

one
FAMILY
one **TEAM**

Summary of the Financial Information
from the Annual Registration Statement /
Annual Report 2023
(Form 56-1 One Report)

Bangkok Bank Public Company Limited



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the Executive Chairman
and the President

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Form 56-1 One Report 2023
Bangkok Bank Public Company Limited



Sustainability Report 2023
Bangkok Bank Public Company Limited

MESSAGE FROM THE CHAIRMAN, THE EXECUTIVE CHAIRMAN AND THE PRESIDENT

In 2023, we further strengthened Bangkok Bank's position as a leading regional bank and Thailand's largest bank by assets by working together as **One Family, One Team** across our domestic and international networks, while continuing on our digital journey to enhance customer service and efficiency. These strategies, combined with our prudent management approach to maintain a healthy financial position, high liquidity and robust capital positions, enabled us to deliver satisfactory performance in both our domestic and international business.

Our **One Family, One Team** strategy embodies our commitment to staying close to our customers, seeking to truly understand their needs and aspirations so that we are well placed to provide them with the support they need to achieve their potential and goals. We are also committed to sustainability and being a responsible financial services provider that has a positive impact on the communities and environments in which we operate. Our sustainability approach enables us to deliver good performance across our five strategic priority areas in a responsible way. Key highlights from 2023 include:

- **Quality Growth** – maintained good asset quality across domestic and international loans. Our business units and branches nationwide and overseas, along with our subsidiary banks including PermataBank in Indonesia and others in our international network, worked closely together to help companies and investors expand across ASEAN and beyond.
- **Platform Partner** – launched a long-term strategic partnership with The Mall Group to deliver the Bangkok Bank M credit cards and debit card; upgraded and added new features to the Bangkok Bank Mobile Banking app to offer our partners' products and services on the app; and expanded our real-time payments via API to more partners including financial institutions and fintechs.
- **Wealth and Wellbeing** – increased our strategic focus on providing wealth and protection advice, products and services for all segments by drawing on our strategic partnership with the leading Swiss private bank Pictet Group, through which we have also enhanced the high-level services we provide to affluent and high net worth clients.

- **Data Driven Organization** – expanded our deployment of smart technologies and automation, including AI, Machine Learning, and Robotic Process Automation, to increase our capability to process and analyze data. Our new payment services hub which centralizes the processing of all payment transactions and captures data from all transactions in a single platform will enable richer data-driven insights, as well as higher operational efficiencies and better service to customers. Other technologies that we use to support our data-driven capabilities include our data lake and cloud center of excellence.
- **Business Remodeling** – continued to optimize our branch network to support customers' evolving needs and lifestyles; remodeled and digitalized our transaction banking systems thereby reducing paper-based systems; and adopted AI, Machine Learning and automation to reduce human error, and improve efficiency and operating times. We were able to increase the volume, value and timeliness of our global payments transactions while also reducing costs through our new real-time cross-border payment services, such as PromptPay International, facilitating faster, cheaper and more convenient services to customers.

We have strengthened our position as Thailand's most international bank and a leading regional bank through our **Connecting ASEAN** strategy which places Thailand as a key bridge connecting the region to Asia and the rest of the world. This strategy has allowed our International Banking Group to deliver sound and stable performance across the network, while diversifying our markets and risks.

We are the only Thai bank with a significant footprint in Southeast Asia's two largest economies, Indonesia through our subsidiary PermataBank, and Thailand. Our extensive ASEAN branch network extends across nine of the region's 10 markets. Up north, our long-term presence in mainland China, through our subsidiary Bangkok Bank (China), and Hong Kong enable us to facilitate trade and investment efficiently between Thailand, ASEAN and China. Overall, our international network comprises 216 PermataBank branches in Indonesia and 25 branches across 13 other economies.

Our **Connecting ASEAN** strategy further strengthens collaboration across all integral constituents of Bangkok Bank group encompassing, for instance, PermataBank, our other subsidiary banks and international branches, as well as our corporate banking group. We are confident that Indonesia's robust economic growth and investment in new industries, such as EV and the related ecosystem, will present good opportunities to capture new growth sectors and deliver sustainable performance. Our strong regional and international position places us in a unique position to support the Thai economy through enabling local corporations to diversify their operations by seeking growth opportunities across ASEAN and beyond, while facilitating inbound investment into Thailand.

Our corporate, consumer and international banking units work closely together as **One Family, One Team** to enhance existing relationships further and provide value-added services across customer segments. We are leveraging our relationships with corporate customers to provide additional benefits to their partners in the supply chain, their employees and their customers.

On the digital front, we have enhanced the user experience for our Bangkok Bank Mobile Banking app with the introduction of a new, more contemporary look and feel, attuned to the lifestyles and needs of our customers. We continue to develop technological solutions for corporate and international clients, such as the commercial rollout

of enterprise blockchain-based supply chain finance (Procure to Pay) solutions, helping to increase regional financial connectivity and interoperability which was further supported by our cross-border payment solutions and cash management.

Just as we are a trusted partner to our customers, we are also a trusted partner to our people, helping them to navigate new opportunities available to them and equipping them with knowledge and skills so they can progress and achieve goals. Our **One Family, One Team** approach helps embed this spirit in the Bangkok Bank DNA. We have a number of initiatives to help our people increase collaboration, adopt new ways of working and achieve their own digital goals as they strive to provide the best service possible to our customers.

We are committed to helping Thailand achieve sustainable growth. We were the leading underwriter of green, social, sustainability and sustainability-linked bonds in Thailand for the fourth year running. We supported our customers to invest in technology and innovation or green business operations through the provision of transition finance and green loans.

Operating Environment

In 2023 Thailand's economy continued to recover, supported by the tourism sector and the increasing number of foreign tourists as well as increasing private consumption on the back of higher employment and wage growth. However, Thailand's exports weakened in tandem with the subdued demand from trading partners. Looking forward, the Thai economy continues to face external challenges such as an economic slowdown in major economies, the impact from high interest rates as central banks endeavor to control inflation, China's economic slowdown which could affect Thai exports and the manufacturing sector, and prolonged geopolitical tensions. These are important factors to be monitored closely.

Bank Performance

In 2023 Bangkok Bank and its subsidiaries reported a net profit of Baht 41,636 million, an increase of 42.1 percent from the previous year due to an increase of 28.0 percent in net interest income as yields on earning assets rose in line with the interest rate environment. This was offset by a continued rise in the cost of deposits driven by an increase in deposit interest rates and the resumption of the Financial Institutions Development Fund (FIDF) fee to the normal rate since the beginning of 2023. As a result, the net interest margin stood at 3.02 percent. Net fees and service income decreased slightly as fees from bancassurance increased while fees from the securities business decreased in line with lower market transaction volume. Operating expenses rose by 18.5 percent from last year in line with higher economic activities and partly from expenses to improve operational efficiency. The cost to income ratio stood at 48.8 percent. As part of our consistent prudent management, we set aside expected credit losses of Baht 33,667 million, a similar level to last year.

Looking Ahead

We enter a new year united as **One Family, One Team** with the confidence and determination to support our customers, stakeholders and the business to succeed whatever the opportunities and challenges we may face together. We stand ready to change to meet the evolving needs of our customers. These developments also provide the foundation for the introduction of new services in 2024 in areas such as wealth, transaction banking and global payments.

We wish to thank our customers, shareholders and business partners for your continued trust and support, and look forward to working alongside our stakeholders to create value together for a sustainable future.



(Phornthep Phornprapha)
Chairman



(Deja Tulananda)
Executive Chairman



(Chartsiri Sophonpanich)
President

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS BANGKOK BANK PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Bangkok Bank Public Company Limited and subsidiaries (the “Bank and subsidiaries”) and the Bank’s financial statements of Bangkok Bank Public Company Limited (the “Bank”), which comprise the consolidated and Bank’s statements of financial position as at December 31, 2023, and the related consolidated and Bank’s statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and Bank’s financial statements present fairly, in all material respects, the financial position of Bangkok Bank Public Company Limited and subsidiaries and of Bangkok Bank Public Company Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”) and the Bank of Thailand’s regulations.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Bank’s Financial Statements section of our report. We are independent of the Bank and subsidiaries in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and Bank’s financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and Bank’s financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and Bank’s financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter

Allowance for expected credit loss

The allowance for expected credit loss for loans to customers is considered to be the key audit matter as it requires the use of various assumptions and judgment including forward economic looking and post model adjustments and it is recognized in accordance with Thai Financial Reporting Standard No. 9 - Financial Instruments ("TFRS 9") and the relevant regulations of the Bank of Thailand. TFRS 9 requires the Bank and subsidiaries to recognize impairment based on expected credit loss ("ECL"). We focused our audit on the following areas of allowance for expected credit loss for loans to customers specifically relating to:

- Accounting interpretations and modelling assumptions used to build the models that the Bank used to calculate the ECL which involves determining Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD);
- Inputs and assumptions used to estimate the impact of multiple economic scenarios
- Classification of loans to customers to stage 1, 2 and 3 using criteria in accordance with TFRS 9 and the relevant regulations of the Bank of Thailand;
- Indicators that will significantly reduce the ability to pay the debt or the increase in credit risk including quantitative and qualitative information and also forward-looking analysis both events that have already occurred and may occur in the future; and
- Completeness and valuation of post model adjustments.

Accounting policy for allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in Note 3.5 and Note 6.9, respectively.

Audit Responses

Key audit procedures included

- Reviewing management written policies, which were collaborated from the Bank's management's experts, and procedures to derive the allowance for expected credit loss estimate. Determining whether the policies and procedures for the estimation are incorporated with the requirements of TFRS 9 and properly approved by the appropriate level of management.
- Understanding and testing design and operating effectiveness of key controls across the processes relevant to the ECL. This included the classification of assets into stages, credit monitoring, multiple economic scenarios, and individual provisions.
- Involvement of our internal specialists to assess the model documentation and model validation reports. This included assessing the appropriateness of model design, assumptions, inputs, formulas used and post model adjustments. We tested the data used in the ECL calculation by reconciling to source systems and recalculating the allowance for expected credit loss for a sample of models.
- Evaluating relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumption appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions.
- Performing an overall assessment of the ECL provision levels to determine if they were reasonable considering the Bank and subsidiaries' portfolio, risk profile, credit risk management practices and the macroeconomic factors. We considered trends in the economy and industries to which the Bank and subsidiaries are exposed.
- Considering the criteria used to classify an asset to stage 1, 2 and 3 in accordance with TFRS 9 and the relevant regulations of the Bank of Thailand. Testing sample of assets in stage 1, 2 and 3 to verify that they were classified to the appropriate stage. This also included considering the internal credit risk rating system of the Bank and also external credit risk grading.
- Assessing the adequacy and appropriateness of the disclosure in accordance with Group of Financial Instruments Standards and the BOT's Notification.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the consolidated and Bank's financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and Bank's financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and Bank's financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and Bank's financial statements in accordance with TFRSs and the Bank of Thailand's regulations, and for such internal control as management determines is necessary to enable the preparation of the consolidated and Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and Bank's financial statements, management is responsible for assessing the Bank and subsidiaries' and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and subsidiaries and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank and subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Bank's Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and Bank's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and Bank's financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and Bank's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and subsidiaries' and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and subsidiaries' and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and subsidiaries and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and Bank's financial statements, including the disclosures, and whether the consolidated and Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and Bank's financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Nisakorn Songmanee

Certified Public Accountant (Thailand)

Registration No. 5035

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

STATEMENT OF FINANCIAL POSITION

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AS AT DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
ASSETS				
CASH	45,517,980	52,432,699	41,470,071	48,169,322
INTERBANK AND MONEY MARKET ITEMS, NET	757,119,567	766,074,475	580,067,592	587,553,969
FINANCIAL ASSETS MEASURED AT FAIR VALUE				
THROUGH PROFIT OR LOSS	88,978,361	75,036,089	96,737,951	90,801,828
DERIVATIVES ASSETS	70,602,763	84,839,352	70,108,976	83,582,630
INVESTMENTS, NET	972,286,851	850,150,825	839,496,234	706,876,633
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	1,403,051	1,420,693	144,815,695	144,816,959
LOANS TO CUSTOMERS AND ACCRUED				
INTEREST RECEIVABLES, NET	2,425,661,014	2,449,355,263	2,067,703,354	2,096,756,258
PROPERTIES FOR SALE, NET	10,929,438	12,016,841	9,976,778	11,129,554
PREMISES AND EQUIPMENT, NET	61,925,187	61,892,520	51,524,650	51,648,845
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	33,218,132	33,697,374	1,760,082	1,450,492
DEFERRED TAX ASSETS	10,294,925	6,891,668	5,136,759	2,474,561
COLLATERAL PLACED WITH FINANCIAL COUNTERPARTIES	2,620,786	1,497,501	2,588,927	1,454,302
OTHER ASSETS, NET	33,926,329	26,446,787	19,218,930	13,360,986
TOTAL ASSETS	4,514,484,384	4,421,752,087	3,930,605,999	3,840,076,339

STATEMENT OF FINANCIAL POSITION

(CONTINUED)

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
AS AT DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY				
DEPOSITS	3,184,283,391	3,210,895,555	2,699,887,528	2,716,152,436
INTERBANK AND MONEY MARKET ITEMS	334,219,180	262,521,534	309,526,062	251,029,467
LIABILITY PAYABLE ON DEMAND	9,155,613	7,769,885	9,154,297	7,767,403
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE				
THROUGH PROFIT OR LOSS	18,383,683	17,959,739	17,858,498	17,412,480
DERIVATIVES LIABILITIES	63,461,975	70,981,448	62,712,103	69,648,650
DEBT ISSUED AND BORROWINGS	212,504,715	188,301,568	211,509,881	187,056,618
PROVISIONS	34,426,203	27,177,164	31,081,236	24,176,399
DEFERRED TAX LIABILITIES	29,637	578,896	-	279,989
OTHER LIABILITIES	127,189,954	128,424,347	84,619,386	81,902,964
TOTAL LIABILITIES	3,983,654,351	3,914,610,136	3,426,348,991	3,355,426,406
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
Registered share capital				
1,655,000 preferred shares of Baht 10 each	16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each	39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital				
1,908,842,894 common shares of Baht 10 each	19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES	56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES	44,270,288	54,243,425	45,594,835	55,480,947
RETAINED EARNINGS				
Appropriated				
Legal reserve	28,000,000	27,000,000	28,000,000	27,000,000
Others	126,500,000	121,500,000	126,500,000	121,500,000
Unappropriated	254,769,825	227,167,894	228,727,512	205,234,325
TOTAL BANK'S EQUITY	528,974,774	505,345,980	504,257,008	484,649,933
NON-CONTROLLING INTEREST	1,855,259	1,795,971	-	-
TOTAL SHAREHOLDERS' EQUITY	530,830,033	507,141,951	504,257,008	484,649,933
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,514,484,384	4,421,752,087	3,930,605,999	3,840,076,339



(Mr. Chartsiri Sophonpanich)

President



(Mr. Suvarn Thansathit)

Director and Senior Executive Vice President

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
INTEREST INCOME	194,364,804	139,087,978	152,284,404	104,069,787
INTEREST EXPENSES	63,504,492	36,864,713	46,956,176	25,866,046
NET INTEREST INCOME	130,860,312	102,223,265	105,328,228	78,203,741
FEES AND SERVICE INCOME	42,899,184	41,132,239	32,726,876	30,188,400
FEES AND SERVICE EXPENSES	15,665,103	13,624,400	13,777,532	11,711,504
NET FEES AND SERVICE INCOME	27,234,081	27,507,839	18,949,344	18,476,896
GAINS ON FINANCIAL INSTRUMENTS				
MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	5,544,043	5,155,163	4,446,068	4,063,912
LOSSES ON INVESTMENTS	(482,228)	(1,453,669)	(309,670)	(1,500,499)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD	187,382	189,560	-	-
GAINS ON DISPOSAL OF ASSETS	863,646	1,890,956	282,006	1,781,586
DIVIDEND INCOME	2,330,329	2,306,493	5,876,483	6,367,289
OTHER OPERATING INCOME	949,920	1,075,232	415,568	360,705
TOTAL OPERATING INCOME	167,487,485	138,894,839	134,988,027	107,753,630
OTHER OPERATING EXPENSES				
Employee's expenses	35,921,047	34,793,722	25,277,886	24,621,887
Directors' remuneration	245,873	259,045	141,205	136,714
Premises and equipment expenses	15,738,129	15,371,271	11,758,687	11,295,149
Taxes and duties	4,833,703	3,643,182	4,759,072	3,537,370
Others	25,036,254	14,951,314	20,603,132	9,749,690
TOTAL OTHER OPERATING EXPENSES	81,775,006	69,018,534	62,539,982	49,340,810
EXPECTED CREDIT LOSS	33,666,570	32,647,105	26,995,355	26,556,303
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES	52,045,909	37,229,200	45,452,690	31,856,517
INCOME TAX EXPENSES	9,993,277	7,483,684	7,920,380	5,466,446
NET PROFIT	42,052,632	29,745,516	37,532,310	26,390,071

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSSES)				
Items that will be reclassified subsequently to profit or loss				
Losses on investments in debt instruments at fair value				
through other comprehensive income	(1,991,160)	(4,329,124)	(2,784,738)	(2,031,767)
Losses on cash flow hedges	(118,000)	(609,214)	(118,000)	(609,214)
Gains (losses) arising from translating the financial statements of				
foreign operations	(1,262,023)	(8,101,942)	(366,932)	464,804
Share of other comprehensive income of associate	1,459	1,141	-	-
Income tax relating to components of other comprehensive				
income (losses)	(853,290)	1,523,965	(679,520)	1,016,960
Items that will not be reclassified subsequently to profit or loss				
Changes in revaluation surplus	168,771	(4,916)	(127,900)	(4,916)
Gains (losses) on investment in equity instruments designated at				
fair value through other comprehensive income	(5,157,446)	161,610	(5,114,928)	128,683
Gains (losses) on financial liabilities designated at fair value				
through profit or loss	(719,230)	1,451,042	(719,230)	1,451,042
Actuarial gains on defined benefit plans	331,956	1,251,377	424,888	1,282,236
Share of other comprehensive income (losses) of associate	479	(989)	-	-
Income tax relating to components of other comprehensive				
income (losses)	1,155,020	(490,378)	1,104,713	(577,797)
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)	(8,443,464)	(9,147,428)	(8,381,647)	1,120,031
TOTAL COMPREHENSIVE INCOME	33,609,168	20,598,088	29,150,663	27,510,102
NET PROFIT ATTRIBUTABLE				
Owners of the Bank	41,635,521	29,305,591	37,532,310	26,390,071
Non-controlling interest	417,111	439,925	-	-
	42,052,632	29,745,516	37,532,310	26,390,071
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE				
Owners of the Bank	33,172,382	20,251,470	29,150,663	27,510,102
Non-controlling interest	436,786	346,618	-	-
	33,609,168	20,598,088	29,150,663	27,510,102
BASIC EARNINGS PER SHARE (BAHT)	21.81	15.35	19.66	13.83
WEIGHTED AVERAGE NUMBER				
OF COMMON SHARES (THOUSAND SHARES)	1,908,843	1,908,843	1,908,843	1,908,843



(Mr. Chartsiri Sophonpanich)
President



(Mr. Suvarn Thansathit)
Director and Senior Executive Vice President

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Baht : '000

	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	CONSOLIDATED											Total Equity Attributable to the Bank's Shareholders	Non-controlling Interest	Total
			Other Reserves			Retained Earnings										
			Appraisal Surplus	Revaluation Surplus on Investments	Cash Flow Hedge Reserve	Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Others	Appropriated		Unappropriated					
									Legal Reserve	Others						
Balance as at January 1, 2022	19,088,429	56,346,232	32,479,760	27,454,401	159,735	(1,883,113)	8,136,189	1,642	26,000,000	116,500,000	208,443,791	492,727,066	1,865,491	494,592,557		
Appropriation for previous year	-	-	-	-	-	-	-	-	-	-	(4,769,445)	(4,769,445)	(216,135)	(4,985,580)		
Dividend paid	-	-	-	-	-	-	-	-	-	-	(500,000)	(500,000)	-	-		
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	-	-	-	-		
Appropriation for current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dividend paid	-	-	-	-	-	-	-	-	-	-	(2,863,111)	(2,863,111)	(200,003)	(3,063,114)		
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-		
Others	-	-	-	-	-	-	-	-	-	5,000,000	(5,000,000)	-	-	-		
Total comprehensive income	-	-	82,064	(2,781,683)	(487,371)	1,160,834	(8,029,104)	87	-	-	30,306,643	20,251,470	346,618	20,598,088		
Transfer to retained earnings	-	-	(1,095,037)	(954,979)	-	-	-	-	-	-	2,050,016	-	-	-		
Balance as at December 31, 2022	19,088,429	56,346,232	31,466,787	23,717,739	(327,636)	(722,279)	107,085	1,729	27,000,000	121,500,000	227,167,894	505,345,980	1,795,971	507,141,951		
Balance as at January 1, 2023	19,088,429	56,346,232	31,466,787	23,717,739	(327,636)	(722,279)	107,085	1,729	27,000,000	121,500,000	227,167,894	505,345,980	1,795,971	507,141,951		
Appropriation for previous year	-	-	-	-	-	-	-	-	-	-	(5,726,118)	(5,726,118)	(202,495)	(5,928,613)		
Dividend paid	-	-	-	-	-	-	-	-	-	-	(500,000)	-	-	-		
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	-	-	-	-		
Appropriation for current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dividend paid	-	-	-	-	-	-	-	-	-	-	(3,817,470)	(3,817,470)	(175,003)	(3,992,473)		
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-		
Others	-	-	-	-	-	-	-	-	-	5,000,000	(5,000,000)	-	-	-		
Total comprehensive income	-	-	190,529	(6,978,163)	(94,400)	(575,384)	(1,266,739)	1,506	-	-	41,895,033	33,172,382	436,786	33,609,168		
Transfer to retained earnings	-	-	(1,079,781)	(170,705)	-	-	-	-	-	-	1,250,486	-	-	-		
Balance as at December 31, 2023	19,088,429	56,346,232	30,577,535	16,568,871	(422,036)	(1,297,663)	(1,159,654)	3,235	28,000,000	126,500,000	254,769,825	528,974,774	1,855,259	530,830,033		

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	THE BANK							Retained Earnings			Total
			Appraisal Surplus	Revaluation Surplus on Investments	Other Reserves		Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Legal Reserve	Appropriated	Unappropriated		
					Cash Flow Hedge Reserve	Reserve							
Balance as at January 1, 2022	19,088,429	56,346,232	31,547,571	26,799,115	159,735	(1,883,113)	717,097		26,000,000	116,500,000	189,497,321	464,772,387	
Appropriation for previous year	-	-	-	-	-	-	-	-	-	-	-	(4,769,445)	(4,769,445)
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-
Appropriation for current year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(2,863,111)	(2,863,111)
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-
Others	-	-	-	-	-	-	-	-	-	5,000,000	(5,000,000)	-	-
Total comprehensive income	-	-	(3,933)	(1,039,740)	(487,371)	1,160,834	464,804	-	-	-	27,415,508	27,510,102	27,510,102
Transfer to retained earnings	-	-	(999,073)	(954,979)	-	-	-	-	-	-	1,954,052	-	-
Balance as at December 31, 2022	19,088,429	56,346,232	30,544,565	24,804,396	(327,636)	(722,279)	1,181,901		27,000,000	121,500,000	205,234,325	484,649,933	484,649,933
Balance as at January 1, 2023	19,088,429	56,346,232	30,544,565	24,804,396	(327,636)	(722,279)	1,181,901		27,000,000	121,500,000	205,234,325	484,649,933	484,649,933
Appropriation for previous year	-	-	-	-	-	-	-	-	-	-	(5,726,118)	(5,726,118)	(5,726,118)
Dividend paid	-	-	-	-	-	-	-	-	-	-	(500,000)	-	-
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-
Appropriation for current year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(3,817,470)	(3,817,470)	(3,817,470)
Legal reserve	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-
Others	-	-	-	-	-	-	-	-	-	5,000,000	(5,000,000)	-	-
Total comprehensive income	-	-	(102,320)	(7,578,374)	(94,400)	(575,384)	(366,932)	-	-	-	37,868,073	29,150,663	29,150,663
Transfer to retained earnings	-	-	(997,997)	(170,705)	-	-	-	-	-	-	1,168,702	-	-
Balance as at December 31, 2023	19,088,429	56,346,232	29,444,248	17,055,317	(422,036)	(1,297,663)	814,969		28,000,000	126,500,000	228,727,512	504,257,008	504,257,008

Bant : '000

Shantorn Pophonpanich.

(Mr. Chantsiri Sophonpanich)
President

P. Vithayakul.

(Mr. Suvarn Thansathit)
Director and Senior Executive Vice President

STATEMENT OF CASH FLOWS

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit from operating before income tax expenses	52,045,909	37,229,200	45,452,690	31,856,517
Items to reconcile profit from operating before income tax expenses				
to cash received (paid) from operating activities				
Depreciation and amortization expenses	4,938,617	5,473,032	3,454,912	3,792,520
Expected credit loss	33,666,570	32,647,105	26,995,355	26,556,303
Amortization of premium (discount) on investment in debt securities	(243,684)	264,481	17,941	290,962
Unrealized loss on measurement of financial instruments	6,583,425	12,568,508	5,990,392	12,046,604
Loss on investments	482,228	1,453,669	309,670	1,500,499
Share of profit from investment using equity method	(187,382)	(189,560)	-	-
Loss on impairment of properties for sale	3,962,429	498,402	3,910,069	485,591
Gain on disposal of premises and equipment	(30,115)	(35,203)	(20,623)	(24,401)
Loss on impairment of other assets (reversal)	(122,992)	(28,516)	(123,990)	(38,440)
Provision expenses	6,875,009	1,309,533	6,831,142	1,162,933
Net interest income	(130,860,312)	(102,223,265)	(105,328,228)	(78,203,741)
Dividend income	(2,330,329)	(2,306,493)	(5,876,483)	(6,367,289)
Proceeds from interest income	190,841,933	136,038,720	149,199,080	100,762,505
Interest expenses paid	(56,929,438)	(36,090,935)	(40,520,758)	(25,095,437)
Proceeds from dividend income	2,328,756	2,306,518	2,226,338	2,208,296
Income tax paid	(11,920,588)	(6,815,009)	(9,246,556)	(5,688,661)
(Increase) decrease in other accrued receivables	(416,049)	315,005	(284,204)	107,606
Increase (decrease) in other accrued expenses	1,747,157	(545,371)	1,413,435	836,272
Profit from operating before changes in operating assets and liabilities	100,431,144	81,869,821	84,400,182	66,188,639
(Increase) decrease in operating assets				
Interbank and money market items	8,306,425	35,825,661	6,781,624	39,174,862
Financial assets measured at fair value through profit or loss	(23,455,797)	5,699,224	(14,856,617)	2,612,007
Loans to customers	(6,730,714)	(99,894,874)	4,525,626	(93,872,459)
Properties for sale	924,148	1,217,168	666,914	813,991
Other assets	7,012,612	(24,690,723)	6,976,935	(25,752,541)

STATEMENT OF CASH FLOWS (CONTINUED)

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2023

Baht : '000

	CONSOLIDATED		THE BANK	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	(26,612,164)	53,955,766	(16,264,908)	50,506,103
Interbank and money market items	71,697,646	(26,187,013)	58,496,595	(29,718,968)
Liability payable on demand	1,385,728	(342,978)	1,386,894	(344,840)
Short-term borrowings	(250,115)	385,040	-	-
Other liabilities	(20,634,629)	44,416,830	(12,658,439)	46,379,715
Net cash from operating activities	112,074,284	72,253,922	119,454,806	55,986,509
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities measured at fair value through other comprehensive income	(459,852,944)	(318,213,842)	(401,365,293)	(283,499,613)
Proceeds from disposal of investment securities measured at fair value through other comprehensive income	354,123,496	293,604,280	289,090,120	254,654,050
Purchase of investment securities measured at amortized cost	(156,403,918)	(122,957,541)	(39,919,108)	(46,731,239)
Proceeds from redemption of investment securities measured at amortized cost	128,477,768	80,155,354	6,324,807	19,312,442
Purchase of investments in subsidiary	-	-	-	(500,000)
Proceeds from disposal of investments in associate	59,198	-	59,198	-
Proceeds from dividend income from subsidiaries and associates	150,342	90,295	3,648,572	4,159,018
Purchase of premises and equipment	(2,015,285)	(1,467,792)	(1,232,631)	(577,132)
Proceeds from disposal of premises and equipment	324,511	140,384	20,672	25,773
Net cash from investing activities	(135,136,832)	(68,648,862)	(143,373,663)	(53,156,701)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from issuance of senior unsecured notes	45,498,887	26,441,778	45,498,887	26,441,778
Cash paid for senior unsecured notes extinguishment	(18,005,889)	(30,343,245)	(18,005,889)	(30,343,245)
Decrease in long-term borrowings	(59,804)	(122,343)	(59,804)	(122,343)
Cash paid for lease liabilities	(1,325,033)	(1,658,633)	(660,605)	(833,918)
Dividend paid	(9,543,588)	(7,632,556)	(9,543,588)	(7,632,556)
Dividend paid to non-controlling interest	(377,498)	(416,138)	-	-
Net cash from financing activities	16,187,075	(13,731,137)	17,229,001	(12,490,284)
Effect on cash due to changes in the exchange rates	(39,246)	7,009	(9,395)	(24,441)
Net decrease in cash	(6,914,719)	(10,119,068)	(6,699,251)	(9,684,917)
Cash as at January 1,	52,432,699	62,551,767	48,169,322	57,854,239
Cash as at December 31,	45,517,980	52,432,699	41,470,071	48,169,322



(Mr. Chartsiri Sophonpanich)
President



(Mr. Suvarn Thansathit)
Director and Senior Executive Vice President

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Picture of the Bank and its Subsidiaries

	2023	2022	Change (%)
Unit: Million Baht			
Net profit ^{/1}	41,636	29,306	42.1%
Earnings per share (Baht)	21.81	15.35	42.1%
Net interest margin	3.02%	2.42%	0.60%
Net fees and service income to operating income ratio	16.3%	19.8%	(3.5)%
Cost to income ratio	48.8%	49.7%	(0.9)%
Return on average assets ^{/1}	0.93%	0.67%	0.26%
Return on average equity ^{/1}	8.01%	5.86%	2.15%

^{/1} Attributable to owners of the Bank

	December 2023	December 2022	Change (%)
Unit: Million Baht			
Loans	2,671,964	2,682,691	(0.4)%
Deposits	3,184,283	3,210,896	(0.8)%
Loan to deposit ratio	83.9%	83.5%	0.4%
Non-performing loan (Gross NPL) ^{/1}	85,955	97,188	(11.6)%
Gross NPL to total loans ratio ^{/1}	2.7%	3.1%	(0.4)%
Allowance for expected credit losses to NPL ratio ^{/1}	314.7%	260.8%	53.9%
Total capital adequacy ratio	19.57%	19.13%	0.44%

^{/1} Including interbank and money market lending

In 2023, Bangkok Bank and its subsidiaries reported a net profit of Baht 41,636 million, an increase of 42.1 percent from the previous year due to an increase of 28.0 percent in net interest income as yields on earning assets rose in line with the interest rate environments. This was offset by a continued rise in the cost of deposits driven by an increase in deposit interest rates and the resumption of the Financial Institutions Development Fund (FIDF) fee to the normal rate since the beginning of 2023. As a result, the net interest margin stood at 3.02 percent. Net fees and service income slightly decreased from lower trading volume in the stock market, while fees from bancassurance and mutual fund services, and credit card business performed better than last year. Operating expenses rose by 18.5 percent from last year following higher economic activities and partly from expenses

to improve operational efficiency. The cost to income ratio stood at 48.8 percent. The Bank continued to set aside expected credit losses with its prudent approach, resulting in the expected credit losses for 2023 of Baht 33,666 million, a similar level to the previous year.

At the end of December 2023, the Bank's total loans amounted to Baht 2,671,964 million, a similar level to the end of last year. Corporate loans increased while commercial and business loans declined. The non-performing loan to total loans ratio remained manageable at 2.7 percent. Under the Bank's continuous prudent management approach, the ratio of the allowance for expected credit losses to non-performing loans remained strong at 314.7 percent.

As of December 31, 2023, the Bank's deposits amounted to Baht 3,184,283 million, a slight decrease from the end of December 2022, while the loan to deposit ratio stood at 83.9 percent. The total capital adequacy ratio, Tier 1 capital adequacy ratio, and Common Equity

Tier 1 capital adequacy ratio of the Bank and its subsidiaries stood at 19.57 percent, 16.14 percent and 15.35 percent respectively, comfortably above the Bank of Thailand's minimum capital requirements.

Operating Income and Expenses of the Bank and its Subsidiaries

	2023	2022	Change (%)
Net interest income	130,860	102,223	28.0%
Non-interest income	36,627	36,672	(0.1)%
Operating expenses	81,775	69,019	18.5%
Expected credit losses	33,666	32,647	3.1%
Operating profit before tax	52,046	37,229	39.8%
Income tax expenses	9,993	7,484	33.5%
Net profit	42,053	29,745	41.4%
Net profit ^{/1}	41,636	29,306	42.1%
Total comprehensive income ^{/1}	33,172	20,251	63.8%

Unit: Million Baht

^{/1} Attributable to owners of the Bank

In 2023, net profit attributable to owners of the Bank was Baht 41,636 million, an increase of 42.1 percent from the previous year, primarily from an increase in net interest income as yields on earning assets rose following the interest rate trend. This was offset by the cost of deposits which has gradually increased in line with rising deposit interest rates, and the resumption of the Financial Institutions

Development Fund (FIDF) fee to the normal rate since the beginning of 2023. Operating expenses increased in line with economic activities and partly from higher expenses for operational efficiency improvement. The Bank set aside the expected credit losses at a similar level to the previous year by maintaining its prudent approach.

Net Interest Income

Net interest income for 2023 amounted to Baht 130,860 million, an increase of 28.0 percent from the previous year from the rise in yields on earning assets following the interest rates trend. This was offset by a gradual increase in the cost of deposits from rising deposit

interest rates and the resumption of the FIDF fee to the normal rate of 0.46 percent at the beginning of 2023. The net interest margin stood at 3.02 percent.

Unit: Million Baht

	2023	2022	Change (%)
Interest income			
Loans	153,619	116,499	31.9%
Interbank and money market items	20,368	8,169	149.3%
Investments	20,378	14,420	41.3%
Total interest income	194,365	139,088	39.7%
Interest expenses			
Deposits	35,263	19,708	78.9%
Interbank and money market items	6,813	2,163	215.0%
Contributions to Financial Institutions Development Fund and Deposit Protection Agency	12,432	6,800	82.8%
Debt issued and borrowings	8,997	8,194	9.8%
Total interest expenses	63,505	36,865	72.3%
Net interest income	130,860	102,223	28.0%
Yield on earning assets	4.48%	3.30%	1.18%
Cost of funds	1.71%	1.02%	0.69%
Net interest margin	3.02%	2.42%	0.60%

Bangkok Bank Interest Rate	Dec'23	Sep'23	Jun'23	Mar'23	Dec'22	Sep'22	Jun'22	Mar'22	Dec'21
Loans (%)									
MOR	7.550	7.550	7.300	6.900	6.350	6.250	5.875	5.875	5.875
MRR	7.300	7.300	7.050	6.800	6.250	6.250	5.950	5.950	5.950
MLR	7.100	7.100	6.850	6.450	5.850	5.650	5.250	5.250	5.250
Deposits (%)									
Savings	0.450	0.450	0.350	0.500	0.450	0.450	0.250	0.250	0.250
3-month Fixed	1.200	1.200	0.950	0.750	0.600	0.550	0.375	0.375	0.375
6-month Fixed	1.250	1.250	1.050	0.850	0.700	0.650	0.500	0.500	0.500
12-month Fixed	1.600	1.600	1.350	1.150	1.000	0.800	0.500	0.500	0.500
Bank of Thailand Policy Rate (%)	2.500	2.500	2.000	1.750	1.250	1.000	0.500	0.500	0.500

Non-Interest Income

In 2023, non-interest income amounted to Baht 36,627 million, a similar level to the previous year. Net fees and service income slightly decreased from the securities business in line with lower

trading volume in the stock market while fees from bancassurance and mutual fund services and the credit card business performed better than the previous year.

Unit: Million Baht

	2023	2022	Change (%)
Fees and service income	42,899	41,132	4.3%
<u>Less</u> fees and service expenses	15,665	13,624	15.0%
Net fees and service income	27,234	27,508	(1.0)%
Gains on financial instruments measured at FVTPL	5,544	5,155	7.5%
Losses on investments	(482)	(1,454)	66.9%
Share of profit from investment for using equity method	187	190	(1.6)%
Gains on disposal of assets	864	1,891	(54.3)%
Dividend income	2,330	2,307	1.0%
Other operating income	950	1,075	(11.6)%
Total other operating income	9,393	9,164	2.5%
Total non-interest income	36,627	36,672	(0.1)%
Net fees and service income to operating income ratio	16.3%	19.8%	(3.5)%

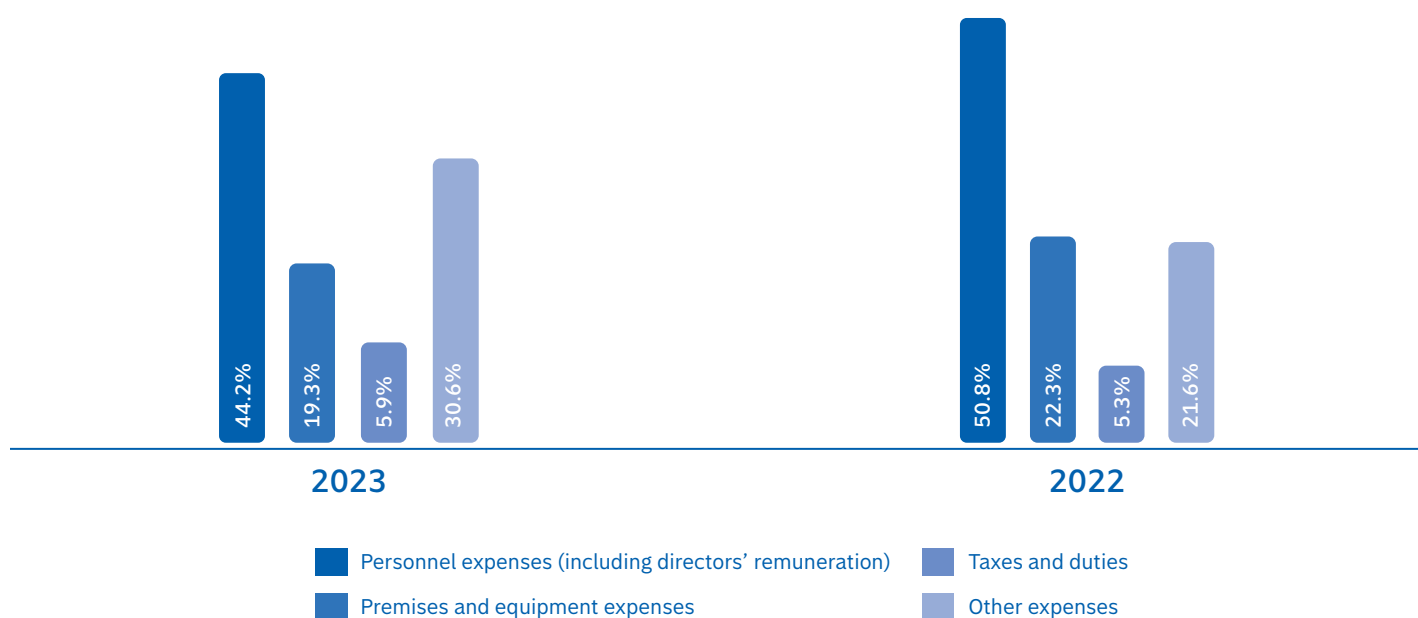
Operating Expenses

Operating expenses for 2023 amounted to Baht 81,775 million, an increase of 18.5 percent from the previous year, in line with an increase in economic activities and partly from expenses for

operational efficiency improvement. The cost to income ratio declined to 48.8 percent.

Unit: Million Baht

	2023	2022	Change (%)
Personnel expenses	35,921	34,794	3.2%
Directors' remuneration	246	259	(5.0)%
Premises and equipment expenses	15,738	15,371	2.4%
Taxes and duties	4,834	3,643	32.7%
Other expenses	25,036	14,952	67.4%
Total operating expenses	81,775	69,019	18.5%
Cost to income ratio	48.8%	49.7%	(0.9)%



Expected Credit Losses

In 2023, the Bank set aside Baht 33,666 million in expected credit losses under its prudent approach. Although the overall Thai economy continues to recover, there are external risk factors that need to be

monitored, including uncertainties from the global economic recovery and geopolitical conflicts.

Significant Items in the Financial Position

Assets

As of December 31, 2023, total assets amounted to Baht 4,514,484 million, a similar level to the end of December 2022.

	December 2023	December 2022	Unit: Million Baht Change (%)
Net interbank and money market items	757,120	766,074	(1.2)%
Financial assets measured at FVTPL	88,978	75,036	18.6%
Net investments	972,287	850,151	14.4%
Net investments in associates	1,403	1,421	(1.3)%
Loans	2,671,964	2,682,691	(0.4)%
Net properties for sale	10,929	12,017	(9.1)%
Total assets	4,514,484	4,421,752	2.1%

Loans

As of December 31, 2023, loans amounted to Baht 2,671,964 million, a similar level to the end of 2022 as corporate loans increased while commercial and business loans declined.

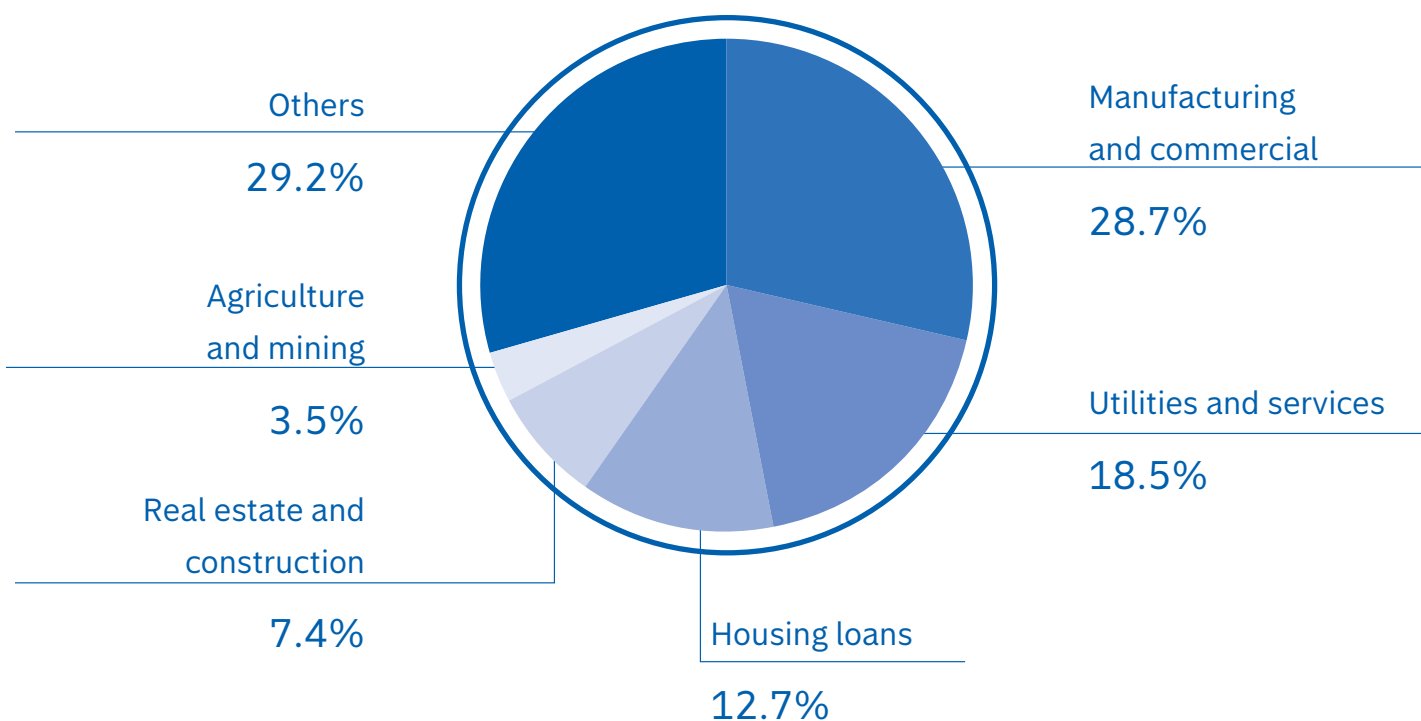
Loan by Business Type

The Bank and its subsidiaries had loans distributed across business sectors, with 28.7 percent in the manufacturing and commercial sector, 18.5 percent in the utilities and services sector, 12.7 percent in the housing loans sector, and 7.4 percent in the real estate

and construction sector. The decrease in loans from the end of December 2022 was mainly driven by the manufacturing and commercial sector and the utilities and services sector, while the others sector increased.

Unit: Million Baht

	December 2023	December 2022	Change (%)
Manufacturing and commercial	766,783	825,508	(7.1)%
Utilities and services	495,808	527,351	(6.0)%
Housing loans	338,489	336,256	0.7%
Real estate and construction	196,673	196,482	0.1%
Agriculture and mining	92,721	88,014	5.3%
Others	781,490	709,080	10.2%
Total loans	2,671,964	2,682,691	(0.4)%



2023

Classified Loans and Allowance for Expected Credit Losses

Non-performing loan (Gross NPL) at the end of December 2023 was Baht 85,955 million, while the gross NPL to total loans ratio stood at 2.7 percent.

The allowance for expected credit losses was Baht 270,539 million. The allowance for expected credit losses to NPL ratio was 314.7 percent.

Unit: Million Baht

	December 2023	December 2022	Change (%)
Consolidated			
Non-performing loan (Gross NPL) ^{/1}	85,955	97,188	(11.6)%
Gross NPL to total loans ratio ^{/1}	2.7%	3.1%	(0.4)%
Net NPL to net total loans ratio ^{/1}	0.7%	0.9%	(0.2)%
Allowance for expected credit losses to NPL ratio	314.7%	260.8%	53.9%
The Bank			
Non-performing loan (Gross NPL) ^{/1}	71,162	80,991	(12.1)%
Gross NPL to total loans ratio ^{/1}	2.6%	2.9%	(0.3)%

^{/1} Including interbank and money market lending

Unit: Million Baht

	Loans and Interbank & Money Market		Allowance for Expected Credit Losses ^{/1}	
	December 2023	December 2022	December 2023	December 2022
Non credit-impaired	3,343,700	3,351,508	202,486	179,648
Credit-impaired	85,955	97,188	68,053	73,811
Total	3,429,655	3,448,696	270,539	253,459

^{/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, 2023, investments amounted to Baht 1,061,265 million, increasing by 14.7 percent from the end of December 2022 from investments in Thai government and state enterprise securities.

The Bank and its subsidiaries had Baht 622,652 million in investments in Thai government and state enterprise securities, accounting for 58.7 percent of total investments. Foreign debt securities amounted to Baht 230,850 million and net investment in equity securities amounted to Baht 106,275 million.

Unit: Million Baht			
Investments by Investment Holding	December 2023	December 2022	Change (%)
Trading securities	14,479	5,141	181.6%
Securities measured at FVTPL	74,499	69,895	6.6%
Debt securities measured at amortized cost	119,464	88,212	35.4%
Debt securities measured at FVOCI	757,846	672,065	12.8%
Equity securities measured at FVOCI	94,977	89,874	5.7%
Total investments	1,061,265	925,187	14.7%

Liabilities and Shareholders' Equity

Total liabilities as of December 31, 2023, amounted to Baht 3,983,654 million, increasing by 1.8 percent from the end of December 2022 due mainly to an increase in interbank and money market items.

Unit: Million Baht			
	December 2023	December 2022	Change (%)
Deposits	3,184,283	3,210,896	(0.8)%
Interbank and money market items	334,219	262,522	27.3%
Financial liabilities measured at FVTPL	18,384	17,960	2.4%
Debt issued and borrowings	212,505	188,302	12.9%
Total liabilities	3,983,654	3,914,610	1.8%
Shareholders' equity ^{/1}	528,975	505,346	4.7%

^{/1} Attributable to owners of the Bank

Deposits

Total deposits as of December 31, 2023, amounted to Baht 3,184,283 million, slightly decreasing from the end of the previous year due to

decreases in savings and current deposits. The loan to deposit ratio was 83.9 percent.

Unit: Million Baht

Deposits Classified by Product Type	December 2023		December 2022		Change (%)
	Amount	Portion	Amount	Portion	
Current	283,678	8.9%	302,855	9.4%	(6.3)%
Savings	1,680,979	52.8%	1,708,362	53.2%	(1.6)%
Fixed	1,219,626	38.3%	1,199,679	37.4%	1.7%
Total deposits	3,184,283	100.0%	3,210,896	100.0%	(0.8)%
Loan to deposit ratio		83.9%		83.5%	0.4%

Debt Issued and Borrowings

Total debt issued and borrowings as of December 31, 2023, amounted to Baht 212,505 million, increasing by 12.9 percent from the end of 2022 due to the issuance of senior unsecured notes in September 2023 of USD 1,250 million, divided into USD 500 million worth of

5-year notes and USD 750 million worth of 10-year notes offset by the maturity of the senior unsecured notes worth USD 500 million in October 2023.

Unit: Million Baht

Debt Issued and Borrowings Classified by Type of Instruments	December 2023		December 2022		Change (%)
	Amount	Portion	Amount	Portion	
Senior unsecured notes	110,761	52.1%	85,045	45.2%	30.2%
Subordinated notes	100,970	47.4%	101,998	54.1%	(1.0)%
Bills of exchange	-	-	413	0.2%	(100.0)%
Others	1,018	0.5%	915	0.5%	11.3%
Total (before less discount on borrowings)	212,749	100.0%	188,371	100.0%	12.9%
<u>Less</u> Discount on borrowings	244		69		253.6%
Total debt issued and borrowings	212,505		188,302		12.9%

Shareholders' Equity

Shareholders' equity attributable to owners of the Bank as of December 31, 2023, amounted to Baht 528,975 million, an increase of Baht 23,629 million or 4.7 percent from the end of 2022. This was due to net profit attributable to owners of the Bank in 2023 of Baht 41,636 million, offset by a dividend payment during 2023 of Baht 9,543 million which consisted of the final dividend payment for the operating performance in 2022 of Baht 5,726 million (3.00 baht per share) according to the resolution of the shareholders' meeting on April 12, 2023 and the interim dividend payment from the net profit from operations in the first half of 2023 of Baht 3,817 million (2.00 baht per share).

Sources and Utilization of Funds

As of December 31, 2023, the Bank and its subsidiaries' primary sources of funds consisted of deposits of Baht 3,184,283 million or 70.5 percent, equity attributable to owners of the Bank of Baht 528,975 million or 11.7 percent, interbank and money market items on liabilities of Baht 334,219 million or 7.4 percent and debt securities issued and borrowing including financial liabilities measured at FVTPL amounting to Baht 230,889 million or 5.1 percent.

The utilization of funds comprised loans of Baht 2,671,964 million or 59.2 percent, net investments including financial assets measured at FVTPL and net investments in associates of Baht 1,062,668 million or 23.5 percent, and net interbank and money market assets of Baht 757,120 million or 16.8 percent.

Capital Reserves and Capital Adequacy Ratio

Under the principles of Basel III, the Bank of Thailand 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 Bank of Thailand also requires a capital conservation buffer of more than 2.50 percent. Since the Bank is classified by the Bank of Thailand 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, 2023, the Bank's Common Equity Tier 1 capital adequacy ratio was 15.35 percent, the Tier 1 capital adequacy ratio was 16.14 percent, and the total capital adequacy ratio was 19.57 percent, which was above the Bank of Thailand's minimum capital requirements.

Unit: Million Baht

	December 2023		December 2022		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Consolidated					
Common Equity Tier 1 capital	464,060	15.35%	447,590	14.88%	> 8.00%
Tier 1 capital	487,845	16.14%	471,366	15.67%	> 9.50%
Tier 2 capital	103,884	3.43%	104,108	3.46%	
Total capital	591,729	19.57%	575,474	19.13%	> 12.00%

Unit: Million Baht

	December 2023		December 2022		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
The Bank					
Common Equity Tier 1 capital	458,235	16.87%	444,882	16.51%	> 8.00%
Tier 1 capital	481,827	17.74%	468,474	17.38%	> 9.50%
Tier 2 capital	100,500	3.70%	100,807	3.74%	
Total capital	582,327	21.44%	569,281	21.12%	> 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, 2023, the ratio of liquid assets to total assets and

liquid assets to deposits was 39.5 percent and 56.0 percent, respectively.

	December 2023	December 2022
Liquid assets/Total assets (%)	39.5	37.7
Liquid assets/Deposits (%)	56.0	51.9

Credit Ratings

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

Credit Rating Agency	December 2023	December 2022
Moody's Investors Service		
Long-term Deposit	Baa1	Baa1
Short-term Deposit	P-2	P-2
Senior Unsecured Debt Instrument	Baa1	Baa1
Subordinated Debt Instrument	Baa2	Baa2
Subordinated Debt (Basel III-compliant Tier 2 securities)	Baa3	Baa3
Subordinated Debt (Basel III-compliant Tier 1 securities)	Ba1	Ba1
Financial Strength (BCA)	baa1	baa1
Outlook	Stable	Stable
S&P Global Ratings		
Long-term Issuer Credit Rating	BBB+	BBB+
Short-term Issuer Credit Rating	A-2	A-2
Senior Unsecured Debt Instrument	BBB+	BBB+
Subordinated Debt Instrument	BBB	BBB
Financial Strength (SACP)	bbb-	bbb-
Outlook	Stable	Stable
Fitch Ratings		
International Rating		
Long-term Issuer Default Rating	BBB	BBB
Short-term Issuer Default Rating	F2	F2
Senior Unsecured Debt Instrument	BBB	BBB
Subordinated Debt Instrument	BB+	BB+
Subordinated Debt (Basel III-compliant Tier 2 securities)	BB+	BB+
Financial Strength (VR)	bbb	bbb
Outlook	Stable	Stable
National Rating		
Long-term	AA+(tha)	AA+(tha)
Short-term	F1+(tha)	F1+(tha)
Outlook	Stable	Stable



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Bangkok Bank Public Company Limited

Head Office 333 Silom Road, Silom, Bang Rak,
Bangkok 10500, Thailand

Bualuang Phone 1333 or +66 2645 5555

www.bangkokbank.com