

KASIKORNBANK

Investor Presentation as of 4Q22

January 2023

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

บริการทกระดับประทับใจ

1

KASIKORNBANK at a Glance



- Established on June 8, 1945 with registered capital of Bt5mn (USD0.15mn)
- Listed on the Stock Exchange of Thailand (SET) since 1976

Consolidated (as of December 2022)		
Assets	Bt4,246bn (USD122.9bn)	Ranked #2 with 16.65% market share ²⁾
Loans ¹⁾	Bt2,495bn (USD72.2bn)	Ranked #2 with 16.23% market share ²⁾
Deposits	Bt2,749bn (USD79.5bn)	Ranked #2 with 17.05% market share ²⁾
CAR	18.81% ³⁾	
ROE	7.38% ⁴⁾	
ROA	0.86%	
Number of Branches	824	
Number of E-Machine (ATM/RCM)	10,953	
Number of K PLUS Users	20mn	
Number of Employees ⁵⁾	Bank only 18,840/ Consolidated 31,469	
Share Information		
SET Symbol	KBANK, KBANK-F	
Share Capital:		
Authorized	Bt30.2bn (USD0.87bn)	
Issued and Paid-up	Bt23.7bn (USD0.69bn)	
Number of Shares	2.4bn shares	
Market Capitalization	Bt349.5bn (USD10.1bn)	Ranked #2 in Thai banking sector
4Q22 Avg. Share Price:		
KBANK	Bt144.49 (USD4.18)	
KBANK-F	Bt144.43 (USD4.18)	
EPS	Bt14.78 (USD0.43)	
BVPS	Bt205.85 (USD5.96)	

Notes:

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 18 Thai commercial banks as of November 2022

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. 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.

⁴⁾ 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

⁵⁾ Consolidated Number of employees includes employees of KBank, the wholly-owned subsidiaries of KBank and support service providers of KBank.

Exchange rate at the end of December 2022 (Mid Rate) was Bt34.56 per USD (Source: Bank of Thailand)

บริการทกระดับประทับใจ

2

Table of Contents

Topic	Slide Page
■ Operating Environment	5 - 6
■ 2023 Financial Targets	7 - 8
■ The K-Strategy	9 - 10
■ Financial Performance	11 - 17
■ Capital and Dividend	18 - 19
■ Summary	20
■ Appendix	21 - 165

บริการทุกระดับประทับใจ

3

Appendix

Topic	Slide Page
■ KBank	
> Strategy	22-48
> Business Highlights	49-57
> Risk and Credit Management	58-67
> Financial Performance	68-85
• 2022 Highlights	69-71
• Interest Income - net	72
• Non-interest Income	73
• Net Fee Income	74-75
• Other Operating Expenses	76
• Loan	77-78
• Asset Quality	79-81
• Investment in Securities and Funding Structure	82-85
> The Wholly-owned Subsidiaries	86-93
> Muang Thai Life Assurance (MTL)	94-102
> Other Information	103-117
■ Banking System and Regulations Update	118-127
■ Government Policy	128-142
■ Thai Economic Figures	143-163
■ IR Contact Information and Disclaimer	164-165

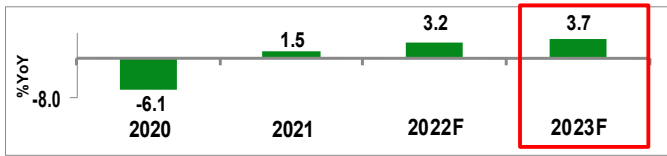
บริการทุกระดับประทับใจ

4



Operating Environment: Economic Outlook for 2023 (As of January 2023)

Key GDP Forecasts and Assumptions



% YoY	2020	2021	2022F*	2023F* (Jan 23)
GDP	-6.1	1.5	3.2	3.7
Private Consumption	-0.8	0.6	5.6	3.3
Government Consumption	1.4	3.7	-0.2	-1.0
Total Investment	-4.8	3.1	2.5	2.4
- Private investment	-8.1	3.0	4.3	2.8
- Public investment	5.1	3.4	-1.7	2.3
Gov't Budget Deficit (% of GDP)	-5.2	-4.8	-4.2	-4.0
Exports (Customs Basis)	-5.9	17.4	5.2	-0.5
Imports (Customs Basis)	-12.7	29.5	13.6	-2.1
Current Account (USD bn)	21.2	-10.6	-18.5	5.0
Headline Inflation	-0.8	1.2	6.1	3.2
Avg Dubai Oil Price	42.2	68.8	97.5	90.0
No. of Foreign Tourists (Mn)	6.7	0.4	11.0	25.5
Policy Interest Rate**	0.50	0.50	1.25	1.75

Notes: MPC's policy rate is at 1.50% (as of January 25, 2023)
 COVID-19 Vaccination rate in Thailand*** (December 2, 2022): First dose 82.6%, Second dose 77.6%, Third dose and more 47.9% of targeted people
 Source: * KResearch (as of January 13, 2023)
 ** KBank Capital Markets Research (as of December 8, 2022)
 *** Ministry of Public Health

Key Points:

- Thai GDP is expected to grow 3.7% in 2023, given China's earlier-than-expected re-opening
- Rebound in tourism sector will continue to be the main driving factor for the Thai economy; the number of tourists is expected to return to pre-COVID-19 level in 2024
- Waning global economic momentum will put downward pressure on Thai export sector; the Thai economy will experience a K-shaped uneven recovery
- Inflation is expected to gradually subside to 3.2%
- Thai GDP may return to its pre-COVID-19 level in 2023

Risk Factors:

- Global economic recession
- Escalated inflationary pressure
- Fed rate hike cycle and Thai Baht volatility
- Ongoing geopolitical risks
- Household and business balance sheet deterioration

บริการทุกระดับประทับใจ



Operating Environment: Economic Outlook for 2023

	Outlook	Possible Impacts to Thai Economy
Global Economy	<ul style="list-style-type: none"> ■ Global economy: Global economy is expected to decelerate significantly in 2023 amid persistent inflation and continuous rate hikes by central banks around the world to combat inflation ■ US: US economy is expected to face technical recession in 2023 due to Fed's aggressive interest rate hikes amid persistent inflation ■ Eurozone: Eurozone economy is expected to face technical recession in 2023 amid elevated inflation, energy crisis, and tightening policy ■ China: Chinese economy may expand at a higher rate due to the relaxation of COVID restrictions, but risks remain given ongoing COVID flare-ups, property market slump, and global economic slowdown ■ ASEAN economies: ASEAN economies will likely experience slower growth amid global economic slowdown, persistent inflation, and tighter financial conditions 	<ul style="list-style-type: none"> ■ Thai economy, especially export sector, is increasingly tilted to the downside amid increasing global economic risks ■ However, China's earlier-than-expected reopening will provide an upside to the Thai economy
Government Stimulus Plan	<ul style="list-style-type: none"> ■ Government has limited capacity for additional stimuli and may be less inclined to borrow more, given that the economy is expected to continue its recovery path, driven by a rebound in tourism sector 	<ul style="list-style-type: none"> ■ Fading government stimuli will weigh on Thai economic recovery in 2023
Inflation	<ul style="list-style-type: none"> ■ Inflation is expected to gradually subside but will remain a concern for the Thai economy. Average headline inflation is projected to be at 3.2% in 2023 amid continuous cost pass-through, lower government subsidies, and higher electricity bills 	<ul style="list-style-type: none"> ■ Domestic consumer spending is expected to weaken amid persistent inflation and fading pent-up demand
Exports and Tourism	<ul style="list-style-type: none"> ■ Thai exports may experience negative growth in 2023, given global economic slowdown, lower commodity prices, and a high base in 2022 ■ The number of tourist arrivals in 2023 is expected to accelerate to 25.5 million (range 24-26 million) from the estimated 11 million for 2022 	<ul style="list-style-type: none"> ■ Strong rebound in tourism sector will continue to be the main driving factor for the Thai economy, while export slump will put downward pressure on the Thai economy
Fed Policy Normalization	<ul style="list-style-type: none"> ■ Markets are expecting the Fed Fund rate to peak at around 5% in the middle of the year. There is also the possibility of the Fed cutting rates at the end of the year, due to the high probability of the U.S. economy entering recession. Fed interest rate at the end of 2023 may be around 4.50-4.75% 	<ul style="list-style-type: none"> ■ BOT is expected to continue its gradual rate hike, amid decreasing inflation ■ BOT's interest rate expected to be 1.75% at the end of 2023
Baht	<ul style="list-style-type: none"> ■ Baht posted a quick U-turn, appreciating to around 33.00, the strongest since March 2022, after Fed slowed its rate hike pace while the US CPI dropped dramatically from its peak in June 2022 ■ At 2023 year-end, Baht will reach Bt33.50-34.00 per USD, as Thai economy continues to recover, due to recovery of tourism with supporting sentiment from tourism amid China's early reopening and expectations on Thailand's current account surplus 	<ul style="list-style-type: none"> ■ USD/THB confirmed its appreciation, supported by a down cycle of the USD and China's reopening ■ Looking forward, continuous recovery of Thai tourism will bring the current account back to surplus for 2023, while pressure from energy prices will lessen amid oversupply concerns

Source: KResearch (as of December 21, 2022), and KBank Capital Markets Research (as of January 13, 2023)

บริการทุกระดับประทับใจ

Y2022 Financial Performance

Consolidated	2021 Actual	Y2022 Actual	Y2022 Targets	Notes (Y2022)
NIM	3.21%	3.33%	3.15-3.30%	Y2022 NIM increased YoY due to higher yield on loans as small ticket lending (SME and Retail) increased, and higher lending rates. More than 90% of interest income received in cash.
Loan Growth	7.88%	3.03%	6-8%	Y2022 loans grew YoY mainly from corporate business and small ticket lending (SME and Retail) while home loan decreased. However, loans decreased in 2H22 from NPL outflow management.
Net Fee Income Growth*	7.01%	-6.89%	Flat growth	Y2022 net fee income decreased YoY mainly due to a decrease in fees from fund management and brokerage business in line with market conditions and drop in transaction service fee rate, while fees from card business increased according to customer spending.
Cost to Income Ratio**	43.49%	43.15%	Low to Mid-40s	Y2022 cost to income ratio slightly decreased YoY from net total income increased, while higher operating expense (mainly from marketing and IT expense). Focus on cost management and productivity improvement, with new investments for future growth.
Credit Cost per year (bps)	173 bps	211 bps	Up to 160 bps	Credit cost increased YoY due to prudent consideration of the uncertain economic outlook and business strategy. NPL ratio dropped from proactively embarking and cooperating with professional partners to enhance the effectiveness of NPL management. Asset quality is manageable with closely monitored and constantly reviewed.
NPL Ratio (Gross)***	3.76%	3.19%	3.7-4.0%	
ROE****	8.44%	7.38%	N/A	
ROA	0.98%	0.86%	N/A	

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

บริการทุกระดับประทับใจ

7

Y2023 Financial Targets

Consolidated	Y2022 Actual	2022 NDR Targets	2023 NDR Targets	Notes (Y2023)
NIM	3.33%	3.15 – 3.3%	3.3 – 3.45%	NIM rising due to higher interest rates and small ticket size lending strategy, despite higher FIDF contribution.
Loan Growth	3.03%	6 – 8%	5 – 7%	Loans increase from regional expansion strategy and more corporate lending; continued focus on quality using effective data analytics capability.
Net Fee Income Growth*	-6.89%	Flat	Flat	Net fee income may decrease from lower conventional transaction fees due to changing consumer behavior; wealth management business continues to expand.
Cost to Income Ratio**	43.15%	Low to Mid-40s	Low to Mid-40s	Moderate revenue growth; projecting higher potential investment expenses for future growth; continuing cost management and productivity improvements.
Credit Cost per year (bps)	211 bps	Up to 160 bps	175 - 200 bps	Credit cost peaked in Y2022. Continue proactive asset quality clean up and prudent financial policy; credit cost will remain high but gradually drop in Y2023. The credit cost will cover future uncertainties, in line with global economic circumstances and business strategy.
NPL Ratio (Gross)***	3.19%	3.7 – 4.0%	< 3.25%	
ROE****	7.38%	N/A	N/A	
ROA	0.86%	N/A	N/A	

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

บริการทุกระดับประทับใจ

8

KASIKORNBANK Vision, Purpose and Culture

Vision

BANK OF SUSTAINABILITY

“KASIKORNBANK aims to be the most innovative, proactive, and customer centric financial institution, delivering world class financial services and sustainable value for all stakeholders by harmoniously combining technology and talent”

Purpose

To Empower Every Customer’s Life and Business

Customer Promise

Total Solution

Attentive & Inclusive

Any Time & Any Where

Trustworthy

K-Culture

A PIONEER FOR THE BETTER, A STEP AHEAD FOREVER

Customer at Heart | Collaboration | Agility | Innovativeness | Integrity

Leadership

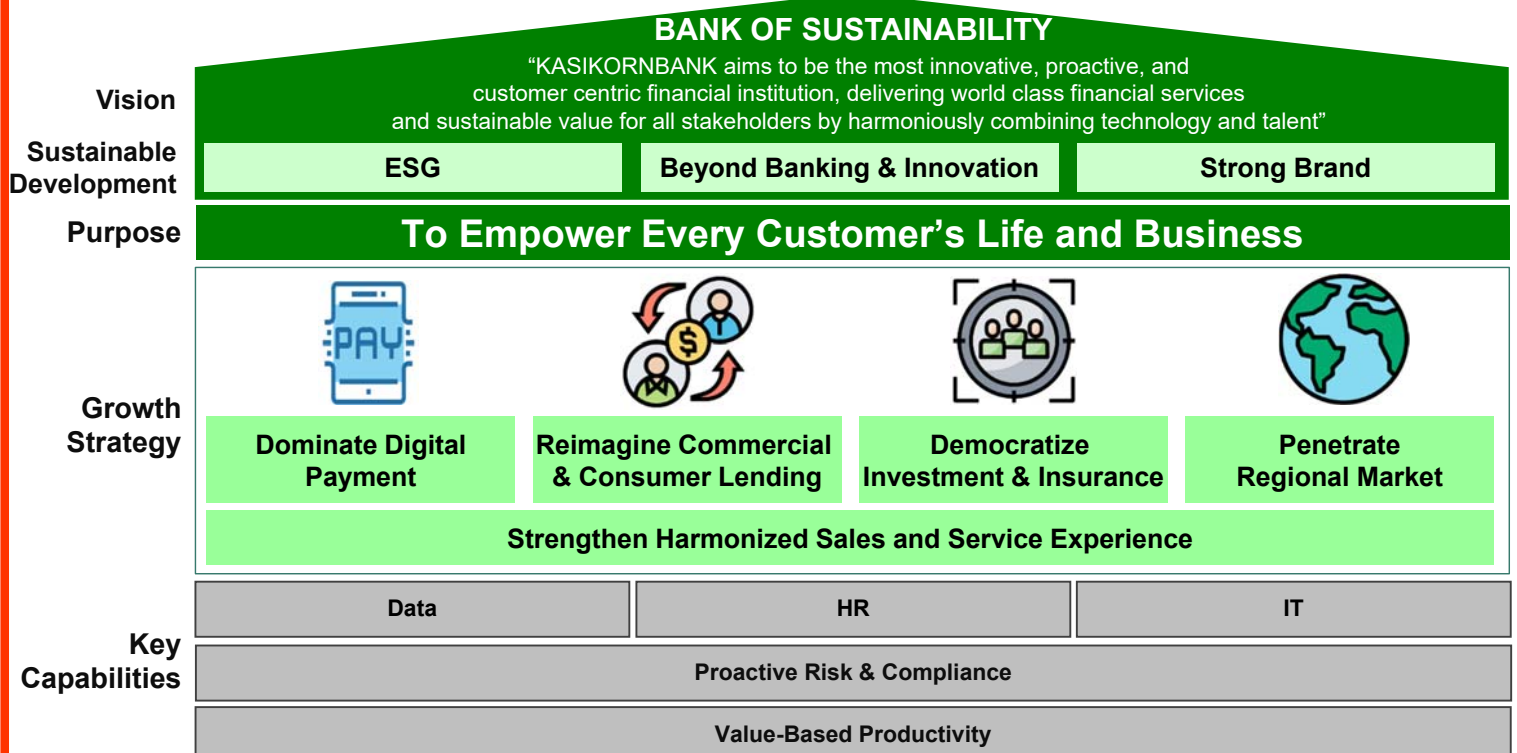
PURPOSEFUL AND PRACTICAL LEADERSHIP

บริการทุกระดับประทับใจ

9

The K-Strategy

- K-Strategy is reimagined to drive growth and empower customer



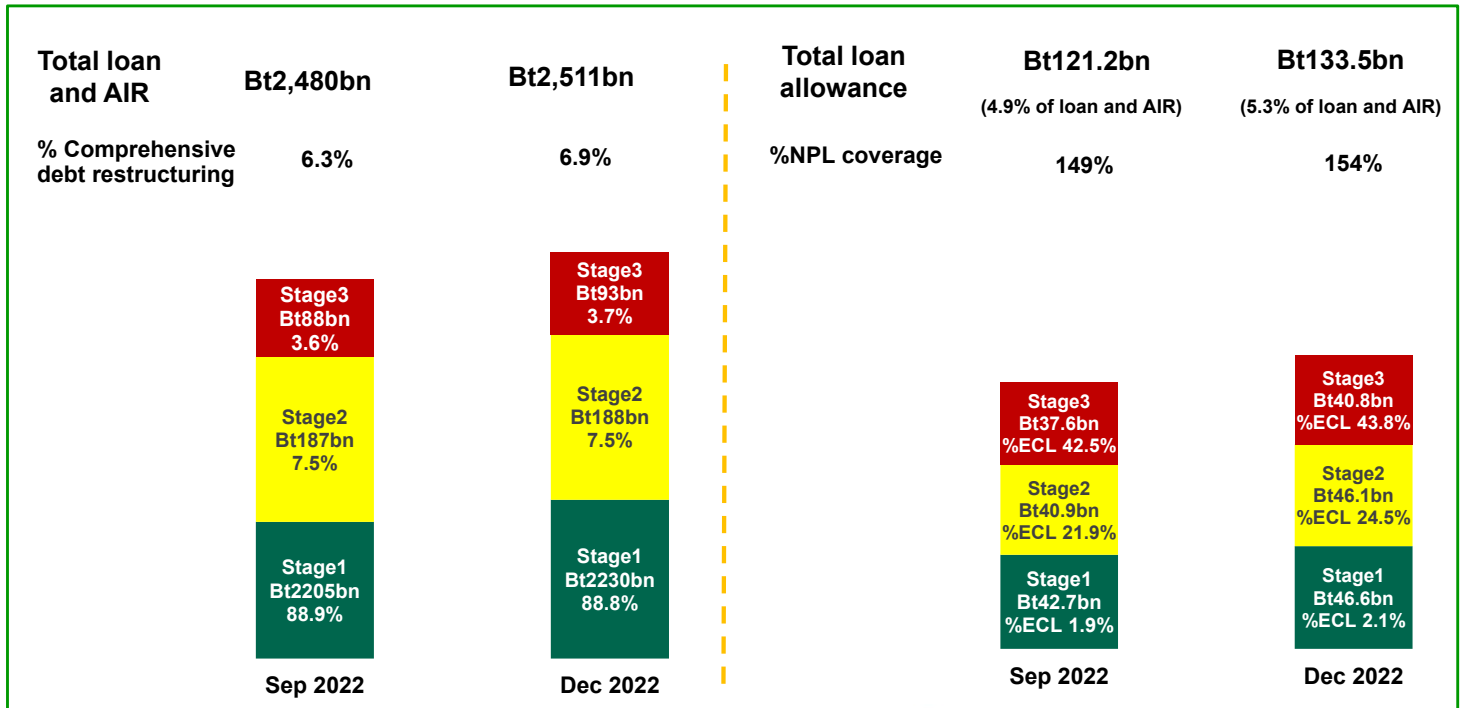
บริการทุกระดับประทับใจ

10



Classified Loans

- Cleaning up balance sheet for sustainable normalization will continue
- Global and local economic risks post challenges for our prudent policy

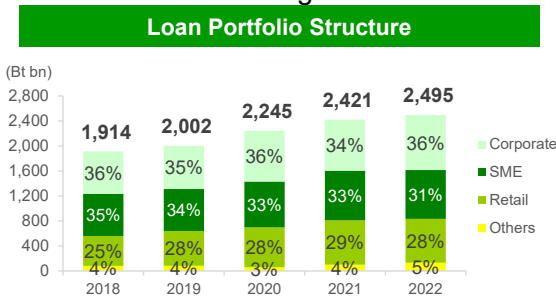


บริการทุกระดับประทับใจ



Composition of Growth: Loans by Business

- Moderate loan growth momentum in line with full-year target



Consolidated	Amount (Bt bn)		Y2022 Loan Growth (%)	Y2022 Yield Range (%)	Y2023 Loan Growth Target (%)
	Dec 21	Dec 22			
Corporate Loans	816	880	7.8%	2-4%	4-6%
SME Loans	793	780	(1.6%)	5-7%	1-2%
Retail Loans	711	703	(1.2%)	5-7%	2-4%
Other Loans	101	132	30.4%		
Total Loans¹⁾	2,422	2,495	3.0%	5.0%	5-7%

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⁾ Y2022 other loans was included loans through the World Business Group of Bt82bn, increased 73.1% YoY

	Y2022	2023 Outlook
Corporate Loans	<ul style="list-style-type: none"> Loan portfolio grew both short-term and long-term loans from financial institutions, commerce, consumer products, food and beverages, and chemicals industries. 	<ul style="list-style-type: none"> Focus on supporting ESG loans in prospective industries Potential loan growth in some sectors to support business opportunities
SME Loans	<ul style="list-style-type: none"> SME loans outstanding slightly decreased with an aim to control and mitigate credit risk However, KBank still provided various product offerings matched to customers' needs with risk-based offerings through "Self-Apply" via digital channels 	<ul style="list-style-type: none"> Grow prudently in line with market situation Use data analytics to expand credit opportunities in specific industries Continuously focus on small enterprises and self-employed customers with various product offerings matched to their needs and through digital channels with risk-based pricing Promote business growth of healthy SME customers and accelerate supports to at-risk SMEs to maximize recovery
Retail Loans	<ul style="list-style-type: none"> Retail loans outstanding slightly decreased mainly from housing loans which were affected by market competition. However, credit card showed improvement with higher spending in shopping, tourism, and restaurant categories Personal loans grew from "unsecured customer" segment onboarding through "Self-Apply" via digital channels Continued use of data analytics to continuously improve predictive power of credit model and credit process in order to acquire new customer segments with acceptable risk for both SME and Retail Loans 	<ul style="list-style-type: none"> Maintain lead position in consumer market and be "1st in mind" to our customers and prospects Grow prudently in line with market situation Focus on intelligent lending by using data analytics to offer products and promotions aligned with customers' needs Focus on acquiring "small-pocket" customers with acceptable risk and proactive monitoring to manage loan portfolio quality 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

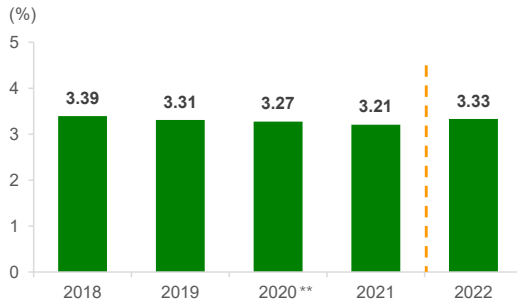
บริการทุกระดับประทับใจ

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.

Net Interest Margin

December 2022 (Consolidated)

NIM



Yield on Earnings Assets and Cost of Fund



- NIM was 3.33% in 2022, increased YoY, due to higher yield on loans as small ticket lending (SME and Retail) increased, and higher lending rate. More than 90% of interest income received in cash.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
NIM (%)	3.39	3.31	3.27	3.21	3.33	3.19	3.21	3.33	3.62
Yield on Earnings Assets (%)	4.27	4.19	3.83	3.64	3.79	3.61	3.64	3.78	4.14
Yield on Loans (%)	5.29	5.21	4.82	4.71	4.97	4.76	4.75	4.92	5.37
Cost of Fund (%)	1.19	1.23	0.78	0.59	0.62	0.57	0.59	0.61	0.71
Cost of Deposits (%), incl DPA	1.11	1.14	0.71	0.54	0.53	0.52	0.51	0.52	0.58

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.

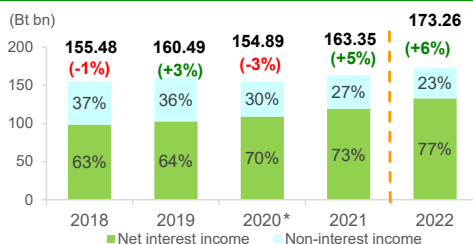
** The Bank and its subsidiaries have adopted new accounting standards (TFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards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

บริการทุกระดับประทับใจ

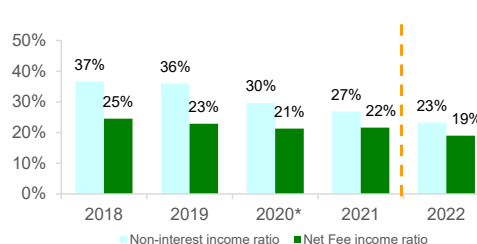
Composition of Growth: Net Fees and Non-interest Income

December 2022 (Consolidated)

Total Operating Income - net

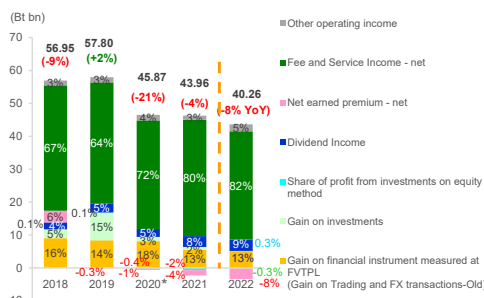


Non-interest Income Ratio and Net Fee Income Ratio

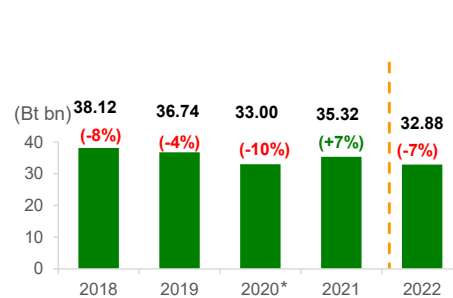


- Y2022 non-interest income accounted for 23% of total net operating income and net fee income accounted for 19%; non-interest income decreased -8% YoY, mainly due to a decrease in net fee income and net premiums earned – net

Non-interest Income



Net Fee Income



- Y2022 net fee income decreased -7% YoY, mainly due to a decrease in fees from fund management and brokerage business in line with market conditions and drop in transaction service fee rate, while fees from card business increased according to customer spending.

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

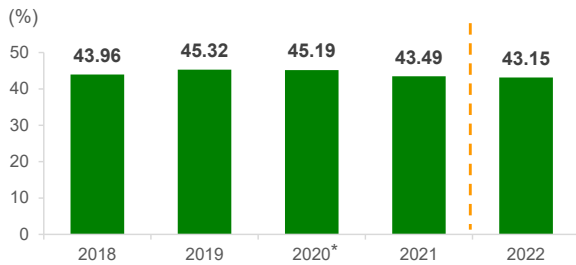
* The Bank and its subsidiaries have adopted new accounting standards (TFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards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

บริการทุกระดับประทับใจ

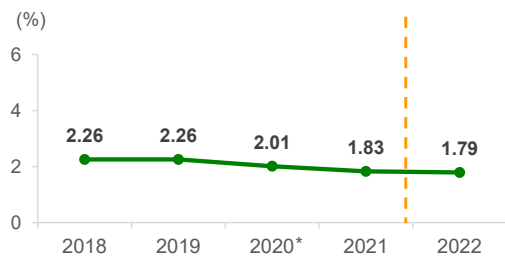
Cost to Income Ratio

December 2022 (Consolidated)

Cost to Income Ratio



Cost to Average Assets Ratio



- Y2022 cost to income ratio was 43.15%, slightly decreased YoY from net total income increased, while higher operating expense (mainly from marketing and IT expense). Focus on cost management and productivity improvement, with new investments for future growth.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Cost to Income Ratio (%)	43.96	45.32	45.19	43.49	43.15	42.82	43.53	43.73	42.60
Cost to Average Assets Ratio (%)	2.26	2.26	2.01	1.83	1.79	1.69	1.74	1.73	1.99

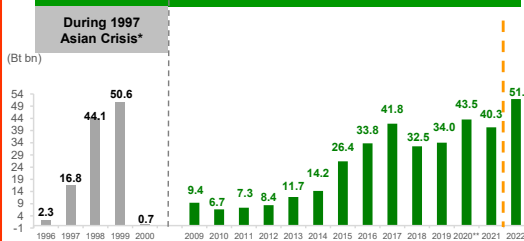
Note: * The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards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

บริการทูลระดับประทับใจ

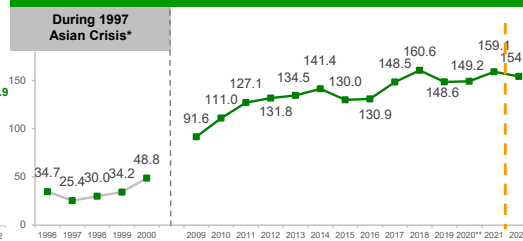
Asset Quality and Expected Credit Loss (Provision)

December 2022 (Consolidated)

Expected credit loss (Provision)

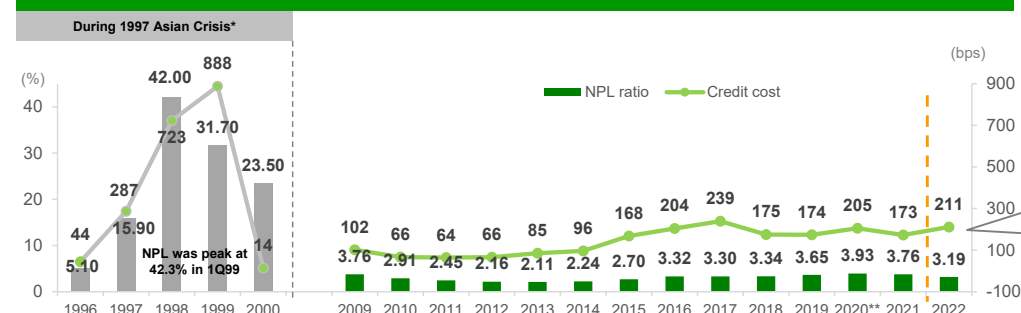


Coverage Ratio



Note: Provision referred to Impairment Loss on Loans and Debt Securities; from January 1, 2020 onwards based on IFRS9, provision refers to Expected Credit Loss

NPL Ratio and Credit Cost



- Asset quality is manageable with closely monitored and constantly reviewed.
- NPL ratio in Y2022 was at 3.19%, with coverage ratio of 154.26%.
- NPL ratio dropped YoY from proactively embarking and cooperating with professional partners to enhance the effectiveness of NPL management.
- Y2022 credit cost increased YoY due to prudent consideration of the uncertain economic outlook and business strategy.

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

Notes: * Data in 1996-1997 is KBank only

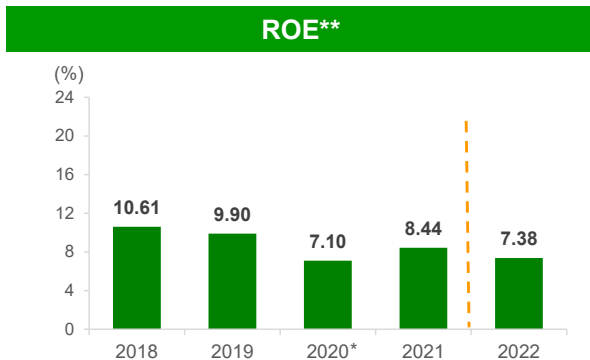
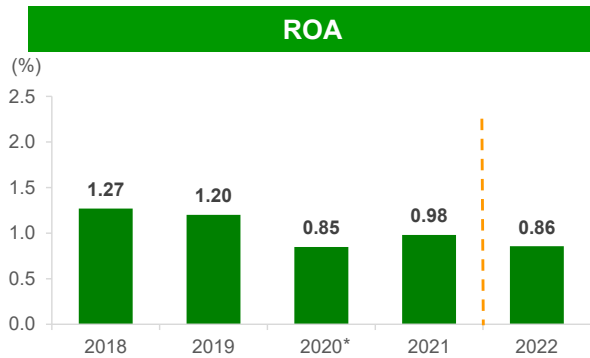
** The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards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

*** NPL ratio in retail business, excluding 180 dpd (days past due) of credit card and consumer loans for peer comparison

บริการทูลระดับประทับใจ

ROA and ROE

December 2022 (Consolidated)



	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
ROA (%)	1.27	1.20	0.85	0.98	0.86	1.09	1.04	1.00	0.30
ROE (%)	10.61	9.90	7.10	8.44	7.38	9.30	9.13	8.49	2.63

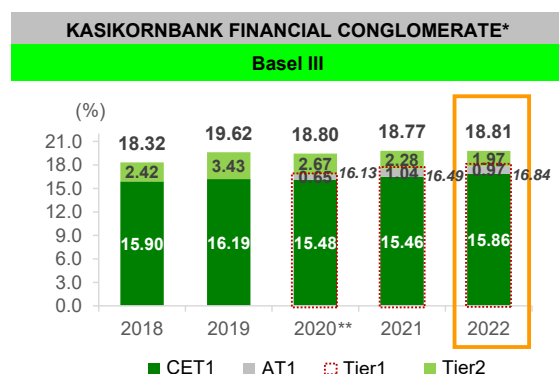
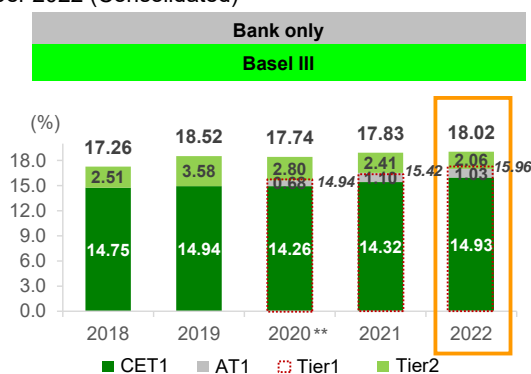
Note: * The Bank and its subsidiaries have adopted new accounting standards (IFRS 9: Financial Instruments) since January 1, 2020 onwards, some financial statements and financial ratios are not comparable with previous years' financial figures before Y2020, which were based on the prior accounting standards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

บริการทุกระดับประทับใจ

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

December 2022 (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.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Bank only									
CAR (%), excluding net profit of each period	17.26	18.52	17.74	17.83	18.02	17.44	17.34	18.22	18.02
Tier 1 (%), excluding net profit of each period	14.75	14.94	14.94	15.42	15.96	15.33	15.26	16.14	15.96
KASIKORNBANK FINANCIAL CONGLOMERATE*									
CAR (%), excluding net profit of each period	18.32	19.62	18.80	18.77	18.81	18.34	18.37	19.19	18.81
Tier 1 (%), excluding net profit of each period	15.90	16.19	16.13	16.49	16.84	16.35	16.39	17.21	16.84

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.

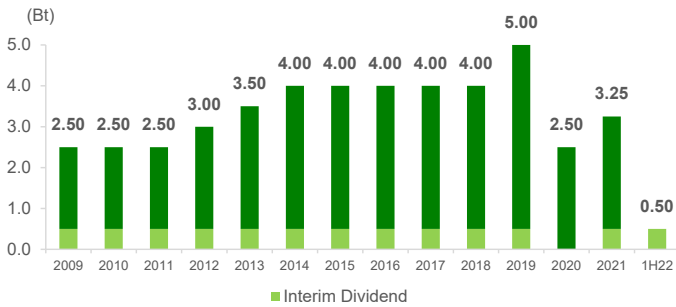
Under Bank of Thailand regulations, net profit in the first half of the year is to be counted as capital after approval by the Board of Directors as per the Bank's regulations. Net profit in the second half of the year is also counted as capital after approval of the General Meeting of Shareholders. 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).

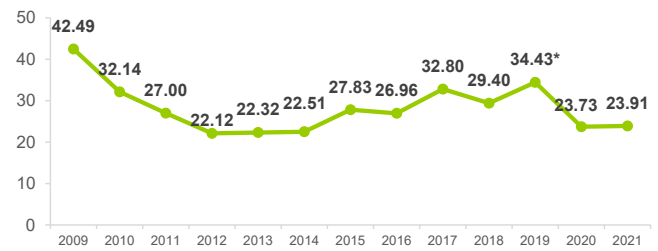
บริการทุกระดับประทับใจ

Dividend

Dividend Per Share



Dividend Payout Ratio



- Dividend policy: both operating results and long-term returns to shareholders are taken into consideration in determining dividend payments, in order to ensure a sustainable and adequate capital level through the changing economic environment, the ongoing adoption of Basel III and new requirements.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	1H22
Dividend Per Share (Bt)	2.50	2.50	2.50	3.00	3.50	4.00	4.00	4.00	4.00	4.00	5.00	2.50	3.25	0.50
Dividend Payout Ratio (%)	42.49	32.14	27.00	22.12	22.32	22.51	27.83	26.96	32.80	29.40	34.43	23.73	23.91	n.a.

Note: * 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 Bt4,600mn, 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.

บริการทุกระดับประทับใจ

Summary

- The K-Strategy:** Customer Centricity remains our core philosophy with purpose to “Empower Every Customer’s Life and Business”
- Balanced Growth:** loans to grow carefully in line with economic conditions; appropriate liquidity maintained; manageable asset quality supported by strong risk management capabilities; prudent loan loss reserves; manageable cost to income ratio; appropriate ROE maintained
- 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 uncertainties of global economy.
- Sustainable Development:** conducts business with the principles of a Bank of Sustainability, and appropriate risk management and good corporate governance principles; striving to balance economic, social, and environmental dimensions to achieve goals and create sustainable long-term returns

บริการทุกระดับประทับใจ



Appendix

บริการทุกระดับประทับใจ

21



KBank: Strategy

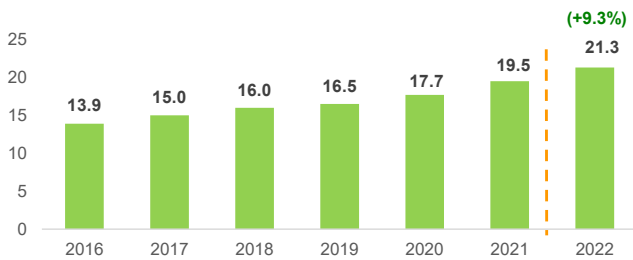
บริการทุกระดับประทับใจ

22

Performance

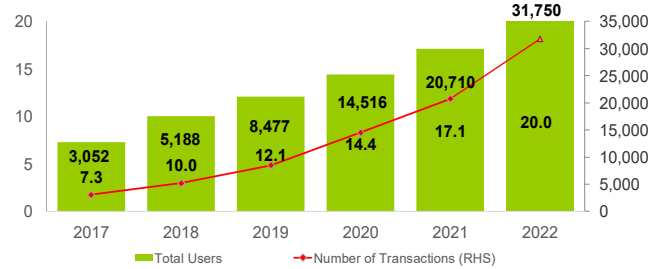
- Success is driven by continuous growth in number of customers and K PLUS users; highest Net Promoter Score among banks in Thailand

Number of Customers* (mn)



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

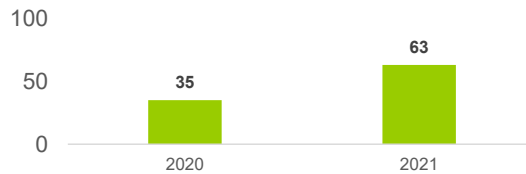
K+ K PLUS Users and Transactions** (mn)



** Active users defined as minimum of 1 Login per month; 73% active users as of 2022

Net Promoter Score (NPS)***

(#1 among Banks in Thailand)

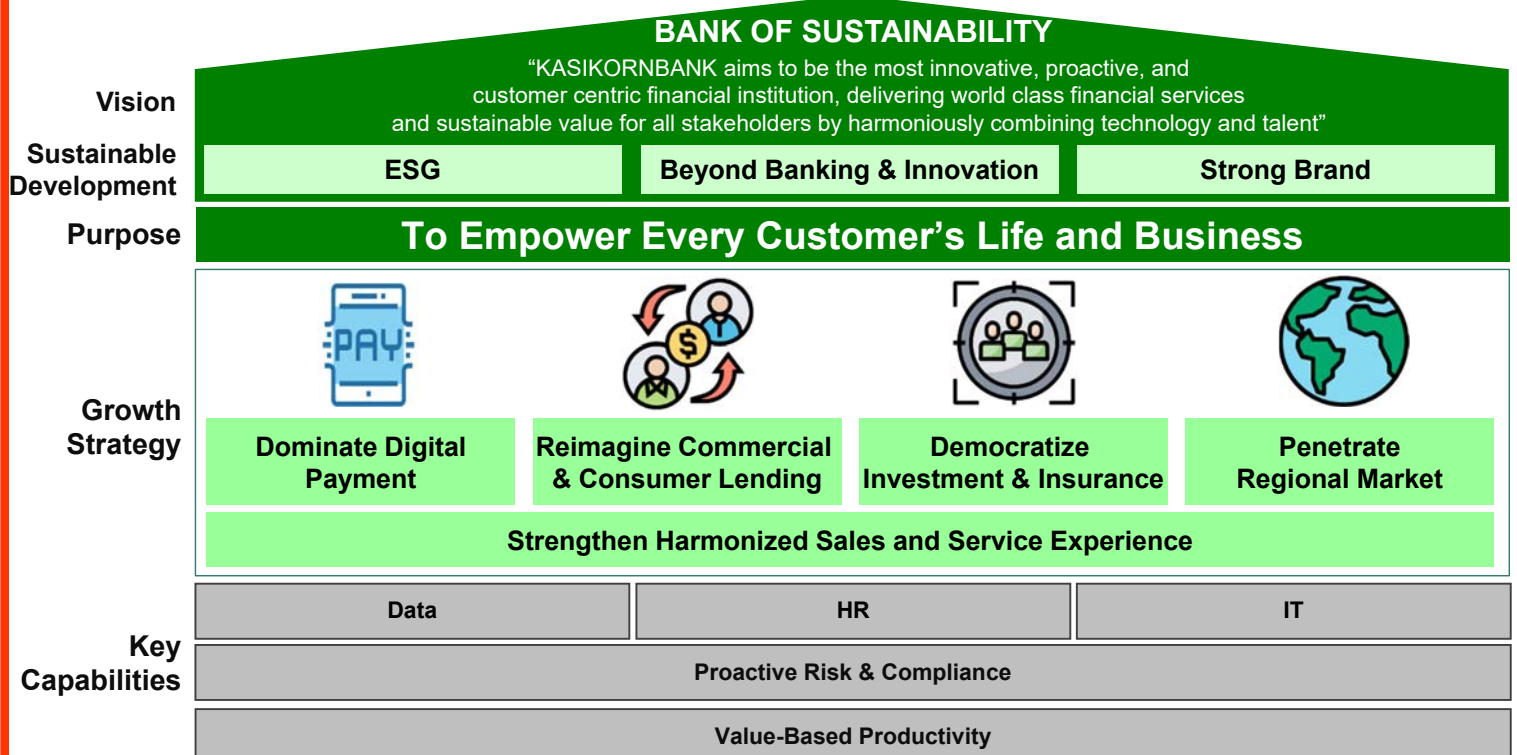


*** NPS Study 2021 surveyed by The Nielsen Company during August to November 2021, measuring the willingness of customers to recommend a company's products or services to others

บริการทุกระดับประทับใจ

The K-Strategy

- K-Strategy is reimagined to drive growth and empower customer



บริการทุกระดับประทับใจ

KBank: New Company Structure by Investment Purpose

	Credit	Wealth	Payment	Digital Asset & Beyond Banking	Regional Business
Key Subsidiaries*	KLeasing	KAsset		KX Coral (NFT Marketplace Platform)	KASIKORNTHAI BANK (Lao PDR)
	KFactory & Equipment	KSecurities		KUBIX	KASIKORNBANK (CHINA)
		MTL			KVF (KASIKORN VISION FINANCIAL) Bank Maspion (67.50%)
JV/ IT Capability	KLINE	Wealth-related Company**	E-money-related Company**		KVISION KTech (China) KBTG Vietnam
	KBAO			CRM Platform Company**	
	JK AMC				

Note : * Key subsidiaries as of 1 January 2023
** Future investments

บริการทุกระดับประทับใจ

Investment for Financial Inclusion by Adopting Challenger Bank via Technology & Partnership

Aimed at boosting access to banking services among Thailand's unbanked and underbanked population as well as very small businesses and the self-employed

INVESTMENT IN EMERGING TECHNOLOGIES / COLLABORATIONS / ACQUISITIONS

These substantial investments will secure KBank significant additional capabilities to fulfil mission to broaden access to banking.

NEW SYSTEMS & PROCESSES FOR SIMPLER & FASTER LOAN CONSIDERATION

KBank has already been trialing multiple new systems and processes in preparation for this strategic push.

'Challenger Bank'

Adopting 'challenger bank' to transform the way banking is done and people's expectations of their bank

'FIRSTS' THREE TRANSFORMATIONAL



Buy-Now-Pay-Later
Loans for those who are self-employed or have no documents to prove income



Loans Fairer for Micro Enterprises
Using interviews and other technology-assisted assessments to approve loans



Social Media Banking
Loans via LINE BK

BROADENING ACCESS UPCOUNTRY THROUGH MOM-AND-POP STORES

KBank is working with a major retail group to give upcountry mom-and-pop store operators easier access to loans without collateral, as well as providing loans to the stores' customers.

บริการทุกระดับประทับใจ

Growth Strategy: Dominate Digital Payment



- To increase digital market share and active K PLUS users
- To make payment accessible anytime, anywhere for everyone with secure, convenient, and good customer experience

Strategy

Key Achievements in 2022

Consumer Payment

Empower moment to pay anytime anywhere borderless experience with variety source of fund across channels

Commercial Payment

Enhance business opportunity and trustworthiness thru reliable payment solution and universal source of fund acceptance capability which fits domestic and overseas ecosystem

Regional Payment

Enrich CLMV customers' cross border payment experience with simple and cost-efficient solution by leveraging KBank local channels

K PLUS

- Multi Source of Funds on K PLUS - BNPL*, K Point, Partner Point
- **20 million K PLUS users** (+17% YoY)
- Real time, full payment covering all major corridors
- Increase engagement and stickiness by embedding in customer everyday spending activities



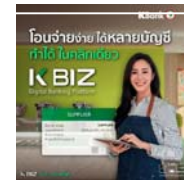
Merchant Solution for High Growth Segment

- Multi source of funds acceptance - BNPL*, K Point
- Uplifting merchant capability for cross platform, cross channel payment acceptance



Trustworthy Payment Solution

- K BIZ new digital channel for small customers
- Realtime Payment API



Note: *BNPL = Buy Now Pay Later

บริการทุกระดับประทับใจ

27

Growth Strategy: Reimagine Commercial & Consumer Lending



- To increase consumer credit customer and support SME business with better asset quality
- To offer lending services with reasonable pricing to small-pocket customers to include everyone in society

Strategy

Key Achievements in 2022

Penetrate Consumer Credit

By selectively acquire new credit customers focusing on small-pocket segment, and focus on generating additional revenues from potential existing credit customers

Support SME Business

By promoting business growth of healthy SME customers and accelerating treatments for those SMEs in fragile condition to maximize recovery

Leverage CBS relationship

To access new business opportunity and to support transitioning into low-carbon business

853,000 newly acquired credit customers

Self-apply channel on K PLUS for unsecured credit

- **1.5 million** applications/month: grew by **1.5X** YoY
- **Bt76bn** new bookings; 2X greater than assisted channels

40% reduction in credit model development time

66% reduction in time required for criteria adjustment



Note: CBS = Corporate Business Segment

บริการทุกระดับประทับใจ

28

Growth Strategy: Democratize Investment & Insurance



- To create long-term sustainable wealth empowerment to our customers throughout their wealth cycle
- Aspiration to grow wealth AUM and to acquire new investment and insurance customers

Strategy

Key Achievements in 2022

Comprehensive Product Offerings

- Personalized/customized product offerings to match customers' profile with competitive return and benefits
- Product office transformation for advisory and product

Sale & Service Model Enhancement with Digital Technology Enablement

- Strengthening RM capability with wealth practitioners and wealth-advisory platform
- Developing digital wealth app for integrated product suites with advisory contents and holistic portfolio
- Enhance service and support through K-wealth call center

K-Wealth Brand Strengthening

- Top of mind in Wealth Management

High digital adoption by Mutual Fund customers on K PLUS :

Wealth Plus: Multi-asset portfolio allocation utilizing data analytic models designed for small retail customers on KPlus. It is the leading product to bring new to mutual fund and help customers achieving long term goal with more than 70% DCA adoption.

Whole Life and Health Insurance:

- **#1 Bancassurance Channel for Whole Life & Health Insurance**
- **Awarded Health Insurance Products of The Year** in 2020-2022:
 - > **Elite Health Plus:** IPD Coverage Bt 20-100mn/yr, special OPD
 - > **DHealth Plus:** IPD Coverage Bt5mn/time and standard room type
- **Best selling Health Insurance Online** in year 2021 "Pay when Sick (IPD+OPD)"
- **Launched Varieties of Affordable Health Riders** for small segment customers e.g. "Care Plus": cancer coverage Bt 1mn with premium only Bt1,000



บริการทุกระดับประทับใจ

Growth Strategy: Penetrate Regional Market



- To increase AEC+3 customers and %net total income contribution
- To achieve rapid regional digital expansion in AEC+3 using 3 strategic plays to build growth momentum and accelerate customer base development and financial return

Strategy

Key Achievements in 2022

China

AEC

A Aggressive Play: Aggressively grow corporate lending

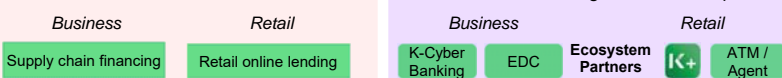
Serving Local Large Corporates, Thai Directed Investors and AEC+3 Investors



B Mass Acquisition Play: Acquire more consumers

Acquiring local SME and individual customers via partners' platforms

Acquiring local SME and individual customers via transactional banking channels and partners



C Disruptive Play: Grow digital lending with more local partners

Capturing credit needs of individual customers with high-yield credit via E2E online credit tech

Better ME
Better SME

Digital Lending



We have successfully established KBank footprints in every country in the region and offer international standard financial solutions to all customer segments.

- **KBank China** became the biggest Thai bank in Shenzhen in terms of assets
- **KBank Vietnam - Ho Chi Minh City (HCMC) branch** was established in November 2021 with an aggressive customer acquisition execution resulting in more than 350K retail customers on K PLUS by 2022
- **KBank Cambodia - Phnom Penh branch** captured local corporate customers and became the biggest Thai bank in Cambodia in terms of loan asset size
- Successfully entered the market in **Indonesia** by becoming the controlling shareholder of Bank Maspion with a total stakes of 67.5%

Note: EDC = Electronic Data Capture Machine
E2E = Enterprise to Enterprise

บริการทุกระดับประทับใจ

Penetrate Regional Market: Asset-Light Regional Expansion into AEC+3

- Growth in regional markets: strategically focusing on AEC+3 markets, KBank pursues an integrated regional operating model: physical footprint, digital platform, and regional partnerships



- Note:
- Two subsidiary banks: KASIKORNTHAI BANK (Lao PDR) with two branches in Ponesinuan and Lane Xang, KASIKORNBANK (CHINA) with three branches in Shenzhen, Chengdu, Shanghai and one sub-branch in Long Gang
 - Four international branches: Cayman Islands, Hong Kong, Phnom Penh and Ho Chi Minh City
 - Six representative offices: Beijing, Kunming, Tokyo, Yangon, Hanoi and Jakarta
 - One strategic partner: Maspion Bank in Indonesia; KASIKORN Vision Financial Company Pte. Ltd. (KVF) signed a Conditional Sale and Purchase Agreement (CSPA) to purchase 67.50% of shares in Bank Maspion Indonesia from 9.99% current holding, which has finalized on December 9, 2022 (KBank and KVF together had held a total of 40% of shares in Bank Maspion Indonesia since October 28, 2022)
 - Global partners with 80 banks in 15 countries: 50 Japanese partner banks; 10 Chinese partner banks; 1 Hong Kong bank; 3 Korean partner banks; 12 ASEAN partner banks (in Vietnam, Indonesia, Lao PDR, Cambodia, Philippines, Brunei, Malaysia and Singapore); 3 European regional banks (in Germany and Italy) and 1 Indian Bank

บริการทุกระดับประทับใจ

Physical Footprint



Digital Platform

X-Border Multi-Currency Settlement

X-Border THB Direct Settlement

X-Border Retail Payment

Partnership



31

Growth Strategy: Strengthen Harmonized Sales and Service Experience



- Reshape channel mix and sales model according to evolving customer behavior, to deliver better experience and productivity

Strategy

Strengthen Digital-Led Sales and Service

By enhancing KBank Platforms to fit each customer's needs, being where customers are through our connected platforms and offer K PLUS as the center of customer's identify and interaction

Optimize Physical Service and Human Touch

To provide suitable service level for each customer's segment and each touchpoint rather than One-Size Fit All and serve proactively through digital capabilities

Enhance basic infrastructure to Harmonized Physical and Digital Customer Experience

By implementing "Service Culture", "Feedback Loop" and "Knowledge Management" throughout the organization, enhancing "Risk and Fraud Management" and integrating "Customer Profile" though all channels

Key Achievements in Y2022

#1 mobile banking in Thailand: 20.0 million total K PLUS users with 73% active rate

Partners

- Partners in selected ecosystem (University and Healthcare, E-commerce & Lifestyle platforms, E-wallet & Payment, and Joint Venture – Lending, Debt collection and Asset Management)

BaaS

- KBank open API (QR payment, bill payment, slip verification, inward remittance, facial recognition, RP proxy, information sharing service via K+, pay with K+, KGP merchant payment platform and Fund Transfer)

#1 NPS 2021 among banks in Thailand

824 branches and 10,953 ATMs and CDMs nationwide

Over 240,000 banking agent touchpoints

Note: RP = Relying Party, KGP = KASIKORN Global Payment
NPS = Net Promoter Score
CDM = Cash Deposit Machines

บริการทุกระดับประทับใจ

32

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

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

TP for Co-Lending through Carabao Conglomerate channels

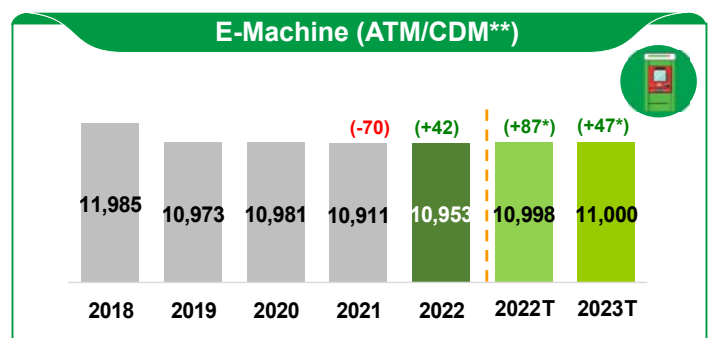
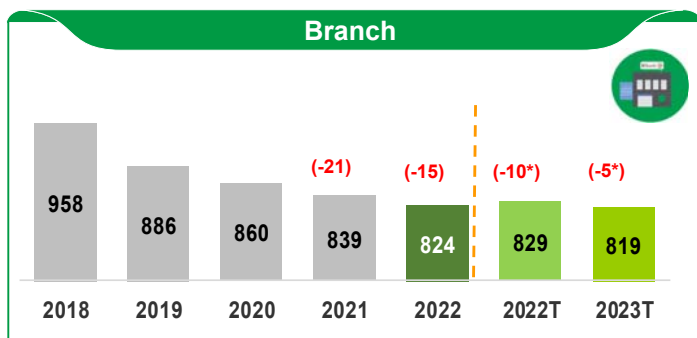
Venture Capital*

Note: * Beacon Venture Capital, a wholly-owned venture capital fund of KBank, invests in companies and startups, via:

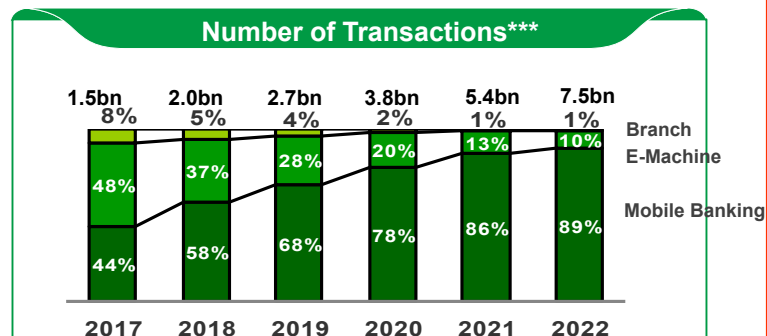
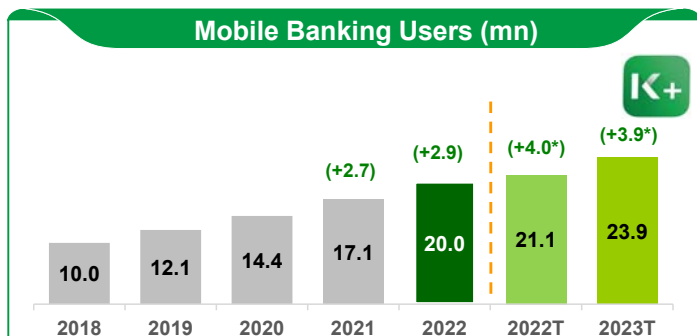
- Direct investment: a total fund size of USD185mn to invest in early to growth-stage technology startups covering not only FinTech but also consumer internet and enterprise technology, aiming to leverage new technology from startups to support KBank's businesses and ESG aspirations. However, the logos above only show a portion of our investment.
- Indirect investment: investments through VC Funds to enable KBank to leapfrog into the world arena and stay abreast of innovative technologies and business models in other regions, e.g. partnered as an LP with VC funds managed by Integra Partners (known as Dymon Asia Capital), Vertex Ventures, NYCA, Jerusalem Venture Partners, Pantera Capital, China Renaissance, Openspace Ventures, Do Ventures and StormBreaker.
- Alchemy coinvestment with Pantera

บริการทุกระดับประทับใจ

Harmonized Channels: Domestic Channels and No. of Transactions



** Cash Deposit Machine



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

* Compared to Year-ended

บริการทุกระดับประทับใจ

Domestic Channels

New KBank Branch (Hybrid Branch)



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).

Community Branch (K Park)



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.

THE WISDOM Lounge



An exclusive center providing a full range of services and facilities to High Net Worth Individuals and Affluent segments.

E-Machine



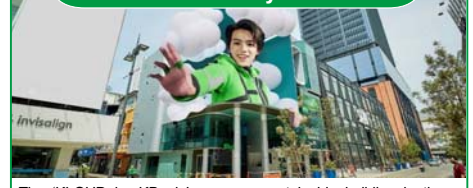
Our enhanced self-service cash machines are a convenient touch point to authenticate all digital onboarding such as e-Savings and e-Wallet account.

KBank Service



KBank Service – Banking Agents are business partners with extensive network coverage and extended service hours providing most banking services needed by retail customers.

KLOUD by KBank



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.

Digital Banking



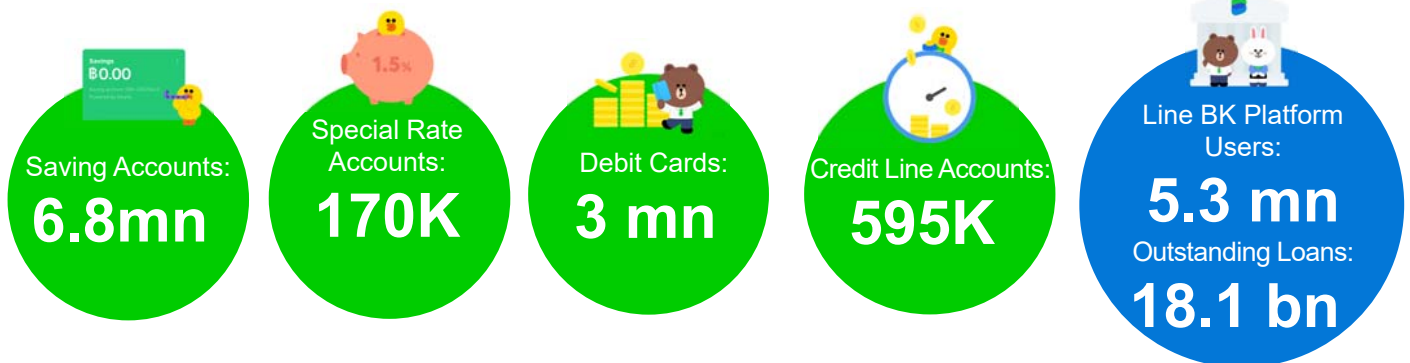
Digital Banking includes:

- 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

บริการทุกระดับประทับใจ

Success Story of KLINE: Line BK Services

2022 Key Performance



October 2020 – December 2021*

October 2020

February 2021

December 2021

LINE BK

Launched **October 2020**

Line BK Platform User
2mn users

Outstanding Loans
5bn

Line BK Platform User
3.9mn users

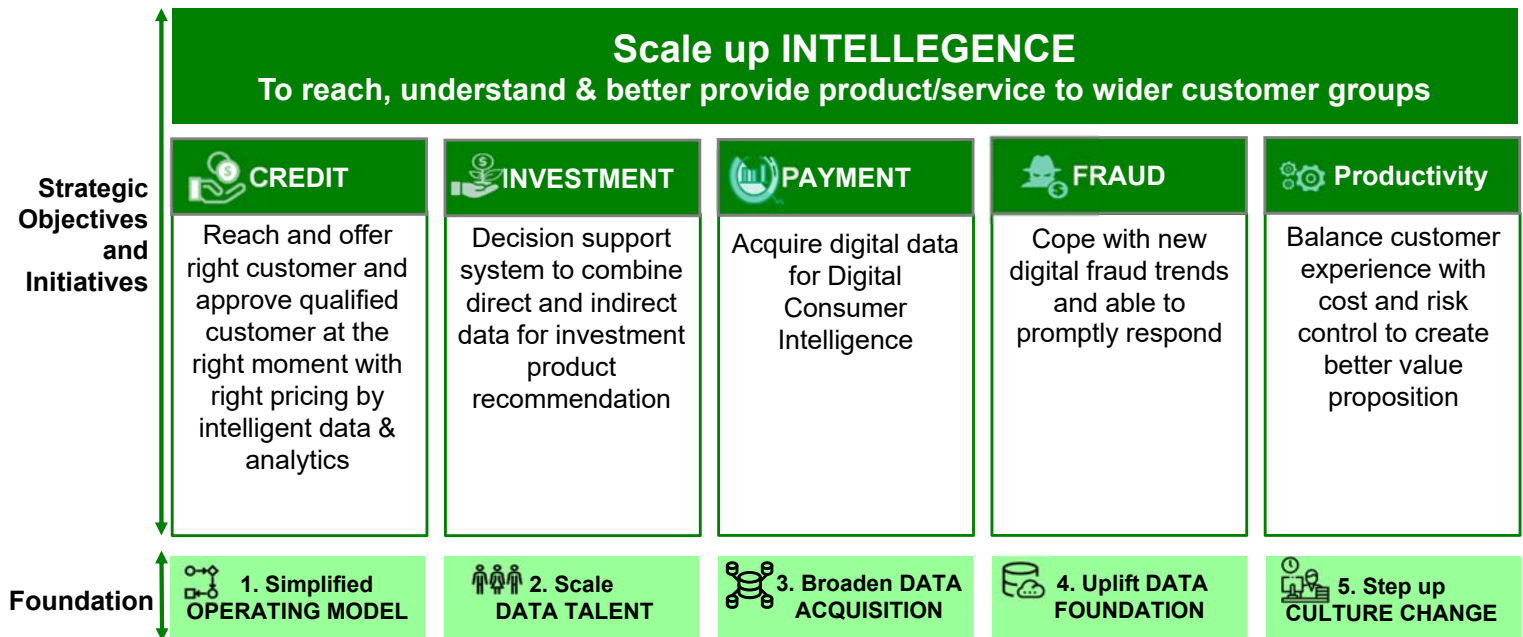
Outstanding Loans
14.7bn

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

บริการทุกระดับประทับใจ

Data Analytics

- Reimagined K-Data Strategy: Capture Value at Scale



บริการทุกระดับประทับใจ

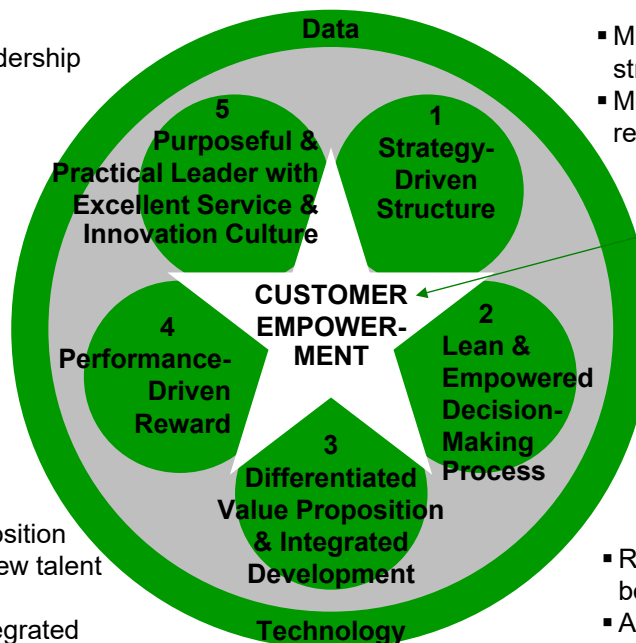
Performing Talent and Agile Organization

5 key elements to build customer empowerment organization

- Purposeful & practical leadership
- Service with integrity
- Innovation via agility & collaboration

- Differentiated rewards to drive performance & attract talent
- Total reward redesign to drive transformation

- Winning employee value proposition
- New ways of hiring to attract new talent
- Work-life harmony
- Re-skilling & up-skilling via integrated development solution



- Multi-disciplinary teams to work on strategic execution pillar
- More flexible (Agile); layering to reduce hierarchy

Aspiration

- Customer obsession
- More & meaningful innovation
- Fast execution with flexibility
- Excellent collaboration
- Best place to work, learn & lead

- Remove unnecessary process bottlenecks
- Autonomy & iterative experimentation

บริการทุกระดับประทับใจ

IT: KBTG Strategy and Innovation

- Build and Maintain the Technology that Empower Every Customer's Life and Business
- Aim to be ONE of the Best Tech Companies in Southeast Asia

Strategy	Key Achievements in 2022
<p>Support Running the Bank</p> <ul style="list-style-type: none"> ▪ IT Project Delivery Excellence Drive and manage IT project portfolio for on-time and on-budget delivery ▪ IT Brilliant Basics Maintain operational stability with uncompromised security ▪ World Class Tech Talent Fulfill, retain and uplift top tech talent capability towards a goal to be Forbes's World's Best Employers ▪ Regional Expansion Support KBank regional expansion and apply innovation "From" and "To" regional 	<ul style="list-style-type: none"> +144 New IT Projects Delivered in Y2022 400+ KBank Applications 1st Rank of Cyber Security BitSight Rating scored at 800 2 Regional Development Sites
<p>Create the Future of Finance</p> <ul style="list-style-type: none"> ▪ Breakthrough Innovation Scale up existing innovation product and deliver business value/cost avoidance using advanced tech capabilities ▪ The New S-Curve Explore and create new S-Curve product/investment in the area of Decentralized Finance (DeFi), Web 3.0 and metaverse that goes Beyond Banking 	<ul style="list-style-type: none"> 1.5 Million users from Platform Businesses Raised Bt265mn from Destiny Token Deal Sold 163 NFTs Arts (130MB GMVs) via 'Coral' Platform Launched 'Bigfin', an asset investment analysis platform First investment deal with "Forward" – Thai Blockchain-DeFi startup

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

บริการทุกระดับประทับใจ

KBTG: Support Running the Bank

Vision: ONE of the Best Tech Companies in Southeast Asia

	2019	2022	2025
Project Delivery	83	144	250 (+200%)
IT System Stability	< 5 hours	< 5 hours	< 5 hours
K PLUS Digital Users	12.1 mn	20 mn	+++
People	1,332	2,013	3,000 (+125%)

Note: %Growth against year 2019

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

บริการทุกระดับประทับใจ

KBTG: Support Running the Bank

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

People's Republic of China

- Loans and supply chain products have been developed with more than 1 million customers on the Mainland

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
- Primarily involved in the design and creation of IT systems, research of new technologies, and search for new business models conducive to digital banking and economic systems
- Promoting the expansion of financial science and technology to ASEAN countries and making Shenzhen an important node in the Belt and Road Initiative
- Launched an online retail lending product with instant approval for KASIKORNBANK (CHINA) CO., LTD. As of September 2021, there were more than 10,000 customers using this service

Lao People's Democratic Republic

- 30 ATMs were installed in Vientiane to accommodate the use of e-Wallet and mobile banking applications

Kingdom of Cambodia

- Launched an Internet banking service (IB) for corporate customers of KBank, Phnom Penh Branch, in August 2021

Vietnam

- Our representative office in Ho Chi Minh City was upgraded to the status of an international branch – the first KBank branch in Vietnam. We have prioritized Internet banking, digital lending and funds transfer services with other financial institutions, both private and public
- Officially launched K PLUS Vietnam in March 2022, with key features such as bill payment, top up, create favorite transaction, and statement request, as well as new and enhanced features planned to deploy on a monthly basis

Others

- Worked with the Department of Consular Affairs, Ministry of Foreign Affairs, in developing an e-Visa system to be applied to visa holders from the People's Republic of China, South Korea, the United States of America, Canada, Norway, Sweden, and Denmark



บริการทุกระดับประทับใจ

KBTG: Create the Future of Finance

Scale-up Innovation Products & Partnerships

Innovation



Launch New S-Curve Products

CeFi



Be the **Digital Asset Platform** of Choice

Health and Insurance Ecosystem



Vaccine Registration & Insurance Lead

DeFi



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



Launch and scale **Coral** NFT Marketplace to be a top player



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

In house AI Highlights

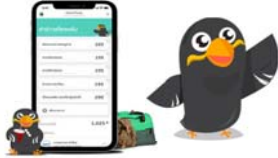


Note: CeFi = Centralized Finance; DeFi = Decentralized Finance; NFT = Non-fungible Token

บริการทุกระดับประทับใจ

KBTG: Creating the Future of Finance – Breakthrough Innovation

Scale-up Innovation Products & Partnerships




1.1mn Users
KhunThong
Social chatbot helping friends settle expenses within a chat for a seamless payment experience



1mn Users
MAKE by KBank
A mobile banking application designed specifically for a new generation to personalize financial management




Vaccine Registration (THG)
Jointly developed with Thonburi Healthcare Group to serve as a main channel to register for appointments and make advance payment for Moderna vaccination via LINE application




COVID-19 Hospitel Management Solution
Worked with Praram9 Hospital in creating a registration system for asymptomatic COVID-19 patients in hospitals and those with minor symptoms



InsurTech
A co-innovation project with Muang Thai Insurance Public Company Limited to build sophisticated AI model for car damage detection as a part of automated car insurance policy approvals. Self-service with car damage detection AI was launched with Progress Multi Insurance Broker (PMIB) in December 2021



Chula Care Application
Application for Chula Hospital's patients with multiple services in one app; booking, queuing, and tele clinic services with various and convenient payment options via credit card, mobile banking, or K PLUS




KBTG Kampus
Partnership collaborations with national and global academic / research institutions with the aim to solve Thailand's IT manpower shortage and strengthen Thai tech education ecosystem. Initiatives include tech up-skill/re-skill courses, apprenticeship & university degree co-design, and deep tech co-research with national & global institutes

บริการทุกระดับประทับใจ

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 DeFi

- Coral**
A non-fungible token (NFT) marketplace platform that comes with artists' authentication system and NFT trading using fiat currencies
- 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

- Destiny Token**
First Thai digital token for investment under collaboration between GDH and Broadcast Thai Television. 16K tokens sold (Bt265mn fund raised)
- M Token**
Airdropped utility token that offers privileges to Major Cineplex Group's M Gen and M Pass customers



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

บริการทุกระดับประทับใจ

KBTG Buildings and Awards

KBTG Main Building



K-Stadium at KBTG Main Building



Creative Box for small meeting



Innovation Center

K+ Building



K+ Building: City-based KBTG office with co-working spaces

Innovative Firm / Product Awards



UX Design Award (Product)
from MAKE by KBank



reddot award
product design 2022

Reddot Design Award
in Brands & Communication Design



National Innovation Award
Innovation Organization (Merit Prize)

People & ONEKBTG Culture Awards



Employee Excellence Award
in Most Innovative & Sustainable Office Design



HR Excellence Award
Excellence in Employee Engagement,
Excellence in Employer Branding,
Excellence in Workforce Mobility



HR Asia Award
Best Company to Work For in Asia



Asian Experience Award
in Employee Experience (from KBTG Inspire events & KBTG Thanks God It's Friyay)

บริการทุกระดับประทับใจ

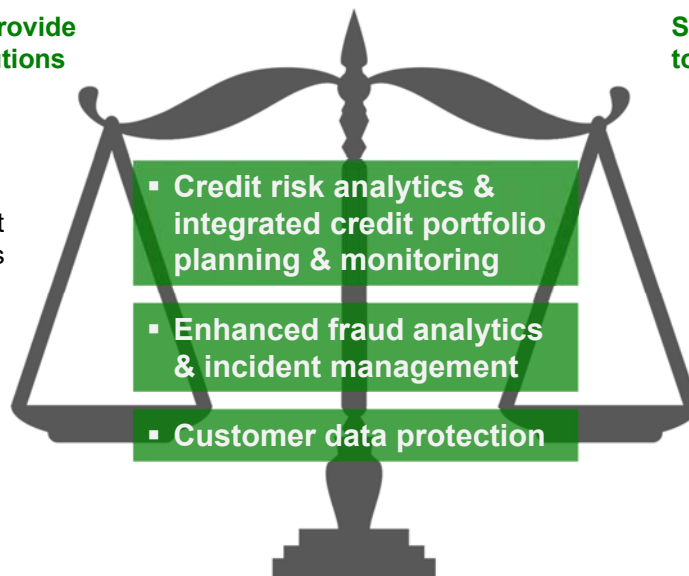
Proactive Risk & Compliance Management

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 and 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

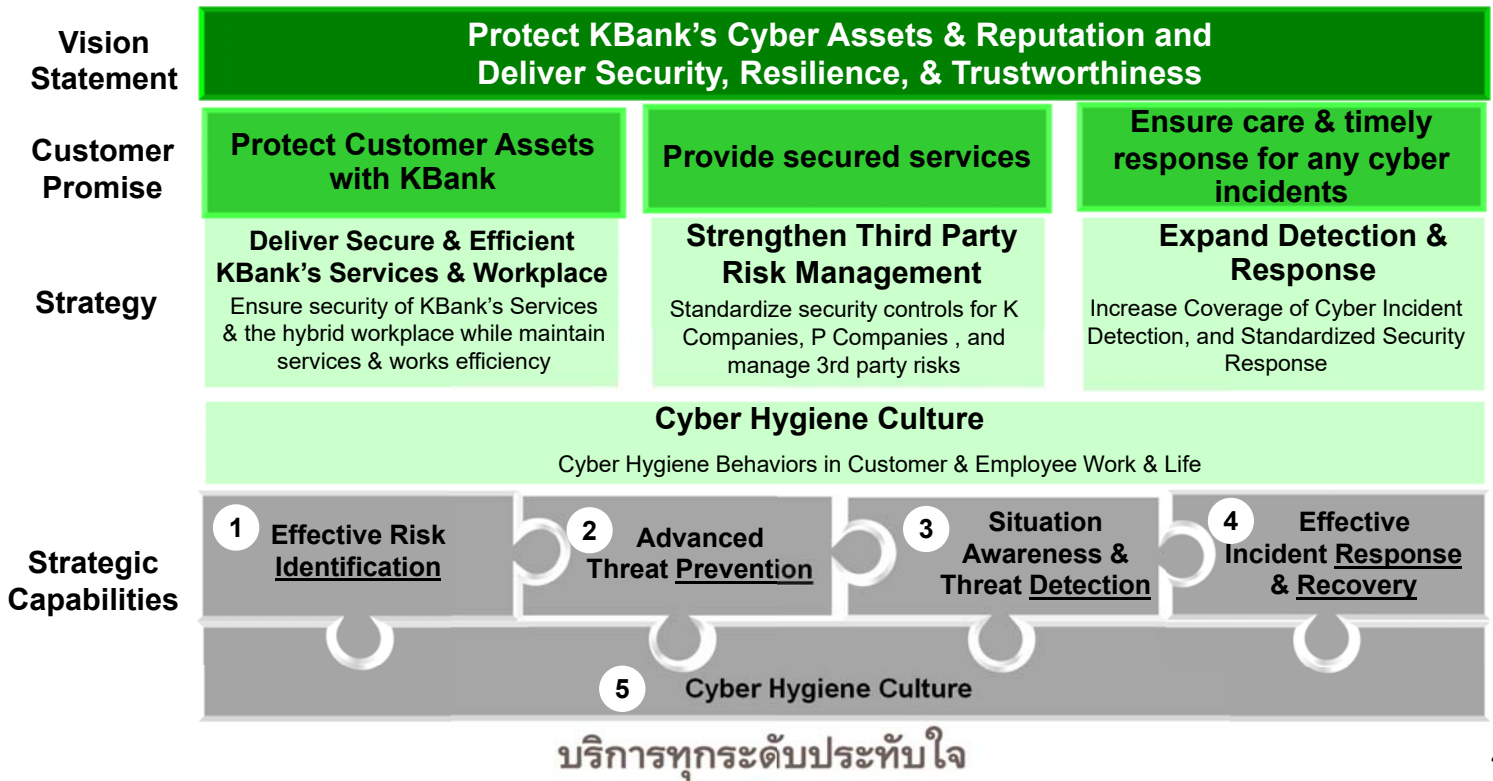
Strengthen & secure our business to be resilient and sustainable

- Prudent risk-based provision and capital management
- Early error detection through effective quality assurance and fraud management
- Effective and proactive compliance management
- Customer data governance and management

บริการทุกระดับประทับใจ

Cyber Security

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



Improve Value-Based Productivity

- A End-to-End Product Cost Reduction**
Reduce cost per unit as well as migrate onboarding and service transaction to automation
- B Channel Cost Optimization**
Reduce total channel cost per transaction
- C Sales Productivity Improvement**
Increase sales by increasing coverage of potential customers and improve HROB current business
- D Enhance IT Effectiveness**
Improve IT project management to ensure delivery is on time and on budget; remodel IT for better cost saving and avoidance
- E Workforce Management**
Reskill and improve skills for the future

KBank: Business Highlights

บริการทุกระดับประทับใจ

49

Customer Segments

Corporate Business	Multi-Corporate Business	→	Company with annual sales >Bt5,000mn
	Large Corporate Business	→	Company with annual sales >Bt400mn to Bt5,000mn
SME Business	Medium Business	→	Individual or company with annual sales >Bt50mn to Bt400mn
	Small & Micro Business	→	Individual or company with annual sales ≤ Bt50mn, and with commercial credit limit ≤ Bt15mn
Retail Business	High Net Worth Individual	→	Individual wealth with KBank and its wholly-owned subsidiaries* ≥ Bt50mn
	Affluent	→	Individual wealth with KBank and its wholly-owned subsidiaries* ≥ Bt10mn to < Bt50mn
	Middle Income	→	Individual wealth with KBank and its wholly-owned subsidiaries* ≥ Bt15,000 to < Bt10mn
	Mass	→	Individual wealth with KBank and its wholly-owned subsidiaries* < Bt15,000

- **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

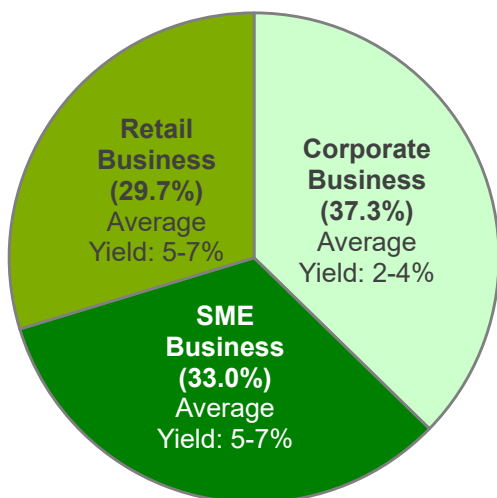
บริการทุกระดับประทับใจ

50

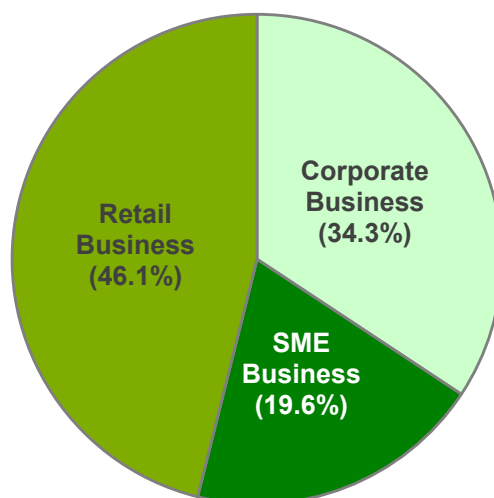
Revenue by Business

December 2022 (Consolidated)

Loans Portfolio structure



Non-interest Income



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

Note: Loan portion and loan yield of each customer segment includes loans from the Enterprise Risk Management Division (NPL + Performing Restructured Loans); figures are not comparable with loan data in other pages

บริการทุกระดับประทับใจ

Corporate Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
--------------------------	--------------------------	-----------------	------------------------	---------------------------	----------	---------------	------

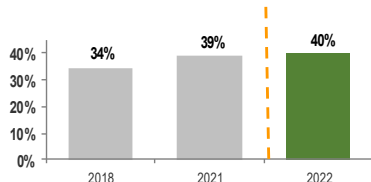
- Aim to be trusted partner to enrich customers' businesses with best-in-class financial services and solutions
 - Provide innovative and multi-sourced fund raising
 - Offer total solutions for collection, payment, and settlement
 - Enhance digital solutions and platforms

Key Performance



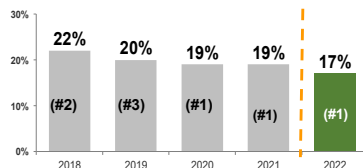
Main Bank

- Increased Main Bank Status* to 40% in 2022



#1 Corporate Bond Underwriting

- With 17% market share in 2022

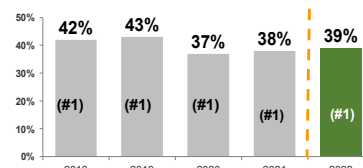


Source: The Thai Bond Market Association (ThaiBMA)



#1 Mutual Fund Supervisor

- With 39% market share in 2022



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

บริการทุกระดับประทับใจ

SME Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
--------------------------	--------------------------	-----------------	------------------------	---------------------------	----------	---------------	------

Empower SMEs at every business stage

- Offering credit to small businesses, using data analytic capability, via appropriate channels
- Providing integrated payment solutions by embedding into ecosystems, both local and international
- Building opportunity for SMEs as the intermediary of holistic banking and beyond banking solutions

Key Performance



#1 SME Main Bank Status

- Remain No.1 with NPS score at 44* for SME Main Bank position with the best of branch staff & mobile applications for SME customers
- Strengthen #1 Main bank position

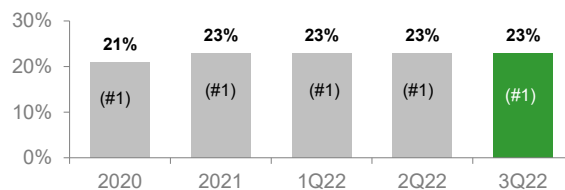
Note: * Info as of Y2020 (SME NPS by BRS)



#1 SME Lending

- Maintain No.1 position in SME products; especially commercial loans
- Highest share, 23% of SME credit outstanding as of September 2022

#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

บริการทุกระดับประทับใจ

Private Banking Group: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
--------------------------	--------------------------	-----------------	------------------------	---------------------------	----------	---------------	------

International comprehensive wealth management services

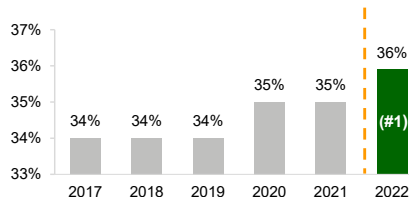
- Cooperate with Lombard Odier to raise service and product standards to international levels
- Provide integrated wealth planning services, advising families on wealth management, continuity, and growth
- Enhance use of technology to improve client experience
- Build comprehensive client insights from data-mining

Key Performance



#1 Market Share by # of customers

- With 36% market share (12,851 customers)

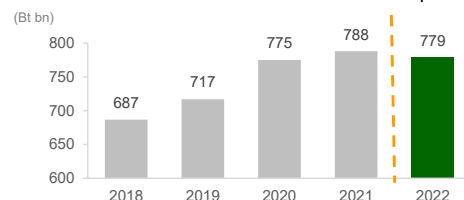


Source: Private Banking Group (market share by number of customers)



Growing AUM

- Bt779bn AUM in 2022; growth -1.1% in 2022
- AUM Breakdown: Investment 58% and Deposit 42%



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

บริการทุกระดับประทับใจ

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

Retail Business: Key Performance

Multi-Corporate Business	Large Corporate Business	Medium Business	Small & Micro Business	High Net Worth Individual	Affluent	Middle Income	Mass
--------------------------	--------------------------	-----------------	------------------------	---------------------------	----------	---------------	------

Empower Retail customers in everyday life

- Offering digital lending services to small-pocket customers to accelerate financial inclusion i.e., Buy-Now-Pay-Later
- Democratizing savings and investments through digital capability and integrated investment platform
- Strengthening digital-led experience with various ecosystems and by leveraging K Plus
- Connecting with partners and providing cross-platform loyalty program

Key Performance

#1 Digital banking

- NPS : Mobile Banking Level by Nielsen 2021
- Recognition Award from national & international institutes

#1 Debit Card spending

- Maintain top position by delivering value and benefits matching customer lifestyles
- Spending volume continuously growing > Bt96bn or increase 2% YoY

#1 Credit Card spending

with 23.3% market share in 9M22

#2 No. cards

- with 15.5% market share in 9M22
- Card-accepting merchant services (online & offline platforms): ranked #1, with 33% market share by sales volume in 9M22

#3 Mortgage loan outs

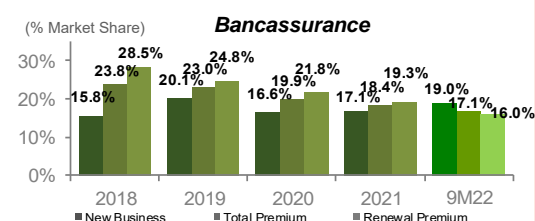
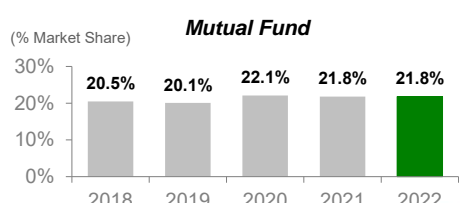
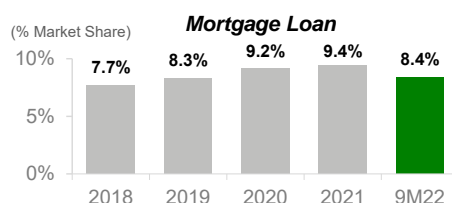
- Top 3 among commercial banks with 8.4% market share in 9M22; steady growth and maintain good portfolio quality

#1 Mutual Fund AUM

- Highest share, 21.8% in Y2022
- Highest share in Money Market & Fixed Income Fund, Term Fund and Foreign Investment Fund

#2 Bancassurance Premium

- MTL ranked #2 in total, new business and renewal premiums with 9M22 market share of 17.1%, 19.0%, and 16.0% respectively.



บริการทุกระดับประทับใจ

55

KBank and MTL Enter the 10 Years Bancassurance Agreement

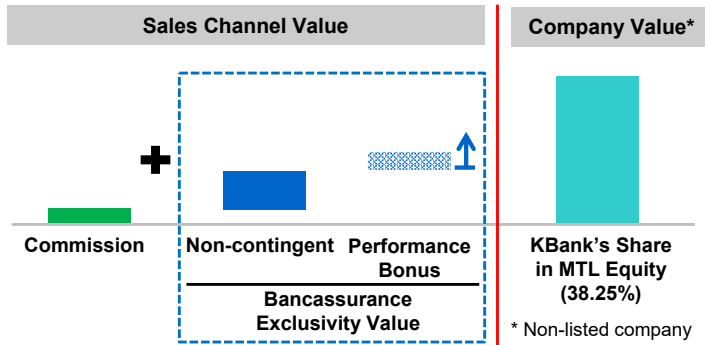
- This transaction is a connected transaction, per Thai regulations, as it is conducted with MTL, a subsidiary which KBank effectively holds 38.25% shares. **This transaction does not require shareholder approval at the Shareholders' Meeting as it is a normal business transaction conducted with general 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.

บริการทุกระดับประทับใจ

56

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.

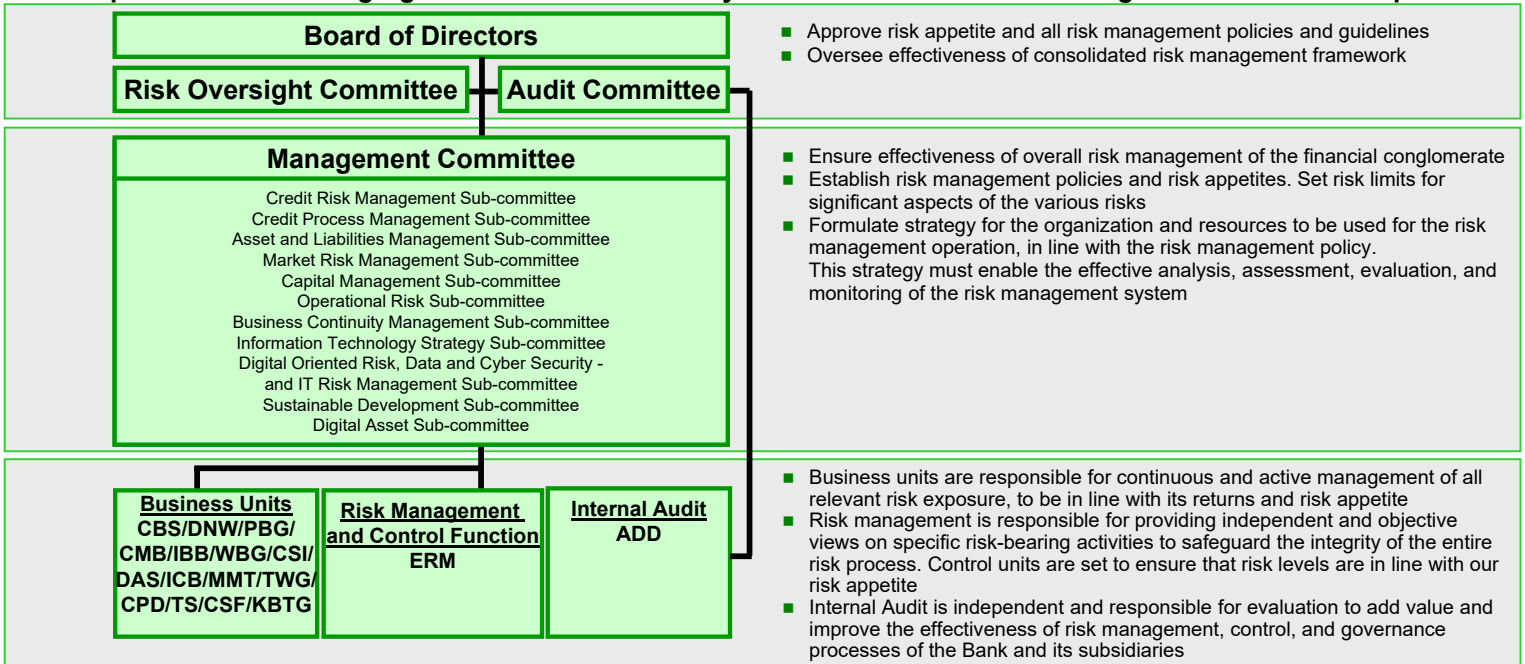
บริการทุกระดับประทับใจ

KBank: Risk and Credit Management

บริการทุกระดับประทับใจ

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 and Business Solutions Division, MMT = Marketing Management Division, TWG = Transaction and Wealth Banking Division, CPD = Credit Products 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

บริการทูลระดับประทับใจ

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

บริการทูลระดับประทับใจ

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
	Policy Lending <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 	Formula Lending <ul style="list-style-type: none"> Customer Integrated Credit Scorecard Application Score FICO Score Bureau information/Credit history Debt service capacity LTV 			Formula Lending <ul style="list-style-type: none"> Customer Integrated Credit Scorecard Application Score Transactional Score FICO Score Bureau information/Credit history Debt service capacity
Post Approval	Credit Service Fulfillment Dept.				Payment Service Fulfillment Department
	<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 Monitoring and Asset Management Unit to facilitate RM in customer monitoring Credit Clinic 				Asset Quality Management Operation 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

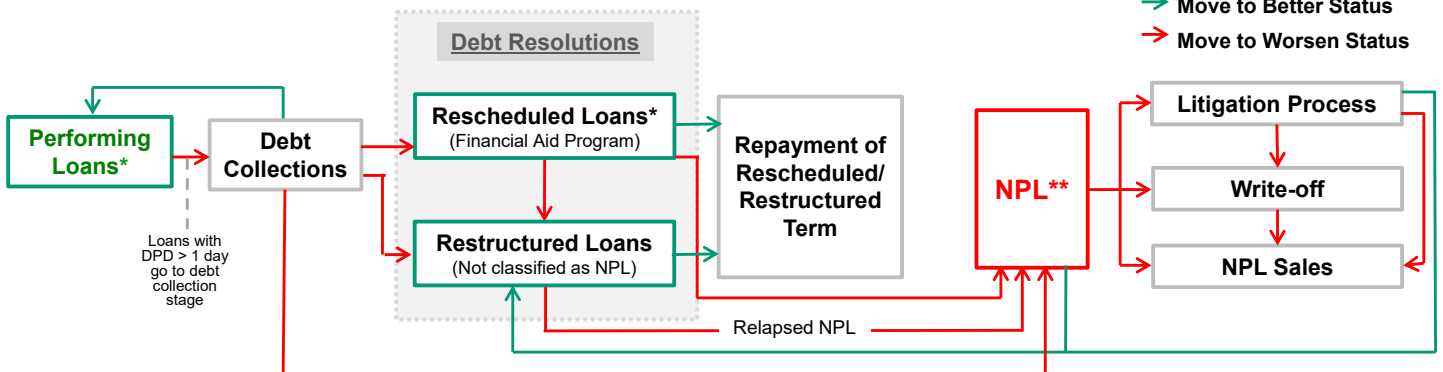
บริการทุกระดับประทับใจ

KBank Credit Risk Management Process: Collection and Recovery

Collection & Recovery Flow

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

- Performing Loans
- Process
- Non-Performing Loans
- Move to Better Status
- Move to Worsen Status



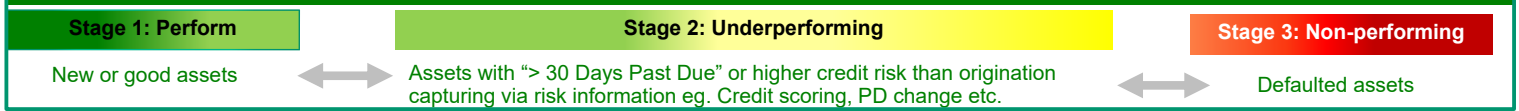
Note:

- * 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 of Loss Loans, and restructured loans classified as NPL

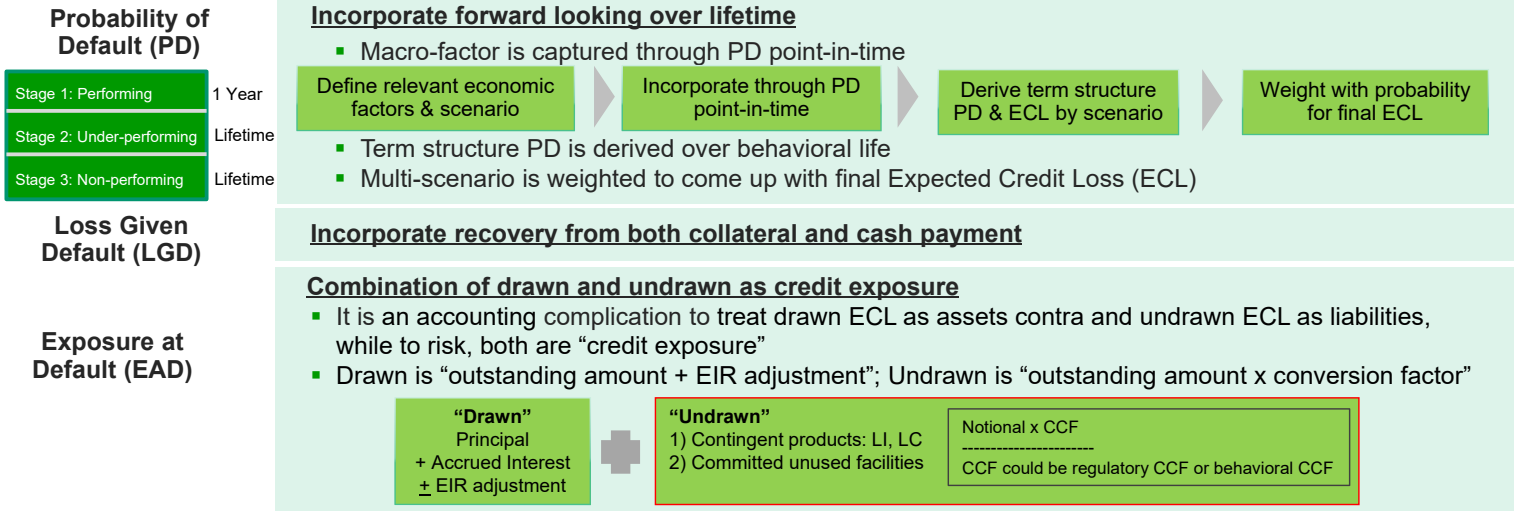
บริการทุกระดับประทับใจ

TFRS9: Asset Class and Expected Credit Loss

Asset Class (Defined by Incremental Risks: New definition of SICR and Modified Loans)



Expected Credit Loss (ECL): PD x LGD x EAD



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"

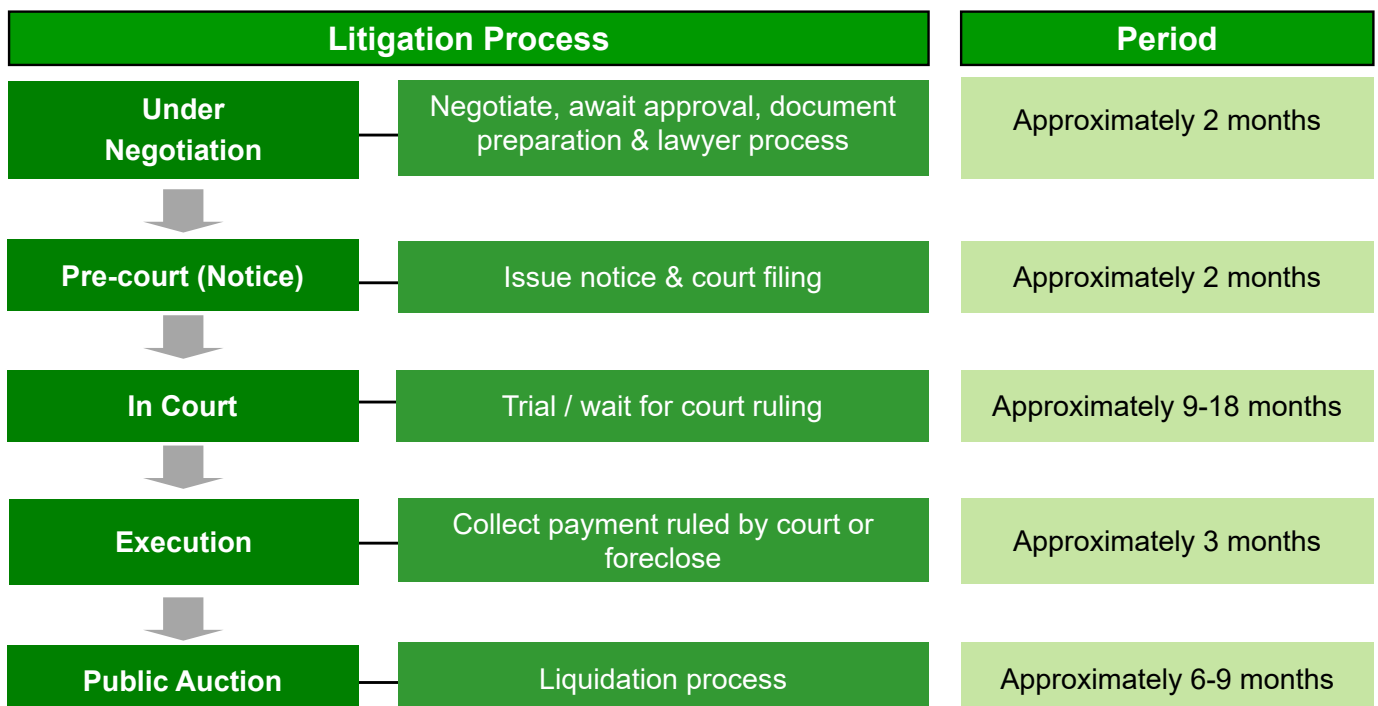
Undrawn = Credit facilities that are not utilized yet or credit facilities that are utilized but are booked as contingent liabilities, excluding derivatives

EIR = Effective Interest Rate; LI = Letter of Indemnity; LC = Letter of Credit; CCF = Conversion Credit Factor

บริการทูลระดับประทับใจ

Litigation Process

- Litigation process in Thailand takes about 2-3 years



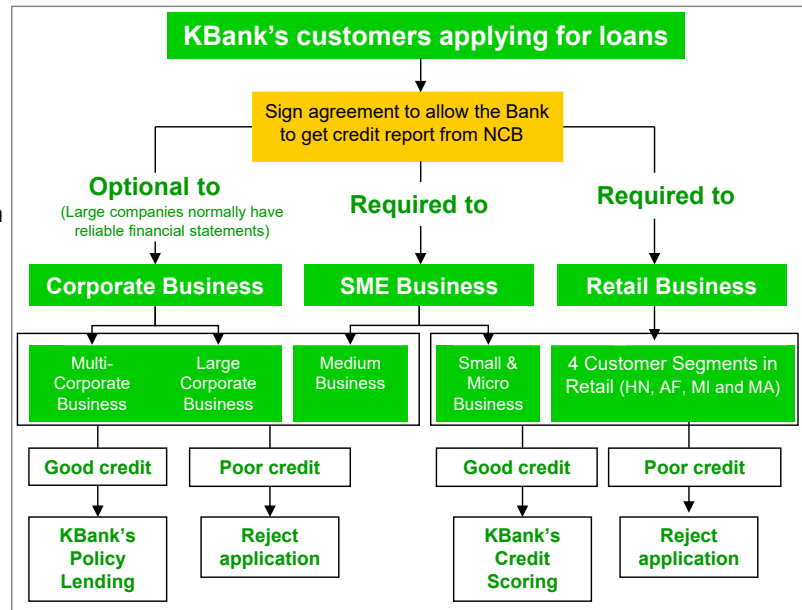
บริการทูลระดับประทับใจ

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

บริการทุกระดับประทับใจ

Proactive risk management to counter economic slowdown and high household debt

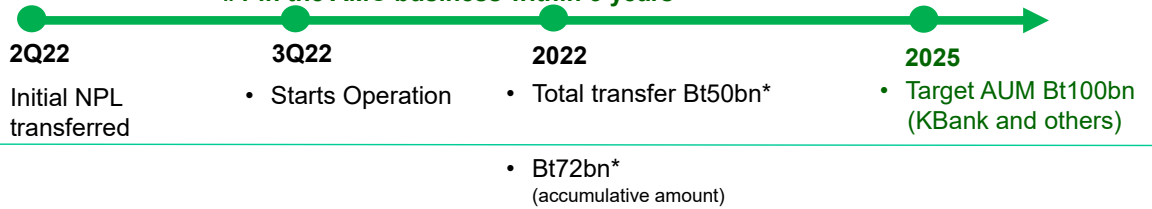
- Continue to deploy proactive credit portfolio / risk management / asset quality management to mitigate an adverse impact from prolonged economic recovery and high household debt

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 	<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 process 	<ul style="list-style-type: none"> ■ Selective on high-value customers regarding prevailing BOT regulations and the Bank's policy ■ Proactive and efficient collection process based on the Bank's models ■ Analyze behavior regularly to identify weak spots

บริการทุกระดับประทับใจ

- Company Profile**
- In June 2022, Thailand's first joint venture co-owned by a commercial bank (KBank via KVision) and an asset management company (JMT via JAM), with an initial paid up capital of Bt10bn (50% by KVision : 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

#1 in the AMC business within 3 years



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

บริการทุกระดับประทับใจ

KBank: Financial Performance

Note: The Bank and its subsidiaries have adopted new accounting standards (TFRS 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)

บริการทุกระดับประทับใจ



2022 Performance Highlights

Consolidated	2021	1Q22	2Q22	3Q22	4Q22	2022
Net Profit (Bt bn)	38.05	11.21	10.79	10.57	3.19	35.77
Profitability						
- NIM	3.21%	3.19%	3.21%	3.33%	3.62%	3.33%
- ROE*	8.44%	9.30%	9.13%	8.49%	2.63%	7.38%
- ROA	0.98%	1.09%	1.04%	1.00%	0.30%	0.86%
- YTD Loan growth	7.88%	1.51%	2.79%	1.75%	3.03%	3.03%
- YoY Loan growth	7.88%	6.77%	4.45%	0.83%	3.03%	3.03%
- YoY Net fee income growth	7.01%	(6.36%)	(5.00%)	(5.09%)	(11.09%)	(6.89%)
- YoY Non-interest income growth	(4.17%)	(25.49%)	(14.72%)	(6.04%)	13.04%	(8.42%)
Cost control						
- Cost to income	43.49%	42.82%	43.53%	43.73%	42.60%	43.15%
Asset quality						
- NPL ratio	3.76%	3.78%	3.80%	3.07%	3.19%	3.19%
- Credit Cost	1.73%	1.53%	1.59%	1.61%	3.68%	2.11%
- Coverage ratio	159.08%	158.33%	144.61%	148.74%	154.26%	154.26%
Loans to Deposits	93.20%	93.31%	93.18%	92.65%	90.77%	90.77%
Tier 1 Ratio	16.49%	16.35%	16.39%	17.21%	16.84%	16.84%
CAR	18.77%	18.34%	18.37%	19.19%	18.81%	18.81%

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, Phethai 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

- Y2022 net profit decreased 6.00% YoY, due to higher expected credit loss, while EBPT improved from higher income, as a result of the Bank's strategic and interest rate direction, and efficient expense management.
- Y2022 loans grew 3.03% YoY, mainly from corporate business and small ticket lending (SME and Retail) while home loan decreased. However, loans decreased in 2H22 from NPL outflow management.
- NIM was 3.33% in Y2022, increased YoY, due to higher yield on loans as small ticket lending (SME and Retail) increased, and higher lending rates.
- Y2022 net fee income decreased 6.89% YoY, mainly due to a decrease in fees from fund management and brokerage business in line with market conditions and drop in transaction service fee rate, while fees from card business increased according to customer spending.
- Y2022 cost to income ratio was 43.15% decreased YoY, from net total income increased, while higher operating expense (mainly from marketing and IT expense). Focus on cost management and productivity improvement, with new investments for future growth.
- NPL ratio in Y2022 was at 3.19%, with a coverage ratio of 154.26%, from proactively embarking and cooperating with professional partners to enhance the effectiveness of NPL management. Asset quality is manageable with closely monitored and constantly reviewed.
- Y2022 capital base remained sufficient to support business growth.

บริการทุกระดับประทับใจ



Consolidated Financial Statements

Statements of Comprehensive Income (Bt mn)

	2020	2021	4Q21	1Q22	2Q22	3Q22	4Q22	2022
Interest income	127,592	135,415	35,010	35,924	36,367	37,620	41,421	151,333
Interest expenses	18,570	16,024	4,210	4,174	4,355	4,532	5,274	18,334
Interest income - net	109,022	119,390	30,800	31,751	32,012	33,088	36,148	132,998
Fee and service income	45,699	48,628	12,224	12,367	11,683	12,099	12,197	48,345
Fee and service expenses	12,695	13,312	3,474	3,535	3,536	3,974	4,418	15,463
Fee and service income - net	33,004	35,316	8,749	8,832	8,147	8,125	7,779	32,882
Gain (Loss) on financial instrument measured at FVTPL	8,119	5,539	2,709	686	(452)	144	4,674	5,053
Share of profit (loss) from investments using equity method	(193)	(694)	(315)	(50)	151	(40)	54	115
Gain (Loss) on investments	1,308	817	85	(17)	(135)	(17)	38	-130
Net premium earned	72,129	69,360	18,156	15,718	14,393	17,853	18,091	66,056
Other operating income	1,682	1,289	401	427	406	614	675	2,123
Total operating income	227,456	234,328	61,254	58,218	55,745	60,606	67,973	242,542
Underwriting expenses	72,565	70,979	18,731	17,605	14,234	18,871	18,574	69,285
Total operating income - net	154,891	163,349	42,523	40,613	41,511	41,735	49,399	173,258
Total other operating expenses	69,997	71,044	20,478	17,390	18,070	18,251	21,042	74,753
Earning Before Provision and Tax	84,895	92,305	22,045	23,223	23,441	23,484	28,357	98,505
Expected Credit Loss	43,548	40,332	9,580	9,336	9,852	9,948	22,784	51,919
Impairment loss of loans and debt securities	-	-	-	-	-	-	-	-
Operating profit before income tax expenses	41,347	51,973	12,466	13,887	13,589	13,536	5,574	46,585
Income tax expenses	7,656	9,729	2,120	2,700	2,454	2,546	933	8,633
Net profit attributable:								
Equity holders of the Bank	29,487	38,053	9,901	11,211	10,794	10,574	3,191	3,191
Non-controlling interest	4,203	4,192	445	(24)	341	416	1,450	1,450

Statements of Financial Position (Bt mn)

	2020	2021	4Q21	1Q22	2Q22	3Q22	4Q22	2022
Loans to customers	2,244,821	2,421,813	2,421,813	2,458,263	2,489,420	2,464,277	2,495,077	2,495,077
Total Assets	3,658,798	4,103,399	4,103,399	4,133,248	4,187,779	4,229,795	4,246,369	4,246,369
Deposits	2,344,998	2,598,630	2,598,630	2,634,409	2,671,536	2,659,896	2,748,685	2,748,685
Total Liabilities	3,167,512	3,566,724	3,566,724	3,585,865	3,642,814	3,672,187	3,679,289	3,679,289
Total Equity attributable to equity holders of the Bank	439,670	476,714	476,714	488,192	488,963	500,248	503,270	503,270

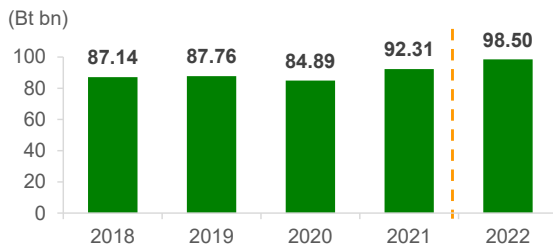
Note: - KBank acquired additional ordinary shares in MTGH, to hold a 51% stake valued at Bt7,529mn; the MTGH Acquisition was completed on November 30, 2009. As the MTGH acquisition was completed on November 30, 2009, the Bank's consolidated financial statements from 2010 include the performance of companies in the MTGH Group for the whole year.

บริการทุกระดับประทับใจ

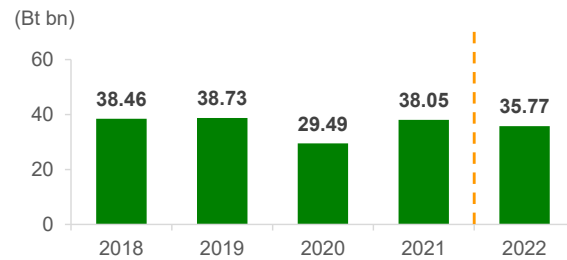
Earnings Before Provision and Tax (EBPT) and Net Profit

December 2022 (Consolidated)

EBPT



Net Profit



- Y2022 net profit decreased 6.00% YoY, due to higher expected credit loss as a prudent consideration of the uncertain economic outlook and business strategy, while EBPT improved from higher income, as a result of the Bank's strategic and interest rate direction, and efficient expense management.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
EBPT (Bt bn)	87.14	87.76	84.89	92.31	98.50	23.22	23.44	23.48	28.36
EBPT Growth (% YoY)	(3.70%)	0.72%	(3.27%)	8.73%	6.72%	(1.16%)	(1.45%)	2.20%	28.63%
Net Profit (Bt bn)	38.46	38.73	29.49	38.05	35.77	11.21	10.79	10.57	3.19
Net Profit Growth (% YoY)	12.00%	0.70%	(23.86%)	29.05%	-6.00%	5.50%	21.36%	22.52%	-67.77%

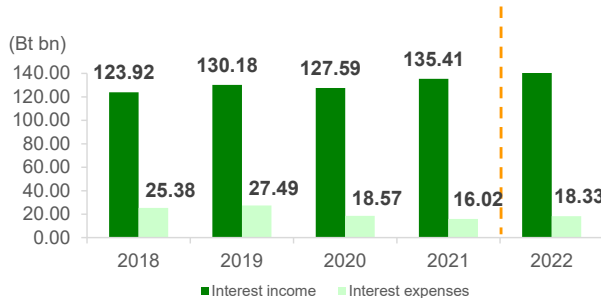
บริการทูลระดับประทับใจ

71

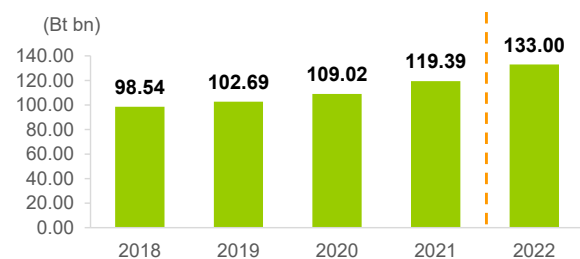
Interest Income - net

December 2022 (Consolidated)

Interest Income and Interest Expenses



Interest Income - net



- Y2022 net interest income increased 11.40% YoY, mainly due to an increase in interest income from loans to customers according to growth of new loan granted to SME and Retail business customers with focus more on offering of loan products via digital channels along with using data for lending analysis, which in line with the Bank's strategic direction.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Interest Income (Bt bn)	123.92	130.18	127.59	135.41	151.33	35.92	36.37	37.62	41.42
Interest Expenses (Bt bn)	25.38	27.49	18.57	16.02	18.33	4.17	4.36	4.53	5.27
Interest Income - net (Bt bn)	98.54	102.69	109.02	119.39	133.00	31.75	32.01	33.09	36.15
Interest Income - net (% Growth YoY)	4.65%	4.21%	6.17%	9.51%	11%	12.86%	7.72%	7.64%	17.36%

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.

บริการทูลระดับประทับใจ

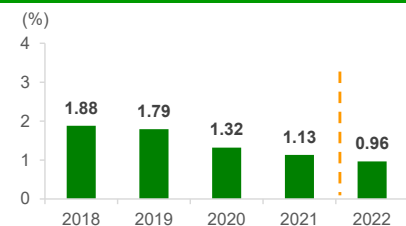
72



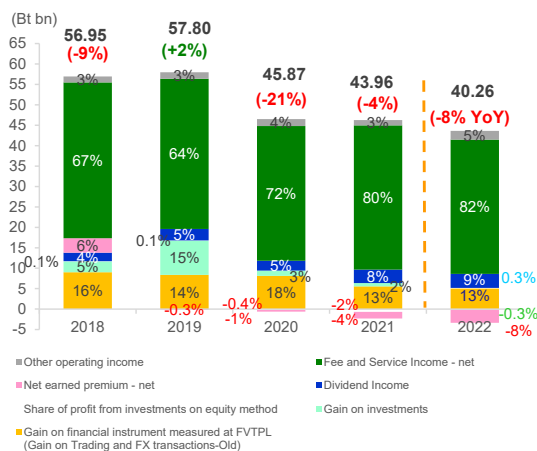
Non-interest Income and Structure

December 2022 (Consolidated)

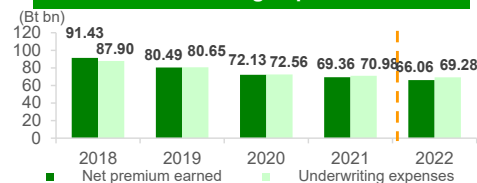
Non-interest Income to Average Assets



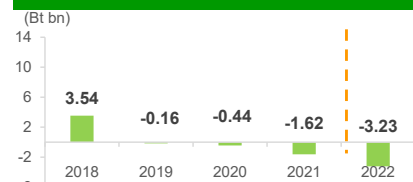
Non-interest Income Structure



Net Premium Earned and Underwriting Expenses



Net Premium Earned - net



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.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Non-interest Income (Bt bn)	56.95	57.80	45.87	43.96	40.26	8.86	9.50	8.65	13.25
Non-interest Income Growth (%YoY)	(9.17%)	1.51%	(20.65%)	(4.17%)	(8.42%)	(25.49%)	(14.72%)	(6.04%)	13.04%
Non-interest Income Ratio (%)	36.62	36.02	29.61	26.91	23.24	21.82	22.88	20.72	26.83

Note: - Non-interest Income Ratio = Non-interest Income/Total Operating Income - net - The Bank and its subsidiaries have adopted TFRIC 13: Customer Loyalty Programmes since January 1, 2014 onwards
 - Net Premium Earned - net = Net Premium Earned less Underwriting Expense

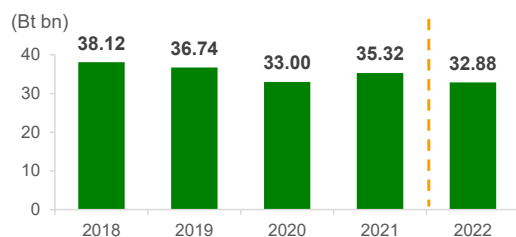
บริการทุกระดับประทับใจ



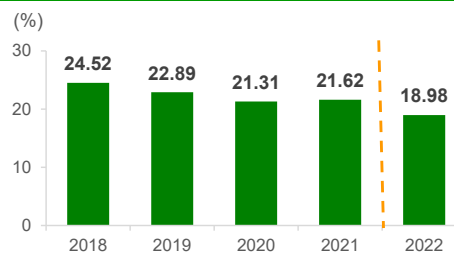
Net Fee Income

December 2022 (Consolidated)

Net Fee Income



Net Fee Income to Net Total Operating Income



- Y2022 net fee income decreased 6.89% YoY, mainly due to a decrease in fees from fund management and brokerage business in line with market conditions and drop in transaction service fee rate, while fees from card business increased according to customer spending.
- Net fee income to net total operating income was 18.98% in Y2022.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Fee Income (Bt bn)	51.19	50.58	45.70	48.63	48.35	12.37	11.68	12.10	12.20
Fee Income-net (Bt bn)	38.12	36.74	33.00	35.32	32.88	8.83	8.15	8.13	7.78
Fee Income Growth (%YoY)	(1.10%)	(1.19%)	(9.65%)	6.41%	(0.58%)	(1.97%)	(1.32%)	1.24%	(0.22%)
Net Fee Income Growth (%YoY)	(7.72%)	(3.61%)	(10.17%)	7.01%	(6.89%)	(6.36%)	(5.00%)	(5.09%)	(11.09%)
Net Fee Income to Net Operating Income Ratio (%)	24.52	22.89	21.31	21.62	18.98	21.75	19.63	19.47	15.75

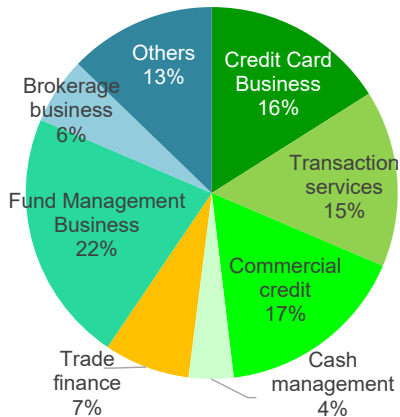
Note: - On the consolidated basis, Bancassurance fees are not included in net fee income since November 30, 2009, due to the elimination of inter-company transactions (the accounting treatment from the Muang Thai Group Holding consolidation)

บริการทุกระดับประทับใจ

Net Fee Income Structure

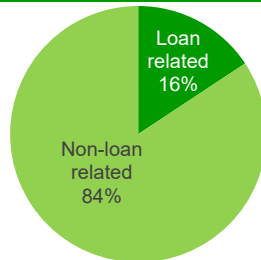
December 2022 (Consolidated)

Net Fee Income by Product



- **Credit Card Business** (mainly from credit card, merchant fees)
- **Transaction services** (such as ATM & debit cards, bill payments, money transfers, etc.)
- **Commercial credit** (mainly from commercial credit related fees)
- **Cash management** (such as fees from payroll accounts)
- **Trade finance**
- **Fund Management Business** (mainly from mutual fund and securities service fees)
- **Brokerage business**
- **Others** (such as capital market business, etc.)

Loan Related and Non-loan Related Fees - net



Note:

- On the consolidated basis, Bancassurance fees are not included, due to the elimination of inter-company transactions (the accounting treatment from the Muang Thai Group Holding consolidation)
- On the consolidated basis, Net Premium Earned - net (Net Premium Earned Less Underwriting Expenses) from Muang Thai Life Assurance (MTL) is reported as a part of non-Interest Income; KBank has a 38.25% economic interest in MTL

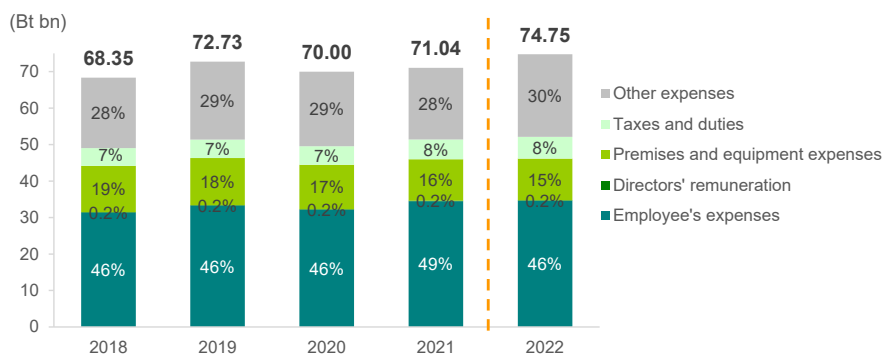
บริการทุกระดับประทับใจ

75

Other Operating Expenses

December 2022 (Consolidated)

Other Operating Expenses Structure



- Y2022 other operating expenses increased 5.22% YoY, mainly due to an increase in market expenses collaborated with business partners, in line with revenue increased according to business volume and IT related expenses in order to support customers' needs. Continued to focus on cost and productivity improvement and new investments for future growth.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Other Operating Expenses (Bt bn)	68.35	72.73	70.00	71.04	74.75	17.39	18.07	18.25	21.04
Other Operating Expenses Growth (%YoY)	2.98%	6.41%	(3.76%)	1.50%	5.22%	5.20%	5.86%	7.58%	2.75%

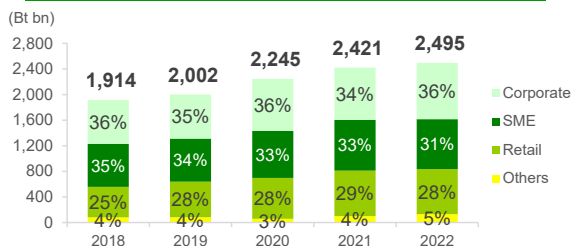
บริการทุกระดับประทับใจ

76

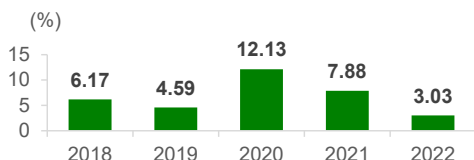
Loan Structure and Loan Growth

December 2022 (Consolidated, TFRS 8: Operating Segments*)

Loan Portfolio Structure



Loan Growth (% YoY)



Loan Portfolio

Consolidated	Amount (Bt bn)		Y2022 Loan Growth (%)	Y2022 Yield Range (%)	Y2023 Loan Growth Target (%)
	Dec 21	Dec 22			
Corporate Loans	816	880	7.8%	2-4%	4-6%
SME Loans	793	780	(1.6%)	5-7%	1-2%
Retail Loans	711	703	(1.2%)	5-7%	2-4%
Other Loans	101	132	30.4%		
Total Loans¹⁾	2,422	2,495	3.0%	5.0%	5-7%

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⁾ Y2022 other loans was included loans through the World Business Group of Bt82bn, increased 73.1% YoY

Loan by Retail Products (All Segments)**

(Amount in Bt bn)	Dec 21	Dec 22	Y2021 Loan Growth (%)	Y2022 Loan Growth (%)	% Portion to Total Loan
Housing Loans	483	443	7.6	(8.3)	17.7
Credit Cards	102	109	11.9	7.4	4.4
Consumer Loans	66	73	102.5	11.2	2.9
KLeasing	121	137	5.4	13.4	5.5

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Loans (Bt bn)	1,914	2,002	2,245	2,422	2,495	2,458	2,489	2,464	2,495
Loan Growth (% YoY)	6.17%	4.59%	12.13%	7.88%	3.03%	6.77%	4.45%	0.83%	3.03%
Loan Growth (% YTD)	6.17%	4.59%	12.13%	7.88%	3.03%	1.51%	2.79%	1.75%	3.03%

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;

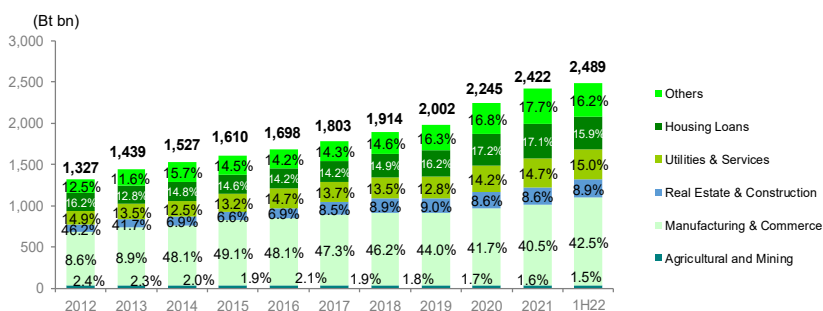
Consumer Loans: KBank's retail unsecured loans; **KLeasing:** KLeasing's loans to all eight customer segments

บริการทุกระดับประทับใจ

Loan Portfolio Breakdown by Industry, Currencies, and Interest Rate

September 2022 (Consolidated)

Loan Portfolio by Industry*



Definition of Loans

1) by industry = Gross loans = Loans to customers less deferred revenue

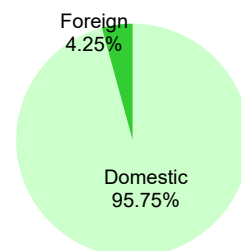
2) by currency = Loans to customers and AIR - net

3) by maturity of interest repricing = Loans to customers less deferred revenue

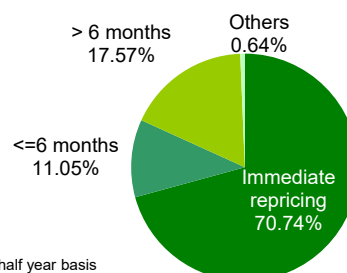
Loans by Bangkok and Metropolitan vs. Upcountry

Loan by Bangkok and Metropolitan vs. Upcountry		2014	2015	2016	2017	2018	2019	2020	2021	9M22
Proportion of KBank's Outstanding Loans										
Bangkok and Metropolitan		64%	64%	63%	64%	62%	59%	58%	62%	64%
Upcountry		36%	36%	37%	36%	38%	41%	42%	38%	36%

By Residency of Borrowers (June 2022)*



By Maturity of Interest Repricing (June 2022)*



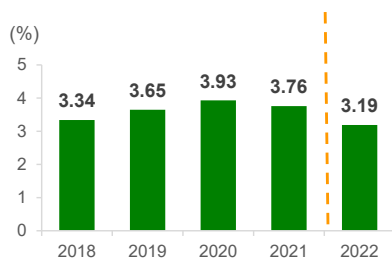
Note: * The information on loans breakdown by industry, residency of borrowers, and maturity of interest repricing are disclosed on half year basis

บริการทุกระดับประทับใจ

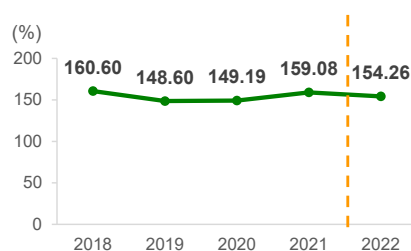
Asset Quality

December 2022 (Consolidated)

NPL Ratio



Coverage Ratio



Classified Loans*

(Bt bn)	2020	2021	2022
Stage 1 Performing	1,951	2,130	2,230
Stage 2 Under-performing	201	202	188
Stage 3 Non-performing	103	106	93
Total	2,256	2,438	2,511

- NPL ratio in Y2022 was 3.19%, with a coverage ratio of 154.26%.
- NPL ratio dropped YoY from proactively embarking and cooperating with professional partners to enhance the effectiveness of NPL management.
- Asset quality is manageable with closely monitored and constantly reviewed.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
NPL Ratio (%)	3.34	3.65	3.93	3.76	3.19	3.78	3.80	3.07	3.19
Coverage Ratio (%)	160.60	148.60	149.19	159.08	154.26	158.33	144.61	148.74	154.26
SML to Total Loans Ratio (%)*	1.90	2.80	-	-	-	-	-	-	-
Loans with significant increase in credit risk (%)	-	-	7.80	7.27	6.47	7.22	6.54	6.52	6.47

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.

บริการทุกระดับประทับใจ

79

Expected Credit Loss and Credit Cost

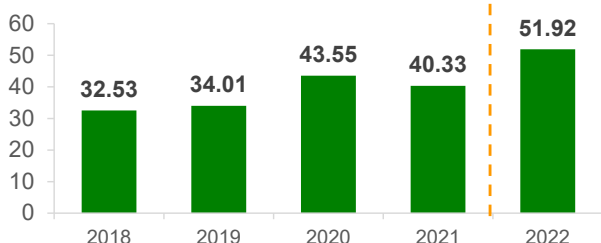
December 2022 (Consolidated)

Impairment Loss of Loans and Debt Securities

Expected Credit Loss

Credit Cost

(Bt bn)



(bps)



- Y2022 credit cost increased YoY to 211 bps, due to prudent consideration of the uncertain economic outlook and business strategy.
- An increase also supported a global economic slowdown with the potential to enter a recession in the future and Thailand's economic recovery will likely remain on an uneven path. Moreover, it also strengthens and increases flexibility in asset quality management to ensure readiness to support groups of customers according to the Bank's strategic direction, so that customers can operate their businesses with potential align with the upcoming business opportunities.

	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Expected Credit Loss (Bt bn)	32.53	34.01	43.55	40.33	51.92	9.34	9.85	9.95	22.78
(Impairment Loss of Loans and Debt Securities)									
Credit Cost (bps)	175	174	205	173	211	153	159	161	368

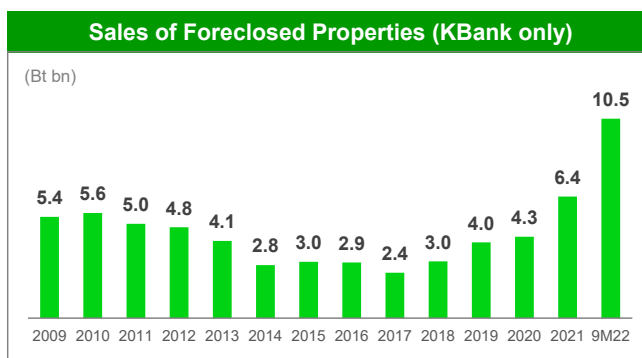
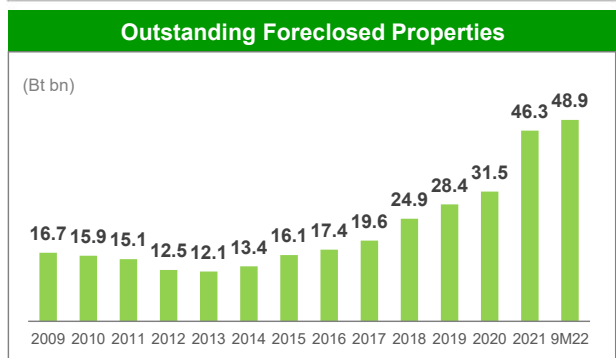
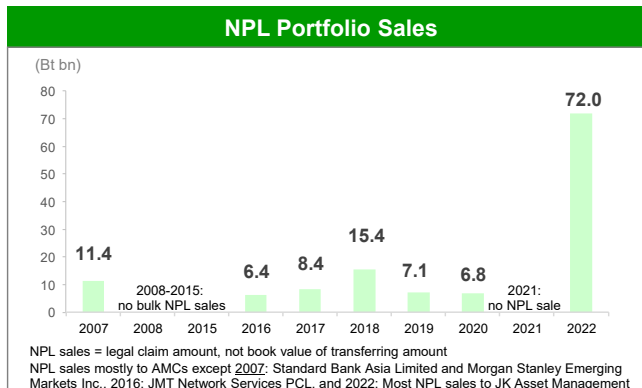
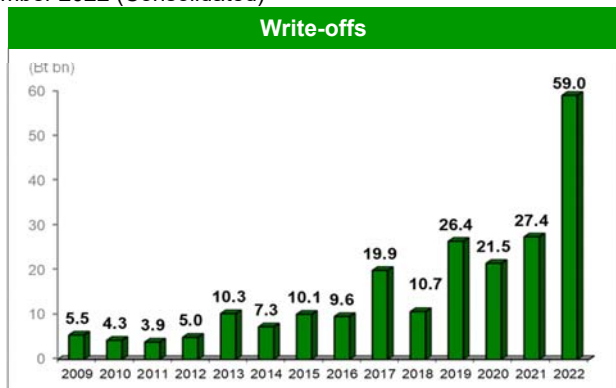
บริการทุกระดับประทับใจ

80



Bad Assets Resolution

December 2022 (Consolidated)



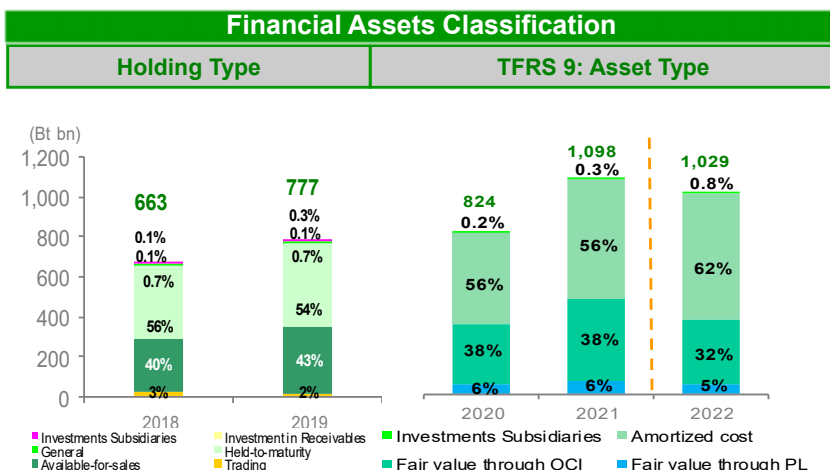
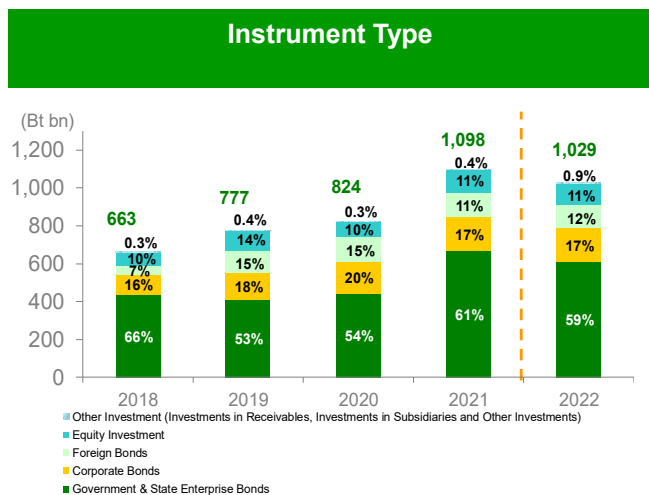
Note: On September 11, 2013, the Bank was formally notified of its final loss sharing portion under the asset transfer agreement with TAMC established in October 2001. This amounted to Bt206mn. An amount of Bt1,159mn relating to the provision for losses recorded in prior years has been reversed through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

บริการทูลระดับประทับใจ



TFRS 9: Investment in Securities Portfolio and Structure

December 2022 (Consolidated)



- 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.

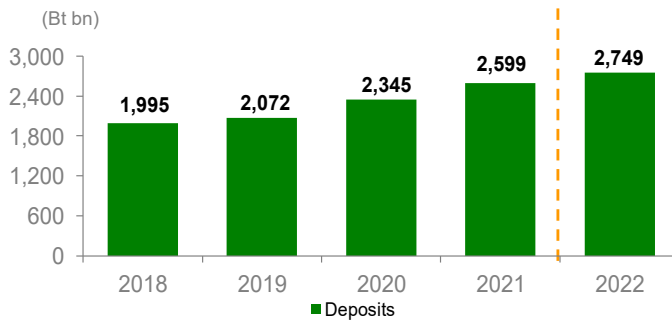
	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Investment Portfolio (Bt bn)	663	777	824	1,098	1,029	1,080	1,050	1,049	1,029
Investment Portfolio (% Growth YoY)	23.51%	17.22%	6.15%	33.16%	(6.23)	16.33%	11.03%	2.95%	(6.23)

บริการทูลระดับประทับใจ

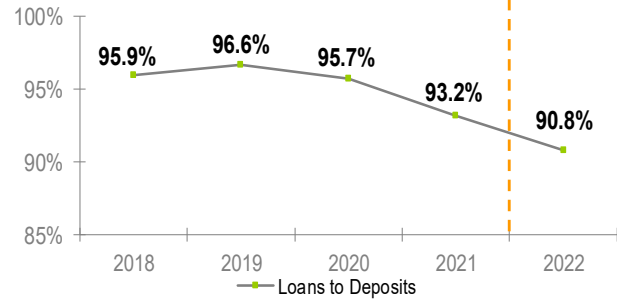
Deposits Growth and Loans to Deposits Ratio

December 2022 (Consolidated)

Deposits



Loans to Deposits Ratio



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

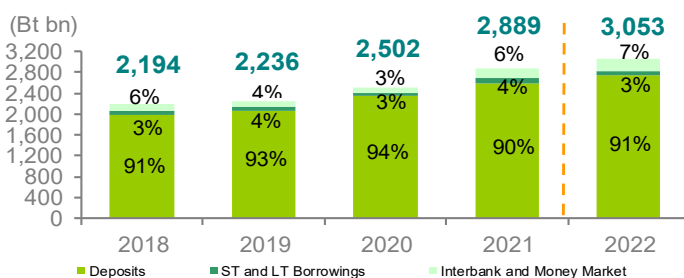
	2018	2019	2020	2021	2022	1Q22	2Q22	3Q22	4Q22
Deposits (Bt bn)	1,995	2,072	2,345	2,599	2,749	2,634	2,672	2,660	2,749
Deposits (% YoY)	6.2%	3.9%	13.2%	10.8%	5.8%	9.7%	7.7%	5.1%	5.8%
Deposits (% YTD)	6.2%	3.9%	13.2%	10.8%	5.8%	1.4%	2.8%	2.4%	5.8%
Loans to Deposits Ratio (%)	95.9%	96.6%	95.7%	93.2%	90.8%	93.3%	93.2%	92.7%	90.8%

บริการทุกระดับประทับใจ

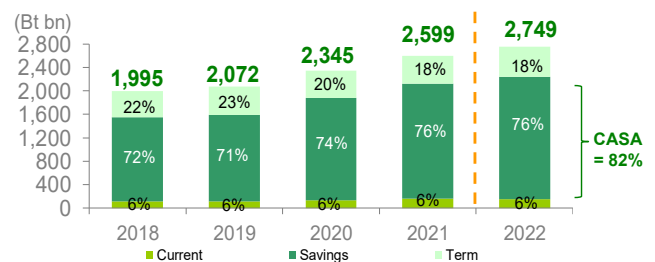
Funding Structure and Interest Rate Movement

December 2022 (Consolidated)

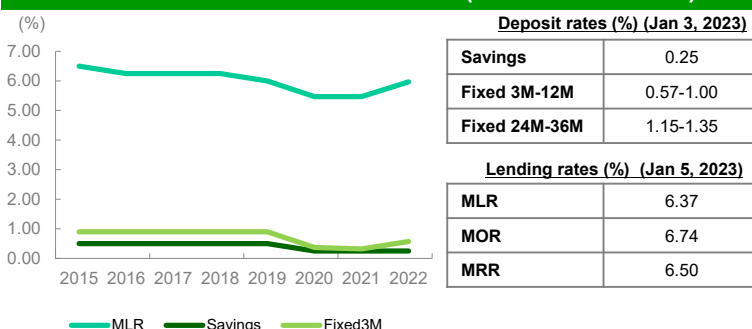
Funding Structure



Deposit Structure



KBank Interest Rate Movement (Retail customers)



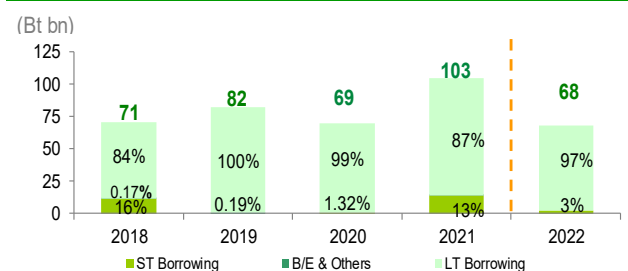
Deposit rates (%) (Jan 3, 2023)

Savings	0.25
Fixed 3M-12M	0.57-1.00
Fixed 24M-36M	1.15-1.35

Lending rates (%) (Jan 5, 2023)

MLR	6.37
MOR	6.74
MRR	6.50

ST and LT Borrowings



บริการทุกระดับประทับใจ

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								
27/12/2022	JPY Sustainability Long-Term Debentures #2**	Unsecured	-	JPY2520mn	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	-	JPY2745mn	3 Years (11/12/2025)	0.86%	annually	AA+ (tha) by Fitch
07/12/2018	Floating Rate Notes due 2023*	Unsecured	-	USD15mn	5 Years (07/12/2023)	3m Libor+0.95%	Quarterly	-
30/10/2018	Floating Rate Notes due 2023* (Sustainability Bond)	Unsecured	-	USD100mn	5 Years (30/10/2023)	3m Libor+0.95%	Quarterly	-
12/01/2018	Senior Unsecured Notes due 2023*	Unsecured	-	USD400mn	5.5 Years (12/07/2023)	3.256%	Semi-annually	Baa1 by Moody's BBB by S&P BBB by Fitch Ratings

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 Programme (MTN)

บริการทุกระดับประทับใจ

85

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

บริการทุกระดับประทับใจ

86

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

December 2022

	KAset EST. Mar 1992	KResearch EST. Dec 1994	KSecurities EST. Jul 2002	KLLeasing 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	Bt2.91bn	Bt0.16bn	Bt33.53bn	Bt137.37bn	Bt23.88bn
Market Share	18%	#1 Awareness based on a survey	3% (#12)	9%	16%
2023 Targets	Maintain top tier position	Maintain the status as a top-notch research house	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	Top of mind securities firm	Provide complete range of financial solutions and maintain good asset quality	Top tier leader in sustainability in equipment leasing

บริการทุกระดับประทับใจ

87

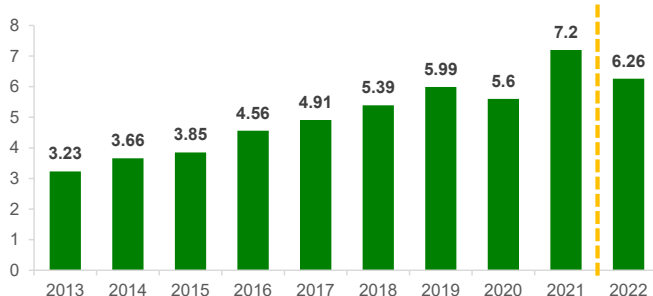
The wholly-owned subsidiaries of KBank: 2022 Key Operating Performance

December 2022

	KAset EST. Mar 1992	KResearch EST. Dec 1994	KSecurities EST. Jul 2002	KLLeasing EST. Dec 2004	KF&E EST. Jul 1990
2022 Key Operating Performance	Assets Under Management (AUM): Bt1.49trn (-5.5% YoY)	#1 Awareness based on a survey	<ul style="list-style-type: none"> Trading volume: Bt1,021bn Number of customers grew 9% YoY 	Outstanding loans: Bt137.37bn (+13.37% YoY)	Outstanding loans: Bt24.31bn (-3.34% YoY)

The wholly-owned subsidiaries of KBank: Net Profit

(Bt bn)



Net profit slightly dropped from the same period of 2022, -12.7% YoY. However, KBank continues to create synergy among its wholly-owned subsidiaries.

บริการทุกระดับประทับใจ

88

KAsset Highlights in 2022

December 2022

หลักทรัพย์จัดการกองทุนกสิกรไทย
开泰基金管理 KASIKORN ASSET MANAGEMENT



AUM (KAsset vs. Industry)



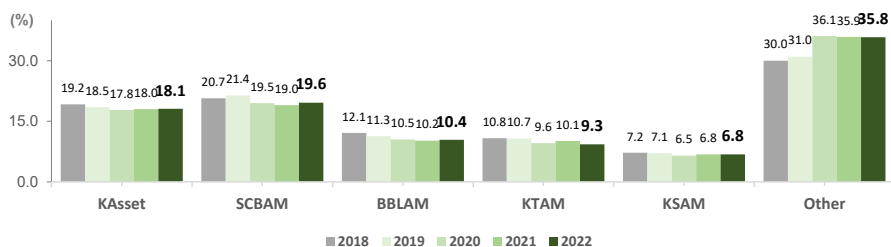
Industry Outlook:

- 2022 industry AUM at Bt8.23trn, decreasing 6% YoY
- KAsset AUM at Bt1.49trn, decreasing 5.5% YoY

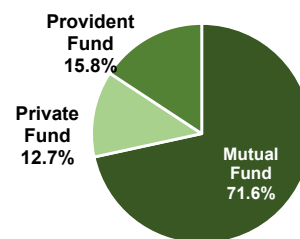
KAsset Highlights:

- Ranked **#1** in Mutual Fund and **#2** in Provident Fund with market share of 21.9% and 17.0%, respectively
- Ranked **#2** in total AUM with market share of 18.1%
- Mutual fund accounts for 71.6% of KAsset AUM

Market Share by AUM



KAsset AUM Breakdown by Type



บริการทุกระดับประทับใจ

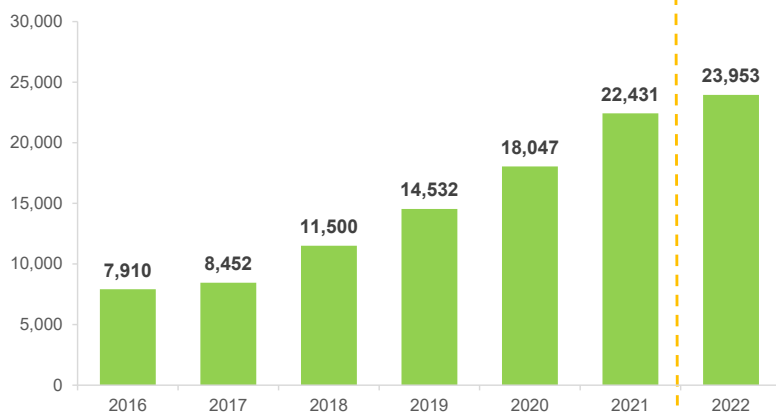
KResearch Highlights in 2022

December 2022

ศูนย์วิจัยกสิกรไทย
开泰研究中心 KASIKORN RESEARCH CENTER



Number of News Quotes



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

Source : News Center, isentia, IQnewsClip, etc.

The number of quotes from the media newspapers online newspaper and other online news. (excluding magazines, TVs, and Radio)

บริการทุกระดับประทับใจ

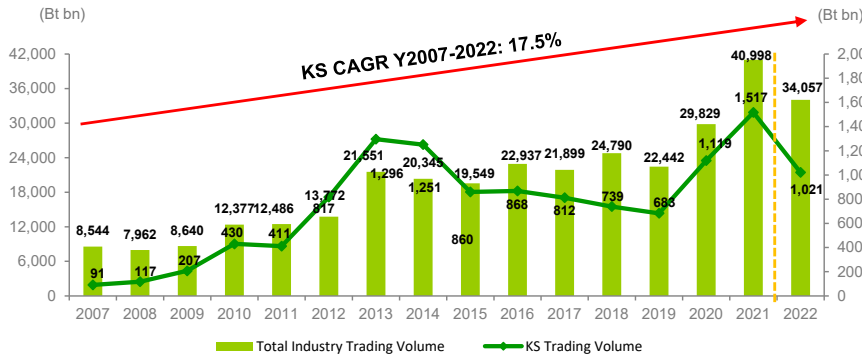
KSecurities Highlights in 2022

December 2022

หลักทรัพย์กสิกรไทย
开泰证券 KASIKORN SECURITIES



Trading Volume (KSecurities vs. Industry)*



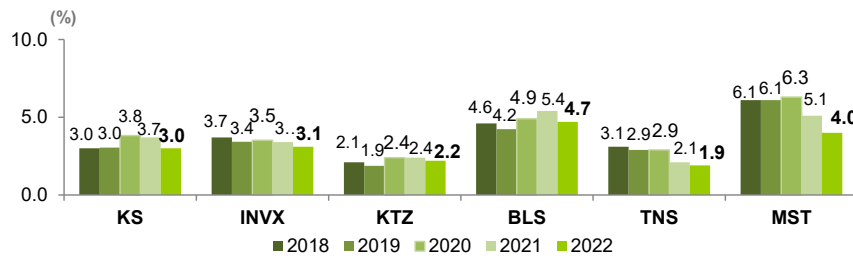
Industry Outlook:

- 2022 industry trading volume* was Bt34.06trn, decreasing 17% YoY.
- KS trading volume was Bt1,021bn.

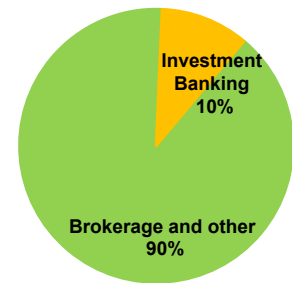
KSecurities Highlights:

- KS ranked #12, with 3.00% market share.
- Majority of revenue came from brokerage.
- Number of customers account grew 9% YoY to 352,950 customers in 2022.

Market Share by Trading Volume*



KSecurities Revenue by Business



Note: * Industry trading volume excluding proprietary trades
** SCBS change to INVX in Sep 2022

บริการทุกระดับประทับใจ

91

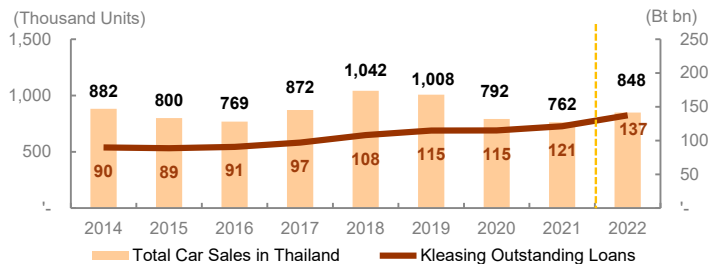
KLeasing Highlights in 2022

December 2022

ลีสซิ่งกสิกรไทย
开泰租赁 KASIKORN LEASING



KLeasing vs. Industry



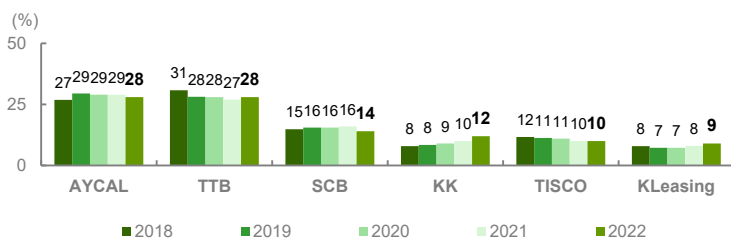
Industry Outlook:

- 2022 industry car sales totaled 848,362 units

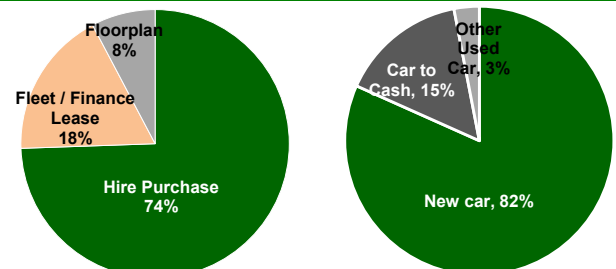
KLeasing Highlights:

- 2022 KLeasing loans totaled Bt137.37bn, increasing 13.37% YoY
- 2022 KLeasing NPL ratio was 1.63%, lower than the Thai commercial bank average ratio³

Market Share by Total Outstanding Loans (%)¹



KLeasing Outstanding Loans Breakdown²



Note: ¹ Excluding captive and non-bank leasing

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, Data as of Q3 2022 = 2.77%

บริการทุกระดับประทับใจ

92



KF&E Highlights 2022

December 2022

แฟคตอรี แอนด์ อีควิปเม้นท์ กสิกรไทย
开泰设备融资 KASIKORN FACTORY AND EQUIPMENT



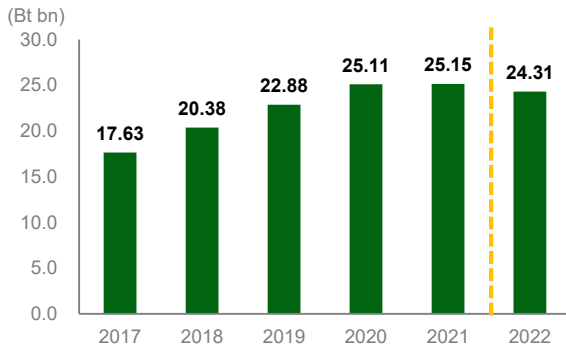
KF&E Loan Outstanding

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:

- 2022 KF&E loan outstanding was decreased Bt24.31bn, 3.34% YoY.
- KF&E currently ranked **#1**; maintaining lead position in equipment leasing industry.



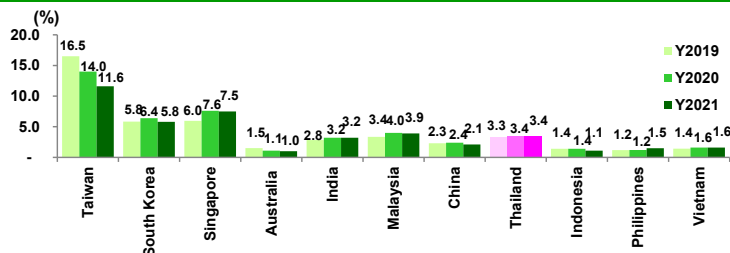
Note: In 2010, KASIKORN FACTORING (KFactoring) was renamed KASIKORN FACTORY AND EQUIPMENT (KF&E) to better reflect their business, focusing on offering leasing services for machinery and equipment; the factoring business operation of KFactoring was transferred to KBank

บริการทุกระดับประทับใจ



Life Insurance Industry in Thailand

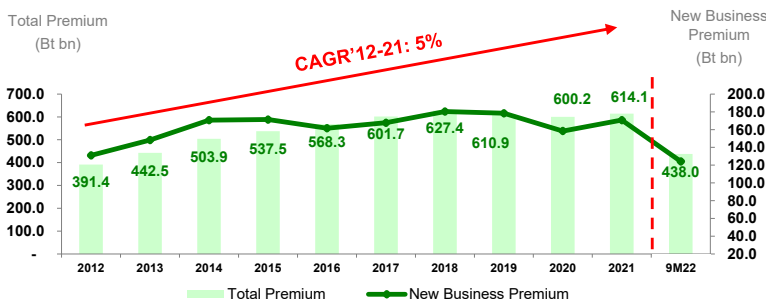
Premium per % GDP by Country



Source: Swiss Reinsurance

- In 2021, 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 9M22 with 11.6% market share of total premium.
- **#4** in life insurance industry in Thailand, in 2021

Size of Market by Premium(%)

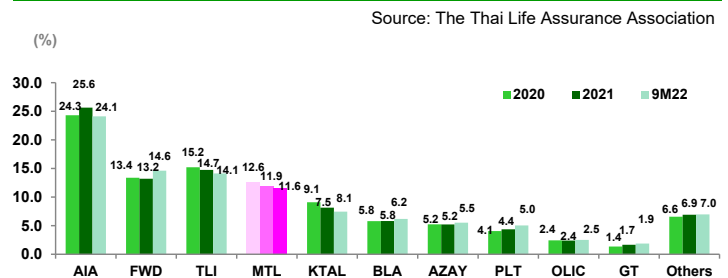


* New Business Premium in 9M22 = Bt124.2bn

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 (%)

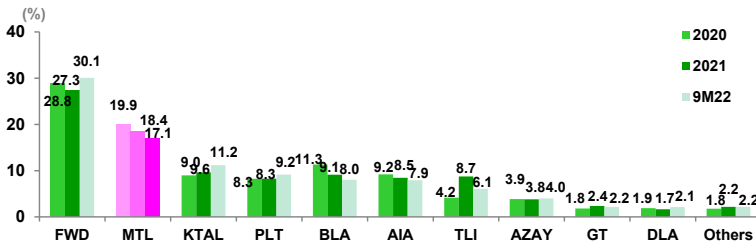


Source: The Thai Life Assurance Association

บริการทุกระดับประทับใจ

Bancassurance Highlights in 9M22

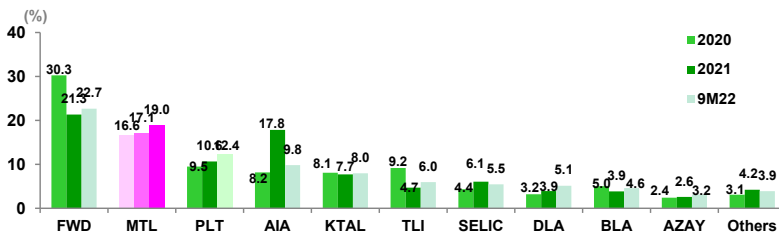
Bancassurance Market Share by Total Premium (%)



■ MTL ranked #2 in Bancassurance market

- #2 in Bancassurance total premium with 17.1% market share
- #2 in Bancassurance new business premium with 19.0% market share

Bancassurance Market Share by New Business Premium (%)



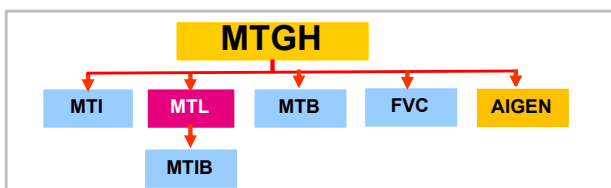
Source: Muang Thai Life Assurance (MTL), The Thai Life Assurance Association (TLAA) monthly report (new format)

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

บริการทุกระดับประทับใจ

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)	38.20%
Fuchsia Venture Capital Co., Ltd. (FVC)	38.25%
AIGEN Co., Ltd. (AIGEN)	51.00%

- 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)
- Thailand Top Company Awards 2022 (Insurance Industry) from Business+ Magazine and University of the Thai Chamber of Commerce
- Most Trusted Life Insurance Company Thailand 2022 from Global Business Review Magazine
- Innovation in Product and Service Award (Life Insurance Industry) from Siamrath Co., Ltd.
- Life and Non-Life Insurance Award Category of Investment-Linked Product from "Muang Thai Unit Linked (uDesign)" and Category of Service from "MTL Click" from Business+ Magazine and Mahidol University
- Ageas holds 7.83% in MTGH and holds 24.99990% in MTL



บริการทุกระดับประทับใจ

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)	2020	2021	9M22
Net premiums earned	72.2	69.4	48.0
Net investment income	21.4	22.5	14.0
Total revenues	93.6	91.9	62.0
Long-term technical reserve increase from the previous period	26.0	25.6	10.0
Net benefit payments and insurance claims	43.0	41.6	37.7
Commissions and brokerages	9.1	8.6	5.3
Other underwriting expenses	0.6	0.7	1.8
Operating expenses & Other	5.2	5.5	3.3
Total Expenses	83.9	82.0	58.1
Profit before income tax expense	9.7	9.9	3.9
Income tax expense	1.8	1.8	0.7
Net profit (loss)	7.9	8.1	3.2

Strategy in 2022

To become the trusted brand that is ready to take care of and stand by next to customers during their every life stage and challenging environments under "MTL Next to You". This can be achieved through presentations of products and services via multi-channel distribution, with innovations and technologies that can address customer needs in every target group in a more personalized manner on digital and non-digital platforms responding to all needs of different lifestyles. 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	2017	2018	2019	2020	2021	9M22
Total Premium (after refund)	102.7	94.5	83.8	75.3	73.0	50.8
% Growth	6%	-8%	-11%	-10%	-3%	-6%

Statements of Financial Position (Bt bn)	2020	2021	9M22
Total Assets	556.4	607.5	619.1
Total Liabilities	483.4	520.9	537.3
Total Equities	73.0	86.6	81.8

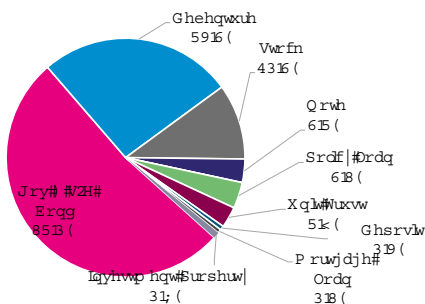
	2020	2021	9M22
ROE (%)	11.3%	10.2%	5.6%
ROA (%)	1.4%	1.4%	0.8%
Risk-Based Capital (RBC)	323.3%	359.7%	320.3%

Source: Muang Thai Life Assurance, data based on book value except for RBC

บริการทุกระดับประทับใจ

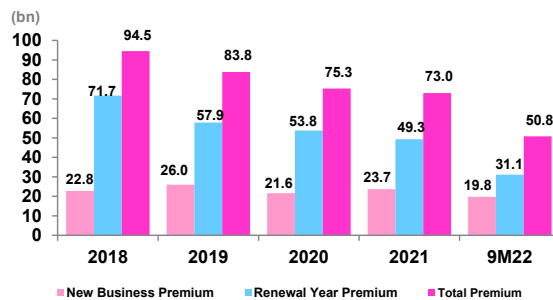
MTL Investment Portfolio and Insurance Premium

MTL Investment Portfolio:
Fixed Income accounted for around 83%



Assets Under Management (AUM)* (9M22): Bt 573,310 bn

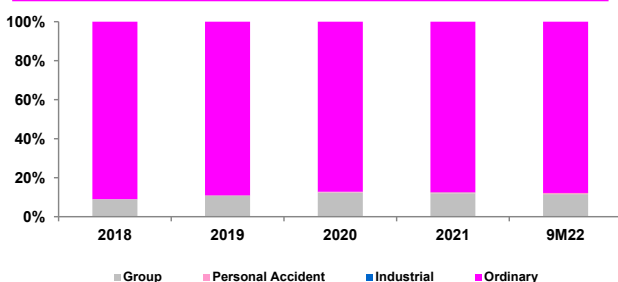
MTL Total Premium



Total Premium Growth (%YOY)	MTL	Industry
Y2018	-8%	4%
Y2019	-11%	-3%
Y2020	-10%	-2%
Y2021	-3%	2%
9M22	-6%	0%

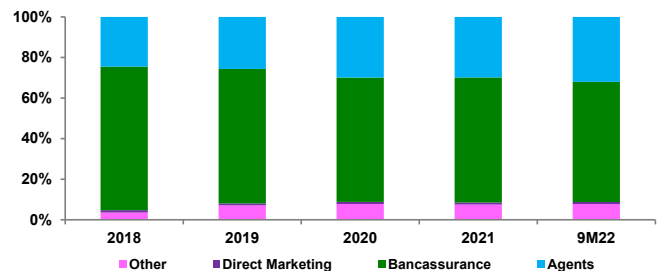
Source: The Thai Life Assurance Association

MTL Total Premium by Products:
Ordinary product accounted for around 88% in 9M22



*Remark: Invested Assets + Investment Property

MTL Total Premium by Channels:
Bancassurance accounted for about 59% in 9M22



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

บริการทุกระดับประทับใจ

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 Canada 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

บริการทุกระดับประทับใจ

99

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

บริการทุกระดับประทับใจ

100



Sample of K-Bancassurance and MTL Products



K-Bancassurance Products¹⁾

Endowment Life Insurance

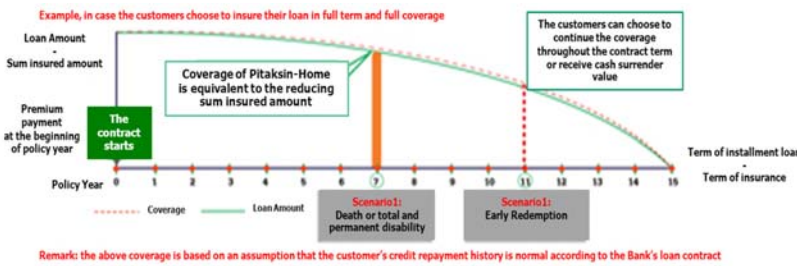
Endowment 615 Participating (Global)

Pay premium for only 6 years, but the coverage continues for 15 years



Term Life Insurance

MRTA-Home (Mortgage Reducing Term Assurance)



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

บริการทุกระดับประทับใจ



Muang Thai Life Assurance Products²⁾

Endowment Life Insurance

Muang Thai Smart Linked 15/3 (Global)

Payment premium for only 3 years, but the coverage continues for 15 years

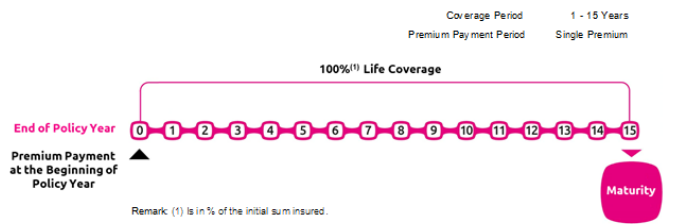


⁽¹⁾ Benefit and coverage are % of the initial sum insured. In case the benefit amount and coverage are stated incorrectly, the specified % shall apply.
⁽²⁾ The dividend shall be paid to the insured who is alive upon contract maturity only. However, the Company does not guarantee maturity dividend.
⁽³⁾ The amount shown in the schedule below is calculated based on "Maturity Dividend Formula" only.
⁽⁴⁾ The Company shall pay 300% of the initial sum insured or 101% of the paid premium to the insured, whichever is higher.
⁽⁵⁾ Life coverage is equivalent to % of the initial sum insured according to the above schedule or the cash surrender value at that time or 101% of the paid premium (whichever is higher).

Term Life Insurance

Khumkhong Baep Khongthi Life-Bukkhon

Single Premium payment period, but the coverage can be chosen between 1 - 15 years



Sample of K-Bancassurance and MTL Products

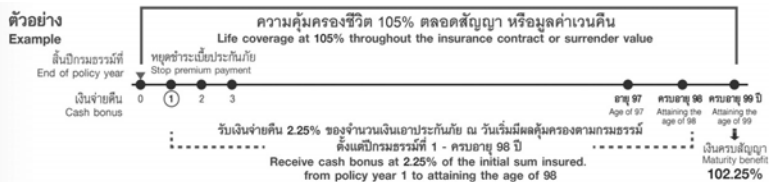


K-Bancassurance Products¹⁾

Whole Life Insurance

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

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

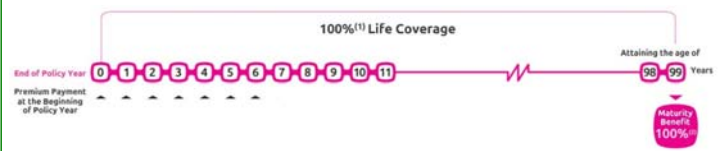


Muang Thai Life Assurance Products²⁾

Whole Life Insurance

Muang Thai Smart Protection 99/7

Whole life coverage: payment premium for 7 years and get coverage to the age of 99



⁽¹⁾ Life coverage is 100% of the initial sum insured or cash surrender value at that time or 101% of paid premium (whichever is higher).
⁽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 90 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 Rider

- Receive OPD Coverage**
Up to 30 Times per year
- The Right Rider**
This OPD rider is not required to be purchased together with IPD coverage.
- Complete Coverage**
Including doctor's fees, diagnosis charges, or medical expenses

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

บริการทุกระดับประทับใจ

KBank: Other Information

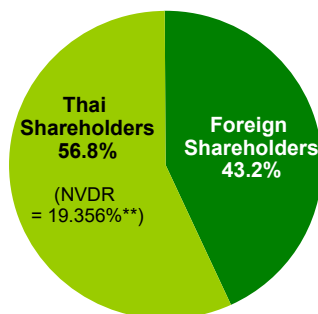
บริการทงระดับประทับใจ

103

Shareholder Structure

September 8, 2022 (Record Date)

Shareholder Structure



Note:

Foreign Shareholding Limit 49%

Top 10 Shareholders*

%

1. THAI NVDR CO., LTD.**	19.356
2. STATE STREET EUROPE LIMITED	10.356
3. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	4.651
4. THE BANK OF NEW YORK MELLON	3.355
5. SOCIAL SECURITY OFFICE	2.359
6. SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	2.024
7. STATE STREET BANK AND TRUST COMPANY	1.648
8. BNY MELLON NOMINEES LIMITED	1.507
9. SE ASIA (TYPE B) NOMINEES LLC	1.052
10. BBHISL NOMINEES LIMITED	0.983

Other Shareholders

52.708

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 provident 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

บริการทงระดับประทับใจ

104

Credit Ratings

As of January 25, 2023

	KBank					Thailand			
	Foreign Currency			Local Currency/ National		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:

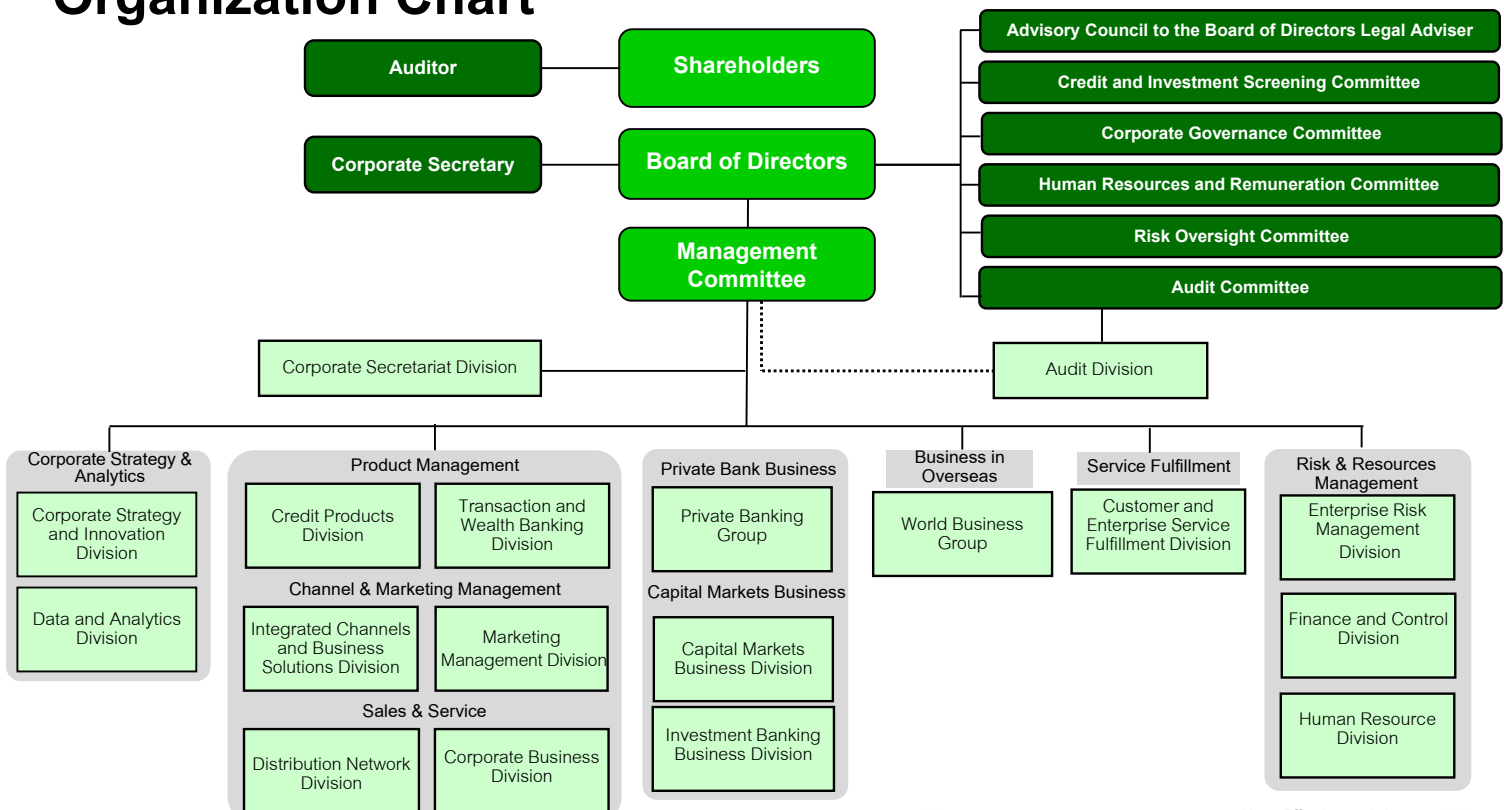
* Moody's: Foreign Currency Long-term Deposit Rating; S&P's: Long-term Counterparty Credit Rating; Fitch Ratings: Foreign Currency Long-term Issuer Default Rating

- 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 rating 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.

บริการทูลระดับประทับใจ

105

Organization Chart



Note: Effective on 1 January 2023

บริการทูลระดับประทับใจ

106

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) • Mr. Patchara Samalapa (President) • Mr. Krit Jitjang (President) • Dr. Pipatpong Poshyanonda (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. Suphaje Suthumpun (Chairperson of the Human Resources and Remuneration Committee) • Mr. Chanin Donavanik • Ms. Jainnisa Kuvnichkul Chakrabandhu Na Ayudhya • Ms. Kaisri Nuengsigkapan (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>

บริการทกระดับประทับใจ

Sustainable Development Framework and Policy

Bank of Sustainability			
ASPIRATIONS			
Be an ESG Leader among Banks in Southeast Asia			
SD FRAMEWORK	Environment	Society	Governance / Economy
GOAL	Ensuring environmental stewardship towards a net zero-carbon society	Being a responsible corporate citizen to create a sustainable society	Being an accountable bank to create sustainable profitability
COMMITMENT	We are committed to preserving the environment and reducing the impact of climate change.	We are committed to developing strong relationships with employees and society to better livelihoods and increase prosperity.	We are committed to strong ESG principles to be a responsible and accountable bank
SD POLICY	1. Committing to becoming Net Zero in our own operations by 2030 2. Committing to reducing greenhouse gas emissions in our financed portfolio in line with Thailand's aspirations; reducing greenhouse gas emissions in significantly impacted sectors, both in terms of greenhouse gas emission volume and the proportion of loans extended to each sector; and accelerating this journey where possible 3. Being the leader in innovative "Green Finance" in Thailand 4. Providing services beyond financial solutions to support decarbonization in Thailand	STAKEHOLDER ENGAGEMENT 5. Ensuring financial inclusion and promoting financial literacy 6. Safeguarding customer data security and privacy 7. Ensuring the "Best Place to Work, Learn and Lead" by embedding Green DNA and creating future-ready workforce 8. Respecting for human rights and diversity 9. Promoting the development of youth potential as well as the pursuit of environmental, public and social activities	10. Ensuring business operations under good corporate governance practices and delivering services to customers with fairness 11. Adhering to customer centricity by initiating financial innovations that meet every aspect of customers' needs 12. Ensuring efficient risk management focusing on environmental, social, and governance (ESG) issues
MATERIAL AREA	<ul style="list-style-type: none"> • GREEN OPERATIONS • SUSTAINABLE FINANCE 	<ul style="list-style-type: none"> • FINANCIAL INCLUSION and FINANCIAL/CYBER LITERACY • RESPECT TO HUMAN RIGHTS • CUSTOMER DATA SECURITY AND PRIVACY 	<ul style="list-style-type: none"> • ESG RISK MANAGEMENT AND COMPLIANCE



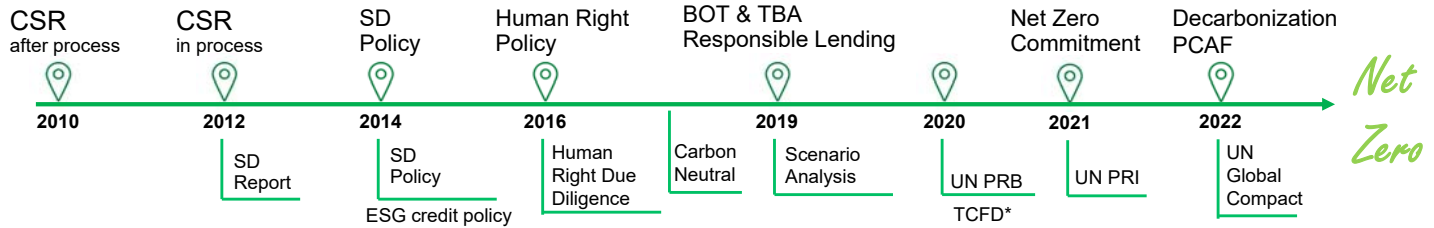
บริการทกระดับประทับใจ

KBank Sustainable Development Journey

Bank of Sustainability

KASIKORN BANK 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.

KBank Sustainable Development Journey



Pride of KBank

INTERNATIONAL

- Bloomberg Gender-Equality Index (GEI):** 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 four consecutive years (2019-present).
- FTSE4Good:** A member of the FTSE4Good Emerging Index for six consecutive years (2016-present).
- MSCI:** KBank's Leadership Level rating is at AA for its ESG performance among emerging market banking sector peers.
- CDP A List 2022 CLIMATE:** The first Thai commercial bank with CDP A List (Leadership Level) in Climate Change, assessed by the Carbon Disclosure Project (CDP).
- Dow Jones Sustainability Indices:** 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).
- Sustainability Award Gold Class 2022:** KBank has been classified in the Gold Class of the banking industry from S&P Global Sustainability Awards (2022) (Bronze Class 2018-2020 and Silver Class 2021).

NATIONAL

- THSI:** Included in Thailand Sustainability Investment (THSI) for seven years (2015, 2017-2022).
- ESG100:** ESG 100 certificate 2022 (Certified by Thaipat Institute).
- LCSI:** An Excellence award under The Low Carbon and Sustainable Business Index (LCSI) award (2021-2022).
- Sustainability Disclosure Award 2022:** granted by Thaipat Institute.
- Carbon Neutral Certification:** 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).

*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

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**

* Thailand's ambition at COP26:

- 2050 carbon neutrality and
- 2065 Net Zero GHG Emission

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.

บริการทุกระดับประทับใจ

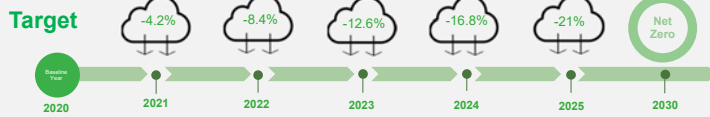
Environmental Aspect (1/2)

- 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

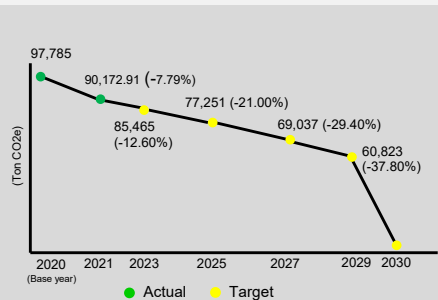
Green operations

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



Note: Baseline year 2020; Align with 1.5 degrees scenario.

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



*2020-2021: KBank Actual Emission
Note: 2022 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
2023 12.6% reduction of GHG Emissions (Cumulative from base year 2020)

Emission from fossil fuel burned from KBank own car fleet
• EV Fleet Conversion
• Adopt lower emission factor fuel (E85, B20)

Emission incurred from electricity consumption
• Solar rooftop installation
• Energy Conservation Measures (Building Retrofit, BMIS)
• Space Optimization
• Renewable Energy Certificates (REC)

Residual emission
• Carbon Removal

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%
- 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**

Note: Y2022 Actual Emission will be reported in Sustainability Report which will be available in March 2023.

บริการทุกระดับประทับใจ

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

Sustainable Finance

- Targets: Transition to Net Zero in our finance portfolio (Scope 3) in line with Thailand's Aspiration*, accelerating this journey where possible**

- > Decarbonization Pathway in our Financed Portfolio (Scope 3)
 - 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**

Sample of Performance

Sector Prioritization for Glidepath

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
- > Y2022 - 3 sectors: Power Generations, Oil and gas, and Coal mining
 - > Y2023 - 2 Sectors

Sustainable Financing and Investment:

- > 2022 Targets: Bt25bn
- > 2022 Performance: Bt26bn

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

บริการทุกระดับประทับใจ

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

Financial inclusion and financial/cyber literacy

- Target:**
 - Loans to Small-Pocket Customers in Y2023 = 600,000 customers with strategies as follows:
 - Select and understand customers using data analytics capabilities and improve credit processes with risk-based offerings, affordability assessment, cost effectiveness, and collection and recovery
 - Collaborate with partners
 - Build customer capabilities toward sustainable growth
 - Increase cyber literacy knowledge and awareness to reach 10 million persons in Y2023

Customer data security and privacy

- Protect customer assets, provide secure services, and ensure care & timely responses as follows:**
 - Deliver secure and efficient services and workplace
 - Strengthen third party risk management
 - Expand detection and responses

Respect for Human rights

- Respect to human rights**
 - Human rights risk assessment in all business activities: 100% of KBank and joint ventures of KBank

Note: Small pocket customers include financial inclusion customers;
1) Customers whose salary do not exceed Bt30,000/month
2) Enterprise with sales do not exceed Bt10mn/year

Sample of Performance

- Loan to Small-Pocket Customer: around 588,057 customers
- Cyber literacy campaign reached more than 10.8 million people in 2022
- 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

ESG Risk Management and Compliance

- ESG credit: 100% of Project Finance requests and medium enterprises (and above) must be processed through the ESG credit assessment**

Sample of Performance

- 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

- Reviewing KBank practices under 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
 - 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
 - Ongoing business operations and Bank Sustainability
 - Compliance with laws, international practices, and best practices as prescribed by regulatory agencies and competent agencies



Anti-Corruption

- 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
 - 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
 - Communication of supplier manual on the Code of Conduct related to business ethics, human rights and labor, anti-corruption, safety and occupational health, and environment for acknowledgment and compliance.
 - Communication of the No Gift Policy for all 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.
 - Communication of the Code of Conduct and Anti-Corruption Policy.
 - Provision of various channels to receive information, complaints and whistle-blowing

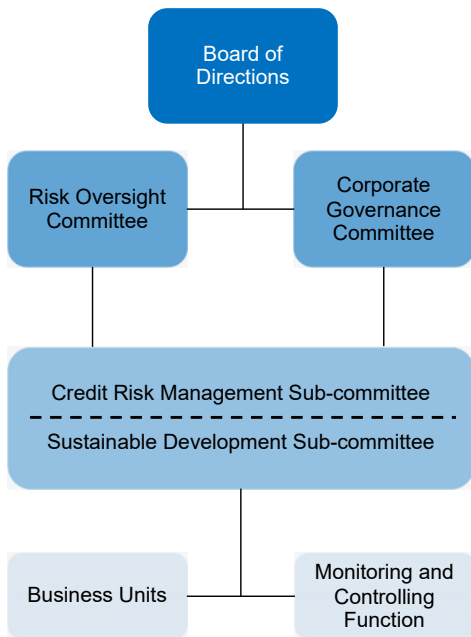
บริการทุกระดับประทับใจ

ESG Risk Management

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

At the management level

Lending activities are structured so as to demonstrate environmental and social responsibility as follows



- Board of Directors
 - Approving risk management policy, frameworks, risk limits and risk appetites

- Risk Oversight Committee
 - Overseeing and ensuring compliance with consolidated risk management policies and strategies and acceptable risk appetite
 - Assessing risk management policies and strategies to cover all risks including emerging risks
- Corporate Governance Committee
 - Overseeing, monitoring, and undertaking sustainable development

- Sustainable Development Sub-committee
 - Considering and approving sustainable development frameworks and action plans
 - Overseeing and monitoring sustainable development operations
- Credit Risk Management Sub-committee
 - Determination of ESG credit policy and processes

- Business units
 - Screening environmental and social risks of project financing and commercial credits to be supported
 - Ensuring and monitoring projects' compliance with regulations/ environmental and social management plans
- Monitoring and Controlling Functions
 - Ensuring credit policy and procedure compliance
 - Reporting project finances and concerning environmental and social issues to the Corporate Governance Committee

บริการทุกระดับประทับใจ

ESG Risk Management

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

At the transaction level

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

Exclusion List

Offences relating to gambling	Offences relating to embezzlement
Offences relating to Human trafficking	Offences relating to exploitation of natural resources
Offences relating to narcotics	Offences relating to terrorism

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 (100% discharge existing loans on coal-fired power plants by 2030) , unless there is a strategy to add or change to other low-carbon energy sources

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.

บริการทุกระดับประทับใจ



Public Recognition Highlight: 2021-2022

2021

- Sustainability Award** - Sustainability Award, Silver Class of the banking industry
- S&P Global** - Winner- Best Retail Bank Thailand
- RETAIL BANKER** - Highly Commended Achievement- Best Social Media Marketing Campaign
- THE ASSET** - The Asset ESG Corporate Awards 2020 Platinum Award: Excellence in ESG
- THAI BOND** - Thai Baht Bond Research
- THAIBMA** - Most Prominent Fund House in Corporate Bond Market
- MCINNISTAR** - Best Fund House – Domestic Equity
- AL** - Best FX Bank for Structured Product: Commodities Credit Equity FX and Multi-Assets
- THE DIGITAL BANKER** - Winner: Best Digital Bank for CX - Thailand (LINE BK)
- IDC** - Retail Outward Remittance Infrastructure
- Capgemini** - Winner: Bank + NewTech category (LINE BK)
- Asia Bankers Club** - The Best Office Architecture Thailand 2021-2022 (KBTG)
- CDP** - B score from 2020 Carbon Disclosure Project (CDP)
- ASIAMONEY** - Best for ESG in Thailand
- การนิคมบาการ** - Bank of the Year 2021
- ADB** - Best SME Deal (WBG)
- PRIVATE BANKER** - Highly Commended: Best Bank for Sustainability and ESG leadership
- THE ASIAN BANKER** - Best Merchant Service (Facebook Pay)
- GLOBAL FINANCE** - Best Consumer Digital Bank in Thailand
- FinanceAsia** - Best Sustainable Bank
- PWM** - Best Private Bank for Digital Marketing & Communication - Asia
- BANKING & FINANCE** - Thailand Domestic Cash Management Bank of the Year
- Human Resources** - Excellence in Leadership Development
- Human Resources** - Excellence in Innovative Use of HR Tech
- REFINITIV** - Best OIS Data Contributor 2020

2022

- THE ASSET** - Top Investment Houses in Asian Local Currency Bond
- THE DIGITAL BANKER** - Best Retail Bank for Digital CX – Thailand
- CDP** - Leadership Level (CDP A List)
- AL** - Best Bond Deal for Retail Investors in Southeast Asia 2022
- THE ASIAN BANKER** - Best Retail Bank in Thailand
- RETAIL BANKER** - Best Strategic Partnership
- 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** - Excellence in HR Change Management (Gold Level)
- BANKING & FINANCE** - Mobile Banking & Payment Initiative of the Year – Thailand
- IDZ** - UX Design Awards in the category of Product for MAKE by KBank
- red dot** - Red Dot Award: Brands & Communication Design in the category of Interface & User Experience Design (for Mobile User Interfaces) for KhunThong social chatbot
- CDP** - Best Private Bank for Digital CX – Thailand
- PWM** - Best Private Bank for Digital Marketing & Communication, Asia
- PRIVATE BANKER** - Winner – Best Bank for Sustainability and ESG Leadership
- TCCTA** - Best Contact Center of the Year
- IDC** - Future Enterprise of the Year
- MCINNISTAR** - Best Fund House – Domestic Fixed Income (KASSET)
- Human Resources** - Employee Experience Award in the category of Most Innovative and Sustainable Office Design

Note: CX = Customer Experience

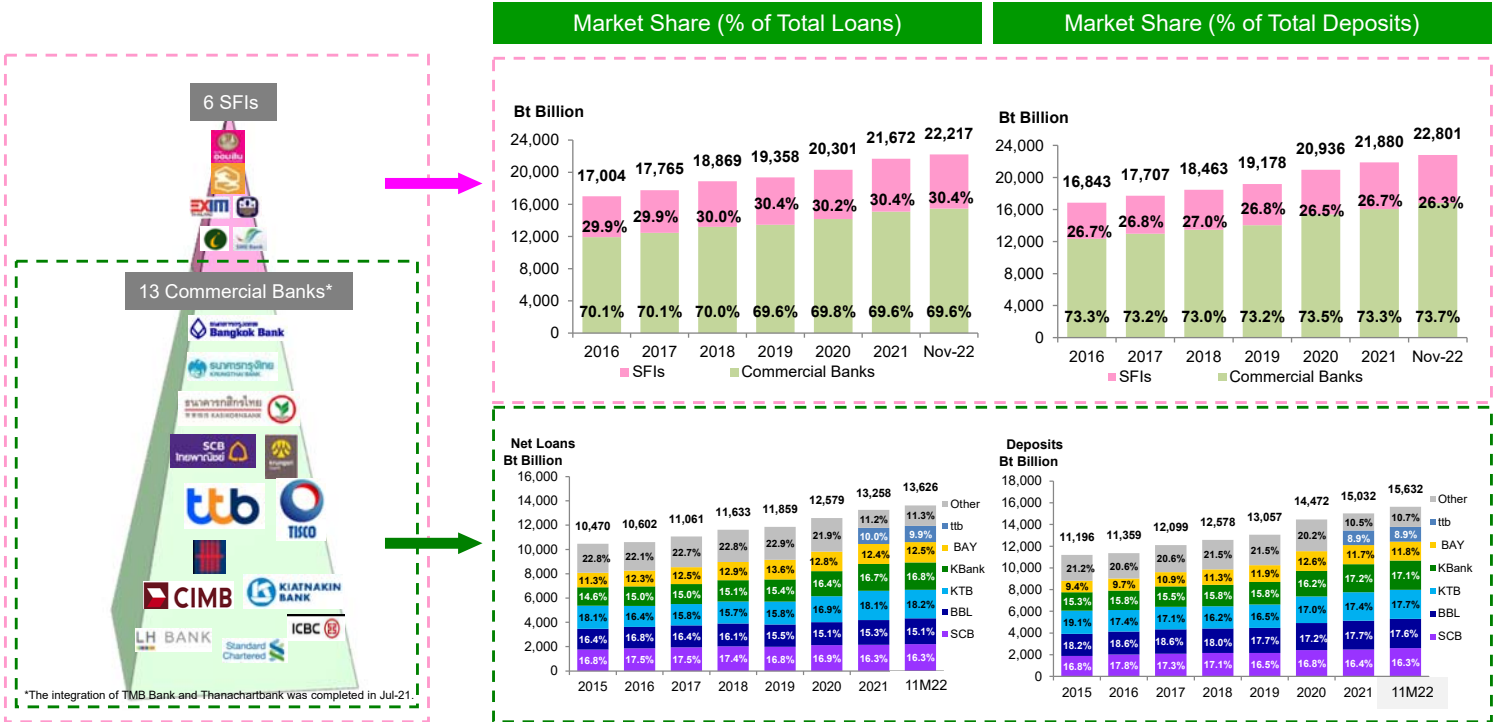
บริการทุกระดับประทับใจ



Banking System and Regulations Update

บริการทุกระดับประทับใจ

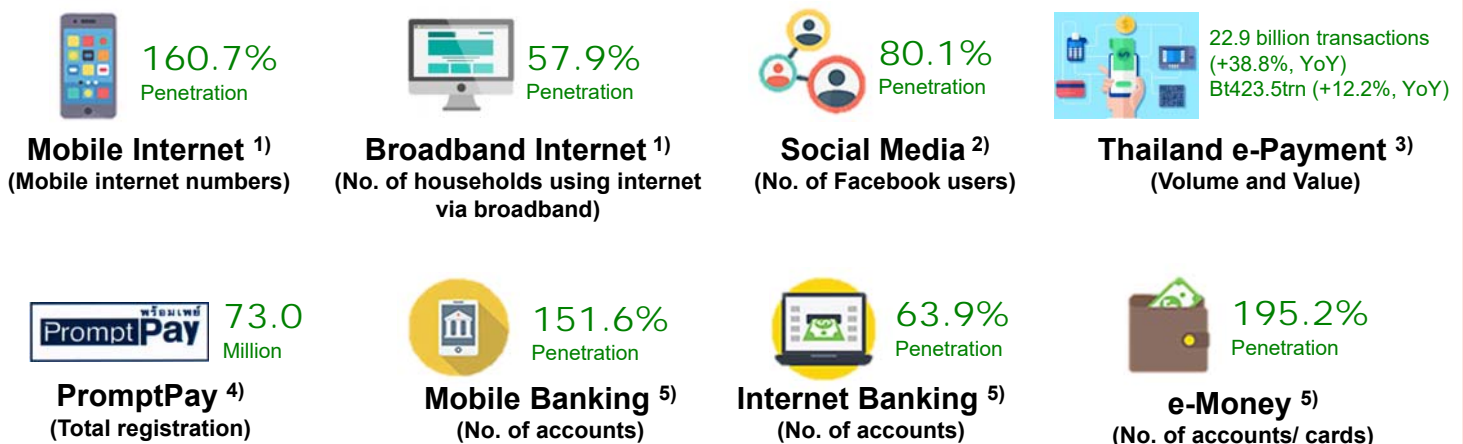
Thai Commercial Banks and Specialized Financial Institutions (SFIs)



บริการทุกระดับประทับใจ

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)



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 2021. Denominator for fixed internet penetration is number of household.

1) As of Sep-22, 2) As of Oct-22, 3) Jan-Oct-22, 4) As of Nov-22, 5) As of Oct-22

บริการทุกระดับประทับใจ

Financial Sector Master Plan (FSMP) Implementation Stages

FSMP I (Y2004-2009)	FSMP II (Y2010-2014) Looking forward to liberalization	FSMP III (Y2016-2020) competitive, inclusive, connected, and sustainable
<ul style="list-style-type: none"> ▪ Increase efficiency of the financial institutions system <ul style="list-style-type: none"> - 'One Presence' policy - Expand scope of business: <ul style="list-style-type: none"> 'Universal Banking' - New licenses for retail banks and foreign bank subsidiaries ▪ Promote financial inclusion <ul style="list-style-type: none"> - Strengthen financial institutions (FIs) by promoting voluntary mergers ▪ Protect customers 	Reducing system-wide operating costs <ul style="list-style-type: none"> ▪ Streamlining regulations ▪ Tackling remaining NPLs and NPAs 	1) Promote electronic financial and payment services, as well as enhance efficiency of the financial system <ul style="list-style-type: none"> ▪ Promote the adoption of digital banking & electronic payment services in the government, business, and retail sectors ▪ Enhance operational efficiency of financial institutions and other service providers ▪ Evaluate future financial landscape to promote operational efficiency of financial institutions and other service providers
	Promoting competition and access to financial services <ul style="list-style-type: none"> ▪ Promote competition ▪ Promote financial access 	2) Support regional trade and investment linkages <ul style="list-style-type: none"> ▪ Facilitating and reducing obstacles for banks' international expansion, including <ul style="list-style-type: none"> ▪ The establishment of Qualified ASEAN Bank (QAB) ▪ The development of cross-border financial infrastructures ▪ The creation of suitable financial environments among neighboring countries to foster international trade and investment in the GMS
	Strengthening financial infrastructure <ul style="list-style-type: none"> ▪ Promote development of financial products that help support risk management ▪ Enhance information systems for risk management ▪ Push for draft/review of necessary financial laws to support risk management and an expedited resolution to NPLs ▪ Promote information technology utilization ▪ Develop human resources in the financial sector 	3) Promote financial access <ul style="list-style-type: none"> ▪ For households: encouraging development of financial products and services appropriate for changing customer demands ▪ For SMEs: improving necessary SME database within the financial institution system and supporting credit extension to SMEs ▪ For Corporate: promoting and facilitating suitable environment for private sector's raising of capital
		4) Develop relevant infrastructure (Enablers) <ul style="list-style-type: none"> ▪ Developing key infrastructures in the financial system ▪ Strengthening regulations and supervision in line with international standards to ensure stability of the overall financial system

Source: BOT and KRResearch

Note: There are four types of Commercial banks in Thailand; Full service banks; Foreign bank branches; Retail banks; and Subsidiaries
GMS = Greater Mekong Subregion = Cambodia, China, Lao PDR, Myanmar, Thailand, and Vietnam

บริการทุกระดับประทับใจ

121

BOT Consultation Paper: Repositioning Thailand's Financial Sector

Digital Technology

Leveraging Technology and Data to Drive Innovation

• 3 Opens:

- Open Competition
- Open Infrastructure
- Open Data

✓ 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.

Source: BOT Consultation Paper, KRResearch

Sustainability

Managing Transition towards Sustainability

- 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

Resiliency

Shifting from Stability to Resiliency

- 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

บริการทุกระดับประทับใจ

122

Updates on the Deposit Protection Agency (DPA)

DPA Objectives and Missions

- Enhanced understanding of the deposit protection scheme
- Close cooperation with related authorities to maintain stability of the financial institution system
- Establishment of an appropriate system for premium collection and sound management of the Deposit Protection Fund
- Development of an effective information system to ensure fairness of the deposit protection scheme, with accurate and rapid reimbursement
- Management according to Good Governance Principles and in compliance with international standards established by the International Association of Deposit Insurers

Amount of Insured Deposits

- Insured deposits include deposits and accrued interest denominated in Thai Baht accounts, excluding non-resident Thai Baht accounts
- Blanket guarantee will be gradually phased-out to a limited coverage of Bt1mn per depositor per institution. Until 2011, Thai banks paid 0.40% per year of the daily average deposit amount (paid in June and December), excluding deposits in foreign currencies and deposits from financial institutions not insured by the DPA
- Since January 27, 2012, the contribution rate has increased from 0.40% to 0.47%, with 0.46% being the contribution to the FIDF, and 0.01% being paid to the DPA. The FIDF fee will temporarily reduce to 0.23% until the end of 2022*
- Royal Decree on an extension of deposit protection coverage was announced in the Royal Gazette on September 24, 2012
- The Cabinet approved a one-year extension of deposit protection up to a maximum of Bt5mn. From August 11, 2021, the protection covers deposits up to Bt1mn.

Insured Deposit Under the amending the Deposit Protection Agency Act

11 August 2012 – 10 August 2015	Up to Bt50mn
11 August 2015 – 10 August 2016	Up to Bt25mn
11 August 2016 - 10 August 2018	Up to Bt15mn
11 August 2018 - 10 August 2019	Up to Bt10mn
11 August 2019 - 10 August 2021	Up to Bt5mn
11 August 2021, onwards	Up to Bt1mn

Deposit Accounts in Thailand (as of November 2022)

Deposits	# of Accounts	%	Amount (Bt mn)	%
Less than Bt1mn	118,890,918	98.39	3,332,137	20.93
More than Bt1mn, but less than Bt10mn	1,783,394	1.48	4,372,387	27.47
More than Bt10mn, but less than Bt25mn	103,401	0.09	1,536,396	9.65
More than Bt25mn, but less than Bt50mn	31,835	0.03	1,108,968	6.97
More than Bt50mn	25,790	0.02	5,569,501	34.99
Total	120,835,338	100	15,919,389	100

* According to the BOT announcement in the Royal Gazette, per the authority of the emergency decree dated April 7, 2020, financial institutions are required to pay 0.23% of the average deposit amount, B/Es, debt instrument (excluding the amount counted as capital), borrowings, and securities transactions under repurchase agreements, during January 2020 to December 2022

Source: Deposit Protection Agency (DPA), the Bank of Thailand, KBank and KResearch

บริการทุกระดับประทับใจ

123

Regulations Update

Capital (Basel III)

- Pillar2:** BOT revised Pillar2 regulation to enhance risk management and capital adequacy assessment as well as emphasize ESG risk management. The revision become effective from 1 Jan 2022 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 business, 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 exempted 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 May-2022,** 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 2020 onwards:** Timeframe was specified by Thailand Federation of Accounting Professions (TFAC); TFRS 9 (Financial Instruments) and TFRS 16 (Leases) became effective in 2020; TFRS 4 (Insurance Contracts) will be changed to TFRS 17 and will be effective in 2025
 - Expected impacts on Thai banks: For TFRS 9, expected credit loss is a significant issue due to economic uncertainty from COVID-19 outbreak and Thai systemic risk. For TFRS 17, it will be more transparent and easier to compare financial performance from insurance business
 - Expected impacts on KBank: For TFRS 9, Bank's expected credit loss is still based on prudence basis following both TFRS 9 and BOT guidelines. Impacts resulting from TFRS 17 still under investigation

Note: D-SIBs = Domestic Systemically Important Banks

CVA = Credit Valuation Adjustment,
Source: The Bank of Thailand and KResearch

บริการทุกระดับประทับใจ

124

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
Conservation Buffer*	0.625%	1.25%	1.875%	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%
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%)
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%)
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%)
Countercyclical Buffer (Subject to the BOT consideration)***	-	-	-	-	-	-	-	0.0-2.5%	0.0-2.5%
Leverage Ratio (Tier 1 / Exposure) ≥ 3%	Parallel run period								Tentative effective date
Liquidity Coverage Ratio (LCR)**** (Liquid Assets / Net Cash Outflows within 30 days) ≥ 100%	LCR ≥ 60%	LCR ≥ 70%	LCR ≥ 80%	LCR ≥ 90%	LCR ≥ 100%	LCR ≥ 100%	LCR ≥ 100%	LCR ≥ 100%	LCR ≥ 100%
Net Stable Funding Ratio (NSFR) (Available Stable Funding / Required Stable Funding) ≥ 100%			NSFR ≥ 100%	NSFR ≥ 100%	NSFR ≥ 100%	NSFR ≥ 100%	NSFR ≥ 100%	NSFR ≥ 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 166%, 174% and 158% as of June 2022, December 2021 and June 2021, 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

บริการทูลระดับประทับใจ

Capital Definition Change (Consolidated)

Basel II

Tier 1

- Issued and paid-up share capital
- Premium on ordinary shares
- Legal reserve and Retained earnings

- Hybrid Tier 1 (<15% of total Tier 1)
- Minority interest, Preferred stock

Deduction of Tier 1

- Goodwill, Treasury stock, Deferred tax asset
- Investment in insurance (50% Tier 1 and 50% Tier 2)

Basel III

Common Equity Tier 1

- Issued and paid-up share capital*
- Premium on ordinary shares
- Legal reserve and Retained earnings
- Other comprehensive income (OCI)
e.g. surplus on bond and equity FVTOCI (100%),
surplus on land & premises (100%)

Additional Tier 1

- Hybrid Tier 1 with loss absorbency feature
- Minority interest, Preferred stock

Deduction of Common Equity Tier 1

- Goodwill, Deferred tax asset
- Intangible assets
- Investment in insurance (Threshold Deduction)
- Amount ≤ 10% of CET1, %RW = 250% (KBank's Case)
- Amount > 10% of CET1, deduct CET1

Tier 1 capital

Tier 2 capital

- 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%)

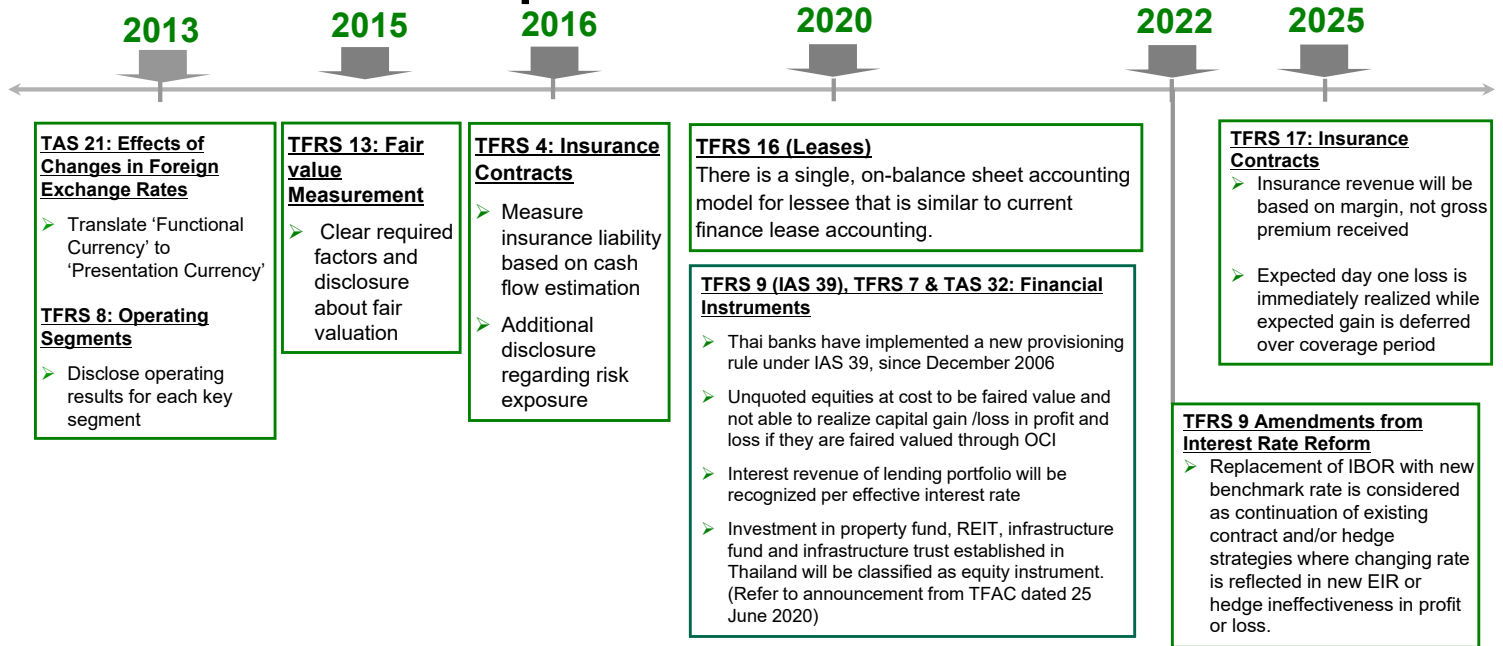
- Long-term sub-debt with loss absorbency feature

- General Provision

* Net Treasury Stock

บริการทูลระดับประทับใจ

TFRS and IFRS 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

บริการทุกระดับประทับใจ

Government Policy

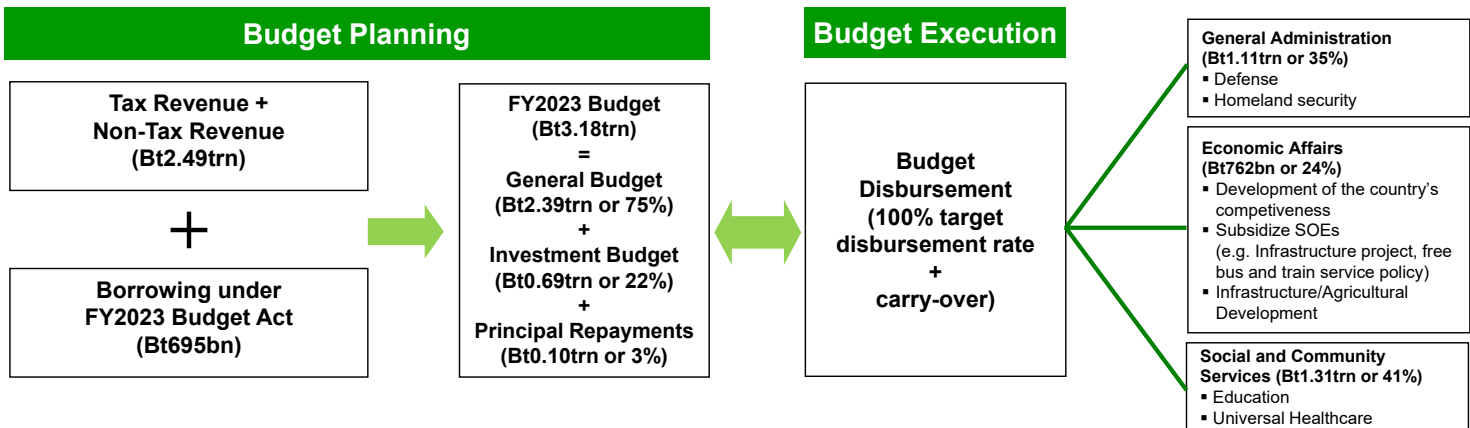
บริการทุกระดับประทับใจ



Sources and Uses of Public Funds

FY2023 Budget

FY2023 budget act was approved in August 2022 and was published in the Royal Thai Gazette on September 19, 2022.

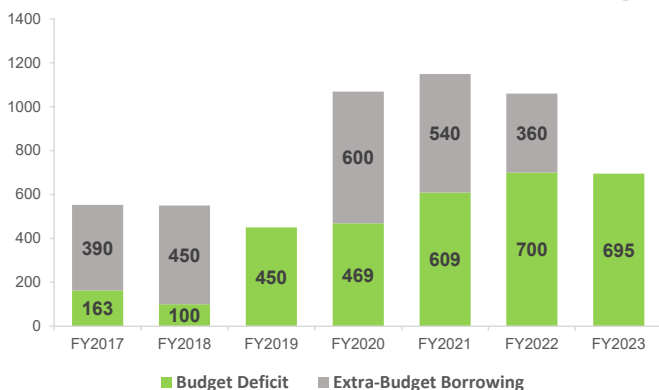


Notes: Thai government's fiscal year (FY) begins on 1 October and ends on 30 September of the following year.

บริการทุกระดับประทับใจ



Government Fiscal Budget



- Thai parliament approved FY2023 budget worth Bt3.18trn, with a deficit of Bt695bn
- Implementation of FY2023 budget effective October, 2022

Economic Policies	Key Points	Implementation Process	Possible Impacts/ Expected Budget
2022 Budget Act	FY2022 budget at Bt3.10trn with a deficit of Bt700bn	<u>FY2022</u> Effective date: October 1, 2021	<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
2023 Budget Act	FY2023 budget at Bt3.18trn with a deficit of Bt695bn	<u>FY2023</u> Effective date: October 1, 2022	

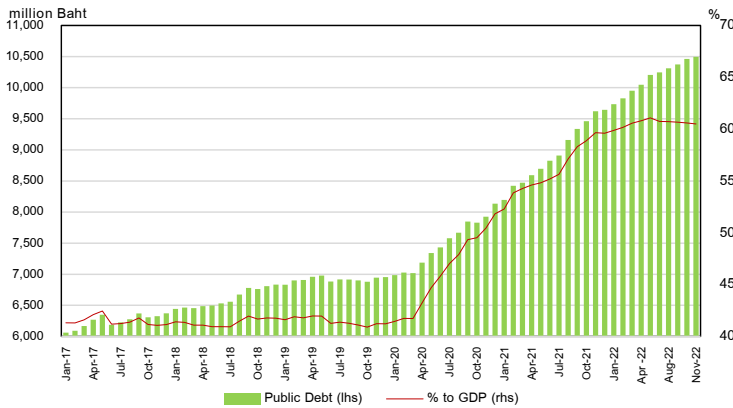
Note: - Thai government's fiscal year (FY) begins on October 1 and ends on September 30 of following year
Sources: The Ministry of Finance and KResearch (as of October 2022)

บริการทุกระดับประทับใจ



Public Debt to GDP and Fiscal Budget

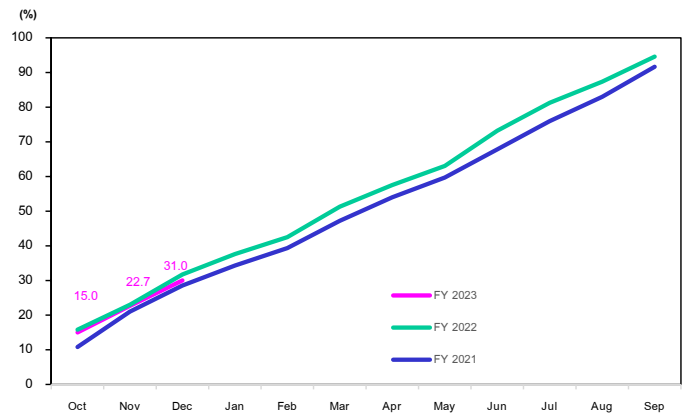
Public Debt



- Public debt to GDP ratio rose to **60.5% in November 2022**. 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 60.43% in FY2023

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

Budget Disbursement Rate



FY23 Budget	FY23 target	3M FY23 actual	Unused FY23 Budget
Total Budget Bt3.18trn	Bt3.18trn (100%)	Bt0.98trn (31%)	Bt2.20trn (69%)
- General Budget Bt2.52trn	Bt2.52trn (100%)	Bt0.86trn (34%)	Bt1.66trn (66%)
- Investment Budget Bt0.66trn	Bt0.66trn (100%)	Bt0.12trn (18%)	Bt0.54trn (82%)

- Government budget disbursement rate for 3M23 is 31.0%, down 0.7% from 31.7% in 3M22

บริการทุกระดับประทับใจ



Relief Measures for COVID-19 Impacts

MOF

Measures	Package Size
Phase 1 - Soft loans worth Bt150 billion - Interest cuts and delayed debt payments (SFIs) - Reducing electricity and water bills	Bt 400 billion
Phase 2 - Cash handouts - Emergency loans - Tax benefits	Bt 120 billion
Phase 3 - Implementing health-related plans and giving financial aid to affected people - Economic and social rehabilitation	Bt 1.0 trillion

Bt1.5 trillion or 9.8% of 2020 GDP

BOT

Measures	Package Size
Provide liquidity for bond mutual funds	Bt 1.0 trillion
Soft loans and asset warehousing programme	Bt 500 billion
Corporate Bond Liquidity Stabilization Fund (BSF)	Bt 400 billion

Bt1.9 trillion or 12.2% of 2020 GDP

Note: SFIs = Specialized Financial Institutions
Source: MOF, BOT and KResearch, as of July 2021

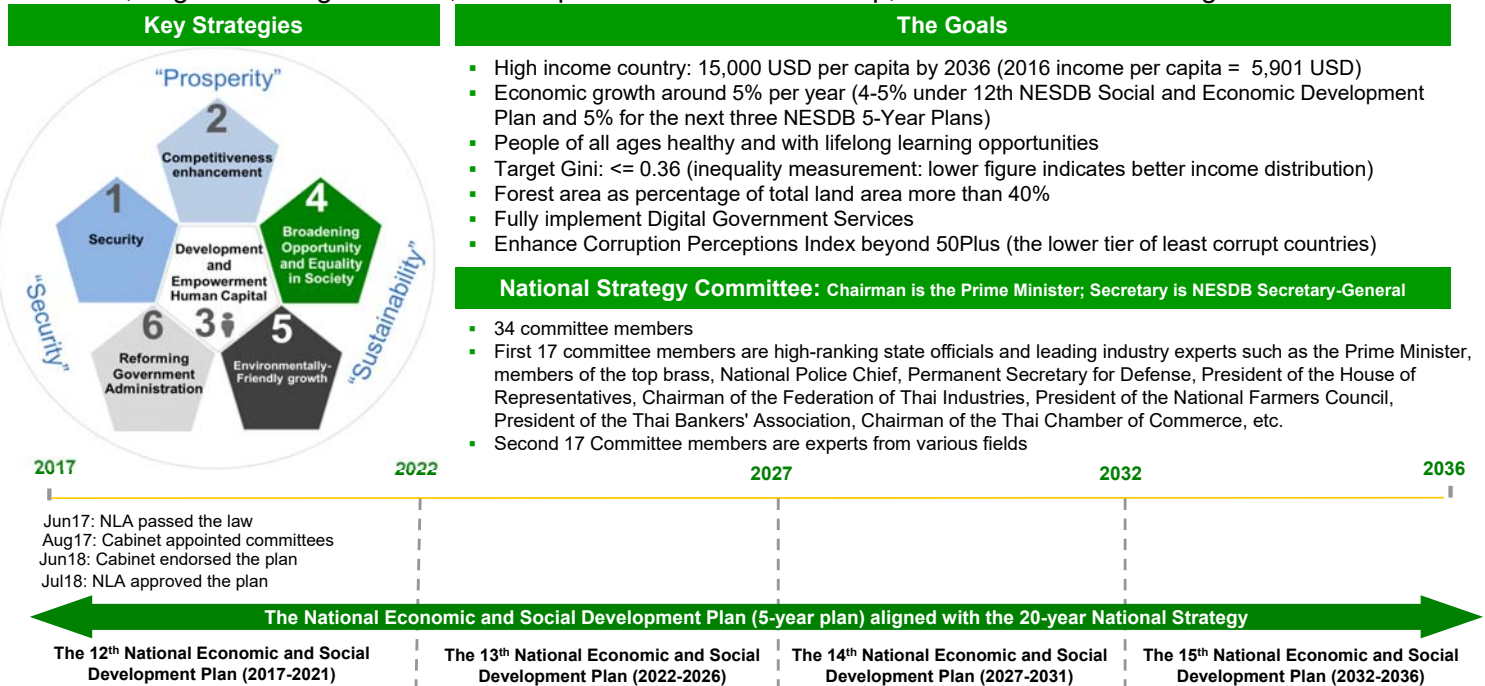
บริการทุกระดับประทับใจ



20-Year National Strategy (2017-2036)

(As defined in Section 65 of the Constitution of the Kingdom of Thailand and passed by the NLA in June 2017)

- To achieve the vision “Security, Prosperity, Sustainability”, to become a high-income country, to improve quality of life, to generate high income, to escape the middle income trap, and to ensure well-being for all Thais



บริการทุกระดับประทับใจ



Government Policy: Long-term Policies

- **20-Year National Strategy:** To achieve the vision “Security, Prosperity, Sustainability,” to become a high-income country, to improve quality of life, to generate high income, to escape the middle-income trap, and to ensure well-being for all Thais
- **Transport Infrastructure Development Plan:**
 - Project will reduce logistical costs, increase transportation speed of goods and people, as well as connect Thailand to neighbors along the East-West and North-South Economic Corridors
 - Public Transport Infrastructure Investment 2015 to 2022: worth Bt2.59trn
- **Eastern Economic Corridor (EEC):** Area for facilitating and attracting investment in 10 innovative target industries to transform Thailand into Thailand 4.0
- **Digital Economy:**
 - NBTC awarded mobile licenses in various spectrums and launched 5G
 - Government plans to adapt National Digital ID to speed up the process towards digital economy
- **BOI Measures for Supporting Private Investment:** Tax and non-tax incentive measures to support private investment, such as Special Economic Zones (SEZs) (10 provinces, including Tak, Mukdahan, Sa Kaeo, Songkhla, Trat, Chiang Rai, Kanchanaburi, Nong Khai, Nakhon Phanom, and Narathiwat)
- Ten targeted industries as new engines of growth: Next Generation Automotive, Smart Electronics, Affluent Medical and Wellness Tourism, Agriculture and Biotechnology, and Food for the Future; New S-Curve (for new growth) consists of Robotics, Aviation and Logistics, Biofuels and Biochemicals, Digital, and Medical Hub
- **Additional Incentives:** Biotechnology, Nanotechnology, Advanced Materials Technology, and Digital Technology
- **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 operationalised through sectoral work plans and their implementation and monitored through the AEC 2025 Monitoring and Evaluation Framework
- **Free Trade Area (FTA):** Already signed FTA with ASEAN+3 (China, Japan, and Korea), India, Australia, New Zealand, Peru, Chile; In progress with Canada, European Union (EU), the Regional Comprehensive Economic Partnership (RCEP), and Comprehensive and Progressive Agreement of Trans-Pacific Partnership (CPATP)
- **Age Society:** Mandatory retirement age for government and state enterprise officials will be extended from 60 to 63, effective in 2024
- **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
- **Constitution:** National assembly seeks to amend the constitution section-by-section

Sources: Newspaper and KResearch (as of April 2021)

บริการทุกระดับประทับใจ



Government Policy: Short-term Policies

Government Budget:

- Fiscal budget deficit in FY2023: plans for Bt695bn deficit to provide additional supports to stimulate Thai economy after COVID-19 outbreak

Short-term Stimuli:

- Welfare Card:** Give Bt200-300 a month to each welfare smart card (14.5 million people) for purchase of necessary goods for those earning less than Bt100,000 annually; give Bt500 wallets to help with transportation costs
- *Extra Bt200 grant in January 2023
- Thailand Plus Package:** attract foreign investment, especially to expedite investments from companies seeking to relocate as a result of ongoing trade war
- Cash handout for workers not covered by SSF:** Bt5,000 monthly payments for 3 months to informal workers affected by COVID-19 (April - June 2020)
- Supporting tourism:** Subsidies for domestic tourists (Moral Support & We Travel Together campaigns) (July 2020 to April 2021); "Special Tourist Visa" for long-staying visitors (90-day stay in country, which can be extended twice, each for an additional 90 days. Visa costs Bt2,000 per 90-day extension)
- Property stimulus package:** Property transfer fees reduced from 2% to 0.01% and mortgage fees reduced from 1.0% to 0.01% for buying condominium units priced at not over Bt3mn (Jan - Dec 2022)
- Measures to help farmers:** Price insurance for agricultural plants such as rice, rubber, oil palm, cassava, and corn (Bt98bn for 2022 government budget)
- Measures to help flood victims 2022:** Package of 14 tax measures including Bt100,000 for house repairs and Bt30,000 for car maintenance to be deducted from taxable income

Short-term Stimuli (continued):

- Projects to boost domestic consumption:**
 - "Half-Half" scheme : a co-payment for food and general products subsidizing half of the purchase price
 - Phase 1&2: Bt3,500 to 15 million people (October 2020 - March 2021)
 - Phase 3: Bt4,500 to 31 million people (July - December 2021)
 - Phase 4 : Bt1,200 to 29 million people (March - April 2022)
 - Phase 5 : Bt800 to 26.5 million people (September - October 2022)
 - "Shop Dee Mee Kuen" - a tax deduction for spending,
 - 2.1) 2022: up to Bt30,000 (1 January – 15 Feb 2022)
 - 2.2) 2023: up to Bt40,000 (1 January – 15 Feb 2023)
 - Purchasing power scheme of
 - 3.1) State card holders: Bt400 to 13.34 million people (September – October 2022)
 - 3.2) People classified as needing special help: Bt400 to 2.23 million people (September - October 2022)
- Projects to boost travel:**
 - We Travel Together: 40% of hotel expenses, or up to Bt3,000 per room per night, and food coupons of up to Bt600 a day (4th phase: July-October 2022)
 - Tour Travel Thai campaigns: 40% of the tour package price, or up to Bt5,000 per person
- Measures to help people with rising living costs:**
 - State welfare cardholders: Bt100 subsidy for cooking gas and up to Bt100 for water bill (October 2022 - April 2023)
 - Vendors with state welfare cards : Bt100 per 3 months subsidy for cooking gas (January – March 2023)
 - Vulnerable groups (using electricity below 500 units per month): bill subsidy

Sources: Newspaper and KRResearch (as of January 2023)

บริการทุกระดับประทับใจ

135



Ongoing Government Measures to Assist Cost of Living

Measures	Details
Household Assistance	<p>Train/ Bus/ Skytrain and Subway Fares: Bt500 monthly allowance for welfare card holders to use for public transportation</p> <p>Necessity Goods: A Bt200* 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 Bt100 discount each quarter in welfare card for 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>— Retail Diesel Price</p>	<p>Diesel Fuel:</p> <ul style="list-style-type: none"> Extend Bt5 per litre excise tax cut for diesel until January 20, 2023 <p>NGV and LPG Price:</p> <ul style="list-style-type: none"> Household sector: remain LPG price cap to Bt408 /per 15-kilo canister (until January 2023) FT Rate: Fuel Adjustment Tariff (FT) Rate for electricity is set to increase for business user to Bt190.44 (from 93.43), while fixed for household user at Bt93.43 (January to April 2023)
Value-added-tax (VAT) Rate	<p>On August 24, 2021, 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, 2023

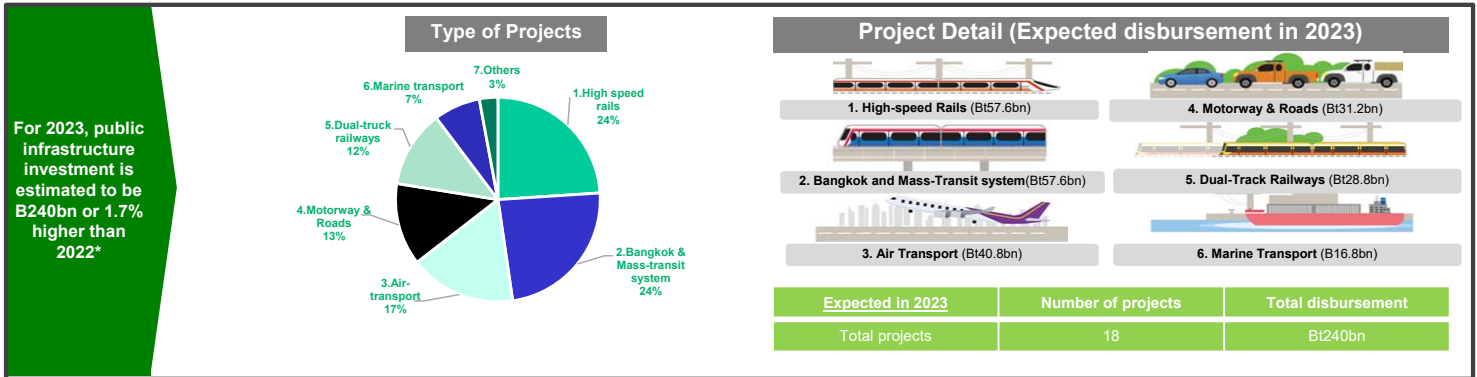
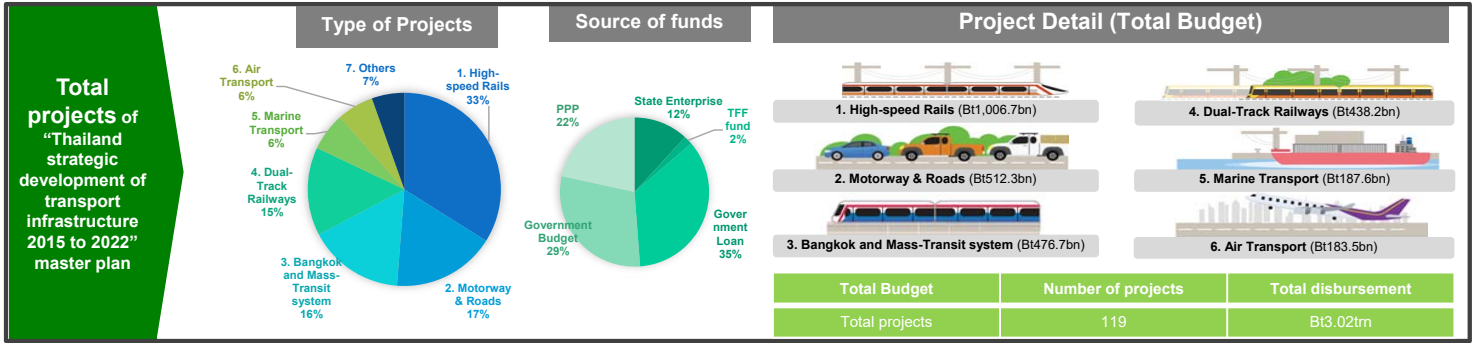
Note : * If income exceed Bt30,000 per annum will get Bt 200

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

บริการทุกระดับประทับใจ

136

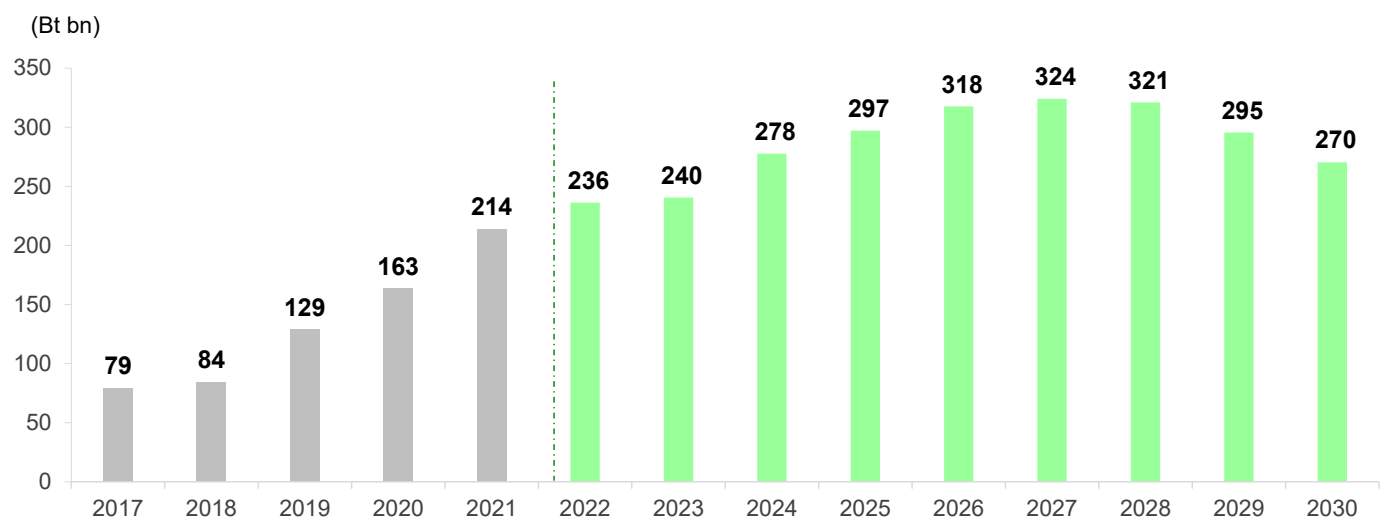
Public Transport Infrastructure Investment



Source : Office of Transport and Traffic Policy and Planning (Thailand strategic development of transport infrastructure 2015 to 2022 master plan) and estimated by KResearch (January 2023)
 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

บริการทุกระดับประทับใจ

Projections on Budget Disbursement of Public Transport Infrastructure Investment



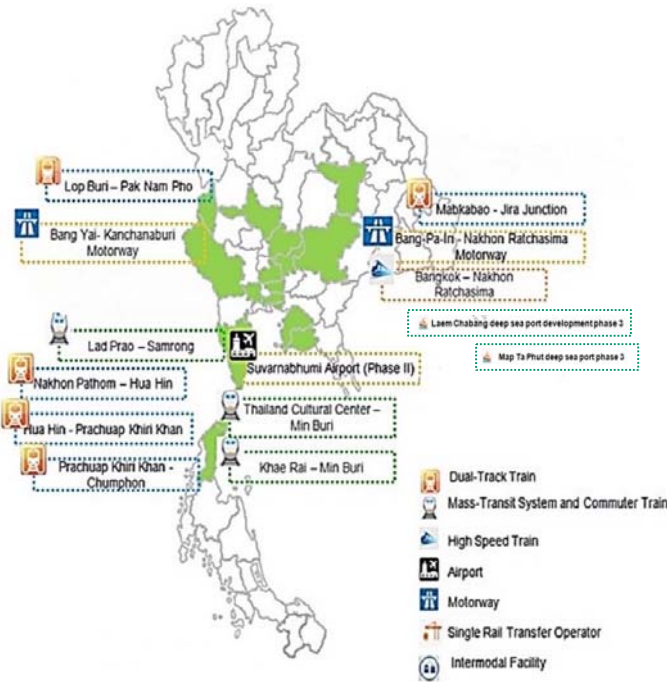
Notes:
 - Thai government's fiscal year (FY) begins on 1 October and ends on 30 September of the following year
 - Projects that were delayed or terminated by Cabinet are not included
 - The budget of Bt1.911tn referring "Thailand strategic development of transport infrastructure 2015 to 2022 master 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: * KResearch projected as of January 2023

บริการทุกระดับประทับใจ

On-going highlight projects under construction in 2023*



Projects under construction	Expected completion year	Note
Motorways/Expressways Rama III – Dao Khanong Bang Yai – Kanchanaburi (M81) Bang Khun Thian - Ban Phaeo (M82) Bang Bua Thong –Bang Khun Thian (M9)	2023 2024 2025 2026	89% in progress 84% in progress 24% in progress -
High speed rails Thailand – Chinese (Bangkok – Nakhon Ratchasima) Bangkok-Rayong (3 Airports)	2027 2029	15% in progress -
Mass – transit system and commuter rail lines Pink line (Khae Rai-Min Buri) Purple line (Tao Poon-Racha Burana)	2023 2027	94% in progress 4% in progress
Dual-Track Railways Nakhon Pathom – Hua Hin Lop Buri – Pak Nam Pho MabKabao – Jira Junction Prachuap Khiri Khan – Choom Porn Ban Pai-Nakorn Panom Den Chai-Chiang Rai	2023 2023 2023 2023 2026 2028	96% in progress 75% in progress 95% in progress 90% in progress - -
Air transport Suvarnabhumi Airport 3rd runway U-Tapao Airport	2023 2025	42% in progress -
Marine transport Laem Chabang Phase 3 Map Ta Phut Phase 3	2025 2026	6% in progress 19% in progress

Source : Ministry of Transport and KResearch (January 2023)

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

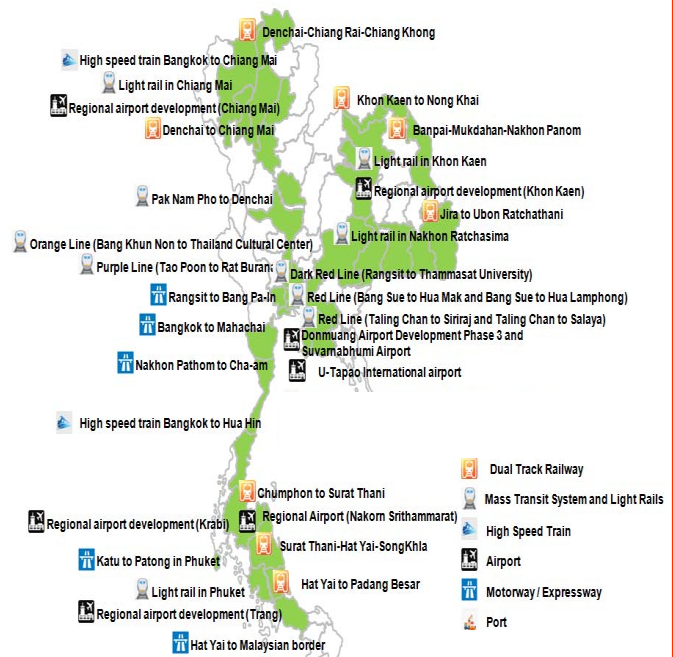
บริการทุกระดับประทับใจ

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	2024	
Motorways: Kratau-Pathong (Phuket)	TOR process	2024	
Mass-Transit System and Commuter Rail Lines: Orange line (Bang Khun Non - Cultural center)	Bidding Process	2023	- Expect to delay due to a change in TOR
Dark Red line (Rangsit - Thammasat University)	TOR Process + Land reclamation	2023	
Light Red line (Taling Chan – Siriraj)	TOR Process + Land reclamation	2023	- Expect to open bidding by H1/23
Red line (Taling Chan – Salaya)	TOR Process + Land reclamation	2023	

Projects Preparation for approval by Cabinet/ PPP Process /EIA Process/Feasibility Plan	Status
High-Speed Rails: Thailand-Chinese F2 (Nakhon Ratchasima - Nong Khai) Bangkok-Rayong (3 Airports) F2	- May be asked for approval by Cabinet in 2022 (Q4) - Feasibility plan
Air Transport: Suvarnabhumi Airport Phase 3 (North building expansion) Suvarnabhumi Airport (East expansion)	- Expect to open bidding by H1/23 - Preparation for approval by Cabinet
Motorways: Bang Bua Thong –Bang Khun Thian (M9), Srinakarin-Suvarnabhumi (M7) Rangsit-Bag Pa In (M5) Nakhon Pathom – Cha am (M8)	- PPP approved +Preparation for approval by Cabinet - EIA process - Preparation for approval by Cabinet (H1/23) - PPP process
Dual-tracks Railways: Khon Kean-Nhong Kai, Pak Po-Den Chai (*Priorities) Jira-Ubonracha Thani Den Chai –Chiangmai, Choom Porn-Surat Thani, Surat Thani-Song Khla, Had Yai-Padang Besar	- Preparation for approval by Cabinet - EIA approved - EIA process
Mass-Transit System and Commuter Rail Lines: Red line (Bangsue-Phayathai-Makkasan-Huamark) Dark red line (Bangsue-Hua lamphong) Grey line (Watcharapol -Thong Lo) F1 Brown line (Khae Rai-Lam Sali)	- Preparation for approval by Cabinet - Feasibility plan - Feasibility plan

Upcoming Infrastructure Projects by Areas



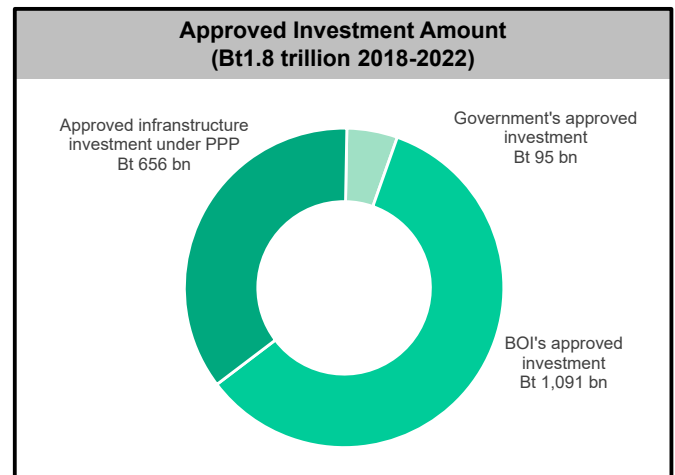
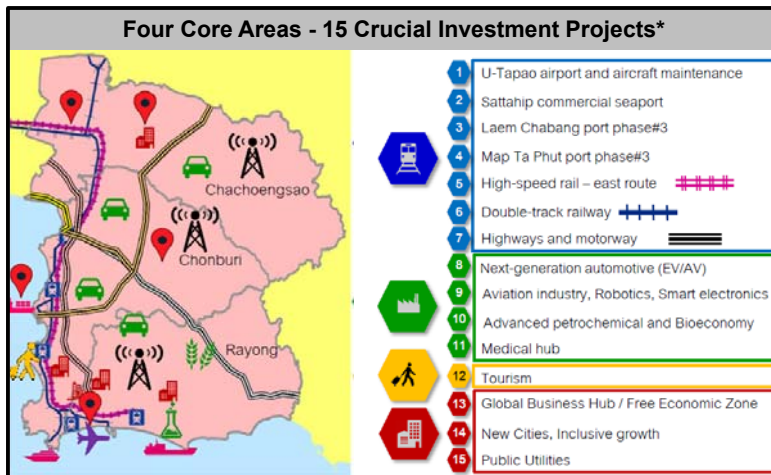
Source : Ministry of Transport and KResearch (January 2023)

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

บริการทุกระดับประทับใจ

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 :** Bt1.8 trn (2018 - 2022) from (1) BOI's approved projects (private sector investment) Bt 1,091 bn (2) infrastructure investment under Public Private Partnership (PPP) Bt 656 bn and (3) government investment from integrated budgeting Bt 95 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 November 2022)

บริการทุกระดับประทับใจ

EEC Progress

Projects	Amount	Owner	Contract Signed	Name of the selected JV	Beginning Construction	Expected project completion
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)	1Q23	2029
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)	1Q23	2025
U-Tapao MRO (Maintenance, Repair Overhaul)	Bt 8.4bn	Royal Thai Navy	TBC	To Launch Term of References (TOR) for bidding in June 2022	-	2025
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)	2025 (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 2023

บริการทุกระดับประทับใจ

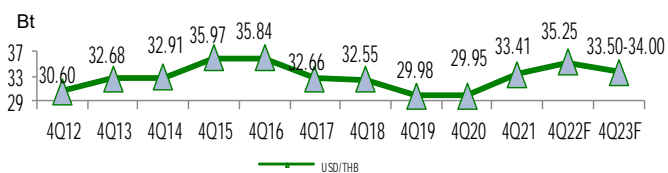
Thailand Economic Figures

บริการทุกระดับประทับใจ

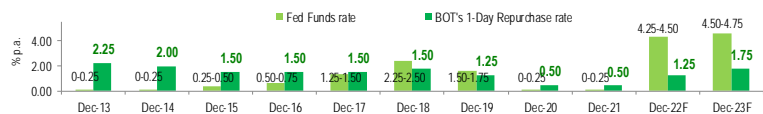
143

Currency and Interest Rate Outlook (As of January 2023)

USD/THB: End Period



Interest Rate Trend



- Baht posted a quick U-turn appreciating to around Bt33.00, the strongest since March 2022, after Fed slowed its rate hike pace while the US CPI dropped dramatically from its peak in June 2022
- At 2023 year-end, Baht will reach Bt33.50-34.00 per USD, as Thai economy continues to recover, due to recovery of tourism with supporting sentiment from tourism amid China's early reopening and expectations on Thailand's current account surplus
- However, uncertainties on Fed's policy, geopolitical tensions, especially nuclear threat, and global recession are main risks to weaken Baht and Asian currencies
- Inflation has been cooling and Fed has started to signal a slower pace of rate hikes
- Markets expected to peak around 5% in middle of the year before rate cuts at the end of the year, due to high probability of U.S. economy entering recession
- Fed's interest rate at the end of 2023 may be around 4.50-4.75%
- BOT is expected to continue its gradual rate hike, amid decreasing inflation
- BOT's interest rate is expected to be 1.75% at the end of 2023

Note: F is estimated by KBank Capital Markets Research (as of January 13, 2023)

บริการทุกระดับประทับใจ

144

Monthly Economic Conditions: November 2022

Units: YoY %, or indicated otherwise	2021	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22
Private Consumption Index (PCI)	-1.6	-0.4	2.8	8.1	3.8	0.8	8.8	12.1	10.2	14.9	17.3	11.6	6.6	7.2
- Non-durables Index	-4.8	-4.7	-2.2	2.8	-4.3	-5.0	2.2	3.7	1.4	7.2	7.8	5.3	2.7	2.7
- Durables Index	0.2	2.2	-7.8	14.1	12.2	0.2	3.0	11.6	1.9	13.6	41.5	10.4	2.6	0.3
- Service Index	-3.6	2.0	10.1	17.1	14.8	9.8	17.3	26.5	27.3	32.8	36.8	28.9	24.7	23.0
- Passenger Car Sales	6.0	2.3	-19.3	34.7	17.9	-2.9	12.7	28.2	-3.3	29.9	76.7	7.8	0.6	-0.3
- Motorcycle Sales	8.2	15.1	15.4	7.6	13.8	-9.0	-7.9	16.2	8.3	16.7	68.5	34.9	17.0	4.4
Private Investment Index (PII)	9.8	6.0	4.1	7.1	2.9	1.8	0.6	3.9	6.1	5.4	12.0	6.2	0.8	-0.9
- Construction Material Sales Index	-1.3	-4.2	3.2	-1.7	-1.9	-4.6	4.1	-1.3	5.4	18.2	12.0	3.7	5.1	6.8
- Domestic Machinery Sales at constant prices	19.1	12.0	8.4	12.8	9.7	4.9	1.2	4.9	10.0	13.8	27.4	12.3	5.5	6.7
- Imports of Capital Goods at constant prices	17.6	6.9	4.6	11.0	-5.3	-2.2	-4.1	4.1	4.2	-4.6	2.4	-0.7	-4.9	-10.0
- Newly Registered Motor Vehicles for Investment	0.2	5.3	-4.5	3.5	8.5	5.0	2.5	7.4	4.8	5.9	34.6	23.8	4.0	-10.1
Manufacturing Production Index	5.8	4.0	6.7	1.9	2.5	-0.1	0.0	-1.9	0.1	7.2	16.1	4.0	-4.0	-5.6
- Capacity Utilization	63.0	64.4	65.5	63.6	63.6	63.6	63.3	61.8	63.1	63.4	64.9	63.8	60.5	61.7
Agricultural Production Index	1.6	-5.3	-0.6	-2.7	0.9	8.6	-3.1	6.3	4.2	-2.8	-7.2	-2.0	3.3	2.4
- Agricultural Price Index	3.0	-3.3	-2.3	4.4	0.2	8.8	10.2	9.1	11.2	18.1	23.3	18.9	18.3	13.2
Tourist arrival growth	-93.6	2882.4	3413.7	1641.2	2564.6	3028.2	3339.0	8518.3	13388.6	6125.0	7679.7	10598.0	7178.2	1815.9
Exports (Custom basis)	17.1	24.7	24.2	8.0	16.2	19.5	9.9	10.5	11.8	4.3	7.5	7.8	-4.4	-6.0
- Price	2.6	5.9	6.8	3.6	3.8	4.5	5.0	5.0	5.3	4.7	4.6	4.0	3.2	3.0
- Volume	15.0	19.1	19.0	4.1	11.6	13.8	1.5	6.0	5.6	-1.0	3.7	4.7	-6.3	-8.0
Imports (Custom basis)	29.8	20.5	33.4	20.5	16.8	18.0	21.5	24.1	24.5	23.9	21.2	15.6	-2.1	5.6
- Price	4.3	8.6	6.7	9.3	10.5	13.5	13.5	13.4	13.0	14.7	15.0	14.2	13.0	13.3
- Volume	18.3	5.6	23.8	8.2	3.1	2.7	4.7	8.2	9.5	8.0	7.7	5.5	-6.7	-1.5
Trade Balance (\$ millions) (Custom basis)	3,573	1019	-354	-2526	123	1459	-1,908	-1,874	-1,529	-3,661	-4,215	-853	-596	-1,342
Current Account (\$ millions)	-10,901.9	74.71	-1718.32	-2606.10	-943.11	1102.23	-2020.90	-2925.86	-3078.77	-4044.68	-3587.55	-55.96	562.49	-445.22
Headline CPI	1.23	2.71	2.17	3.23	5.28	5.73	4.65	7.10	7.65	7.61	7.86	6.41	5.98	5.55
Core CPI	0.23	0.29	0.29	0.52	1.80	2.00	2.00	2.28	2.51	2.99	3.15	3.12	3.17	3.22

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

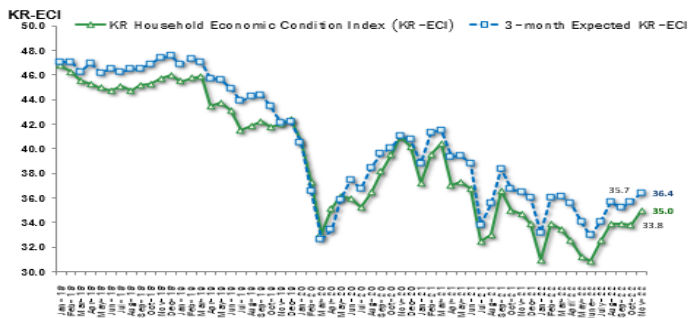
- In November 2022, private consumption rebounded. Meanwhile private investment decreased, particularly in machinery and equipment in line with manufacturing production
- Manufacturing production declined, consistent with lower demand from trading partners and domestic oil refinery maintenance
- Current account registered a deficit again, while Thai exports experienced contraction for 2 consecutive months
- Thailand headline inflation decreased for 3 consecutive months amid declining energy and food prices, while core inflation continued to increase

บริการทกระดับประทับใจ

KR Household Economic Condition Index (KR-ECI)

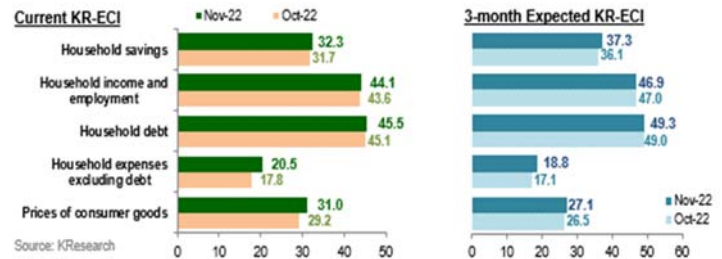
- In November 2022, the KR-ECI and 3-month Expected KR-ECI increased to 35.0 and 36.4, from 33.8 and 35.7 reported for October 2022, as inflation in Thailand grew at a slower rate for the third consecutive month. Additionally, households were upbeat about employment, thanks to steady recovery seen in tourism

KR Household Economic Condition Index (KR-ECI)



Source: KR-ECI Survey

Components of 3-month Expected KR-ECI



Source: KResearch

Source: KResearch

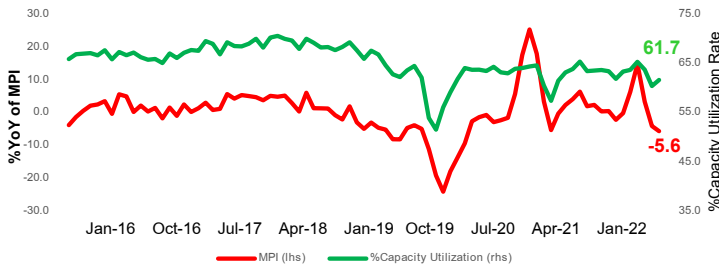
Notes: - The KR Household Economic Condition Index (KR-ECI) has been devised by KResearch to monitor household sentiment towards economic conditions at the current level and over the next three months. Any reading above 50 reflects positive sentiment and below 50 negative sentiment.
- Research sample includes households in Bangkok and Metropolitan Area (BMA).
- KR-ECI consists of household savings, household income, household debt, household expenses excluding debt, and prices of consumer goods.

บริการทกระดับประทับใจ

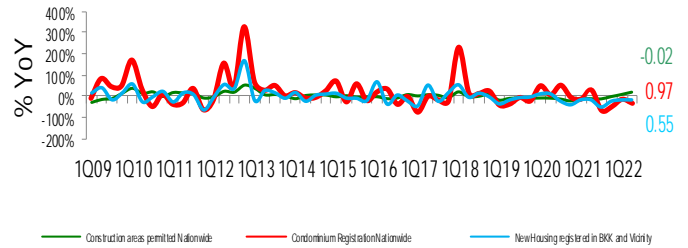


Economic Condition Highlights: November 2022

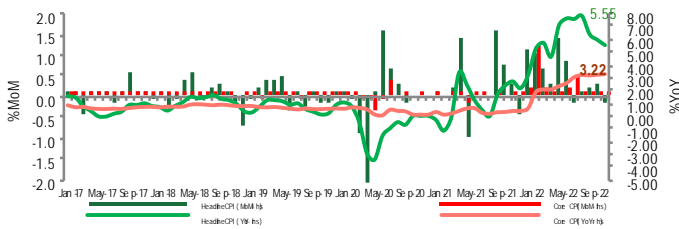
In November 2022, MPI declined, especially in petroleum products and electronics, while CAPU slightly increased.



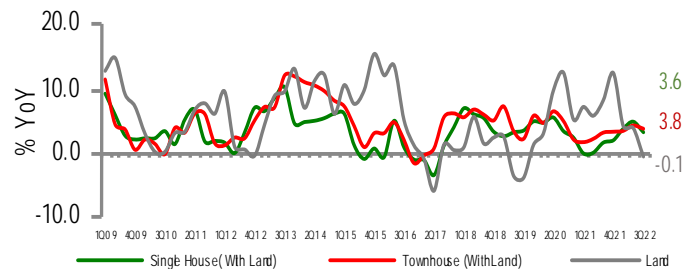
In 3Q22, construction permissions fell into negative territory. Nevertheless, real estate market rebounded.



Headline inflation continued to decrease, due mainly to declining fresh food prices, while core inflation slightly increased.



3Q22 prices for single house and townhouse were stable from the previous quarter, whereas land prices dropped.



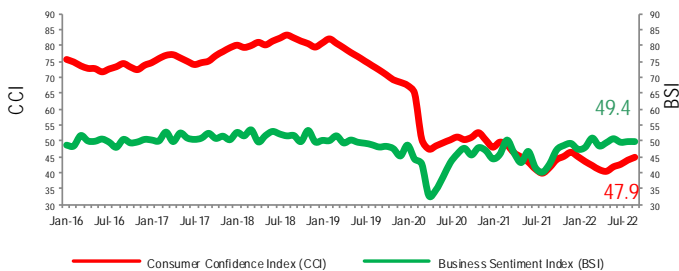
Sources: Bank of Thailand (BOT), Ministry of Commerce (MOC), University of the Thai Chamber of Commerce (UTCC), and Office of Industrial Economics (OIE)

บริการทุกระดับประทับใจ

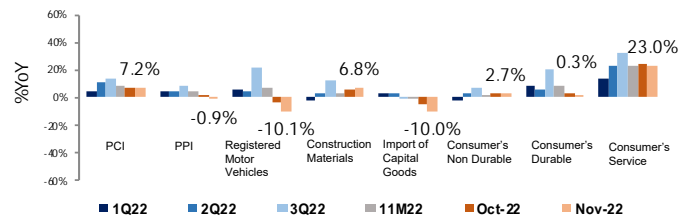


Economic Condition Highlights: November 2022

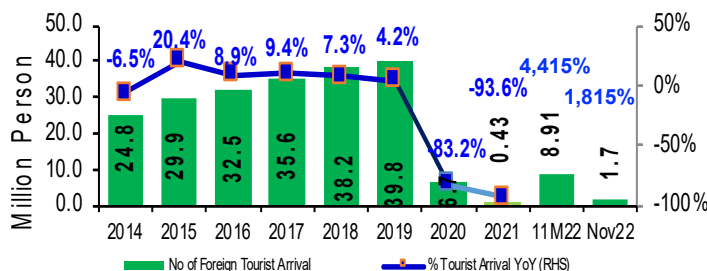
In Nov 22, BSI slightly rebounded, likewise the CCI hit 20-month high in line with Thai economic recovery.



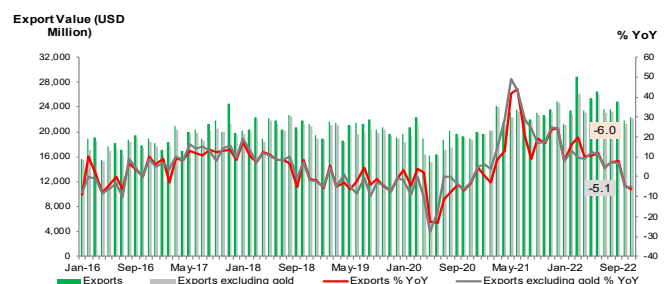
Private investment still dropped amid downward pressure from lower manufacturing demand, while consumption slightly rebounded.



Foreign tourist arrivals increased from the previous month, particularly from Europe and U.S.



Thai exports shrank for 2 consecutive months, due to a slowdown in main trading partners' demands, including China, Japan, and ASEAN.

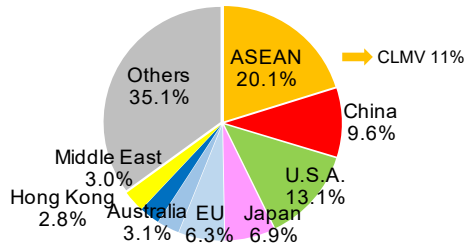


Sources: Bank of Thailand (BOT), Ministry of Commerce (MOC), University of the Thai Chamber of Commerce (UTCC), and Office of Industrial Economics (OIE)

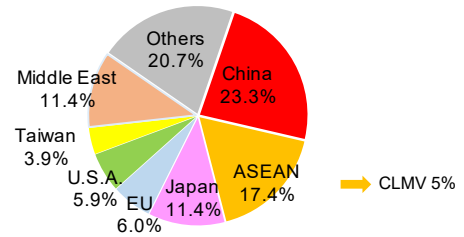
บริการทุกระดับประทับใจ

Exports and Imports: 11M22

Exports by Country



Imports by Country



Top 10 Exports by Product (Customs Basis)

Total Exports, Custom Basis	11M22		
	USD Millions	Weight	%YoY
Total Exports,	265,349	100%	7.6%
Motor cars, parts and accessories	25,710	9.7%	-1.9%
Automatic data processing machines and parts thereof	18,903	7.1%	-4.1%
Precious stones and jewelry	14,538	5.5%	57.7%
Rubber products	12,814	4.8%	-3.5%
Polymers of ethylene, propylene, etc in primary	10,014	3.8%	-2.5%
Refine fuels	9,414	3.6%	16.8%
Chemical products	8,945	3.4%	0.4%
Electronic integrated circuits	8,573	3.2%	10.6%
Machinery and part thereof	8,068	3.0%	9.1%
Air conditioning machine and parts thereof	6,528	2.5%	10.5%

Top 10 Imports by Product (Customs Basis)

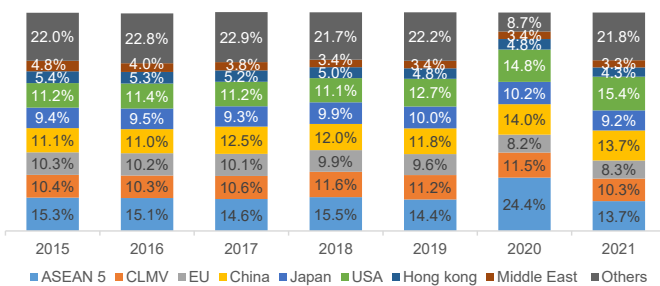
Import, Custom Basis	11M22		
	USD Millions	Weight	%YoY
Total Imports,	280,438	100.0%	16.3%
Crude oil	34,324	12.2%	73.1%
Chemicals	19,544	6.9%	4.7%
Machinery and parts	19,023	6.8%	-0.4%
Electrical machinery and parts	18,730	6.7%	6.8%
Electronic integrated circuits	17,598	6.3%	27.4%
Iron, steel and products	14,643	5.2%	-2.4%
Jewelry including silver bars and gold	14,486	5.2%	37.9%
Other metal ores, metal waste scrap, and products	12,609	4.5%	6.4%
Natural gas	11,977	4.5%	138.7%
Computers, parts and accessories	8,569	4.3%	-8.1%

Source: Ministry of Commerce

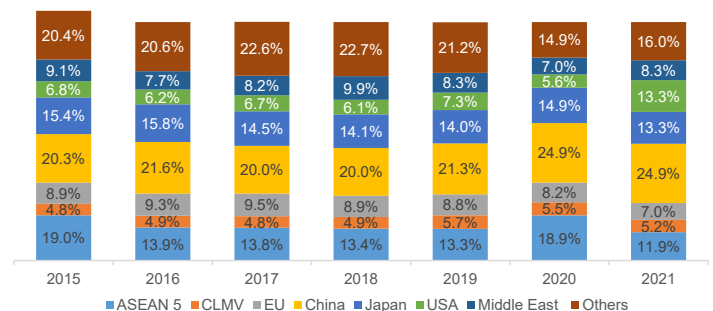
บริการทุกระดับประทับใจ

Export and Import Data: 2015 - 2021

Exports by Country



Imports by Country



Total Exports, Custom Basis	2021		
	USD Millions	Weight	%YoY
Total Exports,	271,174	100.0%	17.1%
Electronic machines	42,902	15.8%	17.5%
Motor cars, motor vehicles, parts and accessories	29,094	10.7%	36.2%
Electrical equipment	28,276	10.4%	20.3%
Precious stones and jewelry	10,045	3.7%	-44.8%
Chemical products	9,797	3.6%	45.5%
Refine fuels	8,833	3.3%	65.2%
Machinery and parts thereof	7,980	2.9%	21.6%
Iron and steel and their products	6,796	2.5%	40.1%
Textiles	6,526	2.4%	13.6%
Other industrial products	5,804	2.1%	21.5%

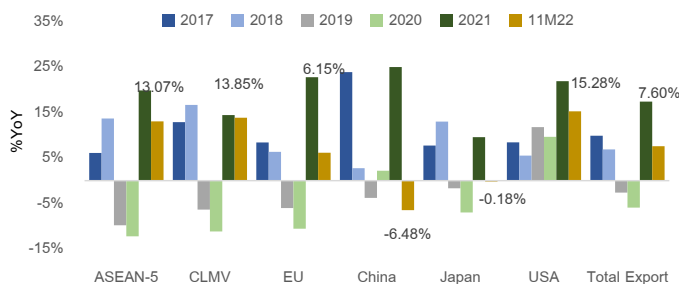
Import, Custom Basis	2021		
	USD Millions	Weight	%YoY
Total Imports,	267,600	100.0%	29.8%
Crude oil	24,139	9.0%	49.7%
Machinery and parts	20,952	7.8%	15.6%
Chemicals	20,637	7.7%	43.1%
Electrical, electronic equipment and parts thereof	20,182	7.5%	25.9%
Electrical machinery and parts	19,272	7.2%	14.8%
Iron, steel and products	16,417	6.1%	60.6%
Other metal ores, metal waste scrap, and products	12,954	4.8%	59.9%
Jewellery including silver bars and gold	11,983	4.5%	59.9%
Parts and accessories of vehicles	11,333	4.2%	25.8%
Computers, parts and accessories	10,145	3.8%	18.3%

Source: Ministry of Commerce

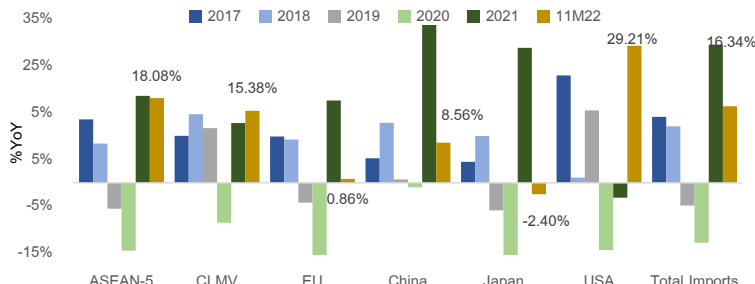
บริการทุกระดับประทับใจ

Export and Import Growth by Key Destinations

Export growth by key destinations



Import growth by key destinations



Exports	2021		11M22	
	Value (Million USD)	Share	Value (Million USD)	Share
ASEAN-5	37,080	13.67%	38,032	14.3%
CLMV	27,935	10.3%	28,875	10.9%
EU	22,541	8.3%	20,962	7.9%
China	37,204	13.7%	31,831	12.0%
Japan	24,985	9.2%	22,872	8.6%
USA	41,768	15.4%	43,569	16.4%
Total	271,174	100.00%	265,349	100.00%

Imports	2021		11M22	
	Value (Million USD)	Share	Value (Million USD)	Share
ASEAN-5	31,868	11.9%	34,072	12.1%
CLMV	13,916	5.2%	14,620	5.2%
EU	18,711	7.0%	16,808	6.0%
China	66,546	24.9%	65,463	23.3%
Japan	35,685	13.3%	32,022	11.4%
USA	35,685	13.3%	16,549	5.9%
Total	267,600	100.00%	280,438	100.00%

Source: Ministry of Commerce

บริการทุกระดับประทับใจ

Challenges: Exports

- In 2023, Exports are expected to experience negative growth amid several uncertainties

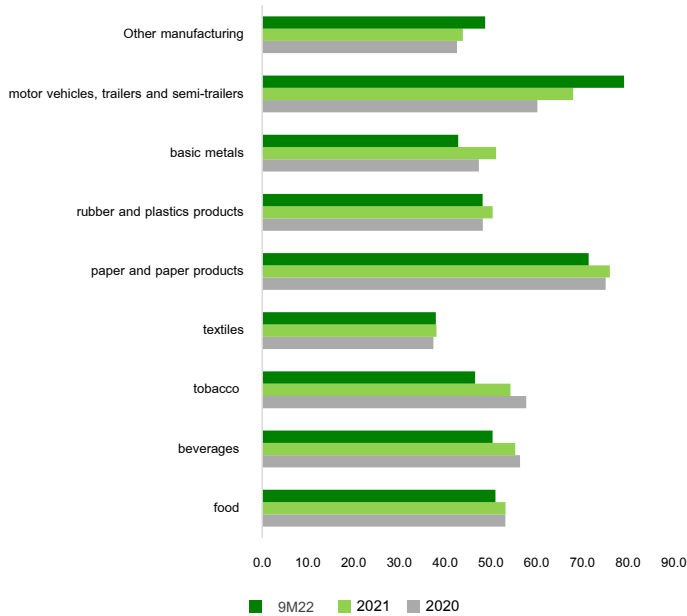
Exports	
Short-term Challenges	<ul style="list-style-type: none"> Global economic recession Ongoing geopolitical risks Declining commodity prices THB volatility
Key Structural Problems	<ul style="list-style-type: none"> High dependence on China's market Changing demand in electronic products and loss of competitiveness in some areas (e.g. HDD) High crop surplus among competitors
Key Affected Products	<ul style="list-style-type: none"> Electronics and Electrical Appliances (Structural Challenge) Fishery and Agriculture Products (US SIMP) Steel and Aluminum, Washing machine (US tariffs) Plastic, ICs, Machinery and Electrical Equipment (US-China trade dispute)
Short-term Measures from Authorities and Related Parties	<ul style="list-style-type: none"> Extending products to catch up with changing consumer trends Enhancing practices to comply with international standards Setting up export promotion board Providing supports to help individuals gain skills and qualifications relevant to the needs of the labour market
Long-term Measures from Authorities and Related Parties	<ul style="list-style-type: none"> Negotiating FTA and regional trade agreements Relocating factories to GSP eligible countries Promoting BOI privileges granting merit based on competitiveness enhancements Enhancing productivity

Note: HDD = Hard Disk Drive; IUU fishing = Illegal Unreported and Unregulated fishing; FTA = Free Trade Area; GSP = Generalized System of Preferences; BOI = the Board of Investment of Thailand
Source: KResearch (as of January 2023)

บริการทุกระดับประทับใจ

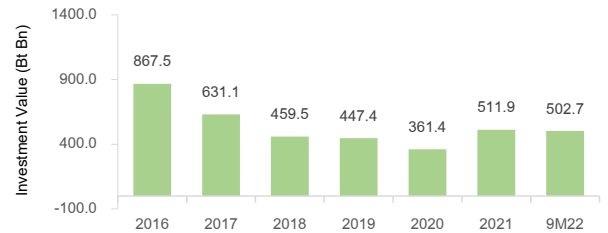
Economic Condition Highlights: CAPEX and Investment Cycle

Capacity Utilization by Key Industries

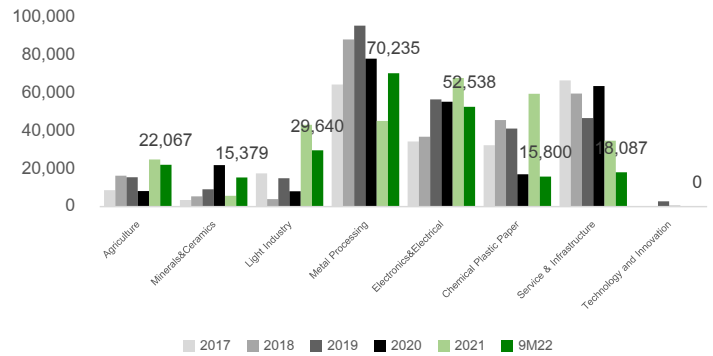


Source: The Bank of Thailand (BOT), The Ministry of Commerce (MOC), and Office of Industrial Economics (OIE)
(Data as of September 2022)

Investment value of BOI-approved applications (Total)*



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



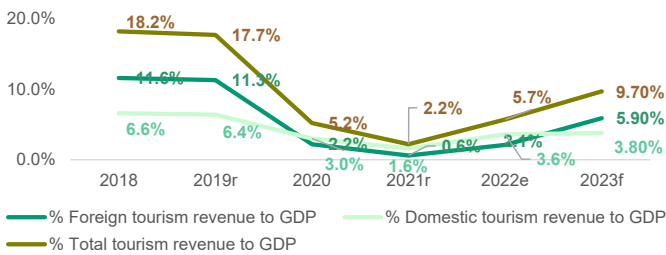
Source: The Board of Investment of Thailand (BOI)
Note: *Figures above indicate investments of approved projects requesting investment promotion benefits from BOI

บริการทุกระดับประทับใจ

Tourism

Thailand's tourism receipts will progressively increase in 2023, reaching 60% of the 2019 level

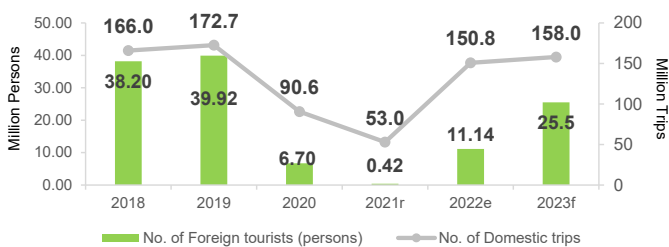
%Tourism Revenue to GDP



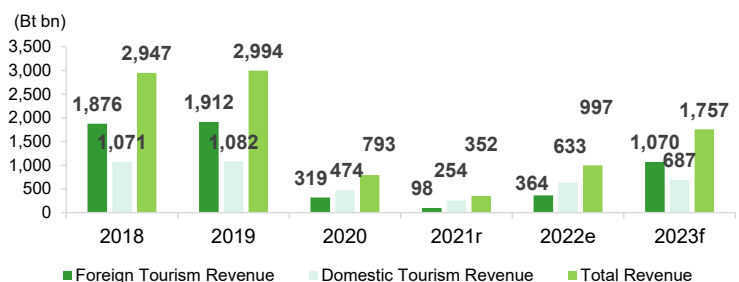
In 2023, **KResearch** projects the number of foreign tourists coming to Thailand may reach 25.5 million, or around 64 percent of the 2019 level

Meanwhile, domestic travel is expected to report steady growth. Preliminarily KResearch projects Thais will make around 155.0-160.0 million domestic trips in 2023

No. of Foreign Tourists and Domestic Trips



Tourism Revenue



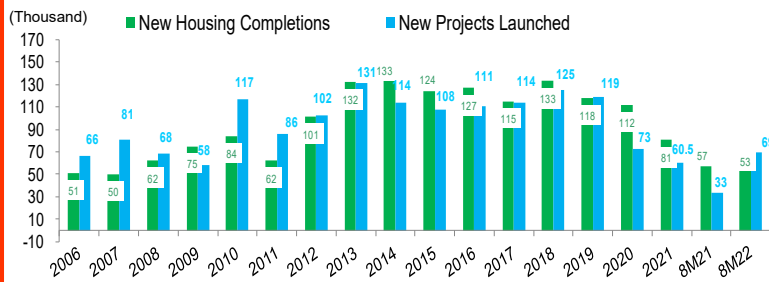
Note: As of January 2023

บริการทุกระดับประทับใจ

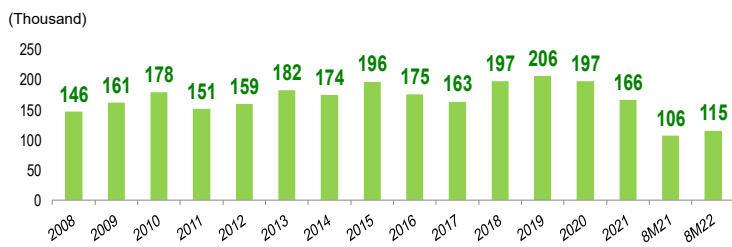


Property Market: New project launching rebound on the first 8 months; nonetheless, market remain high uncertainty

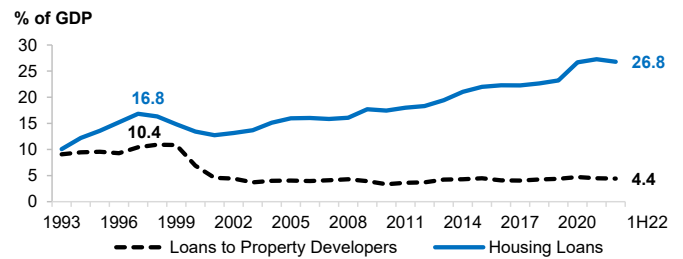
Supply Side: New Housing Completions and New Projects Launched in BMR*



Demand Side: Transferred Properties in BMR*



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 4.4% in 1H22, still lower than pre-crisis level
- Supply Side: New housing projects launched in 8M22 increased 110.3% YoY mainly due to condominium launched, also compare to the low base in the last year
- Demand Side: In 8M22, property transactions increased by 8.5% compared to the low base last year, however, rising inflation and economic uncertainties may lead to more cautious buying homes later this year.
- Mortgage NPLs among Thai commercial banks was at 3.38% in 1H22, compared to 3.52% in 2021

Sources : 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

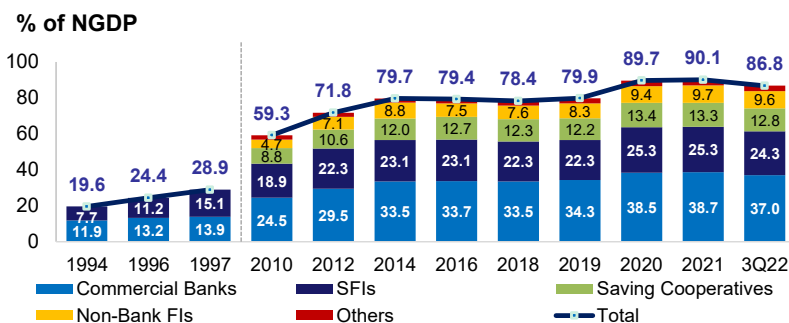
บริการทุกระดับประทับใจ



Household Borrowing

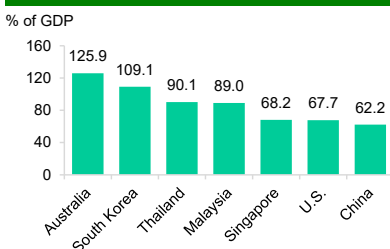
Household Borrowing to GDP

Old Definition New Definition



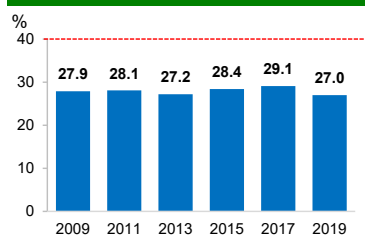
Old Definition: Data from 1991 - 1997: lending from commercial banks and SFIs to individual persons for consumption only
New Definition: Data from 2010 onwards: takes into account individual persons' outstanding loans from all types of financial institutions, including savings Co-ops and non-banks

Cross-Country Comparison of Household Debt (as of 2021)



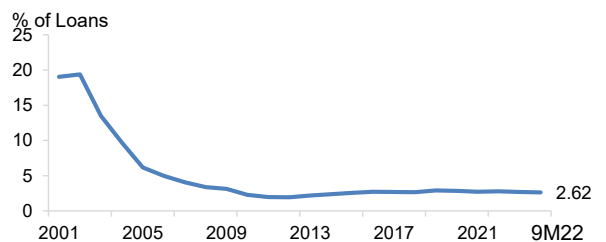
Source: CEIC and KResearch

Debt Service Ratio of Thai households



Source: NSO and KResearch

% NPL for Consumption Loans of Thai Commercial Banks



- Household debt to GDP stayed at 86.8% in 3Q22, and is expected to remain high in 2023
- 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 fell to 2.62% in 9M22 from 2.73% in 2021

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

บริการทุกระดับประทับใจ



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			
	LTV Limit	LTV Limit	LTV Limit	
< Bt10mn	House	≤ 100%*	80-90%	70%
	Condo.	≤ 100%*	80-90%	70%
≥ Bt10mn	House & Condo.	≤ 90%	80%	70%

- 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)
- Prior to October 20, 2021, for the second contact, LTV limit is 80% if the first contract's installment payments are less than two years (old - three years); otherwise, LTV limit is 90%
- 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	Credit Line	Income	Credit Line
	< Bt30,000	≤ 1.5 times	≤ 5 times	< Bt30,000	≤ 1.5 times
	< Bt50,000	≤ 3 times	≤ 5 times	≤ 3 institutions	≤ 5 times
	> Bt50,000	≤ 5 times		≥ Bt30,000	≤ 5 times

Criteria for Car Loans

- **Auto Registration Loans** (Effective: February 1, 2019): Auto registration loan providers to be approved by Bank of Thailand and Ministry of Finance

	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%

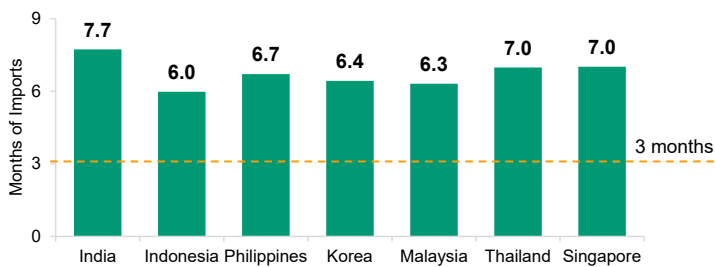
Note: * Picofinance and Pico Plus are allowed to provide loans only in the registered province

บริการทุกระดับประทับใจ



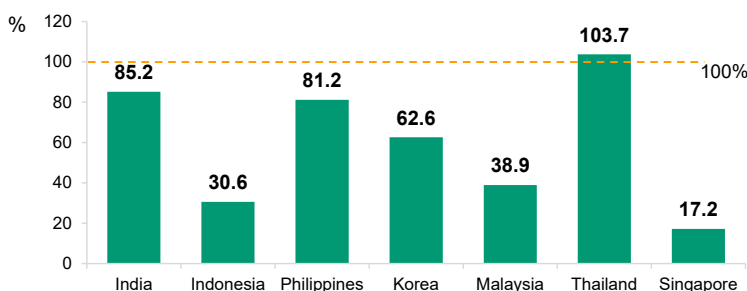
Thailand's external balances remain relatively strong compared to peers

International reserves / Imports (Import Coverage)



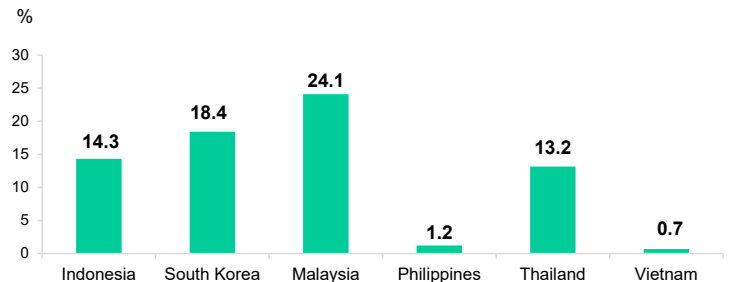
Source: CEIC, KResearch (data as of September 2022)

International reserves / External debts (% Ratio)



Source: CEIC, KResearch (data as of June 2022)

Low foreign holding ratio in Thai government bonds



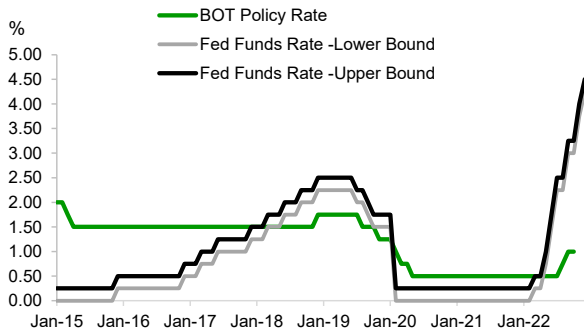
Note: Retrieved from Asia Bond Online, based on latest available data
Source: Asian Development Bank

- 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

บริการทุกระดับประทับใจ

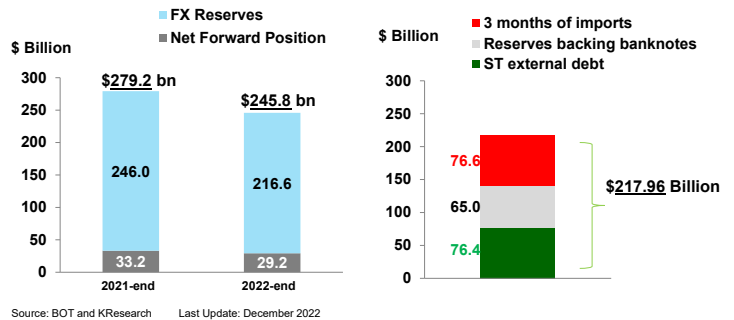
Monetary and fiscal expansion raises financial stability concerns

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



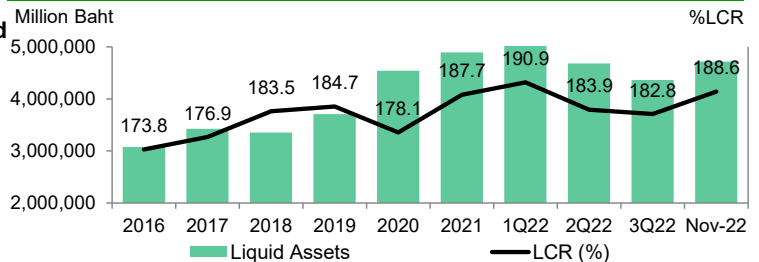
Sources: BOT, Federal Reserves and KResearch (as of December 2022)

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



Source: BOT and KResearch Last Update: December 2022

Excess liquid assets in Thai commercial banks slightly rose



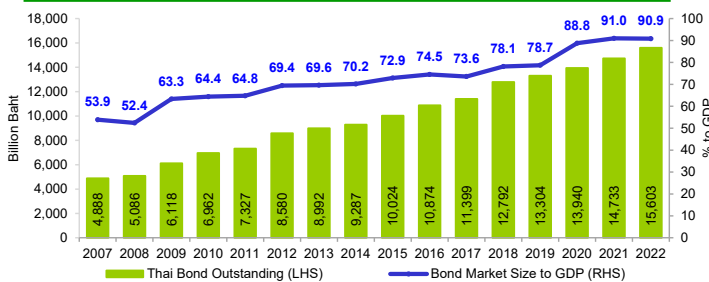
Note: BOT has imposed the Liquidity Coverage Ratio (LCR) Framework which replaces the maintenance 6% reserve requirement. Regarding the LCR framework, all banks shall maintain high-quality liquid assets not less than net expected cash outflow over the next 30 days. The LCR was implemented on January 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

- Due to high inflationary pressures, the Fed decided to raise its policy rate to 4.25-4.50% in December 2022
- Monetary easing leads to a massive exodus of capital from emerging markets and worsens exchange rate depreciation in 2022. However, Thailand's external stability will likely be maintained
- The Thai banking system excess liquidity rose slightly. The CAR was good (18.86% as of November 2022) and NPL ratio was still manageable (2.92% as of 9M22), with net profits of Bt162.2bn in 9M22

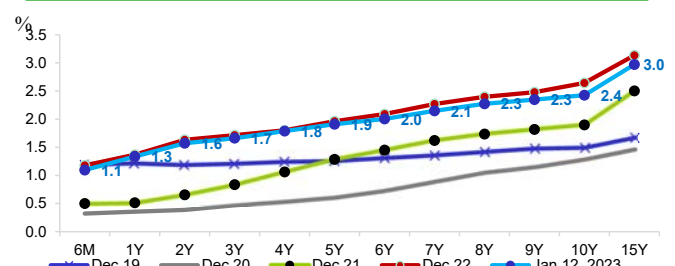
บริการทกระดับประทับใจ

Other Figures

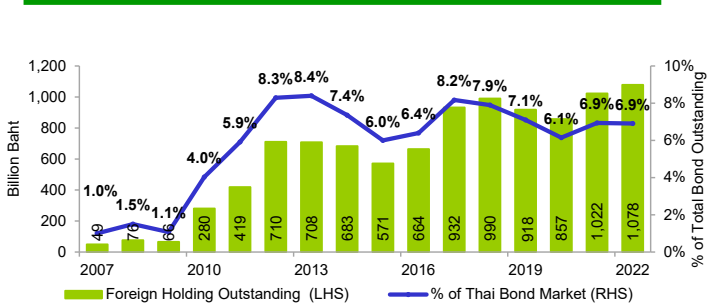
Thai Bond Market Size (Gov't and Private bonds)



Bond Yields

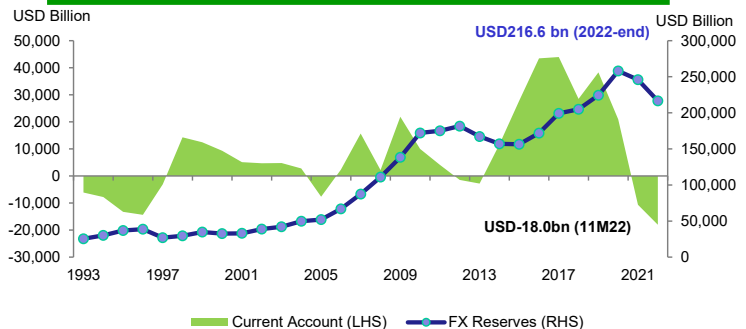


Foreign Holdings of Thai Bonds



Source: BOT and ThaiBMA

Current Account and FX Reserve

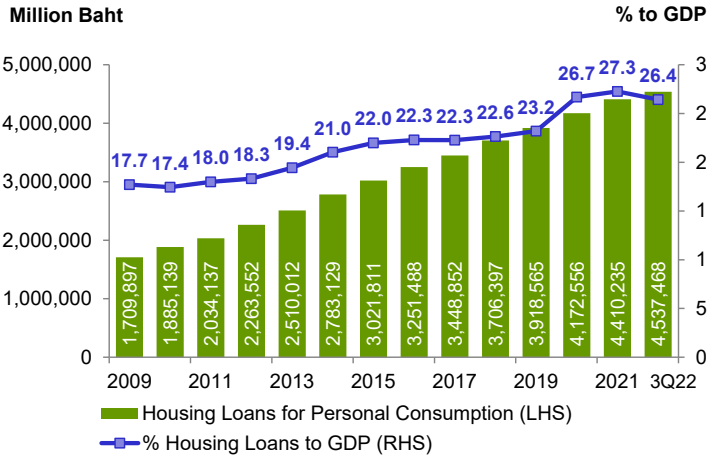


บริการทกระดับประทับใจ



Other Figures

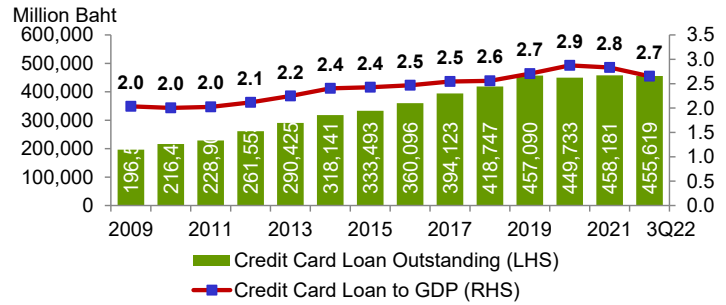
Housing Loans / GDP



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)

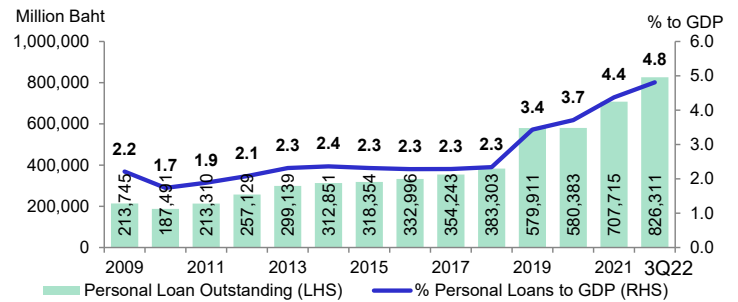
Source: BOT, NESDC

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



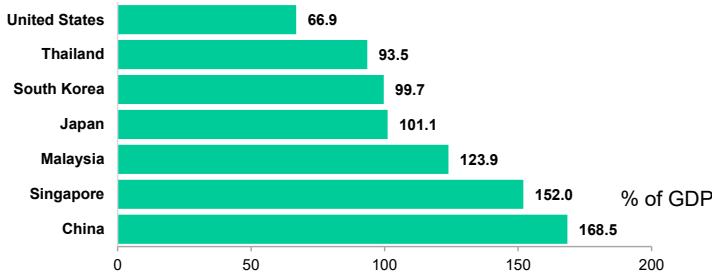
Note : 1) Personal Loans represent outstanding personal loans under supervision (including commercial banks and non-banks, excluding SFIs, saving cooperatives and others financial Institution)

บริการทุกระดับประทับใจ



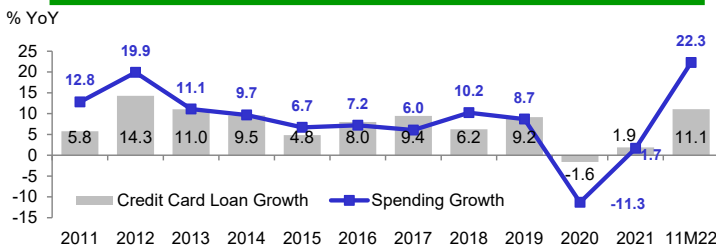
Other Figures

Loans to GDP as of 2021



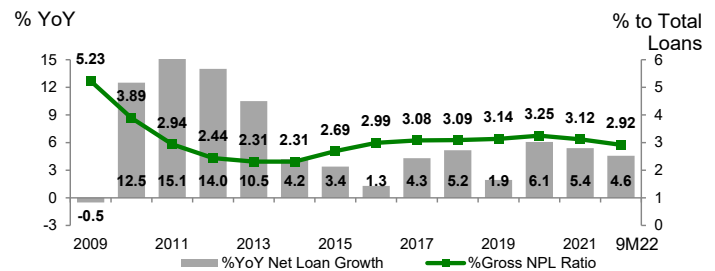
Note: Data on China, Korea and Japan include loans from commercial banks as well as financial institutions, the rest include loans only from commercial banks

Credit Card Statistics



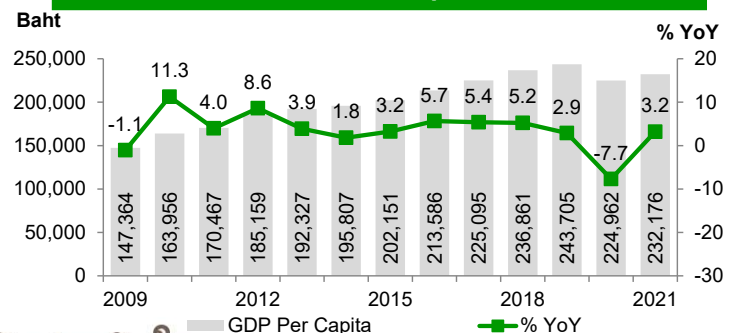
Note: The credit card statistics number includes foreign bank and non-bank credit cards
Source: BOT, NESDC, NSO, CEIC Data, and KResearch

Thai Banks' Net Loan Growth and NPL Ratio



Note : %YoY Net loans represent growth of net loans in 18 Thai commercial banks from C.B.1.1
Latest data for %Gross NPL is at 3.04% as of 2Q22.

GDP Per Capita

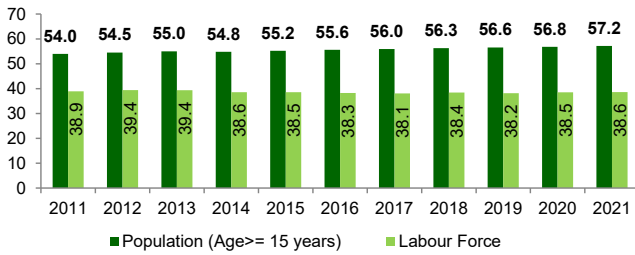


บริการทุกระดับประทับใจ

Other Figures

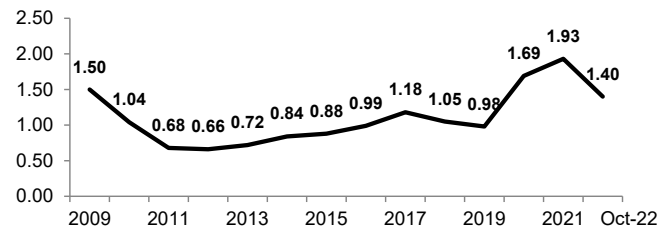
Population and Labor force

Million Person



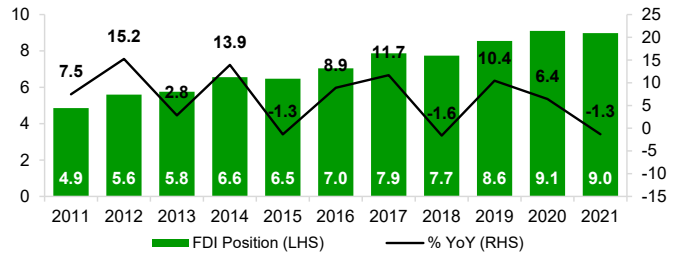
Unemployment Rate

% of Labor Force

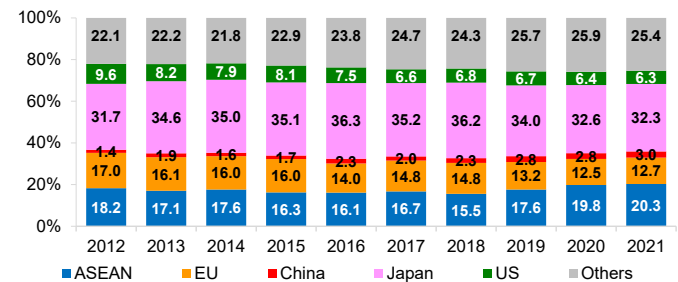


Foreign Direct Investment

Trillion Baht



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 KResearch

บริการทุกระดับประทับใจ

For Further Enquiries, Contact KASIKORNBANK Investor Relations:

Chief Investor Relations Officer Tel (66) 2470 2673 to 4

Investor Relations Team Tel (66) 2470 6900 to 1

Tel (66) 2470 2660 to 1

Email: IR@kasikornbank.com

IR Website

www.kasikornbank.com → Investor Relations

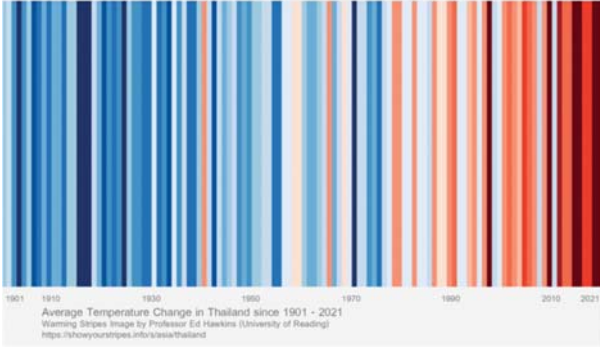
Disclosure Practice:

- 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

บริการทุกระดับประทับใจ

Bank of Sustainability

STRIVE TOWARDS NET ZERO SOCIETY



This document is intended to provide material information relating to investments or products in discussion and as a reference during the discussion, presentation, or seminar only. It does not represent or constitute any advice, offer, contract, recommendation, or solicitation and should not be relied upon as such. In preparation of this document, KASIKORNBANK PUBLIC COMPANY LIMITED ("KBank") has made several crucial assumptions and relied on financial and other information available from public sources as of the date of this document. Therefore, KBank assumes no responsibility or liability and makes no representations or warrants with respect to the accuracy and/or completeness of the information described herein. Before making their own independent decision to make any investment or enter into any transaction, the recipient of this information ("Recipient") shall carefully review information relating to services or products of KBank, including but not limited to economic and market situations and other factors pertaining to the transaction as posted on KBank's website at URL www.kasikornbank.com and in other sources, and make their own investigation on all other information, documents prepared by other institutions, as well as consult with Recipients' financial, legal, or tax advisors on each decision.

The Recipient understands and acknowledges that the investment or execution of the transaction may be a transaction with low liquidity and KBank shall assume no liability for any loss, damage, or expense of any nature incurred by the Recipient arising out of such investment or execution of the transaction. The Recipient also understands and acknowledges that the information so provided by KBank does not represent the expected yield or consideration to be received by the Recipient arising out of the investment or the execution of the transaction. Further, the Recipient should be aware that the transaction can be highly risky as markets are unpredictable and uncertain, and there may be inadequate regulations and safeguards available to the Recipient.

KBank reserves the right to amend, either in whole or in part, the information so provided herein at any time as it deems fit, and the Recipient acknowledges and agrees with such amendments, accordingly. For any inquiry, or in the case of making a complaint, the Recipient may seek further information from KBank at IR@kasikornbank.com, +(662) 470 6900 to 01, +(662) 470 2660 to 61, or +(662) 470 2673 to 74.

* 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.

บริการทุกระดับประทับใจ



KASIKORNTHAI

บริการทุกระดับประทับใจ