



**Bangkok Bank Public Company Limited**

Management Discussion and Analysis

for the Quarter and Six-month Period Ended June 30, 2025

## Management Discussion and Analysis

### Overview of the Economy and Banking Industry

#### Thai Economy in the Second Quarter of 2025

The Thai economy in the second quarter of 2025 continued to expand from the previous quarter, driven by merchandise exports and industrial production, particularly electronics and machinery, in response to global demand for technology products and an acceleration in shipments ahead of the U.S. import tariff implementation. Private investment grew driven by increased spending on machinery and equipment, while government expenditure expanded, underpinned by increased investment disbursements. However, private consumption slowed down, and the tourism sector was affected by a decline in foreign tourist arrivals from short-haul markets. Nevertheless, overall tourism revenue continued to improve, supported by higher spending from long-haul tourists.

Headline inflation stood at -0.35 percent, down from 1.08 percent in the previous quarter and below the lower bound of the Bank of Thailand's target range of 1.00 percent, mainly due to falling prices of fresh food and energy. Meanwhile, core inflation rose to 1.04 percent from 0.89 percent in the previous quarter, driven by higher prices in the categories of meat, prepared food, seasoning ingredients, and non-alcoholic beverages. The average exchange rate was 33.11 THB/USD, an appreciation from 33.95 and 36.71 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, April and August 2025, bringing the current policy rate to 1.50 percent. The committee assessed that the monetary policy easing should be more accommodative to some extent to ensure financial conditions are conducive to business adjustment and alleviate the burden on vulnerable groups. The Thai economy is projected to expand by 2.3 percent in 2025, driven by stronger-than-expected expansion in the first half of the year. However, the second half faces significant headwinds, particularly from the U.S. import tariff policy, which exacerbates structural challenges and undermines competitiveness. Additionally, a decline in tourist arrivals is expected to negatively impact SME. The factors supporting Thailand's 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. In addition, on August 1, 2025, Thailand and the U.S. reached an agreement on reciprocal import tariffs, setting the rate at 19 percent instead of the previously planned 36 percent. This is expected to boost Thailand's export competitiveness in the U.S. market going forward.

## Thai Banking Industry

At the end of the second quarter of 2025, loans in the commercial banking system declined, while deposits remained relatively unchanged compared to the end of the previous year. This resulted in a slight decrease in the loan to deposit ratio. 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 corporate loan demand increased in the second quarter of 2025, primarily for investment in fixed assets, project financing, and refinancing. In contrast, SME loan demand declined, particularly in the agricultural sector, due to reduced needs for working capital and inventory accumulation. Overall household loan demand increased, except for auto hire-purchase loans, which contracted after accelerating in the previous quarter, coupled with a decline in consumer confidence. In the third quarter of 2025, financial institutions anticipate that loan demand will continue to increase, especially corporate loan demand for refinancing and project financing, while SME loan demand is expected to decline. Overall consumer loan demand is likely to increase, particularly for other consumer lending and housing loans, driven by improved sentiment in the real estate market. However, auto hire-purchase and credit card loan demands are expected to decrease, consistent with persistently low consumer confidence.

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 promoting responsible lending practices, encouraging good financial discipline, and offering assistance to vulnerable borrowers through the "You Fight, We Help" program as well as supporting those affected by flooding and the situation along the Thai-Cambodian border. In addition, commercial banks focus on fostering a risk culture within the organization, aligned with the Bank of Thailand's 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 and data protection 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 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  | Q2/25         | Q1/25  | Q2/24  | %QoQ    | %YoY    | H1/25         | H1/24  | %YoY    |
|---|---------------|--------|--------|---------|---------|---------------|--------|---------|
| Net profit <sup>/1</sup>                              | <b>11,840</b> | 12,618 | 11,807 | (6.2)%  | 0.3%    | <b>24,458</b> | 22,330 | 9.5%    |
| Earnings per share (Baht)                             | <b>6.20</b>   | 6.61   | 6.19   | (6.2)%  | 0.3%    | <b>12.81</b>  | 11.70  | 9.5%    |
| Net interest margin                                   | <b>2.81%</b>  | 2.89%  | 3.03%  | (0.08)% | (0.22)% | <b>2.85%</b>  | 3.05%  | (0.20)% |
| Net fees and service income to operating income ratio | <b>13.7%</b>  | 16.6%  | 15.7%  | (2.9)%  | (2.0)%  | <b>15.2%</b>  | 16.2%  | (1.0)%  |
| Cost to income ratio                                  | <b>45.2%</b>  | 45.5%  | 44.1%  | (0.3)%  | 1.1%    | <b>45.3%</b>  | 45.6%  | (0.3)%  |
| Return on average assets <sup>/1</sup>                | <b>1.03%</b>  | 1.11%  | 1.05%  | (0.08)% | (0.02)% | <b>1.07%</b>  | 0.99%  | 0.08%   |
| Return on average equity <sup>/1</sup>                | <b>8.36%</b>  | 9.15%  | 8.63%  | (0.79)% | (0.27)% | <b>8.75%</b>  | 8.27%  | 0.48%   |

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

Million Baht

| Item  | Jun'25           | Mar'25    | Dec'24    | %QoQ    | %YTD    |
|---|------------------|-----------|-----------|---------|---------|
| Loans   | <b>2,712,930</b> | 2,720,983 | 2,693,301 | (0.3)%  | 0.7%    |
| Deposits  | <b>3,195,939</b> | 3,225,131 | 3,169,654 | (0.9)%  | 0.8%    |
| Loan to deposit ratio   | <b>84.9%</b>     | 84.4%     | 85.0%     | 0.5%    | (0.1)%  |
| Non-performing loan (Gross NPL) <sup>/1</sup>                   | <b>105,521</b>   | 97,793    | 85,833    | 7.9%    | 22.9%   |
| Gross NPL to total loans ratio <sup>/1</sup>                    | <b>3.2%</b>      | 3.0%      | 2.7%      | 0.2%    | 0.5%    |
| Allowance for expected credit losses to NPL ratio <sup>/1</sup> | <b>283.6%</b>    | 300.3%    | 334.3%    | (16.7)% | (50.7)% |
| Total capital adequacy ratio                                    | <b>21.97%</b>    | 21.00%    | 20.35%    | 0.97%   | 1.62%   |

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

Bangkok Bank and its subsidiaries reported a net profit of Baht 24,458 million for the first half of 2025, representing an increase of 9.5 percent compared to the same period last year. This reflects the Bank's ability to effectively manage assets amid various economic challenges. Net interest income amounted to Baht 63,614 million, with a net interest margin of 2.85 percent, in line with interest rate trends. Non-interest income increased due to gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL), and gains from investments. Meanwhile, net fees and service income declined mainly from transaction service fees, offsetting higher fee from global market services. The Bank has continuously improved its operational efficiency, while placing emphasis on cost management. As a result, the cost-to-income ratio stood at 45.3 percent. The Bank's expected credit losses amounted to Baht 19,807 million for in the first half of 2025, at a similar level to the same period last year.

At the end of June 2025, the Bank's total loans amounted to Baht 2,712,930 million, an increase of 0.7 percent from the end of last year, mainly driven by loans to large corporate customers. The non-performing loan to total loans ratio remained manageable at 3.2 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 283.6 percent.

As of June 30, 2025, the Bank's deposits amounted to Baht 3,195,939 million, increased by 0.8 percent from the end of last year, with the loan to deposit ratio of 84.9 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 21.97 percent, 17.48 percent and 16.71 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  | Q2/25         | Q1/25  | Q2/24  | %QoQ    | %YoY     | H1/25         | H1/24  | %YoY   |
|---|---------------|--------|--------|---------|----------|---------------|--------|--------|
| Net interest income                               | <b>31,706</b> | 31,909 | 33,134 | (0.6)%  | (4.3)%   | <b>63,614</b> | 66,556 | (4.4)% |
| Non-interest income                               | <b>12,715</b> | 13,745 | 10,404 | (7.5)%  | 22.2%    | <b>26,460</b> | 18,650 | 41.9%  |
| Operating expenses                                | <b>20,094</b> | 20,752 | 19,208 | (3.2)%  | 4.6%     | <b>40,845</b> | 38,812 | 5.2%   |
| Expected credit losses                            | <b>10,740</b> | 9,067  | 10,426 | 18.5%   | 3.0%     | <b>19,807</b> | 19,007 | 4.2%   |
| Operating profit before tax                       | <b>13,587</b> | 15,835 | 13,904 | (14.2)% | (2.3)%   | <b>29,422</b> | 27,387 | 7.4%   |
| Income tax expenses                               | <b>1,672</b>  | 3,132  | 1,993  | (46.6)% | (16.1)%  | <b>4,804</b>  | 4,843  | (0.8)% |
| Net profit  | <b>11,915</b> | 12,703 | 11,911 | (6.2)%  | 0.0%     | <b>24,618</b> | 22,544 | 9.2%   |
| Net profit <sup>/1</sup>                          | <b>11,840</b> | 12,618 | 11,807 | (6.2)%  | 0.3%     | <b>24,458</b> | 22,330 | 9.5%   |
| Total comprehensive income (losses) <sup>/1</sup> | <b>22,276</b> | 8,286  | (692)  | 168.8%  | 3,319.1% | <b>30,562</b> | 25,900 | 18.0%  |

<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 second quarter of 2025 of Baht 11,840 million, a decrease of 6.2 percent compared with the previous quarter. Net interest income remained at a relatively similar level compared to the previous quarter. Net fees and service income eased due to loan-related fees, as well as seasonally softer bancassurance and mutual fund services. At the same time, the Bank continued its focus on cost management resulting in a decrease in operating expenses. The Bank set aside expected credit losses in line with its consistent prudent approach.

Compared with the second quarter of 2024, net profit attributable to owners of the Bank was at a broadly similar level. For the first half of 2025, net profit attributable to owners of the Bank was Baht 24,458 million, increasing by 9.5 percent compared to the same period last year. This was driven by higher operating income, reflecting effective asset management. While net interest income declined in line with interest rate trends, non-interest income increased from gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL), and gains from investments. Operating expenses increased as the Bank continued to improve operational efficiency. The expected credit losses remained at a similar level compared to the same period last year.

### Net Interest Income

Net interest income for the second quarter of 2025 amounted to Baht 31,706 million, a similar level to the previous quarter. For the first half of 2025, net interest income was Baht 63,614 million, decreasing from the same period last year in line with the interest rate environment. The net interest margin for the first half of 2025 was 2.85 percent.

| Million Baht                            |               |        |        |         |         |               |         |         |
|---|---------------|--------|--------|---------|---------|---------------|---------|---------|
| Item                                    | Q2/25         | Q1/25  | Q2/24  | %QoQ    | %YoY    | H1/25         | H1/24   | %YoY    |
| <b>Interest Income</b>                  |               |        |        |         |         |               |         |         |
| Loans                                   | <b>37,648</b> | 37,467 | 39,621 | 0.5%    | (5.0)%  | <b>75,114</b> | 79,386  | (5.4)%  |
| Interbank and money market items        | <b>4,597</b>  | 5,015  | 5,303  | (8.3)%  | (13.3)% | <b>9,612</b>  | 10,873  | (11.6)% |
| Investments                             | <b>6,897</b>  | 6,989  | 6,721  | (1.3)%  | 2.6%    | <b>13,886</b> | 13,058  | 6.3%    |
| <b>Total interest income</b>            | <b>49,142</b> | 49,471 | 51,645 | (0.7)%  | (4.8)%  | <b>98,612</b> | 103,317 | (4.6)%  |
| <b>Interest expenses</b>                |               |        |        |         |         |               |         |         |
| Deposits                                | <b>9,386</b>  | 9,498  | 10,497 | (1.2)%  | (10.6)% | <b>18,884</b> | 20,816  | (9.3)%  |
| Interbank and money market items        | <b>1,832</b>  | 2,272  | 2,140  | (19.4)% | (14.4)% | <b>4,104</b>  | 4,124   | (0.5)%  |
| Contributions to Financial Institutions |               |        |        |         |         |               |         |         |
| Development Fund and Deposit            |               |        |        |         |         |               |         |         |
| Protection Agency                       | <b>3,190</b>  | 3,142  | 3,115  | 1.5%    | 2.4%    | <b>6,332</b>  | 6,218   | 1.8%    |
| Debt issued and borrowings              | <b>3,028</b>  | 2,650  | 2,759  | 14.3%   | 9.7%    | <b>5,678</b>  | 5,603   | 1.3%    |
| <b>Total interest expenses</b>          | <b>17,436</b> | 17,562 | 18,511 | (0.7)%  | (5.8)%  | <b>34,998</b> | 36,761  | (4.8)%  |
| <b>Net interest income</b>              | <b>31,706</b> | 31,909 | 33,134 | (0.6)%  | (4.3)%  | <b>63,614</b> | 66,556  | (4.4)%  |
| Yield on earning assets                 | <b>4.35%</b>  | 4.47%  | 4.73%  | (0.12)% | (0.38)% | <b>4.42%</b>  | 4.73%   | (0.31)% |
| Cost of funds                           | <b>1.84%</b>  | 1.89%  | 2.00%  | (0.05)% | (0.16)% | <b>1.87%</b>  | 1.99%   | (0.12)% |
| Net interest margin                     | <b>2.81%</b>  | 2.89%  | 3.03%  | (0.08)% | (0.22)% | <b>2.85%</b>  | 3.05%   | (0.20)% |

| Bangkok Bank Interest Rate              | Jun'25 | Mar'25 | Dec'24 | Sep'24 | Jun'24 | Mar'24 | Dec'23 |
|---|--------|--------|--------|--------|--------|--------|--------|
| <b>Loans (%)</b>                        |        |        |        |        |        |        |        |
| MOR                                     | 7.000  | 7.100  | 7.350  | 7.550  | 7.550  | 7.550  | 7.550  |
| MRR                                     | 6.900  | 6.950  | 7.000  | 7.050  | 7.050  | 7.300  | 7.300  |
| MLR                                     | 6.750  | 6.825  | 6.900  | 7.100  | 7.100  | 7.100  | 7.100  |
| <b>Deposits (%)</b>                     |        |        |        |        |        |        |        |
| Savings                                 | 0.250  | 0.250  | 0.250  | 0.450  | 0.450  | 0.450  | 0.450  |
| 3-month Fixed                           | 0.850  | 1.000  | 1.000  | 1.200  | 1.200  | 1.200  | 1.200  |
| 6-month Fixed                           | 0.900  | 1.100  | 1.100  | 1.250  | 1.250  | 1.250  | 1.250  |
| 12-month Fixed                          | 1.250  | 1.450  | 1.450  | 1.600  | 1.600  | 1.600  | 1.600  |
| <b>Bank of Thailand Policy Rate (%)</b> | 1.750  | 2.000  | 2.250  | 2.500  | 2.500  | 2.500  | 2.500  |

### Non-interest Income

Non-interest income for the second quarter of 2025 amounted to Baht 12,715 million, decreasing from the previous quarter. This was primarily due to lower net fees and service income from loan related services and fee income from bancassurance and mutual fund services. The trend was in line with customer behavior, where financial planning and policy renewals are commonly undertaken earlier in the year.

In the first half of 2025, non-interest income was Baht 26,460 million, an increase compared to the same period last year, mainly from gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL) and gains from investments. Net fees and service income slightly declined, primarily due to a decrease in transaction service fees. Meanwhile, bancassurance fees continued to grow, and fees from global market services increased.

Million Baht

| Item   | Q2/25         | Q1/25  | Q2/24  | %QoQ    | %YoY     | H1/25         | H1/24  | %YoY      |
|--|---------------|--------|--------|---------|----------|---------------|--------|-----------|
| Fees and service income                                  | <b>9,772</b>  | 11,938 | 10,700 | (18.1)% | (8.7)%   | <b>21,710</b> | 21,968 | (1.2)%    |
| <u>Less</u> fees and service expenses                    | <b>3,694</b>  | 4,346  | 3,850  | (15.0)% | (4.1)%   | <b>8,040</b>  | 8,192  | (1.9)%    |
| <b>Net fees and service income</b>                       | <b>6,078</b>  | 7,592  | 6,850  | (19.9)% | (11.3)%  | <b>13,670</b> | 13,776 | (0.8)%    |
| Gains on financial instruments<br>measured at FVTPL      | <b>2,217</b>  | 1,957  | 2,419  | 13.3%   | (8.4)%   | <b>4,174</b>  | 2,337  | 78.6%     |
| Gains (losses) on investments                            | <b>3,348</b>  | 2,897  | (145)  | 15.6%   | 2,409.0% | <b>6,245</b>  | 37     | 16,778.4% |
| Share of profit from investment<br>using equity method   | <b>39</b>     | 50     | 36     | (22.0)% | 8.3%     | <b>90</b>     | 88     | 2.3%      |
| Gains on disposal of assets                              | <b>95</b>     | 255    | 339    | (62.7)% | (72.0)%  | <b>350</b>    | 485    | (27.8)%   |
| Dividend income  | <b>714</b>    | 739    | 662    | (3.4)%  | 7.9%     | <b>1,453</b>  | 1,457  | (0.3)%    |
| Other operating income                                   | <b>224</b>    | 255    | 243    | (12.2)% | (7.8)%   | <b>478</b>    | 470    | 1.7%      |
| <b>Total other operating income</b>                      | <b>6,637</b>  | 6,153  | 3,554  | 7.9%    | 86.7%    | <b>12,790</b> | 4,874  | 162.4%    |
| <b>Total non-interest income</b>                         | <b>12,715</b> | 13,745 | 10,404 | (7.5)%  | 22.2%    | <b>26,460</b> | 18,650 | 41.9%     |
| Net fees and service income to<br>operating income ratio | <b>13.7%</b>  | 16.6%  | 15.7%  | (2.9)%  | (2.0)%   | <b>15.2%</b>  | 16.2%  | (1.0)%    |

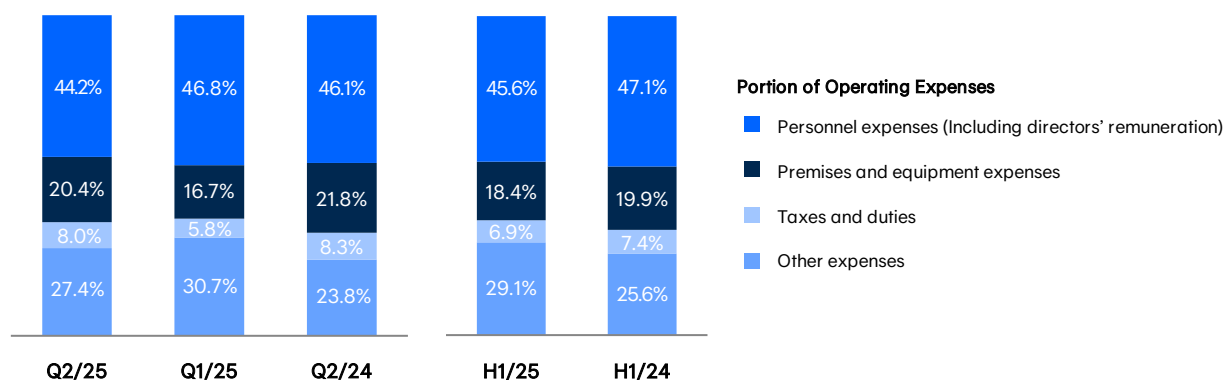
## Operating Expenses

Operating expenses for the second quarter of 2025 amounted to Baht 20,094 million, a decrease of 3.2 percent from the previous quarter due to appropriate cost management.

Compared with the same quarter last year, operating expenses increased by 4.6 percent. For the first half of 2025, operating expenses amounted to Baht 40,845 million, an increase of 5.2 percent from the same period last year. The Bank continued to improve operational efficiency alongside focusing on cost management. As a result, the cost to income ratio for the first half of 2025 stood at 45.3 percent.

Million Baht

| Item                            | Q2/25         | Q1/25         | Q2/24         | %QoQ          | %YoY        | H1/25         | H1/24         | %YoY          |
|---------------------------------|---------------|---------------|---------------|---------------|-------------|---------------|---------------|---------------|
| Personnel expenses              | 8,800         | 9,666         | 8,774         | (9.0)%        | 0.3%        | 18,465        | 18,133        | 1.8%          |
| Directors' remuneration         | 88            | 54            | 79            | 63.0%         | 11.4%       | 143           | 139           | 2.9%          |
| Premises and equipment expenses | 4,095         | 3,460         | 4,189         | 18.4%         | (2.2)%      | 7,555         | 7,741         | (2.4)%        |
| Taxes and duties                | 1,609         | 1,194         | 1,598         | 34.8%         | 0.7%        | 2,803         | 2,871         | (2.4)%        |
| Other expenses                  | 5,502         | 6,378         | 4,568         | (13.7)%       | 20.4%       | 11,879        | 9,928         | 19.7%         |
| <b>Total operating expenses</b> | <b>20,094</b> | <b>20,752</b> | <b>19,208</b> | <b>(3.2)%</b> | <b>4.6%</b> | <b>40,845</b> | <b>38,812</b> | <b>5.2%</b>   |
| Cost to income ratio            | <b>45.2%</b>  | <b>45.5%</b>  | <b>44.1%</b>  | <b>(0.3)%</b> | <b>1.1%</b> | <b>45.3%</b>  | <b>45.6%</b>  | <b>(0.3)%</b> |



## Expected Credit Losses

In the first half of 2025, the Bank's expected credit losses amounted to Baht 19,807 million, relatively at a similar level compared to the same period last year, reflecting the Bank's consistently prudent management approach. Despite the Thai economy expanding more than expected in the first half of 2025, driven by an acceleration in exports ahead of the implementation of U.S. reciprocal tariffs, there are still several uncertainties that require close monitoring. These include the impact of adjusting to the trade policies of major economies, ongoing trade negotiations, geopolitical tensions, and domestic factors, including persistently high household debt and business adaptation in response to intensifying competition.



## Significant Items in the Financial Position

### Assets

As of June 30, 2025, total assets amounted to Baht 4,609,753 million, a similar level to the end of the previous quarter and an increase of 1.3 percent from the end of last year.

Million Baht

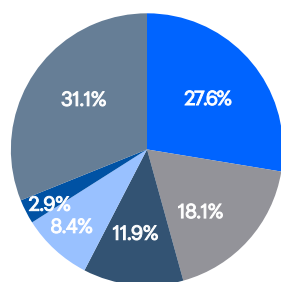
| Item                                 | Jun'25           | Mar'25           | Dec'24           | %QoQ          | %YTD        |
|--------------------------------------|------------------|------------------|------------------|---------------|-------------|
| Net interbank and money market items | 837,724          | 794,182          | 752,269          | 5.5%          | 11.4%       |
| Financial assets measured at FVTPL   | 108,714          | 109,635          | 105,577          | (0.8)%        | 3.0%        |
| Net investments                      | 953,167          | 1,015,568        | 989,975          | (6.1)%        | (3.7)%      |
| Net investments in associates        | 975              | 1,061            | 1,011            | (8.1)%        | (3.6)%      |
| Loans                                | 2,712,930        | 2,720,983        | 2,693,301        | (0.3)%        | 0.7%        |
| Net properties for sale              | 5,787            | 5,559            | 5,921            | 4.1%          | (2.3)%      |
| <b>Total assets</b>                  | <b>4,609,753</b> | <b>4,628,379</b> | <b>4,551,379</b> | <b>(0.4)%</b> | <b>1.3%</b> |

### Loans

As of June 30, 2025, loans amounted to Baht 2,712,930 million, a similar level to the end of the previous quarter and an increase of 0.7 percent from the end of December 2024 mainly from loans to large corporate customers.

Million Baht

| Loans by Business Type       | Jun'25           | Mar'25           | Dec'24           | %QoQ          | %YTD        |
|------------------------------|------------------|------------------|------------------|---------------|-------------|
| Manufacturing and commercial | 747,714          | 745,066          | 730,261          | 0.4%          | 2.4%        |
| Utilities and services       | 491,129          | 508,843          | 500,761          | (3.5)%        | (1.9)%      |
| Housing loans                | 323,484          | 326,318          | 331,795          | (0.9)%        | (2.5)%      |
| Real estate and construction | 227,307          | 218,633          | 209,384          | 4.0%          | 8.6%        |
| Agriculture and mining       | 80,277           | 85,062           | 88,813           | (5.6)%        | (9.6)%      |
| Others                       | 843,019          | 837,061          | 832,287          | 0.7%          | 1.3%        |
| <b>Total loans</b>           | <b>2,712,930</b> | <b>2,720,983</b> | <b>2,693,301</b> | <b>(0.3)%</b> | <b>0.7%</b> |



Portion of Loans by Business Type

- Manufacturing and commercial
- Utilities and services
- Housing loans
- Real estate and construction
- Agriculture and mining
- Others

As of June 30, 2025, the Bank and its subsidiaries had loans distributed across business sectors, with 27.6 percent in the manufacturing and commercial sector, 18.1 percent in the utilities and services sector, 11.9 percent in the housing loans sector, and 8.4 percent in the real estate and construction sector.

Jun'25

## Classified Loans and Allowance for Expected Credit Losses

As of the end of June 2025, non-performing loan (Gross NPL) totaled Baht 105,521 million. The Gross NPL to total loans ratio stood at a manageable level of 3.2 percent. The allowance for expected credit losses was Baht 299,254 million. As a result, the allowance for expected credit losses to NPL ratio was at a strong level of 283.6 percent.

Million Baht

| Item  | Jun'25         | Mar'25 | Dec'24 | %QoQ    | %YTD    |
|---|----------------|--------|--------|---------|---------|
| <b><u>Consolidated</u></b>                        |                |        |        |         |         |
| Non-performing loan (Gross NPL) <sup>/1</sup>     | <b>105,521</b> | 97,793 | 85,833 | 7.9%    | 22.9%   |
| Gross NPL to total loans ratio <sup>/1</sup>      | <b>3.2%</b>    | 3.0%   | 2.7%   | 0.2%    | 0.5%    |
| Net NPL to net total loans ratio <sup>/1</sup>    | <b>0.7%</b>    | 0.7%   | 0.6%   | -       | 0.1%    |
| Allowance for expected credit losses to NPL ratio | <b>283.6%</b>  | 300.3% | 334.3% | (16.7)% | (50.7)% |
| <b><u>The Bank</u></b>                            |                |        |        |         |         |
| Non-performing loan (Gross NPL) <sup>/1</sup>     | <b>92,893</b>  | 85,440 | 73,118 | 8.7%    | 27.0%   |
| Gross NPL to total loans ratio <sup>/1</sup>      | <b>3.2%</b>    | 3.0%   | 2.6%   | 0.2%    | 0.6%    |

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

Million Baht

| Item                | Loans and<br>Interbank & Money Market |           |           | Allowance for<br>Expected Credit Losses <sup>/1</sup> |         |         |
|---------------------|---------------------------------------|-----------|-----------|---|---------|---------|
|                     | Jun'25                                | Mar'25    | Dec'24    | Jun'25  | Mar'25  | Dec'24  |
| Non-credit-impaired | <b>3,445,806</b>                      | 3,417,919 | 3,360,376 | <b>212,690</b>  | 214,255 | 216,984 |
| Credit-impaired     | <b>105,521</b>                        | 97,793    | 85,833    | <b>86,564</b>   | 79,440  | 69,982  |
| <b>Total</b>        | <b>3,551,327</b>                      | 3,515,712 | 3,446,209 | <b>299,254</b>  | 293,695 | 286,966 |

<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 June 30, 2025, the Bank and its subsidiaries had total investments of Baht 1,061,881 million, decreasing 5.6 percent from the end of the previous quarter and 3.1 percent from the end of last year. The Bank had Baht 575,269 million in investments in Thai government and state enterprise securities, accounting for 54.2 percent of total investments. Foreign debt securities amounted to Baht 282,160 million, and net investment in equity securities amounted to Baht 90,352 million.

| Million Baht                               |                  |                  |                  |               |               |
|--|------------------|------------------|------------------|---------------|---------------|
| Investments by Investment Holding          | Jun'25           | Mar'25           | Dec'24           | %QoQ          | %YTD          |
| Trading securities                         | 18,007           | 16,605           | 15,673           | 8.4%          | 14.9%         |
| Securities measured at FVTPL               | 90,707           | 93,030           | 89,904           | (2.5)%        | 0.9%          |
| Debt securities measured at amortized cost | 92,248           | 108,917          | 109,831          | (15.3)%       | (16.0)%       |
| Debt securities measured at FVOCI          | 779,545          | 817,628          | 777,626          | (4.7)%        | 0.2%          |
| Equity securities measured at FVOCI        | 81,374           | 89,023           | 102,518          | (8.6)%        | (20.6)%       |
| <b>Total investments</b>                   | <b>1,061,881</b> | <b>1,125,203</b> | <b>1,095,552</b> | <b>(5.6)%</b> | <b>(3.1)%</b> |

## Liabilities and Shareholders' Equity

Total liabilities, as of June 30, 2025, amounted to Baht 4,034,952 million, a similar level to the end of the previous quarter and an increase of 1.0 percent from the end last year, mainly from deposits and debt issued and borrowings.

| Million Baht                              |                  |                  |                  |               |             |
|---|------------------|------------------|------------------|---------------|-------------|
| Item                                      | Jun'25           | Mar'25           | Dec'24           | %QoQ          | %YTD        |
| Deposits                                  | 3,195,939        | 3,225,131        | 3,169,654        | (0.9)%        | 0.8%        |
| Interbank and money market items          | 337,742          | 337,468          | 346,936          | 0.1%          | (2.7)%      |
| Financial liabilities measured at FVTPL   | 16,875           | 17,721           | 17,763           | (4.8)%        | (5.0)%      |
| Debt issued and borrowings                | 239,774          | 249,317          | 213,785          | (3.8)%        | 12.2%       |
| <b>Total liabilities</b>                  | <b>4,034,952</b> | <b>4,063,162</b> | <b>3,994,506</b> | <b>(0.7)%</b> | <b>1.0%</b> |
| <b>Shareholders' equity <sup>/1</sup></b> | <b>573,038</b>   | <b>563,325</b>   | <b>555,039</b>   | <b>1.7%</b>   | <b>3.2%</b> |

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

## Deposits

Total deposits, as of June 30, 2025, amounted to Baht 3,195,939 million, a similar level to the end of the previous quarter and the end of last year. The loan to deposit ratio was 84.9 percent.

Million Baht

| Deposits                   | Jun'25           |               | Mar'25           |               | Dec'24          |               | %QoQ          | %YTD        |
|----------------------------|------------------|---------------|------------------|---------------|-----------------|---------------|---------------|-------------|
| Classified by Product Type | Amount           | Portion       | Amount           | Portion       | Amount          | Portion       |               |             |
| Current                    | 280,405          | 8.8%          | 275,894          | 8.6%          | 268,865         | 8.5%          | 1.6%          | 4.3%        |
| Savings                    | 1,684,243        | 52.7%         | 1,712,441        | 53.1%         | 1,662,44        | 52.4%         | (1.6)%        | 1.3%        |
| Fixed                      | 1,231,291        | 38.5%         | 1,236,796        | 38.3%         | 1,238,34        | 39.1%         | (0.4)%        | (0.6)%      |
| <b>Total deposits</b>      | <b>3,195,939</b> | <b>100.0%</b> | <b>3,225,131</b> | <b>100.0%</b> | <b>3,169,65</b> | <b>100.0%</b> | <b>(0.9)%</b> | <b>0.8%</b> |
| Loan to deposit ratio      |                  | <b>84.9%</b>  |                  | 84.4%         |                 | 85.0%         | 0.5%          | (0.1)%      |

## Debt Issued and Borrowings

Total debt issued and borrowings, as of June 30, 2025, amounted to Baht 239,774 million, a decrease of 3.8 percent from the end of March 2025 due to a decline in value of foreign-denominated debentures following the appreciation of the baht.

Compared with the end of December 2024, it increased by 12.2 percent 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              | Jun'25         |         | Mar'25         |         | Dec'24         |         | %QoQ          | %YTD         |
|---|----------------|---------|----------------|---------|----------------|---------|---------------|--------------|
| Classified by Type of Instruments       | Amount         | Portion | Amount         | Portion | Amount         | Portion |               |              |
| Senior unsecured notes                  | 110,856        | 46.2%   | 114,900        | 46.0%   | 112,733        | 52.7%   | (3.5)%        | (1.7)%       |
| Subordinated notes                      | 128,638        | 53.6%   | 134,063        | 53.7%   | 100,301        | 46.8%   | (4.0)%        | 28.3%        |
| Others                                  | 565            | 0.2%    | 664            | 0.3%    | 1,074          | 0.5%    | (14.9)%       | (47.4)%      |
| Total (before discount on borrowings)   | 240,059        | 100.0%  | 249,627        | 100.0%  | 214,108        | 100.0%  | (3.8)%        | 12.1%        |
| <u>Less</u> discount on borrowings      | 285            |         | 310            |         | 323            |         | (8.1)%        | (11.8)%      |
| <b>Total debt issued and borrowings</b> | <b>239,774</b> |         | <b>249,317</b> |         | <b>213,785</b> |         | <b>(3.8)%</b> | <b>12.2%</b> |

## Shareholders' Equity

Shareholders' equity attributable to owners of the Bank, as of June 30, 2025, amounted to Baht 573,038 million, an increase of Baht 17,999 million, or 3.2 percent, from the end of 2024. This was due to the inclusion of net profit attributable to the Bank for the first half of 2025 offset by a dividend payment of Baht 6.50 per share according to the resolution of the shareholders' meeting in April 2025.

## Sources and Utilization of Funds

As of June 30, 2025, the Bank and its subsidiaries' primary sources of funds consisted of deposits of Baht 3,195,939 million or 69.3 percent, equity attributable to owners of the Bank of Baht 573,038 million or 12.4 percent, interbank and money market items on liabilities of Baht 337,742 million or 7.3 percent, and debt issued and borrowings including financial liabilities measured at FVTPL amounting to Baht 256,649 million or 5.6 percent.

The utilization of funds comprised loans of Baht 2,712,930 million or 58.9 percent, net investments, including financial assets measured at FVTPL and net investments in associates of Baht 1,062,856 million or 23.1 percent, and net interbank and money market assets of Baht 837,724 million or 18.2 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 June 30, 2025, the Bank's Common Equity Tier 1 capital adequacy ratio was 16.71 percent, the Tier 1 capital adequacy ratio was 17.48 percent, and the total capital adequacy ratio was 21.97 percent, which was above the BOT's minimum capital requirements.

## Consolidated

Million Baht

| Item                         | Jun'25         |                        | Mar'25         |                        | Dec'24         |                        | BOT's requirements |
|------------------------------|----------------|------------------------|----------------|------------------------|----------------|------------------------|--------------------|
|                              | Capital        | Capital Adequacy Ratio | Capital        | Capital Adequacy Ratio | Capital        | Capital Adequacy Ratio |                    |
| Common Equity Tier 1 capital | 513,990        | 16.71%                 | 488,018        | 15.77%                 | 492,953        | 16.18%                 | > 8.00%            |
| Tier 1 capital               | 537,800        | 17.48%                 | 511,829        | 16.54%                 | 516,755        | 16.96%                 | > 9.50%            |
| Tier 2 capital               | 137,928        | 4.49%                  | 137,821        | 4.46%                  | 103,305        | 3.39%                  |                    |
| <b>Total capital</b>         | <b>675,728</b> | <b>21.97%</b>          | <b>649,650</b> | <b>21.00%</b>          | <b>620,060</b> | <b>20.35%</b>          | <b>&gt; 12.00%</b> |

## The Bank

Million Baht

| Item                         | Jun'25         |                        | Mar'25         |                        | Dec'24         |                        | BOT's requirements |
|------------------------------|----------------|------------------------|----------------|------------------------|----------------|------------------------|--------------------|
|                              | Capital        | Capital Adequacy Ratio | Capital        | Capital Adequacy Ratio | Capital        | Capital Adequacy Ratio |                    |
| Common Equity Tier 1 capital | 505,675        | 18.20%                 | 482,638        | 17.26%                 | 487,366        | 17.82%                 | > 8.00%            |
| Tier 1 capital               | 529,267        | 19.05%                 | 506,230        | 18.10%                 | 510,958        | 18.68%                 | > 9.50%            |
| Tier 2 capital               | 134,529        | 4.84%                  | 134,880        | 4.82%                  | 100,549        | 3.68%                  |                    |
| <b>Total capital</b>         | <b>663,796</b> | <b>23.89%</b>          | <b>641,110</b> | <b>22.92%</b>          | <b>611,507</b> | <b>22.36%</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 June 30, 2025, the ratio of liquid assets to total assets and liquid assets to deposits was 39.8 percent and 57.4 percent, respectively.

| Item                           | Jun'25 | Mar'25 | Dec'24 |
|--------------------------------|--------|--------|--------|
| Liquid assets/Total assets (%) | 39.8   | 40.1   | 39.4   |
| Liquid assets/Deposits (%)     | 57.4   | 57.6   | 56.6   |

## Credit Ratings

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

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