



Bangkok Bank Public Company Limited

Management Discussion and Analysis

for the Quarter and the Year Ended December 31, 2025

Management Discussion and Analysis

Overview of the Economy and Banking Industry

Thai Economy in 2025

In 2025, the Thai economy expanded by 2.4 percent, a slower pace than in the previous year. Domestic demand remained constrained by high household debt and ongoing uncertainties in economic and political policy directions. The recovery of the tourism sector — one of the country's primary sources of income — was weaker than expected, particularly due to a decline in Chinese tourist arrivals stemming from safety concerns and intensifying price competition across the region. Merchandise exports experienced a temporary boost driven by front-loaded orders ahead of the implementation of U.S. import tariffs. At the same time, fiscal stimulus measures, including the Khon La Khrueng Plus co-payment scheme and the Tiew Dee Mee Kuen campaign, supported year-end household spending. Nevertheless, widespread flooding in several areas disrupted tourism activities, retail trade, and local businesses, resulting in a weaker-than-anticipated economic recovery in the final quarter of the year.

Headline inflation averaged -0.1 percent for the year, reflecting declines in fresh food and energy prices. Core inflation averaged 0.8 percent, indicating persistently low price pressures and aligning with the gradual pace of economic recovery amid subdued domestic demand.

In addition, the Monetary Policy Committee reduced the policy rate four times — from 2.25 percent to 1.25 percent — to alleviate household debt burdens and support the recovery of private-sector demand. These adjustments highlight the Committee's efforts to balance price stability with the need to sustain economic growth at a time when the economy continued to face multiple headwinds.

Economic Outlook for 2026

Thailand's economy in 2026 is expected to expand at a slower pace, constrained by persistent structural challenges and heightened geopolitical uncertainty. The global economy remains in a period of adjustment amid increasingly stringent trade barriers, while high household debt continues to limit the recovery of private consumption despite lower financing costs following monetary easing the previous year. Private investment is projected to be moderate in line with political and global economic uncertainty. Although targeted industries such as digital services, electric vehicles, and data centers are expected to provide some support, most firms are likely to delay investment decisions pending greater policy clarity. Public investment is also expected to slow due to budgetary constraints and a binding fiscal framework.

Exports are anticipated to grow at a decelerating rate. Despite support from recovering demand in technology-related products — particularly electronic components benefiting from global investment in artificial intelligence (AI) infrastructure — Thai exports will continue to face headwinds from tariff measures and intensifying geopolitical tensions, which directly undermine the competitiveness of Thai products in key markets.

The tourism sector is expected to improve in tandem with rising confidence in safety conditions and the recovery of long-haul markets. However, the rebound in Chinese tourist arrivals is likely to remain modest due to stronger regional competition and the slower pace of income growth among Chinese households, which continues to weigh on overall service sector performance.

Inflation in 2026 is expected to remain subdued, reflecting the gradual recovery of domestic demand. Monetary policy is likely to maintain an accommodative stance to support economic activity. Nevertheless, several key risks warrant close monitoring, including uncertainties in the global economy and escalating trade restrictions, geopolitical tensions that could disrupt global supply chains, and climate-related risks and severe natural disasters that may impact production and critical infrastructure. Domestic political uncertainty also poses a risk to investor confidence and could delay decision-making across multiple sectors.

Thai Banking Industry in 2025

In 2025, commercial banks in Thailand recorded a net profit of Baht 272 billion, a decrease of 3.6 percent from the previous year. This was mainly due to the decline in net interest income, in line with lower interest rates and weaker loan demand. Meanwhile, non-interest income increased, driven by gains from financial instruments measured at Fair Value Through Profit or Loss (FVTPL), as well as gains on investments. At the end of 2025, loans decreased by 1.0 percent compared with the end of the previous year, mainly from contractions in SME and consumer loans, while large corporate loans declined slightly.

Deposits grew by 2.1 percent from the end of the previous year while the loan to deposit ratio decreased to 85.6 percent at the end of 2025 from 88.4 percent at the end of the previous year. Meanwhile, commercial banks focused on liquidity management by adjusting deposit structures, managing costs appropriately, and maintaining the liquidity coverage ratio in accordance with Basel III guidelines. At the end of 2025, the liquidity coverage ratio (LCR) remained high at 215.1 percent.

In terms of the credit quality of the commercial banking system (including subsidiaries), at the end of 2025 the ratio of non-performing loan (NPL or Stage 3) to total loans stood at 2.84 percent, while the ratio of loans with a significant increase in credit risk (SICR or Stage 2) to total loans stood at 7.07 percent. Commercial banks place importance on managing credit quality by continuously providing assistance to debtors through debt restructuring aligned with their repayment capacity and through responsible lending practices.

At the end of 2025, commercial banks maintained strong capital levels as a cushion against economic uncertainties, with the capital adequacy ratio (CAR) at 20.9 percent, up from 20.4 percent at the end of the previous year.

Thai Banking Industry in 2026

The economic environment in 2026 remains highly complex and uncertain, driven by key factors such as geopolitical conflicts and economic fragmentation that will reshape global supply chains, uncertainties in U.S. trade policy and international relations, challenges in China's real estate sector and the slowdown of its economy, as well as intensifying impacts from climate change and the adjustment of regulations and measures to reduce greenhouse gas emissions. In addition, the rapid advancement in technology and innovation, particularly artificial intelligence (AI), presents both opportunities and challenges for businesses.

In terms of policy and regulation, the Bank of Thailand emphasizes financial stability and structural reforms, particularly household debt, access to credit for SME, and responsible lending. It is also promoting open data by developing mechanisms that enable customers to share their information across financial institutions through digital channels. At the same time, the increasing technology risks within the financial sector have led to new regulations on cybersecurity, digital consumer protection, and the ethical use of AI. In addition, the Bank of Thailand continues to prioritize the transition toward a more environmentally sustainable economy by encouraging commercial banks to develop financial products and services that support businesses to improve production processes, reduce environmental impacts, and foster environmentally friendly and sustainable economic growth.

In terms of competition, the Bank of Thailand is promoting open competition by granting virtual bank licenses to existing and new financial service providers, which are scheduled to commence operations in 2026. In parallel with the growing presence of non-bank players offering embedded consumer finance solutions and low-cost payment services, commercial banks are compelled to accelerate the development of competitive service offerings. These include collaborating with partners across various industries to deliver financial solutions, integrated into customers' lifestyles through e-commerce, logistics, and supply chain platforms. Banks are also advancing personalized product and service propositions through the use of artificial intelligence and data-driven insights (hyperpersonalization). Ecosystem partnerships are also being strengthened to expand embedded finance offerings, including Buy Now, Pay Later (BNPL) services, embedded lending in e-commerce platforms, travel platforms, and automatic payment solutions in health applications.

In terms of customers and markets, digital technology is reshaping customer behavior toward a demand for services that are simple, convenient, secure, and transparent. Individual customers, in particular, are increasingly using mobile banking as their primary channel and expect comprehensive transaction, payment, and financial products integrated into digital banking platforms. Meanwhile, business customers are seeking solutions that go beyond traditional lending, such as cash management, trade finance, and supply chain finance, which require data-driven services and a deep understanding of industry-specific needs. Therefore, commercial banks must leverage customer insights to design targeted value propositions, create differentiated experiences, and effectively support the development of personalized services in the digital era.

In summary, Thailand's commercial banking industry in 2026 will continue to face challenges arising from economic volatility and evolving policy, regulation, competition, markets, and customer behavior. Commercial banks must proactively adapt by leveraging technology and data to develop financial products and services that meet customer needs across diverse contexts, while strengthening their capacity to differentiate through innovation and digital technology as well as expanding ecosystem partnerships to provide greater convenience and deliver enhanced value to customers. In addition, Thai commercial banks must play a pivotal role in supporting business growth and promoting business sector growth to facilitate the economy's transition toward sustainability, while reinforcing long-term confidence in the Thai financial system.

Factors Affecting Banking Industry Performance

The future operations of commercial banks will be shaped by an increasingly uncertain environment, driven by geopolitical conflicts, the slowdown of the global economy, emerging technological changes, climate, environmental and social, as well as government policies and regulations. These conditions pose greater challenges to business operations, both in terms of risk management and the pursuit of new business opportunities. Major factors that may affect banking operations in the future are:

- 1. Economic uncertainty** – Going forward, the global economy is expected to face multiple risks that could lead to heightened economic volatility. Key risk factors include:
 - **Geopolitical tensions** – Geopolitical conflicts among major economic and political powers have intensified, particularly in the form of escalating trade retaliations between the United States and China. At the same time, new economic alliances such as BRICS Plus (comprising the original five members: Brazil, Russia, India, China, and South Africa, and six new partners: Egypt, Ethiopia, Iran, Saudi Arabia, the United Arab Emirates, and Indonesia) have emerged. Furthermore, U.S. military operations in Venezuela aimed at controlling energy resources have expanded the scope of conflict and severely shaken the global order. These developments have heightened uncertainty in both global politics and economics. Geopolitical tensions and instability are expected to adversely affect international trade, cross-border investment, and financial market stability, including energy and key commodity prices, which may consequently increase business operating costs.
 - **Global supply chain reconfiguration** – The use of trade-protection policies, such as the United States' reciprocal tariffs, will accelerate the restructuring of global supply chains by prompting the relocation of production bases out of China to lower-risk countries such as Vietnam, India, and Mexico. It will also lead to investment in technologies that enhance supply chain resilience—enabling supply chains to adapt, recover, and continue operating efficiently when faced with various risks or uncertainties. This will transform production models from reliance on a single source toward risk diversification across multiple regions. While this may increase costs in the short term, it will help reduce risks over the long run.
 - **New risks from technology-related geopolitics** – Intensifying competition in advanced technologies among major powers may affect access to critical technologies such as artificial intelligence, semiconductors and

cloud, thereby increasing operating costs for businesses worldwide. At the same time, the establishment of global data and cybersecurity standards may impose more complex regulatory compliance requirements.

- **Prolonged slowdown of the Chinese economy** – The Chinese economy is experiencing a continued slowdown driven by multiple structural factors, including debt problems and bankruptcies in the real estate sector, trade and technology restrictions imposed by the United States, and a significant decline in consumer and investor confidence. These challenges have made China’s recovery uneven, even as the government has introduced stimulus measures such as interest rate cuts, infrastructure investment, and support for the technology sector to maintain its GDP growth target of 5 percent. Nevertheless, demographic pressures from an aging population and persistent financial risks remain major obstacles. If the recovery is delayed, the impact could extend to global supply chains, commodity prices, and investor confidence across emerging markets in Asia.
 - **Risks from elevated global debt** – The global economy continues to face vulnerabilities from high levels of debt, as recent growth has relied more on debt accumulation (debt-driven growth) than productivity gains, thereby increasing long-term risks to stability. The IMF projects global public debt will rise to 100 percent of GDP in 2030, up from 95 percent in 2025, driven by mounting fiscal burdens including healthcare and welfare expenditures for aging populations, climate-related investments, and heightened security spending. These vulnerabilities may constrain the ability of governments to implement effective stimulus measures during future crises.
 - **Interest rates in major economies nearing the end of a downward cycle** – Following consecutive interest rate cuts in 2025, many central banks are expected to maintain rates at neutral levels to balance economic stimulus with inflation control. While low interest rates have supported investment and consumption, inflationary risks are re-emerging, together with the potential formation of asset bubbles in certain sectors that warrant close monitoring. In addition, U.S. economic and trade policies may influence the future trajectory of global inflation.
- 2. Domestic economic factors** – The Thai economy is currently facing multiple challenges that will affect economic conditions going forward, including:
- **The structure and competitiveness of the economy** – Thailand’s production structure has not kept pace with evolving global market dynamics. This is compounded by shortages of skilled personnel in technology and innovation, as well as insufficient investment in research and development. These factors are contributing to a declining trend in the country’s overall competitiveness.
 - **The high level of household and private sector debt** – Elevated household and private sector debt remain a significant risk to the Thai economy, as it constrains consumer purchasing power and reduces the investment capacity of businesses, potentially hindering economic recovery and increasing vulnerabilities to financial stability. The government has introduced measures to support debtors and promote responsible lending to be carried out in parallel with efforts to enhance financial literacy and strengthen household financial discipline.

- **Access to financing for SME** – Due to limitations in capital and business management skills, most SME continue to face challenges in competitiveness. The Bank of Thailand has sought to improve SME access to financing through credit guarantee schemes as a short-term measure, while in the longer term it aims to establish a National Credit Guarantee Institution to provide a more comprehensive solution in the future.

3. Environmental, Social and Governance (ESG) – Commercial banks have played an increasingly important role in supporting sustainable development by integrating ESG considerations into lending, investment, and risk management processes to promote confidence, reduce risks, and achieve the long-term expectations of stakeholders. ESG implementation is not only a policy requirement but also an opportunity to create competitive advantages through environmentally-friendly financial products.

- **Responsible lending** – Commercial banks must conduct their business responsibly by preventing non-performing loan and safeguarding financial stability, while expanding access to services for grassroots customers through appropriate products and digital channels. In addition, ESG factors must be integrated into lending and investment activities to support a sustainable economy and reduce long-term credit risks.
- **Financial Inclusion** – Commercial banks have been promoting financial inclusion by providing PromptPay payment services that help people conduct convenient and low-cost transactions, expanding digital financial services such as mobile banking and e-KYC/NDID, developing financial products tailored to low-income earners, informal workers, and individuals with limited credit histories. In addition, commercial banks provide financial literacy through online learning modules and financial discipline programs thereby supporting safe, efficient, and sustainable use of financial services.
- **Thailand Taxonomy** – The Bank of Thailand has established a unified standard to define environmentally friendly activities across six key economic sectors namely energy, transportation, agriculture, manufacturing, construction and real estate, and waste management – covering more than 95 percent of the country's greenhouse gas emissions. This taxonomy will serve as a basis for banks to design green finance products.
- **Incentives and regulatory measures** – The Bank of Thailand's policy framework aims to encourage financial institutions to integrate ESG principles into their operations, supported by incentive measures and the development of environmental databases to enable banks to assess their status and manage risks more effectively. These efforts also aim to facilitate the transition of all sectors toward a green economy going forward. Implementing ESG is therefore not merely a matter of regulatory compliance but also represents an opportunity to enhance competitiveness, strengthen investor confidence, and reinforce the long-term sustainability of Thailand's financial system.

4. Digital technology, artificial intelligence, and financial innovation – Advances in digital technology and artificial intelligence are transforming the operations of commercial banks, enhancing efficiency, reducing costs, and creating opportunities to deliver diverse services that meet customer needs with greater precision. Financial innovations such as digital platform services, advanced data analytics, and automation will be critical drivers of

competitive advantage and improved customer experiences in the future. The key technologies expected to play an increasingly important role in the financial sector include:

- **Artificial intelligence (AI)** – AI is becoming the driver of banking transformation in the digital era. In particular, generative AI will help create documents and summarize complex information, reducing work time and errors. Meanwhile, agentic AI will play a proactive role as an “intelligent agent” capable of making decisions and executing tasks automatically based on objectives such as blocking suspicious transactions, or providing personalized customer service. This will help reduce costs, increase productivity, and create a competitive advantage, enabling banks to evolve into data-driven and automated decision-making organizations.
- **Cloud computing** – Cloud computing enables commercial banks to operate with greater agility, reducing reliance on complex legacy systems and allowing faster adaptation to customer needs. It facilitates quicker development of new services and lowers the high costs associated with traditional systems. Additionally, it ensures secure data storage and usage in compliance with personal data protection laws. The role of cloud computing is to provide an infrastructure ready to support innovations such as AI, advanced data analytics, and modern customer services. This strengthens a competitive advantage and enhances customer experiences in an increasingly dynamic environment.
- **Embedded finance and Banking-as-a-Service (BaaS)** – Embedded finance and BaaS are transforming the role of commercial banks from traditional service providers into platforms that connect with diverse businesses, thereby expanding new business opportunities. Through embedded finance, banks can offer financial services such as payments or financing on partner platforms, delivering seamless and integrated customer experience. Meanwhile, BaaS enables banks to generate new revenue streams by providing financial infrastructure to businesses or platforms that seek to offer financial products without building their own systems. This trend will broaden the customer base, expand service channels, and foster business models focused on collaboration and ecosystems, which are key drivers for competitiveness in the digital era.
- **Zero-trust security and Secure Access Service Edge (SASE)** – The increasing complexity of cyber threats requires banks to adopt a zero-trust approach to enhance data access security by verifying permissions every time and never automatically trusting any entity. The SASE framework provides real-time access control and attack prevention. Together, these approaches strengthen security and support hybrid work environments without materially increasing network costs.

5. Demographic change and the aging society – Thailand is among the first developing countries to become an aging society. It is expected that by 2030, the proportion of the population aged 60 and over will reach 30 percent, up from 20.8 percent in 2024. This significant demographic change will affect the economy, business opportunities, and the banking industry as follows:

- **Macroeconomic impacts** – Potential GDP growth is expected to slow due to a declining labor force and a downward trend in labor productivity which will continue if there is no investment to boost productivity.

At the same time, fiscal pressures are rising as welfare and healthcare expenditures continue to increase, which could affect interest rates and liquidity in the financial system. In addition, the consumption structure is shifting with the proportion of consumption to GDP declining while savings are rising, especially among pre-retirement and post-retirement groups.

- **Impacts on the business sector**

- (1) **Investment and production** – An aging society will slow long-term economic growth as the proportion of elderly people rises leading to a reduction in labor force and productivity. Addressing this challenge will require improvements in production efficiency. Businesses need to invest in automation, AI, and R&D to compensate for the declining workforce and create higher-value products and services, alongside upskilling workers. Banks have opportunities to provide financing for technology investments to enhance production processes and improve productivity.
- (2) **Consumption and savings** – Private consumption is expected to slow as elderly populations tend to consume less and save more, while being more cautious with spending. At the same time, consumption patterns will shift in line with demographic changes and evolving behaviors. Spending on products and services that cater to seniors is likely to increase, such as healthcare services, wellness and beauty products, as well as elderly safety equipment. Additionally, spending on experiences such as travel, lifestyle activities and home modifications to accommodate aging individuals is likely to increase, creating new business opportunities.
- (3) **Financial behavior** – Financial institutions play a significant role in providing financial literacy and advisory services, particularly on wealth protection, savings and investment from pre-retirement to post-retirement, as well as developing financial products tailored for retirees, such as reverse mortgages and retirement-focused health insurance plans.

The above changes are important factors in driving the Thai economy forward through the implementation of government policies, and changes in business models and consumer behavior. Thai commercial banks therefore need to prepare appropriate support to be able to adapt to such changes and move forward sustainably.

Overall Picture of the Bank and its Subsidiaries

Million Baht

Item	Q4/25	Q3/25	Q4/24	%QoQ	%YoY	Y'25	Y'24	%YoY
Net profit ^{/1}	7,759	13,789	10,404	(43.7)%	(25.4)%	46,007	45,211	1.8%
Earnings per share (Baht)	4.06	7.22	5.45	(43.7)%	(25.4)%	24.10	23.69	1.8%
Net interest margin	2.59%	2.72%	3.09%	(0.13)%	(0.50)%	2.75%	3.06%	(0.31)%
Net fees and service income to operating income ratio	17.1%	13.7%	15.7%	3.4%	1.4%	15.2%	15.8%	(0.6)%
Cost to income ratio	60.9%	43.4%	53.1%	17.5%	7.8%	48.4%	48.0%	0.4%
Return on average assets ^{/1}	0.67%	1.20%	0.92%	(0.53)%	(0.25)%	1.00%	1.00%	-
Return on average equity ^{/1}	5.31%	9.45%	7.50%	(4.14)%	(2.19)%	8.07%	8.27%	(0.20)%

^{/1} Attributable to owners of the Bank

Million Baht

Item	Dec'25	Sep'25	Dec'24	%QoQ	%YTD
Loans	2,608,286	2,606,661	2,693,301	0.1%	(3.2)%
Deposits	3,196,284	3,174,287	3,169,654	0.7%	0.8%
Loan to deposit ratio	81.6%	82.1%	85.0%	(0.5)%	(3.4)%
Non-performing loan (Gross NPL) ^{/1}	94,664	103,404	85,833	(8.5)%	10.3%
Gross NPL to total loans ratio ^{/1}	3.0%	3.3%	2.7%	(0.3)%	0.3%
Allowance for expected credit losses to NPL ratio ^{/1}	324.1%	294.2%	334.3%	29.9%	(10.2)%
Total capital adequacy ratio	21.78%	22.60%	20.35%	(0.82)%	1.43%

^{/1} Including interbank and money market lending

Bangkok Bank and its subsidiaries reported a net profit of Baht 46,007 million for 2025, an increase of 1.8 percent from the previous year. Despite multiple uncertainties, the Bank had higher total operating income through effective asset management and diversification of revenue sources. Net interest income declined and net interest margin was 2.75 percent, in line with interest rate trends and a slowdown in loan growth. Meanwhile, non-interest income increased, mainly from gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL) and gains on investments, while net fees and service income slightly declined due to lower transaction services and mutual fund services. The Bank remains committed to strengthening its operational efficiency to ensure readiness for future advancement, while placing emphasis on appropriate cost management. As a result, the cost to income ratio remained broadly in line with the previous year at 48.4 percent, reflecting the Bank's ability to maintain operational efficiency amid challenging economic conditions. In addition, with its continued prudent approach, the Bank set aside expected credit losses for the fourth quarter of 2025 decreased from the previous quarter. For the full year 2025, expected credit losses amounted to Baht 36,147 million.

At the end of December 2025, the Bank's loans amounted to Baht 2,608,286 million, a decrease of 3.2 percent from the end of last year. Meanwhile loans to large corporate customers continued to grow. The non-performing loan to total loans ratio was at a manageable level of 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 324.1 percent.

As of December 31, 2025, the Bank's deposits amounted to Baht 3,196,284 million, a similar level to the end of last year, with the loan to deposit ratio of 81.6 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 21.78 percent, 17.22 percent and 17.21 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	Q4/25	Q3/25	Q4/24	%QoQ	%YoY	Y'25	Y'24	%YoY
Net interest income	29,266	30,750	33,977	(4.8)%	(13.9)%	123,630	133,900	(7.7)%
Non-interest income	11,496	16,913	10,804	(32.0)%	6.4%	54,868	41,911	30.9%
Operating expenses	24,822	20,697	23,757	19.9%	4.5%	86,363	84,405	2.3%
Expected credit losses	6,598	9,742	7,634	(32.3)%	(13.6)%	36,147	34,838	3.8%
Operating profit before tax	9,342	17,224	13,390	(45.8)%	(30.2)%	55,988	56,568	(1.0)%
Income tax expenses	1,487	3,331	2,896	(55.4)%	(48.7)%	9,622	10,946	(12.1)%
Net profit	7,855	13,893	10,494	(43.5)%	(25.1)%	46,366	45,622	1.6%
Net profit ^{/1}	7,759	13,789	10,404	(43.7)%	(25.4)%	46,007	45,211	1.8%
Total comprehensive income ^{/1}	(10,647)	15,349	6,216	(169.4)%	(271.3)%	35,264	39,425	(10.6)%

^{/1} Attributable to owners of the Bank

Bangkok Bank and its subsidiaries reported a net profit attributable to owners of the Bank for the fourth quarter of 2025 of Baht 7,759 million, a decline compared to the previous quarter. The decrease was mainly due to lower operating income, with net interest income declining in line with the interest rate trend. Non-interest income decreased from gains on financial instruments measured at Fair Value Through Profit or Loss (FVTPL) and gains on investments, in line with the market environment, while net fee and service income increased, partly driven by global market services and the credit card business. Operating expenses increased attributable to operational efficiency enhancement and seasonal expenses. Meanwhile, expected credit losses decreased as the Bank continued to set aside reserves in line with its prudent approach.

Compared to the fourth quarter of 2024, net profit attributable to owners of the Bank decreased due to lower net interest income resulting from interest rate reductions and a slowdown in loan growth. Operating expenses increased due to operational efficiency enhancement and marketing expenses. As the Bank continues to set aside reserves under its prudent approach, expected credit losses decreased.

In 2025, net profit attributable to owners of the Bank amounted to Baht 46,007 million, an increase from the previous year, driven by diversification of revenue stream. Non interest income increased primarily from gains on financial instruments measured at FVTPL and gains on investments, while net fee and service income slightly declined due to transaction services and mutual fund services. Net interest income decreased in line with lower interest rates and a slowdown in loan growth amid the economic downturn. The Bank remains committed to strengthening its operational efficiency to ensure readiness for future advancement, while placing emphasis on appropriate cost management. As a result, the cost to income ratio remained broadly in line with the previous year at 48.4 percent, reflecting the Bank's ability to maintain operational efficiency amid challenging economic conditions. In 2025, the Bank maintained its prudent stance by setting aside expected credit losses of Baht 36,147 million to accommodate uncertainties ahead, consistent with its disciplined management approach.

Net Interest Income

Net interest income for the fourth quarter of 2025 amounted to Baht 29,266 million, declining from both the previous quarter and the same quarter last year. In 2025, net interest income totaled Baht 123,630 million, decreasing from the previous year in line with interest rate trends and a slowdown in lending activities amid the economic downturn. The net interest margin stood at 2.75 percent, reflecting a decrease in the yield on earning assets, offset by a gradual reduction in funding costs.

Million Baht								
Item	Q4/25	Q3/25	Q4/24	%QoQ	%YoY	Y'25	Y'24	%YoY
Interest Income								
Loans	34,478	36,440	40,016	(5.4)%	(13.8)%	146,032	159,115	(8.2)%
Interbank and money market items	3,693	4,242	4,889	(12.9)%	(24.5)%	17,546	20,921	(16.1)%
Investments	6,981	6,636	7,495	5.2%	(6.9)%	27,504	27,993	(1.7)%
Total interest income	45,152	47,318	52,400	(4.6)%	(13.8)%	191,082	208,029	(8.1)%
Interest expenses								
Deposits	8,370	8,715	10,073	(4.0)%	(16.9)%	35,970	41,657	(13.7)%
Interbank and money market items	1,638	1,730	2,489	(5.3)%	(34.2)%	7,471	8,806	(15.2)%
Contributions to Financial Institutions								
Development Fund and Deposit								
Protection Agency	3,168	3,156	3,103	0.4%	2.1%	12,656	12,383	2.2%
Debt issued and borrowings	2,710	2,967	2,758	(8.7)%	(1.7)%	11,355	11,283	0.6%
Total interest expenses	15,886	16,568	18,423	(4.1)%	(13.8)%	67,452	74,129	(9.0)%
Net interest income	29,266	30,750	33,977	(4.8)%	(13.9)%	123,630	133,900	(7.7)%
Yield on earning assets	4.00%	4.19%	4.77%	(0.19)%	(0.77)%	4.26%	4.75%	(0.49)%
Cost of funds	1.69%	1.76%	1.99%	(0.07)%	(0.30)%	1.80%	2.00%	(0.20)%
Net interest margin	2.59%	2.72%	3.09%	(0.13)%	(0.50)%	2.75%	3.06%	(0.31)%

Bangkok Bank Interest Rate	Dec'25	Sep'25	Jun'25	Mar'25	Dec'24	Sep'24	Jun'24	Mar'24	Dec'23
Loans (%)									
MOR	6.600	6.750	7.000	7.100	7.350	7.550	7.550	7.550	7.550
MRR	6.600	6.650	6.900	6.950	7.000	7.050	7.050	7.300	7.300
MLR	6.450	6.500	6.750	6.825	6.900	7.100	7.100	7.100	7.100
Deposits (%)									
Savings	0.250	0.250	0.250	0.250	0.250	0.450	0.450	0.450	0.450
3-month Fixed	0.700	0.800	0.850	1.000	1.000	1.200	1.200	1.200	1.200
6-month Fixed	0.750	0.850	0.900	1.100	1.100	1.250	1.250	1.250	1.250
12-month Fixed	0.850	1.100	1.250	1.450	1.450	1.600	1.600	1.600	1.600
Bank of Thailand Policy Rate (%)	1.250	1.500	1.750	2.000	2.250	2.500	2.500	2.500	2.500

Non-interest Income

Non-interest income for the fourth quarter of 2025 amounted to Baht 11,496 million, declining from the previous quarter mainly from gains on financial instruments measured at FVTPL and gains on investments in line with the market environment. Meanwhile, fee income increased, driven by global market services and the credit card business in light of the seasonal increase in year-end spending.

In 2025, non-interest income totaled Baht 54,868 million, increasing from the previous year, primarily from gains on financial instruments measured at FVTPL and gains on investments in line with market conditions. Net fee and service income, however, declined slightly owing to lower income from transaction services and mutual fund services.

Million Baht

Item	Q4/25	Q3/25	Q4/24	%QoQ	%YoY	Y'25	Y'24	%YoY
Fees and service income	11,055	10,179	11,085	8.6%	(0.3)%	42,945	43,916	(2.2)%
<u>Less</u> fees and service expenses	4,082	3,630	4,073	12.5%	0.2%	15,753	16,192	(2.7)%
Net fees and service income	6,973	6,549	7,012	6.5%	(0.6)%	27,192	27,724	(1.9)%
Gains on financial instruments measured at FVTPL	3,000	5,472	2,986	(45.2)%	0.5%	12,647	8,965	41.1%
Gains on investments	742	3,751	133	(80.2)%	457.9%	10,737	891	1,105.1%
Share of profit from investment using equity method	41	44	48	(6.8)%	(14.6)%	174	205	(15.1)%
Gains on disposal of assets	69	219	54	(68.5)%	27.8%	639	883	(27.6)%
Dividend income	272	619	328	(56.1)%	(17.1)%	2,344	2,345	(0.0)%
Other operating income	399	259	243	54.1%	64.2%	1,135	898	26.4%
Total other operating income	4,523	10,364	3,792	(56.4)%	19.3%	27,676	14,187	95.1%
Total non-interest income	11,496	16,913	10,804	(32.0)%	6.4%	54,868	41,911	30.9%
Net fees and service income to operating income ratio	17.1%	13.7%	15.7%	3.4%	1.4%	15.2%	15.8%	(0.6)%

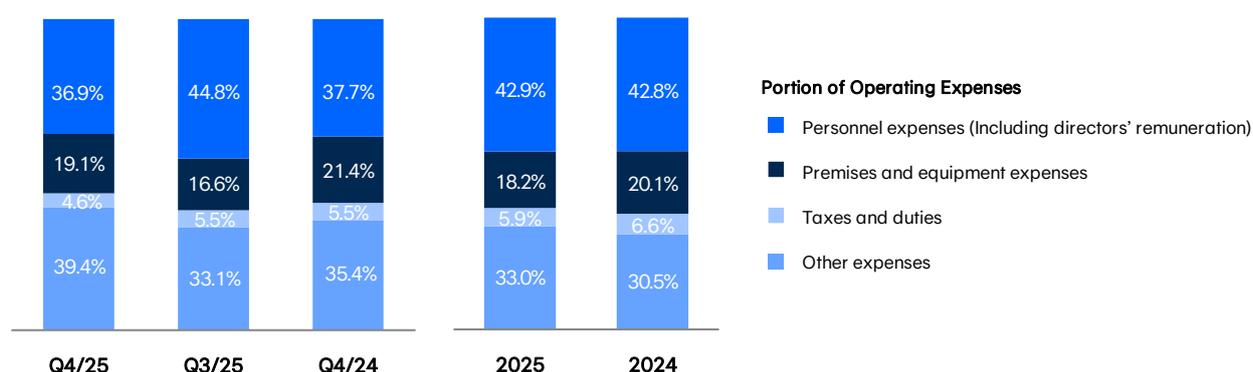
Operating Expenses

Operating expenses for the fourth quarter of 2025 amounted to Baht 24,822 million, increasing compared to the previous quarter, mainly due to expenses related to operational efficiency enhancement and seasonal expenses.

Compared to the same period last year, the Bank's operating expenses increased due to marketing expenses. In 2025, operating expenses amounted to Baht 86,363 million, increasing from the previous year due to the Bank remains committed to strengthening its operational efficiency to ensure readiness for future advancement, while placing emphasis on appropriate cost management. As a result, the cost to income ratio remained broadly in line with the previous year at 48.4 percent, reflecting the Bank's ability to maintain operational efficiency amid challenging economic conditions.

Million Baht

Item	Q4/25	Q3/25	Q4/24	%QoQ	%YoY	Y'25	Y'24	%YoY
Personnel expenses	9,062	9,232	8,858	(1.8)%	2.3%	36,760	35,896	2.4%
Directors' remuneration	103	48	87	114.6%	18.4%	294	266	10.5%
Premises and equipment expenses	4,753	3,439	5,082	38.2%	(6.5)%	15,747	16,970	(7.2)%
Taxes and duties	1,133	1,130	1,319	0.3%	(14.1)%	5,065	5,561	(8.9)%
Other expenses	9,771	6,848	8,411	42.7%	16.2%	28,497	25,712	10.8%
Total operating expenses	24,822	20,697	23,757	19.9%	4.5%	86,363	84,405	2.3%
Cost to income ratio	60.9%	43.4%	53.1%	17.5%	7.8%	48.4%	48.0%	0.4%



Expected Credit Losses

In 2025, the Bank's expected credit losses amounted to Baht 36,147 million, increasing from the previous year. The Bank maintained its prudent provisioning approach by considering the prevailing economic outlook, which continues to face uncertainties related to geopolitical developments, clarity on U.S. tax policies, and potential adjustments in trade policies among major economies. The Thai economy also remained under pressure from slower export performance, domestic structural challenges, subdued household consumption amid high household debt, and limited fiscal space, which may constrain government spending.

Significant Items in the Financial Position

Assets

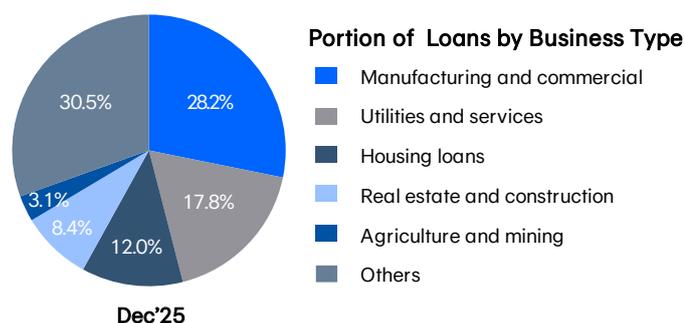
As of December 31, 2025, total assets amounted to Baht 4,606,342 million, an increase of 1.5 percent from the end of the previous quarter and 1.2 percent from the end of last year primarily from higher interbank and money market items as well as investments.

	Million Baht				
Item	Dec'25	Sep'25	Dec'24	%QoQ	%YTD
Net interbank and money market items	771,194	723,486	752,269	6.6%	2.5%
Financial assets measured at FVTPL	104,951	109,970	105,577	(4.6)%	(0.6)%
Net investments	1,108,129	1,107,632	989,975	0.0%	11.9%
Net investments in associates	1,021	980	1,011	4.2%	1.0%
Loans	2,608,286	2,606,661	2,693,301	0.1%	(3.2)%
Net properties for sale	5,565	5,619	5,921	(1.0)%	(6.0)%
Total assets	4,606,342	4,538,455	4,551,379	1.5%	1.2%

Loans

As of December 31, 2025, loans amounted to Baht 2,608,286 million, a similar level to the end of the previous quarter and decreasing by 3.2 percent from the end of last year, while loans to large corporate customers continued to grow.

	Million Baht				
Loans by Business Type	Dec'25	Sep'25	Dec'24	%QoQ	%YTD
Manufacturing and commercial	735,320	716,987	730,261	2.6%	0.7%
Utilities and services	463,682	477,653	500,761	(2.9)%	(7.4)%
Housing loans	314,038	319,342	331,795	(1.7)%	(5.4)%
Real estate and construction	218,361	224,858	209,384	(2.9)%	4.3%
Agriculture and mining	80,801	77,079	88,813	4.8%	(9.0)%
Others	796,084	790,742	832,287	0.7%	(4.3)%
Total loans	2,608,286	2,606,661	2,693,301	0.1%	(3.2)%



As of December 31, 2025, the Bank and its subsidiaries had loans distributed across business sectors, with 28.2 percent in the manufacturing and commercial sector, 17.8 percent in the utilities and services sector, 12.0 percent in the housing loans sector, and 8.4 percent in the real estate and construction sector.

Classified Loans and Allowance for Expected Credit Losses

As of the end of December 2025, non-performing loan (Gross NPL) totaled Baht 94,664 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 306,770 million. As a result, the allowance for expected credit losses to NPL ratio was at a strong level of 324.1 percent.

	Million Baht					
Item	Dec'25	Sep'25	Dec'24	%QoQ	%YTD	
Consolidated						
Non-performing loan (Gross NPL) ^{/1}	94,664	103,404	85,833	(8.5)%	10.3%	
Gross NPL to total loans ratio ^{/1}	3.0%	3.3%	2.7%	(0.3)%	0.3%	
Net NPL to net total loans ratio ^{/1}	0.6%	0.8%	0.6%	(0.2)%	-	
Allowance for expected credit losses to NPL ratio ^{/1}	324.1%	294.2%	334.3%	29.9%	(10.2)%	
The Bank						
Non-performing loan (Gross NPL) ^{/1}	82,257	90,167	73,118	(8.8)%	12.5%	
Gross NPL to total loans ratio ^{/1}	2.9%	3.3%	2.6%	(0.4)%	0.3%	

^{/1} Including interbank and money market lending

	Million Baht					
Item	Loans and			Allowance for		
	Interbank & Money Market			Expected Credit Losses ^{/1}		
	Dec'25	Sep'25	Dec'24	Dec'25	Sep'25	Dec'24
Non-credit-impaired	3,285,563	3,227,714	3,360,376	227,017	219,945	216,984
Credit-impaired	94,664	103,404	85,833	79,753	84,272	69,982
Total	3,380,227	3,331,118	3,446,209	306,770	304,217	286,966

^{/1} Including allowance for expected credit losses of loans, interbank and money market items, loan commitments and financial guarantee contracts

Investments

As of December 31, 2025, the Bank and its subsidiaries had total investments of Baht 1,213,080 million, a similar level to the end of the previous quarter, and an increase of 10.7 percent from the end of the previous year. The Bank had Baht 701,873 million in investments in Thai government and state enterprise securities, accounting for 57.9 percent of total investments. Foreign debt securities amounted to Baht 308,543 million, and net investment in equity securities amounted to Baht 86,784 million.

	Million Baht				
Investments by Investment Holding	Dec'25	Sep'25	Dec'24	%QoQ	%YTD
Trading securities	13,954	18,947	15,673	(26.4)%	(11.0)%
Securities measured at FVTPL	90,997	91,023	89,904	(0.0)%	1.2%
Debt securities measured at amortized cost	96,137	93,682	109,831	2.6%	(12.5)%
Debt securities measured at FVOCI	934,913	924,762	777,626	1.1%	20.2%
Equity securities measured at FVOCI	77,079	89,188	102,518	(13.6)%	(24.8)%
Total investments	1,213,080	1,217,602	1,095,552	(0.4)%	10.7%

Liabilities and Shareholders' Equity

Total liabilities, as of December 31, 2025, amounted to Baht 4,030,659 million, an increase of 2.0 percent from the end of the previous quarter and 0.9 percent from the end of last year, mainly from deposits and debt issued and borrowings.

	Million Baht				
Item	Dec'25	Sep'25	Dec'24	%QoQ	%YTD
Deposits	3,196,284	3,174,287	3,169,654	0.7%	0.8%
Interbank and money market items	314,644	307,524	346,936	2.3%	(9.3)%
Financial liabilities measured at FVTPL	16,347	16,682	17,763	(2.0)%	(8.0)%
Debt issued and borrowings	244,009	214,196	213,785	13.9%	14.1%
Total liabilities	4,030,659	3,952,177	3,994,506	2.0%	0.9%
Shareholders' equity ^{/1}	573,923	584,570	555,039	(1.8)%	3.4%

^{/1} Attributable to owners of the Bank

Deposits

Total deposits, as of December 31, 2025, amounted to Baht 3,196,284 million, slightly increased from the end of the previous quarter and the end of last year. The loan to deposit ratio was 81.6 percent.

Million Baht

Deposits Classified by Product Type	Dec'25		Sep'25		Dec'24		%QoQ	%YTD
	Amount	Portion	Amount	Portion	Amount	Portion		
Current	285,119	8.9%	279,417	8.8%	268,865	8.5%	2.0%	6.0%
Savings	1,691,238	52.9%	1,659,786	52.3%	1,662,444	52.4%	1.9%	1.7%
Fixed	1,219,927	38.2%	1,235,084	38.9%	1,238,345	39.1%	(1.2)%	(1.5)%
Total deposits	3,196,284	100.0%	3,174,287	100.0%	3,169,654	100.0%	0.7%	0.8%
Loan to deposit ratio		81.6%		82.1%		85.0%	(0.5)%	(3.4)%

Debt Issued and Borrowings

Total debt issued and borrowings, as of December 31, 2025, amounted to Baht 244,009 million, an increase of 14.1 percent from the end of last year due mainly to the issuance of USD 1,000 million subordinated notes qualifying as Basel III-compliant Tier 2 capital in March 2025, and the issuance of USD 1,100 million senior unsecured notes in November 2025 offsetting by the redemption of USD 750 million subordinated notes qualifying as Basel III-compliant Tier 1 capital in September 2025.

Million Baht

Debt Issued and Borrowings Classified by Type of Instruments	Dec'25		Sep'25		Dec'24		%QoQ	%YTD
	Amount	Portion	Amount	Portion	Amount	Portion		
Senior unsecured notes	141,366	57.9%	110,170	51.4%	112,733	52.7%	28.3%	25.4%
Subordinated notes	102,231	41.8%	103,363	48.2%	100,301	46.8%	(1.1)%	1.9%
Others	674	0.3%	934	0.4%	1,074	0.5%	(27.8)%	(37.2)%
Total (before discount on borrowings)	244,271	100.0%	214,467	100.0%	214,108	100.0%	13.9%	14.1%
<u>Less</u> discount on borrowings	262		271		323		(3.3)%	(18.9)%
Total debt issued and borrowings	244,009		214,196		213,785		13.9%	14.1%

Shareholders' Equity

Shareholders' equity attributable to owners of the Bank, as of December 31, 2025, amounted to Baht 573,923 million, an increase of Baht 18,884 million, or 3.4 percent, from the end of 2024. This was due to the inclusion of net profit attributable to the Bank for 2025 offset by a final dividend payment for the operating performance in 2024 of Baht 6.50 per share according to the resolution of the shareholders' meeting in April 2025, and the interim dividend payment from the operations in the first half of 2025 of Baht 2.00 per share.

Sources and Utilization of Funds

As of December 31, 2025, the Bank and its subsidiaries' primary sources of funds consisted of deposits of Baht 3,196,284 million or 69.4 percent, equity attributable to owners of the Bank of Baht 573,923 million or 12.5 percent, interbank and money market items on liabilities of Baht 314,644 million or 6.8 percent, and debt issued and borrowings including financial liabilities measured at FVTPL amounting to Baht 260,356 million or 5.7 percent.

The utilization of funds comprised loans of Baht 2,608,286 million or 56.6 percent, net investments, including financial assets measured at FVTPL and net investments in associates of Baht 1,214,101 million or 26.4 percent, and net interbank and money market assets of Baht 771,194 million or 16.7 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 December 31, 2025, the Bank's Common Equity Tier 1 capital adequacy ratio was 17.21 percent, the Tier 1 capital adequacy ratio was 17.22 percent, and the total capital adequacy ratio was 21.78 percent, which was above the BOT's minimum capital requirements.

Consolidated

Million Baht

Item	Dec'25		Sep'25		Dec'24		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	516,036	17.21%	538,161	18.01%	492,953	16.18%	> 8.00%
Tier 1 capital	516,255	17.22%	538,375	18.02%	516,755	16.96%	> 9.50%
Tier 2 capital	136,785	4.56%	136,786	4.58%	103,305	3.39%	
Total capital	653,040	21.78%	675,161	22.60%	620,060	20.35%	> 12.00%

The Bank

Million Baht

Item	Dec'25		Sep'25		Dec'24		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
	Common Equity Tier 1 capital	509,599	18.77%	530,120	19.65%	487,366	
Tier 1 capital	509,599	18.77%	530,120	19.65%	510,958	18.68%	> 9.50%
Tier 2 capital	133,893	4.93%	133,772	4.96%	100,549	3.68%	
Total capital	643,492	23.70%	663,892	24.61%	611,507	22.36%	> 12.00%

Liquid Assets

Liquid assets consisted of cash, net interbank and money market items, debt securities, and marketable equity securities. As of December 31, 2025, the ratio of liquid assets to total assets and liquid assets to deposits was 41.8 percent and 60.3 percent, respectively.

Item	Dec'25	Sep'25	Dec'24
Liquid assets/Total assets (%)	41.8	41.3	39.4
Liquid assets/Deposits (%)	60.3	59.0	56.6

Credit Ratings

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

Credit Rating Agency	Dec'25	Sep'25	Dec'24
Moody's Investors Service			
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	Negative	Negative ^{/1}	Stable
S&P Global Ratings			
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
Fitch Ratings			
International Rating			
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
National Rating			
Long-term	AA+(tha)	AA+(tha)	AA+(tha)
Short-term	F1+(tha)	F1+(tha)	F1+(tha)
Outlook	Stable	Stable	Stable

^{/1} The revision of the credit rating outlook reflects a shift in Thailand's sovereign outlook to negative, driven by heightened risks of further deterioration in the country's economic and fiscal stability.