



KASIKORNBANK

Investor Presentation as of 4Q23

January 2024

For further information, please contact the Investor Relations Unit or visit our website at www.kasikornbank.com

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KASIKORNBANK at a Glance

Vision: "KASIKORNBANK aims to be the most innovative, proactive, and customer centric financial institution, Delivering world class financial services and sustainable value to all stakeholders by harmoniously combining technology and talent"

- Established on June 8, 1945 with registered Capital of Bt5mn (USD0.14mn)
- Listed on the Stock Exchange of Thailand (SET) since 1976



Core Value:
Customer at Heart |
Collaboration | Agility |
Innovativeness | Integrity

Consolidated (2023)

Financial figures				Share information		
	Assets	Loans ¹	Deposits		KBANK	KBANK-F
Value	Bt4,284bn (USD125.2bn)	Bt2,490bn (USD72.8bn)	Bt2,700bn (USD78.9bn)	Average share price	Bt131.13 (USD3.80)	Bt130.03 (USD3.80)
Rank ²	#2	#2	#3	Share capital	Authorized Bt30.2bn (USD0.88bn)	Issued and paid-up Bt23.7bn (USD0.69bn)
Market share	16.47%	15.86%	16.59%	Number of shares and market capitalization	# of shares 2.4bn	Market Capitalization Bt319.9bn (USD9.35bn)
Key ratio and operating figures				Key ratio	EPS	BVPS
Key ratio	CAR 19.41% ³	ROE 8.29% ⁴	ROA 0.99%		Bt17.58 (USD0.51)	Bt218.09 (USD6.37)
Operating	Branches 809	K PLUS Users 21.7 mn	Employees ⁵ 31.9 k			

Note:
1. Loans = Loans to customers
2. Assets, loans and deposits market share is based on C.B.1.1 (monthly statement of assets and liabilities) of 17 Thai commercial banks as of November 2023
3. Capital Adequacy ratio (CAR) has been reported in accordance with Basel III Capital Requirement from 1 January 2013 onwards. CAR is based on KASIKORNBANK FINANCIAL CONGLOMERATE, which means the company under the notification of the Bank of Thailand re: consolidated supervision, consisting of KBank, K companies and subsidiaries operating in supporting KBank, Phetthai Asset Management Co., Ltd. and subsidiaries within the permitted scope from the BOT's to be financial conglomerate.
4. ROE = Net profit (attribute to equity holders of the Bank) deduct dividend from other equity instruments after income tax divided by average equity of equity excluded other equity instruments
5. Consolidated Number of employees includes employees of KBank, the wholly-owned subsidiaries of KBank and support service providers of KBank.
6. Exchange rate at the end of December 2023 (Mid Rate) was Bt34.22 per USD (Source: Bank of Thailand)

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Operating Environment and Challenges

Thai Economic Recovery Remains Uneven and in K-Shaped Recovery

Risks and Challenges

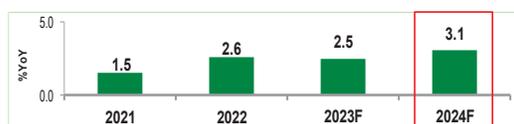
Global

- Uncertain Economic Growth
- Ongoing Geopolitical Risk
- Climate Change
- Newly Introduced Rules and Regulations

Thailand

- Uncertain Economic Recovery
- Aging Society
- Competitive Technology, Innovation, ESG
- High Household Debt

Key GDP Forecasts and Assumptions



% YoY	2021	2022	2023F* (Dec 23)	2024F* (Dec 23)
GDP	1.5	2.6	2.5	3.1
Private Consumption	0.6	6.3	7.0	2.8
Government Consumption	3.7	0.0	-4.9	2.0
Total Investment	3.1	2.3	1.2	2.3
Exports (Customs Basis)	17.4	5.5	-1.3	2.0
Imports (Customs Basis)	29.5	13.6	-3.3	2.6
Headline Inflation	1.2	6.1	1.3	0.8
No. of Foreign Tourists (Mn)	0.4	11.2	27.6	30.6
Policy Interest Rate**	0.50	1.25	2.50	2.25

- Thai GDP in 2024 is expected to grow 3.1%, up from 2023's projected 2.5%, mainly driven by a continuous rebound in tourism and exports, and government spending.
- However, uncertainty in the global economy may continue to weigh on Thai economic recovery.
- Average headline inflation for 2024 is expected to decline to 0.8%, given lower pressure from global energy prices.
- Thai economic recovery has been uneven, returning to pre-pandemic levels in 2023.
- Meanwhile, Thai economy is expected to grow around 3% in 2025-2026.

Notes: MPC's policy rate is at 2.50% (as of February 7, 2024)
Source: * KResearch (as of December 12, 2023)
** KBank Capital Markets Research (as of February 14, 2024)

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KBank Journey

Key Operating Environment, Challenges and Risks

Year	Operating Environment	Key Event/Action
1992	Re-engineering	
1997	Asian Financial Crisis	
2000 - 03	Re-organization	
2005	Customer Centricity	
2007	Digital Transformation	
2008	Subprime Crisis Airport Closed	
2009	Political Unrest (2009 - 2014)	- MTGH Acquisition - Mobile Banking App
2011	Thai Big Flood	
2013	BASEL III	
2014	SD Policy	

Operating Environment – Lingering Economic Uncertainties, Multiple Challenges, and Intense Competition over the Past Ten Years
(Global and Domestic Economic Uncertainty; Digital Disruption; Geopolitical Risk; Climate Change; High Household Debt; COVID-19; etc.)



Banking Sector

- 2015: Established KBTG - AEC+3
- 2016: Develop Ecosystem Strategy
- 2017: Insurance Business Tightening
- 2018: PromptPay & Fee Cancellation
- 2019: Responsible Lending
- 2020: TFRS 9
- 2021: Announce Net Zero Commitment
- 2023: Established KIV

Empower Every Customer's Life and Business; Dominate Digital Payment; Reimagine Lending; Democratize Investment and Insurance; Penetrate Regional Markets (AEC+3)

Note: * Average 4 banks : SCB, BBL, KTB, BAY
KBTG = KASIKORN BUSINESS-TECHNOLOGY GROUP; KIV = KASIKORN INVESTURE

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Vision and K-Strategy: Focus on three strategic priorities +1 in medium- and long-term to increase competitiveness, capture growth opportunities, and deliver sustainable value to all stakeholders



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Double-digit ROE by 2026 with Strong Execution, Prudent Discipline and Concrete Measurement Proactively Enhance Overall Risk-adjusted Return on Capital to Uplift Shareholder Value



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Reinvigorate Credit Performance

- Revamp credit strategy and reinvigorate key capabilities to enable business growth with sustainability
- Drive optimization through portfolio structure-mixed adjustment and risk-adjusted return on capital (RAROC) improvement

	Key Strategies		Key Measurements
1 Credit	<p>New Customers (Focus on existing non-credit customers)</p> <hr/> <p>Existing Customers (Focus on existing healthy credit customers)</p>	<p>Growing Quality Credit Product Portfolio</p> <ul style="list-style-type: none"> Focus on growing new loan quality through secured credit products with focus on middle income customers and higher segments Utilize data-driven modeling techniques focusing on internal data e.g. existing K PLUS customers and payment data to selectively acquire new-to-credit customers according to desired risk appetite 	<p>New Loans:</p> <ul style="list-style-type: none"> Penetration of new to credit* Loan Growth <p>Asset Quality:</p> <ul style="list-style-type: none"> NPL ratio Credit Cost Coverage Ratio
2		<p>Proactive Retention & Anti-Attrition, especially consumers and SME segment</p> <ul style="list-style-type: none"> Conduct up- and cross-selling as well as increase share of wallet to targeted good performance customers Remain proactive to identify and provide customer solutions to prevent refinancing and enhance customer loyalty Enhance competitive advantages and strengthen ecosystem to increase brand value and customer benefits; raise barriers to exit Strengthen relationship with corporate customers and their supply chain to capture new business opportunities with proven track records 	
3			
+1			

Note: *New to credit = existing non-credit customers

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Reinvigorate Credit Performance

Enhance End-to-End Transformation to Elevate Credit Capabilities for Business Growth

	Origination	Monitoring & Data Acquisition	Collection & Recovery
1 Credit	<p>Tailor-made credit approval processes and analytics to ensure credit quality</p> <ul style="list-style-type: none"> Deeper approval processes customization according to customer risk and persona Enhance approval scores and analytics using payment and alternative data 	<p>Embed Artificial Intelligence (AI) and Machine Learning (ML) Driven Monitoring Approach</p> <ul style="list-style-type: none"> Enhance corporate early warning system with expanded data and near real time analytics 	<p>Enhance Collection Analytics to Increase Recovery</p> <ul style="list-style-type: none"> Enhance analytical models to identify best location, time, number to contact, and persona models Identify sub-segment strategy for the right customer collection treatments
2	<p>Optimize Commercial Portfolio Strategy</p> <ul style="list-style-type: none"> Dynamically evaluate target industry to ensure highest risk-adjusted return on SME portfolio Lead generation capability to capture high growth industries and their supply-chain 	<p>Decision Led Multi-Dimension Dashboard Development</p> <ul style="list-style-type: none"> Increase granularity of sub-segmentations to enhance tracking and monitoring capabilities Ensure data availability and single version of truth through Modernized Data Foundation (MDF) Project 	<p>Uplift Collection Operation Capability</p> <ul style="list-style-type: none"> Uplift collection capability ex. optimize demand supply management, optimize collection strategy based in customers' behavior Collection process reengineering to streamline operation, lean process and improve productivity Enhance collection workflow and IT systems to support frontline activity
3	<p>Fraud Analytics</p> <ul style="list-style-type: none"> End-to-End fraud management with analytical tools and database to detect fraud 		
+1			

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Scale Capital-lite Fee Income Businesses (Wealth and Payment): Wealth

Sustainable and holistic wealth advisory and competitive bancassurance products offering sales and service model enhancement and brand strengthening

	Key Strategies			Key Measurements
1	<p>Comprehensive Product Offerings</p>	<p>Sale & Service Model Enhancement</p>	<p>K-Wealth Brand Strengthening</p>	<p>Net Fee Income</p>
2	<p>Sustainable and holistic wealth advisory and service throughout customer's life stage</p>			<p>Wealth</p> <ul style="list-style-type: none"> Mutual Fund AUM Bancassurance Premium Wealth Product holding Customer investment return
3 Fee	<ul style="list-style-type: none"> Offer full-suite investment products using core & satellite portfolio strategy to advise customer according to their needs and risk appetites Provide comprehensive bancassurance products focusing on legacy, retirement and health Leverage customer financial data and analytic capability to offer right product at the right timing 	<ul style="list-style-type: none"> Expand Wealth customers into our large healthy SMEs to capture more opportunity and to support all aspect of our customers needs Provide single trusted relationship for integrated sales and services to customers with wealth expert and specialist support Enhance wealth management functions on K PLUS to provide comprehensive investment and protection products in a digital-first journey 	<ul style="list-style-type: none"> Becoming brand-of-choice by revamping WISDOM's Value Propositions: <ul style="list-style-type: none"> Holistic wealth advisory approach, Integrated customer offering, and Exclusive financial benefits and privileges 	
+1				

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Scale Capital-lite Fee Income Businesses (Wealth and Payment): Payment

Dominate digital payment and increase main operating bank with #1 K PLUS in mobile banking platform

	Key Strategies	Key Measurements
1	<p>Payment Accessible anytime, anywhere for everyone</p> <p>Payment: Dominate digital payment and increase main operating bank with #1 K PLUS in mobile banking platform with secure, convenient, and better experience throughout customer journey</p> <ul style="list-style-type: none"> Expand into potential growth areas related to tourism and international trade and business sectors e.g. FX, merchant, and cross border payment fees thru reliable, simple, and cost-effective solutions and universal source of fund acceptance capability that fits domestic and overseas ecosystems Optimize cost on lower fee areas due to customer behavior change e.g. transaction service fee thru optimizing IT system (money transfer) and operation cost (cheque processing) Develop new payment revenue model from product solution offerings for merchant business e.g. subscription fee, value-added package, business assistant with partner, and Banking as a Service (BaaS) for cross border payment 	<p>Net Non-Interest Income <u>Payment</u></p> <ul style="list-style-type: none"> Digital Payment Share Cost per Transaction CASA
2		
3		
+1	<p>Anytime and Anywhere by Embedded Services in Digital Ecosystem</p> <ul style="list-style-type: none"> Be top-of-mind solution by integrating K PLUS into all necessary ecosystems <p>e.g. </p>	

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Strengthen and Pioneer Sales and Service Models to Deliver Value-based Results

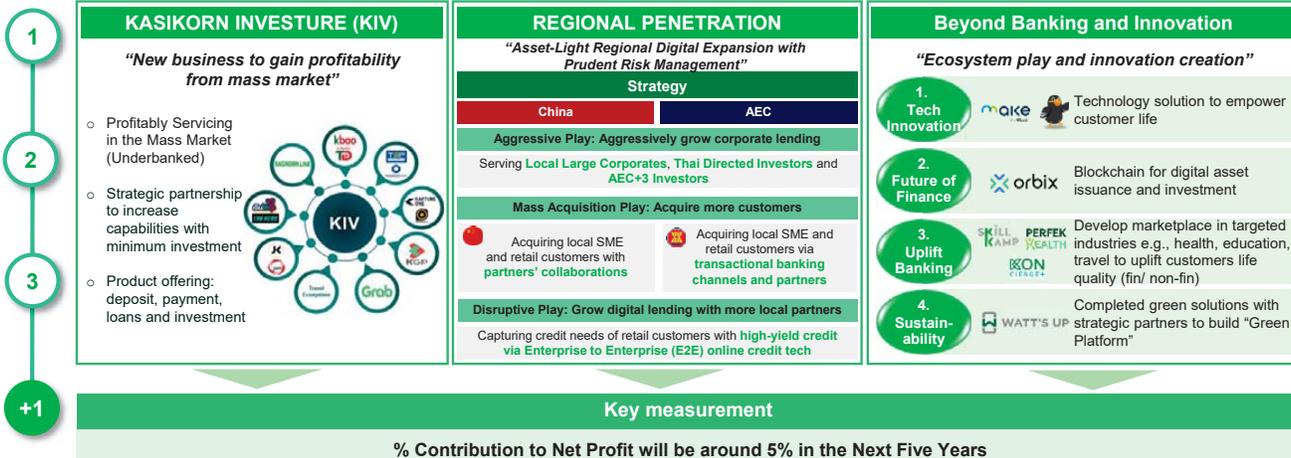
Create Digital-first experience and seamlessly Integrate with Human-assisted and Cross-channel experiences to accelerate revenue generation

	Key Strategies	Key Measurements
1	<p>Digital First Experience</p> <ul style="list-style-type: none"> Create digital-first experience with cross-channel integration to deliver better customer experience, sales, and services Strengthen leading position in digital banking for both retail and business users: <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p>Better Life Better Finance No.1 mobile banking in number of users and transactions</p> </div> <div style="text-align: center;"> <p>One-stop banking solution for business Digital platform for small and medium businesses</p> </div> </div> <p style="text-align: center;">↕</p> <p>Human Assisted Experience</p> <ul style="list-style-type: none"> Maximize digital sales and services for cost optimization Migrate basic transactions to digital channels and complement with human assistance for complex transactions <div style="display: flex; justify-content: center; gap: 10px;"> </div>	<ul style="list-style-type: none"> K PLUS Active Users K BIZ Active Users %Digital Transaction (Sale and Service) Cost per Transaction Total NPS Score Sale Revenue per Channel Expense
2		
3		
+1	<p>Channel</p>	

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New Revenue Creation for medium- and long-term

- Create value and total solutions by developing collaborative ecosystems with partners
- Cautiously explore opportunities while closely monitoring risks for immediate and timely risk mitigation



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Enablers of K-Strategy

Strengthen K-Strategy with Better Execution to Enhance Value-based Results

Key Strategies	Key Measurements
Modern Technology	<p>Technology</p> <ul style="list-style-type: none"> ▪ 3 years IT master plan delivery result in good execution ▪ System stability and service operation as the Best bank in Thailand ▪ New Data platform/data analytic/AI use cases deployment in Y2024
Scalable Data & Analytics	<p>Data</p> <ul style="list-style-type: none"> ▪ % key business utilizing data analytics and AI on key business use cases ▪ % key business with data self-service skills with ready to use data ▪ Best in class big data platform
Performance Driven Organization	<p>HR</p> <ul style="list-style-type: none"> ▪ Human Capital ROI ▪ Strategic capability readiness

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2024 Financial Targets

Consolidated	2023 Actual	2023 Targets	2024 Targets	Notes (2024)
NIM	3.66%	3.3 – 3.45%	Maintain	NIM maintains in line with interest rate trend and selective loan growth; cost of funds remain high from last year rising interest rate.
Loan Growth	-0.19% YTD	5 – 7%	3-5%	Sensible loan growth in line with the economy; focus on growing quality loans in selective recovering sectors, secured loans and regional expansion strategy; continue focusing on asset quality by revamping credit strategy, reinvigorating key capabilities, and enhancing end-to-end transformation.
Net Fee Income Growth*	-5.17% YoY	Flat growth	Mid to High-Single Digit	Improved net fee income growth driven by new strategic growth in wealth management business; despite lower conventional transaction fees due to changing consumer behavior.
Cost to Income Ratio**	44.10%	Low to Mid-40s	Low to Mid-40s	Moderate revenue growth; potential investment to support K-Strategy; continuing cost management and productivity improvements.
Credit Cost per year (bps)	208 bps	175 – 200 bps	175-195 bps	Continue proactive asset quality clean up and prudent financial policy; credit cost peaked in 2022 and gradually decreases in 2023-2024 but remain high to cover future uncertainties; credit cost will reach a normalized level in 2025. Stable NPL ratio amid uncertain economic recovery.
NPL Ratio (Gross)***	3.19%	< 3.25%	< 3.25%	
ROE****	8.29%	N/A	N/A	
ROA	0.99%	N/A	N/A	
Dividend Policy	Not Less than 25% ⁽¹⁾ Dividend Payout on Consolidated Net Profit			⁽¹⁾ However, if facing an unforeseen circumstance, the Bank may consider not to pay at the above-mentioned level of not less than 25 percent of dividend payout ratio by considering prudence and suitable return to shareholders.

Note: * Net Fee Income = Fees and Service Income – Fees and Service Expense; ** Cost to Income Ratio = Total Other Operating Expenses to Total Operating Income – net (Total Operating Income less Underwriting Expenses); *** NPL Ratio (Gross) = NPL (gross) to total loans; NPL (gross) used in the calculation are loans to general customers and loans to financial institutions that are non-performing loans; total loans used in the calculation are loans to general customers and loans to financial institutions **** ROE = Net profit deducted Additional Tier 1 dividend after tax/Average total equity excluded Additional Tier 1

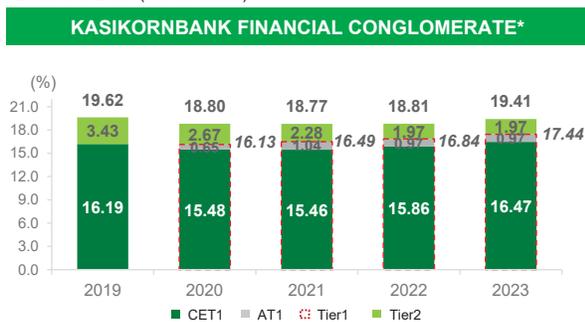
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Capital and Dividend

December 2023 (Consolidated)



- **Capital** Capital adequacy remains sufficient through the changing economic environment and to support business growth; maintained adequate Tier 1 ratio, as required under the Basel III and new requirements.
- **Dividend** In determining dividend payments, the Bank will take into consideration its operating results as well as suitable sustainable long-term returns to shareholders. The Bank aims to pay not less than 25% dividend payout on consolidated net profit. However, if facing an unforeseen circumstance, the Bank may consider not to pay at the above-mentioned level of not less than 25% of dividend payout ratio by considering prudence and suitable return to shareholders.

Note: * KASIKORNBANK FINANCIAL CONGLOMERATE means the company under the Notification of the Bank of Thailand re: Consolidated Supervision, consisted of KBank, K Companies and subsidiaries operating in supporting KBank, Phethai Asset Management Co., Ltd. and other subsidiaries within the permitted scope from the BOT's to be financial conglomerate.

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Summary

- **K-Strategy:** Customer Centricity remains our core philosophy with the purpose “Delivering Sustainable Value to all Stakeholders”
- **Double-digit ROE target by 2026:** refocus on three priorities (reinvigorate credit performance, scale capital-lite fee income businesses and strengthen and pioneer sales and service models); building on competitive strengths and prioritizing growth opportunities to deliver high quality earnings growth and improve productivity
- **Selective Growth:** loans to grow carefully with prudent underwriting policy and NPL outflow management in line with economic conditions; appropriate liquidity maintained; proactive asset quality management closely monitored and constantly reviewed; prudent loan loss reserves; manageable cost to income ratio
- **Adequate Capital:** Capital adequacy remains sufficient to support new business growth; adequate Tier 1 ratio as required under Basel III and new regulatory requirements amid global economic uncertainty
- **Sustainable Development:** conduct business with the principles of a Bank of Sustainability, appropriate risk management, and good corporate governance principles; strive to balance economic, social, and environmental dimensions to achieve goals and create long-term sustainable returns

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2023 Financial Performance

Consolidated	2022 Actual	2023 Actual	2023 Targets	Notes (2023)
NIM	3.33%	3.66%	3.3 – 3.45%	NIM increased align with interest rate trend, despite higher cost of fund from FIDF and higher deposit rate. More than 90% of interest income received in cash.
Loan Growth	3.03%	-0.19%	5 – 7%	Loans decreased from SME, Home loan, and Personal loan, due to prudent underwriting policy and NPL outflow management, while corporate business, Regional and KLeasing increased.
Net Fee Income Growth ¹⁾	-6.89%	-5.17%	Flat	Net fee income decreased from brokerage business in line with market conditions, and a drop in transaction service fees.
Cost to Income Ratio ²⁾	43.15%	44.10%	Low to Mid-40s	Cost to income increased YoY but within target from higher operating expenses (from an increase in customer service expenses according to business volume and partly due to employee expenses from cost of living subsidy measures which were one-time expenses). Focus on cost management and productivity improvement, with new investments for future growth.
Credit Cost per year (bps)	211 bps	208 bps	175 - 200 bps	Credit cost remained high, and in line with guidance of slightly exceed the target range, but stay within 210 bps, due to ongoing, proactive asset quality cleanup efforts, and a one-time deterioration in a large corporate loan.
NPL Ratio (Gross) ³⁾	3.19%	3.19%	< 3.25%	Asset quality is manageable with prudent policy and focus efforts.
ROE ⁴⁾	7.38%	8.29%	N/A	
ROA	0.86%	0.99%	N/A	

Note: 1) Net Fee Income = Fees and Service Income – Fees and Service Expense; 2) Cost to Income Ratio = Total Other Operating Expenses to Total Operating Income – net (Total Operating Income less Underwriting Expenses); 3) NPL Ratio (Gross) = NPL (gross) to total loans; NPL (gross) used in the calculation are loans to general customers and loans to financial institutions that are non-performing loans; total loans used in the calculation are loans to general customers and loans to financial institutions; 4) ROE = Net profit deducted Additional Tier 1 dividend after tax/Average total equity excluded Additional Tier 1

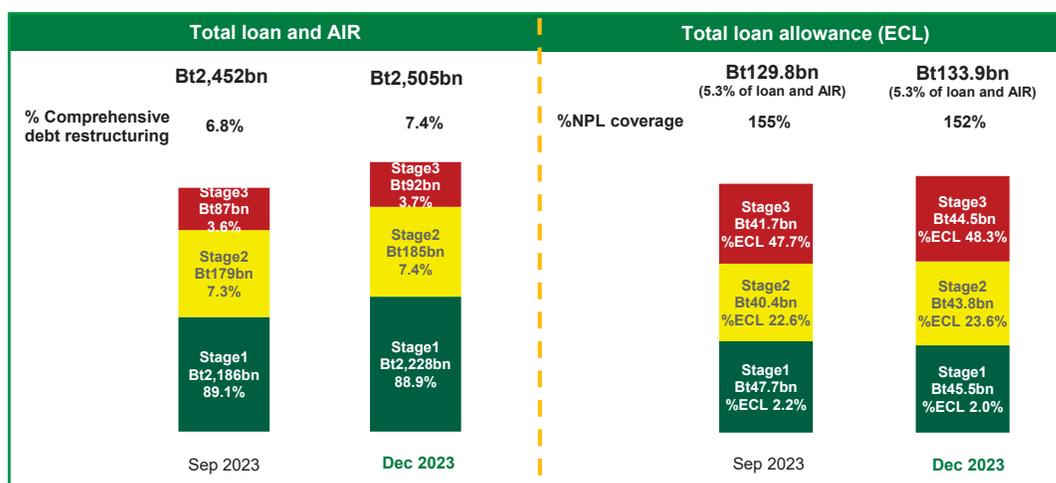
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Classified Loans

- K-Shape economic recovery and large corporate customer cases put pressure on loan stage2 and stage3.
- With prudent policy, ECL remained high.

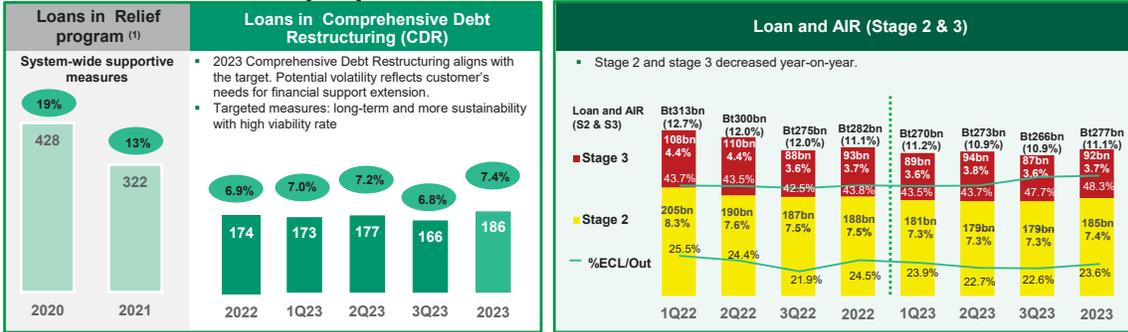


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Balance Sheet Cleanup Updates



	2019	2020	2021	2022	1Q23	2Q23	3Q23	4Q23	2023
Total Loan Allowance (bn)	125	134	145	134	128	128	130	134	134
ECL to Loan and AIR (%)	6.2%	6.0%	5.9%	5.3%	5.2%	5.2%	5.3%	5.3%	5.3%
Credit Cost (bps)	174 bps	205 bps	173 bps	211 bps	205 bps	208 bps	209 bps	220 bps	208bps
NPL ratio (%)	3.65%	3.93%	3.76%	3.19%	3.04%	3.20%	3.11%	3.19%	3.19%
NPL Coverage (%)	148.6%	149.2%	159.1%	154.3%	156.7%	147.3%	154.9%	152.2%	152.2%
Write - off (bn)	26.4	21.5	27.4	59.0	1.0	4.3	3.7	5.1	14.1
NPL Sales (bn) ⁽²⁾	7.1	6.8	0	72.0	35.6	15.0	23.0	4.8	78.4

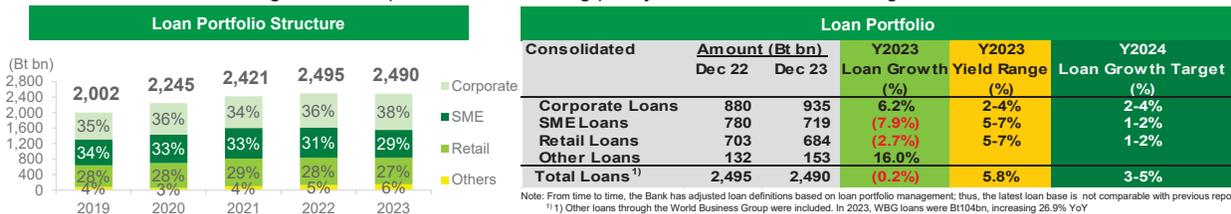
Note: 1) Loans in relief programs including debt resolution measures during the early stage of COVID-19, covering broad-based payment holiday and opt-in program; loans in CDR before 3Q23 included one-year scheme
2) NPL sales = legal claim amount, not book value of transferring amount

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Composition of Growth: Loans by Business

Selective careful loan growth with prudent underwriting policy and NPL outflow management in line with economic conditions



Note: From time to time, the Bank has adjusted loan definitions based on loan portfolio management; thus, the latest loan base is not comparable with previous reports.
⁽¹⁾ Other loans through the World Business Group were included. In 2023, WBG loans were Bt104bn, increasing 26.9% YoY

	2023	2024 Outlook
Corporate Loans	<ul style="list-style-type: none"> Loans increased YoY, primarily driven by short-term loans. Growth was mainly observed in financial institute, real estate, industrial agriculture, petroleum & petrochemical products, and construction sectors 	<ul style="list-style-type: none"> Focus on supporting ESG loans in prospective industries Projected corporate loan growth driven by customers' new investment opportunities
SME Loans	<ul style="list-style-type: none"> SME loan outstanding decreased due to balance sheet clean up as well as to control and mitigate credit risk from viable customers Focus on secured credit customers KBank still provides various product offerings matched to customers' needs with risk-based offerings 	<ul style="list-style-type: none"> Grow prudently in line with the market, focusing on maintaining lead position Leverage our strong SME leadership role by utilizing customer data to explore credit opportunities in specific industries Support business growth of healthy SME customers and accelerate support to at-risk SMEs to maximize recovery
Retail Loans	<ul style="list-style-type: none"> Unsecured loans (Credit Card and Personal Loans) decreased due to a prudent credit policy aimed at controlling and mitigating credit risk Home Loans decreased due to market competition 	<ul style="list-style-type: none"> Focus on data strengths to identify and target high-value customer segments for portfolio growth. Competitive prices with risk-based pricing allows the Bank to attract and retain quality customers Utilize internal and external data to offer products and promotions aligned with customers' needs and ensure effective risk management Focus on generating additional revenue from existing credit customers

Loan Definition
Corporate Loans: Loans of KBank and KBank's Subsidiaries in Corporate Segments (annual sales turnover > Bt400mn)
SME Loans: Loans of KBank and KBank's Subsidiaries in SME Segments (annual sales turnover < Bt400mn)
Retail Loans: Loans of KBank and KBank's Subsidiaries in Retail Segments

Other Loans: Composed of loans through the World Business Group, insurance business (MTL), and other loan types not directly attributable to the main business groups. Before Y2020, other loans were loans in Enterprise Risk Management Division (NPL + Performing Restructured Loans) reclassified to their customer segments.

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Net Interest Margin

December 2023 (Consolidated)



- NIM stood at 3.66% in 2023, increased YoY align with interest rate trend, despite higher cost of fund from FIDF and higher deposit rate. More than 90% of interest income received in cash.
- High portion of CASA (80%) also helped support cost of fund.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
NIM (%)	3.31	3.27	3.21	3.33	3.66	3.46	3.63	3.76	3.83
Yield on Earnings Assets (%)	4.19	3.83	3.64	3.79	4.52	4.21	4.47	4.67	4.80
Yield on Loans (%)	5.21	4.82	4.71	4.97	5.84	5.49	5.91	6.19	6.06
Cost of Fund (%)	1.23	0.78	0.59	0.62	1.17	1.01	1.14	1.24	1.32
Cost of Deposits (%), incl DPA	1.14	0.71	0.54	0.53	0.98	0.87	0.94	1.04	1.10

Note: Cost of deposits including contributions to the Financial Institutions Development Fund (FIDF) and Deposit Protection Agency (DPA).

* The FIDF fee is temporarily reduce from 0.46% to 0.23% for 3 years, according to the BOT announcement in the Royal Gazette, during January 2020 to December 2022.

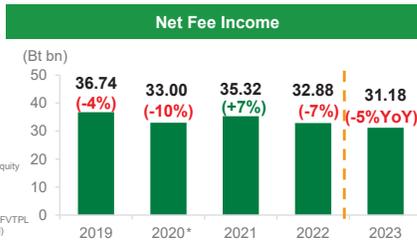
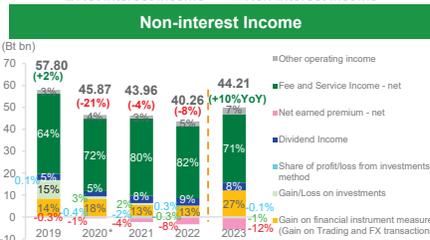
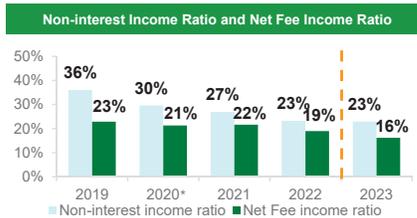
** The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards (non-TFRS9).

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Composition of Growth: Net Fees and Non-interest Income

December 2023 (Consolidated)



Note: - Non-interest Income Ratio = Non-interest Income/Total Operating Income - net

- Net Fee Income Ratio = Net Fee Income / Total Operating Income - net

- Net Premium Earned - net = Net Premium Earned less Underwriting Expense

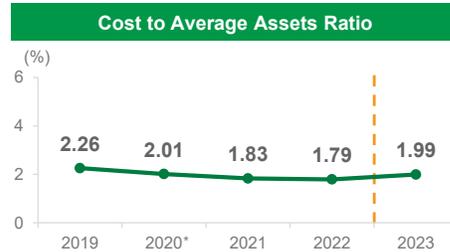
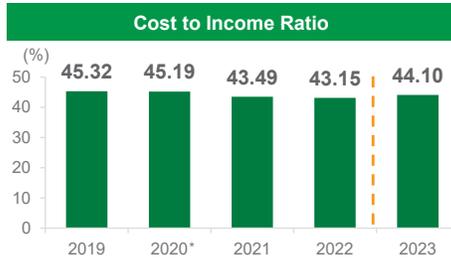
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Cost to Income Ratio

December 2023 (Consolidated)



- 2023 cost to income ratio was 44.10%, increased YoY from higher operating expenses (from an increase in customer service expenses according to business volume and partly due to employee expenses from cost of living subsidy measures which were one-time expenses in 1Q23).
- Focus on cost management and productivity improvement, with new investments for future growth.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Cost to Income Ratio (%)	45.32	45.19	43.49	43.15	44.10	42.50	43.37	42.07	48.15
Cost to Average Assets Ratio (%)	2.26	2.01	1.83	1.79	1.99	1.87	1.96	1.86	2.29

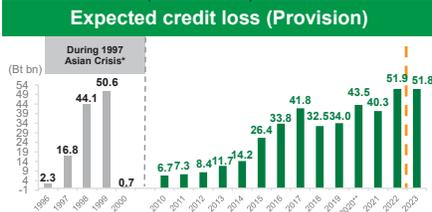
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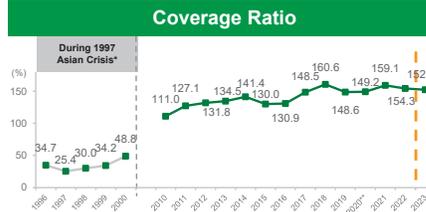


Asset Quality and Expected Credit Loss (Provision)

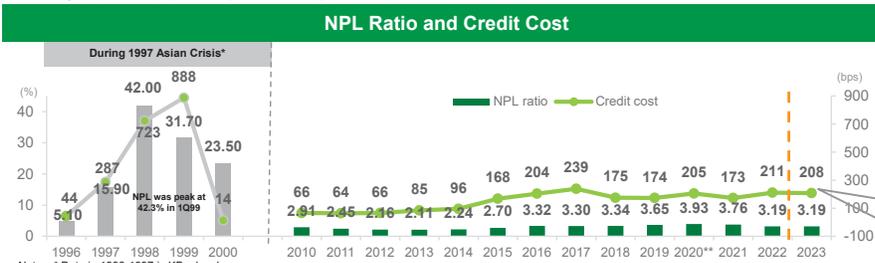
December 2023 (Consolidated)



Note: Provision referred to Impairment Loss on Loans and Debt Securities; from January 1, 2020 onwards based on TFRS9, provision refers to Expected Credit Loss



- Asset quality is manageable with prudent policy and focus efforts.
- NPL ratio in 2023 was at 3.19%, with coverage ratio of 152.2%.
- Credit cost remained high, and in line with guidance of slightly exceed the target range, but stay within 210 bps, due to ongoing, proactive asset quality cleanup efforts, and a one-time deterioration in a large corporate loan.



Notes: ** Data in 1996-1997 is KBank only
** The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards (non-IFRS9).
*** NPL ratio in retail business, excluding 180 dpd (days past due) of credit card and consumer loans for peer comparison

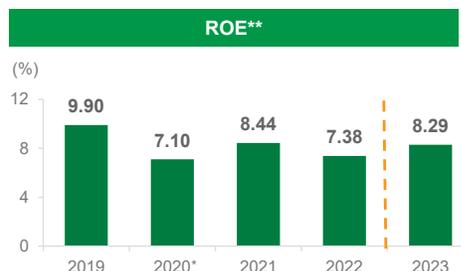
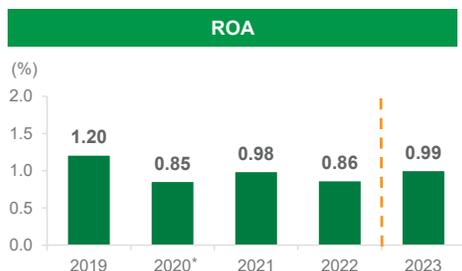
NPL Ratio by Business	2017	2018	2019	2020	2021	2022	2023
Corporate Business	<2%	<2%	<2%	<2%	<2%	<2%	<2%
SME Business	-5%	-5%	-6%	<7%	<7%	<7%	<7%
Retail Business***	-4%	-4%	-4%	<5%	<5%	<5%	<5%

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ROA and ROE

December 2023 (Consolidated)



	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
ROA (%)	1.20	0.85	0.98	0.86	0.99	1.01	1.03	1.06	0.88
ROE (%)	9.90	7.10	8.44	7.38	8.29	8.43	8.82	8.63	7.32

Note: * The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards (non-IFRS9).

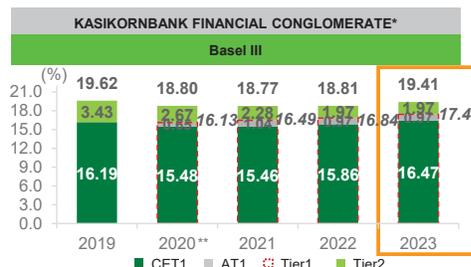
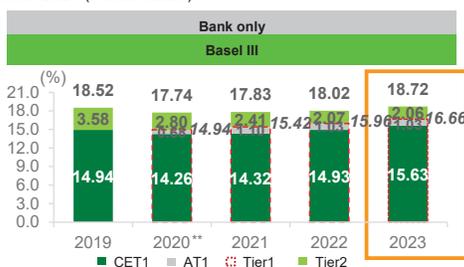
** ROE = Net profit (attributable to equity holders of the Bank) deduct dividend from other equity instruments after income tax - divided by average equity of equity excluded other equity instruments

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Capital (Reported Number: Excluding Net Profit of Each Period)

December 2023 (Consolidated)



- Capital adequacy remains sufficient through the changing economic environment and to support business growth; maintained adequate Tier 1 ratio, as required under the Basel III and new requirements.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Bank only									
CAR (%), excluding net profit of each period	18.52	17.74	17.83	18.02	18.72	18.13	18.18	19.02	18.72
Tier 1 (%), excluding net profit of each period	14.94	14.94	15.42	15.96	16.66	16.06	16.12	16.95	16.66
KASIKORNBANK FINANCIAL CONGLOMERATE*									
CAR (%), excluding net profit of each period	19.62	18.80	18.77	18.81	19.41	18.90	19.01	19.62	19.41
Tier 1 (%), excluding net profit of each period	16.19	16.13	16.49	16.84	17.44	16.92	17.04	17.65	17.44

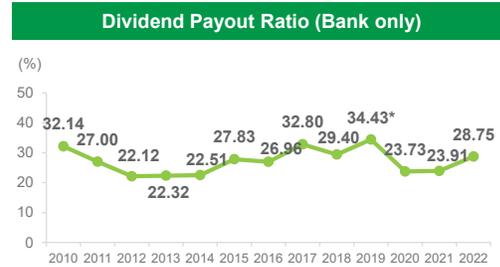
Note: * KASIKORNBANK FINANCIAL CONGLOMERATE means the company under the Notification of the Bank of Thailand re: Consolidated Supervision, consisted of KBank, K Companies and subsidiaries operating in supporting KBank, Phethai Asset Management Co., Ltd. and other subsidiaries within the permitted scope from the BOT's to be financial conglomerate.

Under Bank of Thailand regulations, net profit in the first half of the year is to be counted as capital after approval by the Board of Directors as per the Bank's regulations. Net profit in the second half of the year is also counted as capital after approval of the General Meeting of Shareholders. However, whenever a net loss occurs, the capital must be immediately reduced accordingly.

** The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards (non-IFRS9).

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Dividend



- **Dividend** In determining dividend payments, the Bank will take into consideration its operating results as well as suitable sustainable long-term returns to shareholders. The Bank aims to pay not less than 25% dividend payout on consolidated net profit. However, if facing an unforeseen circumstance, the Bank may consider not to pay at the above-mentioned level of not less than 25% of dividend payout ratio by considering prudence and suitable return to shareholders.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	1H23
Dividend Per Share (Bt)	2.50	2.50	3.00	3.50	4.00	4.00	4.00	4.00	4.00	5.00	2.50	3.25	4.00	0.50
Dividend Payout Ratio (%)	32.14	27.00	22.12	22.32	22.51	27.83	26.96	32.80	29.40	34.43	23.73	23.91	28.75	n.a.

* The Board of Directors' Meeting No.1/2020 held on 30 January 2020 has approved the share repurchase project for financial management purposes of KASIKORNBANK, not exceeding totaling 23,932,600 shares, equal to 1% of the total paid-up capital of the Bank and the maximum not exceeding B4,600mn, which was conducted through the Stock Exchange of Thailand during 14-27 February 2020, and the Bank had the resale period during 31 August – 16 September 2020. By the end, the Bank was unable to resell as planned. To comply with laws and regulations, the Board of Directors' Meeting No. 11/2020, held on 18 September 2020, resolved to approve the decrease in paid-up capital of the Bank by writing off the unsold amount of the repurchasing shares in full. The Bank of Thailand has also approved the decrease in paid-up capital accordingly.

- In 2020-2021, the BOT suspended the banks' interim dividend payment of Y2020 and allowed to pay dividend for Y2020 and Y2021 not exceed 50% of net profit for the previous year.

- On June 2022, the BOT announced to remove the dividend payout ratio limit.

- Dividend payout will be calculated based on dividend divided by net profit attributable to shareholders net of dividend on other equity instrument including additional Tier 1 instrument.

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KBank: Strategy

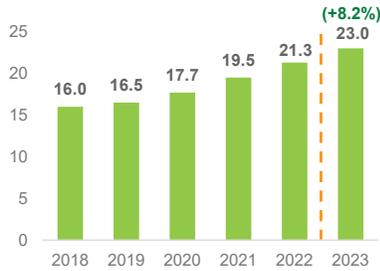
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Performance

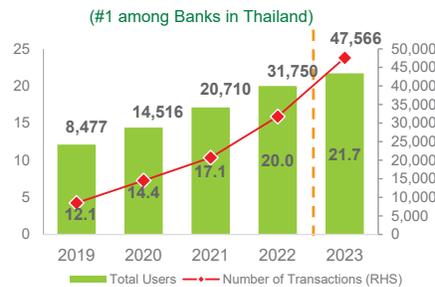
- Success is driven by continuous growth in number of customers and K PLUS users; highest Net Promoter Score among banks in Thailand

Number of Customers* (mn)



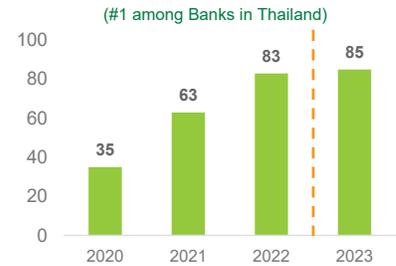
* Customers in Retail Business account for 92%, SME Business 8%, and Corporate Business less than 1% of customer portfolio

K+ K PLUS Users and Transactions** (mn)



** Active users defined as minimum of 1 Login per month; 73% active users as of 2023

Net Promoter Score (NPS)***



*** NPS Study 2023 surveyed by The NielsenIQ(Thailand) Limited during September to November 2023, measuring the willingness of customers to recommend a company's products or services to others

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KBank: Company Structure by Investment Purpose

	Credit	Wealth	Payment	Digital Asset & Beyond Banking	Regional Business	
Key Subsidiaries	KLeasing	KAsset		KX (Venture Builder and Venture Capital Fund) KUBIX (ICO Portal) KXVC (Venture Capital to invest in AI, Web3 & Deep Tech) UNITA CAPITAL (Holding Company for DA Business) ORBIX TRADE (Digital Asset Exchange) ORBIX CUSTODIAN *** (Digital Asset Custodian) ORBIX INVEST *** (Digital Asset Fund Management) ORBIX TECHNOLOGY & INNOVATION (Blockchain Infrastructure Development) KOP50 (Holding Company for ESG Business) KENERGYPLUS (e-Marketplace platform & IT Solution)	KASIKORNTHAI BANK (Lao PDR)	
	KFactory & Equipment	KSecurities			KASIKORNBANK (CHINA)	
		MTL*			KVF (KASIKORN VISION FINANCIAL) Bank Maspien (84.55%)	
					KVISION KTech (China) KBTG Vietnam	
	KASIKORN INVESTURE (KIV) (JV/Investment (Partner Network & IT Capability))					
	KLINE (JV) & KLINE Insurance Broker (Loan, Insurance brokerage and channel for e-payment Business)					
	T2P Holding** (JV) (Lending & Financial Transaction Solutions)					
	KBAD (JV) TD TAWANDANG (Investment) CJ MORE (Investment) (Financial Services)		KGP (Investment) (Online Payment Solutions)			
	JK AMC (JV) JAM (Investment) (Asset Management Business)		KAPTURE ONE (JV) BUZZEBEES (Investment) (CRM Solution Platform)			
	NGERN HAI JAI (Investment) CAR HERO** (Auto Loans)		Grab Holdings (Investment) (On Demand Service)			

Note : * Indirect subsidiary – MTL is a subsidiary of Muang Thai Group Holding
** In the restructuring process
*** In a process of requesting for Business License

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Progress of Growth Strategy

Reinforce credit performance	Scale capital-lite fee income business: Wealth	Scale capital-lite fee income business: Payment	Strengthen and Pioneer Sales and Service Models to Deliver Value-based Results
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2023 Performance

<p>-0.19% YoY Loan Growth decreased from SME, personal loan, home loan, due to prudent underwriting policy and NPL outflow management</p> <p>17.6bn Loan Outstanding from LINE BK (JV-lending with LINE)*</p>	<p>Bt66bn (8% YoY) AUM Growth</p> <p>120K (17% YoY) New Mutual Fund Customers > 90% from K PLUS</p>	<p>#2 Total Premium 16.0% market share in 9M23</p> <p>#2 New Business Premium 16.3% market share in 9M23</p>	<p>K PLUS 21.7mn with 73% active rate K PLUS Users</p> <p>47.6bn Total Transactions</p> <p>9.7bn, valued Bt23.9trn Financial Transactions</p>	<p>#1 Mobile Banking (K PLUS Users)</p> <p>809 Branches</p> <p>> 208,000 Banking agents including touchpoints</p>	<p>#1 NPS 1H23 among Thai banks (Mobile Banking)</p> <p>10,903 E-Machines</p>
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Regional Penetration

• Asset-light regional digital expansion with prudent risk management

• Focus China, Indonesia and Vietnam

2022

- Indonesia: Top 20 banks by loan size & the largest bank in East Java
- Vietnam: Top 20 banks by asset size

2023 Performance

2.9% of Net Total Income in 2023	#1 The biggest Thai bank in Shenzhen	>1M K PLUS Users in Vietnam	<ul style="list-style-type: none"> Launched QRIS in Indonesia Launched KPLUS in Lao PDR
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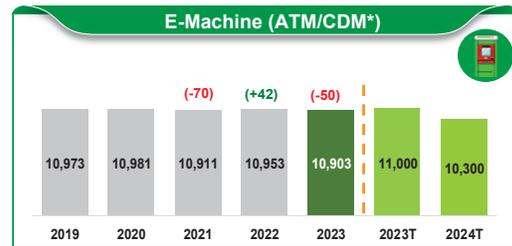
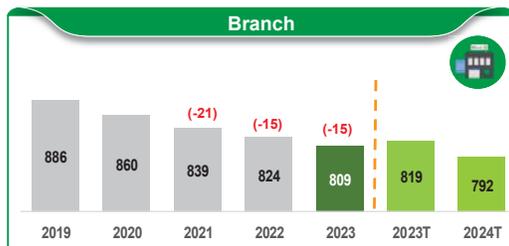
Note: * Not consolidated in KBank Consolidated Financial Statement
QRIS = Quick Response Code Indonesia Standard NPS = Net Promoter Score

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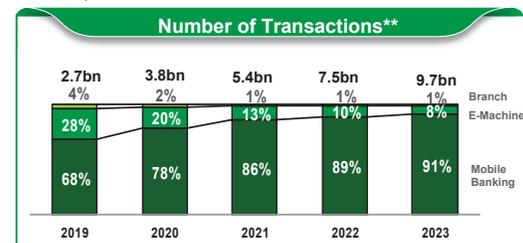
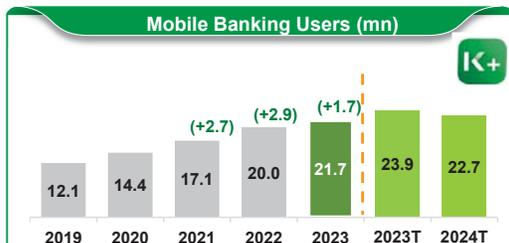
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Domestic Channels and No. of Transactions



* Cash Deposit Machine



** Transaction includes only cash deposit, cash withdrawal, payment and transfer

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Domestic Channels

<p>New KBank Branch (Hybrid Branch)</p>  <p>This new branch design increases the flexibility and efficiency of branch banking services, assisting staff to smoothly facilitate customers' adoption of self-service machines and digital channels (K PLUS).</p>	<p>Community Branch (K Park)</p>  <p>As a community bank accommodating the daily needs of local people, K Park provides financial zones for transactions and co-working spaces, with a Kids Zone and other services from KBank partners all in the same place.</p>	<p>THE WISDOM Lounge</p>  <p>An exclusive center providing a full range of services and facilities to High Net Worth Individuals and Affluent segments.</p>
<p>E-Machine</p>  <p>Our enhanced self-service cash machines are a convenient touch point to authenticate all digital onboarding such as e-Savings and e-Wallet account.</p>	<p>KBank Service</p>  <p>KBANK SERVICE – Banking Agents are business partners with extensive network coverage and extended service hours providing most banking services needed by retail customers.</p>	<p>KLOUD by KBank</p>  <p>The 'KLOUD by KBank,' our new sustainable building in the center of Siam Square, creatively connects the young and vibrant Siam Square community while supporting ESG.</p>
<p>Digital Banking</p>  <p>Digital Banking includes:</p> <ul style="list-style-type: none"> • K PLUS • K PLUS SME • K SHOP • K BIZ • K-Corporate Connect • K-Payment Gateway • K-PowerP@y (mPOS) • LINE BK • MAKE • Khunthong • LINE KBank LIVE 		

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Ecosystem Partnership & Harmonized Channel

- Orchestrating an ecosystem with partners and providing excellence throughout the customer journey
- Developing presence where customers are with an excellent customer experience



Partnership

eWallet and Payment



University and Healthcare



Joint Venture

LINE for Co-Lending through LINE Platform

JMT for Debt Collection and Asset Management Business

Carabao for Co-Lending through Carabao Conglomerate channels

Buzzbees for End-to-End Loyalty management system from point exchange to CRM platform.

E-Commerce & Lifestyle Platform/ Co-Lending through Partners' Platform



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Beacon Venture Capital

- A wholly-owned corporate venture capital fund of KBank
- With an initial fund of USD 30mn, Beacon VC focuses on strategic investments in early to growth-stage technology startups covering not only financial technology (fintech), but also consumer internet and enterprise technology
- An investment under three mandates – Synergistic, Opportunistic, and Impact.

	Synergistic Fund Est. 2016	Opportunistic Fund Est. 2021	Beacon Impact Fund Est. 2022
Objective	To acquire business capability or build deep-collaboration with chosen startup partner	To scout for frontier or emerging innovation for KBank's banking businesses or potential partners with strong growth prospect	To help KBank fulfill its ESG commitment and elevate ESG industry standards within the region
Portfolio			

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KASIKORN INVESTURE COMPANY LIMITED (KIV)

A holding company under KASIKORNBANK FINANCIAL CONGLOMERATE to invest in other companies with its partners

Investment Value

Total around **30,000** Million Baht

There are **15** Companies under KIV's structure

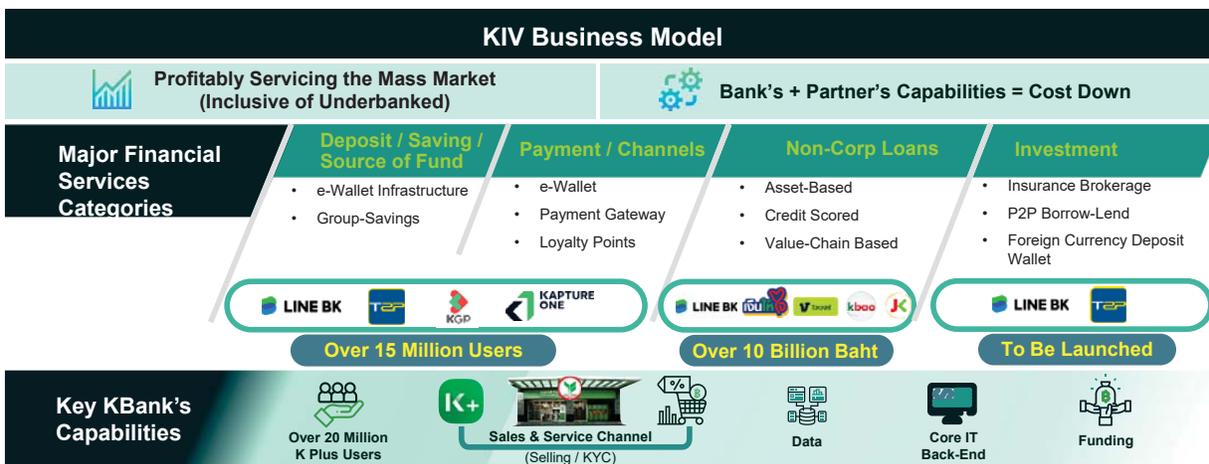


Note:
* In the restructuring process

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KIV Business Model

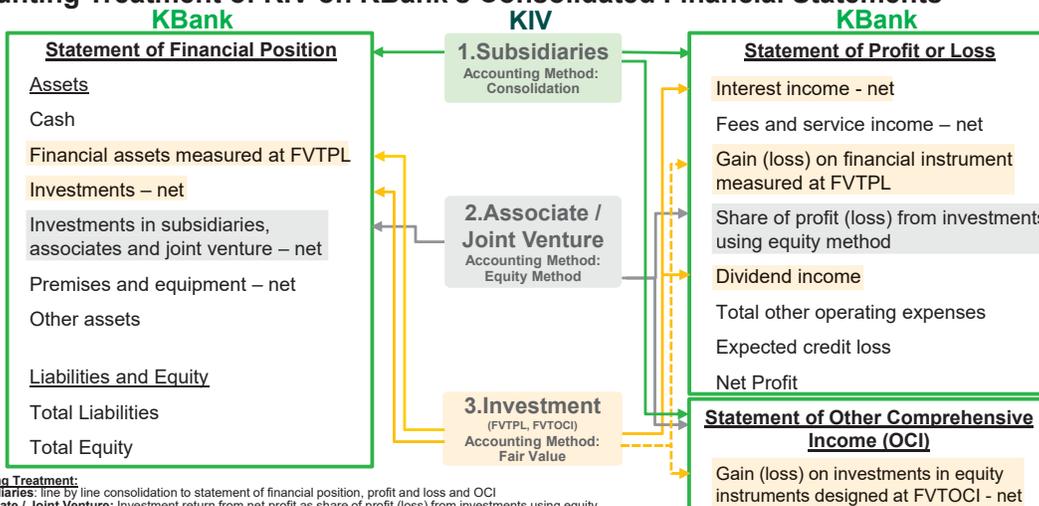
Mass Market Opportunity to Improve Profitability



Note: According to BOT's Survey on Financial Inclusion, there were 45.5% usage, 49.5% self-exclusion, and 5% no-access.

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Accounting Treatment of KIV on KBank's Consolidated Financial Statements



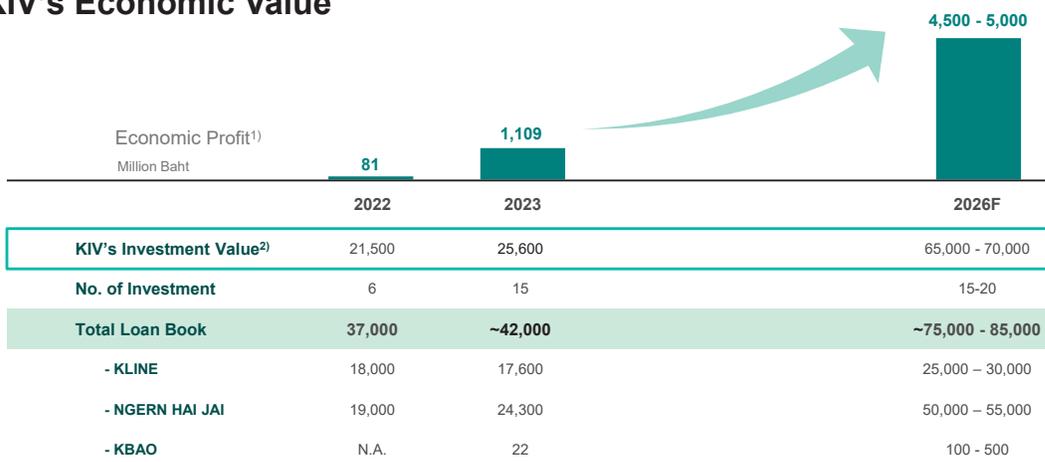
Accounting Treatment:

- Subsidiaries: line by line consolidation to statement of financial position, profit and loss and OCI
- Associate / Joint Venture: Investment return from net profit as share of profit (loss) from investments using equity method and from OCI as share of OCI from investment using equity method
- Investment:
 - Investment return as dividend income (equity instrument) and interest income (debt instrument)
 - Investment value is mark to market to statement of Profit and Loss or OCI subjected to the instrument type

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KIV's Economic Value



Note:

1) Economic Profits = Profit Sharing of Companies Under KIV + Net Interest Income and Net Fee paid to KBank by Companies Under KIV + Cost Charged from Services provided by KBank

2) Investment Value = Capital Injection + Accumulated Profit Sharing of Companies Under KIV + Realized and Unrealized Gains (Losses) on Investment

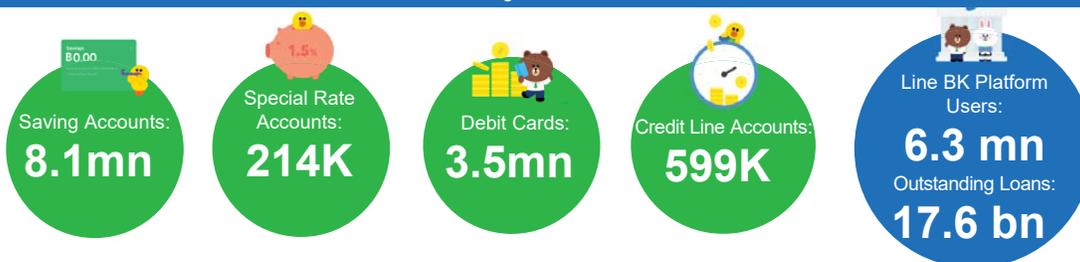
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Success Story of KLINE: Line BK Services

2023 Key Performance



October 2020 – December 2022*



Note:

*During peak periods, LINE BK saw more than 40,000 loan applications in a single day and 30% of those approved had never received a loan before.

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JK Asset Management Co., Ltd. (JK AMC)



- Company Profile**
- In June 2022, Thailand's first joint venture co-owned by a commercial bank (KBank via KASIKORN INVESTURE (KIV)) and an asset management company (JMT via JAM), with an initial paid up capital of Bt10bn (50% by KIV : 50% by JAM)
 - Operating an asset management business, per the relevant laws and criteria, through the purchase or acknowledgement of transfers of impaired assets, as well as foreclosed properties of KBank and KBanks' affiliates, including other financial institutions and companies, both secured and unsecured loans

- Benefit to KBank**
- Allowing KBank to manage NPLs with enhanced efficiency, while offering borrowers more options for settling their debt that are suited to their debt servicing ability
 - Balance Sheet: ▲ Cash and room for new good loans
▼ NPL, NPA and credit cost with insignificant impact on coverage ratio
 - Income Statement: ▲ Net profit from higher net interest income from new loans and lower credit cost
▲ Net profit from share of profit (loss) from investment using equity method



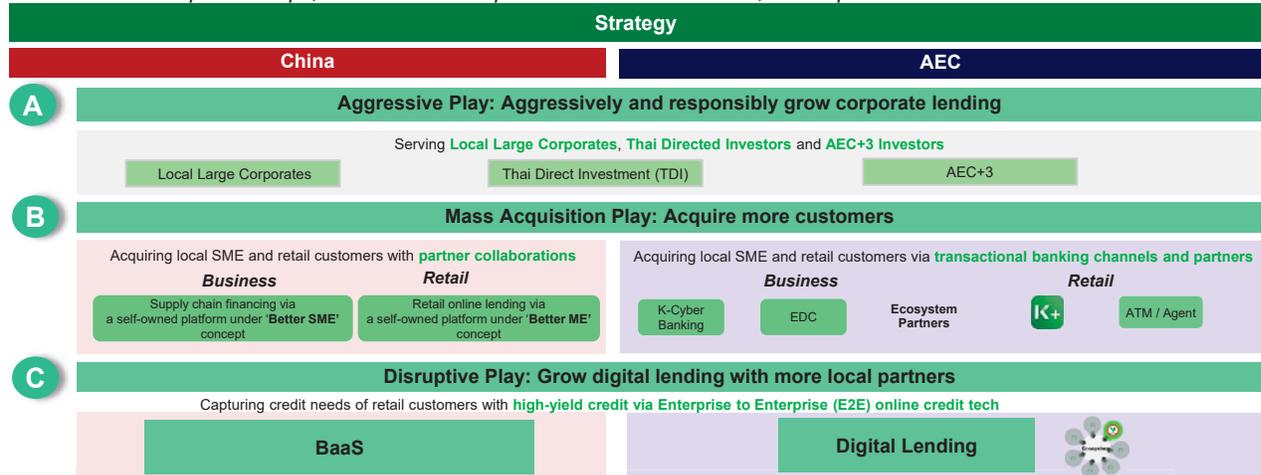
Note: *Legal claim amount, not book value of transferring amount; total KBank's NPL transferred mostly to JK AMC

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New Revenue Creation: Regional Strategy Asset-Light Regional Digital Expansion with Prudent Risk Management

To achieve rapid regional digital expansion within the AEC+3 market using 3 strategic plays to bolster growth momentum: cultivate business partnerships, accelerate the expansion of customer reach, and improve financial returns



Note: EDC = Electronic Data Capture Machine
E2E = Enterprise to Enterprise
BaaS = Banking as a Service

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IT: KBTG Strategy and Innovation

- Build and Maintain Technology & Innovation to Deliver Sustainable Value to All Stakeholders
- Aim to be ONE of the Best Tech Companies in Southeast Asia

2024-2026 Strategy	Key Achievements in 2023
<ul style="list-style-type: none"> ▪ Delivering Value Ensure excellence in project delivery to support KBank strategy execution including innovation to ease operations and reduce costs ▪ Enhancing Operation and Cost Efficiency Maintain top quality services to ensure smooth operations and resiliency while increasing productivity and cost efficiency ▪ Boosting Technology Capabilities Upgrade technology foundation in 5 areas (Data, AI, Enterprise Architecture, Open API, and Cloud) to support K-Group growth opportunities ▪ Uplifting People Capabilities Fill company with talent while promoting well-being 	<ul style="list-style-type: none"> +195 New IT Projects Delivered in 2023 174 Projects currently in development 400+ KBank Applications 1st Rank of Cyber Security among Banks in Thailand From BitSight Rating 2 Regional Development Sites (Vietnam, China) <hr/> <ul style="list-style-type: none"> 3.6 Million users from Platform Businesses Strategic partner with HashKey Capital, digital asset leader Launched first campaign of digital collectibles with GMM Music Integrating with Binance Platform Launched Bt3,500mn flagship fund for AI, Web3, and Deep Tech

Note: KASIKORN BUSINESS – TECHNOLOGY GROUP established with 5 companies, as a wholly-owned subsidiary of KASIKORNBANK, included in the KASIKORNBANK FINANCIAL CONGLOMERATE, as approved by the BOT in October 2015

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2023 KBTG: Support Running the Bank

Vision: ONE of the Best Tech Companies in Southeast Asia

	2020	2023	2026
Project Delivery	121	195	250 (+107%)
IT System Stability	< 5 hours	< 5 hours	< 5 hours
K PLUS Digital Users	14.4 mn	21.7 mn	+++
People	1,533	2,545	3,000 (+66%)

Note: %Growth against year 2020

1. IT Project Delivery Excellence Project Delivery

- Scale project delivery through transformation to support the expansion of project demand and complexity
- Scale Apply global best practices, processes and tools for transforming our IT delivery to overcome IT rapid changes

2. IT Brilliant Basics IT System Stability

- Maintain over 400 applications with highest system availability
 - High system availability for customer at 99.95% (only 5-hour/year allow for critical applications)
 - High customer impact incident less than 10 times a year for critical applications
 - No high customer impact of security breach

K PLUS Digital Users

- Ensure the best experience for customer by always optimizing front-end and back-end to support fast growing number of users

3. World Class Tech Talent People

- Increase resource capacity to support the project demand
- Reduce the employee retention within industry benchmark
- Increase capability for focused role to support sustainable growth

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2023 KBTG: Support Running the Bank

4. Regional Digital Expansion: Financial and Non-Financial Services Expansion in AEC+3

KTECH (China)

- A fintech company wholly owned by KASIKORN VISION CO., LTD. (KVision) registered in Shenzhen, People's Republic of China, with registered capital of Bt1,300mn
- Actively explore advanced technology to support Bank's innovation strategy. Continue to enhance Blockchain CoE and is actively exploring other areas such as big data and machine learning
- Engaged in the design and delivery of Fintech solutions. Participated in strategic IT project of KASIKORNBANK (CHINA) CO., LTD. – Project Alfred. Launched value chain finance system in Q4 2023
- Passed High Tech Enterprise Certification and also passed the renewal of ISO 9001, 20000, 27001 to promote corporate branding.

Indonesia

- Advised IT transformation on people, process and technology
- Leveraged technology from KBank HQ and regional offices to Indonesia
- Supported the Core Banking Upgrade implementation successfully
- Shared experience and guidance to implement new mobile banking application
- Provided consultation to levelling up IT infrastructure and cyber defense implementation with best practices as appropriateness.

Vietnam

- The representative office in Ho Chi Minh City was upgraded to an international branch which is the first KBank branch in Vietnam. With the direction of KBank to be "The Regional Digital Bank".
- The Bank has started with K PLUS Vietnam (Mobile Banking), Internet banking, merchant acquiring, digital lending, home loan and traditional banking services such as payment and fund transfer.
- K PLUS Vietnam reached to 1.1 Million customers at the end of 2023 within 1 year.
- KBTG Vietnam (KBTGVN) has been established since the beginning of 2023 as the IT Hub of KBank and KBTG to support direction of KBank "Regional Digital Bank"
- KBTG Vietnam (KBTGVN) also expanded the office to Hanoi in August to acquire the good tech talent especially for banking domain.
- In Oct 2023, KBTG Vietnam had been awarded with "Fast Enterprise Award" from the Asia Pacific Enterprise Awards 2023.



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2023 KBTG: Create the Future of Finance

Scale-up Innovation Products & Partnerships

Financial Innovation



MAKE



Khunthong

AI Products & Partnership



Verification Tech



Car AI Tech



Insurance Lead

In house AI Highlights



Marketing & Credit Intelligence



Process Automation



Facial Technology

Launch New S-Curve Products



CeFi

Be the Digital Asset Platform of Choice



DeFi

Fully operated KX as 'Venture Builder' and established 'KX Venture Capital (KXVC)' as a global Web3 & Deep Tech



Launch and scale Coral NFT Marketplace to be a top player



Launched 'Bigfin' to become top-of-mind investor tool

Note: CeFi = Centralized Finance; DeFi = Decentralized Finance; NFT = Non-fungible Token

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2023 KBTG: Create the Future of Finance – Breakthrough Innovation

Scale-up Innovation Products & Partnerships



1.7mn Users
KhunThong
Social chatbot helping friends settle expenses within a chat for a seamless payment experience



2mn Users
MAKE by KBank
A mobile banking application designed specifically for a new generation to personalize financial management



AINU
A business solution for identity verification driven by AI to elevate business operations and fulfill regulatory requirements with ease. Solutions include ID card extract, face recognition, and liveness detection applicable to various industries.



CAR AI for Insurance
A car inspection AI to assess and detect car damage to help business increase operation efficiency and reduce costs and human error. The first use case of Car AI will be with Muang Thai Insurance Public Company Limited and launched commercially soon.



Techtopia: Across the AI-Verse
"Techtopia: Across The AI-Verse", a seminar designed to share knowledge about AI in four main areas: AI Trends and Outlook (the influence of AI through emerging trends and innovations); AI Transformation (steps necessary for organizational transformation with AI); AI x Human (factors to support coexistence between humans and AI); and AI Ecosystem (future business and opportunities driven by AI). Speakers included executives and experts in AI from leading platforms and organizations, such as AWS (Amazon Web Services), Google Cloud, Microsoft (Thailand), LINE BK, and Siam Piwat Group.

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2023 KBTG: Create the Future of Finance – The New S-Curve

Launch New S-Curve Products



KASIKORN X (KX)
Incubate, scale, and spin-off new S-Curve businesses in AI, Web3.0, and Fin Tech



- BigFin**
A digital asset investment analysis platform with features including running balance and transaction history with manual cost basis entry



- Kubix Digital Asset (Kubix)**
A full-fledged platform on blockchain technology for asset tokenization services and digital tokens



- KXVC**
A Bt3,500mn flagship fund targeting AI, Web3, and Deep Tech with strong synergy with KBank to create financial innovations in APAC



Coral
A non-fungible token (NFT) marketplace platform for reinventing fan engagement experience through digital collectible NFT

- NFT Superfan Box Now & Forever Thongchai**
Digital collectibles in a collaboration between coral and GMM Music delivering a special collection of NFTs from the Bird Bird Show concert
- Digital Stamp**
Partnership with Thailand Post to display a set of digital stamps on coral commemorating the 140th anniversary of Thailand Post



MIT Media Lab Member
KBTG became a Consortium Research Lab Member at MIT Media Lab, jointly conducting research on innovative technologies, namely metaverse, blockchain, and decentralized finance (DeFi), as well as areas such as sustainability and education

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KBTG Buildings and Awards

KBTG Main Building



K-Stadium at KBTG Main Building



Creative Box for small meetings



Innovation Center

K+ Building



K+ Building: City-based KBTG office



"Hackathon" Hall

Innovative Firm / Product Awards



Asian Technology Excellence Awards 2023

AI - Financial Technology for Car AI



2023 ASEAN Enterprise Innovation Award

KBTG transformation program



Asia Pacific Enterprise Awards (APEA) 2023 Vietnam

Fast Enterprise Category for KBTG Vietnam



Good Design Award 2023

K PLUS Vietnam

People & ONEKBTG Culture Awards



Employee Excellence Award

Best Remote Management Strategy



HR Excellence Award

Excellence in Employer Branding
Excellence in Recovery & Rebound Strategy
Excellence in Women Empowerment Strategy



HR Asia Award

Best Company to Work For in Asia (4 consecutive years)

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K-Data Strategy: Journey to Become Data Driven Organization

Meaningful Business Values to gain Double Digit ROE

	Credit	Fee Income		Sales & Services	New Revenue
Use cases	<ul style="list-style-type: none"> Improve credit performance <ul style="list-style-type: none"> Credit approval decision Fraud prevention Credit monitoring Debt collection 	Payment	Wealth	<ul style="list-style-type: none"> Provide seamless digital-first customer journey Improve productivity and reduce cost by using AI and innovation 	<ul style="list-style-type: none"> Provide data to identify business opportunity
		<ul style="list-style-type: none"> Gain insights of sub-segment payment behavior to maximize fund flow, active users, main operating bank and sustainable CASA 	<ul style="list-style-type: none"> Find the right moment to improve customer experience and opportunity for sell Understand wealth and investment behavior Equip RM with AI tools 		
People	Data Talents	Business Users		Analytics Service & Training center	
	<ul style="list-style-type: none"> Acquire data talents, build strong brand, create best workplace culture and career development for talents 	<ul style="list-style-type: none"> Self-service access to data and analytics tools for everyone with a data-driven mindset 	<ul style="list-style-type: none"> Set up centralized data analytics team to closely collaborate with each department Educate and train users to effectively use data with tools and technologies 		
Data	Data Management				
	<ul style="list-style-type: none"> Consistently control and monitor data to ensure data availability and quality Establish data catalog with definition and data governance for data security and user's understanding 				
Technology	Data Infrastructure & Data Operations			AI Technologies	
	<ul style="list-style-type: none"> Establish big data platform which is scalable, fast, effective, up to date, and economical to input, store, and analyze a large volume of data Closely control data and system including plan to monitor incident and capacity 			<ul style="list-style-type: none"> Effectively and appropriately utilize AI technologies in businesses, including machine learning, cognitive AI technologies, and generative AI technologies 	

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2024-2026 People Strategy: Objectives & Key Strategy



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Improve Value-Based Productivity

Traditional and Bank wide



Workforce Management	IT Effectiveness	Property & Facility	Others
Performance Driven Organization • Drive a Performance Driven Culture • Enhance Strategic People Capabilities • Improve employee Experience	•KBTG Transformation •IT Cost Optimization •Business Value generation and Productivity Enhancement	•Efficiently manage demand and supply of property assets (Branch and Non-Branch) •Optimize cost of facility and equipment	Marketing Procurement and Negotiation Data / Data analytic / AI Gen AI

Note: E2E = End to End

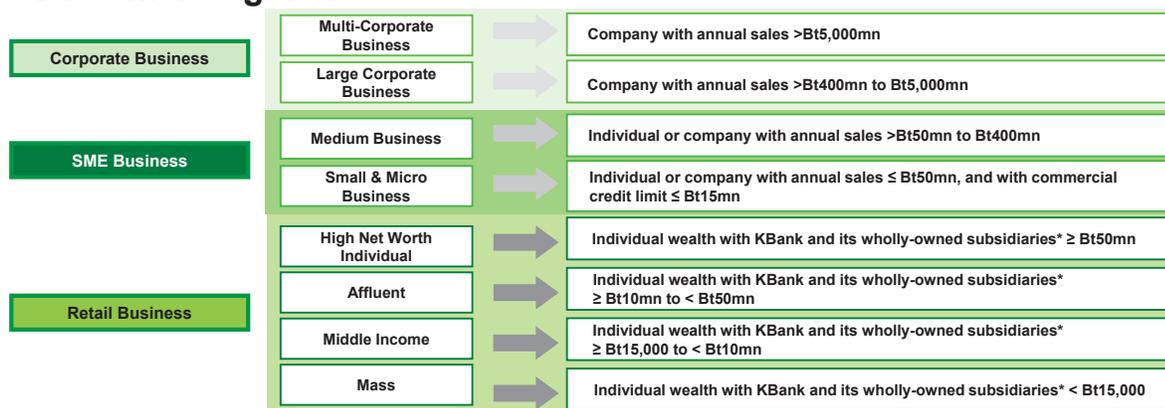
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KBank: Business Highlights

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Customer Segments



- **Customer-centric strategy: offering a full array of financial solutions and a satisfying experience to our customers**
 - Synergistic portfolio management by monitoring eight customer segments
 - Offer financial solutions from among KBank, its wholly-owned subsidiaries, and the insurance company
 - Make significant progress towards long-term aspirations; performance on track

Note: * Wealth with KBank and its wholly-owned subsidiaries is defined as savings and investments, such as deposit products with KBank, mutual funds with KAsset, or the monthly income of an individual customer

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Corporate Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
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■ Aim to be trusted partner to enrich customers' businesses with best-in-class financial services and solutions

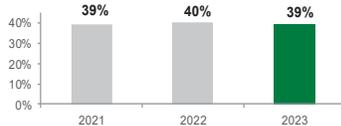
- Provide innovative and multi-sourced fund raising
- Offer total solutions for collection, payment, and settlement
- Enhance digital solutions and platforms

Key Performance



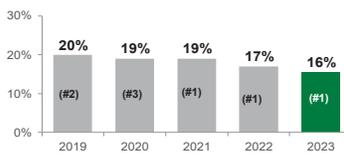
Main Bank

• Main Bank Status* at 39% in 2023



#1 Corporate Bond Underwriting

• With 16% market share in 2023

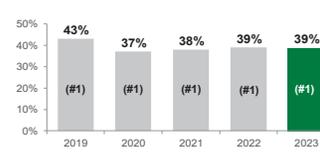


Source: The Thai Bond Market Association (ThaiBMA)



#1 Mutual Fund Supervisor

• With 39% market share in 2023



Source: SEC (include PPF, IFF)

Note: * Main Bank Status = % of customers in the market who use KBank and its wholly-owned subsidiaries as their main operating bank and/or main savings and investment bank and/or main borrowing bank
 ** MB = Multi-Corporate Business, CB = Large Corporate Business
 PPF = Property Fund; IFF = Infrastructure Fund

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SME Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
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■ Enable SMEs at every business stage to be successful

- Offer integrated financial solutions for every business stage (startup, expanding, mature) using data analytic capability via appropriate channels
- Build opportunity for SMEs to connect with partners and customers with KBank's strong local and global network
- Support SME customers in transitioning to "Net Zero" Economy

Key Performance



#1 SME NPS and Main Bank Status

- Remain No.1 with NPS score at 84* for SME customers
- Strengthen No.1 Main Bank score at 29** for SME customer

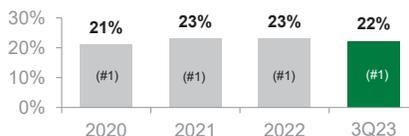
Note: *Info as of 2023 (SME NPS Study 2022 by NielsenIQ)
 **Info as of 2023 (Main Banking Study 2023 by IPSOS)



#1 SME Lending

- Maintain No.1 position in SME products; especially commercial loans
- Highest share, 22% of SME credit outstanding in 9M23

#1 in Market Share by SME loan outstanding



Source: Total SME loan outstanding from BOT

Note: - Main Bank Status = % of customers in the market who use KBank and its wholly-owned subsidiaries as their main operating bank and/or main savings and investment bank and/or main borrowing bank

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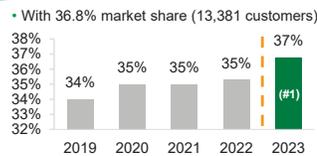
Private Banking Group: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
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- International comprehensive wealth management services
 - Cooperate with Lombard Odier to raise service and product standards to international levels
 - Provide integrated wealth planning services, advising families on wealth management, continuity, and growth
 - Enhance use of technology to improve client experience
 - Build comprehensive client insights from data-mining

Key Performance

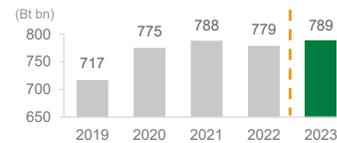
#1 Market Share by # of customers



Source: Private Banking Group (market share by number of customers)

Growing AUM

- Bt789bn AUM in 2023; growth 1.28% YoY in 2023
- AUM Breakdown: Investment 59% and Deposit 41%



- Focus Customers (Type of Customer):
 - Sophisticated customers (over 70% of total customers); Non-Sophisticated customers
- Product Types and Services:
 - Collaborate with Lombard Odier to develop innovative products; build capability via staff trainings and regular workshops; offer advisory services with close Chief Investment Officer collaborations; and offer referral offshore investment services
 - Key product and services:
 - Financial Products and Services: Investment Advisory
 - Non-Financial Products and Services: Family Wealth Planning & Real Estate
 - Others: Financial Event & Privilege

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Note: * High Net Worth Individual = Individual wealth with KBank and its wholly-owned subsidiaries ≥ Bt50mn

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Retail Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
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- Support Retail customers to succeed in life
 - Provide comprehensive products (credit, wealth, and payment) to fit customers' goals and life stages
 - Provide excellent service via digital and human-assisted channels together with financial advisory to deliver best in class customer experience
 - Collaborate with partners by offering beyond banking solutions to uplift customers' lives in focused areas i.e. health, education, and travel

Key Performance

K+ #1 Digital Banking

- NPS : Mobile Banking Level by Nielsen 1H23
- Recognition Award from national & international institutes

#1 Retail spending volume

- K PLUS user continuously grew to 21.7 million users with mobile payment market share 34.8%
- Maintain top position for debit card spending volume by delivering value and benefits matching customer lifestyles with 50% market share in 2023

#1 Credit Card spending

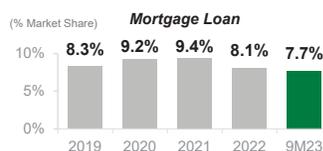
with 20.2% market share in 9M23

#2 Number of Cards

- with 15.4% market share in 9M23
- Card-accepting merchant services (online & offline platforms): ranked #1, with 35% market share by sales volume in 9M23

#3 Mortgage Loan Outstanding

- Top 3 among commercial banks with 7.7% market share in 9M23; steady growth and maintaining good portfolio quality



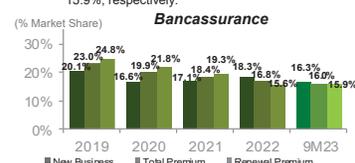
#1 Mutual Fund AUM

- Highest share, 22.3% in 2023
- Highest share in Money Market & Fixed Income Fund, Term Fund and Foreign Investment Fund
- 90% of transaction on K PLUS



#2 Bancassurance Premium

- MTL ranked #2 in total, new business and renewal premiums with 9M23 market share of 16.0%, 16.3%, and 15.9%, respectively.



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KBank and MTL Enter the 10 Years Bancassurance Agreement

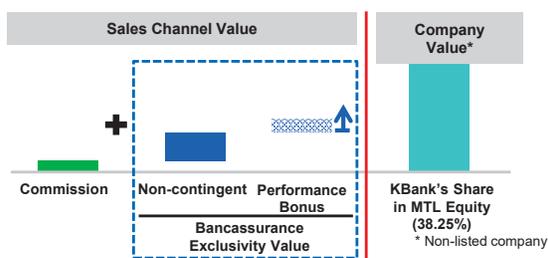
- This transaction is a connected transaction, per Thai regulations, as it is conducted with MTL, a subsidiary which KBank effectively holds 38.25% shares. **This transaction does not require shareholder approval at the Shareholders' Meeting as it is a normal business transaction conducted with general trading conditions.**
- KBank deems this transaction as a very important transaction. As such, **KBank wants to solicit shareholder participation in the decision so as to enhance transparency and be consistent with good corporate governance practices.**
- KBank's Board of Directors resolved to submit the transaction for shareholder approval at the **Extraordinary General Meeting of Shareholders on August 26, 2021**, and the Extraordinary General Meeting approved the transaction.
- KBank views the continuity of distributing the life insurance products of MTL according to this new Bancassurance Agreement, will:
 - Provide maximum benefits to KBank's overall insurance business value;
 - Provide more favorable conditions and greater benefits to KBank;
 - Continue the cooperation through a 10-years relationship with MTL, a leading life insurance company;
 - Cause no disruption in business operations with MTL and services provided to KBank customers.
- KBank appointed **three external independent advisors** to provide opinions on the transaction.
- Key transaction summary of this exclusivity bancassurance agreement :
 - KBank will receive payment of **Bt 12.7 bn and annual performance bonus**, in return for distributing MTL's life insurance products, health and critical illness insurance products.
 - Amortization of BA agreement value (Bt 12.7 bn) and performance bonus will be recorded in non-interest income in Bank only financial statement and in non-controlling interest in consolidated financial statement.

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Total Economic Value

- KBank still effectively owns 38.25% of MTL's equity. Bilateral negotiation is a balancing act.



- Potential destruction to our economic value caused by MTL having to find other sales channel replacement is high. Better value accretion can be achieved through this business alignment.
- We considered the overall economic value to KBank from both sales channel value and company value i.e. if sales channel value increases, company value will decline.

Impacts on Income Statement

- Bancassurance Agreement has impacts on following components in the income statement:

KBank (Bank only):

Non-interest income: + Bt 1,270 mn (average payment per year)
+ Performance Bonus

MTL:

Non-interest expense: + Annual Payment

Consolidated KBank:

Non-controlling interest: ↓ 61.75% x annual payment after tax
Consolidated net profit: ↑ 61.75% x annual payment after tax

- If NPE improves from this arrangement, KBank's consolidated income and MTL's NPE will rise.

Note:

- Annual payment = Bt1,270 mn (average payment per year) + performance bonus
- NPE = Net Premium Earned
- An average payment per year of exclusivity fee has been recognized on a monthly basis, starting from January 1, 2022 onwards.

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KBank: Risk and Credit Management

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KBank Risk Management Structure

- The Bank's organization is structured to facilitate all aspects of risk management; each business unit's responsibilities and segregation of duties are clearly identified in accordance with good internal-control practices



CBS = Corporate Business Division, DNW = Distribution Network Division, PBG = Private Banking Group, CMB = Capital Markets Business Division, IBB = Investment Banking Business Division, WBG = World Business Group, CSI = Corporate Strategy and Innovation Division, DAS = Data and Analytics Division, ICB = Integrated Channels Business Division, MMT = Segment and Marketing Management Division, TRN = Transaction Banking Business Division, WMB = Wealth Management and Bancassurance Division, CPD = Credit Products Business Division, TS = Central Treasury Department, CSF = Customer and Enterprise Service Fulfillment Division, KBTG = KASIKORN BUSINESS - TECHNOLOGY GROUP, ERM = Enterprise Risk Management Division, ADD = Audit Division

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KBank Credit Risk Management Process

- The Bank continues to enhance credit risk management processes to promote risk strategies with justified risk-return tradeoff within the rapidly changing economic environment

Portfolio Management

- Determine portfolio-by-design taking into account risk-adjusted return trade-off
- Manage portfolio according to the Bank's risk appetite and concentration risk management (Country, Industry, Large Customer Group)
- Perform stress testing to identify impacts to portfolio and proactively prepare appropriate management actions

Origination

- Enhance decision making/support tools for more efficient return and risk evaluation
- Setup specific prescreening criteria for potential industries
- Enhance customer income validation process

Monitoring

- Monitor customer behavior and detect early warning signs
- Leverage National Credit Bureau information for effective credit monitoring
- Ensure credit condition compliance (e.g. insurance, capital injection, project progress)
- Take prompt action to prevent credit deterioration

Collection & Recovery

- Efficient collection and follow-up of customers with late payments
- Restructure viable customers to prevent NPLs
- Foreclose pledged assets to recover loan loss

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KBank Credit Approval Process

	Corporate	SME (Medium)	SME (Small & Micro)	Retails (Housing)	Retail (Unsecured Loans)
Approval Process	Credit Underwriting Dept.	SME Credit and Housing Loan Approval Dept.			Payment Service Fulfillment Department
	<u>Policy Lending</u> <ul style="list-style-type: none"> Sufficiency of cash flow Growth trends and ability to compete Management experience and depth Leverage, Liquidity, Asset Quality, ESG factors Credit Risk Mitigation Facilities Structure 	<u>Formula Lending</u> <ul style="list-style-type: none"> Customer Integrated Credit Scorecard Application Score (SME Only) FICO Score Bureau information/Credit history Debt service capacity LTV 			<u>Formula Lending</u> <ul style="list-style-type: none"> Customer Integrated Credit Scorecard FICO Score Bureau information/Credit history Debt service capacity
Post Approval	Credit Service Fulfillment Dept.				Automated by system (FLP)
	<ul style="list-style-type: none"> Legal document Limit set up 				<ul style="list-style-type: none"> Legal document Limit set up
	Bank-wide Risk Asset Review				
	<ul style="list-style-type: none"> Customer Review by Relationship Manager (RM) Credit Portfolio Monitoring Unit to facilitate in customer monitoring Credit Clinic for consultation 				Asset Quality Strategic Management Dept. <ul style="list-style-type: none"> Automated collection system Efficiently utilize available behavior scoring and collection tools i.e. SMS, automated letter generation, phone-based collection

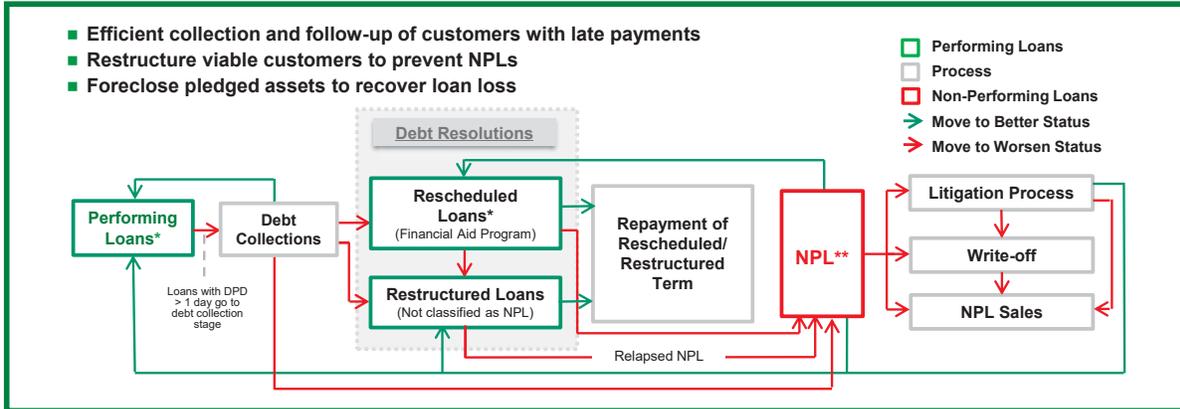
Note: FICO = Fair Isaac Corporation

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KBank Credit Risk Management Process: Collection and Recovery

Collection & Recovery Flow



Note:

* Rescheduled Loans are loans (no passed due date) that have changed payment conditions and not incurred losses. (Loans in the Financial Aid Program is a part of Rescheduled Loans)

* Financial Aid Program helps customers during the bad macro business condition such as the big flood in 2011, the political unrest in 2014 and COVID-19 in 2020.

* Performing loans = Pass Loans (loans passing the due date by less than 1 month) and Special Mention Loans (loans passing the due date by more than 1 month but not over 3 months)

** NPLs = Non-performing Loans = loans passing the due date by more than 3 months = Sub-standard Loans, Doubtful Loans, Doubtful of Loss Loans, and restructured loans classified as NPL

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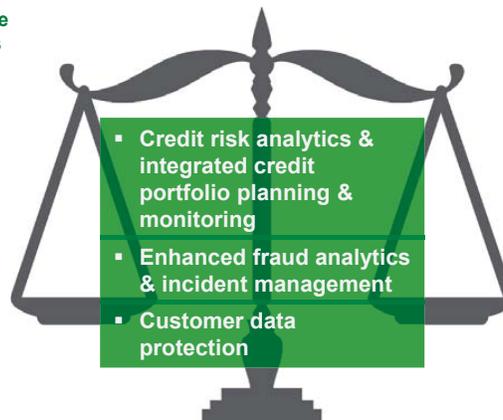
Proactive Risk & Compliance Management

Value Enabler

Partner with business and provide effective integrated risk solutions

- Predictive and integrated customer segment-based credit analytics
- Intelligent fraud management in all key business processes
- Effective risk management execution for business partners, 3rd parties
- Enabling customers for ESG Transformation

Key Capabilities



- Organization-wide prudent risk culture
- Agile way of working and delivering integrated risk solutions

Value Protector

Strengthen and secure our business to be resilient and sustainable

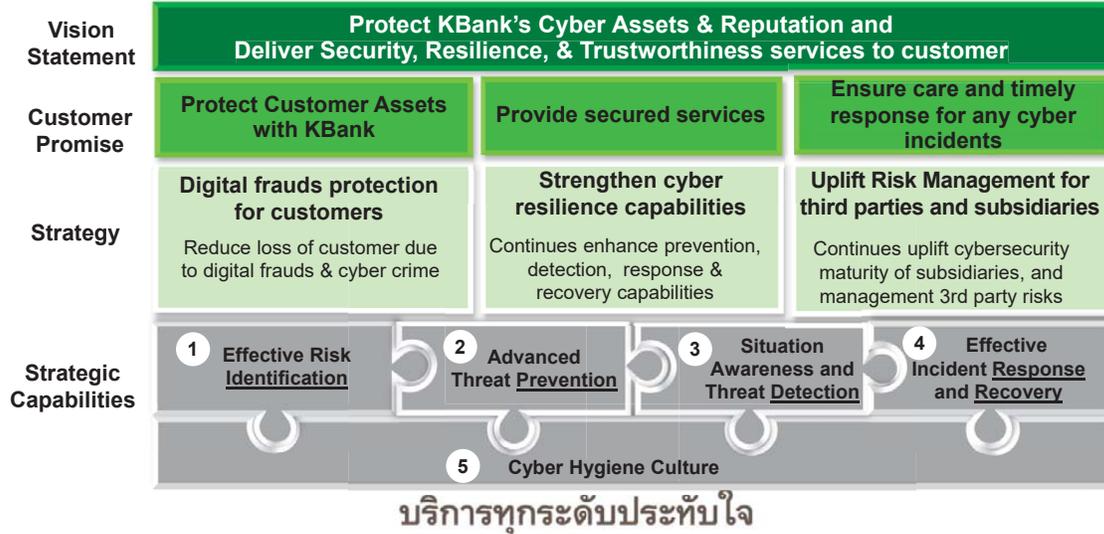
- Prudent risk-based provision and capital management
- Early error detection through effective quality assurance and fraud management and Ensuring No Surprises
- Effective and proactive Operational Risk and compliance management
- Customer data governance and management

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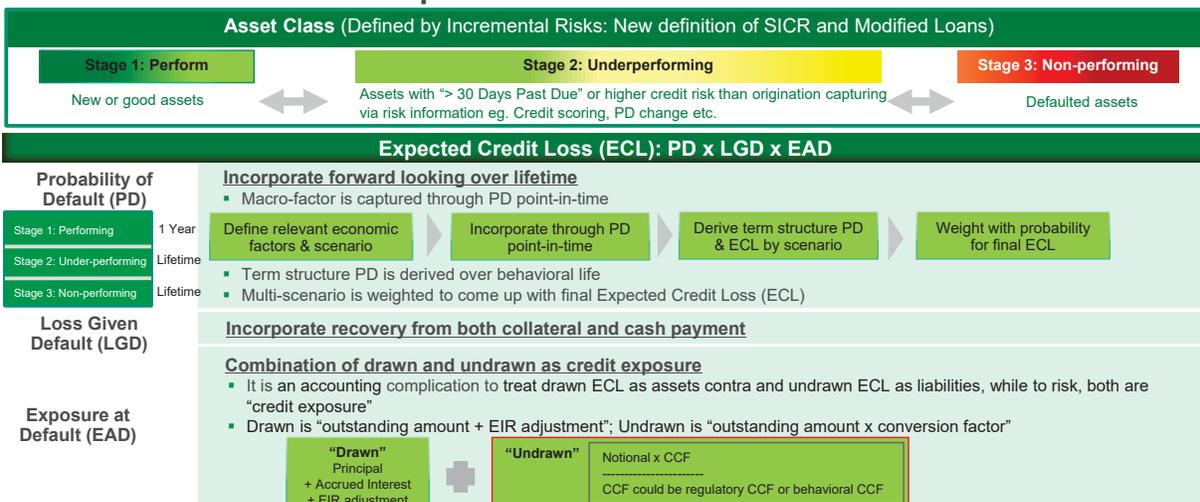
Cyber Security

- Enhancing comprehensive cyber security and IT capabilities; addressing and aligning critical capabilities to fortify cyber security



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TFRS9: Asset Class and Expected Credit Loss



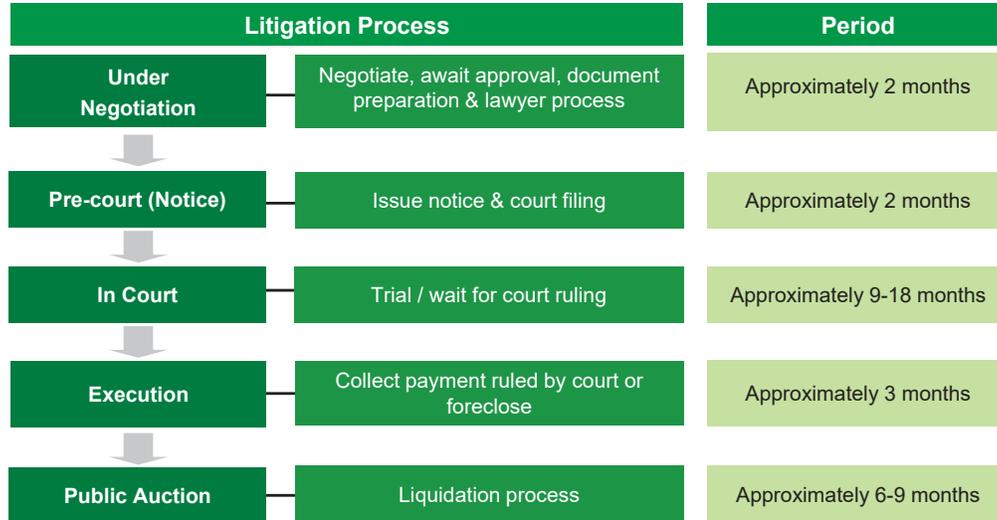
Note: Significant Increase in Credit Risk (SICR) reflects higher risk than origination, but not yet bad quality; modified loans are loans with changing terms and conditions, either good or bad; thus, it can be at any stage
 Drawn = Loan amount that customer has already drawn down, which is booked under loans to customers or part of "interbank and money market items"
 Undrawn = Credit facilities that are not utilized yet or credit facilities that are utilized but are booked as contingent liabilities, excluding derivatives
 EIR = Effective Interest Rate; CCF = Conversion Credit Factor

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Litigation Process

- Litigation process in Thailand takes about 2-3 years



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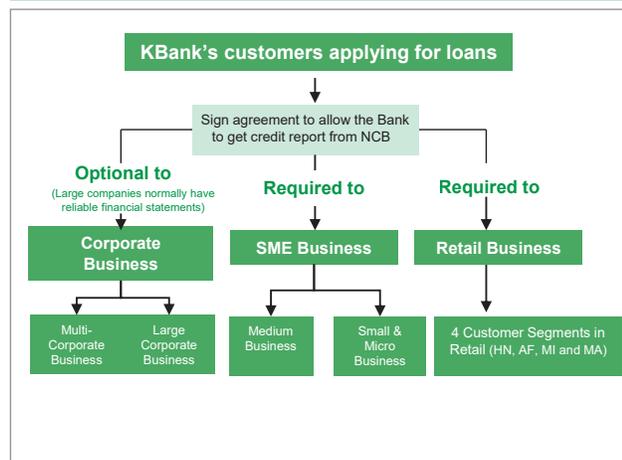
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Credit Bureau Summary

National Credit Bureau (NCB)*

- Two Types of Credit Reports Offered by NCB:
 - Consumer credit report for individuals
 - Commercial credit report for businesses
- Credit report (monthly reported by members)
 - Customer information (Name, address, identification number, birth date, occupation, etc.)
 - Credit information (History of application, approval history, loan payment history, etc.)
- Data Record of Credit Report
 - Individuals: Credit report remains on file for 3 years
 - Businesses: Credit report remains on file for 3 years
- Members: Financial institutions including commercial banks, specialized financial institutions (SFIs), non-bank financial institutions, finance companies, securities companies, insurance companies, etc.

KBank Practice



Note: * The concept of a credit bureau started in 1961 and central credit registration started in 1964. The Central Information Service was established in 1999 and its name was changed to Central Credit Information Service in 2000 and to the National Credit Bureau in 2005

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Proactive risk management to counter economic slowdown and high household debt

- Continue to deploy proactive credit portfolio / risk management / asset quality management to mitigate adverse impact from customers with significant credit deterioration, prolonged economic recovery, and high household debt

Corporate Business	SME Business	Retail Business
<ul style="list-style-type: none"> Focus on high potential industries less impacted by economic slowdown Closely monitor customers in high risk industries and supply chains <ul style="list-style-type: none"> Actively monitor early warning signs Promptly respond to adverse events Continuously improve credit monitoring tools to proactively alert to signs of credit deterioration Enhance efficiency of credit processes for customers with different risk profiles 	<ul style="list-style-type: none"> Selective on quality of customers Proactive risk management by visiting customers; raise productivity of sales teams and relationship managers Efficient collection processes Enhance efficiency of credit processes for customers with different risk profiles 	<ul style="list-style-type: none"> Selective on high-value customers regarding prevailing BOT regulations and the Bank's policies Proactive and efficient collection processes based on the Bank's models Analyze behavior regularly to identify weak spots Enhance efficiency of credit processes for customers with different risk profiles

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KBank: Financial Performance

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Y2023 Performance Highlights

Consolidated	2022	1Q23	2Q23	3Q23	4Q23	2023
Net Profit (Bt bn)	35.77	10.74	10.99	11.28	9.39	42.41
Profitability						
- NIM	3.33%	3.46%	3.63%	3.76%	3.83%	3.66%
- ROE*	7.38%	8.43%	8.82%	8.63%	7.32%	8.29%
- ROA	0.86%	1.01%	1.03%	1.06%	0.88%	0.99%
- YTD Loan growth	3.03%	(1.20%)	(1.84%)	(2.29%)	(0.19%)	(0.19%)
- YoY Loan growth	3.03%	0.28%	(1.61%)	(1.07%)	(0.19%)	(0.19%)
- YoY Net fee income growth	(6.89%)	(8.13%)	(5.31%)	(3.96%)	(2.95%)	(5.17%)
- YoY Non-interest income growth	(8.42%)	32.00%	19.70%	5.19%	(9.10%)	9.81%
Cost control						
- Cost to income	43.15%	42.50%	43.37%	42.07%	48.15%	44.10%
Asset quality						
- NPL ratio	3.19%	3.04%	3.20%	3.11%	3.19%	3.19%
- Credit Cost	2.11%	2.05%	2.08%	2.09%	2.20%	2.08%
- Coverage ratio	154.26%	156.68%	147.31%	154.90%	152.23%	152.23%
Loans to Deposits	90.77%	90.85%	90.40%	90.95%	92.25%	92.25%
Tier 1 Ratio	16.84%	16.92%	17.04%	17.65%	17.44%	17.44%
CAR	18.81%	18.90%	19.01%	19.62%	19.41%	19.41%

Note: - Under Bank of Thailand regulations, net profit in the first half of the year is counted as capital after approval by the Board of Directors as per Bank regulations. Net profit in the second half of the year is counted as capital after approval of the General Meeting of Shareholders. However, when a net loss occurs, the capital must be reduced immediately.

Capital Adequacy Ratio (CAR) has been reported in accordance with Basel III Capital Requirement from January 1, 2013 onwards. CAR is based on KASIKORNBANK FINANCIAL CONGLOMERATE. KASIKORNBANK FINANCIAL CONGLOMERATE means the company under the Notification of the Bank of Thailand re: Consolidated Supervision, consisting of KBank, K Companies, and subsidiaries operating in supporting KBank, Phthal Asset Management Co., Ltd., and other subsidiaries within the permitted scope of the BOT's definition to be a financial conglomerate

* ROE = Net profit (attributable to equity holders of the Bank) deduct dividend from other equity instruments after income tax divided by average equity of equity excluded other equity instruments

- 2023 net profit increased 18.55% YoY from a low base last year. The Bank continues to set aside expected credit loss at a high level, almost the same as the last year.
- 2023 loans dropped -0.19% YoY from SME, home loan, and personal loan, due to prudent underwriting policy and NPL outflow management, while corporate business, Regional and KLeasing increased.
- 2023 NIM was 3.66%, increasing YoY align with interest rate trend, despite higher cost of fund from FIDF and higher deposit rate. More than 90% of interest income received in cash.
- 2023 net fee income decreased -5.17% YoY, mainly from brokerage business in line with market conditions, and a drop in transaction service fees.
- 2023 cost to income ratio was 44.10%, increasing YoY from higher operating expenses (from an increase in customer service expenses according to business volume and partly due to employee expenses from cost of living subsidy measures which were one-time expenses in 1Q23). Focus on cost management and productivity improvement, with new investments for future growth.
- 2023 NPL ratio was at 3.19%, with a coverage ratio of 152.23%
- Credit cost remained high, and in line with guidance of slightly exceed the target range, but stay within 210 bps, due to ongoing, proactive asset quality cleanup efforts, and a one-time deterioration in a large corporate loan.
- 2023 capital base remained sufficient to support business growth.

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Consolidated Financial Statements

Statements of Comprehensive Income (Bt mn)

	2021	2022	4Q22	1Q23	2Q23	3Q23	4Q23	2023
Interest income	135,415	151,333	41,421	42,441	45,215	47,236	48,716	183,608
Interest expenses	16,024	18,334	5,274	7,566	8,514	9,217	9,867	35,164
Interest income - net	119,390	132,998	36,148	34,875	36,701	38,019	38,849	148,444
Fee and service income	48,628	48,345	12,197	12,529	11,877	12,177	12,038	48,620
Fee and service expenses	13,312	15,463	4,418	4,415	4,163	4,374	4,488	17,440
Fee and service income - net	35,316	32,882	7,779	8,114	7,714	7,803	7,550	31,181
Gain (Loss) on financial instrument measured at FVTPL	5,539	5,053	4,674	3,671	3,525	797	4,130	12,123
Share of profit (loss) from investments using equity method	(694)	115	54	(0.01)	(182)	105	42	(35)
Gain (Loss) on investments	817	(130)	38	(152)	(212)	230	(453)	(588)
Net premium earned	69,360	66,056	18,091	18,422	15,361	15,906	17,984	67,674
Other operating income	1,289	2,123	675	512	532	673	1,341	3,058
Total operating income	234,328	242,542	67,973	66,419	64,556	64,386	70,064	265,426
Underwriting expenses	70,979	69,285	18,574	19,845	16,487	17,271	19,170	72,772
Total operating income - net	163,349	173,258	49,399	46,574	48,070	47,115	50,895	192,654
Total other operating expenses	71,044	74,753	21,042	19,793	20,847	19,821	24,508	84,968
Earning Before Provision and Tax	92,305	98,505	28,358	26,781	27,223	27,294	26,387	107,685
Expected Credit Loss	40,332	51,919	22,784	22,784	12,692	12,784	13,572	51,840
Operating profit before income tax expenses	51,973	46,585	5,574	14,089	14,439	14,501	12,815	55,845
Income tax expenses	9,729	8,633	933	2,562	2,760	2,838	2,617	10,778
Net profit attributable:								
Equity holders of the Bank	38,053	35,769	3,191	10,741	10,994	11,282	9,388	42,405
Non-controlling interest	4,192	2,183	1,450	786	685	381	810	2,662
Statements of Financial Position (Bt mn)								
Loans to customers	2,421,813	2,495,077	2,495,077	2,465,031	2,449,289	2,438,026	2,490,398	2,490,398
Total Assets	4,103,399	4,246,369	4,246,369	4,238,084	4,268,100	4,266,004	4,283,556	4,283,556
Deposits	2,598,630	2,748,685	2,748,685	2,713,372	2,709,500	2,680,655	2,699,562	2,699,562
Total Liabilities	3,566,724	3,679,289	3,679,289	3,661,550	3,687,141	3,676,666	3,686,721	3,686,721
Total Equity attributable to equity holders of the Bank	476,714	503,270	503,270	512,421	516,353	525,160	532,285	532,285

Note: - KBank acquired additional ordinary shares in MTGH, to hold a 51% stake valued at Bt 529mm; the MTGH Acquisition was completed on November 30, 2009. As the MTGH acquisition was completed on November 30, 2009, the Bank's consolidated financial statements from 2010 include the performance of companies in the MTGH Group for the whole year.

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Earnings Before Provision and Tax (EBPT) and Net Profit

December 2023 (Consolidated)



- 2023 net profit increased 18.55% YoY from a low base last year. The Bank continues to set aside expected credit loss at a high level, almost the same as the last year.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
EBPT (Bt bn)	87.76	84.89	92.31	98.50	107.69	26.78	27.22	27.29	26.39
EBPT Growth (% YoY)	0.72%	(3.27%)	8.73%	6.72%	9.32%	15.32%	16.14%	16.23%	(6.95%)
Net Profit (Bt bn)	38.73	29.49	38.05	35.77	42.41	10.74	10.99	11.28	9.39
Net Profit Growth (% YoY)	0.70%	(23.86%)	29.05%	(6.00%)	18.55%	(4.19%)	1.86%	6.69%	194.22%

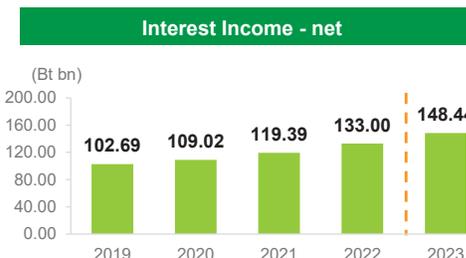
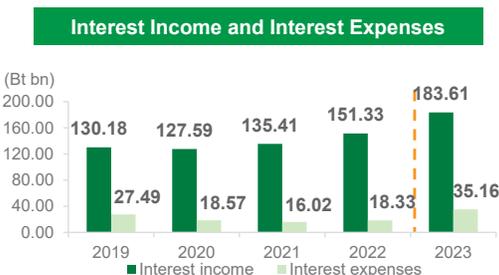
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Interest Income - net

December 2023 (Consolidated)



- 2023 net interest income increased 11.61% YoY, align with interest rate trend, despite higher cost of fund from FIDF fee resumption and higher deposit rates.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Interest Income (Bt bn)	130.18	127.59	135.41	151.33	183.61	42.44	45.21	47.24	48.72
Interest Expenses (Bt bn)	27.49	18.57	16.02	18.33	35.16	7.57	8.51	9.22	9.87
Interest Income - net (Bt bn)	102.69	109.02	119.39	133.00	148.44	34.88	36.70	38.02	38.85
Interest Income - net (% Growth YoY)	4.21%	6.17%	9.51%	11.40%	11.61%	9.84%	14.65%	14.90%	7.47%

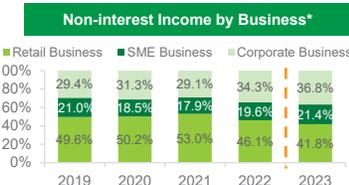
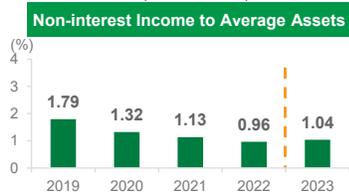
Note: Contributions from MTL's insurance business to KBank include non-interest income (e.g. net-premium earned-net), and interest income (e.g. interest income from investment portfolio); however, all income sources from MTL will be netted with non-controlling interests.

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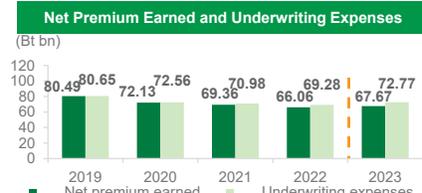
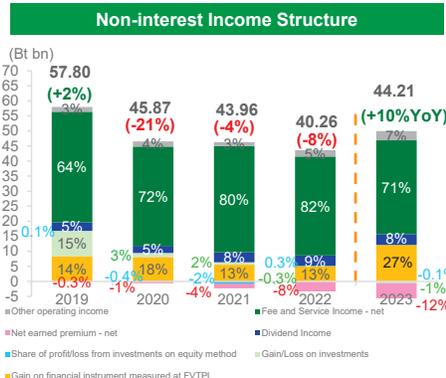
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Non-interest Income and Structure

December 2023 (Consolidated)



* Non-interest income excludes capital market business, treasury business and others



Contributions from MTL's insurance business to KBank include non-interest income (e.g. net-premium earned-net), and interest income (e.g. interest income from investment portfolio); however, all income sources from MTL will be netted with non-controlling interests.

	2019	2020	2021	2022	2023
Non-interest Income (Bt bn)	57.80	45.87	43.96	40.26	44.21
Non-interest Income Growth (% YoY)	1.51%	(20.65%)	(4.17%)	(8.42%)	9.81%
Non-interest Income Ratio (%)	36.02	29.61	26.91	23.24	22.95

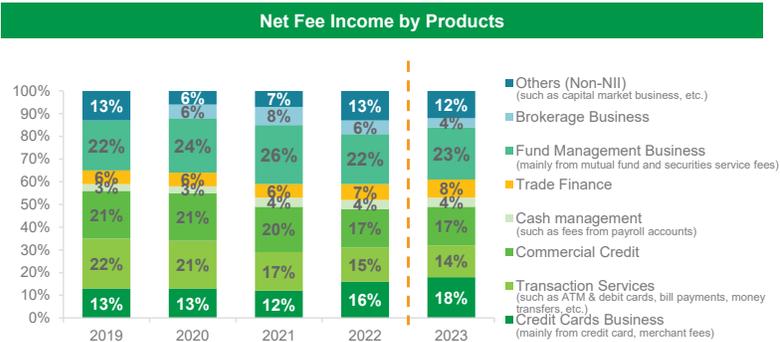
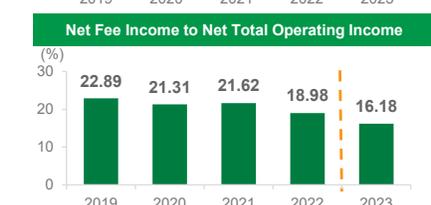
	1Q23	2Q23	3Q23	4Q23
Net Premium Earned	11.70	11.37	9.10	12.05
Underwriting Expenses	32.00%	19.70%	5.19%	(9.10%)
Net Premium Earned - net	25.12	23.65	19.31	23.67

Note: - Non-interest Income Ratio = Non-interest Income/Total Operating Income - net
- Net Premium Earned - net = Net Premium Earned less Underwriting Expense

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Net Fee Income and Structure

December 2023 (Consolidated)



2023 net fee income decreased -5.17% YoY, mainly from brokerage business in line with market conditions, and a drop in transaction service fees.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Fee Income (Bt bn)	50.58	45.70	48.63	49.35	48.62	12.53	11.88	12.18	12.04
Fee Income-net (Bt bn)	36.74	33.00	35.32	32.88	31.18	8.11	7.71	7.80	7.55
Fee Income Growth (% YoY)	(1.19%)	(9.65%)	6.41%	(0.58%)	0.57%	1.31%	1.66%	0.65%	(1.31%)
Net Fee Income Growth (% YoY)	(3.61%)	(10.17%)	7.01%	(6.89%)	(5.17%)	(8.13%)	(5.31%)	(3.96%)	(2.95%)
Net Fee Income to Net Operating Income Ratio (%)	22.89	21.31	21.62	18.98	16.18	17.42	16.05	16.56	14.83

Note: - On the consolidated basis, Bancassurance fees are not included in net fee income since November 30, 2009, due to the elimination of inter-company transactions (the accounting treatment from the Muang Thai Group Holding consolidation)
- Loan related fee in 2023 was 16% of loan related and non-loan related fees - net

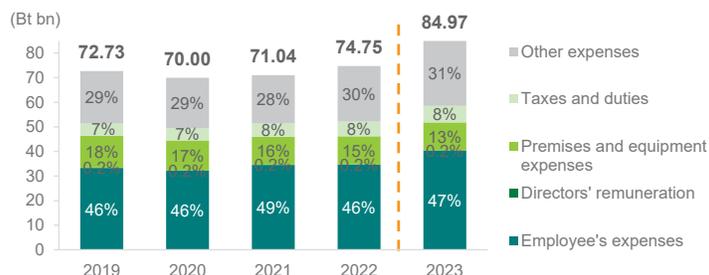
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Other Operating Expenses

December 2023 (Consolidated)

Other Operating Expenses Structure



- 2023 other operating expenses increased 13.67% YoY, mainly due to an increase in customer service expenses according to business volume, marketing expenses, activities collaborated with business partner expenses, IT related expenses in order to support customers' needs and employee expenses partly from one-time cost of living subsidy measures.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Other Operating Expenses (Bt bn)	72.73	70.00	71.04	74.75	84.97	19.79	20.85	19.82	24.51
Other Operating Expenses Growth (% YoY)	6.41%	(3.76%)	1.50%	5.22%	13.67%	13.82%	15.37%	8.60%	16.47%

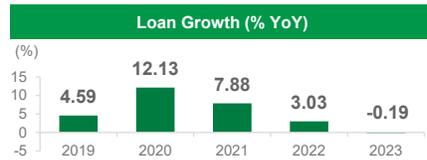
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Loan Structure and Loan Growth

December 2023 (Consolidated, TFRS 8: Operating Segments*)



Consolidated	Amount (Bt bn)		Y2023 Loan Growth (%)	Y2023 Yield Range (%)	Y2024 Loan Growth Target (%)
	Dec 22	Dec 23			
Corporate Loans	880	935	6.2%	2-4%	2-4%
SME Loans	780	719	(7.9%)	5-7%	1-2%
Retail Loans	703	684	(2.7%)	5-7%	1-2%
Other Loans	132	153	16.0%		
Total Loans¹⁾	2,495	2,490	(0.2%)	5.8%	3-5%

Note: From time to time, the Bank has adjusted loan definitions based on loan portfolio management; thus, the latest loan base is not comparable with previous reports.
¹⁾ Other loans through the World Business Group were included. In 2023, WBG loans were Bt104bn, increasing 26.9% YoY.

(Amount in Bt bn)	Loan by Retail Products (All Segments)**				
	Dec 22	Dec 23	Y2022 Loan Growth (%)	Y2023 Loan Growth (%)	% Portion to Total Loan
Housing Loans	443	426	(8.3)	(3.9)	17.1
Credit Cards	109	108	7.4	(1.5)	4.3
Consumer Loans	73	61	11.2	(16.6)	2.5
KLeasing	137	153	13.4	11.7	6.2

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Loans (Bt bn)	2,002	2,245	2,422	2,495	2,490	2,465	2,449	2,438	2,490
Loan Growth (% YoY)	4.59%	12.13%	7.88%	3.03%	(0.19%)	0.28%	(1.61%)	(1.07%)	(0.19%)
Loan Growth (% YTD)	4.59%	12.13%	7.88%	3.03%	(0.19%)	(1.20%)	(1.84%)	(2.29%)	(0.19%)

Note: * Since 1Q13, as per the Bank of Thailand's requirement, the Bank has complied with TFRS 8 (Operating Segments) to present operating results for each key segment in financial reports.

** From December 2021 onwards, KBank's housing loans include housing loans and all retail secured loans.

Loan Definition - Corporate Loans: Loans of KBank and KBank's Subsidiaries in Corporate Segments (Annual sales turnover > Bt400mn); SME Loans: Loans in SME Segments (Annual sales turnover ≤ Bt400mn);

Retail Loans: Loans in Retail Segments; Other Loans: Composed of loans through the World Business Group, the insurance business (MTL), and other loan types not directly attributable to the main business groups. Since Y2020 onwards, loans in Enterprise Risk Management Division (NPL + Performing Restructured Loans) were reclassified to their customer segments.

- Housing Loans: KBank's housing loans and all retail secured loans; Credit Cards: KBank's credit card loans to all eight customer segments; Consumer Loans: KBank's retail unsecured loans;

- KLeasing: KLeasing's loans to all eight customer segments

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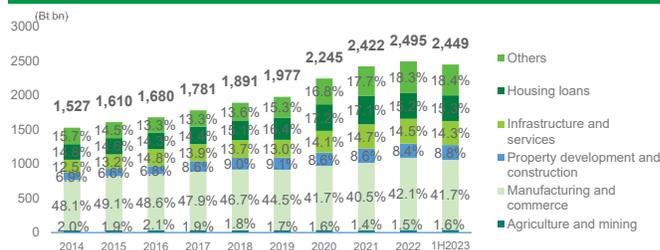
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Loan Portfolio Breakdown by Business, Residency of Borrowers, and Maturity of Interest Repricing

June 2023 (Consolidated)

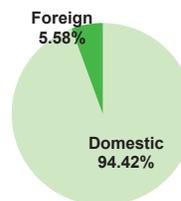
Loan Portfolio by Business*



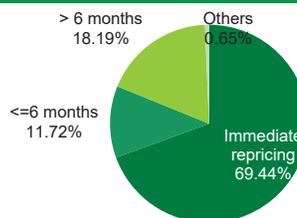
Definition of Loans

- 1) by industry = Gross loans = Loans to customers less deferred revenue
- 2) by currency = Loans to customers and AIR - net
- 3) by maturity of interest repricing = Loans to customers less deferred revenue

By Residency of Borrowers (June 2023)*



By Maturity of Interest Repricing (June 2023)*



Loans by Bangkok and Metropolitan vs. Upcountry

Loan by Bangkok and Metropolitan vs. Upcountry									
Proportion of KBank's Outstanding Loans	2015	2016	2017	2018	2019	2020	2021	2022	1H23
Bangkok and Metropolitan	64%	63%	64%	62%	59%	58%	62%	62%	65%
Upcountry	36%	37%	36%	38%	41%	42%	38%	38%	35%

Note: * The information on loans breakdown by industry, residency of borrowers, and maturity of interest repricing are disclosed on half year basis

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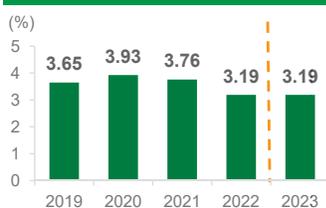
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Asset Quality

December 2023 (Consolidated)

NPL Ratio



Coverage Ratio



- NPL ratio in 2023 was at 3.19%, with a coverage ratio of 152.23%.
- Asset quality is manageable with prudent policy and focus efforts.

Classified Loans*

(Bt bn)	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Stage 1 Performing	2,130	2,230	2,228	2,211	2,192	2,186	2,228
Stage 2 Under-performing	202	188	185	181	179	179	185
Stage 3 Non-performing	106	93	92	89	94	87	92
Total	2,438	2,511	2,505	2,481	2,465	2,452	2,505

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
NPL Ratio (%)	3.65	3.93	3.76	3.19	3.19	3.04	3.20	3.11	3.19
Coverage Ratio (%)	148.60	149.19	159.08	154.26	152.23	156.68	147.31	154.90	152.23
SML to Total Loans Ratio (%)*	2.80	-	-	-	-	-	-	-	-
Loans with significant increase in credit risk (%)	-	7.80	7.27	6.47	6.19	6.25	6.15	6.19	6.19

Note: * Loans to customers and accrued interest receivables: Under TFRS 9, the classified loans are defined by 3 stages based on incremental risks, which cannot directly compare with the previous number these were defined by days past due.

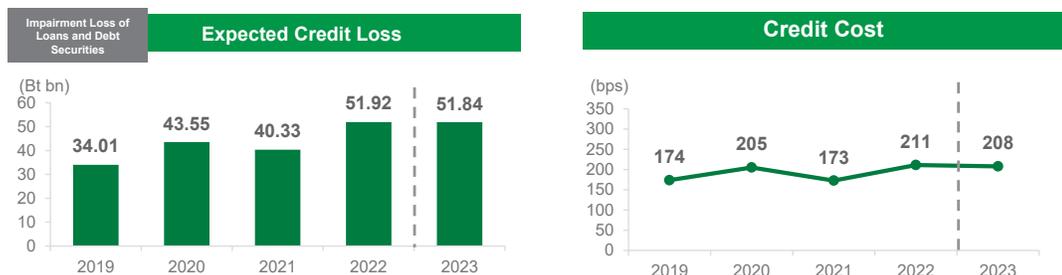
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Expected Credit Loss and Credit Cost

December 2023 (Consolidated)



- Credit cost remained high, and in line with guidance of slightly exceed the target range, but stay within 210 bps, due to ongoing, proactive asset quality cleanup efforts, and a one-time deterioration in a large corporate loan.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Expected Credit Loss (Bt bn) (Impairment Loss of Loans and Debt Securities)	34.01	43.55	40.33	51.92	51.84	12.69	12.78	12.79	13.57
Credit Cost (bps)	174	205	173	211	208	205	208	209	220

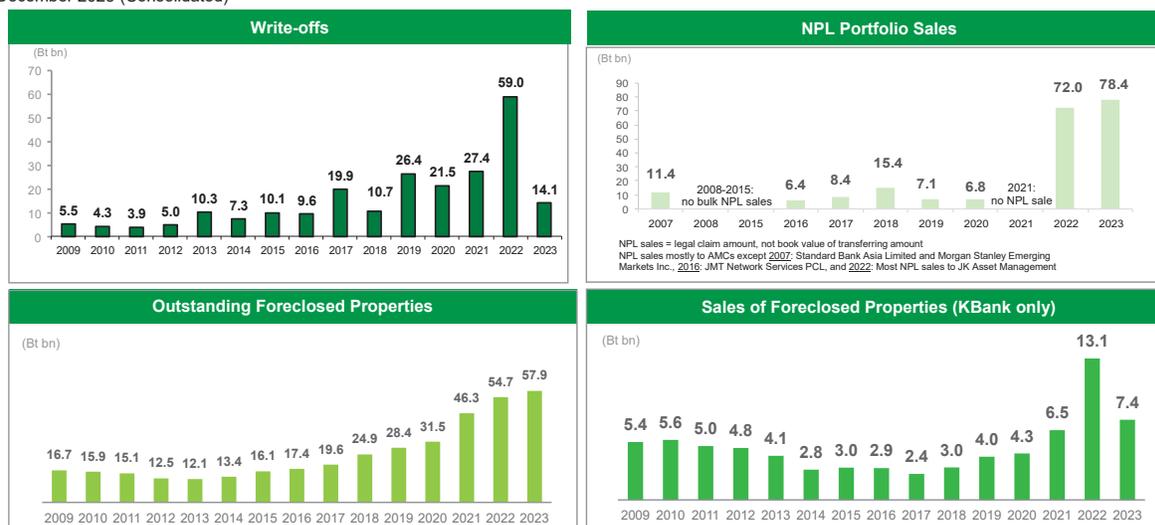
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Bad Assets Resolution

December 2023 (Consolidated)



Note: On September 11, 2013, the Bank was formally notified of its final loss sharing portion under the asset transfer agreement with TAMC established in October 2001. This amounted to Bt206mn. An amount of Bt1,159mn relating to the provision for losses recorded in prior years has been reversed through profit or loss in 2013.

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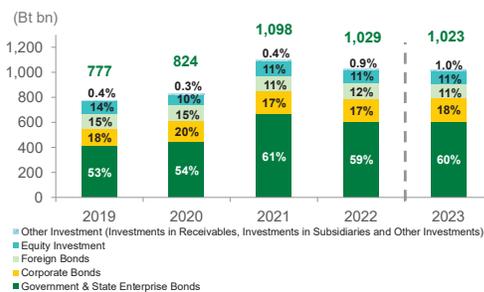
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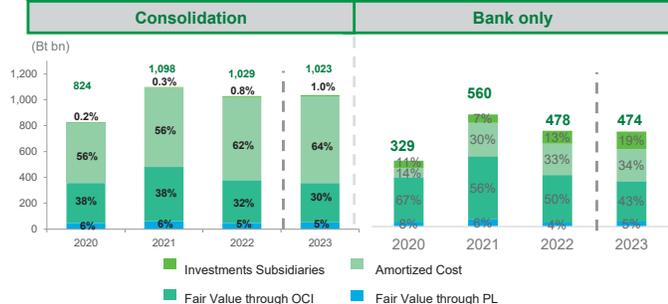
TFRS 9: Investment in Securities Portfolio and Structure

December 2023

Instrument Type (Consolidated)



Financial Assets Classification (TFRS 9)



- KBank's guideline for investment portfolio management is to primarily maintain liquidity in order to support a future change in business conditions. In addition, an investment strategy was established in line with changes in economic conditions and the movement of money markets and capital markets both at home and abroad.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Investment Portfolio (Bt bn)	777	824	1,098	1,029	1,023	1,057	1,054	1,037	1,023
Investment Portfolio (% Growth YoY)	17.22%	6.15%	33.16%	(6.23%)	(0.64%)	(2.08%)	0.38%	(1.24%)	(0.64%)

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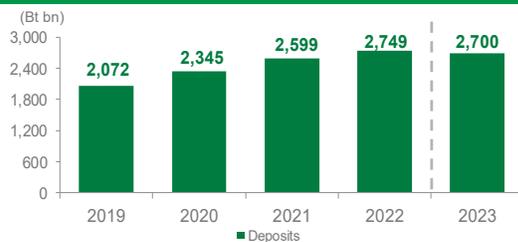
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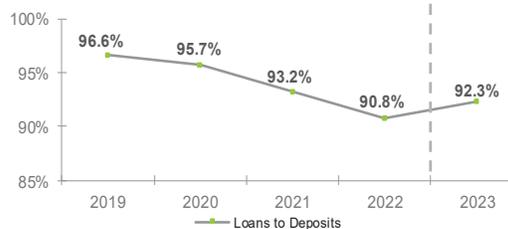
Deposits Growth and Loans to Deposits Ratio

December 2023 (Consolidated)

Deposits



Loans to Deposits Ratio



- Deposits and Loans to Deposits Ratio is in line with peers.

	2019	2020	2021	2022	2023	1Q23	2Q23	3Q23	4Q23
Deposits (Bt bn)	2,072	2,345	2,599	2,749	2,700	2,713	2,709	2,681	2,700
Deposits (% YoY)	3.9%	13.2%	10.8%	5.8%	(1.8%)	3.0%	1.4%	0.8%	(1.8%)
Deposits (% YTD)	3.9%	13.2%	10.8%	5.8%	(1.8%)	(1.3%)	(1.4%)	(2.5%)	(1.8%)
Loans to Deposits Ratio (%)	96.6%	95.7%	93.2%	90.8%	92.3%	90.9%	90.4%	90.9%	92.3%

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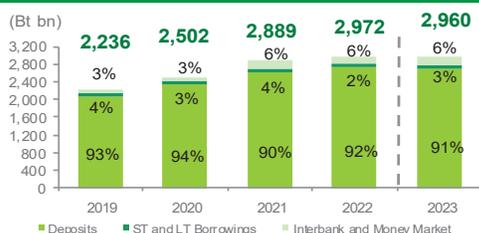
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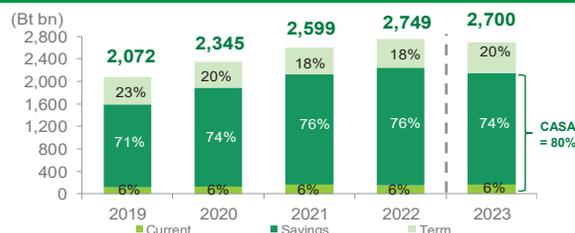
Funding Structure and Interest Rate Movement

December 2023 (Consolidated)

Funding Structure



Deposit Structure



KBank Interest Rate Movement (Retail customers)



ST and LT Borrowings



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Long-term Senior/Subordinated Debentures

Issue Date	Name	Type	Feature	Amount	Maturity Years	Interest Rate (Per annum)	Interest Payment period	Credit Rating
Long-term Subordinated Debentures								
10/08/2021	Additional Tier 1 Subordinated Notes*	Unsecured	Perpetual NC5.5Y	USD350mn	-	4%	Semi-annually	Ba2 by Moody's
14/10/2020	Additional Tier 1 Subordinated Notes*	Unsecured	Perpetual NC5Y	USD500mn	-	5.275%	Semi-annually	Ba2 by Moody's
02/10/2019	Tier II Subordinated Notes due 2031*	Unsecured	12NC7	USD800mn	12 Years (02/10/2031)	3.343%	Semi-annually	Ba1 by Moody's BB+ by Fitch Ratings
Long-term Senior Debentures								
07/03/2023	Senior Unsecured Notes due 2028*	Unsecured	-	USD600mn	5 Years (07/03/2028)	5.458%	Semi-annually	Baa1 by Moody's BBB by Fitch Ratings
27/12/2022	JPY Sustainability Long-Term Debentures #2**	Unsecured	-	JPY2,520mn	2.1 Years (20/01/2025)	0.655%	On 27/12/23 and 20/01/25	AA+ (tha) by Fitch
15/12/2022	USD Sustainability Long-Term Debentures**	Unsecured	-	USD45mn	3 Years (15/12/2025)	5.34%	Semi-annually	AA+ (tha) by Fitch
15/12/2022	JPY Sustainability Long-Term Debentures #1**	Unsecured	-	JPY2,745mn	3 Years (11/12/2025)	0.86%	Annually	AA+ (tha) by Fitch

Note: * The issued notes are drawn from the Bank's USD4bn Euro Medium Term Note Programme (EMTN)
Note: ** The issued notes are drawn from the Bank's Bt30bn Medium Term Note Program (MTN)

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KBank: The wholly-owned subsidiaries, and Muang Thai Life Assurance

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The wholly-owned subsidiaries of KBank: Business Profile and Aspiration

December 2023

	KAsset EST. Mar 1992	KResearch EST. Dec 1994	KSecurities EST. Jul 2002	KLeasing EST. Dec 2004	KF&E EST. Jul 1990
Company Name	KASIKORN ASSET MANAGEMENT CO., LTD.	KASIKORN RESEARCH CENTER CO., LTD.	KASIKORN SECURITIES PCL.	KASIKORN LEASING CO., LTD.	KASIKORN FACTORY AND EQUIPMENT CO., LTD.
Company Profile	A leader in fund management business (i.e., mutual funds, provident funds, and private funds)	<ul style="list-style-type: none"> Professional in providing knowledge and analysis in economics, business, money and banking-related issues Only research house which is an affiliate of a bank 	Professional in providing a complete range of excellent financial solutions and services, including investment banking, securities underwriting, and securities brokerage	Professional in providing three core products: hire purchase, financial lease, and floor plan	Professional in providing a complete range of machinery and equipment leasing services
Asset Size	Bt2.96bn	Bt0.18bn	Bt32.61bn	Bt155.74bn	Bt22.56bn
Market Share	18%	#1 Awareness based on market survey	2.73% (#12)	9% ¹	14%
2023 Targets	Maintain top tier position	Maintain the status as a top-notch research house in Thailand	Maintain leading position in securities business under local bank parent	Maintain a good asset quality portfolio	Maintain top tier position and focus on good asset quality
3-year Aspiration	Maintain top tier position	Maintain the status as a top-notch research house in Thailand with an aspiration to be at the forefront of research in Southeast Asia.	Top of mind securities firm	Provide complete range of financial solutions and maintain good asset quality	Top tier leader in sustainability in equipment leasing

Note:

¹ Outstanding market share among 6 banks leasing companies (AYCAL, TTB, SCB, KK, TISCO and KL), lasted data as of 9M23

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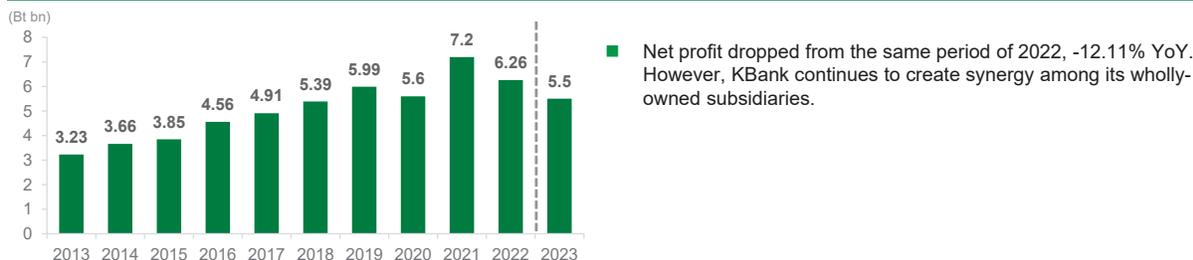


The wholly-owned subsidiaries of KBank: 2023 Key Operating Performance

December 2023

	KAsset EST. Mar 1992	KResearch EST. Dec 1994	KSecurities EST. Jul 2002	KLeasing EST. Dec 2004	KF&E EST. Jul 1990
2023 Key Operating Performance	Assets Under Management (AUM): Bt1.57trn (5.7% YoY)	#1 Awareness based on market survey	- Trading volume: Bt656bn - Number of customers grew 8% YoY	Outstanding loans: Bt153.39bn (+11.67% YoY)	Outstanding loans: Bt23.72bn (-2.44% YoY)

The wholly-owned subsidiaries of KBank: Net Profit



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KAsset Highlights in 2023

December 2023



AUM (KAsset vs. Industry)



Industry Outlook:

- 2023 industry AUM at Bt8.74trn, increasing 6.2% YoY
- KAsset AUM at Bt1.57trn, increasing 5.7% YoY

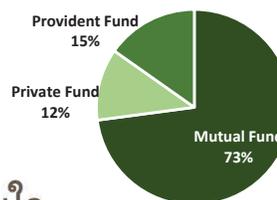
KAsset Highlights:

- Ranked **#1 in Mutual Fund** and **#2 in Provident Fund** with market share of 22.3% and 16.8%, respectively
- Ranked **#2 in total AUM** with market share of 18%
- Mutual fund accounts for 73% of KAsset AUM

Market Share by AUM



KAsset AUM Breakdown by Type



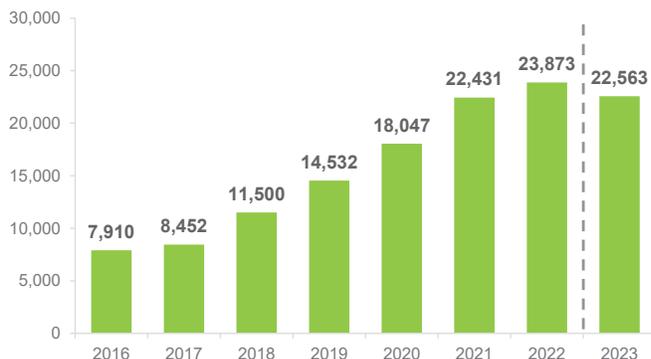
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KResearch Highlights in 2023

December 2023



Number of News Quotes



Source : NCX, Isentia, etc.

The number of quotes from the media newspapers online newspaper and other online news.

KResearch Highlights:

- The most quoted private research house in Thailand
- #1 awareness, being the top-of-mind research house for the public, based on a survey

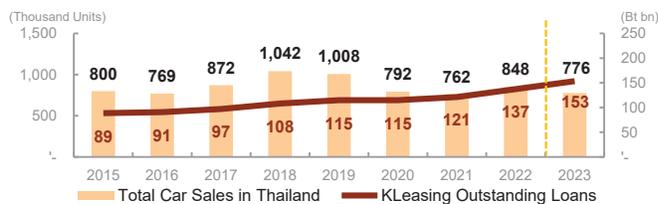
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KLeasing Highlights in 2023

December 2023



KLeasing vs. Industry



Market Share by Total Outstanding Loans (%)¹



Note: ¹ Excluding captive and non-bank leasing. Lasted Data as of 9M23

² New car includes HP New car, Fleet finance, Finance lease (FL) and Floorplan and Used car includes Car to Cash (K-Car / Car registration loan) and other used cars

³ Source: BOT, Lasted Data as of 1H23 = 2.05%

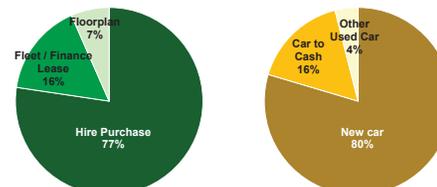
Industry Outlook:

- 2023 industry car sales totaled 775,749 units

KLeasing Highlights:

- 2023 KLeasing loans totaled Bt153.39bn, increasing 11.67% YoY
- 2023 KLeasing NPL ratio was 1.97%, lower than the industry average³

KLeasing Outstanding Loans Breakdown²



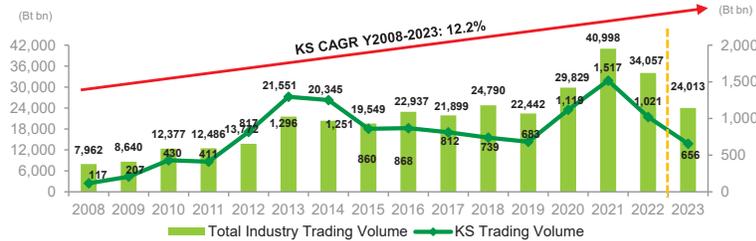
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KSecurities Highlights in 2023

December 2023



Trading Volume (KSecurities vs. Industry)*



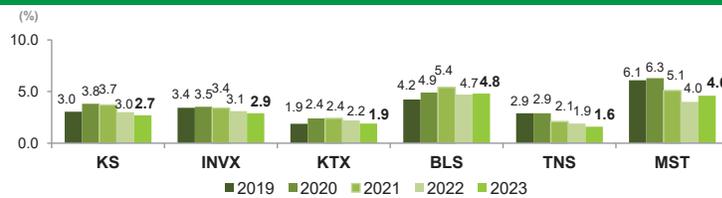
Industry Outlook:

- 2023 industry trading volume* was Bt24.01trn, decreasing 29%YoY
- KS trading volume was Bt655.70bn

KSecurities Highlights:

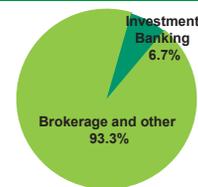
- KS ranked #12, with 2.73% market share
- Majority of revenue came from brokerage
- Number of customers account grew 8%YoY to 381,321 customers in 2023

Market Share by Trading Volume*



Note: * Industry trading volume excluding proprietary trades

KSecurities Revenue by Business



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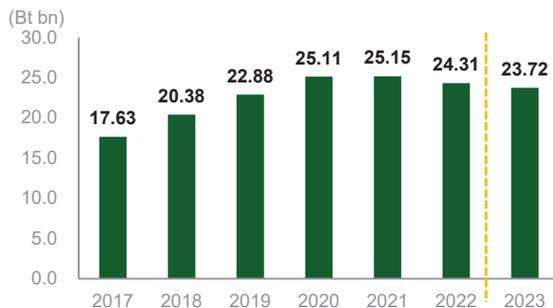
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KF&E Highlights in 2023

December 2023



KF&E Loan Outstanding



Industry Outlook:

- Growth in Equipment Leasing (EQL) business forecasted using numerous factors including total import volume of machinery and equipment, direction of government policy, domestic and international business growth opportunities, and Capital Investment Index, including the labor cost factor that causes switching to use machines instead of human labor.

KF&E Highlights:

- 2023 KF&E loan outstanding was Bt23.72bn, -2.44% YoY
- KF&E currently ranked #2; maintaining lead position in equipment leasing industry

Note: In 2010, KASIKORN FACTORING (KFactoring) was renamed KASIKORN FACTORY AND EQUIPMENT (KF&E) to better reflect their business, focusing on offering leasing services for machinery and equipment; the factoring business operation of KFactoring was transferred to KBank

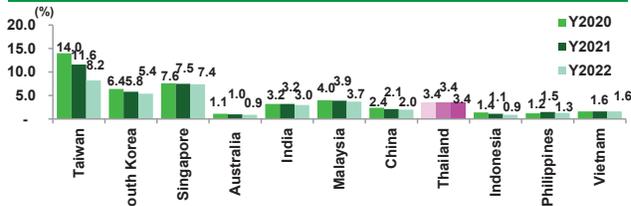
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Life Insurance Industry in Thailand

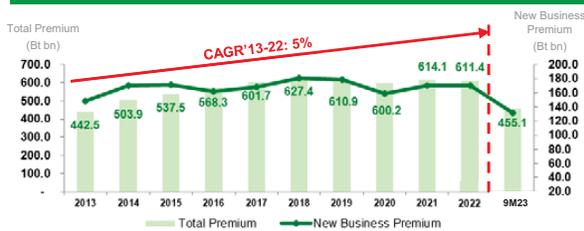
Premium per % GDP by Country



Source: Swiss Reinsurance

- In 2022, Thailand insurance penetration rate was 3.4% with a high opportunity for growth.
- Muang Thai Life Assurance (MTL) ranked #4 in life insurance industry in Thailand, in 9M23 with 11.5% market share of total premium.
- #4 in life insurance industry in Thailand, in 2022

Size of Market by Premium(%)

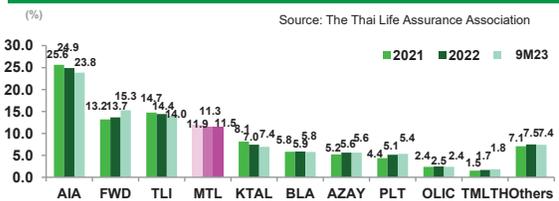


* New Business Premium in 9M23 = Bt132.0bn

Source: The Thai Life Assurance Association

Note: Total Premium = New Business Premium + Renewal Premium; New Business Premium = First Year Premium + Single Premium

Market Share by Total Premium in Life Insurance (%)



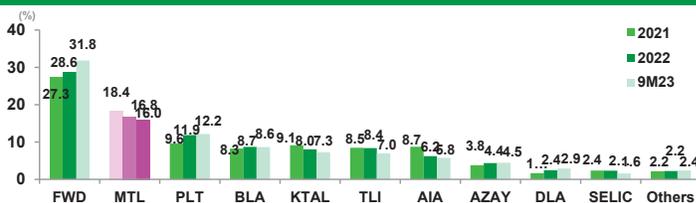
Source: The Thai Life Assurance Association

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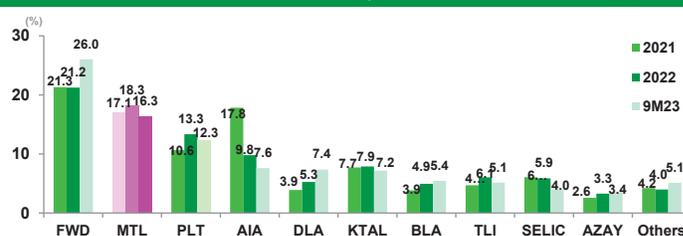
Bancassurance Highlights in 9M23

Bancassurance Market Share by Total Premium (%)



- MTL ranked #2 in Bancassurance market
- #2 in Bancassurance total premium with 16.0% market share
- #2 in Bancassurance new business premium with 16.3% market share

Bancassurance Market Share by New Business Premium (%)



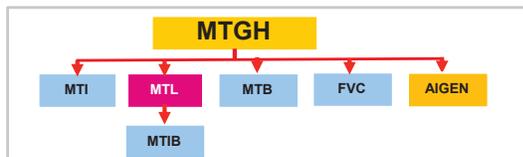
Source: Muang Thai Life Assurance (MTL), The Thai Life Assurance Association (TLAA) monthly report (new format)

Note: Bancassurance premium include all bank partners' premiums of MTL

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KBank's Strategic Acquisition in Muang Thai Group Holding (MTGH)

- MTL's insurance business supports KBank's strategic objective of providing a full range of financial services to satisfy customers' needs and universal banking platform



Current KBank Economic Interests	
Muang Thai Group Holding Co., Ltd. (MTGh)	51.00%
Muang Thai Life Assurance PCL. (MTL)	38.25%
Muang Thai Insurance PCL. (MTI)	10.20%
Muang Thai Broker Co., Ltd. (MTB)	50.99%
MT Insure Broker Co., Ltd. (MTIB)	38.25%
Fuchsia Venture Capital Co., Ltd. (FVC)	38.25%
AIGEN Co., Ltd. (AIGEN)	48.83%

(Data as of 30 Sep 2023)

- Established on 6 April 1951
- First life insurance company to have received the Royal benevolence in granting the appointment as the life insurance company of His Majesty King Bhumibol Adulyadej
- Joined hands with Ageas in 2004 (formerly known as Fortis Insurance International NV) and joined hands with KBank in 2009
- Credit Rating:
 - S&P Global: BBB+ (Stable Outlook)
 - Fitch Ratings: A- (Stable Outlook) / AAA(tha) (Stable Outlook)
- Insurance Hall of Fame Award 2022
- Micro Insurance Awards 2022
- OIC InsurTech Award 2022 from the Office of Insurance Commission (OIC)
- Corporate Excellence Award
- Inspirational Brand Award from Enterprise Asia
- HR Asia Best Companies to Work for in Asia 2023 Award from HR Asia Magazine
- Excellence in HR Innovation Award (Gold) from Human Resources Online
- Ageas holds 7.83% in MTGH and holds 24.99990% in MTL

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Muang Thai Life Assurance (MTL) Information Summary

- Strong fundamentals and revenue generation, helped by process efficiency and service quality enhancements; platform and synergy alignment between MTL and KBank
- Risk-Based Capital (RBC) remains strong, sufficient to support business growth and much higher than OIC minimum requirement

Statements of Comprehensive Income (Bt bn)	2021	2022	9M23
Net premiums earned	69.4	66.1	49.8
Net investment income	22.5	20.4	17.2
Total revenues	91.9	86.5	67.0
Long-term technical reserve increase from the previous period	25.6	14.5	11.0
Net benefit payments and insurance claims	41.6	50.6	39.6
Commissions and brokerages	8.6	7.4	5.3
Other underwriting expenses	0.7	2.5	1.9
Operating expenses & Other	5.5	4.6	3.9
Total Expenses	82.0	79.6	61.7
Profit before income tax expense	9.9	6.9	5.3
Income tax expense	1.8	1.2	1.0
Net profit (loss)	8.1	5.7	4.3

Statements of Financial Position (Bt bn)	2021	2022	9M23
Total Assets	607.5	625.0	634.1
Total Liabilities	520.9	537.6	547.7
Total Equities	86.6	87.4	86.5

Strategy in 2023

Under the strategic concept of "Happiness Reinvented", the Company continues to develop life and health insurance products and be the No.1 most trusted life & health partner with products, services and innovations that cater to the diverse needs of consumers, covering all genders, ages, groups, lifestyles and every role and responsibility in life. Our goal is to democratize insurance and make it accessible for all through our four core pillars: People, Preferred Partner, Customers and Beyond Our Customers. The Company also progresses to develop its workforce for handling and adapting itself to the digital world completely and continuously emphasizes market expansion in countries with potential for economic growth.

Key Financial Targets

Bt bn	2018	2019	2020	2021	2022	9M23
Total Premium (after refund)	94.5	83.8	75.3	73.0	69.3	52.5
% Growth	-8%	-11%	-10%	-3%	-5%	3%

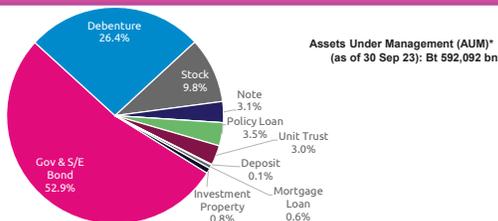
	2021	2022	9M23
ROE (%)	10.2%	6.6%	7.7%
ROA (%)	1.4%	0.9%	1.1%
Risk-Based Capital (RBC)	359.7%	331.5%	343.6%

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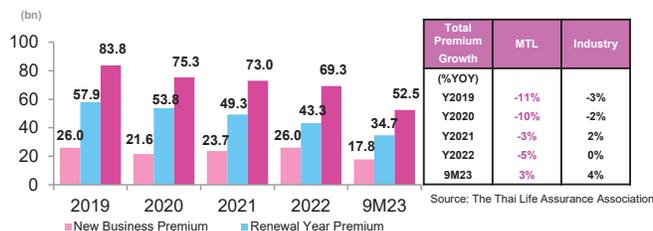
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MTL Investment Portfolio and Insurance Premium

MTL Investment Portfolio:
Fixed Income accounted for around 82%

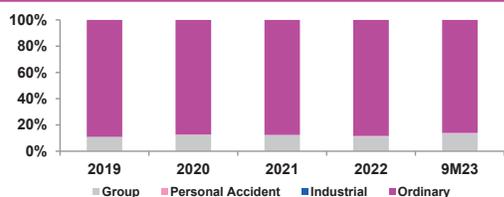


MTL Total Premium



Total Premium Growth (%YOY)	MTL	Industry
Y2019	-11%	-3%
Y2020	-10%	-2%
Y2021	-3%	2%
Y2022	-5%	0%
9M23	3%	4%

MTL Total Premium by Products:
Ordinary product accounted for around 86% in 9M23



MTL Total Premium by Channels:
Bancassurance accounted for about 55% in 9M23



*Remark: Invested Assets + Investment Property

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Source: The Thai Life Assurance Association (TLAA) / 2019 – 3Q22 data from TLAA monthly report (new format)

MTL International Business Expansion



MTL Current International Business Project (On-going)					
	Cambodia		Lao PDR	Vietnam	Myanmar
Company Name	Sovannaphum Life Assurance Plc.	Dara Insurance Plc.	ST-Muang Thai Insurance Co., Ltd.	MB Ageas Life Insurance Co., Ltd.	-
Entry Strategy	Joint Venture with Canadia Investment Holding Plc.	Joint Venture with Individual Shareholders	Joint Venture with ST Group Co., Ltd and Muang Thai Insurance Company Limited (MTI)	Joint Venture with Military Bank and Ageas	-
Ownership by MTL	49%	25%	22.5%	10%	-
Operation Year	2015	2018	2016	2017	2014
Business Operation	Life Insurance	General Insurance	Composite Insurance (Life & General)	Life Insurance	Representative Office

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MTL's Life Insurance Product Profile

Four Major Types of Life Insurance Product

- Ordinary Life Insurance Products:** Provide life protection for a fixed amount to an insured person
 Can be further classified into four sub-categories;
 - Endowment Life Insurance:** Savings type product; insured person receives an amount at the certain period of time or a designated beneficiary receives death benefits upon the death of the insured person within the insured period (e.g. Pro Saving products)
 - Term Life Insurance:** Provides temporary protection with no savings component. Claim can be made upon death within the stated term period (e.g. MRTA products)
 - Whole Life Insurance:** Provides life time protection (to the age of 90 or 99) with the death benefit paid to the beneficiary upon the death of the insured (e.g. Pro Life products)
 - Rider:** Additional coverage desired by the insured (sample of additional coverage: medical expense, accident)
- Group Life Insurance Products:** Term insurance covering a group of people, usually employees of a company or members of a union or association
- Industrial Insurance Products:** Life insurance with a modest amount of coverage, low premium, and no health check requirement
- Personal Accident :** A limited life insurance designed to cover the insured in case of personal accident

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Sample of K-Bancassurance and MTL Products

K-Bancassurance Products¹⁾
Endowment Life Insurance

Pheu Sasom Sub 11/3 Guarantee
Pay premium for only 3 years, but the coverage continues for 11 years

ตัวอย่างผลประโยชน์ที่ผู้เอาประกันภัยจะได้รับเมื่อครบกำหนดสัญญา หรือ 101% ของจำนวนเงินเอาประกันภัย หรือมูลค่าเวนคืนสัญญา ณ วันที่ครบกำหนดสัญญา หรือ 101% ของจำนวนเงินเอาประกันภัย หรือมูลค่าเวนคืนสัญญา ณ วันที่ครบกำหนดสัญญา
Life Coverage in % of the initial sum insured, or cash surrender value at the time, or 101% of the paid premium, whichever is higher.

End of policy year: 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

Remark: The above coverage is based on an assumption that the customer's credit repayment history is normal according to the bank's loan contract

Muang Thai Life Assurance Products²⁾
Endowment Life Insurance

Muang Thai Smart Linked Pro 10/1 (Global)
Pay single premium, guarantees cash bonus every year and get an opportunity to receive upside gain from invest in global assets.

100%⁽¹⁾ Life Coverage
or cash surrender value at that time (whichever is higher)

End of Policy Year: 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10

Premium Payment at the Beginning of Policy Year: 0

Cash Bonus⁽¹⁾: 1% 1% 1% 1% 1% 1% 1% 1% 1% 1%

Maturity Benefit: 101%

Maturity Dividend⁽²⁾ (if any)

¹⁾ Benefit and coverage are % of the initial sum insured. In case the benefit amount and coverage are stated incorrectly, the specified % shall apply.
²⁾ The dividend shall be paid to the insured who is alive upon contract maturity only. However, the Company does not guarantee maturity dividend.

Term Life Insurance
MRTA-Home (Mortgage Reducing Term Assurance)

Example, in case the customers choose to insure their loan in full term and full coverage

Loan Amount: Sum insured amount

Coverage of Pitak-In-Home is equivalent to the reducing sum insured amount

The customers can choose to continue the coverage throughout the contract term or receive cash surrender value

Scenario: Death or total and permanent disability

Scenario: Early Redemption

Remark: The above coverage is based on an assumption that the customer's credit repayment history is normal according to the bank's loan contract

Term Life Insurance
Khumkhong Baep Khongthi Life-Bukkhon

Single Premium payment period, but the coverage can be chosen between 1 - 5 years

100%⁽¹⁾ Life Coverage

End of Policy Year: 0, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15

Premium Payment at the Beginning of Policy Year: 0

Maturity

Remark: (1) is in % of the initial sum insured.

¹⁾ K-Bancassurance products are MTL's life insurance products selling through KBank
²⁾ Muang Thai Life Assurance products are MTL's life insurance products selling through MTL sales agents, and/or other channels

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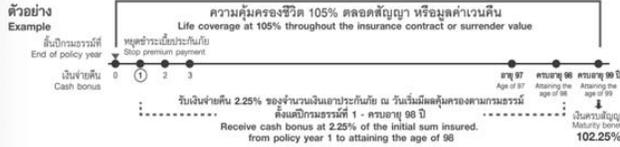


Sample of K-Bancassurance and MTL Products

K-Bancassurance Products¹⁾ Whole Life Insurance

Muang Thai Khumkhroong Talot Chip 99/1 (CB 2.25%)

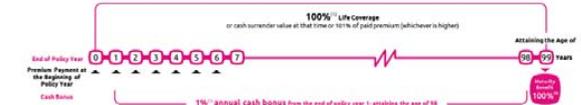
Life insurance with single premium, but the coverage continues to age 99 years



mtl Muang Thai Life Assurance Products²⁾ Whole Life Insurance

Muang Thai Happy Return 99/7

Receive cash bonus every year and pay 7 years for coverage until attaining the age of 99



¹⁾ Is in % of the initial sum insured.

²⁾ In case of being alive until contract maturity, the benefit is 100% of the initial sum insured or 101% of paid premium (whichever is higher).

Rider

Elite Health Plus Rider

- Right Coverage**
Medical expense coverage for both OPD* and IPD which is paid by actual amount
- Comprehensive Coverage**
Standard single room at any hospital or special single room at 10,000-25,000 baht per day
- Long-Term Health Coverage**
Insurable age is until the age of 99 with coverage period until the age of 99

D Health Plus Rider

- Be Covered to the Max**
Lump sum benefit based on actual expense of 5 million Baht* Standard single room in any hospital
- Plus Additional Coverage**
Maternity Plus or Well-Being Plus that covers health checkup, vaccination, dental care, and eye care which meet all of your needs
- Long-Term Health Care**
Entry age is up to 90 years old with long-term coverage until attaining the age of 99

OPD Per Time Rider/and OPD MaoChai Rider

Riders are not required to be purchased together with IPD coverage.

- OPD Per Time Rider**
OPD 500 - 3,000 THB per time per day. Up to 30 times per year
- OPD MaoChai Rider**
OPD 15,000 - 100,000 THB per year. Up to 2 times per day for second opinion.

Complete Coverage
Including telemedicine, doctor fees, diagnosis charge, medical expenses, physical therapy fee, CT Scan and MRI diagnosis, or kidney dialysis.

¹⁾ K-Bancassurance products are MTL's life insurance products selling through KBank MTL sales agents, and/or other channels

²⁾ Muang Thai Life Assurance products are MTL's life insurance products selling through MTL sales agents, and/or other channels

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KBank: Other Information

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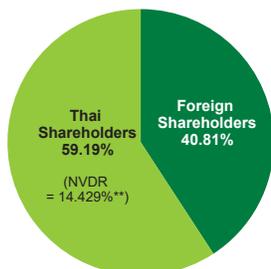
Shareholder Structure

September 14, 2023 (Record Date)

ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



Shareholder Structure



Note:
Foreign Shareholding Limit 49%

Top 10 Shareholders*

	%
1. THAI NVDR CO., LTD.**	14.429
2. STATE STREET EUROPE LIMITED	8.660
3. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	5.350
4. THE BANK OF NEW YORK MELLON	3.441
5. SOCIAL SECURITY OFFICE	2.289
6. STATE STREET BANK AND TRUST COMPANY	1.821
7. SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	1.379
9. SE ASIA (TYPE B) NOMINEES LLC	1.304
9. ELECTRICITY GENERATING AUTHORITY OF THAILAND SAVING & CREDIT COOPERATIVE LIMITED	1.209
10. HSBC BANK PLC - SAUDI CENTRAL BANK SECURITIES ACCOUNT A	1.090
Other Shareholders	59.026
Total	100.000

Note: * The Top 10 Shareholders are based on individual accounts

** Thai NVDR Co., Ltd (Thai NVDR) is responsible for issuing and selling Non-Voting Depository Receipts (NVDRs) to investors. The Stock Exchange of Thailand (SET) is the major shareholder, holding 99.99% of the total shares, of Thai NVDR. The NVDR limit for KBank is 25%.

*** Thailand Securities Depository Company Limited (TSD), a subsidiary of the Stock Exchange of Thailand, provides three types of securities post trade services: securities depository services, securities registration services, and dividend fund registration services; the shareholders booked under TSD are those who are not eligible for dividend payments as their investment is not aligned with their citizenship (i.e. foreign investors buying KBank shares on the local board or Thai investors buying KBank shares on the foreign board)

Source: Thailand Securities Depository Company Limited (TSD), the Stock Exchange of Thailand website (www.set.or.th) and KBank

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Credit Ratings

As of August 15, 2023

ธนาคารกสิกรไทย
开泰银行 KASIKORNBANK



	KBank					Thailand			
	Foreign Currency			Local Currency/ National		Outlook	Government		Outlook
	Long-term*	Senior Unsecured Notes	Subordinated Debts	Long-term	Subordinated Debts		Foreign Currency	Local Currency	
S&P's	BBB ¹⁾	BBB ¹⁾	N/A	N/A	N/A	Stable ¹⁾	BBB+	A-	Stable
Moody's	Baa1	Baa1	Ba1 ²⁾	Baa1	N/A	Stable	Baa1	Baa1	Stable
Fitch	BBB	BBB	BB+	AA+ (tha)	AA-(tha)	Stable	BBB+	BBB+	Stable

Note:

* Moody's: Foreign Currency Long-term Deposit Rating; S&P's: Long-term Counterparty Credit Rating; Fitch Ratings: Foreign Currency Long-term Issuer Default Rating

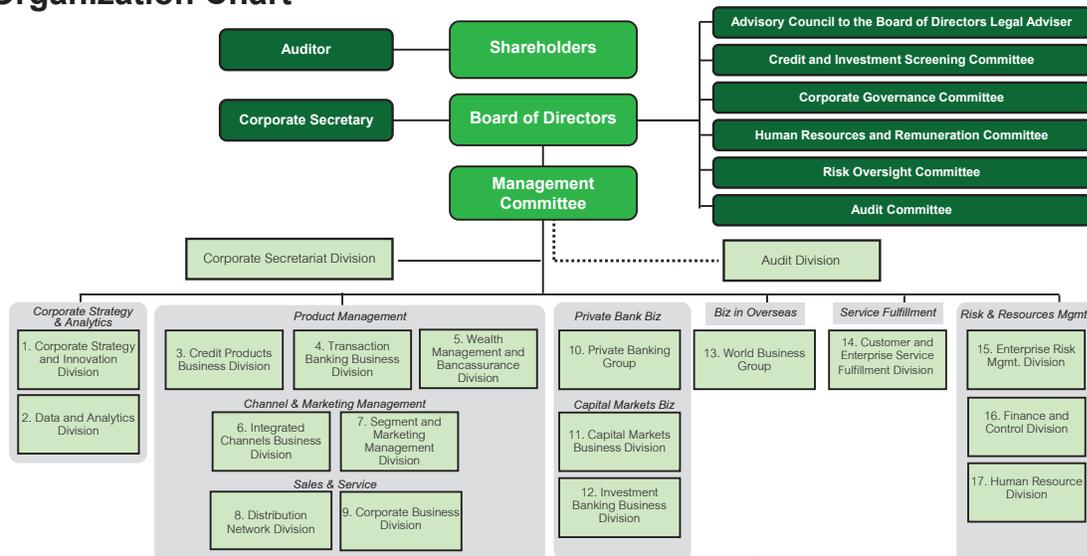
1) March 21, 2022: S&P's downgraded long-term credit ratings of 4 Thai banks, including KBank, as systemic risks have increased for banks operating in Thailand. S&P's downgraded long-term credit ratings of KBank from BBB+ to BBB. However, S&P's upgraded outlook of their credit ratings to stable from negative as it views their credit ratings would be stable in next 1-2 years

2) November 7, 2022: Moody's downgraded the Baseline Credit Assessments (BCAs) of two Thai banks, including KBank, to baa2 from baa1, reflecting the structural challenges to their asset quality and profitability that are exacerbated by the slow economic recovery in Thailand. Moody's also downgraded KBank's foreign-currency subordinate MTN program rating to Ba1 from Baa3 and its foreign-currency preferred stock non-cumulative MTN program rating to Ba2 from Ba1.

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Organization Chart



บริการทุกระดับประทับใจ

Note: As of 1 January 2024

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Board of Directors Structure

- 18 board members: 6 Independent Directors, 5 Executive Directors, and 7 Non-Executive Directors
- Director age limit is 72 years old
- Term limit of directorship for Independent directors shall not exceed nine consecutive years

Executive Directors (5)	Non-Executive Directors (7)	Independent Directors (6)
<ul style="list-style-type: none"> • Ms. Kattiya Indaravijaya (Chief Executive Officer) • Mr. Pipit Aneaknithi (President) • Dr. Pipatpong Poshyanonda (President) • Mr. Chongrak Rattanapian (President) • Mr. Rungruang Sukkirdkijipboon (President) 	<ul style="list-style-type: none"> • Ms. Sujitpan Lamsam (Vice Chairperson) • Sqn.Ldr. Nalinee Paiboon, M.D. (Chairperson of the Corporate Governance Committee) • Mr. Saravoot Yoovidhya • Mr. Kalin Sarasin (Chairman of the Risk Oversight Committee) • Mr. Sara Lamsam • Ms. Chonchanum Soonthornsaratoon (Legal Adviser) • Mr. Suroj Lamsam 	<ul style="list-style-type: none"> • Ms. Kobkarn Wattanavrangkul (Chairperson of the Board) • Mr. Wiboon Khusakul • Ms. Suphajee Suthumpun (Chairperson of the Human Resources and Remuneration Committee) • Mr. Chanin Donavanik • Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya • Ms. Kaisri Nuengsigkapijan (Chairperson of the Audit Committee)

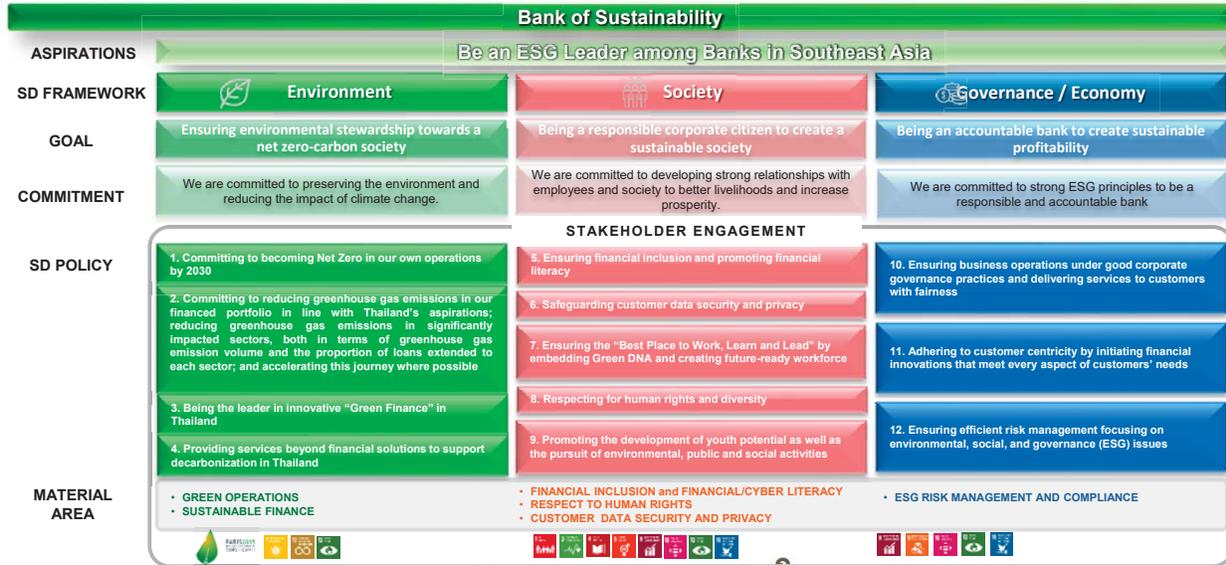
Note: More information on the Board of Directors biographies can be found on our website at <https://www.kasikornbank.com/EN/about/Pages/board-of-directors.aspx>

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Sustainable Development Framework and Policy



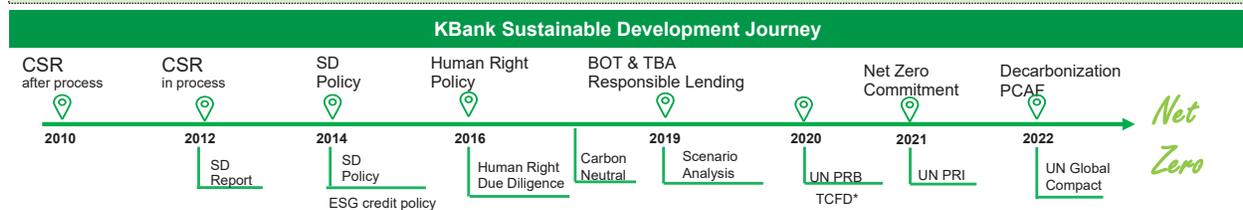
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KBank Sustainable Development Journey

Bank of Sustainability

KASIKORNBANK conducts business with the principles of a Bank of Sustainability, supported by good corporate governance principles, as well as appropriate risk and cost management. We strive to balance economic, social, and environmental dimensions to achieve goals and create sustainable long-term returns. The philosophy of sustainable development is instilled in all our operations as part of our Green DNA, ensuring maximum benefit for all stakeholders and paving the way for sustainable growth.



Pride of KBank

<p>INTERNATIONAL</p> <ul style="list-style-type: none"> The first Bloomberg Gender-Equality Index (GEI) member from Thailand. The Bloomberg Gender-Equality Index (GEI) distinguishes companies committed to transparency in gender reporting and advancing women's equality for five consecutive years (2019-present) A member of the FSTE4Good Emerging Index for six consecutive years (2016-present) KBank's Leadership Level rating is at AA for its ESG performance among emerging market banking sector peers 	<p>NATIONAL</p> <ul style="list-style-type: none"> Level rating is "AAA" of SET ESG Rating 2023 Included in Thailand Sustainability Investment (THSI) for seven years (2015, 2017-2022) ESG 100 certificate 2022 (Certified by ThaiPat Institute) An Excellence award under The Low Carbon and Sustainable Business Index (LCSBI) award (2021-2022) 	<ul style="list-style-type: none"> The first Thai commercial bank with CDP A List (Leadership Level) in Climate Change, assessed by the Carbon Disclosure Project (CDP) The first and only commercial bank in Thailand and ASEAN selected as a member of the DJSI World Index and DJSI Emerging Markets Index for seven consecutive years (2016-present) KBank was ranked in the top 5% of the S&P Global ESG Score 2022 for the banking industry with score of 86/100 in the S&P Corporate Sustainability Assessments 2022 	<ul style="list-style-type: none"> Sustainability Disclosure Award 2022 granted by ThaiPat Institute The first and only commercial bank in Thailand granted Carbon Neutral Certification (2018-2022) SET Sustainability Awards granted by the Stock Exchange of Thailand - Best in Sustainability Awards (2022) and Highly Commended in Sustainability Awards for three years (2018-2019, 2021).
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*For more information on KBank Task Force on Climate-related Financial Disclosures (TCFD), please see our Sustainability Report or visit our website at www.kasikornbank.com

บริการทุกระดับประทับใจ



KBank Net Zero Commitment



▶ Net Zero in
OUR OWN OPERATIONS
(Scope 1 & 2) by 2030

▶ Net Zero in
OUR FINANCED PORTFOLIO
(Scope 3)
In Line With Thailand's Aspirations*,
Accelerating This Journey Where Possible



- * Thailand's ambition at COP26:
- 2050 carbon neutrality and
- 2065 Net Zero GHG Emission

NET Commitment

▶ Allocation at least
100-200 Billion Baht
In Sustainable Financing and Investment
By 2030

▶ Supporting Customers
In the Transition to
A Net Zero Economy

KBank's Board of Directors has resolved to announced the Bank's Net Zero Commitment on 29 October 2021, as follows:

- ▶ KBank aims to empower every customer's life and business. We support our customers in the transition to a net zero economy. Sustainability is deeply ingrained in how we serve our customers and manage our operations.
- ▶ We are committed to supporting Thailand and our clients in regional economies on their decarbonization journeys. We will contribute to the global effort to transition to net zero emission by 2050* and will align with the Paris Agreement goals.
- ▶ We are committed to be the leading sustainable bank in Thailand, allocating at least Baht 100-200 billion in sustainable financing and investment by 2030 and pioneering green banking products.
- ▶ We commit to becoming net zero in our own operations (Scope 1, 2) by 2030. We commit to achieving net zero in our financed portfolio in line with Thailand's aspirations, accelerating this journey where possible. We will continually assess opportunities to take earlier actions as the technology, regulatory environment and external context evolves.

* Net zero emission by 2050 is the global effort to transition to net zero emission, aligning with the Paris Agreement goals. However, KBank commit to achieving net zero in our financed portfolio in line with Thailand's aspirations, accelerating this journey where possible.

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Environmental Aspect (1/2)

- **GOAL** Ensuring environmental stewardship towards a net zero society
- **Commitment** We are committed to preserving the environment and reducing the impact of climate change



Material Areas and Targets

Green operations

■ **Target: Transition to Net Zero in Our Own Operations (Scope 1&2) by 2030**



■ **KBank Decarbonization Pathway in Our Own Operations (Scope 1&2)**



Note: 2023 onwards is forecasted based on minimum guideline align with 1.5 degrees scenario

- This target is considered to align with SBTi
- 2030 Net Zero in our own operations (Scope 1&2)
 - 2025 21% reduction of GHG Emissions (Cumulative from base year 2020)
 - *4.2% emission reduction per year
 - *Baseline year 2020
- Scope 1: Emission from fossil fuel burned from KBank own car fleet**
- EV Fleet Conversion
 - Adopt lower emission factor fuel (E85, B20)
- Scope 2: Emission incurred from electricity consumption**
- Consumed more renewable energy (Solar rooftop installation)
 - Energy Conservation Measures (Building Retrofit, BMS, A/C)
 - Space Optimization
 - Renewable Energy Certificates (REC)
- Residual emission**
- Carbon Removal
 - Reforestation
 - Carbon Capture Utilization Storage (CCUS)

Sample of Performance

- **Own operations (Scope 1 & 2):**
GHG Emission Reduction (Baseline year 2020)
> 2021 Target: -4.2%
> 2021 Performance: -7.79%
> 2022 Target: -8.4%
> 2022 Performance: -16.75%
- **Enhance Environmental Management:**
 - Environment and energy conservation policy
 - Environmental management system development
 - Green building designing
 - Green process designing
 - Green mobility
 - Green facility management:
 - > Lighting system management
 - > Clean energy management
 - > Water use management
 - > Green waste management
- **Raise employees' awareness on energy and environmental conservation and adopt green behavior**

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Environmental Aspect (2/2)

- GOAL** Ensuring environmental stewardship towards a net zero society
- Commitment** We are committed to preserving the environment and reducing the impact of climate change



Material Areas and Targets	Sample of Performance
<p>Sustainable Finance</p> <ul style="list-style-type: none"> Targets: Transition to Net Zero in our finance portfolio (Scope 3) in line with Thailand's Aspiration*, accelerating this journey where possible <ul style="list-style-type: none"> Decarbonization Pathway in our Financed Portfolio (Scope 3) <ul style="list-style-type: none"> Minimize lending to projects with high GHG emissions Increase financial support to environmentally friendly projects or projects with no or low GHG emissions Targets: Allocate at Least Bt100-200bn in Sustainable Financing and Investment by 2030 	<ul style="list-style-type: none"> Sector Prioritization for Glidepath <ol style="list-style-type: none"> MATERIALITY ASSESSMENT Calculating the greenhouse gas emissions of each industry in the Bank's portfolio as a proportion of loans to different industries to rank those industries with significant greenhouse gas emissions. FEASIBILITY ASSESSMENT Studying the assessment methodology of each industry, which depends on the availability of data used in the calculation and various reference scenarios (Availability of Methodology) and Availability of Counterparty Data. ABILITY TO DELIVER ASSESSMENT Consider the ability to change each industry (Decarbonization Trend), Complexity to Execute, and Local Context to be used as factors in ranking the industry. Sector Prioritization for Portfolio decarbonization management The Bank assessed and formulated a Sector Decarbonization Strategy <ul style="list-style-type: none"> Y2022 - 3 sectors: Power Generations, Oil and gas, and Coal Y2023 - 4 sectors: Power Generations, Oil and gas, Coal, and Cement Sustainable Financing and Investment: <ul style="list-style-type: none"> 2022 Performance: Bt26n 2023 Targets: Bt25bn 1H23 Performance: Bt19bn

* Thailand's ambition at COP26:
 • 2050 carbon neutrality and
 • 2065 Net Zero GHG Emission

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Social Aspect:

- GOAL** Being a responsible corporate citizen to create a sustainable society
- Commitment** We are committed to developing strong relationships with employees and society to better livelihoods and increase prosperity.



Material Areas and Targets	Sample of Performance (as of 2022)
<p>Financial inclusion and financial/cyber literacy</p> <ul style="list-style-type: none"> Targets: <ol style="list-style-type: none"> Financial Literacy for the underprivileged to reach 52,500 persons in Y2023 Increase cyber literacy knowledge and awareness to reach 10 million persons in Y2023 <p>Customer data security and privacy</p> <ul style="list-style-type: none"> Protect customer assets, provide secure services, and ensure care & timely responses as follows: <ul style="list-style-type: none"> Deliver secure and efficient services and workplace Strengthen third party risk management Expand detection and responses <p>Respect for Human rights</p> <ul style="list-style-type: none"> Respect to human rights <ul style="list-style-type: none"> Human rights risk assessment in all business activities: 100% of KBank 	<ul style="list-style-type: none"> Financial Literacy for the underprivileged reached 51,001 persons Cyber literacy campaign reached 10.8 million people Number of employee volunteer hours: 216,886 hours Number of beneficiaries from CSR activities: 988,287 persons Employee engagement score: 77% Female in leadership position: 62% Internal employee filled in rate: 85% Respect to human rights: Human rights risk assessment in all business activities: 100% of KBank and joint ventures of KBank



บริการทุกระดับประทับใจ



Governance

- GOAL** Being an accountable bank to create sustainable profitability
- Commitment** We are committed to strong ESG principles to be a responsible and accountable bank



Material Area and Targets	Sample of Performance
ESG Risk Management and Compliance <ul style="list-style-type: none"> ESG credit: 100% of Project Finance requests and medium enterprises (and above) must be processed through the ESG credit assessment 	<ul style="list-style-type: none"> In 2022, 100% of project finance and above medium-sized entrepreneurs passed ESG risk assessment worth Bt514,652mn

Corporate Governance and Anti-Corruption	
Corporate Governance	Anti-Corruption
<ul style="list-style-type: none"> Reviewing KBank practices under BOT, SEC, SET, Thai IOD, ASEAN CG Scorecard, and Dow Jones Sustainability Indices (DJSI) criteria Implementing a strategic plan for CG activities to enhance compliance by directors, executives, and staff with CG principles, Code of Conduct, and Anti-Corruption Policy through <ul style="list-style-type: none"> Organizing training courses and continually communicating via e-Learning system Communicating with companies within KASIKORNTHAI FINANCIAL CONGLOMERATE to ensure consistency of operations Reviewing the Statement of Business Conduct, the Code of Conduct, the Statement of CG Principles, CG Policy, and related Charters; keeping them up-to-date in accordance with <ul style="list-style-type: none"> Ongoing business operations and Bank Sustainability Compliance with laws, international practices, and best practices as prescribed by regulatory agencies and competent agencies Conducting phishing drill exercises internally on a continual basis to build awareness and stay ahead of cyber threats 	<ul style="list-style-type: none"> KBank, KAsset, and KSecurities co-signed a declaration of the "Thai Private Sector Collective Action Against Corruption (CAC)" project and have been recognized as CAC certified companies since 2013. BOD approved the revised Anti-Corruption Policy in compliance with the assessment and certification criteria for anti-corruption measures of the Thai Private Sector Collective Action against Corruption. Internal Communication on Anti-Corruption Policy to ensure proper practices within the organization by <ul style="list-style-type: none"> Organizing training courses for executives and employees Communicating with all directors, executives and employees via KBank electronic networks and website Communicating with suppliers on operational guidelines, including <ul style="list-style-type: none"> Communication of supplier manual on the Code of Conduct related to business ethics, human and labor rights, occupational safety and health, and environment, as well as the Anti-Corruption Policy and the Conflicts of Interest Prevention Policy for their acknowledgment and compliance. The Bank also encouraged suppliers to participate in the anti-corruption network. Communication of the No Gift Policy regardless of occasions and festive seasons. Communication of the Bank's procurement procedures and policies, as well as sustainable business operations under good corporate governance, procurement with responsibility and operations in accordance with the ESG principles. Additionally, suppliers are encouraged to comply with Anti-Corruption Policy and practices. Provision of various channels to receive information, complaints and whistle-blowing

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ESG Risk Management

- KBank has established credit policies and operations that manifest ESG responsibility with an operational structure divided into management and transaction levels



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ESG Risk Management

KBank has established credit policies and operations that manifest ESG responsibility with an operational structure divided into management and transaction levels

At the transaction level The Bank ensures that lending transactions violate neither the law nor social ethics

Exclusion List



Examples of Exclusion List:

- Offences related to illegal activities or activities that risk violation of laws including domestic environmental laws and international agreements, for example:
 - Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
 - Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal or related rules and regulations, etc.
- Credits related to destroying or encroaching upon important ecosystems, such as mangrove forests and conservation areas, for example:
 - Natural parks, conservation areas and animal sanctuaries per related public notifications
 - UNESCO World Heritage Sites, etc.
- Credits for hydropower generation from dams that generate significant impacts on the environment and society, without management measures and work plans in accordance with the Equator Principles and without support from international financial institutions for development or foreign financial institutions that have accepted the Equator Principles
- Stop financing project of new coal-fired power generation and thermal coal mining (100% discharge existing loans on coal-fired power plants and thermal coal mining by 2030)

Sector - Specific Guidelines

KBank has developed the loan consideration guidelines for specific industrial sectors in accordance with environmental and social impacts by including ESG factors in credit consideration for each industry in addition to other factors, to ensure that risk management at the credit portfolio and transaction levels comply with the target to achieve a low-carbon economy, especially for the industries with risks of environmental and social impacts, for example:

- Agricultural Industry:** No support for business operators that encroach upon or destroy forest areas, or conduct slash-and-burn farming practices
- Fishery:** No support businesses conducting unlawful operations, or Unregulated Fishing (IUU Fishing), or catching restricted animals or animals included in CITES
- Electricity Generation:** Support renewable energy plants, e.g. solar and wind, power plants using other fuels, e.g. biomass and waste etc.

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Public Recognition Highlight: 2022-2023

2022

THE ASSET 3 - Top Investment Houses in Asian Local Currency Bond - Best IPO
- Top Arranger - Investors' Choice for Primary Issues Corporate Bonds (THB, Rank1)
- Top Arranger - Investors' Choice for Primary Issues, Government Bonds (THB, Rank1)
- Top Sellside Firm in the Secondary Market, Government Bonds (THB, Rank1)
- Top Sellside Firm in the Secondary Market, Corporate Bonds (THB, Rank3)
- Triple A Best Private Bank and Triple A Best Private Bank - HNWI's

THE ASIAN BANKER - Best Retail Bank for Digital CX - Thailand
- Best Private Bank for Digital CX - Thailand
- Best Digital CX in Banking - Social Channels (KASIKORN LINE)
- Best Retail Bank - Thailand - Outstanding Interactive Chatbot Service by a Retail Bank

THE ASSET 3 - Best Bond House in Thailand
- Best Bond Deal for Retail Investors in Southeast Asia 2022
- Best Local Currency Bond Deal of the Year (Thailand) 2022
- Best Sustainability-Linked Transaction of the Year 2022

PRIVATE BANKER - Best Retail Bank in Thailand
- Best Chatbot / Voice Banking Initiative Application in Thailand
- Best SME Bank in Thailand

THE ASIAN BANKER - Best Strategic Partnership
- Best In-Person (or virtual) Customer Event
- Most Dynamic Third-Party Collaboration
- Highly Commended - Best App for Customer Experience
- Highly Commended - Best Content Marketing Program
- Highly Commended - Excellence in SME Banking
- Highly Commended - Excellence in Omni-Channel Integration (K CHECK ID)
- Highly Commended - Trailblazing Use of AI or Machine Learning in Financial Services (Digital Commercial Loan for Shopee project)
- Highly Commended - Trailblazing Use of AI or Machine Learning in Financial Services (KASIKORN LINE)
- Highly Commended - Best Use of Big Data in Customer Strategy (KASIKORN LINE)
- Highly Commended - Excellence in Loan Origination Process (KASIKORN LINE)

ASIAN PRIVATE BANKER - Best for Mass Affluence/HNW in Thailand
Business+ - Product of the Year - Premium Health Insurance Product for Elite Health Insurance
HR Asia - Product of the Year - Lump sum Health Insurance Product for Delight Health Insurance
- Best Companies to Work for in Asia-Thailand region - HR Leader of the Year (Gold Level)
- Excellence in HR Change Management (Gold Level)
- Excellence in Workforce Flexibility (Gold Level) from the "Work That FITS" project

BRANKING+ FINANCE - Mobile Banking & Payment Initiative of the Year - Thailand
- Strategic Partnership of the Year - Thailand
- Thailand Domestic Cash Management Bank of the Year
IDZ - UX Design Awards in the category of Product for MAKE by KBank

TCCTA - Best Contact Center of the Year
IDC - Best Fund House - Domestic Fixed Income (KAsset)
MONSIEUR - Future Enterprise of the Year
Human Resources - Employee Experience Award in the category of Most Innovative and Sustainable Office Design
PWM - Best Private Bank for Digital Marketing & Communication, Asia
Red Dot Award - Brands & Communication Design in the category of Interface & User Experience Design (for Mobile User Interfaces) for KhunThong social chatbot

2023

ESG - Asia's Best CSR (Investor Relations)
- Asia's Best CFO (Investor Relations)
- Best Investor Relations Professional
- Best Investor Relations Company (Thailand)
- Best Environmental Responsibility

THE ASIAN BANKER - Best Retail Bank in Thailand
- Most Recommended Retail Bank in Thailand
- Best Frictionless Customer Experience Initiative (YouTrip)
- Triple A Best Private Bank, Thailand
- Triple A Best Private Banking - HNWI's
- Project Finance House of the Year
- Renewable Energy Deal of the Year - Rooftop Solar
- Transport Deal of the Year - Highway
- BTS Group Holding Baht 11 billion Multi-tranche Sustainability-linked Debentures
- Top arranger - Investors' Choice for primary issues, Corporate bonds, THB, Rank 1

THE ASSET 3 - Digital Private Banking of the Year
- Best Private Bank for HNWI's (Thailand)
- Triple A Best Private Bank, Thailand
- Triple A Best Private Banking - HNWI's
- Project Finance House of the Year
- Renewable Energy Deal of the Year - Rooftop Solar
- Transport Deal of the Year - Highway
- BTS Group Holding Baht 11 billion Multi-tranche Sustainability-linked Debentures
- Top arranger - Investors' Choice for primary issues, Corporate bonds, THB, Rank 1

IFR ASIA - ESG Bond: BTS Group's Baht 20 billion Sustainability-linked Bonds

ESG100 - ESG 100 certificate 2023 Certified by Thailand
- Best DCM House in Thailand

FinanceAsia - Best Domestic Bank in Thailand
- Best for High Net Worth in Thailand
- Top Underwriter
- Best Private Bank - Best Private Bank Thailand
- Best Bond House
- Deal of the Year
- Most Innovative Deal
- Corporate ESG Bond of the Year Banking Thailand

ASIAMONEY - Best Domestic Bank in Thailand
- Best for High Net Worth in Thailand
- Top Underwriter
- Best Private Bank - Best Private Bank Thailand
- Best Bond House
- Deal of the Year
- Most Innovative Deal
- Corporate ESG Bond of the Year Banking Thailand

INTERNATIONAL BUSINESS MAGAZINE - Best Private Bank Thailand
- Best Bond House
- Deal of the Year
- Most Innovative Deal
- Corporate ESG Bond of the Year Banking Thailand

THE WORLD'S BEST FINANCE - The World's Best Trade Finance Provider 2023
- Best FX Bank for Corporates & Fie
- Best Wealth Management Bank in Thailand
- Best Inaugural Bond Deal in Southeast Asia & Best Local Currency Bond Deal of the Year in Thailand (CP Axtra PCL's Baht 15 Billion (US\$420.1 million) Multi-tranche Debt)

RETAIL BANKER - Highly Commended - Best Retail Bank - Thailand
- Highly Commended - Best Mobile Wallet Initiative (YouTrip)
- Best Wealth Management Bank in Thailand
- Most Dynamic Third-Party Collaboration (K LINE)
- Highly Commended - Best Loan Offering (K LINE)
- Best Mobile Wallet Initiative (Highly Commended)

REFINITIV - Best THB Interest Rates Swap Contributor (Runner-up)
- Best THB Local Cross Currency Contributor (Runner-up)
- Best Private Bank for Building Client Communities, Asia

mongoDB - 2023 MongoDB APAC Innovation Award - Customer Focused (MAKE by KBank)
- Thailand's Most Admired Brand: Mobile Banking

BrandAn - Best Retail Bank for Digital CX in Thailand
- Outstanding Digital CX in FX Services (YouTrip)
- Best Private Bank for Digital CX in Thailand
- Best Private Bank - Thailand

HR Asia - Best Companies to Work for in Asia-Thailand region
- Best Employee Value Proposition (Gold)
- Best Unique or Innovative Leadership Development Program (Silver)
- Best Hybrid Learning Program (Silver)
- Best Unique or Innovative Learning Development Program (Silver)
- Best Use of a Blended Learning Program (Bronze)

Note: CX = Customer Experience

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Thailand's Digital Readiness: Number of Users

- High adoption of digital lifestyle in Thai market; high penetration in smart devices and internet users in preparation toward a cashless society (Mobile Banking & e-Money)



188.5%
Penetration

Mobile Internet ¹⁾
(Mobile internet numbers)



53.8%
Penetration

Broadband Internet ¹⁾
(No. of households using internet via broadband)



85.1%
Penetration

Social Media ²⁾
(No. of Facebook users)



Volume:
28.9 bn transactions, +26.5% YoY
Value:
452.2 trn baht, +6.8% YoY

Thailand e-Payment ³⁾
(Volume and Value)



76.4
Million

PromptPay ⁴⁾
(Total registration)



168.9%
Penetration

Mobile Banking ⁴⁾
(No. of accounts)



46.4%
Penetration

Internet Banking ⁴⁾
(No. of accounts)



207.4%
Penetration

e-Money ⁴⁾
(No. of accounts/ cards)

Source: The Bank of Thailand (BOT), National Statistical Office of Thailand (NSO), Thai Banker Association (TBA), Ministry of Interior (MOI), wearesocial and KResearch

Notes: Denominator for all penetration ratio is number of population age six and above as of December 2022. Denominator for fixed internet penetration is number of household.
1) As of Sep-23, 2) As of Oct-23, 3) Jan-Oct 23, 4) As of Oct-23

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Regulations Update

Capital (Basel III)

- CCR:** BOT revised capital treatment on CCR for derivative by adding capital charge for CVA risk and determining %RW for exposure transacted through CCP. The regulation become effective from 1 Jul 2024 onwards.
- BCBS finalized new requirements on risk weighted asset (RWA) calculations including credit risk, operational risk, and CVA risk.** The main objectives of the revision are to reduce variability in RWA across banks and jurisdictions and to balance simplicity and risk sensitivity of capital requirements

Guidelines for supervision of financial groups of commercial banks related to digital asset business

- Remove the investment ceiling (3% of the capital of Thai banks) for FinTech business,** as commercial banks have more experience investing in FinTech, and regulators have guidelines to manage risks
- Allow subsidiaries of Thai banks to invest in companies related to Digital Assets (DA) business** not greater than 3% of their capital, limiting new risks; DA companies with good governance, supervision of risks, and protection of customers are exempt from this investment ceiling
- Capital treatment:** full deduction of DA holding exposure to CET1

Financial Sector Master Plan III (FSMP III)

- 22 Mar 2016:** Cabinet approved FSMP III (2016 – 2020), with aims to establish strategic framework for continuous financial sector development and ensure challenges arising from the changing environment will be effectively managed
- Overall:** FSMP III comprises four main initiatives: 1) Promote electronic financial and payment services as well as enhance efficiency of Thai financial system; 2) Support regional trade and investment linkages; 3) Promote financial access; and 4) Develop relevant infrastructure
- 1Q17:** BOT adopted the 'regulatory sandbox' which allowed regulatory flexibilities to be granted to financial institutions and FinTech companies to experiment with FinTech businesses with plans to grant a new license for P2P lending players or digital personal loan operators
- As of June-2023,** BOT granted licenses for 9 digital personal loan operators
 - Impacts on Thai banks: Move toward further liberalization and digitalization, along with enhanced competition from FinTech and non-bank companies
 - Impacts on KBank: Ability to maintain competitiveness over both existing and new players, helped by an effective customer-centric strategy and preparation for a changing environment

Thai and International Financial Reporting Standards (TFRSs / IFRSs)

- Year 2022 onwards:** Timeframe was specified by Thailand Federation of Accounting Professions (TFAC); TFRS 9 (Financial Instruments) has been effective since 2020 with the amendment for IBOR reform during 2020-2022. TFRS 17 (Insurance Contracts) will be effective in 2025
 - Expected impacts on Thai banks:** New benchmark rate of IBOR reform is treated as repriced rate in TFRS9 EIR calculation, hedge accounting and valuation. Existing hedge strategies can be continued with day 1 impact in PL or OCI depending on classification. TFRS 17 will delay revenue recognition over coverage period; previous revenue in retained earning will be reclassified to liability on transition.
 - Expected impacts on KBank:** For TFRS 9, impacts from IBOR reform are limited while TFRS 17 impact is still under investigation.

Note: D-SIBs = Domestic Systemically Important Banks
CCR = Counterparty Credit Risk, CVA = Credit Valuation Adjustment, CCP = Central Counterparties
Source: The Bank of Thailand and KResearch



Basel III: BOT Minimum Capital Requirement

Transitional Arrangement for Capital Requirement										
All dates are as of 1 January	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Conservation Buffer*	0.625%	1.25%	1.875%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
D-SIBs Buffer**	-	-	-	0.5%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
CET1: Min. Common Equity Tier 1 Ratio (after conservation buffer and D-SIBs buffer)	5.125% (4.5%+0.625%)	5.75% (4.5%+1.25%)	6.375% (4.5%+1.875%)	7.5% (4.5%+2.5%+0.5%)	8.0% (4.5%+2.5%+1%)	8.0% (4.5%+2.5%+1%)	8.0% (4.5%+2.5%+1%)	8.0% (4.5%+2.5%+1%)	8.0% (4.5%+2.5%+1%)	8.0% (4.5%+2.5%+1%)
Tier 1: Min. Tier 1 Ratio (after conservation buffer and D-SIBs buffer)	6.625% (6.0%+0.625%)	7.25% (6.0%+1.25%)	7.875% (6.0%+1.875%)	9.0% (6.0%+2.5%+0.5%)	9.5% (6.0%+2.5%+1%)	9.5% (6.0%+2.5%+1%)	9.5% (6.0%+2.5%+1%)	9.5% (6.0%+2.5%+1%)	9.5% (6.0%+2.5%+1%)	9.5% (6.0%+2.5%+1%)
CAR: Min. Total Capital Ratio (after conservation buffer and D-SIBs buffer)	9.125% (8.5%+0.625%)	9.75% (8.5%+1.25%)	10.375% (8.5%+1.875%)	11.5% (8.5%+2.5%+0.5%)	12.0% (8.5%+2.5%+1%)	12.0% (8.5%+2.5%+1%)	12.0% (8.5%+2.5%+1%)	12.0% (8.5%+2.5%+1%)	12.0% (8.5%+2.5%+1%)	12.0% (8.5%+2.5%+1%)
Countercyclical Buffer (Subject to the BOT consideration)***	-	-	-	-	-	-	-	-	-	-
Leverage Ratio (Tier 1 / Exposure) ≥ 3%	Parallel run period									
Liquidity Coverage Ratio (LCR)**** (Liquid Assets / Net Cash Outflows within 30 days) ≥ 100%	LCR ≥ 60%	LCR ≥ 70%	LCR ≥ 80%	LCR ≥ 90%	LCR ≥ 100%					
Net Stable Funding Ratio (NSFR) (Available Stable Funding / Required Stable Funding) ≥ 100%	NSFR ≥ 100%									

Note:

* Conservation Buffer is to ensure adequate capital to absorb losses during periods of financial and economic stress.

** D-SIBs (Domestic Systemically Important Banks) Buffer is to limit negative impact associated with the distress or failure of banks on domestic financial system and economy.

*** In periods of excess aggregate credit growth, BOT may require banks to set a Countercyclical Buffer up to 2.5% to achieve the broader macro-prudential goal of protecting the banking sector.

**** KBank's Average Liquidity Coverage Ratio (LCR) are 173%, 164%, and 166% as of June 2023, December 2022, and June 2022, respectively; more details can be found on Basel III – Pillar 3 Disclosures Report

Remark: Banks with a capital ratio less than the required regulatory buffers will face various degrees of constraint on earning distribution

Source: The Bank of Thailand

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Capital Definition Change (Consolidated)

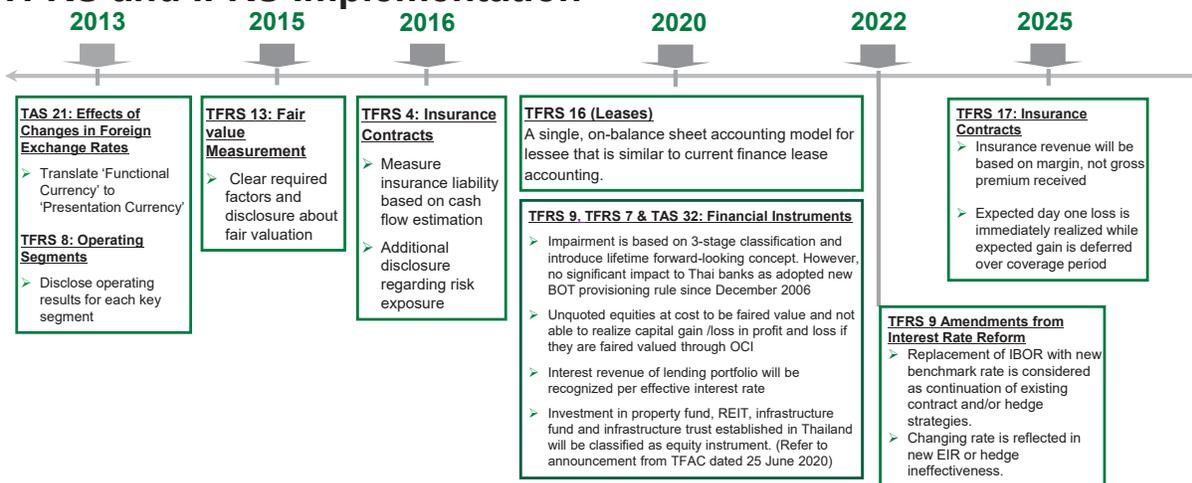
	Basel II	Basel III
Tier 1 capital	Tier 1 <ul style="list-style-type: none"> Issued and paid-up share capital Premium on ordinary shares Legal reserve and Retained earnings 	Common Equity Tier 1 <ul style="list-style-type: none"> Issued and paid-up share capital* Premium on ordinary shares Legal reserve and Retained earnings Other comprehensive income (OCI) <ul style="list-style-type: none"> e.g. surplus on bond and equity FVTOCI (100%), surplus on land & premises (100%)
	<ul style="list-style-type: none"> Hybrid Tier 1 (<15% of total Tier 1) Minority interest, Preferred stock 	Additional Tier 1 <ul style="list-style-type: none"> Hybrid Tier 1 with loss absorbency feature Minority interest, Preferred stock
	Deduction of Tier 1 <ul style="list-style-type: none"> Goodwill, Treasury stock, Deferred tax asset 	Deduction of Common Equity Tier 1 <ul style="list-style-type: none"> Goodwill, Deferred tax asset Intangible assets Investment in insurance (Threshold Deduction) <ul style="list-style-type: none"> - Amount ≤ 10% of CET1, %RW = 250% (KBank's Case) - Amount > 10% of CET1, deduct CET1 Digital Asset Exposure
Tier 2 capital	<ul style="list-style-type: none"> Long-term subordinated debt Hybrid Tier 1 (exceeds from Tier 1 limit) General Provision Surplus on AFS equity (45%) Surplus on land & premises (70% and 50%) 	<ul style="list-style-type: none"> Long-term sub-debt with loss absorbency feature General Provision

* Net Treasury Stock

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IFRS and TFRS Implementation*



Note: TAS = Thai Accounting Standard; TFRS = Thai Financial Reporting Standard; TFRIC = Thai Financial Reporting Interpretations Committee
 OCI : Other Comprehensive Income
 Customer loyalty program concept of income deferral for reward credit has been adopted through IFRS15 since 2019 with no significant impact.
 No specific accounting guideline for digital assets has been enforced; but encourage to apply from existing relevant TFRS depends on terms and condition of digital assets.
 * Only financial and disclosure impact to Thai Banks

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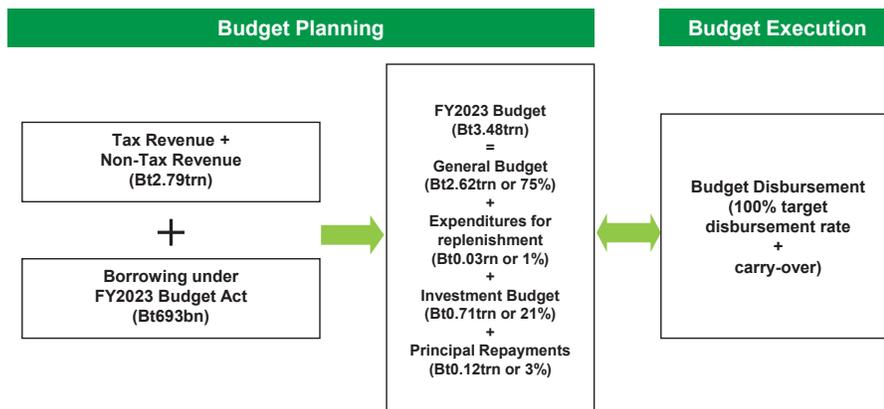
Government Policy

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Sources and Uses of Public Funds

FY2024 Budget

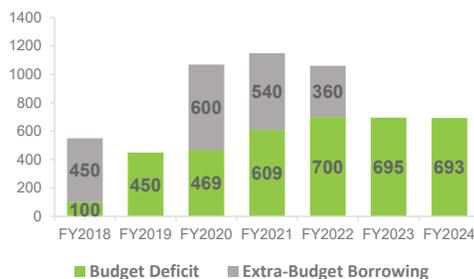
FY2024 the cabinet approved budget plan on September 18, 2023. However, the budget act would be published in April 2024.



Notes: Thai government's fiscal year (FY) begins on 1 October and ends on 30 September of the following year.

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Government Fiscal Budget



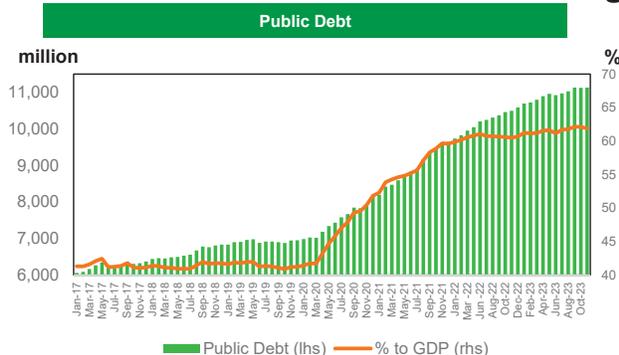
- In September 2023, the Cabinet approved a draft of FY2024 budget worth Bt3.48trn, with a deficit of Bt693bn
- In April 2024, Thai parliament would approve FY2024 budget and the budget act would be effective

Economic Policies	Key Points	Implementation Process	Possible Impacts/ Expected Budget
<ul style="list-style-type: none"> ■ 2023 Budget Act 	<ul style="list-style-type: none"> ■ FY2023 budget at Bt3.18trn with a deficit of Bt695bn 	FY2023 <ul style="list-style-type: none"> ■ Effective date: October 1, 2022 	<ul style="list-style-type: none"> ■ Government spending will help maintain economic momentum ■ Fiscal sustainability to remain manageable in near-term; however, continued debt creation, both from budget deficit and other borrowings, may impact long-term fiscal sustainability
<ul style="list-style-type: none"> ■ 2024 Budget Act 	<ul style="list-style-type: none"> ■ FY2024 budget at Bt3.48trn with a deficit of Bt693bn 	FY2023 <ul style="list-style-type: none"> ■ Tentative effective date: April 2024 	

Note: - Thai government's fiscal year (FY) begins on October 1 and ends on September 30 of following year
Sources: The Ministry of Finance and KResearch (as of October 2023)

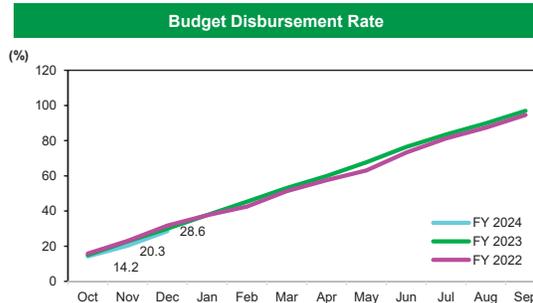
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Public Debt to GDP and Fiscal Budget



- Public debt to GDP ratio rose to **61.9% in November 2023**. However, it is still under the 70% limit set under the fiscal sustainability framework
- Thai government raised the ceiling of the public debt-to-GDP ratio from 60% to 70%. The public debt to GDP is expected to rise to 61.35% in FY2024

Source: Ministry of Finance (MOF), Fiscal Policy Office (FPO), and Public Debt Management Office (PDMO)



FY24 Budget	FY24 target	3M FY24 actual	Unused FY24 Budget
Total Budget* ฿13.18trn	฿13.18trn (100%)	฿10.91trn (29%)	฿2.27trn (71%)
- General Budget ฿12.52trn	฿12.52trn (100%)	฿10.86trn (34%)	฿1.66trn (66%)
- Investment Budget ฿0.66trn	฿0.66trn (100%)	฿0.05trn (8%)	฿0.61trn (92%)

- Government budget disbursement rate for 3MFY2024 is 28.6*, down 1.4% from 30.0% in 3MFY2023

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* Noted: compared with FY2023 budget for reference only as official FY2024 budget is not finished

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Long-term Policies of the New Government

- Transport Infrastructure Development Plan:**
 - Investing in the country's transportation infrastructure, including roads, water, rail, and air, to expand Thailand's trade and opportunities
- Eastern Economic Corridor (EEC):** Area for facilitating and attracting investment in 12 innovative target industries, such as automation and robotics, to transform Thailand into Thailand 4.0
- Economy:**
 - Employing the principle of "Market-driven, innovation-supported, and income-enhancing" to support the agricultural sector's efficiency and productivity
- BOI Measures for Supporting Private Investment:**
 - Promoting new economies such as the digital economy and advanced technology industries to enhance the country's competitive advantage
 - Extending special economic zones and the economy in all four regions to decentralize economic activities to various provinces
- Energy Policy:** Reform petroleum concessions and energy price structures, including an LPG subsidy
- Tax Reform:** Reform tax collection, generate sufficient revenue for the government, and boost competitiveness for local businesses, especially SMEs
- Promote Establishment of International Headquarters (IHQ) and an International Trading Center (ITC) in Thailand:** Help Thailand become a key trading nation in the region
- ASEAN Economic Community (AEC):** Since December 2015, ASEAN has transformed into the "ASEAN Economic Community," with free movement of goods, services, investment, and skilled labour, and a freer flow of capital; Strategic measures under the five characteristics in the AEC Blueprint 2025 will be operationalized through sectoral work plans and implementation and monitored through the AEC 2025 Monitoring and Evaluation Framework
- Free Trade Area (FTA):** 14 FTAs (18 countries) have signed with ASEAN+3 (China, Japan, and Korea), India, Australia, New Zealand, Peru, Chile and the Regional Comprehensive Economic Partnership (RCEP); In progress with European Union (27 countries), United Arab Emirates (UAE), Canada, Turkey, Sri Lanka, and in study with Comprehensive and Progressive Agreement of Trans-Pacific Partnership (CPTPP), Gulf Cooperation Council (GCC), African Continental Free Trade Agreement (AfCFTA)
- Aging Society:**
 - Monthly pension payments for the elderly
 - Mandatory retirement age for government and state enterprise officials might be extended from 60 to 63, effective in 2024
- Constitution:** Thai government committee plans referendum on constitutional amendments

Sources: Newspaper and KResearch (as of October 2023)

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Short-term Policies of the New Government

- **Government Budget:**
 - **Fiscal budget deficit in FY2024:** Plan is for Bt693bn deficit to provide additional supports to stimulate Thai economic recovery
- **Short-term Stimuli:**
 - **Debt moratoriums for farmers and SMEs: (effective)**
 - Farmers: debt suspension for 2.7 million farmers financed by the Bank for Agriculture and Agricultural Cooperatives (BAAC) starting October 1, 2023 (government to support interest burden of Bt11bn annually)
 - **Debt relief for other groups, including teachers, police officers, and people:** (planning)
 - **Raising daily minimum wage to Bt600 by 2027**
 - Thai minimum wage increased to average Bt345 (2.4%) effective January 1, 2024
 - Expected to hike to Bt600 by 2027
 - **Increase salary for workers with a bachelor's degree to Bt25,000** (planning)
- **Short-term Stimuli (continued):**
 - **Projects to boost domestic consumption:**
 - **Bt10,000 digital wallet** planned for 50 million Thais, worth Bt500bn or 2.9% of GDP:
 - Government estimates there are 50 million eligible people who either earn less than Bt70,000 a month or have less than Bt500,000 in savings
 - Government will propose Bt500bn loan bill to fund project
 - Project is expected to launch in 1H24
 - **E-Refund:** Thai people can get a maximum Bt50,000 tax deduction for spending on goods and services during 1 January – 15 February 2024
 - **Projects to boost travel: Supporting traveling sector:**
 - **Implement visa-free entry for foreign tourists**
 - Chinese and Kazakhstani tourists will be granted a temporary visa exemption for a 30-day stay (between September 25, 2023 - February 29, 2024)
 - Russian tourists temporary stays extended from 30 to 90 days (between November 1, 2023 - April 30, 2024)
 - Taiwanese and Indian tourists will be granted a temporary visa exemption for a 30-day stay (during November 10, 2023 - May 10, 2024)
 - Thailand and China have agreed to a permanent visa-free policy starting March 2024
 - **Measures to help people with rising living costs:** Commerce ministry asked manufacturers to reduce prices on 150,000 daily products (from October 2, 2023 to the end of 2023)

Sources: Newspaper and KResearch (as of January 2024)

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Ongoing Government Measures to Assist Cost of Living

Measures	Details
Household Assistance	<p>Train/ Bus/ Skytrain and Subway Fares: Bt750 monthly allowance for welfare card holders to use for public transportation</p> <p>Necessity Goods: A Bt300 grant per month in welfare card to purchase necessity goods, products intended for education and farming materials from all Blue Flag shops</p> <p>Cooking Gas: A Bt80 discount per 3 months in welfare card to purchasing cooking gas</p> <p>Allowances (e-Money): Depending on measure, which can be withdrawn from an ATM, such as Elderly welfare allowance (Bt50-100) and Disable allowance (Bt200)</p> <p>Water and electricity price: Reduce water and electricity bills and refund meter fees</p>
Energy Prices	<p>Diesel Fuel:</p> <ul style="list-style-type: none"> ➢ Extend retail diesel price cap to Bt30.0 per liter (January 1 – March 31, 2024) ➢ No extension of Bt2.5 per liter excise tax cut for diesel since December 31, 2023. <p>Benzene Fuel:</p> <ul style="list-style-type: none"> ➢ Reducing retail price in Benzene categories up to Bt2.50 per liter for 3 months <p>NGV and LPG Price:</p> <ul style="list-style-type: none"> ➢ Household sector: Extend LPG price cap at Bt423 /per 15-kilo canister (effective until March 31, 2024) <p>FT Rate: Fuel Adjustment Tariff (FT) Rate for electricity is set to increase to Bt0.3972 or average Bt4.18 per unit (during January to April 2024)</p> <ul style="list-style-type: none"> - Maintain the rate of Bt3.99 per unit for household using electricity less than 300 units per month
Value-added-tax (VAT) Rate	<p>On September 13, 2023, the Government announced the following VAT Rates:</p> <ul style="list-style-type: none"> ■ Maintain the 7% value-added-tax (VAT) rate until September 30, 2024

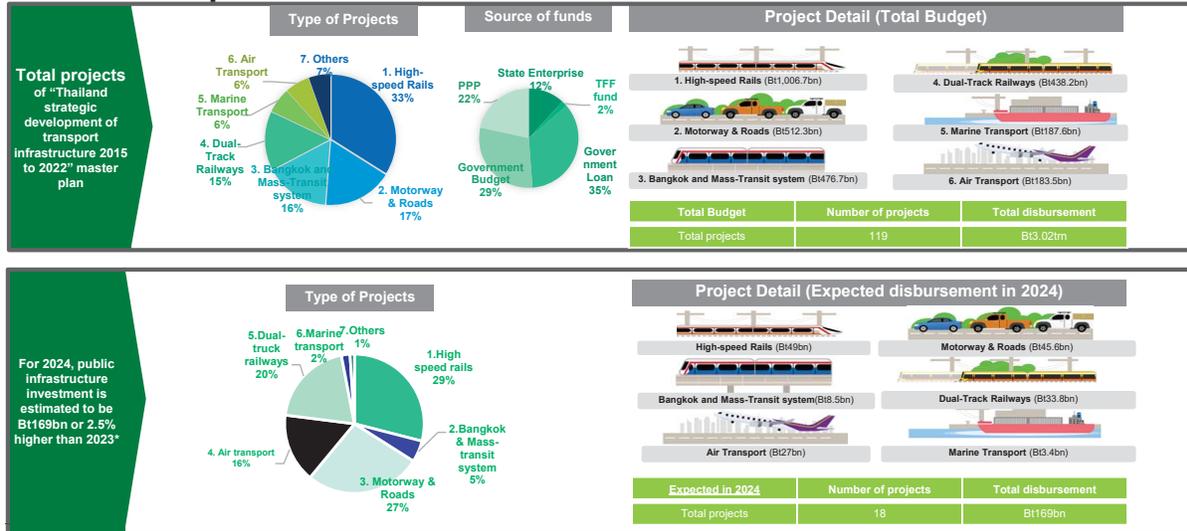
Source: The Census and Economic Information Center (CEIC), Electricity Generating Authority of Thailand (EGAT), newspapers compiled by KResearch

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Public Transport Infrastructure Investment

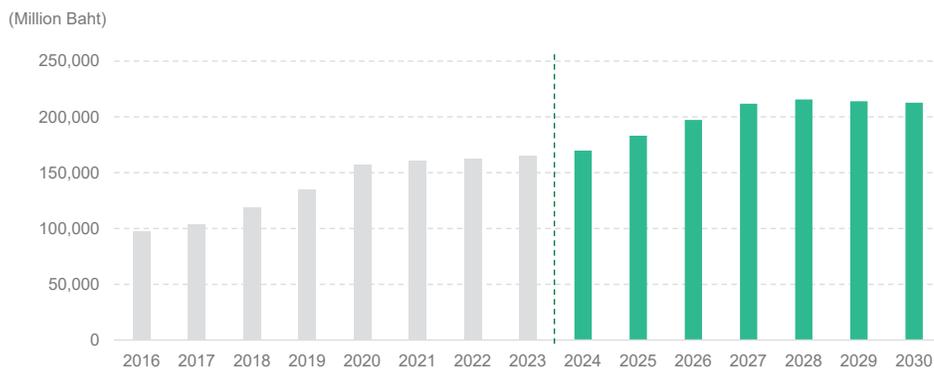


Source : Office of Transport and Traffic Policy and Planning (Thailand strategic development of transport infrastructure 2015 to 2022 master plan) and estimated by KRResearch (as of January 2024)
Notes : PPP = Public-Private Partnership, TFF fund = Thailand future fund. Total investment may be reduced due to cutting the scope of work, delay in construction, and allocation of state disbursement for COVID-19 relief measures

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Projections on Budget Disbursement of Public Transport Infrastructure Investment



Notes:
 - That government's fiscal year (FY) begins on 1 October and ends on 30 September of the following year
 - Projects that were delayed or terminated by Cabinet are not included
 - The budget of Bt1.911tn referring "Thailand strategic development of transport infrastructure 2015 to 2022 master plan" are excluded High-speed rails (Bt693.9bn) and Suvarnabhumi airport (Bt79.5bn), but our estimation include both of these projects

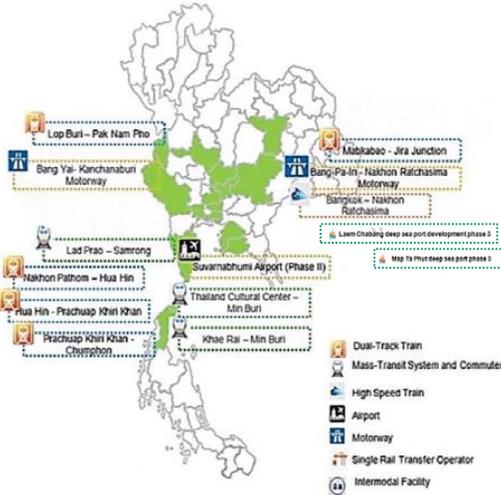
Source : Office of Transport and Traffic Policy and Planning (Thailand strategic development of transport infrastructure 2015 to 2022)

Note : * KRResearch projected as of January 2024

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On-going highlight projects under construction in 2024*



Projects under construction	Expected completion year	Note
Motorways/Expressways		
Rama III – Dao Khanong	2024	74% in progress
Bang Yai – Kanchanaburi (M81)	2024	96% in progress
Bang Khun Thian – Ban Phaeo (M82)	2025	64% in progress
Bang Bua Thong –Bang Khun Thian (M9)	2029	-
High speed rails		
Thailand – Chinese (Bangkok – Nakhon Ratchasima)	2028	29% in progress
Bangkok-Rayong (3 Airports)	2030	-
Mass – transit system and commuter rail lines		
Purple line (Tao Poon-Racha Burana)	2027	29% in progress
Dual-Track Railways		
Lop Buri – Pak Nam Pho	2024	90% in progress
MabKabao – Jira Junction	2026	65% in progress
Prachuap Khiri Khan – Choom Porn	2024	98% in progress
Ban Pai-Nakorn Panom	2027	1% in progress
Den Chai-Chiang Rai	2028	4% in progress
Air transport		
Suvarnabhumi Airport 3rd runway	2024	80% in progress
U-Tapao Airport	2027	-
Marine transport		
Laem Chabang Phase 3	2027	14% in progress
Map Ta Phut Phase 3	2027	73% in progress

Source : Ministry of Transport and KResearch (as of January 2024)

Notes : Projects that visibly have construction progress on-site or have been stated in official documents that it had been constructed

*Only highlight/Mega projects are shown in this presentation

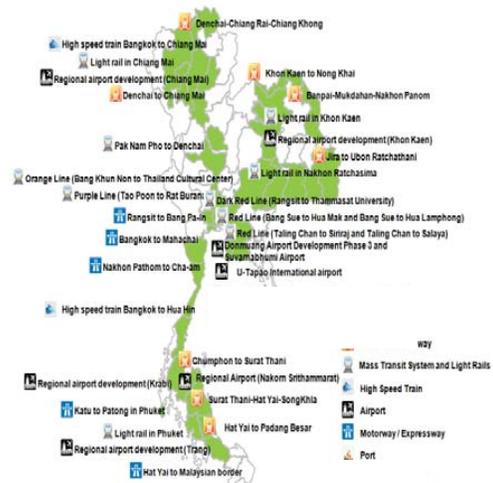
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Upcoming Infrastructure Projects

TOR Process/ Bidding Process /Land reclamation /Preparing for construction	Status	Expected to start construction	Note
Air Transport: Don Mueang Airport Phase 3	TOR process	2025	
Motorways: Kratuu-Pathong (Phuket)	TOR process	2025	
Dual-tracks Railways: Khon Keen-Nhong Kai	TOR process	2024	
Mass-Transit System and Commuter Rail Lines:			
Orange line (Bang Khun non - Cultural center)	Preparing for construction	2024	- Expect to delay due to a change in TOR
Dark Red line (Rangsit - Thammasat University)	TOR Process + Land reclamation	2025	- Expect to delay due to route expansion
Light Red line (Taling Chan – Siriraj)	TOR Process + Land reclamation	2025	
Red line (Taling Chan – Salaya)	TOR Process + Land reclamation	2025	
Projects Preparation for approval by Cabinet/ PPP Process /EIA Process/Feasibility Plan			
High-Speed Rails:			
Thailand-Chinese F2 (Nakhon Ratchasima - Nong Khai)		-	EIA process
Bangkok-Rayong (3 Airports) F2		-	Feasibility plan
Air Transport:			
Suvarnabhumi Airport Phase 3 (North building expansion)		-	Review master plan
Suvarnabhumi Airport Phase 2 (East expansion)		-	Expect to open bidding by 1Q24
Motorways:			
Bang Bua Thong – Bang Khun Thian (M9), Srinakarin-Suvarnabhumi (M7)		-	Preparation for approval by Cabinet
Rangsit-Bang Pa In (M6)		-	Preparation for approval by Cabinet
Nakhon Pathom – Cha am (M8)		-	Preparation for approval by Cabinet
Dual-tracks Railways:			
Pak Nam Po-Den Chai, Had Yai-Padang Besar (**Priorities)		-	Preparation for approval by Cabinet
Jira-Ubonracha Thani, Choom Porn-Surat Thani, Surat Thani-Song Khla		-	EIA approved
Den Chai –Chiangma		-	EIA process
Mass-Transit System and Commuter Rail Lines:			
Red line (Bangsue-Phayathai-Makkasan-Huamark)		-	Review master plan
Dark red line (Bangsue-Hua Lamphong)		-	Review master plan
Grey line (Watcharapol -Thong Lo) F1		-	Preparation for approval by Cabinet (BMA proposed to MRTA to be the operator)
Brown line (Khae Rai-Lam Sai)		-	EIA Process

Upcoming Infrastructure Projects by Areas



Source : Ministry of Transport and KResearch (as of January 2024)

Notes : Some projects are expected to be delay due to COVID-19 situation

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Eastern Economic Corridor (EEC) - Three eastern provinces: Chachoengsao, Chon Buri, and Rayong

■ **Objectives:** To facilitate and attract investment in innovative target industries aimed at achieving "Thailand 4.0", an innovation driven society (the 12 industries are Next-Generation Automotive, Smart Electronics, Medical and Wellness Tourism, Food for the Future, Robotics, Aviation, Agriculture & Biotechnology, Biofuels & Bio Chemicals, Digital, Medical, Defense, and Education & Human Resource Development)

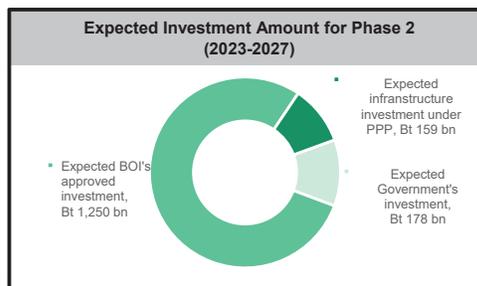
■ **Key Development Plan:** An expansion of existing transportation facilities, plus new investment in logistics systems to transform the EEC area (13,266 square kilometer) into a regional center for trade, investment, and tourism

■ **Approved Investment:**

Phase 1 (2018-2022) total Bt2.0 trn from (1) BOI's approved projects (private sector investment) Bt1,250 bn (2) infrastructure investment under Public Private Partnership (PPP) Bt661 bn and (3) government investment from integrated budgeting Bt95 bn.

Phase 2 (2023-2027) (1) Expected BOI's approved projects (private sector investment) Bt1,250 bn (As of Sep 2023, BOI approved projects Bt251 bn) (2) Expected infrastructure investment under Public Private Partnership (PPP) Bt159 bn and (3) Expected government investment Bt178 bn.

■ **Investment Incentives:** EEC privileges corporate income tax (CIT) exemption of up to 13 years and additional 50% CIT reduction for up to five years for some projects; 15-year CIT exemption for qualified projects under Thailand Competitive Fund (R&D investment); a flat tax rate of 17% personal income tax (PIT) for experts/specialists; long-term land leases (up to 99 Years)



Source: The Board of Investment of Thailand (BOI), and The Eastern Economic Corridor Office of Thailand (EECO) presentation and KResearch projected (as of January 2024)

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EEC Progress

Project Name	Investment (Bt)	Lead Agency	Start Date	Contractor/Partner	Progress	Completion Date
High-Speed Rail Linking 3 Airports	Bt224.5bn	State Railway of Thailand	Oct 2019	Asia Era One Co., Ltd (CP led consortium consisting of CP, Italian Thai, CH, Karnchang, China Railway Construction Corp)	1H24	2030
U-Tapao Airport and Aviation City	Bt290bn	Royal Thai Navy	Jun 2020	U Tapao International Aviation Co., LTD (Bangkok Airways led Consortium consisting of Bangkok Airways, BTS, Sino-Thai)	1H24	2027
U-Tapao MRO (Maintenance, Repair Overhaul)	Bt8.4bn	Royal Thai Navy	TBC	To Launch Term of References (TOR) for bidding in June 2022	-	-
Laem Chabang seaport (3 rd Phase)	Bt114bn	Port Authority of Thailand	Nov 2021 and Aug 2020	GPC (Gulf Energy Development Pcl + PTT Tank Terminal + China Harbour) for F Dock Development C NNC (NTL Marine + Nathalin + Zhonggang Construction) for Land reclamation project	4Q23 (F Dock) 2Q21 (Land reclamation)	2027 (for F1 Dock) 2029 (for F2 Dock)
Map Ta Phut seaport (3 rd Phase with Phase 3.1 & 3.2)	Bt47.9bn and Bt7.5bn	Industrial Estate Authority of Thailand	Oct 2019 and Not define date yet	PTT Tank Terminal + Gulf Energy Development Pcl for Land reclamation and Natural gas harbor for Liquid cargo harbor and warehouse	3Q21 2025	2025 2026

Source: Newspaper, Eastern Economic Corridor Office of Thailand and KResearch as of January 2024

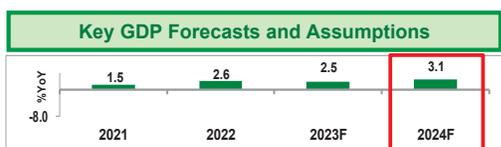
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Thailand Economic Figures

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Operating Environment: Economic Outlook for 2024 (as of 12 December 2023)



% YoY	2021	2022	2023F* (Dec 23)	2024F* (Dec 23)
				Base case
GDP	1.5	2.6	2.5	3.1
Private Consumption	0.6	6.3	7.0	2.8
Government Consumption	3.7	0.0	-4.9	2.0
Total Investment	3.1	2.3	1.2	2.3
- Private Investment	3.0	5.1	2.0	3.0
- Public Investment	3.4	-4.9	-1.0	1.5
Gov't Budget Deficit (% of GDP)	-4.8	-3.5	-3.3	-3.7
Exports (Customs Basis)	17.4	5.5	-1.3	2.0
Imports (Customs Basis)	29.5	13.6	-3.3	2.6
Current Account (USD bn)	-10.6	-16.9	6.8	9.3
Headline Inflation	1.2	6.1	1.2	0.8
Avg Dubai Oil Price	68.8	97.0	82.0	72.5
No. of Foreign Tourists (Mn)	0.4	11.2	28.0	30.6
Policy Interest Rate***	0.50	1.25	2.50	2.25

Key Points:

- Thai GDP in 2024 is expected to grow 3.1%, up from 2.5% projected for 2023, mainly driven by a continuous rebound in tourism and export as well as government spending
- If digital wallet scheme is implemented, Thai GDP in 2024 may accelerate to 3.6%
- However, uncertain global economic outlook may continue to weigh on Thai economic recovery
- Average headline inflation for 2024 is expected to decline to 0.8%, given lower pressure from global energy prices
- Thai economic recovery has been uneven and sluggish, only returning to pre-pandemic levels in 2023

Risk Factors:

- Global economic slowdown
- Rising geopolitical tensions
- Fed funds rate and Thai Baht volatility
- Household and business balance sheet deterioration
- Impacts of El Niño on farm production

Notes: MPC's policy rate is at 2.50% (as of February 7, 2024)
 Source: * KResearch (as of December 12, 2023)
 ** DW = Including Digital Wallet Programme
 *** KBank Capital Markets Research (as of February 14, 2024)

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Operating Environment: Economic Outlook for 2024 (as of 14 February 2024)

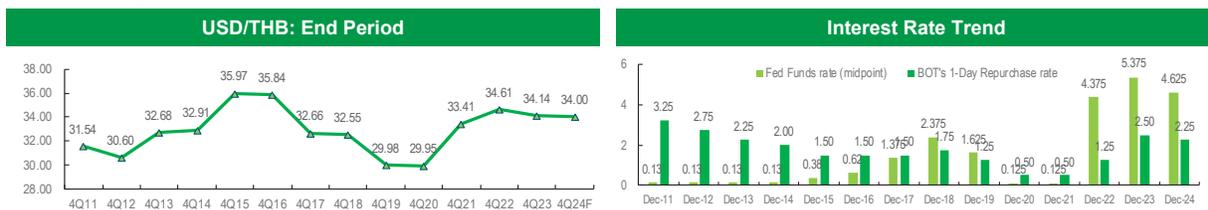
	Outlook	Possible Impacts to Thai Economy
Global Economy	<ul style="list-style-type: none"> Global economy: Global economy is expected to grow at a slightly slower pace in 2024 amid lagged impact of monetary tightening and China's sluggish recovery while uncertainty remains with geopolitical issues US: After stronger-than-expected growth in 2023, the US economy is likely to slow down due to tighter financial conditions but is likely to achieve a 'soft landing' in 2024 Eurozone: Eurozone economy is likely to gradually rebound in 2024 as inflation eases but is likely to see more impact from financial tightening China: China's economy is likely to recover at a weaker pace in 2024, despite several supports from the government, as there is no sign of bottoming out in China's real estate sector, which will continue to pressure household and business spending ASEAN economies: ASEAN economies will gradually recover in 2024, consistent with global trade, but will continue to face uncertainty from the global economy 	<ul style="list-style-type: none"> Thai economy will remain on its recovery path but still faces uncertainty from the global economy
Government Stimulus Plan	<ul style="list-style-type: none"> Delay in budget approval for the 2024 fiscal year will impact budget disbursement in 1Q24. However, the government's economic stimulus measures set to take effect from 2Q24 onwards are likely to be a key factor supporting domestic consumption 	<ul style="list-style-type: none"> Government stimulus measures may help boost domestic consumption and GDP in 2024. If digital wallet scheme is implemented, Thai GDP in 2024 may accelerate to 3.6% from 3.1% in base case
Inflation	<ul style="list-style-type: none"> Average headline inflation for 2024 may drop to 0.8%, given lower pressure from global energy prices while the government may maintain energy subsidy in 2024 	<ul style="list-style-type: none"> Domestic consumer spending will continue to expand but at a decelerated pace after remarkable growth in 2023
Exports and Tourism	<ul style="list-style-type: none"> Thai exports may rebound in 2024, partly due to low base effect Tourist arrivals in 2024 expected to accelerate to 30.6 million 	<ul style="list-style-type: none"> A rebound in tourism sector will continue to be the main driving factor for Thai economy, despite declining momentum, while an export rebound will help support the Thai economy in 2024
Fed Policy Normalization	<ul style="list-style-type: none"> Fed would cut its interest rate in 2024, but said its interest rates could be high for some time Fed total rate cut this year could be 75bps starting in the middle of this year, compared to market consensus of 100bps, as Fed waits to ensure inflation will not resurge 	<ul style="list-style-type: none"> BOT would have one interest rate cuts in the second half of this year, as weaker-than-expected growth push pressures on the policy stance
Baht	<ul style="list-style-type: none"> In November 2023, we forecasted that THB target would be at 34.00 per USD at the end of 2024 However, after entering 2024, risks show more pressure on THB, and THB may be on depreciation side during 1H24 	<ul style="list-style-type: none"> Weak THB usually supports export value and tourism sector, but this effect should partially offset by subdued trade momentum globally and low tourist spending per head

Source: KResearch (as of January 12, 2024), and KBank Capital Markets Research (as of February 14, 2024)

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Currency and Interest Rate Outlook (as of 14 February 2024)



- In November 2023, we expected that THB would be 34.00 per USD at the end of 2024, but after entering 2024, risks show more pressure on THB due to three factors
 - Market prices out Fed interest cuts and prices in BOT interest cuts, reflecting in the Baht's value to be more depreciated
 - Weaker CNY reflects downturn of the Chinese economy which influences the regional currencies
 - Thai current account facing more pressures from low tourist spending per head and weak global trade momentum should suppress trade balance
- We maintain that fed rate forecast of total rate cut 75bps, but push back the timeline from 2Q24 to the middle of this year, slightly lower compared to market consensus of 100bps, as Fed waits to ensure inflation will not resurge
- We revised BOT policy stance from maintaining the its interest rate at 2.5% to having one interest rate cuts to 2.25% in second half of this year, as weaker-than-expected growth push pressures on the policy stance

Note: F is estimated by KBank Capital Markets Research (as of 14 February 2024)

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Monthly Economic Conditions: November 2023

Units: YoY %, or indicated otherwise	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	
Private Consumption Index (PCI)	8.5	6.7	2.1	6.3	6.8	8.6	8.3	7.0	5.9	7.9	7.6	6.5	7.3	7.4
Non-durables Index	2.1	2.0	-0.5	2.1	3.7	1.9	1.8	4.3	1.8	2.0	2.6	0.9	3.4	3.0
Durables Index	7.4	0.3	-5.6	0.4	4.3	3.0	1.3	7.9	4.2	2.9	-1.8	-2.6	3.9	0.2
Service Index	22.9	23.0	19.9	22.7	24.2	28.2	24.0	19.1	17.3	17.8	16.6	15.3	11.9	11.3
Passenger Car Sales	10.6	-8.9	-0.3	-9.3	-22.7	-26.3	-24.6	-21.7	-31.8	-29.8	-32.9	-43.3	-38.4	-36.7
Motorcycle Sales	12.0	3.1	-12.8	-1.2	15.1	9.0	11.5	23.5	25.4	13.5	9.3	9.6	25.1	12.8
Private Investment Index (PII)	2.7	-0.6	-4.0	-1.2	0.3	1.0	-2.4	3.1	-2.1	0.5	-6.4	-5.1	-3.1	0.3
Construction Material Sales Index	3.3	11.1	-3.6	-1.1	0.2	1.8	-7.6	2.6	-1.3	1.0	3.4	-1.5	-2.0	-3.7
Domestic Machinery Sales at constant prices	8.6	3.1	0.2	0.4	3.3	5.3	0.0	4.9	-4.6	-6.4	-12.4	-11.9	-12.6	-7.0
Imports of Capital Goods at constant prices	-2.7	-9.2	-13.5	-4.3	-2.6	-1.1	-3.8	11.6	5.4	10.1	-1.7	1.5	6.0	17.3
Newly Registered Motor Vehicles for Investment	8.6	-10.1	-8.5	-14.7	-10.7	-17.7	-17.8	-16.5	-20.0	-10.5	-27.5	-30.8	-8.9	-19.1
Manufacturing Production Index	0.4	-5.4	-8.4	-4.8	-2.4	-3.9	-8.7	-3.0	-5.0	-4.7	-7.7	-6.3	-4.3	-4.7
Capacity Utilization	62.8	60.1	60.0	60.4	61.4	60.7	58.6	59.7	59.6	60.2	58.9	58.6	57.8	57.3
Agricultural Production Index	0.9	1.8	-1.2	2.2	4.9	-0.3	13.0	-8.7	-2.0	-4.3	0.6	1.3	-0.5	-2.6
Agricultural Price Index	11.6	13.3	7.5	1.7	4.4	-8.7	-7.4	-2.5	-5.9	-3.6	-2.8	1.6	1.0	-1.0
Tourist arrival growth	2506.0	1815.8	872.3	1572.9	1292.4	966.3	659.0	296.3	191.5	119.5	107.7	69.2	49.7	50.8
Exports (Custom basis)	5.8	-6.0	-14.6	-4.5	-4.7	-4.2	-7.8	-4.6	-6.4	-8.2	2.6	2.1	8.0	4.9
Price	4.2	3.0	3.2	3.0	2.1	0.9	0.9	0.2	-0.4	0.5	1.1	1.7	1.6	1.3
Volume	1.3	-7.8	-14.2	-6.3	-6.0	-6.5	-5.8	-6.1	-5.5	-5.9	-2.9	-0.6	5.3	2.5
Imports (Custom basis)	13.6	5.6	-11.9	5.5	1.1	-7.1	-7.3	-3.4	-10.3	-11.0	-12.8	-8.3	10.2	10.1
Price	13.0	12.1	12.4	8.8	5.2	0.5	1.8	-1.6	-3.5	-1.8	-0.6	1.5	1.3	0.7
Volume	2.0	-2.2	-19.0	2.1	-3.2	-6.1	-5.3	-0.3	-6.0	-10.4	-11.4	-9.2	9.1	8.8
Trade Balance (\$ millions) (Custom basis)	-16,123	-1,342	-1,034	-4,850	-1,113	2,719	-1,472	-1,849	58	-1,978	360	2,093	-832	-2,399
Current Account (\$ millions)	-16,842.4	-521.8	854.4	-2,445.6	509.4	3,964.2	-239.8	-3,161.6	867.6	-508.0	401.2	3,406.0	664.6	-1,243.7
Headline CPI	6.08	5.55	5.89	5.02	3.79	2.83	2.67	0.53	0.23	0.38	0.88	0.30	-0.31	-0.44
Core CPI	2.51	3.22	3.23	3.04	1.93	1.76	1.66	1.55	1.32	0.86	0.79	0.63	0.66	0.68

Sources: Bank of Thailand (BOT), Ministry of Commerce (MOC), Office of Industrial Economics (OIE), and Office of Agricultural Economics (OAE)

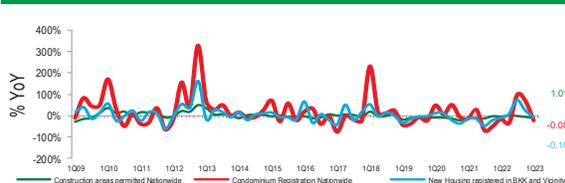
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Economic Condition Highlights: November 2023

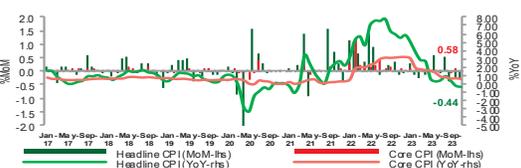
Nov23 MPI and CAPU continued to decline in several categories, such as food and automotive



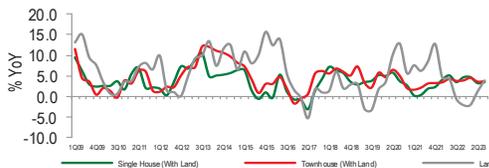
3Q23 All property indicators showed improvement, especially construction area permits that returned to positive territory



Nov23 Headline inflation decreased for the second consecutive month due to ongoing government supports



3Q23 Land prices continued to improve in line with Thai economic recovery, while housing prices remained flat

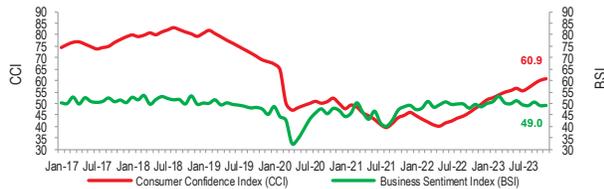


Source: Bank of Thailand (BOT), Ministry of Commerce (MOC), University of the Thai Chamber of Commerce (UTCC), and Office of Industrial Economics (OIE)

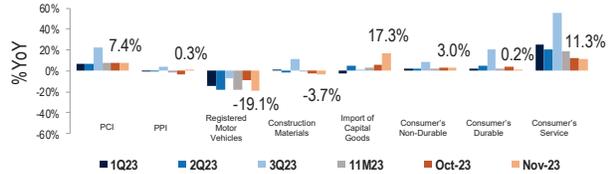
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Economic Condition Highlights: November 2023

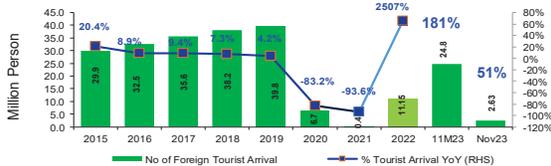
Nov23 CCI increased to 45-month high, amid government measures, while BSI remained stable compared to previous month



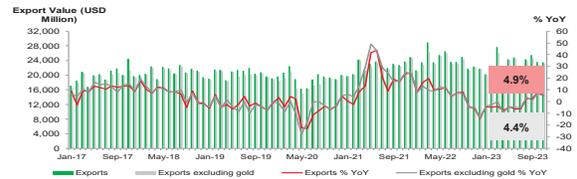
Private consumption increased, in line with consumer confidence private investment improved, given higher capital good imports



Nov23 Foreign tourist arrivals increased, due to high season and the tourist visa exemption scheme for Chinese tourists



Nov23 Exports continued to expand, bolstered by growing exports to the US market and low base factor

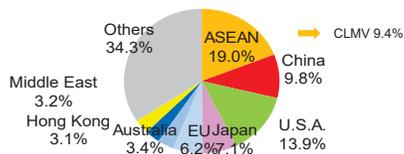


Source: Bank of Thailand (BOT), Ministry of Commerce (MOC), University of the Thai Chamber of Commerce (UTCC), and Office of Industrial Economics (OICE)

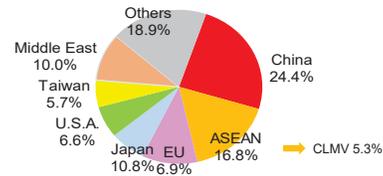
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Exports and Imports: 11M23

Exports by Country



Imports by Country



Top 10 Exports by Product (Customs Basis)

Total Exports, Custom Basis	11M23		
	USD Millions	Weight	%YoY
Total Exports	261,770	100.0%	-1.5%
Motor cars, parts and accessories	28,337	10.8%	9.4%
Automatic data processing machines and parts thereof	15,986	6.1%	-15.4%
Precious stones and jewelry	13,814	5.3%	-5.0%
Rubber products	12,159	4.7%	-5.1%
Refine fuels	9,231	3.5%	-2.2%
Electronic integrated circuits	8,915	3.4%	4.1%
Polymers of ethylene, propylene, etc in primary	8,225	3.1%	-18.0%
Machinery and parts thereof	8,088	3.1%	0.1%
Chemical products	7,469	2.9%	-16.6%
Fresh, frozen and dried fruit	6,652	2.5%	26.6%

Top 10 Imports by Product (Customs Basis)

Import, Custom Basis	11M23		
	USD Millions	Weight	%YoY
Total Imports	267,935	100.0%	-3.8%
Crude oil	30,118	11.2%	-9.1%
Electrical machinery and parts	20,025	7.5%	7.4%
Machinery and parts	19,666	7.3%	3.8%
Electronic integrated circuits	17,975	6.7%	3.2%
Chemicals	16,569	6.2%	-15.1%
Iron, steel and products	12,201	4.6%	-16.5%
Jewellery including silver bars and gold	11,109	4.2%	-23.3%
Natural gas	10,661	4.0%	-10.9%
Other metal ores, metal waste scrap, and product	10,389	3.9%	-17.5%
Vegetables and vegetable products	9,255	3.5%	12.1%

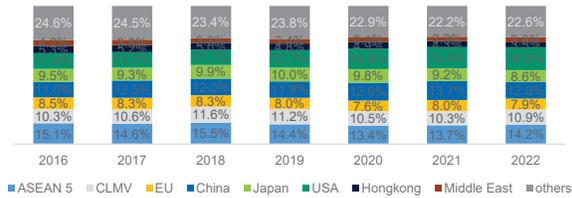
Source: Ministry of Commerce

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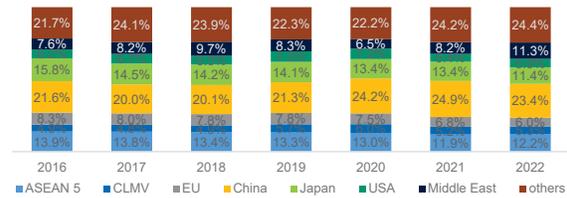


Export and Import Data: 2016 - 2022

Exports by Country



Imports by Country



Total Exports, Custom Basis	2022		
	USD Millions	Weight	%YoY
Total Exports,	287,068	100.0%	5.5%
Motor cars, parts and accessories	28,214	9.8%	-3.5%
Automatic data processing machines and parts	20,664	7.2%	-6.2%
Precious stones and jewellery	15,106	5.3%	50.3%
Rubber products	13,862	4.8%	-4.2%
Polymers of ethylene, propylene, etc in primary	10,683	3.7%	-5.0%
Refine fuels	10,105	3.5%	14.2%
Chemical products	9,572	3.3%	-3.1%
Electronic integrated circuits	9,320	3.3%	9.4%
Machinery and parts thereof	8,744	3.1%	7.2%
Air conditioning machine and parts thereof	7,044	2.5%	8.6%

Import, Custom Basis	2022		
	USD Millions	Weight	%YoY
Total Imports,	303,191	100.0%	13.6%
Crude oil	37,397	12.3%	59.1%
Chemicals	21,023	6.9%	1.8%
Machinery and parts	20,779	6.9%	-0.8%
Electrical machinery and parts	20,241	6.7%	5.1%
Electronic integrated circuits	19,041	6.3%	25.7%
Iron, steel and products	15,581	5.1%	-5.2%
Jewelry including silver bars and gold	15,561	5.1%	29.8%
Other metal ores, metal waste scrap, and product	13,515	4.5%	4.3%
Natural gas	12,717	4.2%	115.7%
Computers, parts and accessories	9,034	3.0%	-11.0%

Source: Ministry of Commerce

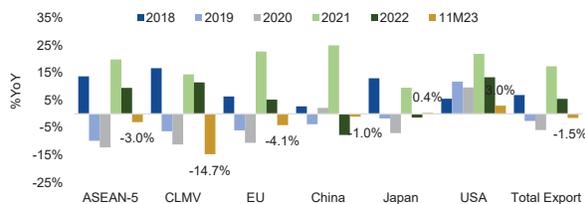
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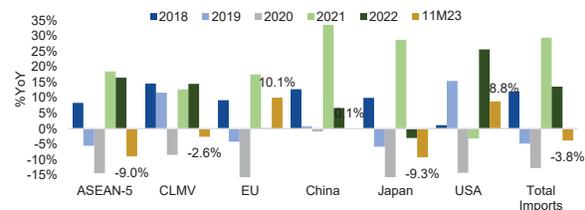


Export and Import Growth by Key Destinations

Export Growth by Key Destinations



Import Growth by Key Destinations



Exports	2022		11M23	
	Value (Million USD)	Share	Value (Million USD)	Share
ASEAN-5	40,743	14.19%	36,960	14.1%
CLMV	31,147	10.9%	24,609	9.4%
EU	22,794	7.9%	20,098	7.7%
China	34,390	12.0%	31,553	12.1%
Japan	24,669	8.6%	22,939	8.8%
USA	47,527	16.6%	44,895	17.2%
Total	287,068	100.00%	261,770	100.00%

Imports	2022		11M23	
	Value (Million USD)	Share	Value (Million USD)	Share
ASEAN-5	37,046	12.2%	30,753	11.5%
CLMV	15,954	5.3%	14,219	5.3%
EU	18,244	6.0%	18,449	6.9%
China	71,014	23.4%	65,271	24.4%
Japan	34,584	11.4%	28,964	10.8%
USA	18,026	5.9%	17,740	6.6%
Total	303,191	100.00%	267,935	100.00%

Source: Ministry of Commerce

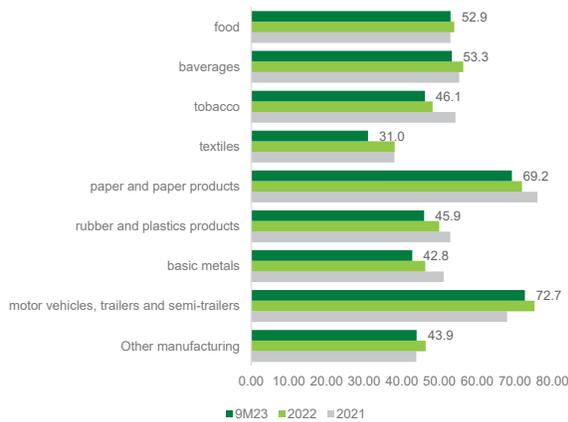
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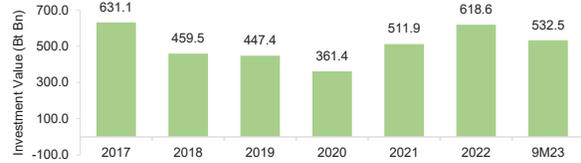
Economic Condition Highlights: CAPEX and Investment Cycle

Capacity Utilization by Key Industries

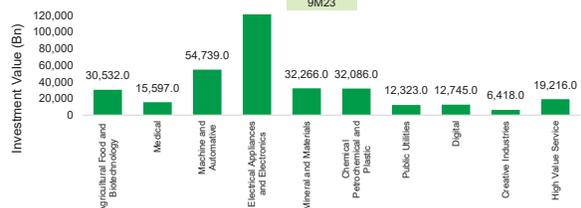


Source: The Bank of Thailand (BOT), The Ministry of Commerce (MOC), and Office of Industrial Economics (OIE)

Investment value of BOI-approved applications (Total)*



Investment value of BOI-approved applications (by Industry)** **



Source: The Board of Investment of Thailand (BOI)
Note: *Figures above indicate investments of approved projects requesting investment promotion benefits from BOI
** BOI announced new activities & privileges promotion (effective in 2023)

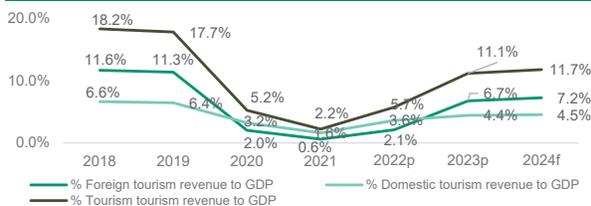
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Tourism

Total tourism receipts (both domestic and foreign) will progressively increase in 2024, reaching 73% of the 2019 level

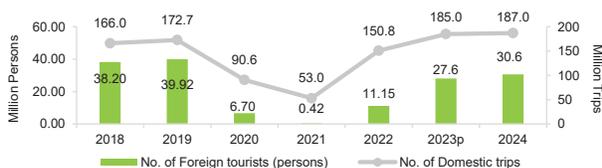
%Tourism Revenue to GDP



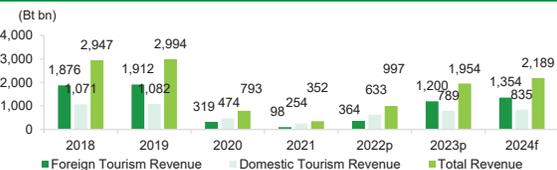
In 2024, KResearch projects the number of foreign tourists coming to Thailand may reach 30.6 million, or around 77% of the 2019 level

Meanwhile, domestic travel is expected to report steady growth. Preliminarily, KResearch projects Thais will make around 187.0 million domestic trips in 2024

No. of Foreign Tourists and Domestic Trips



Tourism Revenue



Source: MOTS and Forecast by Kasikom Research Center
Note: As of January 2024

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In 2023, the number of foreign visitors to Thailand returned to 70% of 2019 level

Quarterly comparison of foreign tourists between 2023 and 2019



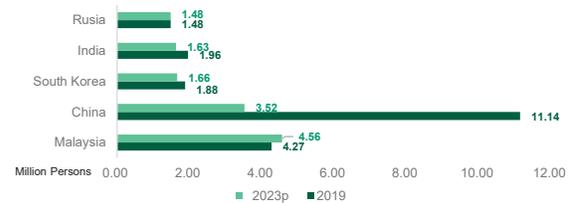
Number of foreign visitors by region in 2023 compared to 2019



Top 5 Foreign Tourists by Country in 4Q23



Top 5 Foreign Tourists by Country in 2023



Source: MOTS
As of January 2024

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Property Market: In 2024, home sales are expected to rise modestly due to low purchasing power, high household debt, and rising house prices.

Supply Side: New Housing Completions and New Projects Launched in BMR*

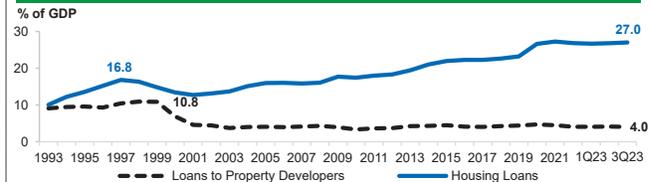


Demand Side: Transferred Properties in BMR*



Source: National Economic and Social Development Council (NESDC), BOT, Real Estate Information Center (REIC), Agency for Real Estate Affairs (AREA), and KResearch
Note: *Including Condominium, Single House, and Townhouse; BMR = Bangkok and Metropolitan Area

Outstanding Mortgage Loans to Individuals and Property Developers to GDP

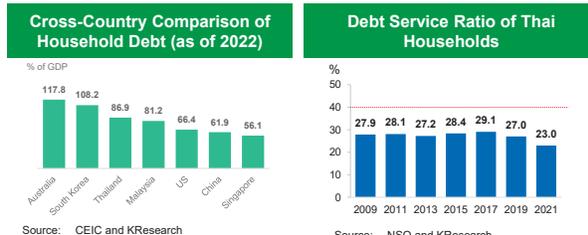
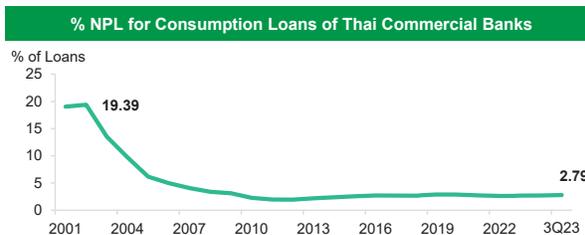
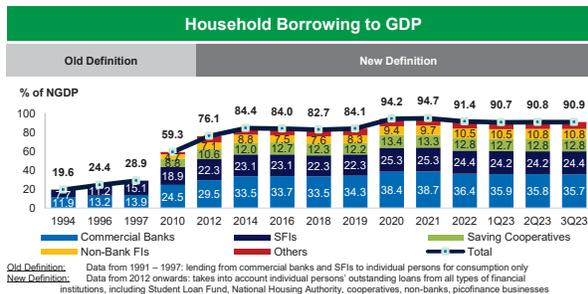


- Mortgage loans to GDP are higher than pre-crisis level, due to factors such as changes in consumer behavior, intense competition among banks, and a more accessible credit market
- Outstanding loans granted to property developers to GDP was 4.0% in 3Q23, lower than pre-crisis level
- Supply Side: The number of new housing projects launched in 11M23 decreased by 7.3% YoY. In 2024, apart from the delayed recovery of customers' purchasing power, the number of unsold housing units remains significant, so developers continue to launch new housing projects cautiously.
- Demand Side: Property sales during 11M23 decreased by 6.2% YoY as a result of a drop in demand. In 2024, home sales are expected to rise marginally as the market is restrained by adverse factors such as low purchasing power, high family debt, and higher housing costs.
- Mortgage NPLs among Thai commercial banks was at 3.24% in 3Q23, compared to 3.01% in 2022 and 3.52% in 2021

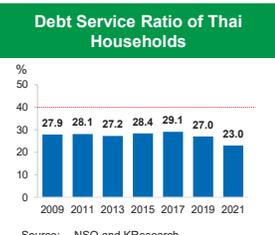
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Household Borrowing



- Household debt to GDP stayed at 90.9% in 3Q23, and is expected to remain high in 2024
- Household borrowing to GDP is higher than pre-crisis level, due to factors such as changes in consumer behavior, intense competition among banks, and a more accessible credit market
- Thailand's household debt to GDP is comparable to other countries*; debt service ratio of Thai households is still well below 40%, indicating the household debt situation is unlikely to trigger any problems in the foreseeable future
- NPL ratio for consumption loans of commercial banks rose to 2.79% in 3Q23 from 2.62% in 4Q22



Source: BOT, Bank for International Settlements (BIS), National Statistical Office (NSO), CEIC and KResearch

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BOT Consultation Paper: Repositioning Thailand's Financial Sector

Digital Technology	Sustainability	Resiliency
Leveraging on Technology and Data to Drive Innovation	Managing Transition towards Sustainability	Shifting from Stability to Resiliency
<ul style="list-style-type: none"> 3 Opens: <ul style="list-style-type: none"> - Open Competition - Open Infrastructure - Open Data <ul style="list-style-type: none"> ✓ Thai banks have been ready for more open competition, based on a level playing field approach. ✓ Many initiatives, including open infrastructure and open data, require amendments of laws and regulations, as well as cooperation from other authorities. ✓ More precise impact assessment is pending a clearer plan and details of the paper. 	<ul style="list-style-type: none"> Setting up data standard & disclosure requirements for financial institution's environment-related activities Tackling Thai households' indebtedness via both demand (consumers) and supply (loan providers) sides 	<ul style="list-style-type: none"> Players will be regulated in accordance with their risk profiles (risk proportionality) Burdensome regulations will be revised for greater flexibility While the BOT does not wish to see digital assets adopted as Means of Payment, it does not rule out those with proven stability and economic value Nonbank Financial Institutions will be evaluated and regulated according to their size and impact on the economy & financial system

Source: BOT Consultation Paper, KResearch

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BOT's Directional Papers on Sustainable Resolutions of Household Debts

- | | | | |
|--|--|--|---|
| <h3>1 Existing NPLs (esp. those related to COVID-19)</h3> <ul style="list-style-type: none"> Accelerate Troubled Debt Restructuring or TDR (SFIs, non-bank and banks) Debt counselling services from creditors Debt mediators Voluntary bankruptcy/ rehabilitation filing by debtors made possible | <h3>2 Hard-to-solve/ persistent debts</h3> <ul style="list-style-type: none"> Starting with persistent debts from express/speedy cash and elderly customers Helping debtors to make practical debt repayment plans | <h3>3 Fast debt creation with high default risks</h3> <ul style="list-style-type: none"> Being agri-related debts, credit cards and personal loans Responsible lending (e.g. restriction on product PR, fair contracts, control of debt purposes) Upcoming additional Debt Service Ratio or DSR and LTV ratios to ensure debtors' daily-life survival Risk-based pricing Promote responsible borrowing through literacy | <h3>4 Other debts not yet being included in household debts</h3> <ul style="list-style-type: none"> Such debts include Student Loans, other cooperatives or Co-Op (Bt0.7trn; 4.3% of GDP) and loan shark Open data to promote financial inclusion (e.g., water and electricity bill info) Risk-based pricing |
|--|--|--|---|

Effective date

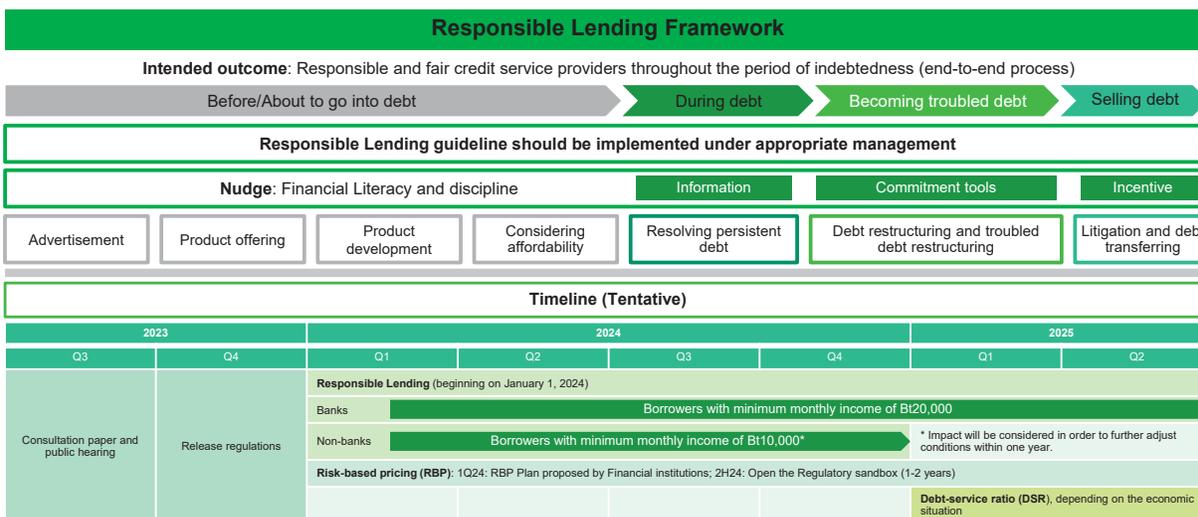
1 Jan 2024	1 Apr 2024	1 Jan 2025	2Q25 at the earliest
Responsible Lending <ul style="list-style-type: none"> Issue regulations to ensure responsible lending at all stages of indebtedness Encourage creditors to provide guidelines to assist borrowers, such as debt restructuring, especially existing NPLs 	Persistent Debt: PD (Opt-In basis) <ul style="list-style-type: none"> General PD borrowers are those indebted consecutively for 3 years, borrowers will be urged to make larger monthly payments. Severe PD borrowers are indebted consecutively for 5 years. Participant in the scheme could be able to exit debt cycle within 5 years with interest rates not exceeding 15% per year 	Debt-service ratio (DSR) , effective timeline depending on economic situation <ul style="list-style-type: none"> monthly income below Bt30,000: monthly payment for existing and new loans cannot exceed 60% of monthly income monthly income above Bt30,000: monthly payment for existing and new loans cannot exceed 70% of monthly income 	Risk-based pricing (RBP) <ul style="list-style-type: none"> Submit plans in 1Q24 Be tested in sandbox in 2Q24 Regulatory sandbox (1-2 years)

Source: BOT, as of 14 February 2023 and 21 July 2023

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BOT's Responsible Lending Framework and Timeline



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BOT Macro Prudential Policy

- New frameworks on retail lending announced by BOT to closely monitor systematic risk and implement preventive actions

LTV Criteria for Mortgage Loans (Effective: January 1, 2023)					
Price and Type of Properties	New (Including Top-up loans)				
	1st Contract		2nd Contract	3rd Contract Onwards	
	NEW	OLD (Apr-19)	LTV Limit	LTV Limit	
< Bt10mn	House	≤ 100%*	≤ 95%	80-90%	70%
	Condo.	≤ 100%*	≤ 90%	80-90%	70%
≥ Bt10mn	House & Condo.	≤ 90%	80% (LTV Limit)	80%	70%

1) Under the new framework, LTV limit will be capped at 100% for the first contract of housing loans, and * loans for furniture and decorations can be added up to 10% of collaterals (old - no these conditions)
 2) Prior to October 20, 2021, for the second contract, LTV limit is 80% if the first contract's installment payments are less than two years (old - three years); otherwise, LTV limit is 90%
 3) Risk weight is 35% if LTV does not exceed its LTV limit; while the risk weight will increase to 75% for the loans for furniture and decorations of the first contract

Notes:
 - August 15, 2019: BOT relaxed the LTV rules for co-signers that have no ownership interest in the home being purchased
 - April 2019: BOT tightened LTV criteria for mortgage loans, and raised down payment for the second contract onwards.
 - Year 2009: BOT announced revised criteria in 2009-2010 on mortgage loan risk weights with a different effective date
 - Year 2008: Risk weights for mortgage loans dropped from 50% to 35% under Basel II

Criteria for Credit Card / Personal Loans (Effective: September 1, 2017)				
Lending Criteria	Credit Cards		Personal Loans	
	New	Old	New	Old
Min.Monthly Income	Bt15,000	Bt15,000	-	-
Credit Line (times of average monthly income)	Income	Credit Line	Income	Credit Line
	< Bt30,000	≤ 1.5 times	< Bt30,000	≤ 1.5 times
	> Bt50,000	≤ 3 times	≥ Bt30,000	≤ 3 institutions
	≤ 5 times	≤ 5 times	≤ 5 times	≤ 5 times

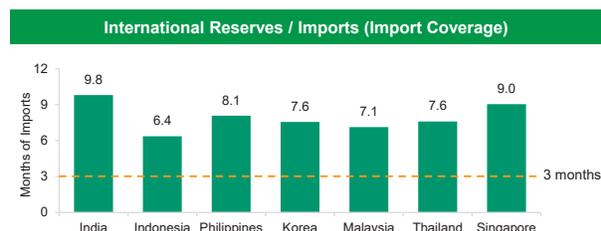
Criteria for Car Loans			
	Regulated by Fiscal Policy Office		Regulated by the BOT
	Picofinance*	Pico Plus*	
Capital Fund	> Bt5mn	> Bt10 mn	≥ Bt50 mn
Credit Line	≤ Bt50,000	≤ Bt100,00	Depends on debt-servicing ability
Interest Rate Ceiling	≤ 36%	≤ 36% for first Bt50,000	≤ 24%
		≤ 28% for the amount in excess of Bt50,000	≤ 24%

Note: * Picofinance and Pico Plus are allowed to provide loans only in the registered province

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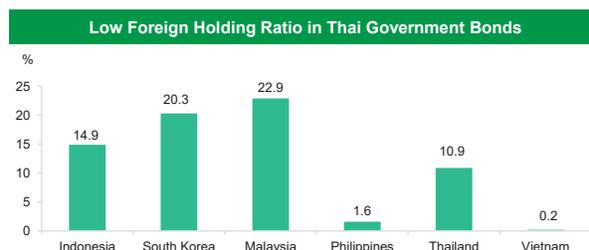
Thailand's external balances remain relatively strong compared to peers



Source: CEIC, KResearch (*data as of Nov-23)



Source: CEIC, KResearch (data as of Sep-23)



Note: Retrieved from Asia Bond Online, based on latest available data
 Source: Asian Development Bank

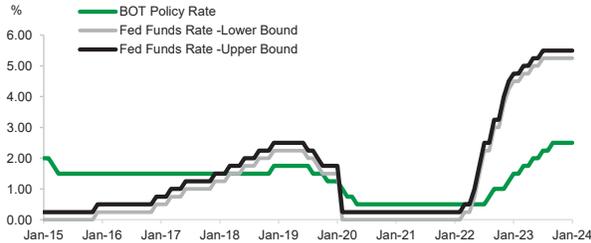
- Thailand's economy and financial markets are able to withstand impacts from fluctuations in global liquidity due to:
 - High import coverage (international reserves/monthly imports) compared with the IMF's three month import coverage guideline
 - More than 100% of external debt covered by international reserves
 - Low portion of foreign holdings in Thai government bonds compared with other countries

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Monetary and fiscal expansion raises financial stability concerns

In contrast to the Fed, the BOT has maintained interest rate to support the economy amid COVID-19 outbreak



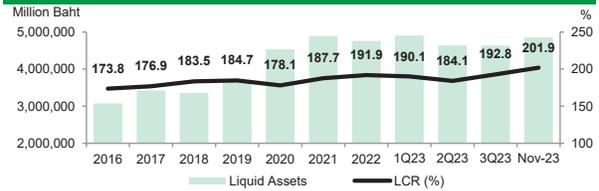
- Since inflation has stayed above target, the Fed decided to keep its policy rate at 5.25-5.50% in December
- Monetary easing leads to a massive exodus of capital from emerging markets and worsens exchange rate depreciation in 2023. However, Thailand's external stability will likely be maintained
- Thai banking system excess liquidity rose slightly. CAR was good (19.63% as of November 2023) and NPL ratio was still manageable (2.83% as of 3Q23), with net profits of Bt181.5 billion in 9M23

Source: BOT, Federal Reserves and KResearch (as of Jan-24)

Thailand has enough FX reserves to meet all internal and external obligations



Excess liquid assets in Thai commercial banks slightly rose

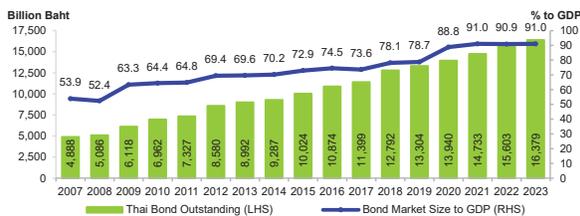


Note: BOT has imposed the Liquidity Coverage Ratio (LCR) Framework which replaces the maintenance 6% reserve requirement. Regarding the LCR framework, all banks shall maintain high-quality liquid assets not less than net expected cash outflow over the next 30 days. The LCR was implemented on January 1, 2016, with the minimum requirement set at 60%, rising in equal annual steps of 10 percentage points to reach 100% on January 1, 2020

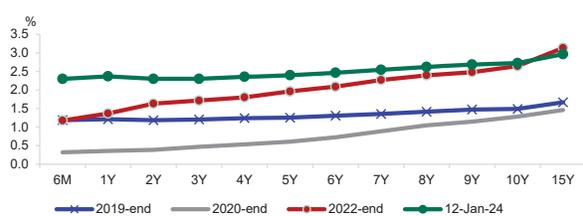
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Other Figures

Thai Bond Market Size (Gov't and Private bonds)



Bond Yields

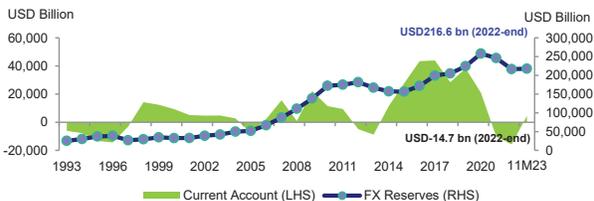


Foreign Holdings of Thai Bonds



Source: BOT and ThaiBMA

Current Account and FX Reserve

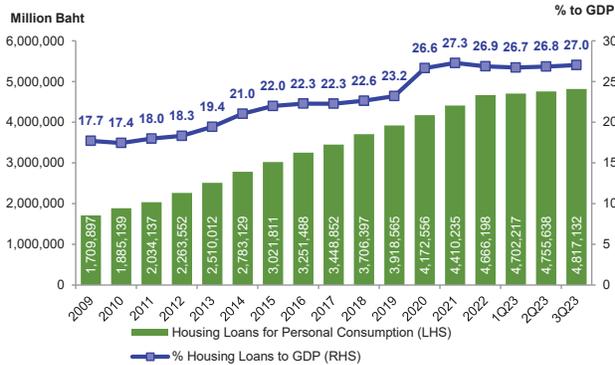


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Other Figures

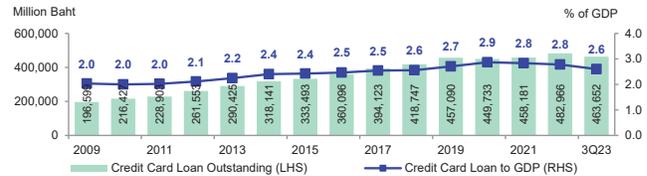
Housing Loans / GDP



Note: Housing loans represent outstanding housing loans for personal consumption granted to individuals of householders by financial institutions (including Commercial banks, Finance companies, Credit financiers, SFIs, and Insurance companies but excluding Saving Cooperatives and others financial Institution)

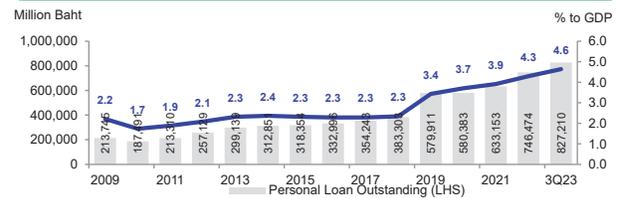
Source: BOT, NESDC

Credit Card Loans / GDP



Note: 1) Credit card loans represent outstanding credit card loans from commercial banks and non-banks, excluding SFIs, saving cooperatives and others financial Institutions

Personal Loans / GDP



Note: 1) Personal Loans represent outstanding personal loans under supervision (including commercial banks and non-banks, excluding SFIs, saving cooperatives and others financial Institution)

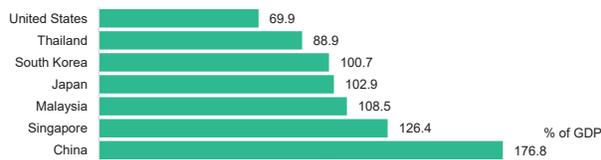
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Other Figures

Loans to GDP as of 2022



Note: Data on China, Korea and Japan include loans from commercial banks as well as financial institutions, the rest include loans only from commercial banks

Thai Banks' Loan Growth and NPL Ratio



Note: %YoY loans represent growth of loans in 17 domestically-registered commercial banks

Credit Card Statistics



Note: The credit card statistics number includes foreign bank and non-bank credit cards
Source: BOT, NESDC, NSO, CEIC Data, and KRResearch

GDP Per Capita

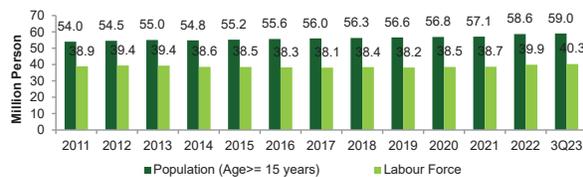


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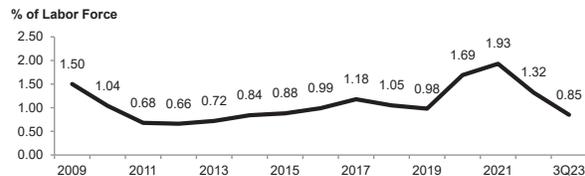
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Other Figures

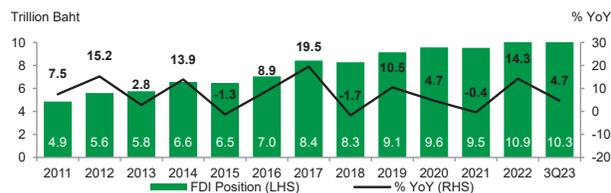
Population and Labor Force



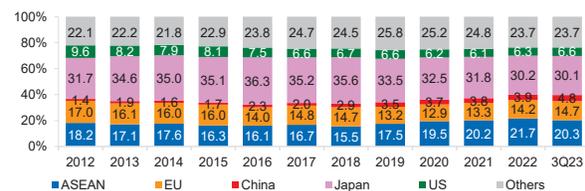
Unemployment Rate



Foreign Direct Investment



Foreign Direct Investment Position by Countries



Note: - FDI refers to equity investment, lending to affiliates, and reinvested earnings; investment in equity is treated as a direct investment when the direct investors own 10% or more of ordinary shares
 - FDI position by countries is an investment outstanding that nonresident investors have with resident enterprises as stock concept
 - Converted FDI US Dollar to Thai Baht by reference rate from the Bank of Thailand
 Source: BOT, NESDC, NSO, and KRResearch

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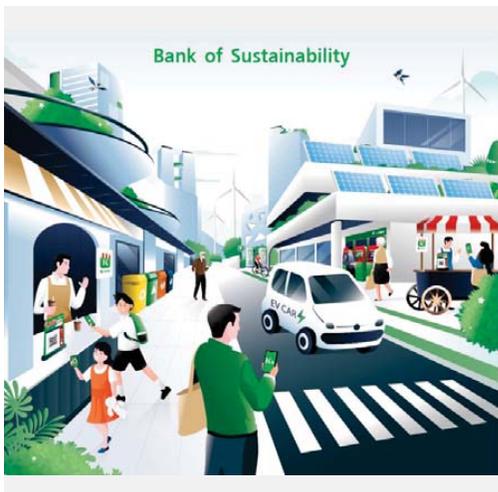
Disclosure Practice:

- Unreviewed/unaudited quarterly financial reports are released within 21 days from the end of each period
- Reviewed financial reports are released within 45 days from the end of the period for 1Q and 3Q; Audited financial reports are released within 2 months from the end of the period for 2Q and 4Q
- Following KASIKORNBANK's Disclosure Policy and good governance practice, KBank maintains a "silent period" for 7 days prior to the unreviewed/unaudited earnings announcement. During this period, the Bank refrains from replying to questions or commenting on the earnings announcement and arranging one-on-one or group meetings with analysts and investors

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* The information herewith represents data in the Bank's consolidated financial statements, some of the numbers and ratios are calculated before netting with KBank's non-controlling interest.

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