






# Investor Presentation

## For 1Q22



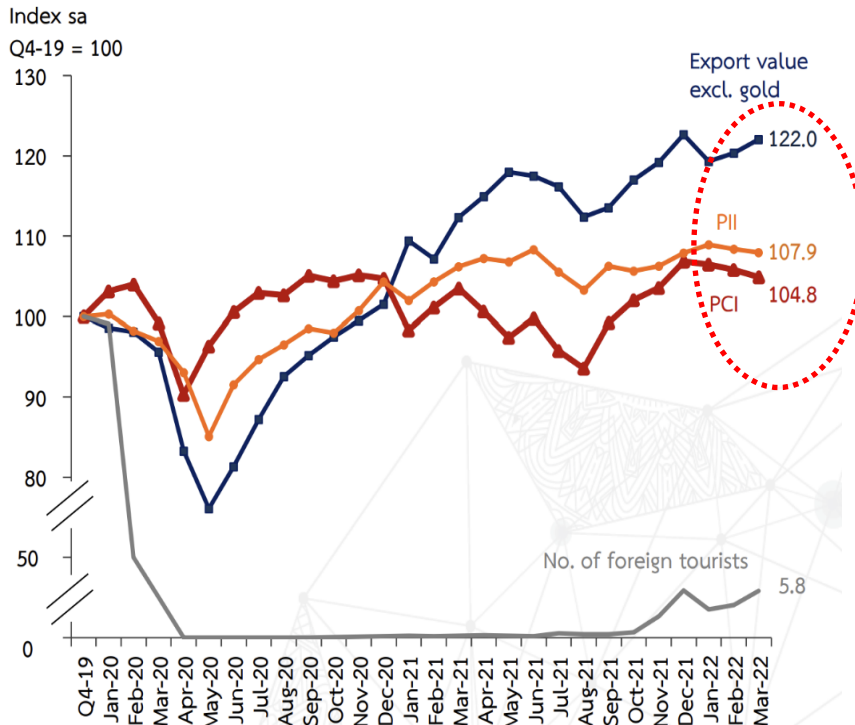
# Bangkok Bank

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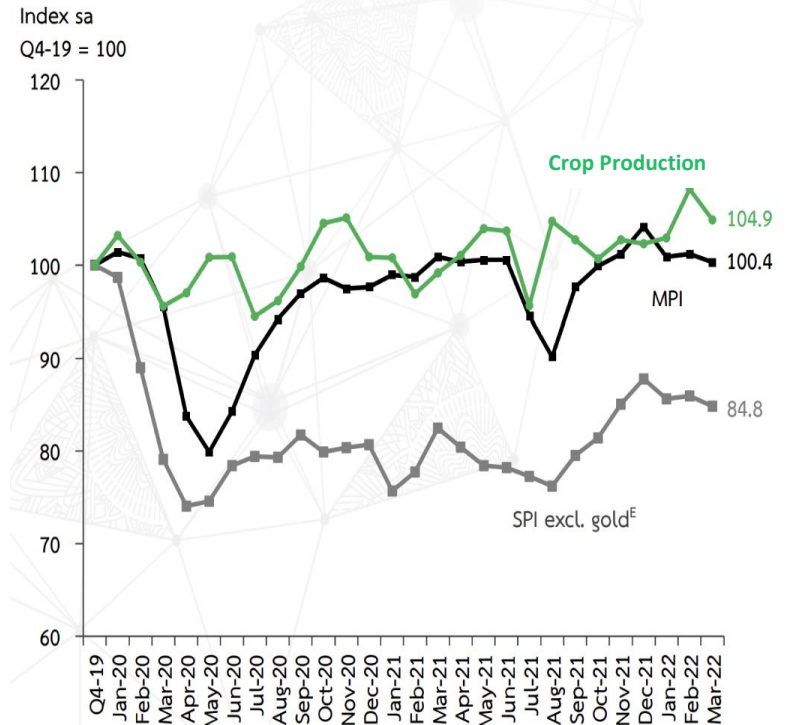
-  **Operating environment**
-  **1Q22 Financial performance**
-  **2022 Financial target**

# Rebound of the Thai economy coincided with the reopening of our borders

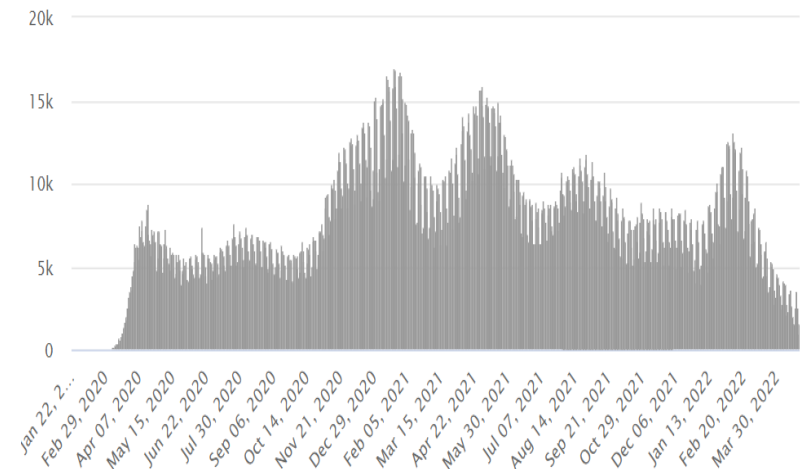
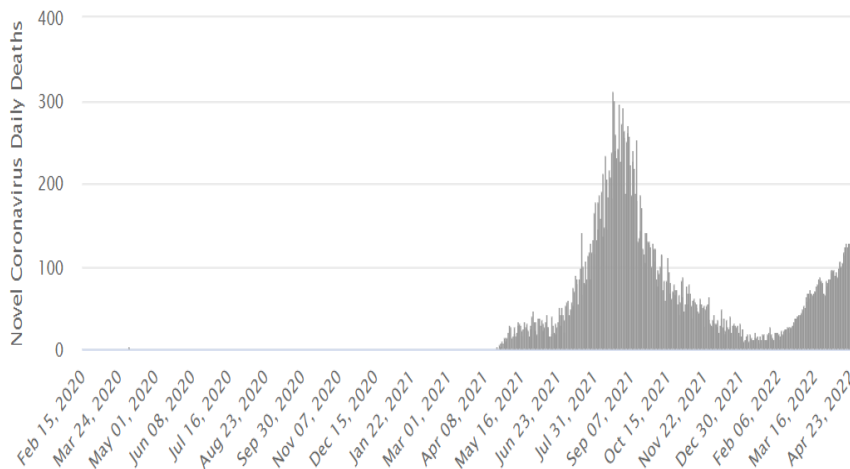
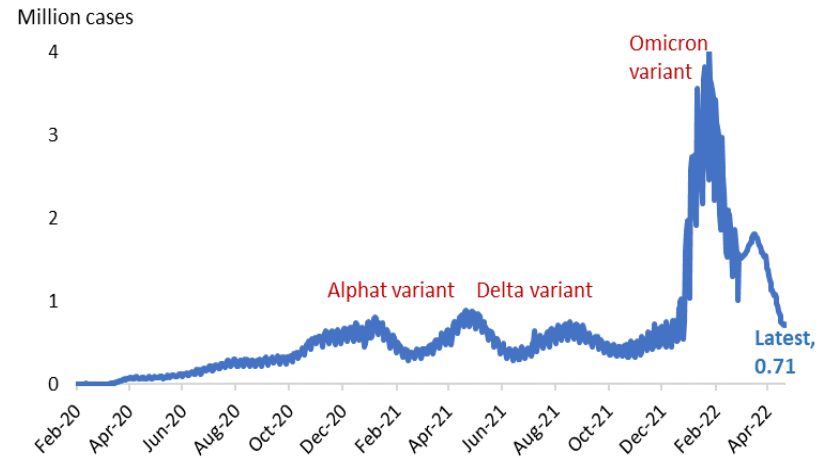
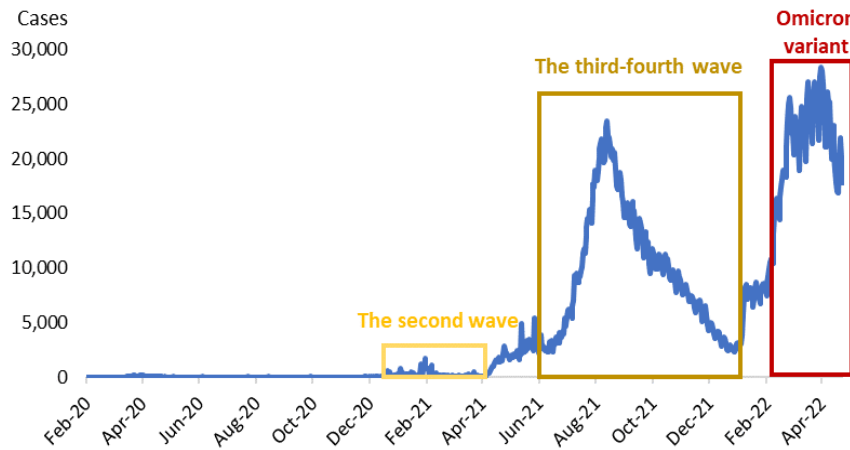
## Economic Indicator - Demand



## Economic Indicator - Supply

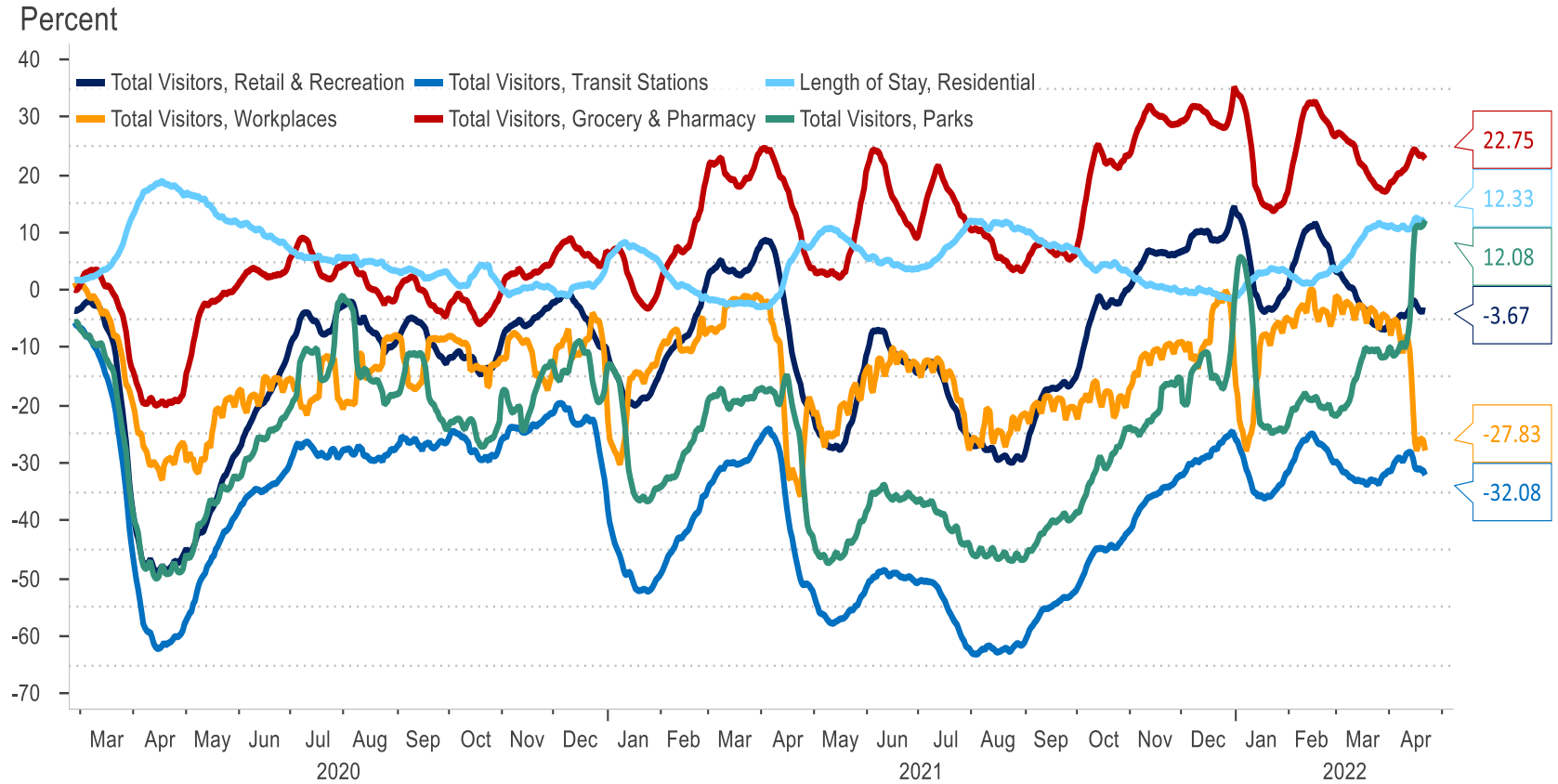


# The Omicron wave is now on the declining path in other countries around the world and in Thailand



# For Thailand, Omicron impact on activity has been mild compared to previous waves

## Thailand, Mobility, The Whole Country, Compared to Baseline

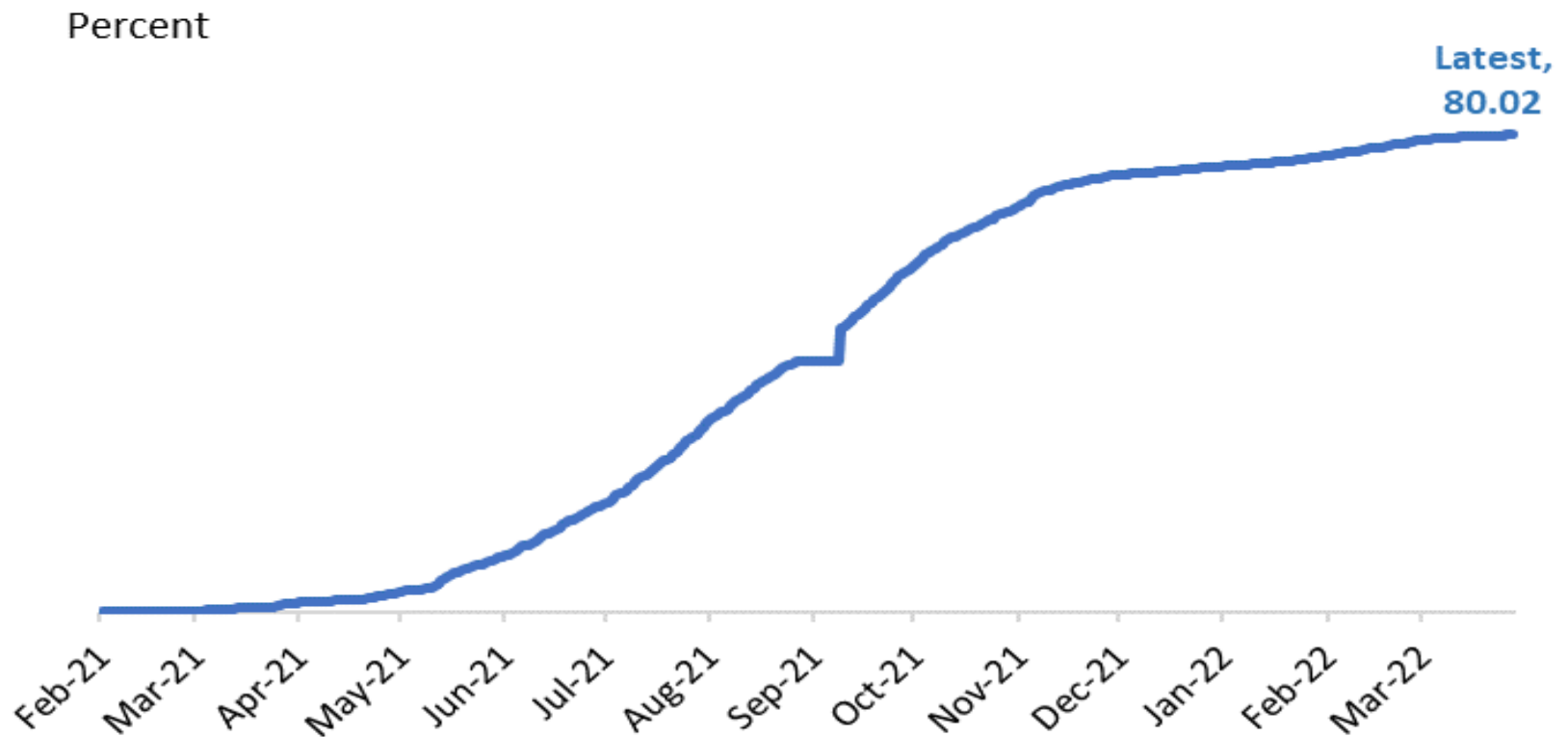


Data Update – 25 April 2022

Source: Google, Macrobond

This is due to successful vaccination rollout programs around the world which allow part of our lives to return to normal

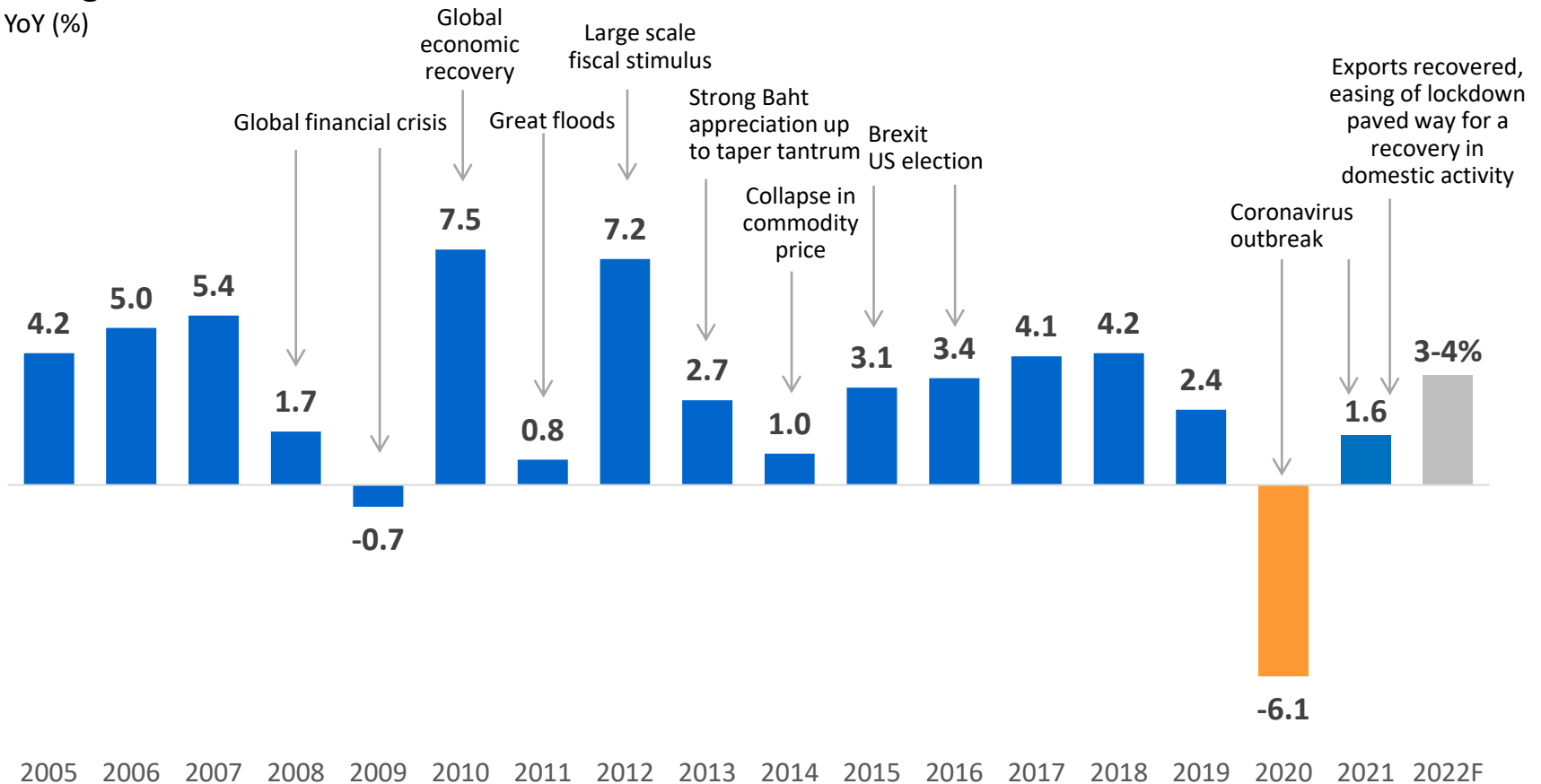
### Successful vaccination campaign



# Impacts on the Thai economy : Activity to rebound after the lifting of lockdown measures and tourism should pick up after border reopening

## GDP growth

YoY (%)



Thai government urgently needs to work on the new engine of growth for 2022. This will give the Thai economy, the momentum to withstand the global volatility

**2021**

- **Export**
- **Domestic Consumption**
- **Domestic Tourism**



**2022**

- **Export**
- **Public Infrastructure**
- **FDIs**
- **International Tourism**



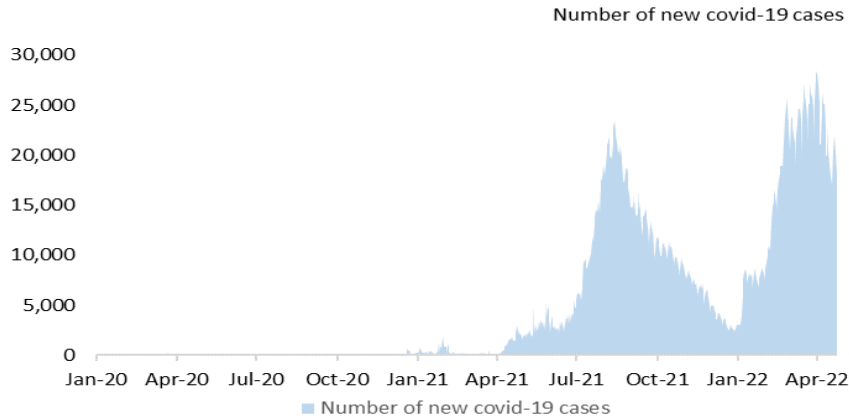
# Tourism sector

Thailand's tourism  
15% of GDP  
Employ 10 M



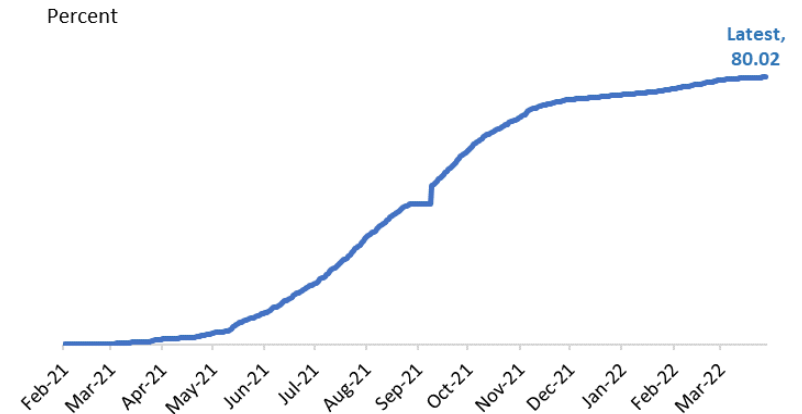
# This is due to successful vaccination rollout programs around the world which allow part of our lives to return to normal

## Balanced, effective restrictions and control measures

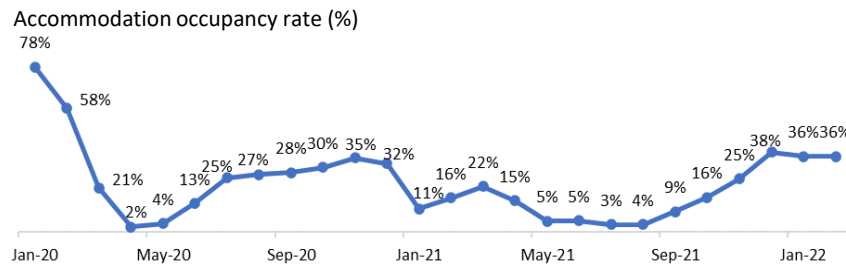


Source: Center for COVID-19 Situation Administration, University of Oxford

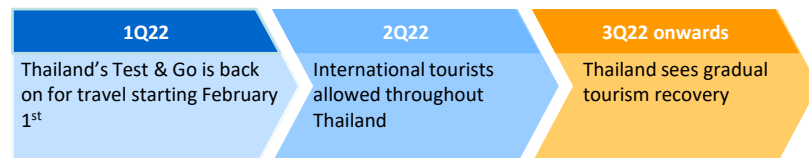
## Successful Vaccination Campaign



## Tourism reopening

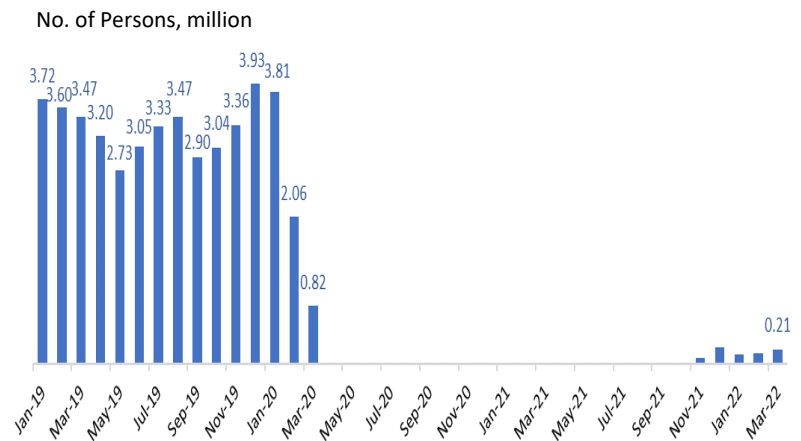


Relaxation of travel restrictions for fully vaccinated tourists from 2Q 2022 onwards



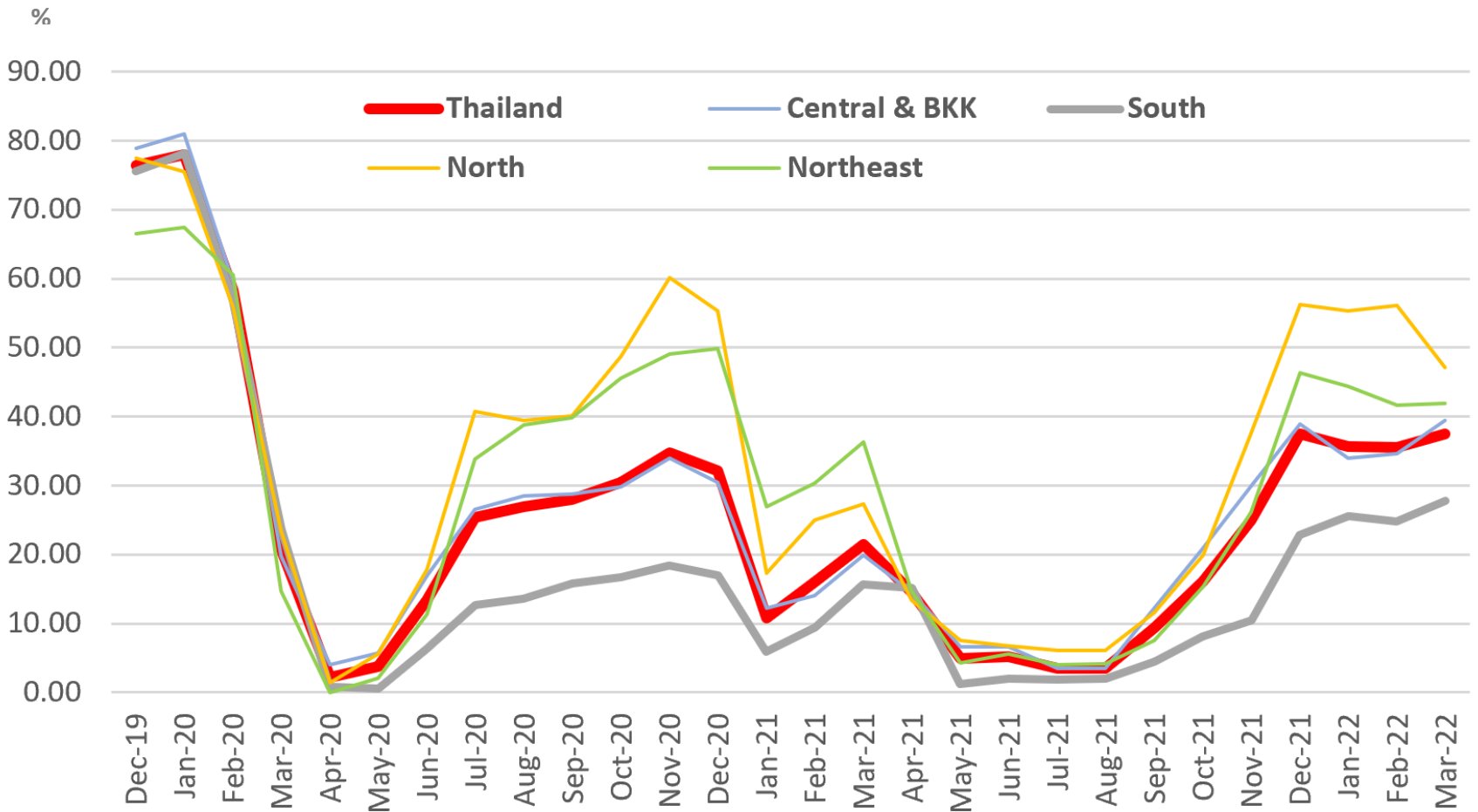
Source: Center for COVID-19 Situation Administration, Bank of Thailand

## Thailand Tourist Arrivals

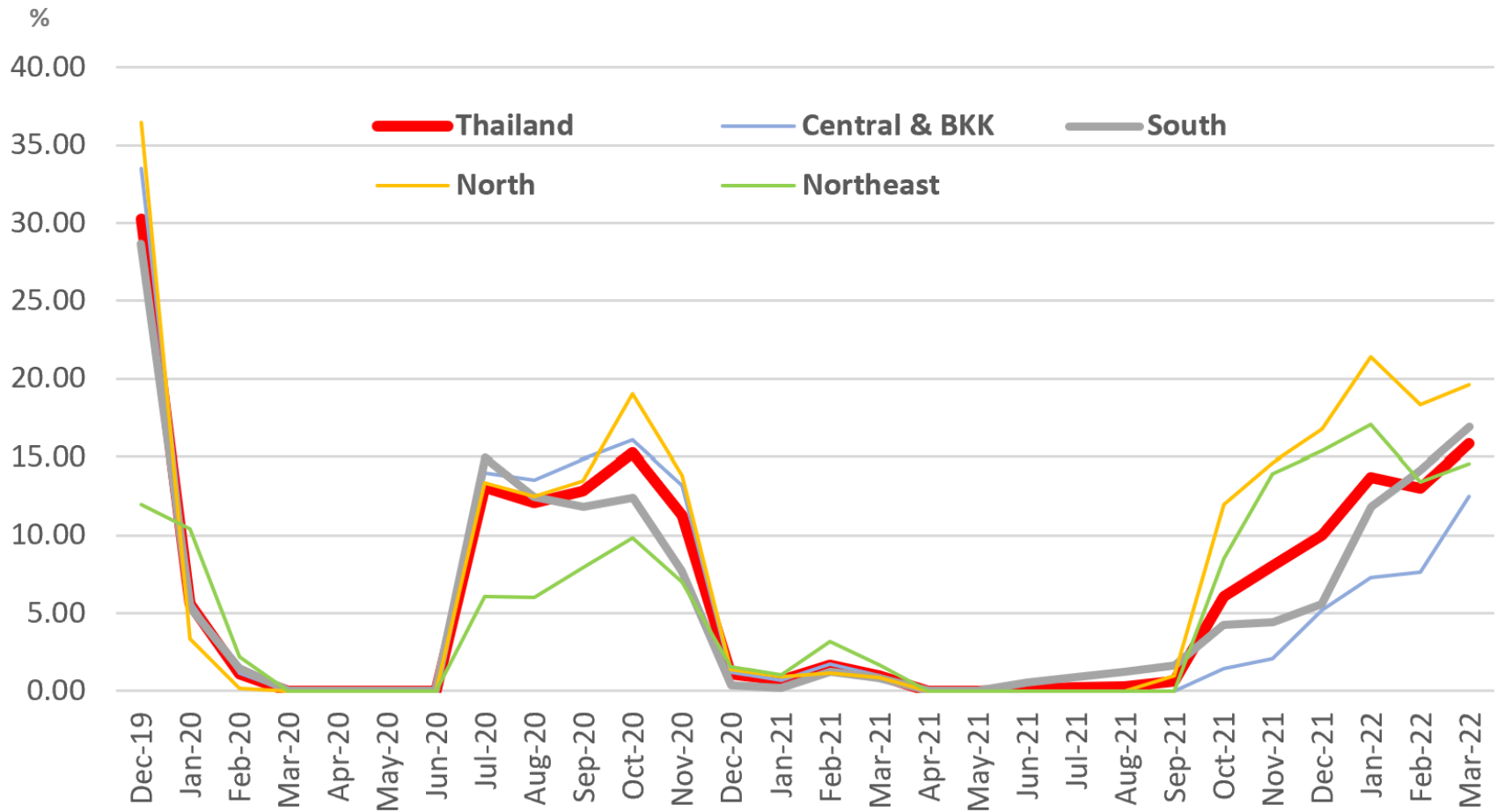


Source: Thailand Ministry of Tourism & Sports, Macrobond

# Domestic tourism and occupancy rate

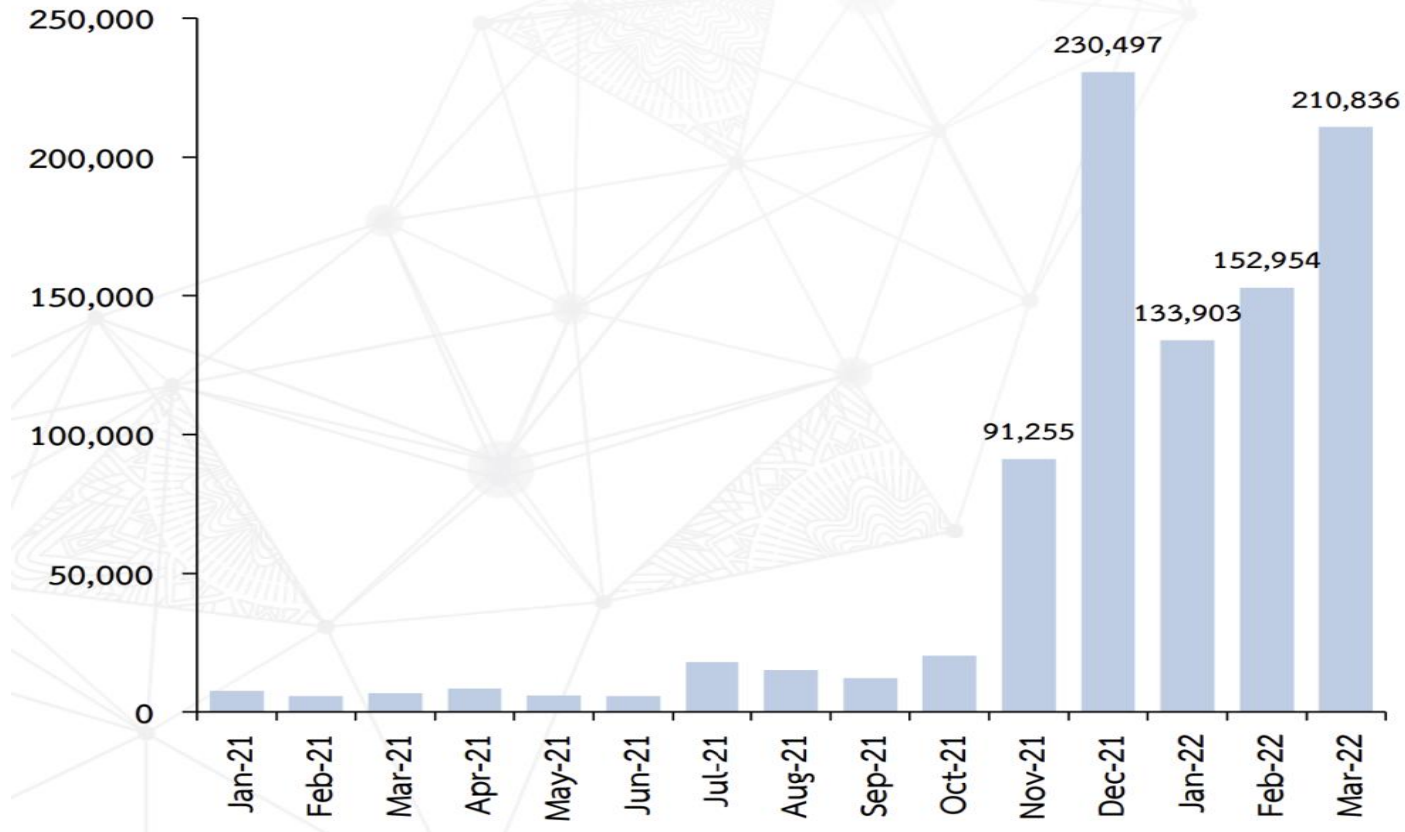


# 3 months ahead booking rate



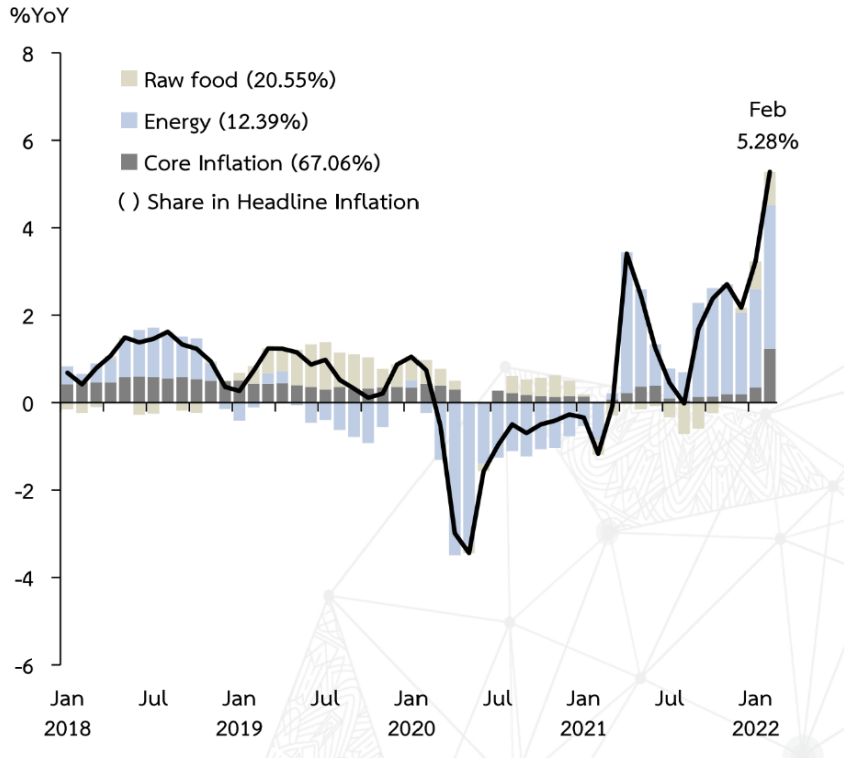
# Return of foreign tourists

## Foreign Tourists

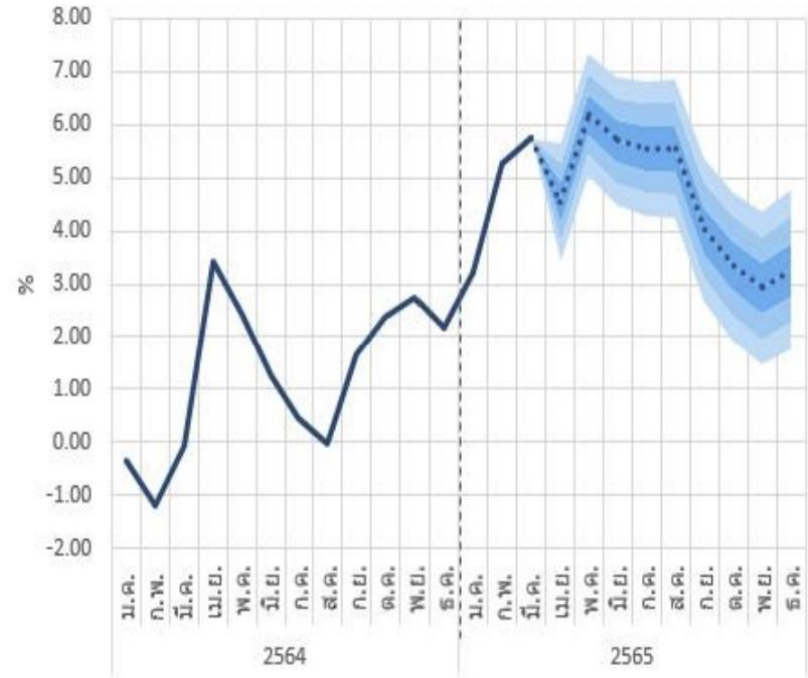


# Thai inflation was less than other countries

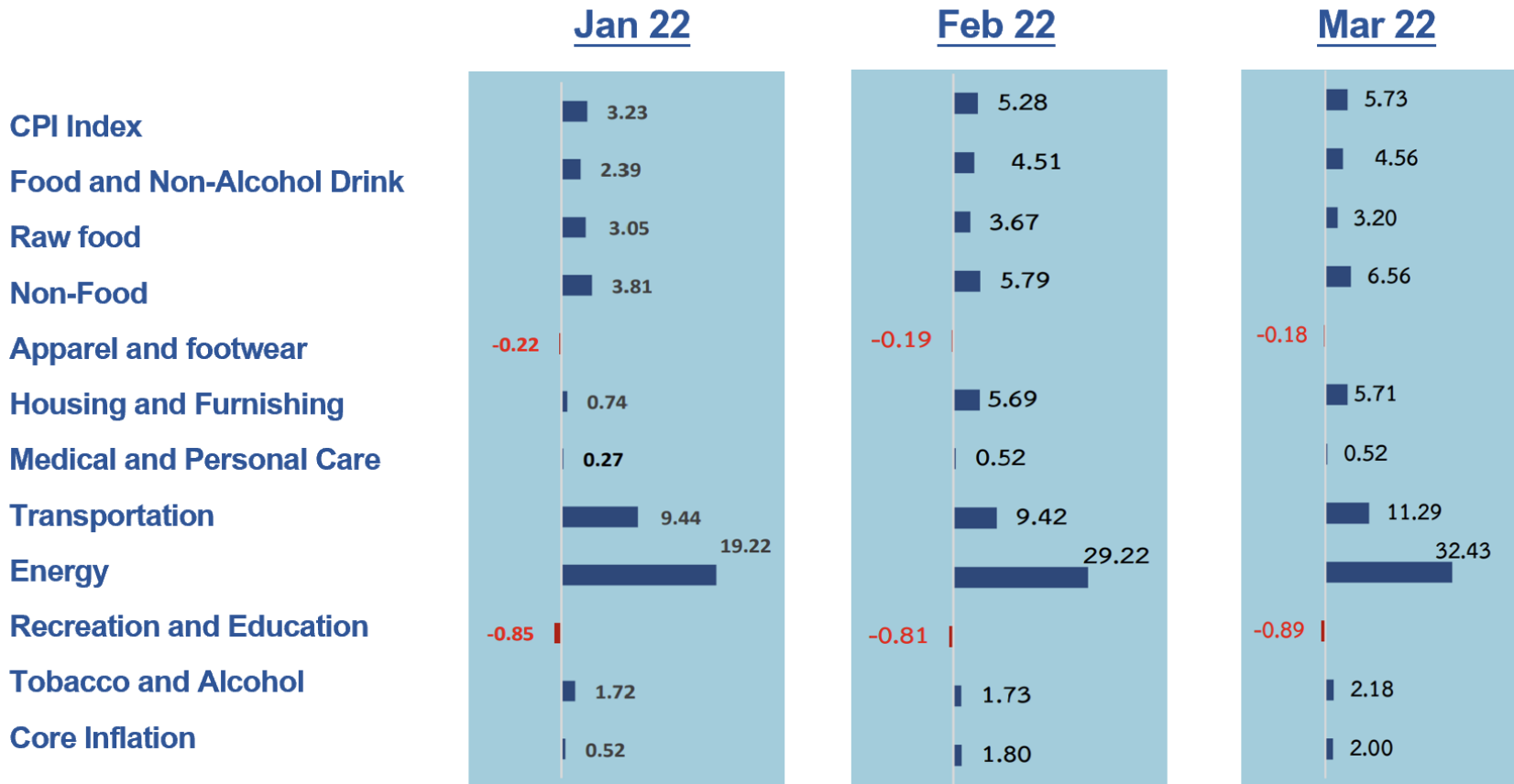
## Headline inflation contribution



## Projection for 2022






# Components of Thai inflation



# Bangkok Bank

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-  Operating environment
-  **1Q22 Financial performance**
-  2022 Financial target



# 1Q22 Financial Highlights

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

## Net profit

**+2.8%** YoY

## Net interest income

**+10.4%** YoY

## Net fees and service income

**-5.1%** YoY

## Operating expenses

**-1.6%** YoY

## Loan

**0.0%** YTD

## Deposit

**+1.2%** YTD

## NPL ratio

**3.3%**

## Coverage ratio

**229.0%**

## Loan-to-deposit ratio

**81.0%**

## CET1

**15.2%**

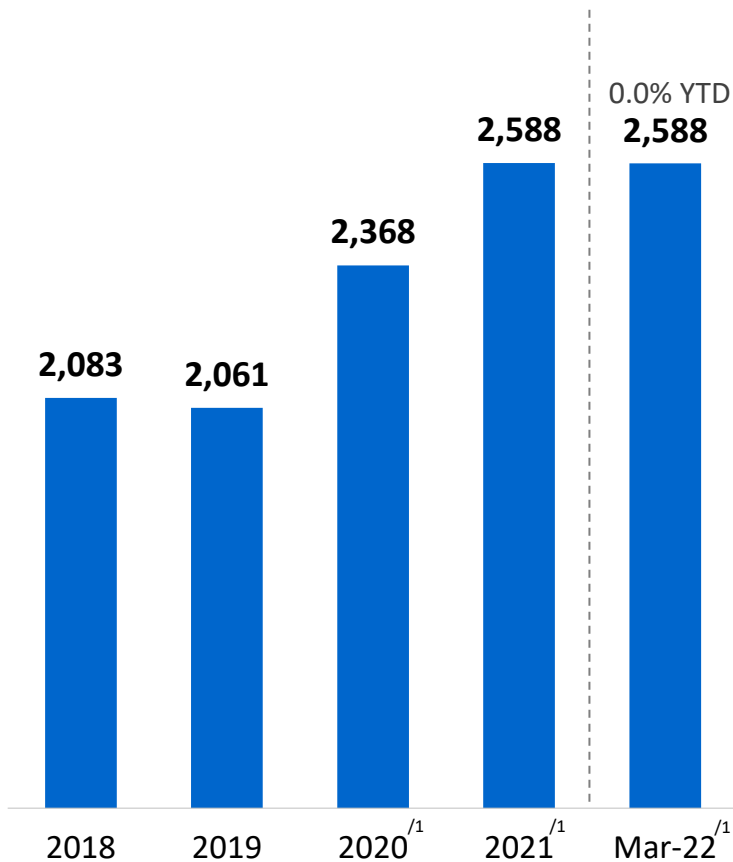
## 1Q22 profit increased 2.8% YoY driven by higher net interest income, while maintaining disciplined balance sheet management

- Net interest income grew YoY, contributed by higher loan volume with stable NIM at 2.11%.
- Net fee and service income was lower as a result of challenging market environment.
- Loan remained at the same level of last year with the net increase of loan to large corporate and the decrease of loans made through international network.
- NPL remained manageable with strong coverage ratio.
- Loan to deposit ratio was 81.0%, reflecting high liquidity, and strong capital positions supported sustainable business prospects.

# Prudent and diversified approach to loan growth

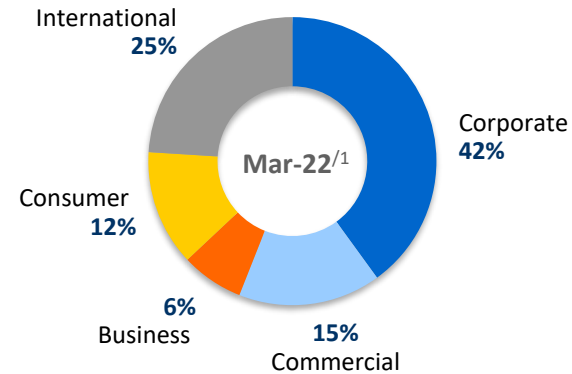
## Loan

Billion Baht



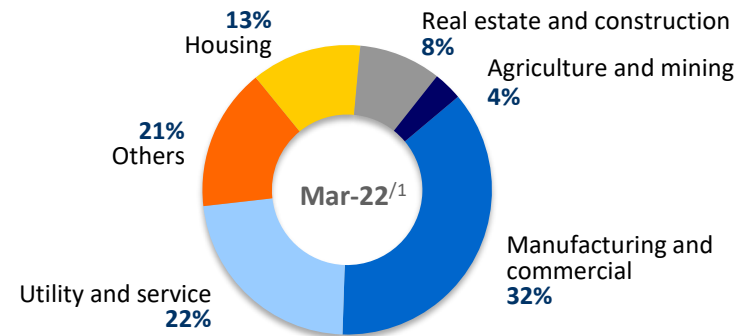
## Loan by business unit

% of composition



## Loan by industry

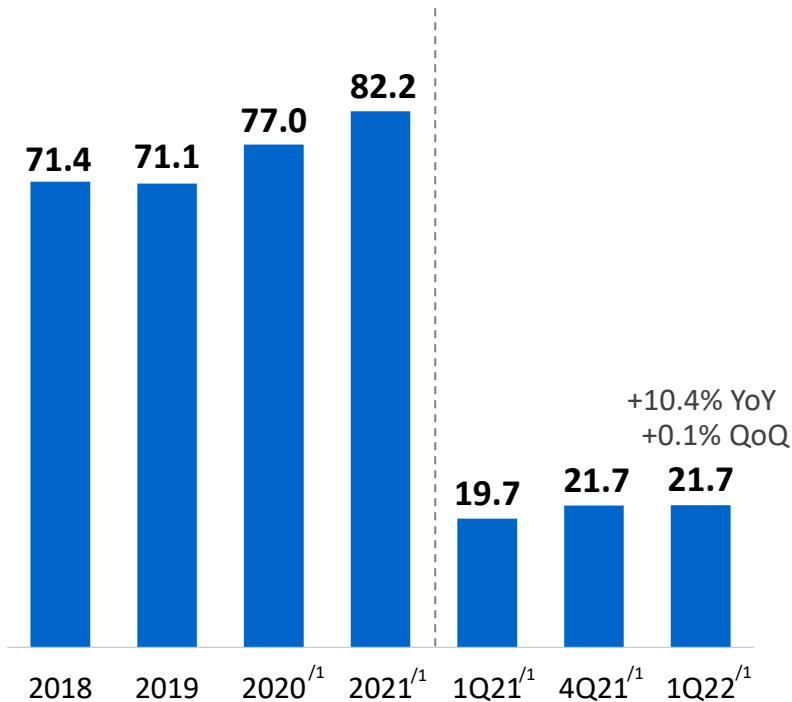
% of composition



# Net interest income growth contributed by higher loan volume with stable NIM at 2.11%

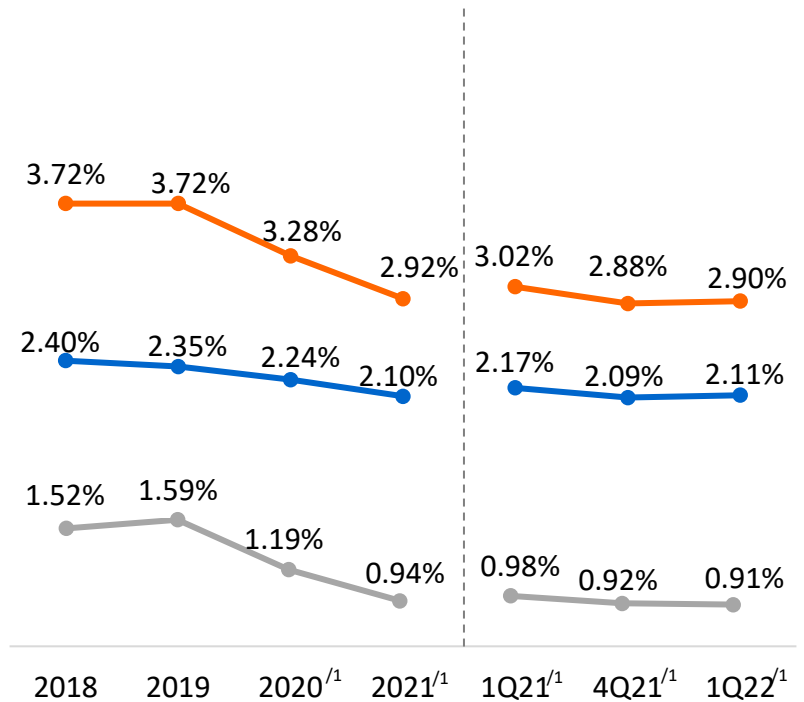
## Net interest income

Billion Baht



## NIM, Yield on earning asset, Cost of fund

%



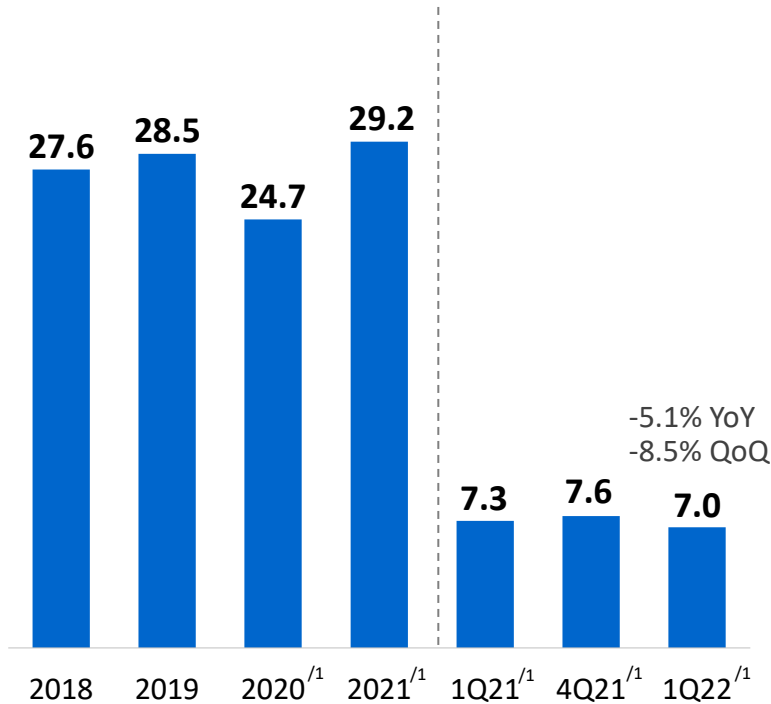
Policy rate	1.750%	1.250%	0.500%	0.500%	0.500%	0.500%	0.500%
MLR	6.250%	6.000%	5.250%	5.250%	5.250%	5.250%	5.250%
MOR	7.125%	6.875%	5.875%	5.875%	5.875%	5.875%	5.875%

- NIM
- Yield on earning assets
- Cost of funds

# Net fee and service income was lower as a result of challenging market environment

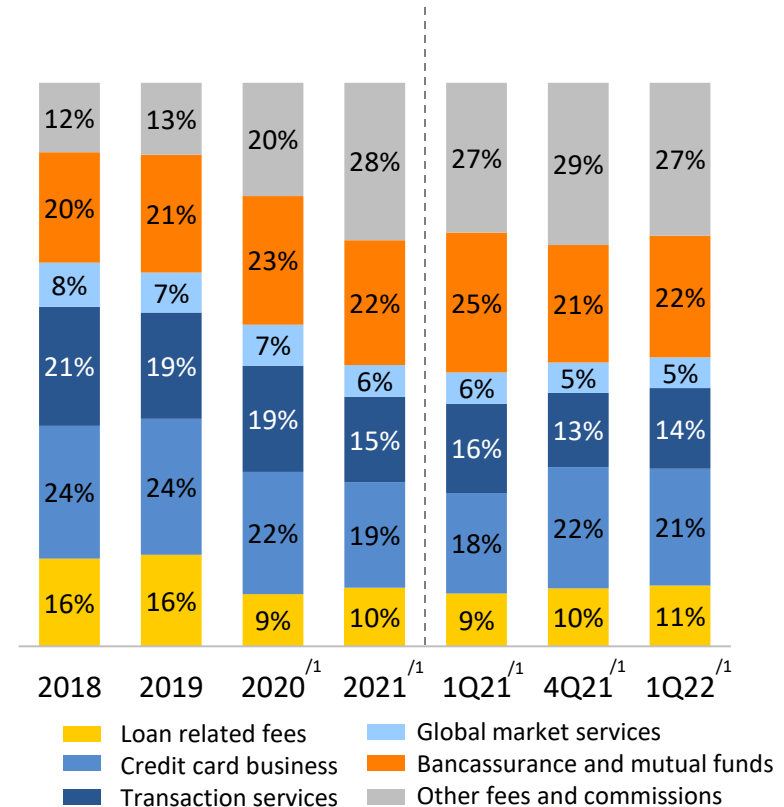
## Net fees and service income

Billion Baht



## Fees and service income

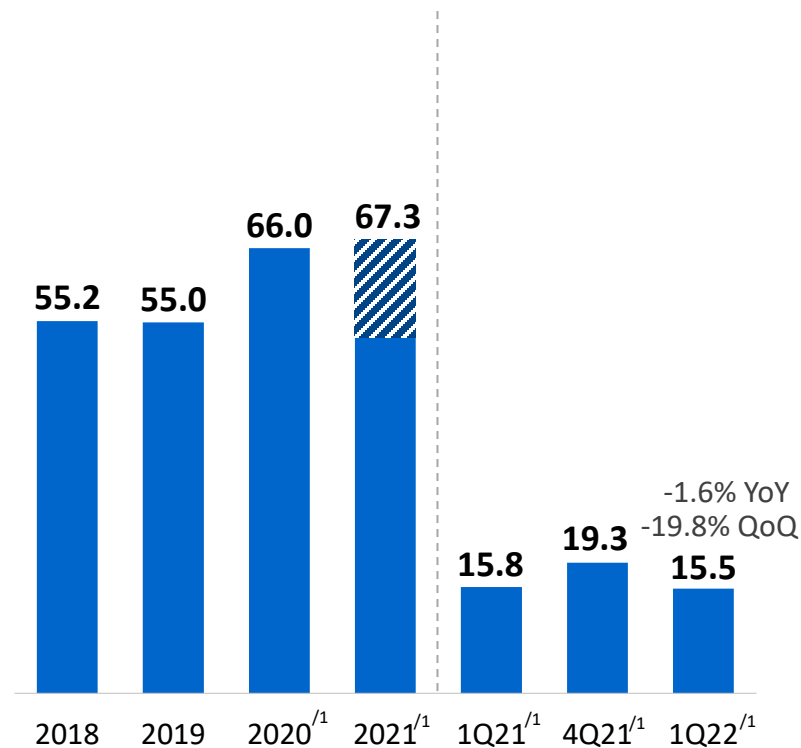
% of composition



# Cost to income ratio was lower to 49.8% with well-disciplined cost management

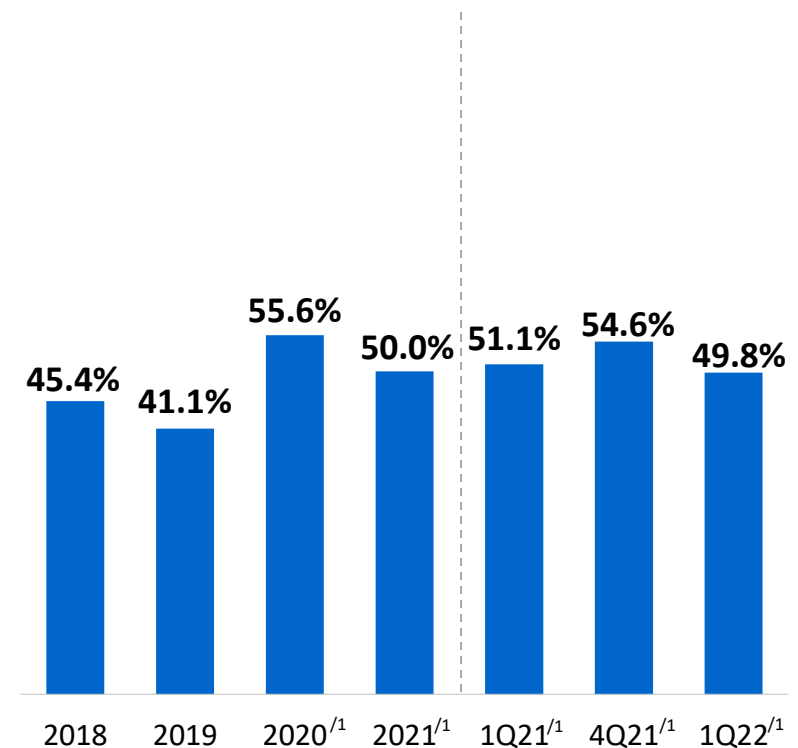
## Operating expenses

Billion Baht



## Cost to income ratio

%

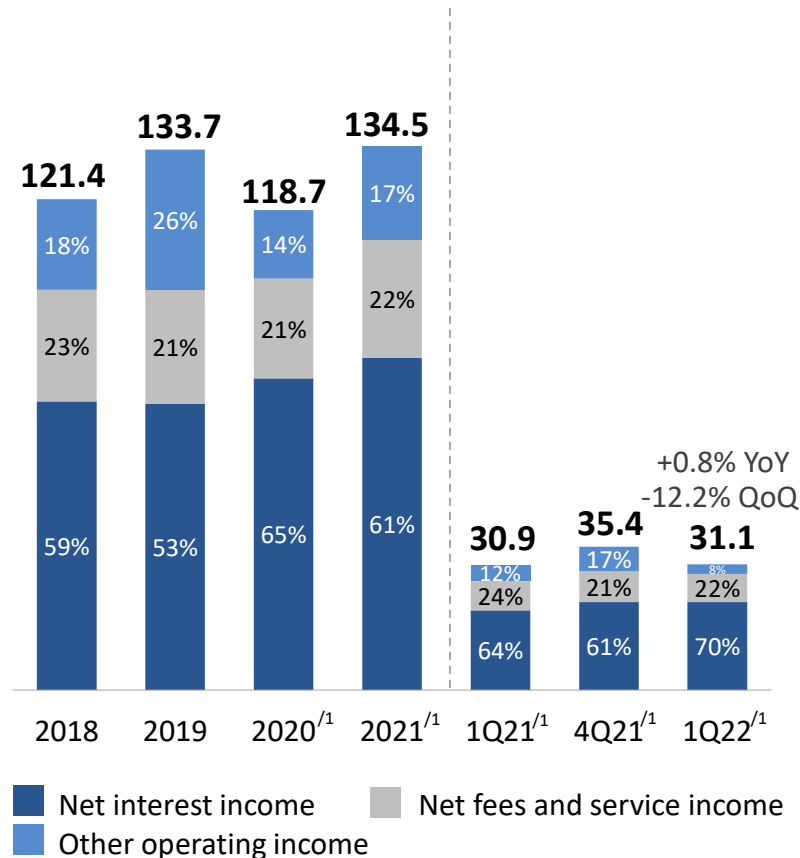


 Permata's expense for 21 May – 31 Dec 2020 and one-time integration expense

# Net profit rose 2.8% YoY on higher net interest income with diversified revenues stream

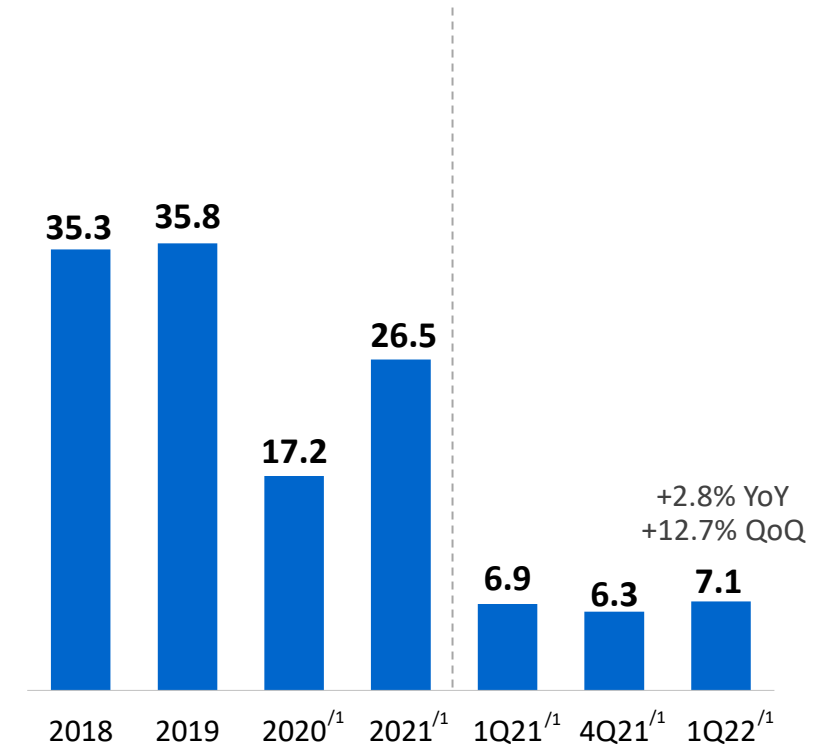
## Total income

Billion Baht



## Net profit<sup>/2</sup>

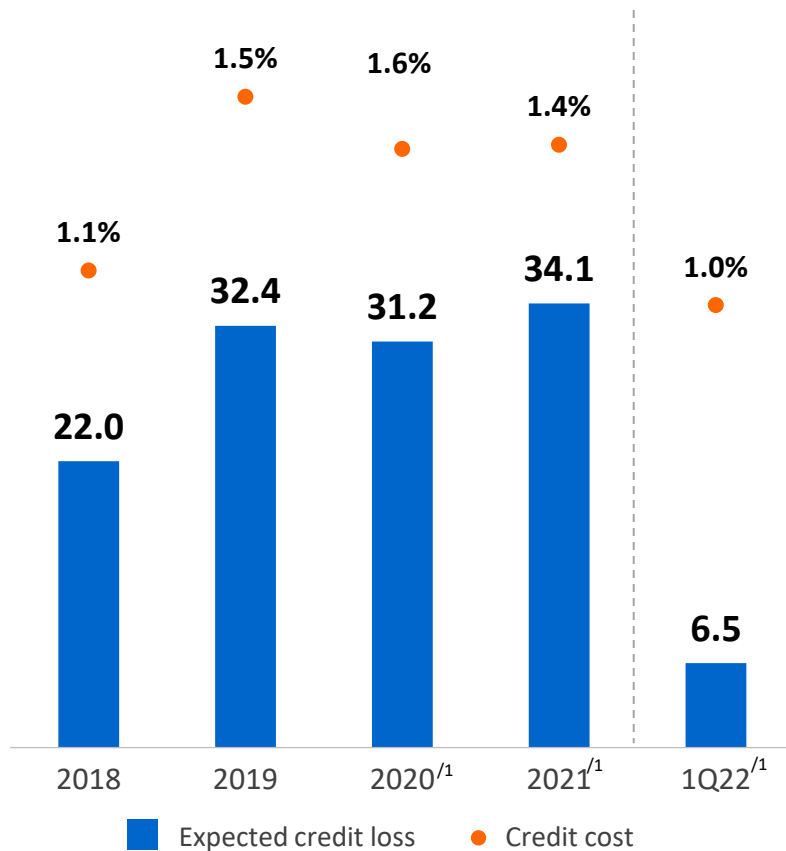
Billion Baht



# Asset quality remained manageable with consistent provisioning resulting in strong coverage ratio

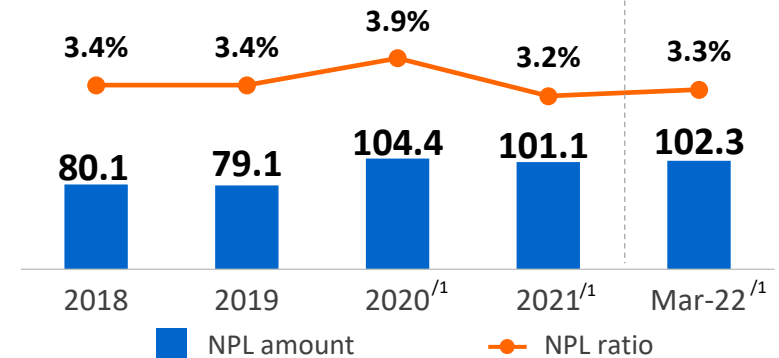
## Expected credit loss (Provision), Credit cost

Billion Baht, %



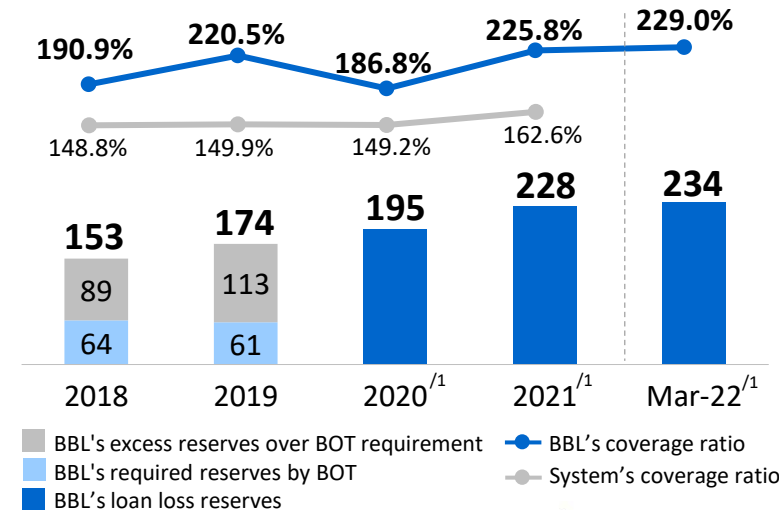
## NPL amount, NPL ratio

Billion Baht, %



## Loan loss reserve (LLR), Coverage ratio

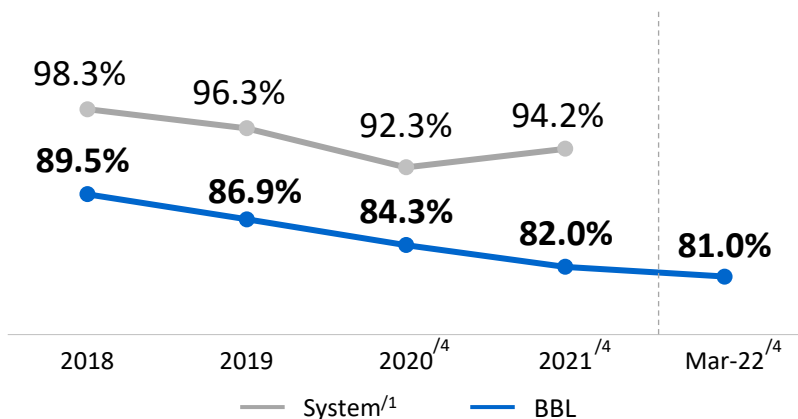
Billion Baht, %



# Healthy funding and liquidity position

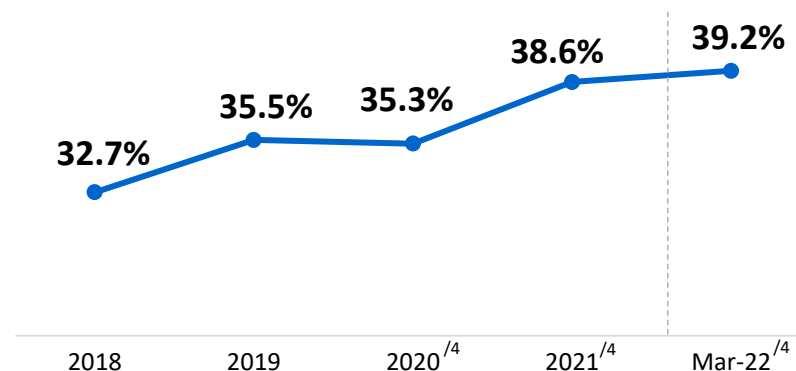
## Loan-to-deposit ratio

%



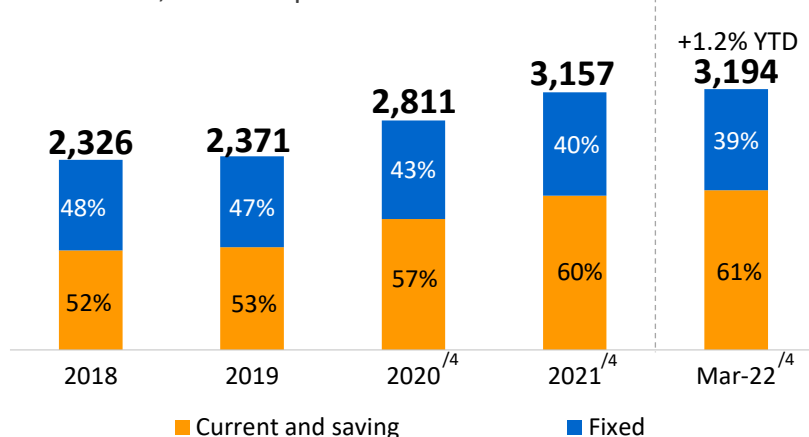
## Liquid assets<sup>2</sup>

% of total assets



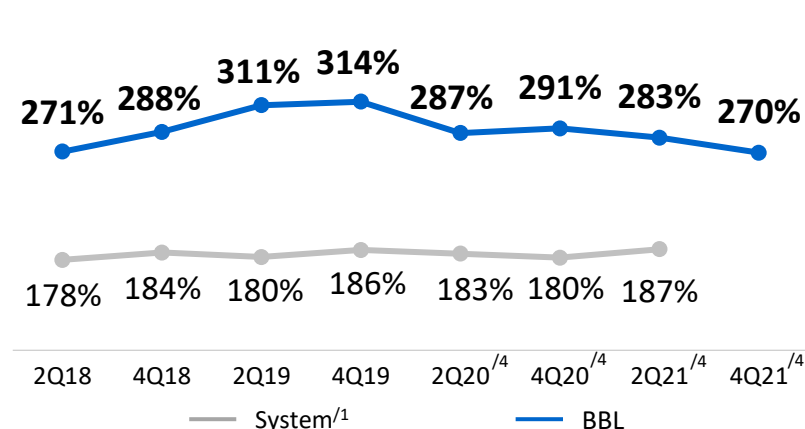
## Deposit

Billion Baht, % of composition



## Liquidity coverage ratio<sup>3</sup>

%



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

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

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

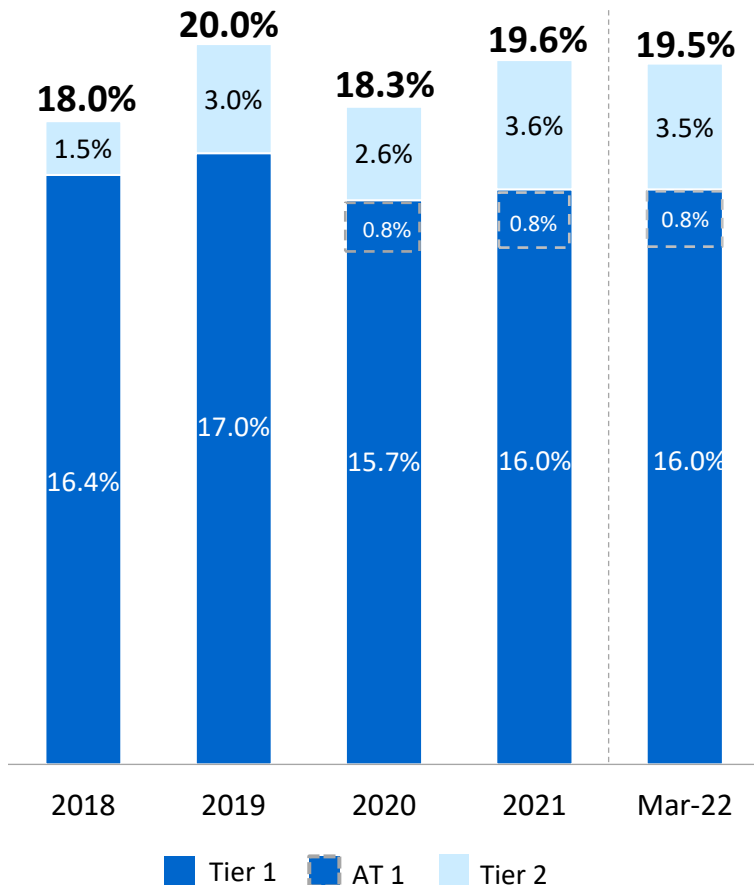
/4 Include Permatas's financial position



# Solid capital position above minimum requirements

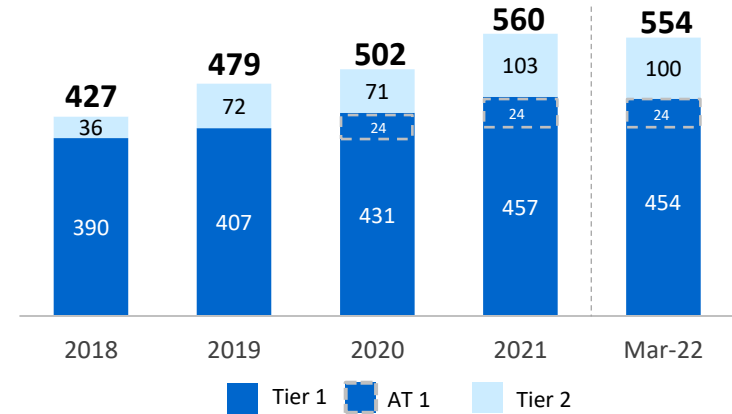
## Consolidated capital ratios

%

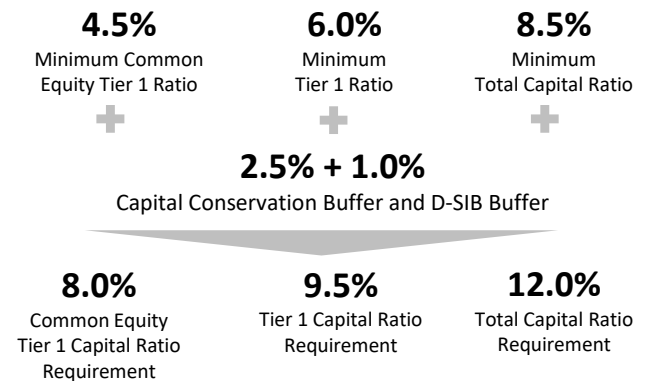


## Capital base

Billion Baht






## Regulatory capital ratio requirements



# Bangkok Bank

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-  Operating environment
-  1Q22 Financial performance
-  **2022 Financial target**

# 2022 Financial target

Consolidated	2022 Financial target
Loan growth	4-6%
NPL ratio (gross)	Less than 4.0%
Net interest margin	Around 2.1%
Net fee income growth	Flat growth
Cost to income ratio	Low 50s%
Expected credit loss	Around 26,000 million Baht

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

# Appendix

# Financial position

Million Baht

	Dec-18	Dec-19	Dec-20	Dec-21	Mar-22	Growth YTD
Loan	2,083,160	2,061,309	2,368,238	2,588,339	2,587,534	0.0%
Deposit	2,326,470	2,370,792	2,810,863	3,156,940	3,194,460	1.2%
LDR	89.5%	86.9%	84.3%	82.0%	81.0%	-1.0%
NPL <sup>/1</sup>	80,137	79,149	104,401	101,103	102,342	1.2%
NPL ratio <sup>/1</sup>	3.4%	3.4%	3.9%	3.2%	3.3%	0.1%
Allowance for ECL to NPL <sup>/1</sup>	191%	220%	187%	226%	229%	3%
Allowance for ECL to loan	7.3%	8.5%	8.2%	8.8%	9.1%	0.2%
Liquid assets <sup>/2</sup> to total assets	32.7%	35.5%	35.3%	38.6%	39.2%	0.6%
CASA	52.4%	53.1%	57.0%	59.8%	61.3%	1.5%
CET1 <sup>/3</sup>	16.4%	17.0%	14.9%	15.2%	15.2%	0.0%
Tier 1 ratio <sup>/3</sup>	16.4%	17.0%	15.7%	16.0%	16.0%	0.0%
CAR <sup>/3</sup>	18.0%	20.0%	18.3%	19.6%	19.5%	-0.1%

Note:

/1 Including interbank and money market lending

/2 Since 2020, liquid assets consist of cash, interbank and money market items, debt securities and marketable equity securities

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

# Financial performance – 1Q22

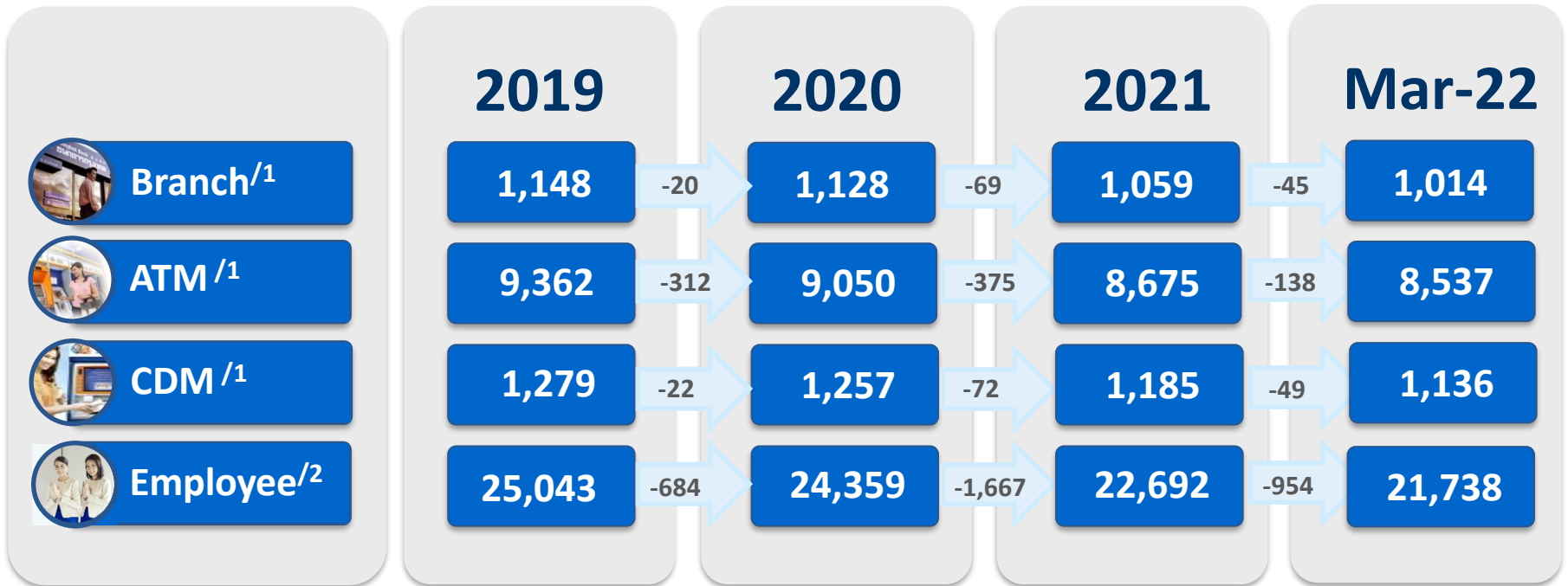
Million Baht

	1Q21	4Q21	1Q22	Growth (%)	
				QoQ	YoY
Net interest income	19,707	21,716	21,747	0.1%	10.4%
Net fees and service income	7,334	7,607	6,957	-8.5%	-5.1%
Other operating income	3,832	6,091	2,406	-60.5%	-37.2%
Total income	30,873	35,414	31,110	-12.2%	0.8%
Operating expense	15,761	19,336	15,507	-19.8%	-1.6%
Expected credit loss	6,326	8,127	6,489	-20.2%	2.6%
Net profit <sup>/1</sup>	6,923	6,318	7,118	12.7%	2.8%
EPS <sup>/1</sup> (Baht per share)	3.63	3.31	3.73	12.7%	2.8%
NIM	2.17%	2.09%	2.11%	0.02%	-0.06%
Net fees and service income ratio	23.8%	21.5%	22.4%	0.9%	-1.4%
Cost to income ratio	51.1%	54.6%	49.8%	-4.8%	-1.3%
ROA <sup>/1</sup>	0.72%	0.58%	0.67%	0.09%	-0.05%
ROE <sup>/1</sup>	6.18%	5.12%	5.83%	0.71%	-0.35%

Note:

30 /1 Attributable to owners of the Bank

# Network



Note: Consolidated  
 /1 Domestic operation  
 /2 Exclude Permata's employee

# Long-standing international presence in 14 economies



## ASEAN

- Singapore 65 years (1)
- Malaysia<sup>/1</sup> 63 years (5)
- Indonesia<sup>/1</sup> 54 years (3+300)
- Vietnam 30 years (2)
- Laos 29 years (2)
- Philippines 27 years (1)
- Myanmar 27 years (1)
- Cambodia 8 years (1)

## Other important Economies

- Hong Kong 68 years (2)
- Japan 67 years (2)
- United Kingdom 65 years (1)
- Taiwan 57 years (3)
- United States 57 years (1)
- China<sup>/1</sup> 36 years (5)

Note: As of March 2022  
/1 Wholly-owned subsidiary  
(x) is number of locations

Source: Bangkok Bank filing



# For further information

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