



# Management Discussion and Analysis (MD&A)

For the Quarter Ending March 31, 2025

ธนาคารกสิกรไทย  
开泰银行 KASIKORNBANK



บริการทุกระดับประทับใจ

**Executive Summary of Management Discussion and Analysis**  
**For the Quarter Ending March 31, 2025**

The Thai economy in the first quarter of 2025 expanded within a limited range, despite an acceleration in merchandise exports, particularly those to the US ahead of the import tariff hikes. However, industrial production and private investment have yet to recover. Additionally, the earthquake that occurred in late March, coupled with heightened tensions from international tariffs and retaliatory measures, further increased the risks of economic slowdown both in Thailand and globally. For the remainder of 2025, the Thai economy is expected to grow at a slower rate than that reported in the previous year, due to a potential contraction in exports, as well as persistent weakness in private consumption and investment, while tourism and the real estate sector continue to feel the effects of the earthquake. The government economic stimulus measures, which are set to take effect gradually ahead, may help sustain the economic growth somewhat amid constraints seen in the uneven recovery in household and business income, as well as persistently high household debt.

Amid growing concerns over economic risks stemming from both internal and external factors, KASIKORNBANK and its subsidiaries continue to exercise prudence in conducting the businesses and are committed to creating sustainable value to all stakeholders. This includes fulfilling responsibilities towards customers, depositors, and investors, as well as providing appropriate support to customers in various areas, including responsible lending guideline, and collaboration through government initiatives to support customers in sustaining their lives and businesses. Additionally, the Bank strives to deliver stable returns to shareholders by advancing the K-Strategy 3+1 and Productivity under good corporate governance and effective risk management while fostering the K-Culture that aligns everyone towards shared goals.

Regarding operating performance for the first quarter of 2025 compared to the same period last year (restated), KASIKORNBANK and its subsidiaries reported a decline of net operating income of Baht 935 million, or 1.87 percent. This was mainly due to a decline in net interest income by Baht 2,761 million, or 7.23 percent, as the Bank faced pressure from prevailing interest rate conditions. However, non-interest income increased by Baht 1,826 million, or 15.39 percent, supported by gains from financial instruments measured at fair value through profit or loss, investment income, and net fee and service income. Meanwhile, other operating expenses remained stable, reflecting the Bank's continuous efforts to enhance operational efficiency. Additionally, the Bank set aside expected credit loss (ECL) of Baht 9,818 million, a reduction of Baht 1,866 million, or 15.97 percent, based on a prudent assessment approach to ensure adequate buffers against economic uncertainties. As a result, the Bank reported a net profit of Baht 13,791 million, an increase of Baht 147 million, or 1.08 percent from the same quarter of the previous year.

The Bank's key financial ratios for this quarter remained within the targets, reflecting effective and prudent management. Net interest margin (NIM) stood at 3.41 percent, cost to income ratio at 40.84 percent, NPL ratio at 3.19 percent, credit cost ratio at 1.60 percent, and coverage ratio at 159.49 percent.

Regarding capital position of KASIKORNBANK FINANCIAL CONGLOMERATE, the capital adequacy ratio per the Basel III Accord was 20.52, with a Tier 1 capital ratio of 18.55 and Common Equity Tier 1 ratio of 17.58, both of which were greater than the Bank of Thailand's requirement, reflecting our robust capital position which is adequate for continuously operating business under both normal and stressed situations. The Bank is committed to manage its capital efficiently to ensure an appropriate capital structure.

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# 1. Overview of Operating Environment

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## 1.1 Global and Thai Economy in the First Quarter of 2025 and Outlook

In the first quarter of 2025, there was heightened concern that the global economy would be adversely hit by escalating trade wars following the US government's decision to raise tariffs on imports from many trading partners. This development not only increased the risk to the prospects of global trade but also had a ripple effect on the overall global economic outlook for the remainder of the year. The US economy, in particular, may see a slowdown in consumer spending due to the higher import tariffs as such pressure is gradually passing on to US inflation. Meanwhile, the European economy, already showing weakness in manufacturing, services, and exports, was expected to slow further due to the effects of US trade tariffs and prolonged geopolitical tensions. Meanwhile, although China's economy demonstrated solid growth supported by domestic stimulus measures and accelerated exports, it showed signs of weakening because of the persistent fragility in domestic consumption and the real estate sector, coupled with direct impacts on exports resulting from the trade war with the US. Given these circumstances, the International Monetary Fund (IMF) lowered its global growth forecast for 2025 to 2.8 percent, from the prior estimate of 3.3 percent made in January 2025. Additionally, central banks around the world had to reassess the implications of ongoing uncertainties and may consider cutting policy interest rates in the near future to sustain the economy.

The Thai economy continued to grow at a slower rate in the first quarter of 2025 despite accelerated exports, particularly to the US ahead of the import tariff hike. However, private investment, especially in the automotive and real estate sectors, had yet to recover amid a contraction seen in the car market and a sluggish real estate sector. For the remainder of 2025, the Thai economy is expected to grow at a slower rate compared to the previous year, given the potential contraction in exports, coupled with ongoing weakness in private consumption and investment. Additionally, the tourism and real estate sectors may be adversely affected by the earthquake in late March 2025. Although the government's economic stimulus measures, which are expected to take effect gradually, may help sustain economic growth somewhat, constraints and the uneven recovery in household and business income, as well as persistently high household debt, may continue to inhibit Thailand's overall economic growth.

Regarding Thailand's monetary policy outlook, the Monetary Policy Committee considered further reductions in the policy rates to support the economy during the remainder of 2025 at the meetings held in February and April 2025 to 2.00 percent per annum and 1.75 percent per annum, respectively.

## 1.2 Banking Industry

The overall performance of domestically registered commercial banks in the first quarter of 2025 recorded higher net profit compared to the same period of last year and the previous quarter. This improvement was driven mainly by a decline in provision for expected credit losses and other operating expenses. In addition, there was support from an increase in net gain on financial instruments measured at fair value through profit or loss (FVTPL) and net gain on investment. However, core banking income – including net interest income and

net fees and service income – declined in line with subdued economic activity. Furthermore, the recent decrease in loan and lending rates, in line with the Thai policy rate trend, has exerted additional pressure on loan yields and net interest margin (NIM). Regarding asset quality, non-performing loans to total loans (NPL ratio) rose in the first quarter of 2025 compared to the previous quarter.

As of the end of the first quarter of 2025, outstanding loans to customers and accrued interest receivables - net at 17 domestically registered commercial banks decreased by 1.57 percent and 0.37 percent compared to the same period of last year and the end of 2024 in line with weakened domestic spending and household income which pressured both retail and SME loans despite a gradual increase in government and large business loans. Meanwhile, outstanding deposits increased by 0.82 percent over-year and by 0.54 percent from the end of 2024, driven primarily by an increase in savings deposits.

For the remainder of 2025, the economic environment is expected to remain fraught with various risk factors, ranging from uncertainties surrounding US trade policy and the global economic slowdown, to the impact of the earthquake in late March 2025, as well as continued weakness in domestic spending. These challenges are expected to weigh on the ability of commercial banks to sustain core business income. As a result, most commercial banks are placing greater emphasis on addressing asset quality issues and maintaining appropriate levels of provision for expected credit loss. Meanwhile, net interest income is set to remain under pressure given the possibility of a domestic interest rate cut in the second half of the year.

## 2. Risk Management and Risk Factors

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### 2.1 Credit Risk Management

The Thai economy in the first quarter of 2025 exhibited a slow and uneven recovery. Certain businesses and households needed more time to restore their income, while the manufacturing sector contracted due to structural problems and competition from foreign products, as well as heightened risks from trade tariffs and retaliatory measures imposed by some countries. Additionally, the earthquake in late March 2025 affected household spending, particularly for repair work, which could add pressure on addressing elevated household debt and impact related business sectors, including tourism, real estate, and construction.

Credit risk is a primary concern that the Bank prioritizes in its management efforts. Via active credit portfolio management (ACPM) and stress testing, KBank can identify potential risks and formulate response plans in a timely manner amid economic challenges. We monitor and assess the impact of significant events to ensure that all customer segments and supply chain networks can achieve sustainable growth in line with the Bank's operational strategy. In this quarter, KBank developed credit risk management strategies to address immediate situations, as well as long-term risk mitigation plans, as follows:

- **Managing Lending Risks:** The Bank closely monitored rapidly changing economic conditions and reviewed loan growth targets for each industry. Focus was also on diversification of credit exposure across customer segments, products, industries, and counterparty countries to mitigate potential impacts and maintain appropriate returns within risk appetite.
- **Introducing Relief Measures for Retail and SME Customers:** These included principal payment holidays and reduced installment payments, allowing customers to retain collateral assets such as homes, land, vehicles, and business premises. The Bank also introduced assistance measures for retail and SMEs clients affected by the earthquake and other natural disasters.
- **Ensuring Quality Loan Expansion:** For business loans, we prioritized existing healthy credit customers, secured loans, and clients in high-growth industries and their supply chains. For retail consumer loans, the Bank's approval process is based on the credit policy and credit scoring model which assess customer risk levels based on payment history and alternative data. Emphasis was also placed on responsible lending principles, ensuring that our customers still have residual income sufficient for living after monthly installments are made.
- **Developing Risk-based Credit Approval Models:** This involved incorporating customers' payment transaction data and alternative data to offer credit accessibility in a suitable manner.
- **Improving Products and Risk Management Process:** The Bank discontinued products that posed excessive risk and enhanced the early warning system (EWS) to enable faster risk management. We also prioritized continuous improvement of the credit approval process to be more efficient and rigorous.

Moreover, KBank continuously provided credit in line with its strategic plans to reduce greenhouse gas emissions, thereby addressing climate-related risks. The Bank also planned to efficiently manage non-performing assets through NPL sales and adequate provisions to cover expected credit loss, in line with our prudent business operations amid ongoing economic uncertainties.

## 2.2 Market Risk Management

In the first quarter of 2025, the US imposed tariff hikes on imported goods, boosting inflationary pressures in the US. Meanwhile, US economic indicators showed signs of a slowdown, leading to increased market concerns over the risk of a potential recession. This raised expectations for the Fed's policy rate cuts, resulting in a weakening US Dollar and a decline in US government bond yields. Nevertheless, during the first quarter of this year, the Fed maintained its policy rate at 4.25-4.50 percent, while signaling two rate cuts later in the year.

Domestically, in February 2025, the Bank of Thailand lowered its policy rate by 0.25 percent to 2.00 percent, in response to the Thai economy's weaker-than-expected growth outlook. The market anticipated that the Thai policy rate may be cut further in 2025, following increased economic risks arising from the trade war. Meanwhile, While the Baht was projected to strengthen due to the weakening of the US dollar, pressured by import tariff measures implemented by the US President. However, the Baht continued to face high uncertainty and may come under pressure to depreciate.

The Bank closely monitored market conditions, continuously analyzing and assessing the impact of rate movements to ensure appropriate and swift responses to volatility in the money and capital markets. Additionally, the Bank continued to emphasize effective risk management processes under the supervision of the Risk Oversight Committee, Market Risk Management Sub-committee and Enterprise Risk Management Division, to ensure risk levels remain within the established limits.

## 2.3 Liquidity Risk Management

In the first quarter of 2025, the Bank's liquidity remained ample and sufficient to meet loan demand in line with KBank's policies. Meanwhile, the Thai economy is expected to grow at a slower pace than previously forecast due to the increased risks from both internal and external factors. However, these events have not significantly impacted the Bank's liquidity and deposit volume.

KBank remains vigilant while closely monitoring economic circumstances and analyzing related developments. We have prepared and considered options appropriate for managing Baht and foreign currency liquidity to prevent any potential liquidity constraints. Subject to our regular reviews and improvements in liquidity risk management processes at KBank, these actions are consistent with the present economic circumstances and rapid changes in financial asset prices. We continue to emphasize proactive risk management via the supervision of the Risk Oversight Committee, Assets and Liabilities Management Sub-committee and Enterprise Risk Management Division to maintain risk within specified limits. In addition, we are watchful for any potential

impacts on our loans, deposits and liquidity, both short- and long-term, to ensure that we adopt appropriate fundraising strategies.



### 3. Business Directions and Operations of Core Businesses

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#### 3.1 Sustainable Development and Corporate Governance

##### □ Sustainable Development in Action

Overall, the operating performance in accordance with the sustainability indicators for 2024 achieved most of the set targets. Notably, KASIKORNBANK maintained its position in the Dow Jones Sustainability Indices (DJSI) for the 9<sup>th</sup> consecutive year, being the first Thai bank recognized in both the World and Emerging Markets categories. Furthermore, the Bank continued to be on the A List (Leadership Level) of the Carbon Disclosure Project (CDP) for the 3<sup>rd</sup> year in a row.

Key operations per the sustainability plans in the first quarter of 2025 are as follows:

- Collaborated with the Export-Import Bank of Thailand (EXIM BANK) to provide a green loan worth Baht 410 million to RE Energy Co., Ltd., a producer and distributor of electricity from renewable energy sources, for the construction of a floating solar power plant.
- The AFTERKLASS project organized the CASHFLOW financial board game competition at the secondary school level for the second consecutive year. This initiative aims to promote an understanding about financial management and income generation for financial independence in the future among youths.

##### □ Corporate Governance

KBank places importance on transparent, accountable, and ethical business practices, with recognition to all stakeholders. In line with this, the Bank has established the 2025 corporate governance promotion plan, focusing on upholding good corporate governance standards in a continuous and sustainable manner and embedding corporate governance as part of the organizational culture.

In the first quarter of 2025, KBank organized orientation for new directors to build an understanding of their roles, responsibilities, and information related to business operations of the Bank. Additionally, communications with directors on corporate governance and sustainable development were made through CG Journal and KBank Bulletin. Internal communications were also made to employees at all levels across the Bank and representatives of companies within the KASIKORNBANK FINANCIAL CONGLOMERATE, covering such topics as good corporate governance, sustainable development, and the Code of Conduct. KBank also communicated silent period for securities and stock futures trading and disclosing information related to the Bank's operating results and prevention of the use of inside information to directors, executives and employees, and the No Gift Policy to customers, suppliers and companies within the KASIKORN FINANCIAL CONGLOMERATE.

## 3.2 Business Directions of KASIKORNBANK and the Wholly-owned Subsidiaries of KASIKORNBANK

The Bank has implemented its strategies in accordance with the principles of a Bank of Sustainability, with the primary objective to deliver sustainable value to stakeholders, including customers, shareholders, KBank's employees, regulatory agencies and society. This is guided by K-Culture, which shapes the attitudes and behaviors of personnel within the organization towards achieving a common goal. The culture is built on five core values: Customer at Heart, Collaboration, Agility, Innovativeness and Integrity.

The Bank has set strategic priorities for 2025–2027 under the K-Strategy 3+1 and Productivity, placing strong emphasis on improving productivity as a core part of its strategy. This involves enhancing innovation to improve internal management and operational efficiency through the use of advanced technologies, such as AI, and upskilling employees. The goal is to build an organization with a culture of continuous learning and high productivity, which will lead to greater competitive capacities to support the Bank's position as a leading financial service provider in the region.

For the K-Strategy 3+1 in 2025, the core operational pillars remain consistent with those seen in 2024, comprising the following:

**K-Strategy 1:** Reinvigorate Credit Performance, through expanding quality new loans; creating opportunities for increased lending to existing customers and those within the business ecosystem of partners, including offering loans to support the transition to a low carbon society; retaining the existing customer base; and reforming the credit process to enhance efficiency

**K-Strategy 2:** Scale Capital-Lite Fee Income Businesses through offering a full suite of investment and protection products tailored to customers' needs, as well as developing digital platforms domestically and regionally, with the goal of becoming a leader in providing digital payment services.

**K-Strategy 3:** Strengthen and Pioneer Sales and Service Models to Deliver Value-based Results by leveraging digital-first technologies, seamlessly integrating human assistance to enhance customer accessibility across all service channels.

**K-Strategy +1:** New Revenue Creation for Medium and Long Term, which aligns with evolving consumer behaviors and needs, while changing technologies and competitive landscapes are taken into account under stringent risk management, including:

**1. Broadening our Reach to the Mass Market and the Underbanked with Limited Access to KBank Services:**

This endeavor is carried out through investment of KASIKORN INVESTURE CO., LTD. (KIV), to integrate the capabilities of our strategic partners with the Bank's infrastructure, with the aim of enhancing financial service agility for retail customers and reducing costs associated with the credit risks in both lending and asset quality management.

**2. Becoming a Leading Regional Financial Service Provider:** This endeavor has been undertaken by creating channels to access international customer markets and offering services that support cross-border transactions and businesses for customers in three key countries including People's Republic of China, Republic of Indonesia, and Socialist Republic of Vietnam.

- 3. Developing Innovation for Future Growth:** This is built upon traditional banking business, encompassing financial innovations that cater to new lifestyles, financial models of the future, expansion services beyond traditional banking through collaboration with strategic partners, and a commitment to being an organization focused on sustainable growth.

The Bank's business operations under the K-Strategy are based on the foundation of a strong commitment to maintaining our stability as a leading financial institution in the country, capable of responding promptly to potential economic volatility under good governance practices. The Bank also prioritizes the integration of data and analysis in proactive risk management, with the principles and policies established for comprehensive risk management, efficient capital management, and the cultivation of a culture of risk awareness throughout the organization. Additionally, the Bank has complied with the policies and measures set forth by the Bank of Thailand and other regulatory agencies to ensure that our operations meet the compliance and efficiency.

### 3.2.1 K-Strategy 1: Reinvigorate Credit Performance

The Bank formulated strategy, with the aim of reinvigorating credit performance by expanding new loans with quality, creating opportunities to increase lending to existing customers and those in the supply chain of strategic partners, including credit facility to support the transition towards a low-carbon society, maintain the existing customer base, and reform the loan process for efficiency. Key progress in our operations is as follows:

Key Progress	Operating Performances for the First Quarter of 2025
<ul style="list-style-type: none"> <li>• <b>KBank continued to pursue a prudent loan growth strategy</b>, focusing on secured loans from the Bank's existing customer base, including both business and retail segments, under a cautious credit underwriting process that places importance on loan quality over quantity.</li> <li>• <b>Developed loan products</b> that align with the behavior and needs of specific customer segments, while also supporting the expansion of key strategic projects.</li> <li>• <b>Enhanced liquidity for SME customers</b> through appropriate financial support measures tailored to each industry group.</li> <li>• <b>Launched joint campaigns with strategic partners</b> to enhance convenience and cater to the spending needs of retail customers.</li> <li>• <b>Increased credit lines for creditworthy retail customers</b> to improve access to financing under acceptable risk appetite.</li> </ul>	<p><b>Loans to Customers</b></p> <ul style="list-style-type: none"> <li>• Loan growth: Declined by 2.03 percent YTD</li> </ul> <p><b>Asset Quality:</b></p> <ul style="list-style-type: none"> <li>• NPL Ratio: 3.19 percent</li> <li>• Credit Cost: 1.60 percent</li> <li>• Coverage Ratio: 159.49 percent</li> </ul>

### 3.2.2 K-Strategy 2: Scale Capital-Lite Fee Income Businesses

The Bank focuses on scaling capital-lite fee income businesses by offering investment and insurance products that meet the customers' needs, along with developing digital platforms both at home and in other regional countries, with the aim of becoming a leader in digital payment services. Key progress in our operations is as follows:

Key Progress	Operating Performances for the First Quarter of 2025
<b>Wealth Management and Bancassurance Business (WMB)</b> Focused on offering products and services that comprehensively meet customer needs. <ul style="list-style-type: none"> <li>• <b>Mutual Fund Products:</b> <ul style="list-style-type: none"> <li>- Continuously promoted "Core &amp; Satellite" investment portfolios: Focused on recommending balanced funds and launching new funds. Recommendations were made on investment in the "K-WealthPLUS Series" and "K-ALLROADS Series" for sustainable long-term returns, complemented by Satellite investments in Foreign Investment Funds to enhance return opportunities.</li> <li>- Launch of KCMA 2025: KASIKORN ASSET MANAGEMENT CO., LTD., in collaboration with J.P. Morgan Asset Management, released the "KAsset Capital Market Assumptions" (KCMA) research, which provides information related to global economic trends, asset class returns, and risks across more than 100 asset types for the next 10-15 years, supporting strategic asset allocation and long-term investment decisions for clients and investors.</li> </ul> </li> <li>• <b>Bancassurance Products:</b> <ul style="list-style-type: none"> <li>- Continued to offer insurance solutions tailored to customer needs through three themes – Health Planning, Retirement Planning, and Legacy Transfer – with products designed to provide comprehensive coverage across different target segments. Health and retirement offerings focus on benefits during the policyholder's lifetime, while legacy products ensure peace of mind and long-term financial security for both the insured and their beneficiaries.</li> </ul> </li> <li>• <b>Sales and Service Model Enhancement with Digital Technology:</b> <ul style="list-style-type: none"> <li>- <b>Master RM &amp; Specialist:</b> Enhanced sales &amp; service model by enabling Master RMs to collaborate closely with Investment and Insurance</li> </ul> </li> </ul>	<b>Net Fees and Service Income Growth:</b> 1.12 percent YoY  <b>Mutual Funds</b> <ul style="list-style-type: none"> <li>• Asset under management (AUM):               <ul style="list-style-type: none"> <li>- Ranked No. 1 in terms of AUM with 22.6 percent market share</li> <li>- Growth: 13.0 percent YoY</li> </ul> </li> <li>• Number of new customers: 33,000               <ul style="list-style-type: none"> <li>- Increase of 3.0 percent YTD</li> </ul> </li> </ul> <b>Bancassurance:</b> <ul style="list-style-type: none"> <li>• New Business Premium*:               <ul style="list-style-type: none"> <li>- No.2 with 15.4 percent market share</li> <li>- Growth 28.0 percent YoY</li> </ul> </li> </ul> <i>*Data from January-February 2025</i> <ul style="list-style-type: none"> <li>• Customer satisfaction rate of K-Health Service: 97.0 percent (with no dispute case)</li> </ul>

Key Progress	Operating Performances for the First Quarter of 2025
<p>Specialists, ensuring personalized advice aligned with each customer's financial goals, risk tolerance, and overall wealth management needs.</p> <ul style="list-style-type: none"> <li>- <b>Virtual RM:</b> Expanded the customer base under the supervision of Virtual RM through digital channels and outbound advisory calls by 20 times from the previous year, enabling access to top middle-income customers and providing tailored investment and insurance advisory services to better meet individual goals.</li> <li>- <b>Digital:</b> Improved customer investment experience through new K PLUS features, including access to K WEALTH article, mutual fund comparison, and consolidated portfolio views incorporating gold and foreign currency wallets, giving customers comprehensive visibility of their wealth holdings.</li> <li>• <b>KBank Wealth Brand Strengthening:</b> <ul style="list-style-type: none"> <li>- <b>K WEALTH Forum:</b> Hosted the annual seminar for Wealth clients of the Bank and its subsidiaries, The event featured investment perspectives in 2025 under five themes: (1) AI technology, (2) “America First” policy, (3) Interest rate trends, (4) Rising public debt, and (5) Geopolitical risks. These insights were delivered by world-class experts from Lombard Odier and J.P. Morgan Asset Management.</li> <li>- <b>THE WISDOM Wealth Master:</b> Organized investment seminars for THE WISDOM clients outside of Bangkok, providing insights into Thailand and global economic outlook and strategic investment decisions, reinforcing KBank’s commitment to delivering investment knowledge and services to customers across Thailand.</li> <li>- <b>New Privileges for THE WISDOM:</b> Launched new lifestyle privilege packages under the “UP &amp; MORE PERSONALIZED” concept, allowing customers to select benefits that align with their personal lifestyles.</li> </ul> </li> </ul>	
<p><b>Payment</b></p> <ul style="list-style-type: none"> <li>• <b>Boost up Revenue from Potential Growth Areas:</b> <ul style="list-style-type: none"> <li>- <b>FX Business:</b> K PLUS Go International for outbound spending.</li> <li>- <b>Merchant Business:</b> New revenue from Juristic Thai QR &amp; AMEX, with digital channel ecosystem expansions.</li> <li>- <b>Cross-Border Business:</b> Enhance remittance capability with Foreign Currency Deposit account (FCD), cross-currency transfer, corridor coverage expansions, and new revenue from Intermediary Banking as a Service (BaaS).</li> </ul> </li> </ul>	<p><b>Non-Interest Income Growth:</b> 15.39 percent YoY</p> <p><b>Payment:</b></p> <ul style="list-style-type: none"> <li>• Digital payment* <ul style="list-style-type: none"> <li>- Market share: 29.12 percent</li> <li>- Growth: 0.33 YTD</li> </ul> </li> </ul> <p><i>* Source: The Bank of Thailand, as of December 2024</i></p>

Key Progress	Operating Performances for the First Quarter of 2025
<ul style="list-style-type: none"> <li>• <b>Sustain Declining Fee Areas via Cost and Productivity Improvement:</b> <ul style="list-style-type: none"> <li>- Migrated customer onboarding and servicing from branches to K PLUS.</li> <li>- Migrated calls in call center related to payment services.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• CASA Ratio: 80.44</li> </ul>

### 3.2.3 K-Strategy 3: Strengthen and Pioneer Sales and Service Models to Deliver Value-based Results

The Bank is committed to strengthening all service channels to ensure seamless and effective access for customers. This is achieved through the strategic application of digital technology under the “Digital First” approach, supported by a team of skilled professionals. Key progress of our operations is as follows:

Key Progress	Operating Performances for the First Quarter of 2025
<ul style="list-style-type: none"> <li>• <b>Enhanced Digital-First Experience:</b> <ul style="list-style-type: none"> <li>- Expanded the variety of investment products on K PLUS by adding complex funds, new travel insurance plans, and investment options, such as Dollar-Cost Averaging (DCA) to help reduce risks from market volatility through consistent investment.</li> </ul> </li> <li>• <b>Strengthened Leading Position in Digital Banking Through:</b> <ul style="list-style-type: none"> <li>- <b>K PLUS for retail users:</b> Continued to develop the platform to promote financial discipline in line with the “<i>Better Finance for Better Life</i>” principle. The Bank also focused on enhancing convenience and security for transactions, such as providing detailed credit card spending information and enabling K PLUS authentication for cash deposits at ATMs.</li> <li>- <b>K BIZ for the business sector:</b> Encouraged the use of K BIZ mobile banking to facilitate K BIZ internet banking. Addressed the specific needs of each business to enhance both security and convenience.</li> </ul> </li> <li>• <b>Achieved Channel Productivity:</b> <ul style="list-style-type: none"> <li>- Encouraged customers to conduct self-service transactions through digital channels instead of the Contact Center. As a result, the total number of calls at the Contact Center was reduced by 5 percent in the first quarter.</li> <li>- Improved efficiency at branches and e-Machines through a right-sizing strategy by strategically merging branches and reducing the number of e-Machines.</li> <li>- Collaborated with other banks to increase the number of cardless ATM withdrawal locations via mobile banking application, such as the Government Savings Bank (GSB).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Number of domestic K PLUS users:</b> <ul style="list-style-type: none"> <li>- 23.2 million</li> <li>- Growth: 0.3 percent YTD</li> </ul> </li> <li>• <b>Number of K BIZ users:</b> <ul style="list-style-type: none"> <li>- 1.2 million</li> <li>- Growth: 3.0 percent YTD</li> </ul> </li> <li>• <b>Digital Transaction:</b> <ul style="list-style-type: none"> <li>- Increased to 94.4 percent</li> </ul> </li> <li>• <b>Branch network*</b> <ul style="list-style-type: none"> <li>- 769 branches</li> <li>- A net decline of 12 branches from the end of 2024</li> </ul> <p><i>*Excluding three branches classified as other branch platforms per the Bank of Thailand’s condition</i></p> </li> <li>• <b>Self-Service Channel (K-ATM and K-CDM):</b> <ul style="list-style-type: none"> <li>- 10,142 machines</li> <li>- A net decline of 144 machines from the end of 2024</li> </ul> </li> <li>• <b>No. 1 in Overall Brand NPS</b>, based on the 2024 survey results (branches, e-Machines, K PLUS and K-Contact Center).</li> </ul>

### 3.2.4 K-Strategy +1: New Revenue Creation for Medium and Long Term

The Bank has a policy of exploring new business opportunities to generate new revenue streams under robust risk management through key business units, as outlined below:

- **Broadening our Reach to the Mass Market and the Underbanked with Limited Access to KBank Services:** This endeavor is carried out through investment of KASIKORN INVESTURE CO., LTD. (KIV), to integrate the capabilities of our strategic partners with the Bank's infrastructure, with the aim of enhancing financial service agility for retail customers and reducing costs associated with the credit risks in both lending and asset quality management, with the establishment of subsidiaries, as follows:
  - **NGERN HAI JAI CO., LTD.:** The company offers auto title loan services, for both transfer and non-transfer of registration book.
  - **KASIKORN LINE CO., LTD.** The company provides personal loans to retail customers through a new digital-based underwriting model to keep credit costs within budget. The company also increased credit limits for existing customers with good repayment discipline by using existing data, thus broadening opportunities for quality credit extension, for both existing and new clients.
  - **JK ASSET MANAGEMENT CO., LTD.:** The company purchases NPLs, partly from KBank as backlog for debt collection.
  - **KASIKORN CARABAO CO., LTD.:** The company aims to increase the volume of retail business loans via device financing by leveraging partners' strength on network.
  - **KASIKORN GLOBAL PAYMENT CO., LTD.:** The company provides payment gateway services as an intermediary to build up business synergy within KIV. The company focused on expanding customer base with new merchants and increasing the volume of services among existing customers. Emphasis was also placed on managing key accounts and developing new tools to continually drive business growth.
  - **T2P HOLDING CO., LTD.:** The company utilizes digital wallet as an infrastructure to develop solutions for the B2B2C segment in collaboration with companies within the KIV group. It also offers lending to SMEs with limited access to KBank's services via the Vyvr application.
- **Becoming a Leading Region Financial Service Provider:** This endeavor will be achieved by creating channels to access international markets, along with offering services that support cross-border transactions and business operations for customers in three key countries: the People's Republic of China, the Republic of Indonesia, and the Socialist Republic of Vietnam. Major operations are as follows:
  - **People's Republic of China:** KASIKORNBANK (CHINA) CO., LTD focuses on providing services to specific customer segments to support investment and trade expansion of Chinese companies in the Southeast Asian region, reflecting the growing interconnectedness of regional economies. Major operations are as follows:
    - **Corporate and SME:** Seamless cross-border transaction services have been developed by establishing effective operational guidelines that cover all processes involved in providing international services.

- **Retail:** Products that support services in Thailand have been launched, such as KBank THE WISDOM Card to meet the needs of customers conducting businesses between Thailand and China.
- **Republic of Indonesia:** Major operations were undertaken in partnership with PT Bank Maspion Tbk are as follows:
  - **Corporate and SME:** The focus is on expanding loans to large businesses in target industries, under prudent credit risk management. This includes enhancing the credit approval process and tightening credit quality control to meet higher standards. Additionally, PT Bank Maspion Tbk aims to offer products and services that facilitate business operations, as well as both domestic and international transactions.
  - **Retail:** An emphasis is also placed on expanding the deposit base, particularly current account and savings account (CASA), through event marketing campaigns designed to differentiate and attract the target customer segment. As of the first quarter of 2025, PT Bank Maspion Tbk's CASA deposits to total deposits was at 30 percent.
- **Socialist Republic of Vietnam:** Major business operations were as follows:
  - **Corporate:** The focus is on expanding the loan portfolio in a cautious manner, with continued emphasis on clients in promising industries, while managing financial costs amid volatile interest rates.
  - **SME:** Efforts have been made to expand the payment service business for small and micro retail merchants through payment acceptance products via electronic media and utilization of such transaction data for the consideration of lending services.
  - **Retail:** The focus is on expanding the credit card base, one of the Bank's core products, while offering a diverse range of financial products to strengthen the deposit base and support long-term sustainable growth. As of the first quarter of 2025, the number of K PLUS Vietnam users totaled 1.53 million users.
- **Developing Innovation for Future Growth:** This is built upon the traditional banking business in alignment with prevailing consumer behavior, technology, and competitive landscapes, with the aim of enhancing growth and creating new sources of revenue. Key initiatives are as follows:
  - **Financial Innovation**
    - **MAKE** had 3.15 million users, while **KhunThong** had more than 2.6 million users.
    - **MeowJot**, an application designed as an automated expense tracker, had more than 280,000 users.
    - **Development of Practical AI-Based Innovations**, such as the AINU identity verification service, which can confirm that the individual is a real living person, and the InsurTech service, which uses AI to provide an initial damage assessment from photographs of vehicles involved in accidents. These solutions have already been adopted by more than 20 business partners.



- **Future of Finance**

- **Orbix Trade - a Digital Asset Exchange:** The company enhanced the account opening process for greater efficiency, while also improving risk management systems and abnormal transaction detection to enhance customer confidence.
- **Orbix Invest - a Digital Asset Fund Manager:** The company implemented digital asset fund management strategies to meet the needs of investors.
- **Orbix Custodian - a Digital Asset Custodian Service Provider:** The company obtained a business license in March 2025 from the Office of the Securities and Exchange Commission of Thailand.
- **Orbix Technology - a Quarix Blockchain Infrastructure Developer:** The company is committed to developing financial innovations on blockchain for KASIKORNBANK FINANCIAL CONGLOMERATE and external business partners, with a strong focus on reliability and compliance with relevant regulatory requirements. The company is currently operating three innovation projects under the Bank of Thailand's Regulatory Sandbox that have successfully been implemented in real-world use: (1) Q-money by KBank, (2) Project Carina – a cross-border fund transfer initiative in collaboration with J.P. Morgan, and (3) Q-Bond – the first-ever use of Quarix Blockchain in bond transactions in Thailand, marked by the issuance and offering of a 1-year Q-Bond by PTT Public Company Limited. Additionally, the Inbound Tourists Using USDC & THB Stablecoin project has been approved to pilot programmable payments under the Enhanced Regulatory Sandbox of the Bank of Thailand, enabling foreign tourists to pay for goods and services in Thailand using a Thai Baht-denominated Stablecoin (THBS), backed by Q-money.
- **Kubix - an ICO Portal:** The company has created a new dimension for fundraising via tokenization, which provides businesses with greater access to alternative funding sources, while connecting investors to new investment formats in the digital world.

- **Uplift Banking**

- **SKILLKAMP:** The service has been officially launched as an e-Marketplace that aggregates certified online learning courses. Currently, it offers 310 courses with 3,000 registered users.
- **Koncierge+:** The service has been officially launched to serve as an IT solution platform tailored for business customers in the hotel industry. The Bank opened a connection with solution service providers that offer five key strategic solutions to support comprehensive hotel business management. The five key strategic solutions include: property management system, revenue management system, channel management, digital marketing and financial inclusion.

- **Sustainability**

- **WATT'S UP:** An e-Marketplace platform to rent or purchase electric motorcycles (EV bikes), leveraging customer data to extend related financial services such as green loans and insurance products. Currently, the platform has attracted more than 10,000 users and offers rental services, station search, and battery-swapping services with over 100 stations across the Bangkok Metropolitan Region.

- **GreenPass:** A collaborative platform between KBank and Innopower Co., Ltd., a service provider for the registration and sales of Renewable Energy Certificates (REC). The platform facilitates access for both business and individual customers who have installed solar rooftops. It is the first platform in Thailand to play a key role in generating additional income for small-scale electricity producers.
- **KCLIMATE 1.5:** The company provides greenhouse gas management and processing software, as well as environmental, social, and governance (ESG) data submission services. These services support KASIKORNBANK FINANCIAL CONGLOMERATE in assessing and delivering financial services to clients. The green related business plan will additionally be approved by the Bank of Thailand in 2025.
- **Creative Climate Research Center (CCRC):** A comprehensive knowledge and research hub focused on achieving net-zero carbon emissions. The center aims to support knowledge development, research initiatives, and the creation of collaborative networks both domestically and internationally. Its goal is to help develop Thailand's climate ecosystem and facilitate a smooth transition towards sustainability.
- **K-Greenspace:** A marketplace platform that showcases the installation of electronic equipment as an option for energy savings, such as solar rooftops, EV chargers, and energy-efficient homes. The platform also provides services to help users calculate the optimal setup and size based on their specific usage patterns, including cost-effectiveness analysis prior to installation. Currently, the website has attracted over 7,000 visitors.

### 3.3 Operations of Support Groups

#### ■ IT Management

KASIKORN BUSINESS-TECHNOLOGY GROUP (KBTG) is committed to strengthening and enhancing the capabilities of KASIKORNBANK FINANCIAL CONGLOMERATE in alignment with the K-Strategy 3+1 and Productivity. This will be achieved through cost-effective technological development, combined with leveraging the potential of regional IT talents across Thailand, the People's Republic of China, and the Socialist Republic of Vietnam. The aim is to create a competitive advantage and elevate productivity for the Bank, while ensuring the stability of its systems and technology, which covers operations in four core areas as follows:

1. **IT Development Project to Support the Bank's Double-Digit ROE Goal:** This initiative encompasses the operational strategies of KBank's core businesses, including lending, payments, and wealth management. Key areas of execution include:
  - **Enhancement of core banking capabilities** to accommodate up to 60 million customer accounts by implementing a double core banking system. This endeavor is to ensure sustainable growth while delivering a seamless customer experience even during peak transaction volumes.
  - **Upgrade of portfolio and architecture of the application systems** to be more modern and efficient in order to facilitate regional service expansion and continuously meet the evolving needs of customers in the digital era.

2. **Building Confidence through IT Excellence:** This is to ensure flexible, stable, and cost-efficient services in line with KASIKORNBANK FINANCIAL CONGLOMERATE's technology standards, focusing on the following initiatives:
- **Establishment of two main data centers:** They have been designed with high structural resilience, capable of withstanding earthquakes up to 7.0 on the Richter scale. These facilities are also equipped to handle aftershocks originating from nearby areas, including in neighboring countries, such as the Republic of the Union of Myanmar, and in Thailand, such as Kanchanaburi. The two main data centers aim to reinforce the end-to-end stability of the Bank's IT infrastructure.
  - **A robust remote infrastructure management system:** This system enables full operational control without requiring physical access to the data centers. Additionally, it supports a "Secure Work from Anywhere" model, which helps enhance operational agility and flexibility for employees under all circumstances.
3. **Developing innovative products to generate new revenue streams:** This initiative spans various emerging business domains such as AI, Web3, and financial innovation, with the following key developments:
- **"Meow Jot" application:** An automated tool that tracks and summarizes expenses from e-Slip of mobile banking transactions across different banks. As of the first quarter of 2025, Meow Jot had more than 280,000 users and 5,700 subscribers.
  - **Enhancement of MAKE by KBank application:** A digital wallet service (cloud pocket) designed to help users manage savings and monthly expenses, thus promoting better financial discipline among customers. Presently, MAKE by KBank had 3.15 million users, with total deposits exceeding Baht 22 billion. In the first quarter of 2025, KBank introduced three new cloud pocket categories, including Wishlist, Savings, and Credit Card, to better support users in personal money management. Additionally, the application offers personalized financial products aligned with users' saving and spending behaviors.
  - **Development and application of AI technology for business solutions:** KBTG has developed AI-driven solutions now adopted by more than 20 business partners under two core services:
    - (1) Secure identity verification via AI under AINU: This service incorporates facial recognition, liveness detection to confirm the individual is physically present, and optical character recognition (OCR) for reading text from images to provide secure and seamless identity verification.
    - (2) AI-powered vehicle damage detection and preliminary assessment from images (InsurTech): This service offers detailed claim evaluations and precise information reports, enabling insurance partners to deliver accurate and efficient claim processing.

4. **Becoming an AI-driven organization:** This will be achieved by integrating AI capabilities and world-class technologies into both its businesses and IT-related operations, as detailed below:

- **Empowerment of business operations with Analytics, AI, and Generative AI:** Advanced data analytics, AI, and Generative AI models have been developed to support decision-making and improve operational efficiency across multiple domains, including lending, asset management, wealth management, marketing, and customer service, including the development of AI-powered chatbots as a tool to help improve the efficiency of customer service and overall satisfaction.
- **Improvement of operational processes with AI and Gen AI:** Integrating AI and Gen AI into software development and internal operations of the Bank. This also includes smart knowledge retrieval systems powered by AI.
- **Collaboration with research agencies and educational institutions to advance AI innovation and research:** More than 30 academic papers have been published, such as research in Natural Language Processing (NLP), conducted in collaboration with Chulalongkorn University, and Automated Captioning and Damage Segmentation in Car Damage Analysis, conducted in partnership with King Mongkut's Institute of Technology Ladkrabang.
- **Collaborative research with MIT Media Lab and one paper has been published at CHI 2025 (Conference on Human Factors in Computing Systems).** The research paper entitled "Talk to the Hand", which introduces Pointer Assistant, an AI-powered interface assistant designed to guide users during screen interactions. The system offers real-time recommendations or suggestions while users are actively working on-screen, as well as through conversational chat support.

#### ■ **Data Intelligence and IT Integration**

The Bank focuses on data management and leverages data analytics in alignment with its core business strategies, namely lending, wealth management services, payments, and service channels, including productivity enhancement initiatives to support the Bank's strategic goal of achieving a double-digit ROE. In addition, the Bank places emphasis on building important foundational capabilities, such as strengthening effective collaboration between business and IT units, maintaining modern technology and infrastructure for sound data and AI management, and continuously developing the capabilities of its workforce, as follows:

1. **Support businesses using the capacities of data and AI:** This initiative focuses on optimizing financial performance, deepening customer engagement, enhancing productivity, operational efficiency, supporting analytical and creating work, such as searching and summarizing information from documents, translating content and images, creating questionnaires, and assisting with code writing to enhance the efficiency in technical performance.
2. **BU-IT Integration Capability:** To enhance integration capabilities, ensuring data, AI and IT-driven projects are successfully delivered while maximizing business impact in accordance with the target. Additionally, this initiative helps foster an understanding and enables IT-related departments to design and develop solutions that can accurately address business needs.

3. **Data & AI Management:** To reinforce data and AI management framework and enforcement to ensure secure, high-quality, and responsible data usage while improving data availability on the cloud.
4. **Technology & Infrastructure:** To strengthen technology and infrastructure to ensure a cost-effective, secure, efficient, and reliable Big Data and AI platform to support Bank-wide operations.
5. **People:** To continually invest in our people, ensuring that employees at all levels are equipped with the skills and mindset to leverage data and AI effectively.

#### ■ Human Resource Management

The Bank established its Human Resource Management Strategic Plan for 2025-2027 under the “Productivity FITS” concept, in alignment with the Bank’s overall business strategy. The focus is on enhancing “People Productivity” to ensure that performance meets organizational goals. Key initiatives are:

- **Workforce Optimization:** This initiative aims to design an organizational structure that enhances the allocation and rotation of human resources in an appropriate manner, both in terms of staffing levels and skill improvements, to maximize operational efficiency and support the Bank’s business growth.
- **Performance-driven Rewards:** This program involves enhancing the processes and structures of the reward system to motivate high performance, with a focus on aligning employee compensation with business strategies and generating sustainable value for key stakeholders of the Bank, thus helping to promote a performance-driven organizational culture. Additionally, it aims to strengthen employee engagement and build positive experiences among them, helping retain high-quality talent within the organization.
- **Capable Workforce and Leader:** This initiative involves learning programs that enhance employee capabilities and leadership skills that will equip them to meet business needs and reach their goals. The focus is on applying acquired skills in real work scenarios with measurable business outcomes, particularly in line with the K-Strategy 3+1 and Productivity, while importance is placed on leveraging AI to enhance work efficiency under the concept of, “Do less, get more”.
- **Productivity Culture and Engagement:** This program was implemented through communications and activities aimed at promoting employee engagement and well-being. The new HRIS, “K-People Touch” was introduced to enhance performance management, covering goal setting, performance tracking, including coaching and feedback documentation. Additionally, training programs were organized to ensure that both employees and supervisors maintain constructive and meaningful performance-related conversations, leading to a productive culture.

## 4. Operating Performance and Financial Position

### 4.1 Operating Performance

In the first quarter of 2025, the Thai economy expanded within a limited range. Although merchandise exports grew significantly – driven by accelerated shipments ahead of the US tariff hikes – industrial production and private investment did not fully benefit from this export momentum due to structural constraints, intense competition, and ongoing uncertainty surrounding US trade policy. In addition, Thailand's overall economic growth in 2025 is expected to be lower than the previous year, due to the impact of the earthquake in late March and escalating tensions from retaliatory tariff and trade measures – factors that will further weigh upon global economic growth. Meanwhile, the government's support measures may only partially cushion the Thai economy, as domestic spending remains hampered by fragile household finances and persistently high household debt levels.

Amid concerns over economic risks stemming from both domestic and external factors, KBank and its subsidiaries continue to operate business with prudence, focusing on creating sustainable value for all stakeholders. This includes our responsibility to depositors and investors, as well as providing appropriate assistance to customers through responsible lending practices, and cooperation in government initiatives that help customers maintain sustainable livelihoods and business operations. KBank also remains committed to delivering stable returns to shareholders through implementation of the K-Strategy 3+1 and Productivity within a highly uncertain economic environment.

Since 1 January 2025, one of the Bank's subsidiaries has adopted Thai Financial Reporting Standard (TFRS) 17: Insurance Contracts, in alignment with international standards. This adoption affects the recognition and classification of items in the financial statements, allowing financial information to more accurately reflect the entity's financial value. The consolidated financial statements for 2024 have been restated retrospectively for comparative purposes. The adoption of this financial reporting standard has no material impact on the consolidated financial statements of the Bank and its subsidiaries.

#### Operating Performance for the First Quarter of 2025

(Unit: Million Baht)

	Q1-2025	Q4-2024 (Restated)*	Change Increase (Decrease)	Percent	Q1-2024 (Restated)*	Change Increase (Decrease)	Percent
Net Interest Income	35,425	35,998	(573)	(1.59)	38,186	(2,761)	(7.23)
Non-Interest Income	13,678	12,708	970	7.62	11,852	1,826	15.39
Total Operating Income – net	49,103	48,706	397	0.81	50,038	(935)	(1.87)
Total Other Operating Expenses	20,052	22,295	(2,243)	(10.06)	20,051	1	-
Expected Credit Loss	9,818	12,242	(2,424)	(19.80)	11,684	(1,866)	(15.97)
Net Profit (attributable to equity holders of KBank)	13,791	10,768	3,023	28.08	13,644	147	1.08
Basic Earnings per Share (Baht) <sup>1)</sup>	5.67	4.54	1.13	24.89	5.60	0.07	1.25

\* The consolidated financial statements included the financial statements of the subsidiary that has adopted the TFRS 17 on insurance contracts, restated retrospectively for comparative purposes. The financial statements of the subsidiary for the first quarter of 2024 have been reviewed by the subsidiaries' auditor, the other quarters are currently under review.

<sup>1)</sup> Basic Earnings per Share = Net profit (attributable to equity holders of the Bank) deduct dividend from other equity instruments after income tax divided by weighted average number of common shares

When compared to the restated performance for the same quarter of the previous year, the Bank and its subsidiaries reported a decrease of Baht 2,761 million or 7.23 percent in net interest income. This decline was driven by pressure from prevailing interest rate conditions and the focus on prudent and effective management of asset quality. As a result, net interest margin stood at 3.41 percent. Meanwhile, non-interest income increased by Baht 1,826 million or 15.39 percent, driven by gains on financial instruments measured at fair value through profit or loss, investment income, and net fees and service income. The decrease in net interest income was more pronounced than the increase in non-interest income, resulting in a decline of Baht 935 million or 1.87 percent in net operating income.

Other operating expenses remained at a level close to that of the same quarter last year, reflecting the Bank's continued efforts to enhance operational productivity. As a result, the cost to income ratio stood at 40.84 percent. In addition, the Bank and its subsidiaries continued to adopt a prudent approach in setting aside expected credit loss (ECL), amounting to Baht 9,818 million. This is to ensure an adequate and appropriate level of expected credit loss to cope with the uncertainties surrounding the domestic economy, which is expected to grow at a lower rate than the previous year, and the highly volatile global economy. Consequently, net profit attributable to equity holders of the Bank totaled Baht 13,791 million, a slight increase of 1.08 percent compared to the same quarter of the previous year.

When compared to the restated performance for the fourth quarter of the previous year, the Bank and its subsidiaries reported a slight increase of Baht 397 million or 0.81 percent in net operating income, mainly driven by gains on financial instruments measured at fair value through profit or loss, and investment income, despite a decline in net interest income in line with market conditions. Additionally, operating expenses decreased by Baht 2,243 million or 10.06 percent, partly due to seasonal marketing expenses and continued effective cost management. As a result, the Bank and its subsidiaries recorded operating profit before expected credit loss and income tax of Baht 29,051 million, an increase of Baht 2,640 million or 9.99 percent. We also continued to adopt a prudent approach in setting aside provisions for expected credit loss.

Major financial ratios that reflected operating performance of KBank and its subsidiaries in the first quarter of 2025 compared to the previous quarter and the same quarter last year included:

(Unit: Percent)					
Financial Ratio	Q1-2025	Q4-2024 (Restated)	Increase (Decrease)	Q1-2024 (Restated)	Increase (Decrease)
Return on Assets (ROA) <sup>2)</sup>	1.27	0.99	0.28	1.27	-
Return on Equity (ROE) <sup>3)</sup>	9.58	7.90	1.68	10.09	(0.51)
Net Interest Margin (NIM) <sup>2)</sup>	3.41	3.48	(0.07)	3.73	(0.32)
Cost to Income Ratio	40.84	45.77	(4.93)	40.07	0.77

<sup>2)</sup> Annualized

<sup>3)</sup> Return on average equity (ROE) = Net profit (attributable to equity holders of the Bank) deduct dividend from other equity instruments after income tax calculated on an annualized basis divided by average equity of equity excluded other equity instruments at the beginning of the quarter / period / year and equity at the end of the quarter / period / year

(Unit: Percent)

Financial Ratio	Mar. 31, 2025	Dec. 31, 2024 (Restated)	Increase (Decrease)
Significant increase in credit risk loans <sup>4)</sup> to total loans <sup>5)</sup>	7.60	7.41	0.19
Significant increase in credit risk loans and credit impaired loans <sup>6)</sup> to total loans <sup>5)</sup>	10.75	10.54	0.21
NPLs gross <sup>7)</sup> to total loans <sup>8)</sup>	3.19	3.20	(0.01)
Total allowance to NPL gross (Coverage ratio) <sup>9)</sup>	159.49	152.34	7.15
Loans <sup>10)</sup> to Deposits Ratio	89.39	91.36	(1.97)
Capital Adequacy Ratio <sup>11)</sup>	20.52	20.35	0.17
Tier 1 Capital Ratio <sup>11)</sup>	18.55	18.37	0.18

<sup>4)</sup> Significant increase in credit risk loans used in calculation are loans to customers and loans to financial institutions which credit risk has increased significantly

<sup>5)</sup> Loans used in calculation are loans to customers and loans to financial institutions and accrued interest receivables and undue interest receivables

<sup>6)</sup> Credit impaired loans used in calculation are loans to customers and loans to financial institutions which credit risk has impaired

<sup>7)</sup> NPL gross used in calculation are loans to customers and loans to financial institutions which are non-performing loans, excluding loans for credit balance and life insurance business

<sup>8)</sup> Loans used in calculation are loans to customers and loans to financial institutions

<sup>9)</sup> Included allowance for expected credit loss of loan commitment and financial guarantee, deposit to financial institutions, investments and other financial assets

<sup>10)</sup> Loans = Loans to customers

<sup>11)</sup> KASIKORNBANK FINANCIAL CONGLOMERATE's Capital Adequacy Ratio (CAR)

## □ Net Interest Income

KBank's consolidated net interest income for the first quarter of 2025 was Baht 35,425 million, decreasing by Baht 573 million or 1.59 percent over-quarter. The decline was derived mainly from a decrease of Baht 1,130 million or 3.46 percent in interest income from loans to customers, resulting from a fewer number of days and a lower average yield in line with the reduction of the policy rate in late February 2025. Meanwhile, interest expenses from deposits from customers dropped by Baht 311 million or 6.58 percent due mainly to a decrease in average interest rate.

When compared to the same quarter of the previous year, net interest income in the first quarter of 2025 decreased by Baht 2,761 million or 7.23 percent, which came mainly from a decrease of Baht 4,133 million or 11.60 percent in interest income from loans to customers, in line with a decrease in average yield. Meanwhile, interest income from investments and trading transactions rose by Baht 861 million or 11.80 percent, due to rising average investment volume and average yield. However, interest expenses from interbank and money market items decreased by Baht 278 million or 22.63 percent in line with decreased average transaction volume and average yield.



(Unit: Million Baht)

	Q1-2025	Q4-2024 (Restated)	Change		Q1-2024 (Restated)	Change	
			Increase (Decrease)	Percent		Increase (Decrease)	Percent
<b>Interest Income</b>	<b>44,962</b>	<b>45,812</b>	<b>(850)</b>	<b>(1.85)</b>	<b>48,299</b>	<b>(3,337)</b>	<b>(6.91)</b>
Interbank and money market items	3,264	3,407	(143)	(4.21)	3,386	(122)	(3.60)
Investments	8,156	7,854	302	3.84	7,295	861	11.80
Loans to customers	31,501	32,631	(1,130)	(3.46)	35,634	(4,133)	(11.60)
Hire purchase and finance leases	2,041	1,920	121	6.34	1,984	57	2.88
<b>Interest expenses</b>	<b>9,537</b>	<b>9,814</b>	<b>(277)</b>	<b>(2.82)</b>	<b>10,113</b>	<b>(576)</b>	<b>(5.69)</b>
Deposits from customers	4,414	4,725	(311)	(6.58)	4,562	(148)	(3.23)
Interbank and money market items	952	900	52	5.78	1,230	(278)	(22.63)
Contributions to Financial Institutions Development							
Fund and Deposit Protection Agency	3,092	3,051	41	1.31	3,099	(7)	(0.25)
Debts issued and borrowings	1,062	1,114	(52)	(4.67)	1,199	(137)	(11.42)
Others	17	24	(7)	(26.24)	23	(6)	(24.64)
<b>Total Interest Income – net</b>	<b>35,425</b>	<b>35,998</b>	<b>(573)</b>	<b>(1.59)</b>	<b>38,186</b>	<b>(2,761)</b>	<b>(7.23)</b>
<b>Yield on Earning Assets (percent)</b>	<b>4.32</b>	<b>4.42</b>		<b>(0.10)</b>	<b>4.72</b>		<b>(0.40)</b>
<b>Cost of Fund (percent)</b>	<b>1.27</b>	<b>1.31</b>		<b>(0.04)</b>	<b>1.35</b>		<b>(0.08)</b>
<b>Net Interest Margin (NIM) (percent)</b>	<b>3.41</b>	<b>3.48</b>		<b>(0.07)</b>	<b>3.73</b>		<b>(0.32)</b>

#### ❑ Non-Interest Income

KBank's consolidated non-interest income in the first quarter of 2025 totaled Baht 13,678 million, increasing by Baht 970 million or 7.62 percent over-quarter. The increase came mainly from gains on financial instruments measured at fair value through profit or loss, which rose by Baht 991 million or 31.37 percent and investment income which increased by Baht 164 million or 353.09 percent. Meanwhile, insurance service result declined by Baht 230 million or 6.88 percent. The result primarily comprised insurance revenue which included contractual service margin (CSM) recognized based on coverage units, changes in risk adjustment for non-financial risks, related claims, losses on onerous contracts, and interest income from loans to debtors related to insurance contracts.

When compared to the same period of last year, non-interest income increased by Baht 1,826 million or 15.39 percent due mainly to an increase of Baht 938 million or 29.20 percent in gains on financial instruments measured at fair value through profit or loss in line with market conditions.

(Unit: Million Baht)

	Q1-2025	Q4-2024 (Restated)	Change		Q1-2024 (Restated)	Change	
			Increase (Decrease)	Percent		Increase (Decrease)	Percent
<b>Non-Interest Income</b>							
Fees and Service Income	13,499	13,422	77	0.57	12,956	543	4.19
Fees and Service Expenses	5,066	4,912	154	3.13	4,616	450	9.76
<b>Fees and Service Income - net</b>	<b>8,433</b>	<b>8,510</b>	<b>(77)</b>	<b>(0.91)</b>	<b>8,340</b>	<b>93</b>	<b>1.12</b>
Gain (Loss) on Financial Instrument Measured at Fair							
Value through Profit or Loss	4,150	3,159	991	31.37	3,212	938	29.20
Gain (Loss) on Investments	210	46	164	353.09	(57)	267	463.93
Share of Profit (Loss) from Investments using Equity							
Method	176	269	(93)	(34.77)	197	(21)	(10.84)
Dividend Income	973	522	451	86.34	976	(3)	(0.39)
Insurance Service Result	3,117	3,347	(230)	(6.88)	2,613	504	19.25
Other Operating Income	574	753	(179)	(23.71)	717	(143)	(19.92)
<u>Less</u> Net Insurance Finance Expenses	3,955	3,898	57	1.47	4,146	(191)	(4.59)
<b>Total Non-Interest Income</b>	<b>13,678</b>	<b>12,708</b>	<b>970</b>	<b>7.62</b>	<b>11,852</b>	<b>1,826</b>	<b>15.39</b>

#### □ Other Operating Expenses

KBank's other consolidated operating expenses for the first quarter of 2025 were Baht 20,052 million, an over-quarter decrease of Baht 2,243 million or 10.06 percent due largely to a decline in seasonal marketing expenses.

When compared to the same period of last year, other operating expenses were close to those seen during that period, which were due mainly to continued efforts to enhance operational productivity.

(Unit: Million Baht)

	Q1-2025	Q4-2024 (Restated)	Change		Q1-2024 (Restated)	Change	
			Increase (Decrease)	Percent		Increase (Decrease)	Percent
Employee Expenses	10,541	10,938	(397)	(3.63)	10,176	365	3.59
Directors' Remuneration	27	24	3	13.41	24	3	10.23
Premises and Equipment Expenses	2,782	2,892	(110)	(3.81)	2,762	20	0.71
Taxes and Duties	1,478	1,463	15	1.04	1,641	(163)	(9.93)
Others	5,224	6,978	(1,754)	(25.14)	5,448	(224)	(4.11)
<b>Total Other Operating Expenses</b>	<b>20,052</b>	<b>22,295</b>	<b>(2,243)</b>	<b>(10.06)</b>	<b>20,051</b>	<b>1</b>	<b>-</b>
<b>Cost to Income Ratio (percent)</b>	<b>40.84</b>	<b>45.77</b>		<b>(4.93)</b>	<b>40.07</b>		<b>0.77</b>

## ❑ Classified Loans and Expected Credit Loss

### • Classified Loans

KBank and its subsidiaries classified loans into three levels per TFRS 9. The classified loans in stage 2 include the loans with significantly increasing credit risk since initial recognition but without credit impaired. As of March 31, 2025 and December 31, 2024, loans with significantly increasing credit risk (underperforming loans) to total loans ratio was equal to 7.60 percent and 7.41 percent, respectively whereas loans with significantly increasing credit risk (underperforming loans) and credit impaired loans (non-performing loans) to total loans ratio was equal to 10.75 percent and 10.54 percent, respectively.

(Unit: Million Baht)

	Mar. 31, 2025		Dec. 31, 2024 (Restated)	
	Loans and Accrued Interest Receivables <sup>1)</sup>	Allowance for Expected Credit Loss	Loans and Accrued Interest Receivables <sup>1)</sup>	Allowance for Expected Credit Loss
Stage 1 Performing	2,142,764	38,873	2,193,345	37,862
Stage 2 Underperforming	217,960	52,791	215,701	49,712
Stage 3 Non-performing	90,161	43,992	91,309	44,132
<b>Total</b>	<b>2,450,885</b>	<b>135,656</b>	<b>2,500,355</b>	<b>131,706</b>

<sup>1)</sup> Loans to customers and accrued interest receivables and undue interest receivables

### • Modified Loans

KBank and its subsidiaries engaged in modification contracts with customers. In the first quarter of 2025, there were loans before modification amounting to Baht 9,351 million and incurred losses amounting to Baht 192 million.

### • Expected Credit Loss

KBank and its subsidiaries set aside expected credit loss of Baht 9,818 million for the first quarter of 2025, a decrease of Baht 2,424 million or 19.80 percent over-quarter, and a decrease of Baht 1,866 million or 15.97 percent from the same quarter last year. However, KBank maintained its prudent approach in setting aside provisions for expected credit loss at an appropriate level for the present circumstances and developments with the potential to impact the country's economic recovery. As a result, our expected credit loss to average loans for the first quarter of 2025 stood at 1.60 percent, and our coverage ratio was equal to 159.49 percent.

## Expected Credit Loss

(Unit: Million Baht)

	Q1-2025	Q4-2024 (Restated)	Change		Q1-2024 (Restated)	Change	
			Increase (Decrease)	Percent		Increase (Decrease)	Percent
Expected Credit Loss	9,818	12,242	(2,424)	(19.80)	11,684	(1,866)	(15.97)
Expected Credit Loss to Average Loan (percent)	1.60	2.00		(0.40)	1.90		(0.30)

### Allowance for Expected Credit Loss

As of March 31, 2025, our consolidated allowance for expected credit loss totaled Baht 135,656 million.

#### — Non-Performing Loans and Properties Foreclosed

##### *Non-Performing Loans*

As of March 31, 2025, financial conglomerate's NPLs stood at Baht 91,241 million, or 3.19 percent of the total outstanding credit, including that of financial institutions. KBank's NPLs totaled Baht 84,716 million, or 3.10 percent of the total outstanding credit, including that of financial institutions. The NPLs data is shown in the table below:

#### Non-Performing Loans

(Unit: Million Baht)

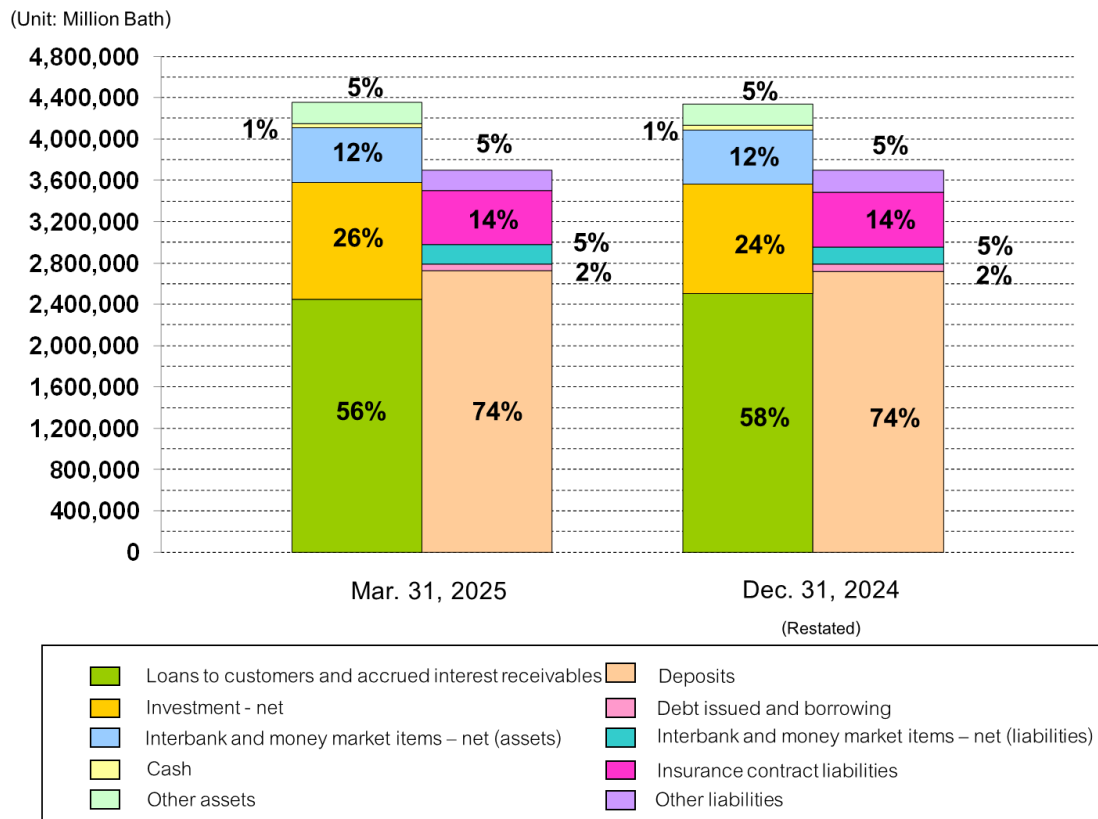
For the Quarter Ending	Mar. 31, 2025	Dec. 31, 2024
Financial conglomerate NPLs	91,241	93,009
Percent of total outstanding credit, including that of financial institutions	3.19	3.20
KBank NPLs	84,716	86,092
Percent of total outstanding credit, including that of financial institutions	3.10	3.11

##### *Properties Foreclosed*

As of March 31, 2025, our financial conglomerate properties foreclosed had a net value of Baht 55,876 million, thus being 1.28 percent of total assets.

## 4.2 Financial Position

Assets and Liabilities Structure

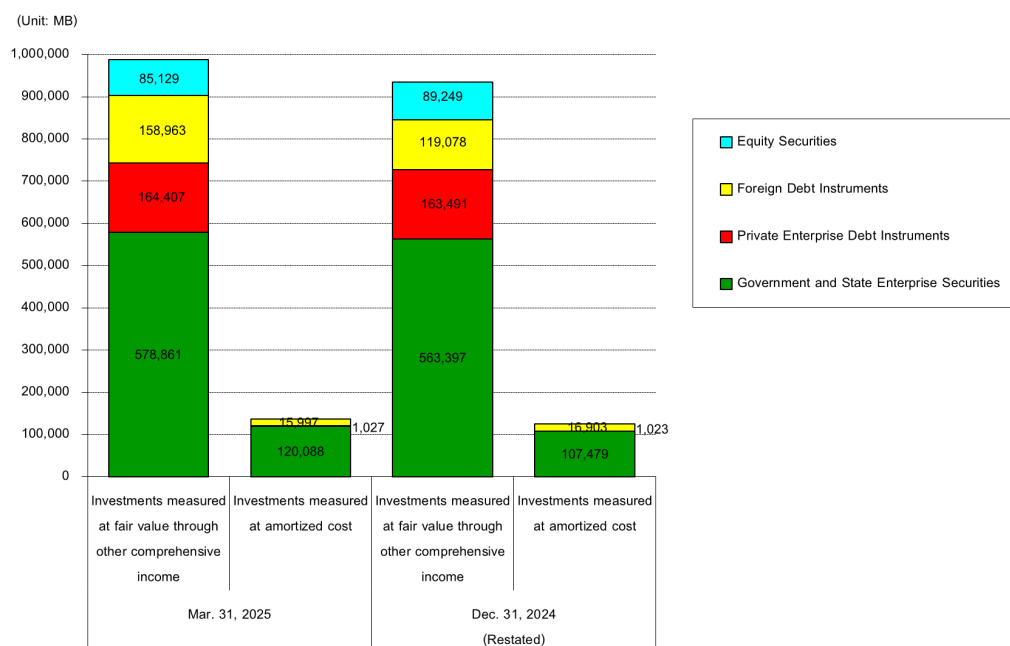


### □ Assets

At the end of the first quarter of 2025, KBank's consolidated assets totaled Baht 4,355,212 million, increasing by Baht 14,258 million (restated) or 0.33 percent from the end of 2024. The rise was due mainly to an increase in net investment. Meanwhile, loans to customers decreased. Key details are as follows:

- Net investment at the end of the first quarter of 2025 totaled Baht 11,124,472 million, increasing by Baht 63,852 million or 6.02 percent from the end of 2024, based on expectation of market conditions and interest rate trend.
- Loans to customers amounted to Baht 2,433,275 million, a decrease of Baht 50,420 million or 2.03 percent from the end of 2024., in line with economic slowdown. The Bank remains focused on quality loans expansion, emphasizing asset quality and appropriately optimizing risk-adjusted returns.

## Investments in Securities



### □ Liabilities and Equity

Our consolidated liabilities at the end of the first quarter of 2025 amounted to Baht 3,693,856 million, which slightly decreased by Baht 1,436 million or 0.04 percent from the end of 2024. The decline came mainly from the drop in derivative liabilities whereas interbank and money market items increased. Significant changes in our consolidated liabilities included:

- Interbank and money market items amounted to Baht 186,073 million, an increase of Baht 13,929 million or 8.09 percent from the end of 2024, as a result of KBank's liquidity management.

Equity (attributable to equity holders of the Bank) at the end of the first quarter of 2025 equaled Baht 583,926 million, an increase of Baht 15,201 million or 2.67 percent from the end of 2024, which was derived mainly from net profit generated during the first quarter of 2025 amounting to Baht 13,791 million.

### □ Relationship between Sources and Uses of Funds

As of March 31, 2025, the funding structure as shown in the consolidated financial statement comprised Baht 3,693,856 million in liabilities and Baht 661,356 million in equity, of which Baht 583,926 million was equity (attributable to equity holders of the Bank), resulting in a debt-to-equity ratio of 6.33. As of March 31, 2025, the main source of funds on the liabilities side was deposits, which equaled Baht 2,722,146 million or 62.50 percent of the total source of funds. Meanwhile, interbank and money market items as well as debt issued and borrowings accounted for 4.27 percent and 1.57 percent of the total source of funds, respectively.

As of March 31, 2025, KBank and subsidiaries' major use of funds was loans to customers which amounted to Baht 2,433,275 million, resulting in loan-to-deposit ratio of 89.39 percent, which was close to the level seen in the previous quarter. As for the remaining liquidity, KBank invested in various selections of liquid

assets, such as interbank and money market items, financial assets measured at fair value through profit or loss, and investments in securities.

## 4.3 Loans and Deposits

### □ Loans

As of March 31, 2025, KBank's consolidated outstanding loans stood at Baht 2,433,275 million, declining by Baht 50,420 million or 2.03 percent, compared to Baht 2,483,695 million as of December 31, 2024.

#### Loan Portfolio by Type of Customer and Credit Amount

(Unit: Million Baht)

	Mar. 31, 2025		Dec. 31, 2024	
	Corporate Business <sup>1)</sup>	Retail Business <sup>2)</sup>	Corporate Business <sup>1)</sup>	Retail Business <sup>2)</sup>
Loans	1,630,497	673,717	1,668,973	687,520

Notes: <sup>1)</sup> "Corporate Business" refers to registered companies, certain private individual business customers, government agencies, state enterprises, as well as financial institutions, etc. KBank provides a variety of financial products and services to them, e.g., long-term and working capital loans, letters of guarantee, trade finance solutions, syndicated loans, cash management solutions and value chain solutions.

<sup>2)</sup> "Retail Business" refers to private individual customers using KBank products and services, e.g., deposit accounts, debit cards, credit cards, personal loans, housing loans, financial advisory services, investment products and other transactional services.

#### Corporate Business Loans

As of the end of the first quarter of 2025, our corporate business loans (Corporate and SME customers) declined by Baht 38,476 million, or 2.31 percent from the previous quarter. The decrease was mainly seen in loans extended to commerce consumer, utilities, and consumer industry. However, certain industries e.g., hotels and restaurants, real estate, and food and beverage industry showed growth compared to the previous quarter. Meanwhile, SME loans continued to slow down in line with the sluggish growth in new loans, reflecting limited business opportunities amid the prevailing economic conditions. Nevertheless, the Bank remained committed to offering a variety of loan products to meet customers' credit and collateral needs, such as providing secured business credit lines to customers with growth potential. Additionally, the Bank utilized both financial and non-financial transaction data to analyze customer behavior and assess repayment ability, while applying risk-based pricing tailored to each customer.

#### Retail Business Loans

As of the end of the first quarter of 2025, our retail business customer loans declined by Baht 13,803 million, or 2.01 percent from the previous quarter. This was mainly due to a seasonal slowdown in credit card loans and a cautious approach to personal loan lending, where the Bank maintained stringent credit quality monitoring. For new customers, the Bank provided conservative credit limits but considered limit increases aligned with the customer's risk profile if they demonstrated disciplined repayment behavior. Meanwhile, housing loans slightly declined from the previous quarter. The Bank continued to uphold prudent credit underwriting standards, placing emphasis on customers' repayment ability.

## □ Deposits

### Deposits Classified by Type of Deposit Account

(Unit: Million Baht)

	Percent of Total Deposits	Deposits		Change	
		Mar. 31, 2025	Dec. 31, 2024	Increase (Decrease)	Percent
<b>Total Deposits</b>	<b>100.00</b>	<b>2,722,146</b>	<b>2,718,675</b>	<b>3,471</b>	<b>0.13</b>
Current accounts	5.99	162,928	163,328	(400)	(0.24)
Savings accounts	74.45	2,026,637	2,016,813	9,824	0.49
Fixed-term deposit accounts	19.56	532,581	538,534	(5,953)	(1.11)

In the first quarter of 2025, overall competition for deposits among commercial banks remained at a low level. Liquidity in the banking system remained sufficient due to limited loan growth in line with economic conditions. Meanwhile, there is room for further policy rate cuts this year, following a reduction to 2.00 percent in February 2025 from 2.25 percent in 2024. This trend prompted commercial banks to manage deposit costs, taking into account financial liquidity aligned with the lending conditions.

KBank continued to focus on maintaining financial liquidity through appropriate cost management, by offering of deposit products tailored to customers' lifestyles. In the first quarter of 2025, the Bank introduced the 24-month Taweasap Special Fixed Deposit, a tax-exempt savings product with attractive interest rates. Focus was to capture opportunities arising from customers receiving extra income – Ang Pao (red envelopes with money) during the Chinese New Year festival, and annual bonuses, particularly among salary earners.

At the same time, KBank continued to emphasize managing the proportion of current accounts and savings accounts (CASA). As of the end of the first quarter of 2025, KBank's total deposits from CASA increased by Baht 9,424 million, or growth of 0.43 percent compared to the end of 2024. This brought the CASA-to-total-deposits ratio to 80.44 percent.

In addition, the Bank has developed a 'Lock Account' feature on K PLUS, enabling customers to manage their deposit accounts at any time. This enhances user confidence and security when accessing deposit accounts through digital channels. Outgoing transactions – including transfers, top-ups, payments, and cardless withdrawals – via K PLUS will not be allowed when the account is locked. However, the account can still receive incoming funds and be used for transactions at KBank branches as usual. Customers can unlock the account at any KBank branch.



## 4.4 Treasury Operations

In the first quarter of 2025, the US Federal Reserve (Fed) held its policy rate steady at 4.25-4.50 percent. The Fed signaled a more cautious monetary policy stance in light of economic uncertainty affected by US trade policies – particularly tariff hikes – and retaliatory measures from other countries. This resulted in volatility in financial markets worldwide, the risk of slower global economic growth, as well as potential upward pressure on future inflation. Close attention must be paid to the possibility of further policy rate cuts in the US. The movement of interest rates in the US Dollar-denominated bond market has led to volatility and could impact interest rates in other bond markets worldwide, including the Thai bond market.

The Bank of Thailand reduced its policy rate by 0.25 percent to 2.00 percent in this quarter to support an economic recovery that has shown weaker-than-expected growth. This was due to the sluggish manufacturing sector and heightened risks from trade policies of major economies – particularly those of the US. Additionally, the financial sector still coped with impacts from the deterioration of asset quality, especially among SMEs, which were affected by structural factors and intensified competition. This was despite the fact that inflation remained stable and in line with earlier projections, and was not seen as a hindrance to economic expansion.

KBank adopted an investment portfolio management approach that prioritizes maintaining liquidity to facilitate changes in targeted core businesses. KBank has aligned its investment strategy with prevailing economic conditions and movements in domestic and international financial and capital markets. The Bank has managed the overall bond holdings within the investment portfolio to be consistent with both domestic and foreign interest rate movements by maintaining the average maturity of bonds in our portfolio in the slightly longer range and at an appropriate level for our prudent approach. The focus was to accommodate the potential decline in interest rates and limit the potential impacts of interest rate volatility.

In the first quarter of 2025, the average overnight interbank lending rate was 2.11 percent p.a., down from 2.25 percent p.a. in the fourth quarter of 2024. This trend aligned with the Monetary Policy Committee's decision to lower the policy rate from 2.25 percent to 2.00 percent at its meeting on February 26, 2025.

KBank established guidelines for liquidity management under an acceptable risk appetite and effective cost management, consistent with the previous quarter. The Bank prioritized fund mobilization mainly through deposits, especially current accounts and savings accounts (CASA) funded by customers' main operating accounts, which are considered high-quality deposits. As for liquidity management in foreign currencies, KBank emphasized the matching maturity strategy for sources and uses of funds to mitigate risks from sourcing non-core currency liquidity.

## 4.5 Capital Requirements

As of the end of the first quarter of 2025, KASIKORNBANK FINANCIAL CONGLOMERATE, under the Basel III capital requirements, had capital funds of Baht 572,469 million, consisting of Baht 517,370 million in Tier-1 capital (Baht 490,454 million in Common Equity Tier-1 capital) and Baht 55,099 million in Tier-2 capital. The capital adequacy ratio was 20.52, which was above the Bank of Thailand's minimum requirement and buffer requirement of 12.00 percent. Meanwhile, Tier-1 capital ratio was 18.55 percent (Common Equity Tier-1 ratio was equal to 17.58 percent), all of which were above the BOT's minimum requirement and buffer requirement of 9.50 percent and 8.00 percent, respectively. The details are shown as follows:

### Capital Adequacy Ratio<sup>1)</sup>

#### ● KASIKORNBANK FINANCIAL CONGLOMERATE<sup>2)</sup>

(Unit: Percent)

Capital Adequacy Ratio	Basel III					
	Minimum Requirements including Buffer Requirement <sup>3)</sup>	Mar. 31, 2025	Dec. 31, 2024 (Restated)	Sep. 30, 2024 (Restated)	Jun. 30, 2024 (Restated)	Mar. 31, 2024 (Restated)
Tier 1 Capital Ratio	9.50	18.55	18.37	18.62	17.49	17.50
<i>Common Equity Tier 1 Ratio</i>	8.00	17.58	17.41	17.64	16.53	16.54
Tier 2 Capital Ratio	-	1.97	1.98	1.99	1.96	1.95
Capital Adequacy Ratio	12.00	20.52	20.35	20.61	19.45	19.45

#### ● The Bank

(Unit: Percent)

Capital Adequacy Ratio	Basel III					
	Minimum Requirements including Buffer Requirement <sup>3)</sup>	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024
Tier 1 Capital Ratio	9.50	17.65	17.51	17.89	16.80	16.70
<i>Common Equity Tier 1 Ratio</i>	8.00	16.63	16.49	16.86	15.77	15.68
Tier 2 Capital Ratio	-	2.04	2.04	2.06	2.04	2.05
Capital Adequacy Ratio	12.00	19.69	19.55	19.95	18.84	18.75

Notes: <sup>1)</sup> Excluding net profit of each period, which under the Bank of Thailand's regulations, net profit in the first half-year period is to be counted as capital after approval by the Board of Directors per KBank's regulations. Net profit in the second half-year period is counted as capital after approval of the General Meeting of Shareholders. However, whenever a net loss occurs, the capital must be immediately reduced at the end of period.

<sup>2)</sup> KASIKORNBANK FINANCIAL CONGLOMERATE means the company under the Notification of the Bank of Thailand Re: Consolidated Supervision, consisting of KASIKORNBANK, K Companies and subsidiaries operating in support of KBank, Phetai Asset Management Co., Ltd. and other subsidiaries within the permitted scope of Bank of Thailand to be a financial conglomerate.

<sup>3)</sup> Bank of Thailand required that the Bank maintain two capital buffers as follows:

- Conservation Buffer: Bank of Thailand required that KBank maintain an additional Common Equity Tier 1 at more than 2.50 percent.
- Domestic Systemically Important Banks Buffer (D-SIBs Buffer): Bank of Thailand required that KBank as a D-SIB maintain an additional Common Equity Tier 1 at 1.00 percent of total risk weight assets.

## 4.6 Credit Ratings

At the end of March 2025, the Bank's credit ratings given by Moody's Investors Service, Standard & Poor's, and Fitch Ratings remained unchanged from the end of December 2024.

Details of the Bank's credit ratings are shown in the following table.

KASIKORNBANK's Credit Ratings	
Credit Ratings Agency	Mar. 31, 2025
<b>Moody's Investors Service *</b>	
<u>Foreign Currency</u>	
Outlook	Stable
Long-term - Senior Unsecured Notes	Baa1
- Deposit	Baa1
- Counterparty Risk	Baa1
- Subordinated Debt	Ba1
- Non-Cumulative Preferred Stock	Ba2
Short-term - Debt/Deposit	P-2
- Counterparty Risk	P-2
Baseline Credit Assessment	baa2
<u>Domestic Currency</u>	
Outlook	Stable
Long-term - Deposit	Baa1
- Counterparty Risk	Baa1
Short-term - Debt / Deposit	P-2
- Counterparty Risk	P-2
<b>Standard &amp; Poor's *</b>	
<u>Global Scale Ratings</u>	
Outlook	Stable
Long-term Counterparty Credit Rating	BBB
Long-term Certificate of Deposit	BBB
Short-term Counterparty Credit Rating	A-2
Short-term Certificate of Deposit	A-2
Senior Unsecured Notes (Foreign Currency)	BBB

**Fitch Ratings \*****International Credit Ratings (Foreign Currency)**

Outlook	Stable
Long-term Issuer Default Rating	BBB
Short-term Issuer Default Rating	F2
Short-term Issuer Default Rating (xgs)	F3(xgs)
Senior Unsecured Notes	BBB
Viability	bbb
Subordinated Debt (Basel III-compliant Tier 2 securities)	BB+
Government Support	bbb

**National Credit Ratings**

Outlook	Stable
Long-term	AA+(tha)
Short-term	F1+(tha)

Note: \* The base levels for investment grade on long-term credit ratings for Moody's Investors Service, Standard & Poor's, and Fitch Ratings are Baa3, BBB- and BBB-, respectively. For short-term credit ratings, the base levels for investment grade as viewed by these three agencies are P-3, A-3, and F3, respectively

#### **Disclaimer**

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Certain statements shown in this report are forward- looking statements in respect of the financial position or the performance of KASIKORNBANK PUBLIC COMPANY LIMITED ( " KBank" ). KBank has prepared such forward-looking statements based on several assumptions, and has relied on financial and other information available from public sources as of the date such statements were made. Statements containing words such as "expect", "believe", "estimate", etc. and other similar expressions, are considered as forward-looking statements which involve uncertainties and are subject to changes at any time due to future events, including but not limited to, changes in global/national economic, political and regulatory environment. Accordingly, the readers or the recipients of information shall carefully review this report and make their own independent decision as well as thoroughly evaluate such fact or information which may have changed prior to making any investment or entering into any transaction.

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