BBB+
Short-term Issuer Credit Rating	A-2	A-2	A-2
Senior Unsecured Debt Instrument	BBB+	BBB+	BBB+
Subordinated Debt Instrument	BBB	BBB	BBB
Financial Strength (SACP)	bbb-	bbb-	bbb-
Outlook	Stable	Stable	Stable
<b>Fitch Ratings</b>			
<b>International Rating</b>			
Long-term Issuer Default Rating	BBB	BBB	BBB
Short-term Issuer Default Rating	F2	F2	F2
Senior Unsecured Debt Instrument	BBB	BBB	BBB
Subordinated Debt Instrument	BB+	BB+	BB+
Subordinated Debt (Basel III-compliant Tier 2 securities)	BB+	BB+	BB+
Financial Strength (VR)	bbb	bbb	bbb
Outlook	Stable	Stable	Stable
<b>National Rating</b>			
Long-term	AA+(tha)	AA+(tha)	AA+(tha)
Short-term	F1+(tha)	F1+(tha)	F1+(tha)
Outlook	Stable	Stable	Stable