Bangkok Bank

- Operating environment
- 2019 Financial performance
- 2020 target & Key focus and strategy
- Brief update on Permata
Despite reduced trade tensions, global growth faces growing downside risks due to the uncertainty over the coronavirus outbreak.
Wuhan Virus disrupts global tourism and supply chains. Impacts will be much worse than the SARS epidemic.

Coronavirus Confirmed Cases

- Peak SARS cases in 6 months: 8,465
- Peak SARS cases in 3 months: 1,323

| Day of outbreak | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 |
| 2019-nCov cases |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   | 17,384.0 |

Travel restrictions and advisories:
- Australia, Canada, Egypt, Finland, France, Japan, Germany, India, Mongolia, New Zealand, UK, US

Visa issuance suspension:
- Hong Kong, Indonesia, Myanmar, Russia, Singapore, South Korea

Entry refusal for visitors from Hubei/China:
- Indonesia, Israel, Maldives, New Zealand, Philippines, Singapore, South Korea, Taiwan

Border Closure:
- Hong Kong, Mongolia, North Korea, Pakistan, Russia

Source: CEIC, Capital Economics, Time, South China Morning Post, Bloomberg
Outlook for GDP growth in 2020 is clouded by the virus outbreak, even as mild global economic recovery is anticipated.

**GDP growth YoY (%)**

- 2005: 4.2%
- 2006: 5.0%
- 2007: 5.4%
- 2008: 1.7%
- 2009: -0.7%
- 2010: 7.5%
- 2011: 0.8%
- 2012: 7.2%
- 2013: 2.7%
- 2014: 1.0%
- 2015: 3.1%
- 2016: 3.4%
- 2017: 4.0%
- 2018: 4.1%
- 2019E: 2.4%
- 2020F: 2.3%

**Global Purchasing Managers’ Index (PMI)**

- Manufacturing
- Composite
- Service

**Current Account USD billion**

- 2015: 27.8
- 2016: 43.4
- 2017: 43.9
- 2018: 28.5
- 2019: 33.1

Source: Bloomberg, Office of the National Economic and Social Development Council, CEIC
Domestic demand has softened with spillovers from weak exports, headwinds against consumption and investment.

Private consumption
Index sa (Jan 2018 = 100)

Private investment index and capacity utilization rate
Index sa 2010 = 100

Household debt
% of GDP

Manufacturing production index
% YoY

Source: Bank of Thailand, CEIC, Office of Industrial Economics
Budget delay may put new infrastructure projects further behind schedule

2020 Budget for Government and State-owned Enterprises (THB bn)

- **Air transportation**: 48.6
- **Water transportation**: 7.8
- **Railways**: 126.4
- **Policy**: 0.3
- **Land transportation**: 163.4

### Infrastructure Mega Projects

<table>
<thead>
<tr>
<th>Status</th>
<th>Budget (THB bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waiting for Cabinet approval</td>
<td>1,239.6</td>
</tr>
<tr>
<td>Waiting for bidding</td>
<td>314.6</td>
</tr>
<tr>
<td>In the bidding process</td>
<td>153.3</td>
</tr>
<tr>
<td>Waiting for construction</td>
<td>555.9</td>
</tr>
<tr>
<td>Construction ongoing</td>
<td>361.9</td>
</tr>
</tbody>
</table>

- Motorway Bang Pa In – Korat
- Motorway Bang Yai – Kanchanaburi
- Motorway Nakornpathom – Cha Am
- Motorway Hatyai – Thai-Malaysia Border
- Dual-track railway Paknampho – Denchai
- Dual-track railway Denchai – Chiang Mai
- Dual-track railway Khon Kean – Nong Khai
- Dual-track railway Surat Thani – Songkla

Source: Various News Sources
Record-low policy rate at 1.0% and THB has weakened sharply
Bangkok Bank

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Prudent loan growth, diversified portfolio business mix
3% QoQ loan growth in Q4 from corporate projects in pipeline, moderated decline in earlier part of the year

**Loan by business unit**

- 2015: 1,869
- 2016: 1,941
- 2017: 2,004
- 2018: 2,083
- 2019: 2,061

- Dec-19: Corporate 41%, Consumer 15%, Business 8%, Commercial 19%

**Loan by industry**

- Real estate and construction: 10%
- Housing: 12%
- Others: 15%
- Agriculture and mining: 3%
- Manufacturing: 23%
- Utility and service: 23%

QoQ +3.0%
Low interest environment put pressure on NIM but maintain value of franchise

Net interest income
Billion Baht

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Interest Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>57.5</td>
</tr>
<tr>
<td>2016</td>
<td>64.0</td>
</tr>
<tr>
<td>2017</td>
<td>66.6</td>
</tr>
<tr>
<td>2018</td>
<td>71.4</td>
</tr>
<tr>
<td>2019</td>
<td>71.1</td>
</tr>
</tbody>
</table>

NIM, Yield on earning asset, Cost of fund
%

<table>
<thead>
<tr>
<th>Year</th>
<th>NIM</th>
<th>Yield on earning asset</th>
<th>Cost of fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.59%</td>
<td>3.90%</td>
<td>1.58%</td>
</tr>
<tr>
<td>2016</td>
<td>1.54%</td>
<td>3.74%</td>
<td>1.61%</td>
</tr>
<tr>
<td>2017</td>
<td>1.52%</td>
<td>3.68%</td>
<td>1.59%</td>
</tr>
<tr>
<td>2018</td>
<td>1.59%</td>
<td>3.72%</td>
<td>1.57%</td>
</tr>
<tr>
<td>2019</td>
<td>1.59%</td>
<td>3.72%</td>
<td>1.57%</td>
</tr>
</tbody>
</table>

Policy rate
1.50% 1.50% 1.50% 1.75% 1.25%
1.75% 1.75% 1.50% 1.25%
Proven earnings track record

Total income
Billion Baht, % of composition

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>102.7</td>
</tr>
<tr>
<td>2016</td>
<td>105.9</td>
</tr>
<tr>
<td>2017</td>
<td>112.5</td>
</tr>
<tr>
<td>2018</td>
<td>121.4</td>
</tr>
<tr>
<td>2019</td>
<td>133.7</td>
</tr>
</tbody>
</table>

CAGR +6.8% +10.2% YoY

Total income breakdown
% of composition

<table>
<thead>
<tr>
<th>Year</th>
<th>Net interest income</th>
<th>Net fee income</th>
<th>Other income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>56%</td>
<td>23%</td>
<td>21%</td>
</tr>
<tr>
<td>2016</td>
<td>60%</td>
<td>23%</td>
<td>23%</td>
</tr>
<tr>
<td>2017</td>
<td>59%</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>2018</td>
<td>59%</td>
<td>23%</td>
<td>18%</td>
</tr>
<tr>
<td>2019</td>
<td>53%</td>
<td>21%</td>
<td>26%</td>
</tr>
</tbody>
</table>
Steady composition of fee components and maintain 3-4% growth trend

Net fees and service income
Billion Baht

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Fees</th>
<th>CAGR +4.3%</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>24.1</td>
<td>24.5</td>
<td>27.5</td>
</tr>
<tr>
<td>2016</td>
<td>24.5</td>
<td>27.5</td>
<td>27.6</td>
</tr>
<tr>
<td>2017</td>
<td>27.5</td>
<td>27.6</td>
<td>28.5</td>
</tr>
<tr>
<td>2018</td>
<td>27.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>28.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Fees and service income
% of composition

<table>
<thead>
<tr>
<th>Year</th>
<th>Other fees and commissions</th>
<th>Bancassurance and mutual fund</th>
<th>Global market service</th>
<th>Transaction service</th>
<th>Credit card business</th>
<th>Loan related fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>13%</td>
<td>15%</td>
<td>16%</td>
<td>22%</td>
<td>26%</td>
<td>13%</td>
</tr>
<tr>
<td>2016</td>
<td>12%</td>
<td>15%</td>
<td>16%</td>
<td>23%</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td>2017</td>
<td>13%</td>
<td>17%</td>
<td>24%</td>
<td>22%</td>
<td>24%</td>
<td>17%</td>
</tr>
<tr>
<td>2018</td>
<td>12%</td>
<td>17%</td>
<td>24%</td>
<td>22%</td>
<td>24%</td>
<td>15%</td>
</tr>
<tr>
<td>2019</td>
<td>13%</td>
<td>20%</td>
<td>21%</td>
<td>24%</td>
<td>24%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Cost management discipline

Operating expenses
Billion Baht

Cost to income ratio
%

Note: /1 Including directors' remuneration
/2 If excluding the recognition of provision for post-employment benefits for the compensation in lieu of notice in the case of retirement of employees according to the new Labor Protection Act (7) B.E. 2562 (2019)
/3 If excluding one-time provision for contingency
High PPOP allowed for one-off provisioning to take advantage of TFRS9 regime change

Pre-provisioning operating profit (PPOP)
Billion Baht

CAGR +8.1%

+18.9% YoY

57.7 55.4 63.5 66.2 78.8

2015 2016 2017 2018 2019

Net profit¹ Provisioning expenses Tax+other

Provisioning expense, Credit cost
Billion Baht, %

0.8% 0.8% 1.1% 1.1% 1.6%

2015 2016 2017 2018 2019

Provisioning expenses Credit cost (%)

Note: /¹ Attributable to owners of the Bank
Continued improvement in asset quality in Q4, with NPL decreasing by 8.2% QoQ
High one-off provision on conservative premise to strengthen loan loss reserve

Loan loss reserve
Billion Baht

- 2015: 104 (49 + 55)
- 2016: 119 (58 + 61)
- 2017: 140 (70 + 70)
- 2018: 153 (64 + 89)
- 2019: 174 (61 + 113)

BBL's excess reserve over BOT requirement
BBL's required reserve by BOT

Coverage ratio
%

- 2015: 185%
- 2016: 174%
- 2017: 160%
- 2018: 191%
- 2019: 220%

BBL’s coverage ratio
System’s coverage ratio

Note:
/1 System refers to all commercial banks in Thailand
/2 As of September 2019
Source: Bank of Thailand, Bangkok Bank analysis
Healthy funding and liquidity positions

### Loan-to-deposit ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>System/1</th>
<th>BBL</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>97.6%</td>
<td>95.5%</td>
<td>2</td>
</tr>
<tr>
<td>2016</td>
<td>96.9%</td>
<td>89.4%</td>
<td>/2</td>
</tr>
<tr>
<td>2017</td>
<td>96.3%</td>
<td>89.1%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>98.3%</td>
<td>86.7%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>95.5%</td>
<td>86.9%</td>
<td></td>
</tr>
</tbody>
</table>

### Deposit

<table>
<thead>
<tr>
<th>Year</th>
<th>Billion Baht</th>
<th>Current and saving</th>
<th>Fixed</th>
<th>% of composition</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,091</td>
<td>950</td>
<td>1,141</td>
<td>45%</td>
</tr>
<tr>
<td>2016</td>
<td>2,178</td>
<td>948</td>
<td>1,230</td>
<td>48%</td>
</tr>
<tr>
<td>2017</td>
<td>2,311</td>
<td>1,099</td>
<td>1,212</td>
<td>49%</td>
</tr>
<tr>
<td>2018</td>
<td>2,326</td>
<td>1,162</td>
<td>1,164</td>
<td>51%</td>
</tr>
<tr>
<td>2019</td>
<td>2,371</td>
<td>1,180</td>
<td>1,191</td>
<td>52%</td>
</tr>
</tbody>
</table>

**Notes:**

/1 System refers to all commercial banks in Thailand

/2 As of November 2019

/3 Liquid assets are defined as cash, interbank and money market assets and trading & available-for-sale securities

/4 The BOT requires commercial banks to maintain Liquidity Coverage Ratio (LCR) at the end of each month not less than 60%, starting from January 1, 2016. The LCR requirement is to increase by 10% yearly until it reaches 100% on January 1, 2020. For BBL, LCR is computed as an average ratio of month-end LCR in the quarter. For System, LCR is as of month.

Source: Bank of Thailand, Bangkok Bank analysis
Sound capital base above minimum requirements

- **Common Equity Tier 1 Ratio**
  - Dec-19: 17.0%
  - Dec-19: 9.5%

- **Tier 1 Ratio**
  - Dec-19: 17.0%

- **Total Capital Adequacy Ratio**
  - Dec-19: 20.0%

Note: /1 The Bank of Thailand requires commercial banks to maintain an additional capital conservation buffer. The buffer will gradually increase by more than 0.625% each year from January 1, 2016 until it reaches more than 2.5% in January 1, 2019.

/2 The Bank of Thailand announced the guidelines for identifying and regulating Domestic Systemically Important Banks (D-SIBs) in September 2017. The BOT requires D-SIBs to hold additional capital for Higher Loss Absorbency (HLA) by gradually increasing its additional capital ratio by an increment of 0.5 percent from January 1, 2019 until completion of the increment to 1.0 percent in January 1, 2020 onwards.

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

---

**Regulatory capital ratio requirements**

**2019**
- 6.0% Minimum Tier 1 Ratio
- 8.5% Minimum Total Capital Ratio
- 2.5% + 0.5% Capital Conservation/1 and D-SIB Buffer/2
- 9.0% Tier 1 Capital Ratio Requirement
- 11.5% Total Capital Ratio Requirement

**2020**
- 6.0% Minimum Tier 1 Ratio
- 8.5% Minimum Total Capital Ratio
- 2.5% + 1.0% Capital Conservation/1 and D-SIB Buffer/2
- 9.5% Tier 1 Capital Ratio Requirement
- 12.0% Total Capital Ratio Requirement
Bangkok Bank

- Operating environment
- 2019 Financial performance
- 2020 target & Key focus and strategy
- Brief update on Permata
Fully prepared for IFRS9 implementation

Key Areas of Impact

- Provisioning based on “lifetime expected credit loss”
- Credit fee income included in interest income
- New classification of financial assets and financial liabilities: accounted for fair value to profit and loss (FVTPL)
- Banking book derivatives “mark to market” instead of “accrual basis”

Bangkok Bank Mitigants

**Sound credit management and consistent reserving policies**
Provisioning expense (THB Bn) (1)

- 2014: 8.7
- 2015: 14.7
- 2016: 15.7
- 2017: 22.4
- 2018: 22.0
- 2019: 32.4

**Cost of credit (%) (2)**

- 2014: 0.8%
- 2015: 1.2%
- 2016: 1.2%
- 2017: 1.1%
- 2018: 1.2%
- 2019: 1.6%

Lower non-interest income

Most of investment in equities is classified to fair value to OCI (FVTOCI). The remaining is classified to FVTPL which a movement of market value will go through PL.

Derivatives that qualify for hedge accounting reduce income volatility

Derivative assets and derivative liabilities constitute less than 2% of total assets and total liabilities, respectively

Notes:
- /1 Impairment loss of loan and debt securities
- /2 Impairment loss of loan and debt securities divided by average loan less deferred income
- /3 System refers to all commercial banks in Thailand, except 2019 refers to 5 banks (BBL, KBANK, SCB, KTB and BAY)

Source: Bank of Thailand, Bangkok Bank analysis
## 2020 Financial target

<table>
<thead>
<tr>
<th>Consolidated</th>
<th>2020 Financial target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan growth</td>
<td>3-4%</td>
</tr>
<tr>
<td>NPL ratio (gross)</td>
<td>Maintain</td>
</tr>
<tr>
<td>Net interest margin</td>
<td>±2.20%</td>
</tr>
<tr>
<td>Net fee income growth</td>
<td>-2% to flat</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>High 40%</td>
</tr>
<tr>
<td>Expected credit loss</td>
<td>12,000-15,000 million Baht</td>
</tr>
</tbody>
</table>

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.
Key Focus and Strategy

Business Opportunities
- Connectivity and integration
- Infrastructure development and the needs of urban society
- Innovation technology

Business Challenges
- Weak global growth
- Domestic structural challenges

Support customers by leveraging our expertise, extensive network and offering total solutions
- Deepen customer relationships
- Data analytic to enhance customer experience
- Grow business with quality
- Well disciplined balance sheet management
  - Robust capital base
  - Strong liquidity and solid deposit franchise
  - Resilient asset quality with strong loan-loss reserves

Long-term Sustainable Bank
Bangkok Bank

- Operating environment
- 2019 Financial performance
- 2020 target & Key focus and strategy

Brief update on Permata
Brief update on Permata

Extraordinary General Meeting of Shareholders scheduled on 5 March 2020

- Recap of Strategic Rationale
  - Increases Bangkok Bank’s exposure to a highly attractive and fast-growing market
  - Aligns with Bangkok Bank’s international strategy to transform into a leading regional bank
  - Provides a platform of scale that is poised for growth and an excellent fit for Bangkok Bank
  - Generates significant synergies by leveraging Bangkok Bank’s network and expertise

- Progressing through regulatory approval processes
- Expected closing within 2020
Acquisition of Permata is in line with Bangkok Bank’s international strategy

Bangkok Bank is Thailand’s most international bank

% international loans /1

- BBL: 17%
- SCB: 4%
- BAY: 3%
- KBANK: 2%
- KTB: 1%

Source: Company Information

Number of international locations /2

- BBL: 31
- KBANK: 17
- SCB: 12
- KTB: 9
- BAY: 3

Source: Company Information

Permata will help transform Bangkok Bank into a leading ASEAN bank

Key Highlights of Permata
- Exposure to Retail and SME (58% of loans)
- Solid funding base (over 3.5 million customers; 50% CASA ratio)
- Best-in-class digital capabilities
- Unique partnership ecosystem model

Key Strengths of Bangkok Bank
- Largest corporate bank in Thailand
- Leading cross-border product capabilities
- Extensive regional footprint
- Robust capital position and prudent liquidity and risk management

Notes:
1. BBL: international segment as a proportion of total loan. Other banks: proportion of foreign loans, classified by customer’s residence per Thai Financial Reporting Standards. Based on the latter metric, BBL would have 23% foreign loans. As of 30 June 2019
2. Includes head offices and branches. As of latest available
Transform Bangkok Bank into a leading ASEAN bank with meaningful presence in high growth markets

Note: /1 High growth markets include Myanmar, Cambodia, China, Vietnam, Philippines, Indonesia, and Laos. Mature markets include Thailand, USA, UK, Malaysia, Japan, Hong Kong, Taiwan, and Singapore

GDP growth %

Bangkok Bank pre-transaction loan breakdown

Loans: THB2,001 Bn

High growth markets will contribute ~16% to Bangkok Bank’s loan

Permata will contribute ~10% of Bangkok Bank loan

Pro forma Loans: THB2,235 Bn

Bangkok Bank pre-transaction loan breakdown

International

Corporate

Commercial

Consumer

High growth

16%

Mature Markets

94%

17%

41%

19%

8%

15%

8%
Illustrative financial and capital impact on Bangkok Bank

### Change in Key Financial Metrics (Sep-2019 Basis)

<table>
<thead>
<tr>
<th></th>
<th>Bangkok Bank</th>
<th>Permata</th>
<th>Pro Forma</th>
<th>Permata Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet (as of 30 Sep 2019)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan</td>
<td>65,422</td>
<td>7,646</td>
<td>73,068</td>
<td>10%</td>
</tr>
<tr>
<td>Deposit</td>
<td>77,212</td>
<td>8,479</td>
<td>85,691</td>
<td>10%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>105,490</td>
<td>10,937</td>
<td>116,427</td>
<td>9%</td>
</tr>
<tr>
<td>NPL Ratio</td>
<td>3.6%</td>
<td>3.3%</td>
<td>3.6%</td>
<td>(3) bps</td>
</tr>
<tr>
<td>NPL Coverage</td>
<td>183.4%</td>
<td>164.0%</td>
<td>181.5%</td>
<td>(189) bps</td>
</tr>
<tr>
<td><strong>Income Statement (9M 2019)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>1,761</td>
<td>290</td>
<td>2,050</td>
<td>14%</td>
</tr>
<tr>
<td>Net Income to Owners</td>
<td>909</td>
<td>77</td>
<td>986</td>
<td>8%</td>
</tr>
<tr>
<td>Net Interest Margin</td>
<td>2.4%</td>
<td>4.2%</td>
<td>2.5%</td>
<td>+15 bps</td>
</tr>
</tbody>
</table>

Note: /1 Based on exchange rate of US$/IDR of 14,179 and exchange rate of US$/THB of 30.6 as of 30 September 2019

### Estimated Capital Impact

- Bangkok Bank capital position will remain robust post-acquisition of 100% stake
- Standalone and pro forma capital ratios: /2

<table>
<thead>
<tr>
<th></th>
<th>Bangkok Bank Stand-alone</th>
<th>Permata</th>
<th>Bangkok Bank Pro Forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>CET 1 Ratio</td>
<td>17.7%</td>
<td>18.8%</td>
<td>14.5%</td>
</tr>
<tr>
<td>CAR</td>
<td>20.7%</td>
<td>20.1%</td>
<td>17.2%</td>
</tr>
</tbody>
</table>

- Bangkok Bank does not intend to raise equity for this transaction
- Bangkok Bank will continue to assess raising Tier 2 or Additional Tier 1 capital to maintain capital ratios at prudent levels

### Impact on Dividends

- Bangkok Bank intends to maintain its current level of dividends

Note: /2 No CET 1, Tier 1, and Tier 2 financing assumed. 100% deduction of goodwill from CET1 and addition of 100% Permata RWAs to Bangkok Bank; As of Sep-2019
Appendix
Opportunities from Regionalization and Urbanization

Thailand: gateway to the CLMV/1 region

Thailand
- GDP growth: 3.6%
- Total trade with Thailand: US$ 126 bn (9.7% 7Y CAGR)
- Note: /1 “CLMV” stands for “Cambodia, Laos, Myanmar, and Vietnam”

- GDP growth as of 2018: GDP growth refers to YoY growth between 2017-18
- Total trade is calculated as the sum of exports and imports as of 2018

ASEAN countries have become Thailand’s major trading partners

Thailand’s top export destinations

Note: 10 targeted industries

Next-Gen automotive
Intelligent electronics
Bio technology
Food processing
High wealth & medical tourism
Robotics
Aviation & logistics
Healthcare
Biofuel & biochemical
Digital

GDP growth as of 2018:
- Thailand: 3.6%
- Cambodia: 7.5%
- Laos: 6.8%
- Vietnam: 6.9%
- Myanmar: 6.8%

Total trade with Thailand:
- Thailand: US$ 126 bn (9.7% 7Y CAGR)
- Cambodia: US$ 8 bn (16.7% 7Y CAGR)
- Laos: US$ 7 bn (11.7% 7Y CAGR)
- Vietnam: US$ 17 bn (14% 7Y CAGR)
- Myanmar: US$ 8 bn (6.5% 7Y CAGR)

ASEAN 5
China
Japan
USA
CLMV

0% 5% 10% 15% 20% 25%

Thailand’s top export destinations

10 targeted industries

Opportunities from Regionalization and Urbanization
## EEC Projects Timeline

<table>
<thead>
<tr>
<th></th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bangkok-Rayong High-Speed train</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td><strong>2024</strong></td>
</tr>
<tr>
<td>Submission to the Cabinet</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Contract Signing</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>U-Tapao Airport</strong></td>
<td></td>
<td></td>
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<td></td>
<td><strong>Proposal Submission</strong></td>
<td><strong>Submission to the PPP Committee</strong></td>
<td></td>
<td></td>
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<td></td>
<td><strong>2023</strong></td>
</tr>
<tr>
<td><strong>MRO Center</strong></td>
<td><strong>Winner Announced</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td><strong>2022</strong></td>
</tr>
<tr>
<td><strong>Map Ta Phut Port Phase III</strong></td>
<td><strong>Winner Announced</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td><strong>2024</strong></td>
</tr>
<tr>
<td><strong>Laem Chabang Port Phase III</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td><strong>2023</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Various News Sources
Budget disbursement for infrastructure projects to rise with more clarity of EEC-related projects

Combined public and private investments
Approximately THB1.9Tn (US$62Bn) over the next 5 years

Source: EECO

Disbursement schedule
Billion Baht

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>Budget adjusted for additional infrastructure projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>309</td>
<td>379</td>
</tr>
<tr>
<td>2020</td>
<td>584</td>
<td>481</td>
</tr>
<tr>
<td>2021</td>
<td>459</td>
<td>593</td>
</tr>
<tr>
<td>2022</td>
<td>411</td>
<td>543</td>
</tr>
<tr>
<td>2023</td>
<td>263</td>
<td>333</td>
</tr>
<tr>
<td>2024</td>
<td>132</td>
<td>138</td>
</tr>
</tbody>
</table>

Source: Ministry of Transport, OTTPP, EECO, Bangkok Bank Economic Team

Public debt to GDP
% of GDP

Source: Bank of Thailand

Fiscal Sustainability Framework at 60 percent
GDP per capita and middle income class

GDP per capita

-2% 0% 2% 4% 6% 8%
Vietnam
Myanmar
China
Cambodia
Lao P.D.R.
Philippines
Indonesia
Malaysia
Thailand
Chinese Taipei
United States
United Kingdom
Japan
Hong Kong SAR
Singapore

2020F 2019E 2018

Note: * More than $4.00 income per person per day

Middle income class*

>4$ standard, population, million

China
India
Pakistan
Indonesia
Philippines
Vietnam
Bangladesh
Thailand
Malaysia
Kazakhstan
Nepal
Sri Lanka
Cambodia
Uzbekistan
Azerbaijan
Lao P.D.R.
Papua New Guinea
Georgia
Tajikistan
Armenia
Mongolia
Timor-Leste

>4$ standard, % change

Azerbaijan
Kazakhstan
Georgia
Vietnam
India
China
Cambodia
Sri Lanka
Pakistan
Lao P.D.R.
Indonesia
Philippines
Mongolia
Thailand
Bangladesh
Malaysia
Nepal
Armenia
Tajikistan
Papua New Guinea
Uzbekistan
Timor-Leste

0 200 400 600 800 1,000 1,200
2010 2010-2020 2020-2030

0 10 20 30 40 50 60
2010-2020 2020-2030
## Financial position

<table>
<thead>
<tr>
<th></th>
<th>Dec-15</th>
<th>Dec-16</th>
<th>Dec-17</th>
<th>Dec-18</th>
<th>Dec-19</th>
<th>QoQ</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan /1</td>
<td>1,868,903</td>
<td>1,941,093</td>
<td>2,003,989</td>
<td>2,083,160</td>
<td>2,061,309</td>
<td>3.0%</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Deposit</td>
<td>2,090,965</td>
<td>2,178,141</td>
<td>2,310,743</td>
<td>2,326,470</td>
<td>2,370,792</td>
<td>0.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>LDR</td>
<td>89.4%</td>
<td>89.1%</td>
<td>86.7%</td>
<td>89.5%</td>
<td>86.9%</td>
<td>2.2%</td>
<td>-2.6%</td>
</tr>
<tr>
<td>NPL</td>
<td>56,226</td>
<td>68,841</td>
<td>87,419</td>
<td>80,137</td>
<td>79,149</td>
<td>-8.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>NPL ratio</td>
<td>2.8%</td>
<td>3.2%</td>
<td>3.9%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>-0.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>LLR to NPL</td>
<td>185%</td>
<td>174%</td>
<td>160%</td>
<td>191%</td>
<td>220%</td>
<td>36.8%</td>
<td>29.3%</td>
</tr>
<tr>
<td>LLR to loan</td>
<td>5.6%</td>
<td>6.2%</td>
<td>7.0%</td>
<td>7.3%</td>
<td>8.5%</td>
<td>0.6%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Liquid assets /2</td>
<td>906,648</td>
<td>956,841</td>
<td>1,051,975</td>
<td>1,018,448</td>
<td>1,118,772</td>
<td>-5.2%</td>
<td>9.9%</td>
</tr>
<tr>
<td>Liquid assets to total assets</td>
<td>32.0%</td>
<td>32.5%</td>
<td>34.2%</td>
<td>32.7%</td>
<td>34.8%</td>
<td>-1.8%</td>
<td>2.1%</td>
</tr>
<tr>
<td>CASA</td>
<td>44.8%</td>
<td>48.4%</td>
<td>50.7%</td>
<td>52.4%</td>
<td>53.1%</td>
<td>1.1%</td>
<td>0.7%</td>
</tr>
<tr>
<td>CET1/Tier 1 ratio /3</td>
<td>15.8%</td>
<td>16.4%</td>
<td>16.6%</td>
<td>16.4%</td>
<td>17.0%</td>
<td>-0.7%</td>
<td>0.6%</td>
</tr>
<tr>
<td>CAR /3</td>
<td>17.9%</td>
<td>18.3%</td>
<td>18.2%</td>
<td>18.0%</td>
<td>20.0%</td>
<td>-0.7%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

Note:
/1 Loan = Loan to customer less deferred revenue
/2 Liquid assets consist of cash, net interbank and money market items, trading securities and available-for-sale securities
/3 Based on Basel III standards issued by BOT since January 1, 2013
## Financial performance – 4Q19

<table>
<thead>
<tr>
<th></th>
<th>4Q18</th>
<th>3Q19</th>
<th>4Q19</th>
<th>QoQ</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net interest income</strong></td>
<td>18,423</td>
<td>17,944</td>
<td>17,193</td>
<td>-4.2%</td>
<td>-6.7%</td>
</tr>
<tr>
<td><strong>Net fee income</strong></td>
<td>7,070</td>
<td>6,864</td>
<td>8,185</td>
<td>19.2%</td>
<td>15.8%</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>3,581</td>
<td>5,431</td>
<td>18,345</td>
<td>237.8%</td>
<td>412.3%</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>29,074</td>
<td>30,239</td>
<td>43,723</td>
<td>44.6%</td>
<td>50.4%</td>
</tr>
<tr>
<td><strong>Operating expense</strong></td>
<td>16,344</td>
<td>12,679</td>
<td>15,988</td>
<td>26.1%</td>
<td>-2.2%</td>
</tr>
<tr>
<td><strong>Provisioning expense</strong></td>
<td>2,765</td>
<td>5,381</td>
<td>16,342</td>
<td>203.7%</td>
<td>491.0%</td>
</tr>
<tr>
<td><strong>Net profit(^1)</strong></td>
<td>8,101</td>
<td>9,438</td>
<td>8,002</td>
<td>-15.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td><strong>EPS(^1)</strong> (Baht per share)</td>
<td>4.24</td>
<td>4.94</td>
<td>4.19</td>
<td>-15.2%</td>
<td>-1.2%</td>
</tr>
<tr>
<td><strong>NIM</strong></td>
<td>2.46%</td>
<td>2.35%</td>
<td>2.22%</td>
<td>-0.13%</td>
<td>-0.24%</td>
</tr>
<tr>
<td><strong>Net fee income ratio</strong></td>
<td>24.3%</td>
<td>22.7%</td>
<td>18.7%</td>
<td>-4.0%</td>
<td>-5.6%</td>
</tr>
<tr>
<td><strong>Cost to income ratio</strong></td>
<td>56.2%</td>
<td>41.9%</td>
<td>36.6%</td>
<td>-5.3%</td>
<td>-19.6%</td>
</tr>
<tr>
<td><strong>ROA(^1)</strong></td>
<td>1.04%</td>
<td>1.17%</td>
<td>0.99%</td>
<td>-0.18%</td>
<td>-0.05%</td>
</tr>
<tr>
<td><strong>ROE(^1)</strong></td>
<td>7.86%</td>
<td>8.78%</td>
<td>7.40%</td>
<td>-1.38%</td>
<td>-0.46%</td>
</tr>
</tbody>
</table>

**Note:**
\(^1\) Attributable to owners of the Bank
# Financial performance – year

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Growth %YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>57,510</td>
<td>63,998</td>
<td>66,625</td>
<td>71,376</td>
<td>71,071</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Net fee income</td>
<td>24,071</td>
<td>24,492</td>
<td>27,526</td>
<td>27,590</td>
<td>28,504</td>
<td>3.3%</td>
</tr>
<tr>
<td>Other operating income</td>
<td>21,147</td>
<td>17,368</td>
<td>18,317</td>
<td>22,435</td>
<td>34,171</td>
<td>52.3%</td>
</tr>
<tr>
<td>Total income</td>
<td>102,728</td>
<td>105,858</td>
<td>112,468</td>
<td>121,400</td>
<td>133,746</td>
<td>10.2%</td>
</tr>
<tr>
<td>Operating expense</td>
<td>45,045</td>
<td>50,505</td>
<td>48,948</td>
<td>55,165</td>
<td>54,963</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Provisioning expense</td>
<td>14,654</td>
<td>15,728</td>
<td>22,370</td>
<td>21,965</td>
<td>32,351</td>
<td>47.3%</td>
</tr>
<tr>
<td>Net profit/1</td>
<td>34,181</td>
<td>31,815</td>
<td>33,009</td>
<td>35,330</td>
<td>35,816</td>
<td>1.4%</td>
</tr>
<tr>
<td>EPS/1 (Baht per share)</td>
<td>17.91</td>
<td>16.67</td>
<td>17.29</td>
<td>18.51</td>
<td>18.76</td>
<td>1.4%</td>
</tr>
<tr>
<td>NIM</td>
<td>2.16%</td>
<td>2.34%</td>
<td>2.32%</td>
<td>2.40%</td>
<td>2.35%</td>
<td>-0.05%</td>
</tr>
<tr>
<td>Net fee income ratio</td>
<td>23.4%</td>
<td>23.1%</td>
<td>24.5%</td>
<td>22.7%</td>
<td>21.3%</td>
<td>-1.4%</td>
</tr>
<tr>
<td>Cost to income ratio</td>
<td>43.8%</td>
<td>47.7%</td>
<td>43.5%</td>
<td>45.4%</td>
<td>41.1%</td>
<td>-4.3%</td>
</tr>
<tr>
<td>ROA/1</td>
<td>1.21%</td>
<td>1.09%</td>
<td>1.09%</td>
<td>1.13%</td>
<td>1.13%</td>
<td>0.00%</td>
</tr>
<tr>
<td>ROE/1</td>
<td>9.91%</td>
<td>8.59%</td>
<td>8.49%</td>
<td>8.73%</td>
<td>8.45%</td>
<td>-0.28%</td>
</tr>
</tbody>
</table>

Note: /1 Attributable to owners of the Bank
Dividend and payout ratio

Baht


1.75 2.00 2.75 3.00 3.00 4.00 5.00 6.00 6.50 6.50 6.50 6.50 6.50 6.50 6.50 6.50 6.50 32.3%

Interim (L)  Final (L)  Dividend payout ratio (R)
Network

2016
- Branch: 1,157 (+9)
- ATM: 9,305 (+177)
- CDM: 1,282 (+18)
- Employee: 26,871 (-859)

2017
- Branch: 1,166 (-5)
- ATM: 9,482 (-93)
- CDM: 1,300 (-4)
- Employee: 26,012 (-725)

2018
- Branch: 1,161 (-13)
- ATM: 9,389 (-27)
- CDM: 1,296 (-17)
- Employee: 25,287 (-244)

2019
- Branch: 1,148
- ATM: 9,362
- CDM: 1,279
- Employee: 25,043

Note: Consolidated
* Domestic branches
Long-standing international presence

31 International locations in 14 economies

UK
Branch: 1
Number of year: 62

USA
Branch: 1
Number of year: 54

Vietnam
Branch: 2
Number of year: 27

Laos
Branch: 2
Number of year: 26

Myanmar
Branch: 1
Number of year: 24

Malaysia\(^1\)
Branch: 5
Number of year: 60

Singapore
Branch: 1
Number of year: 62

China\(^1\)
Branch: 6
Number of year: 33

Japan
Branch: 2
Number of year: 64

Philippines
Branch: 1
Number of year: 24

Taiwan
Branch: 3
Number of year: 54

Hong Kong
Branch: 2
Number of year: 65

Indonesia
Branch: 3
Number of year: 47

Note: As at December 2019
\(^1\) Wholly-owned subsidiary
Source: Bangkok Bank filing
For further information

Contact:
Investor Relations team
Tel (66) 2 626 4981
Email: IR@bangkokbank.com

Bangkok Bank website
www.bangkokbank.com