



Krungthai
กรุงไทย

Management Discussion and Analysis

For the first quarter ended March 31, 2025

(Unreviewed)

This report discusses the principal changes in the unreviewed consolidated financial statement for the first quarter ended March 31, 2025.

Economic Overview

In 2025, the Thai economy is expected to grow below its potential, primarily driven by tourism sector. The number of foreign tourists in 2024 is projected to be around 37-38 million, compared to 35.5 million last year. Additionally, the Thai economy would gain further support from government policies, including measures to control electricity costs and the possibility of more stimulus to enhance consumer purchasing power. However, the export sector has been confronted by the escalating protectionist policies of the US, notably attributable to the increase in sector-specific tariffs and widespread reciprocal tariffs imposed on trading partners globally. Businesses focusing on exports to the US market, such as steel, aluminum, apparel, tire, plastics, furniture, auto parts, electrical appliances, electronics, and jewelry, are likely to encounter more obstacles. Besides, agricultural and food products may also be compelled to open their markets to US imports. In addition, the indirect impacts through major trading partners, particularly China, where the US is imposing very high tariff rates, could affect Thai industries with interconnected supply chains as well as intensifying market penetration by Chinese products. Moreover, the Thai economy remains fragile due to structural problems that hinder its competitiveness. Many businesses are under pressure from high wages and costs, especially SMEs with limited capacity to adapt and cope with fluctuations. The household sector is grappling with debt burdens that limit its spending capacity. Numerous challenges persist, particularly financial volatility stemming from the uncertainty surrounding monetary policy directions in major countries, geopolitical conflicts, and natural disasters, including the impact of the earthquake in late March 2025 and climate change. These factors could heighten the risk to growth going forward.

The Bank and Its Subsidiaries Performance Overview

The Bank and Its Subsidiaries' Performance for 1Q2025

Thailand's economic growth in 2025 is expected to remain modest amid mounting global and domestic challenges. Heightened trade tensions—driven by new U.S. tariffs and retaliatory measures—pose direct risks to exports, while increased Chinese imports are intensifying local competition. Structural issues, including high household debt, a substantial informal economy, SME vulnerabilities, and the impact of recent earthquakes further weigh on the outlook. Nonetheless, tourism remains a key growth driver, supported by ongoing government stimulus measures.

The Bank continued to operate with prudence and preparedness to navigate economic uncertainties, with a strong focus on supporting customers across all segments and helping them adapt and capitalize on opportunities arising from change. It remained committed to government-led economic recovery efforts through proactive and timely financial relief measures. Most recently, the Bank launched urgent support for customers affected by the earthquake, in addition to existing assistance for flood-affected customers and household debt restructuring initiatives, including the **“You Fight, We Help”** initiative, **“Consolidated Loan for Civil Servants debt program”**, and **“Krungthai Home Easy Cash”**. These programs provide customers with access to low-interest loans, helping to ease financial burdens, improve liquidity for business operations, and enhance day-to-day financial flexibility. All initiatives are implemented in line with the Bank of Thailand's Responsible Lending guidelines.

In the first quarter of 2025, the Bank continued to execute its strategic focus on sustainable growth with prudent and effective asset quality management. The Bank maintained a high Coverage Ratio at 187.7%, reinforcing its resilience amid ongoing economic uncertainties. Net profit attributable to the Bank amounted to THB 11,714 million.

Compared to 1Q2024^{1/}, net profit attributable to the Bank recorded a slight increase, supported by growth in income from risk mitigation financial products, investments, and net investment gain. The Bank continued to manage its expenses efficiently, resulting in a cost to income ratio of 40.4%. Expected credit loss was prudently set aside at an appropriate and sufficient level, consistent with the same period last year. NPL remained effectively managed at THB 95,017 million, with the NPL ratio improving to 2.97% from 2.99% at the end of 2024, reflecting the Bank's balanced portfolio management amid a volatile environment.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Compared to 4Q2024^{1/}, net profit attributable to the Bank increased slightly, driven by higher income from risk mitigation financial products, investment, and net investment gains, reflecting market conditions. Operating expenses dropped by 6.5%, reflecting effective overall cost management and as well as a seasonal expense reduction.

As at March 31, 2025, on a Bank-only basis, the Bank's Tier 1 capital ratio and total capital adequacy ratio stood at 18.17% and 21.14% of its RWA, respectively - well above the Bank of Thailand's regulatory requirements. The Bank also maintained strong liquidity, with the Liquidity Coverage Ratio (LCR) consistently above the regulatory minimum.

On March 19, 2025, S&P Global Ratings upgraded the Bank's international credit rating to BBB/A-2 from BBB-/A-3. The upgrade reflected continued improvement in profitability, prudent asset quality management, and the Bank's strong business position.

In 2025, Krungthai Bank remains committed to driving the organization forward under the concept of **"Corporate Value Creation: Enhancing Skills, Creating Value for the Future"**. This initiative aims to enhance the Bank's readiness for the evolving business landscape through five key strategic priorities focused on revenue enhancement, cost optimization, prudent credit risk management, and strengthening employee capability and operational efficiency. The strategy encompasses value creation across five key ecosystems, maximizing potential through both the expansion of existing platforms and the launch of new ones to support future growth. It also includes enhancing customer engagement and service delivery, developing future-ready IT infrastructure and technologies, and fostering a new organizational culture that embraces change and optimizes the use of technology. These efforts are geared toward driving strong and sustainable growth while ensuring consistent, effective returns for shareholders over the long term.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

The Bank and Its Subsidiaries' Performance for the Quarter Ended March 31, 2025

Overview Operating Income and Net Profit

Unit : Million Baht

| | 1/2025 | 4/2024 ⁽³⁾ | Change % | 1/2024 ⁽³⁾ | Change % |
|---|--------|-----------------------|-------------|-----------------------|-------------|
| Net interest income | 27,843 | 29,613 | (6.0) | 29,561 | (5.8) |
| Net fee and service income | 5,442 | 5,809 | (6.3) | 5,577 | (2.4) |
| Other non-interest income | 7,002 | 3,487 | 100.8 | 6,162 | 13.6 |
| Total operating income | 40,287 | 38,909 | 3.5 | 41,300 | (2.5) |
| Total other operating expenses | 16,292 | 17,417 | (6.5) | 17,731 | (8.1) |
| Pre-provision profit ⁽¹⁾ | 23,995 | 21,492 | 11.6 | 23,569 | 1.8 |
| Expected credit losses | 8,223 | 6,725 | 22.3 | 8,029 | 2.4 |
| Operating profit before income tax expenses | 15,772 | 14,767 | 6.8 | 15,540 | 1.5 |
| Income tax expenses | 3,177 | 2,805 | 13.3 | 2,935 | 8.2 |
| Net Profit | 12,595 | 11,962 | 5.3 | 12,605 | (0.1) |
| Net profit (attributable to equity holders of the Bank) | 11,714 | 10,989 | 6.6 | 11,676 | 0.3 |
| ROA (%) ⁽²⁾ | 1.27 | 1.18 | 0.09 | 1.27 | (0.0) |
| ROE (%) ⁽²⁾ | 10.64 | 10.03 | 0.61 | 11.45 | (0.81) |

(1) Pre-provision profit before provision for expected credit losses and income tax expense

(2) ROA and ROE calculated from net income (attributable to equity holders of the bank) divided by average assets and average equity attributable to equity holders of the bank respectively.

(3) Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

For 1Q2025 compared to 1Q2024^{1/}, The Bank continued to execute its strategic focus on sustainable growth with prudent and effective asset quality management. The Bank maintained a high Coverage Ratio at 187.7%, reinforcing its resilience amid ongoing economic uncertainties. Net profit attributable to the Bank amounted to THB 11,714 million, reflecting a slight year-on-year increase. Revenue was primarily driven by growth in income from risk mitigation financial products, investments, and net investment gain. The Bank continued to manage its expenses efficiently, resulting in a cost to income ratio of 40.4%, while continuing to invest in IT and digital capabilities, aimed at developing new products and services in preparation for future industry growth and advancements in technology and innovation. Expected credit loss was prudently set aside at an appropriate and sufficient level, consistent with the same period last year. NPL remained effectively managed at THB 95,017 million, with the NPL ratio improving to 2.97% from 2.99% at the end of 2024, reflecting the Bank's balanced portfolio management amid a volatile environment.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Compared to 4Q2024^{1/}, The Bank's net profit maintained consistent growth, supported by prudent asset quality management. NPL ratio declined to 2.97%, while the coverage ratio remained high at 187.7%. Net profit's growth was primarily driven by increased revenue from risk mitigation financial products, investment, and net investment gains, reflecting market conditions. Meanwhile, operating expenses dropped by 6.5%, reflecting effective cost management and, in part, seasonal expense reduction. As a result, the cost to income ratio stood at 40.4%. The Bank maintained an adequate and appropriate level of expected credit loss, in line with a prudent approach.

Net Interest Income

Unit : Million Baht

| | 1/2025 | 4/2024 ⁽²⁾ | Change | 1/2024 ⁽²⁾ | Change |
|--|---------------|-----------------------|---------------|-----------------------|---------------|
| | | | % | | % |
| Interest income | 38,673 | 41,225 | (6.2) | 40,881 | (5.4) |
| - Interbank and money market items | 2,942 | 3,837 | (23.3) | 3,602 | (18.3) |
| - Investments and trading transactions | 108 | 76 | 42.1 | 93 | 16.1 |
| - Investment in debt securities | 1,856 | 1,967 | (5.6) | 1,580 | 17.5 |
| - Loans | 33,670 | 35,210 | (4.4) | 35,388 | (4.9) |
| - Hire purchase and financial lease | 34 | 42 | (19.0) | 47 | (27.7) |
| - Others | 62 | 93 | (32.3) | 171 | (63.2) |
| Less Interest expense | 10,829 | 11,612 | (6.7) | 11,320 | (4.3) |
| - Deposits | 5,289 | 5,892 | (10.2) | 5,016 | 5.4 |
| - Interbank and money market items | 832 | 894 | (6.9) | 1,297 | (35.9) |
| - Contributions to BOT and DPA | 3,201 | 3,246 | (1.4) | 3,054 | 4.8 |
| - Debts issued | 1,373 | 1,426 | (3.7) | 1,805 | (23.9) |
| - Others | 134 | 154 | (13.0) | 148 | (9.5) |
| Net interest income | 27,843 | 29,613 | (6.0) | 29,561 | (5.8) |
| Earning Asset Yield (%)⁽¹⁾ | 4.28 | 4.56 | (0.29) | 4.58 | (0.31) |
| Cost of Fund (%)⁽¹⁾ | 1.40 | 1.50 | (0.10) | 1.47 | (0.07) |
| Net interest margin [based on earning assets] (%)⁽¹⁾ | 3.08 | 3.28 | (0.20) | 3.31 | (0.23) |

(1) Earning assets include financial assets measured at fair value through profit or loss; Interest bearing debts include financial liabilities measured at fair value through profit or loss.

(2) Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

For 1Q2025 compared to 1Q2024, consolidated net interest income was Baht 27,843 million. The Bank managed its portfolio to maintain a balanced risk-return profile, supported by slight growth in strategic retail loans and government loans amid ongoing economic uncertainty. Efficient interest expense management also contributed, primarily due to the redemption of Tier 2 subordinated debentures in July 2024, along with prevailing interest rate trends.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Compared to 4Q2024, consolidated net interest income decreased QoQ. The Bank continued to manage its portfolio with a focus on balancing risk and return, driven by slight growth in strategic retail loans and government loans under an uncertain economic environment, together with the impact of interest rate trends.

Change of interest rate

| | 26 Feb 2025 | 16 Oct 2024 | 27 Sep 2023 | 2 Aug 2023 | 31 May 2023 | 29 Mar 2023 |
|--------------------------|-------------|-------------|-------------|------------|-------------|-------------|
| Policy Interest Rate (%) | 2.00% | 2.25% | 2.50% | 2.25% | 2.00% | 1.75% |

| | 3 Mar 2025 | 1 Nov 2024 | 5 Oct 2023 | 6 Jun 2023 | 13 Apr 2023 | 1 Feb 2023 |
|---------------------------------|------------|------------|------------|------------|-------------|------------|
| Krungthai Interest Rate (%) | | | | | | |
| Deposit Rate (%) ⁽¹⁾ | | | | | | |
| - Savings Rate | 0.250% | 0.300% | 0.300% | 0.300% | 0.250% | 0.250% |
| - 3 Months Fixed Rate | 1.000% | 1.170% | 1.170% | 0.920% | 0.820% | 0.770% |
| - 6 Months Fixed Rate | 1.100% | 1.250% | 1.250% | 1.050% | 0.950% | 0.850% |
| - 12 Months Fixed Rate | 1.500% | 1.700% | 1.700% | 1.450% | 1.350% | 1.150% |
| Loan Rate (%) | | | | | | |
| - MLR | 6.825% | 6.925% | 7.050% | 6.800% | 6.600% | 6.350% |
| - MOR | 7.020% | 7.270% | 7.520% | 7.270% | 7.070% | 6.870% |
| - MRR | 7.345% | 7.445% | 7.570% | 7.320% | 7.120% | 6.870% |

(1) Standard deposit rate for individuals.

Krungthai Bank supports the government's policy in driving economic growth amid various challenges, including policies from major global economies and domestic structural issues such as the large informal economy and high household debt. To ease financial burdens for customers during the ongoing economic recovery, the Bank reduced its lending interest rates by up to 0.25%. The new rates—effective from March 3, 2025—are as follows: Minimum Lending Rate (MLR) at 6.825% per annum, Minimum Overdraft Rate (MOR) at 7.020% per annum, and Minimum Retail Rate (MRR) at 7.345% per annum.

Net Fee and Service Income

Unit : Million Baht

| | 1/2025 | 4/2024 | Change % | 1/2024 | Change % |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Fee and service income | 7,681 | 8,046 | (4.5) | 7,673 | 0.1 |
| Less Fee and service expense | 2,239 | 2,237 | 0.1 | 2,096 | 6.8 |
| Net fee and service income | 5,442 | 5,809 | (6.3) | 5,577 | (2.4) |

For 1Q2025 compared to 1Q2024, consolidated net fee and service income amounted to Baht 5,442 million, decreasing by 2.4 % YoY, primarily due to the increased use of digital channels by customers. The Bank maintained its focus on wealth management services, leading to continued growth in wealth-related fee income. Credit card fee income also increased, in line with increased transaction volumes.

Compared to 4Q2024, consolidated net fee and service income decreased by 6.3% QoQ, again due to the shift towards digital channels. Nonetheless, fee income from Bancassurance continued to show consistent growth.

Total Other Operating Income

Unit : Million Baht

| | 1/2025 | 4/2024 ⁽¹⁾ | Change % | 1/2024 ⁽¹⁾ | Change % |
|---|--------------|-----------------------|--------------|-----------------------|-------------|
| Gains (loss) on financial instruments measured at fair value through profit or loss | 2,064 | (307) | 773.1 | 1,661 | 24.3 |
| Gain (loss) on investments, net | 1,676 | 273 | 513.4 | 237 | 605.7 |
| Share of profit (loss) from investments for using equity method | 976 | 788 | 23.9 | 1,003 | (2.7) |
| Dividend income | 410 | 41 | 897.6 | 149 | 175.6 |
| Other income | 1,876 | 2,692 | (30.3) | 3,112 | (39.7) |
| Total other operating income | 7,002 | 3,487 | 100.8 | 6,162 | 13.6 |

(1) Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

For 1Q2025 compared to 1Q2024^{1/}, consolidated total other operating income was Baht 7,002 million, increased by 13.6% YoY, mainly driven by gains from financial instruments measured at fair value through profit or loss, as well as net investment gains, reflecting market conditions.

Compared to 4Q2024^{1/}, consolidated total other operating income increased by 100.8% YoY, primarily due to gains from financial instruments measured at fair value through profit or loss, and net investment gains.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Other Operating Expenses

Unit : Million Baht

| | 1/2025 | 4/2024 ⁽²⁾ | Change % | 1/2024 ⁽²⁾ | Change % |
|--|---------------|-----------------------|--------------|-----------------------|--------------|
| Employees' expenses | 6,687 | 6,806 | (1.8) | 6,644 | 0.7 |
| Premises and equipment expenses | 2,243 | 3,027 | (25.9) | 2,436 | (7.9) |
| Taxes and duties | 1,274 | 1,330 | (4.2) | 1,346 | (5.3) |
| Impairment loss of properties for sale | 1,648 | 380 | 333.9 | 3,792 | (56.5) |
| Others ⁽¹⁾ | 4,440 | 5,874 | (24.4) | 3,513 | 26.4 |
| Total other operating expenses | 16,292 | 17,417 | (6.5) | 17,731 | (8.1) |
| Cost to income ratio (%) | 40.4 | 44.8 | (4.4) | 42.9 | (2.5) |

(1) Including Directors' remuneration

(2) Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

For 1Q2025 compared to 1Q2024^{1/}, consolidated other operating expenses decrease of 8.1% YoY. This was mainly due to a normalization of impairment loss of properties for sale, following a prudent impairment setup based on asset potential in 1Q2024. The Bank continued to manage overall expenses efficiently, resulting in a cost to income ratio of 40.4%. At the same time, it maintained ongoing investments in IT and digital capabilities to support the development of new products and services, in preparation for future industry growth and advancements in technology and innovation.

Compared to 4Q2024^{1/}, consolidated other operating expenses decrease of 6.5% YoY, partly due to seasonal expenses such as marketing activities. The Bank maintained effective cost management, with the cost to income ratio remaining at 40.4%.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Expected credit losses

| Unit : Million Baht | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|
| | 1/2025 | 4/2024 | Change | 1/2024 | Change |
| | | | % | | % |
| Expected credit losses ⁽¹⁾ | 8,223 | 6,725 | 22.3 | 8,029 | 2.4 |

(1) Expected credit losses for interbank and money market items, investments in debt securities, loans to customers (including loss from criteria change) and loan commitments & financial guarantee contracts

For 1Q2025 compared to 1Q2024, the Bank and its subsidiaries set aside Expected credit loss (ECL) at a level comparable to the same period last year. This was based on prudent assessment and careful asset quality management. The Bank also maintained a high coverage ratio at 187.7% to cushion against economic sensitivity and uncertainty.

Compared to 4Q2024, the Bank and its subsidiaries set aside ECL of Baht 8,223 million, reflecting a prudent approach to asset quality management and continued maintenance of a high coverage ratio.

The Bank and Its Subsidiaries' Financial Status as at March 31, 2025

Loans to Customers

The Bank's consolidated loans to customers totaled Baht 2,663,326 million, a 1.3% decline from 2024. The Bank has managed its portfolio to maintain a balanced risk-return profile with high quality in an uncertain economic environment. Loans to retail customers, which are a key strategic segment for the Bank, showed slight growth, while government loans expanded, reflecting a cautious growth approach to balance risk and return amidst economic uncertainty.

Unit : Million Baht

| Consolidated Financial Statements | 31 Mar 2025 | 31 Dec 2024 | Change |
|--|-------------|-------------|--------|
| | | | % |
| Loans to customers | 2,663,654 | 2,698,992 | (1.3) |
| <u>Less</u> Deferred revenue | 328 | 381 | (13.7) |
| <u>Add</u> Accrued interest receivables | 23,089 | 24,343 | (5.1) |
| <u>Less</u> Allowance for expected credit losses | 173,209 | 173,879 | (0.4) |
| Loans to customers and accrued interest receivables, net | 2,513,206 | 2,549,075 | (1.4) |

Loan breakdown by type of borrowers (Consolidated's Financial Statements)

Unit : Million Baht

| Consolidated Financial Statement | 31 Mar 2025 | | 31 Dec 2024 | | Change |
|----------------------------------|-------------|-------|-------------|-------|--------|
| | Amount | (%) | Amount | (%) | % |
| Private Corporate | 658,719 | 24.7 | 694,702 | 25.7 | (5.2) |
| Government and State Enterprise | 531,768 | 20.0 | 525,666 | 19.5 | 1.2 |
| SMEs | 267,180 | 10.0 | 272,179 | 10.1 | (1.8) |
| Retail | 1,205,570 | 45.3 | 1,206,009 | 44.7 | 0.0 |
| - Housing | 509,869 | 19.2 | 508,246 | 18.8 | 0.3 |
| - Personal | 623,495 | 23.4 | 621,686 | 23.1 | 0.3 |
| - Credit card | 69,994 | 2.6 | 73,650 | 2.7 | (5.0) |
| - Leasing | 2,212 | 0.1 | 2,427 | 0.1 | (8.9) |
| Others | 417 | 0.0 | 436 | 0.0 | (4.4) |
| Total loans (per F/S) | 2,663,654 | 100.0 | 2,698,992 | 100.0 | (1.3) |

Asset Quality

Loan classification and expected credit loss

Unit : Million Baht

| Consolidated Financial Statement | 31 Mar 2025 | 31 Dec 2024 |
|---|-------------|-------------|
| NPL ⁽¹⁾ | 95,017 | 95,065 |
| NPL Ratio | 2.97% | 2.99% |
| Allowance for Expected Credit Losses (total) ⁽²⁾ | 178,374 | 179,275 |
| Coverage Ratio ⁽³⁾ | 187.7% | 188.6% |

(1) NPL based on principal less deferred revenue while including interbank and money market items

(2) Allowance for expected credit loss (total) = Allowance for expected credit losses for interbank and money market items, loans to customers and loan commitments & financial guarantee contracts

(3) Coverage Ratio = Allowance for expected credit losses for interbank and money market items, loans to customers and loan commitments & financial guarantee contracts / NPL

Unit : Million Baht

| Consolidated Financial Statement | 31 Mar 2025 | | 31 Dec 2024 | |
|---|---|---|---|---|
| | Loans and Accrued Interest Receivables ⁽¹⁾ | Allowance for Expected Credit Losses ⁽²⁾ | Loans and Accrued Interest Receivables ⁽¹⁾ | Allowance for Expected Credit Losses ⁽²⁾ |
| 1. Loan Classification | | | | |
| Performing | 2,401,243 | 44,085 | 2,431,774 | 44,330 |
| Under - performing | 188,703 | 59,700 | 194,468 | 58,431 |
| Non - performing | 94,516 | 68,774 | 94,600 | 70,492 |
| Lifetime ECL - simplified approach ⁽³⁾ | 1,953 | 650 | 2,112 | 626 |
| Total | 2,686,415 | 173,209 | 2,722,954 | 173,879 |

(1) Loan less deferred revenue while including accrued interest receivables and undue interest receivables

(2) Allowance for expected credit losses for loans to customers (including loss from criteria change) per financial statements

(3) Lifetime ECL – simplified approach is the approach of the Bank's subsidiary to recognize the allowance for expected credit losses on lifetime of finance lease receivables

The Bank and its subsidiaries have managed asset quality prudently and effectively. As of March 31, 2025, the NPL was at a well-managed level of Baht 95,017 million. NPL ratio stood at 2.97%, showing a continuous downward trend. The Bank has appropriately set aside expected credit losses to maintain a high coverage ratio, ensuring resilience for all economic situation, with a coverage ratio of 187.7%.

Sources and Uses of Funds

Unit : Million Baht

| | 31 Mar 2025 | | 31 Dec 2024 | | Change |
|--|------------------|--------------|------------------|--------------|------------|
| | Amount | (%) | Amount | (%) | % |
| Net Interbank and money market items (asset) | 587,116 | 15.6 | 534,775 | 14.3 | 9.8 |
| Financial assets measured at fair value through profit or loss | 62,922 | 1.7 | 51,342 | 1.4 | 22.6 |
| Net investments and net investments in associates | 368,955 | 9.8 | 367,235 | 9.8 | 0.5 |
| Loans to customers (less deferred revenue) | 2,663,326 | 70.8 | 2,698,611 | 72.1 | (1.3) |
| <u>Less</u> Allowance for expected credit losses | 173,209 | 4.6 | 173,879 | 4.6 | (0.4) |
| Other assets | 251,743 | 6.7 | 262,384 | 7.0 | (4.1) |
| Total Asset | 3,760,853 | 100.0 | 3,740,468 | 100.0 | 0.5 |
| Deposits | 2,752,208 | 73.2 | 2,731,344 | 73.0 | 0.8 |
| Net Interbank and money market items (liabilities) | 253,843 | 6.7 | 255,872 | 6.8 | (0.8) |
| Debt issued and borrowings | 134,394 | 3.6 | 132,464 | 3.5 | 1.5 |
| Other liabilities | 146,313 | 3.9 | 160,117 | 4.3 | (8.6) |
| Total equity | 474,095 | 12.6 | 460,671 | 12.4 | 2.9 |
| - Equity holders of the Bank | 452,665 | 12.0 | 440,122 | 11.8 | 2.8 |
| - Non-controlling interest | 21,430 | 0.6 | 20,549 | 0.6 | 4.3 |
| Total liabilities and equity | 3,760,853 | 100.0 | 3,740,468 | 100.0 | 0.5 |
| Loans to customers (less deferred revenue)-to-deposits ratio (%) | 96.77 | | 98.80 | | (2.03) |

As at March 31, 2025, the main sources of funding for the Bank and its subsidiaries consisted of deposits, which accounted for 73.2% , and other sources such as equity, interbank borrowings, issued debt securities, and loans. The Bank used 70.8% of its funds for lending to customers (less deferred revenue) , 15.6% for interbank transactions and net money market activities, and 9.8% for net investments and investments in associated companies.

Equity

As of March 31, 2025, the total equity (attributable to the Bank) amounted to THB 452,665 million, an increase of 2.8% compared to December 31, 2024.^{1/}

Book value per share (attributable to the Bank) was THB 32.38 per share, increased from THB 31.48 per share.

Statutory Capital Fund

Statutory Capital Fund (The Bank's Financial Statements)

Unit : Million Baht

| The Bank's Financial Statements | 31 Mar 2025 ⁽²⁾ | | 31 Dec 2024 | | The minimum rate required (%) ⁽¹⁾ |
|---------------------------------|----------------------------|--------------|----------------|--------------|--|
| | Amount | (%) | Amount | (%) | |
| Common Equity Tier 1 capital | 358,548 | 18.17 | 359,352 | 17.89 | >8.000 |
| Tier 1 capital | 377,195 | 19.12 | 377,999 | 18.82 | >9.500 |
| Tier 2 capital | 39,863 | | 40,317 | | |
| Total capital fund | 417,058 | 21.14 | 418,316 | 20.83 | >12.000 |
| Risk-weighted assets | 1,972,998 | | 2,008,361 | | |

(1) According to BOT's regulation, the minimum capital ratios of Commercial Banks in Thailand will be increased to absorb capital conversation buffer until the capital buffer ratio of more than 2.50% is reached on January 1, 2019. Moreover, Krungthai was named as the one-sixth of the Domestic Systemically Important Banks (D-SIBs) requiring to hold all capital ratios to absorb higher loss absorbency of additional 1% of risk-weight assets from January 1, 2020 onwards (reference to the BOT Notification Sor.Nor.Sor. 16/2560 and 17/2560)

(2) Capital fund and capital adequacy ratio are preliminary information prepared accordance with BOT guidelines.

As at March 31, 2025, the Bank's Common Equity Tier 1 was Baht 358,548 million, Tier 1 capital was Baht 377,195 million and Total capital was Baht 417,058 million, representing 18.17%, 19.12% and 21.14% of its RWA, respectively.

The Bank maintains a strong capital adequacy ratio in comparison with the Bank of Thailand's regulatory requirements. Furthermore, the Bank continually assesses the adequacy of its capital ratio to ensure compliance with future regulatory thresholds.

1/ Adjusted to be presented as a comparative purpose with the current period since the associated companies has adopted the financial reporting standard No. 17 - Insurance Contracts for the first time.

Credit Ratings

Bank's credit ratings rated by S&P Global Ratings, Moody's Investors Service and Fitch Ratings were as follows:

| S&P Global Ratings | Mar 2025 | Dec 2024 | Sep 2024 |
|--|----------------------|----------------------|----------------------|
| - Long-term/ Short-term | BBB / A-2 | BBB- / A-3 | BBB- / A-3 |
| - Outlook | Stable | Positive | Positive |
| - Stand-Alone Credit Profile (SACP) | bb+ | bb | bb |
| Moody's Investors Service | Mar 2025 | Dec 2024 | Sep 2024 |
| - Long-term/ Short-term | Baa1 / P-2 | Baa1 / P-2 | Baa1 / P-2 |
| - Outlook | Stable | Stable | Stable |
| - Baseline Credit Assessment (BCA) | baa3 | baa3 | baa3 |
| - Additional Tier I Subordinated Notes (USD) | Ba3 | Ba3 | Ba3 |
| Fitch Ratings | Mar 2025 | Dec 2024 | Sep 2024 |
| Foreign Currency Credit Ratings | | | |
| - Long-term/ Short-term | BBB+ / F1 | BBB+ / F1 | BBB+ / F1 |
| - Outlook | Stable | Stable | Stable |
| - Viability Rating | bbb- | bbb- | bbb- |
| National Credit Ratings | | | |
| - Long-term/ Short-term | AAA(tha) / F1+ (tha) | AAA(tha) / F1+ (tha) | AAA(tha) / F1+ (tha) |
| - Outlook | Stable | Stable | Stable |
| - Senior unsecured debentures (Baht) | AAA(tha) | AAA(tha) | AAA(tha) |
| - Subordinated Debt (Baht) | AA(tha) | AA(tha) | AA(tha) |

On March 19, 2025, S&P Global Ratings announced an upgrade of the Bank's international credit rating, raising both its long-term and short-term ratings to BBB/A-2 from BBB-/A-3. Additionally, the Bank's Stand-Alone Credit Profile (SACP) was upgraded to bb+ from bb. This upgrade reflects the Bank's continuous improvement in profitability, prudent asset quality management, and its strong business position.

Note: The percentage change stated in this document was calculated from the financial statement figures.

Disclaimer

This document contained information regarding the Bank's financial performance and business operations, macro-economic data and other relevant information, which some parts of such information are forward-looking statements based on the view or assumptions of the Bank on current information. In case of changing in such information, the Bank reserves the right to change any information herein without prior notice. As the actual results in the future may differ materially from those anticipated in this document and this document shall not be deemed to be a guarantee of the Bank's financial performance and business operations in the future, investors, therefore, should exercise individual judgment when considering the Bank's information for any purpose.