



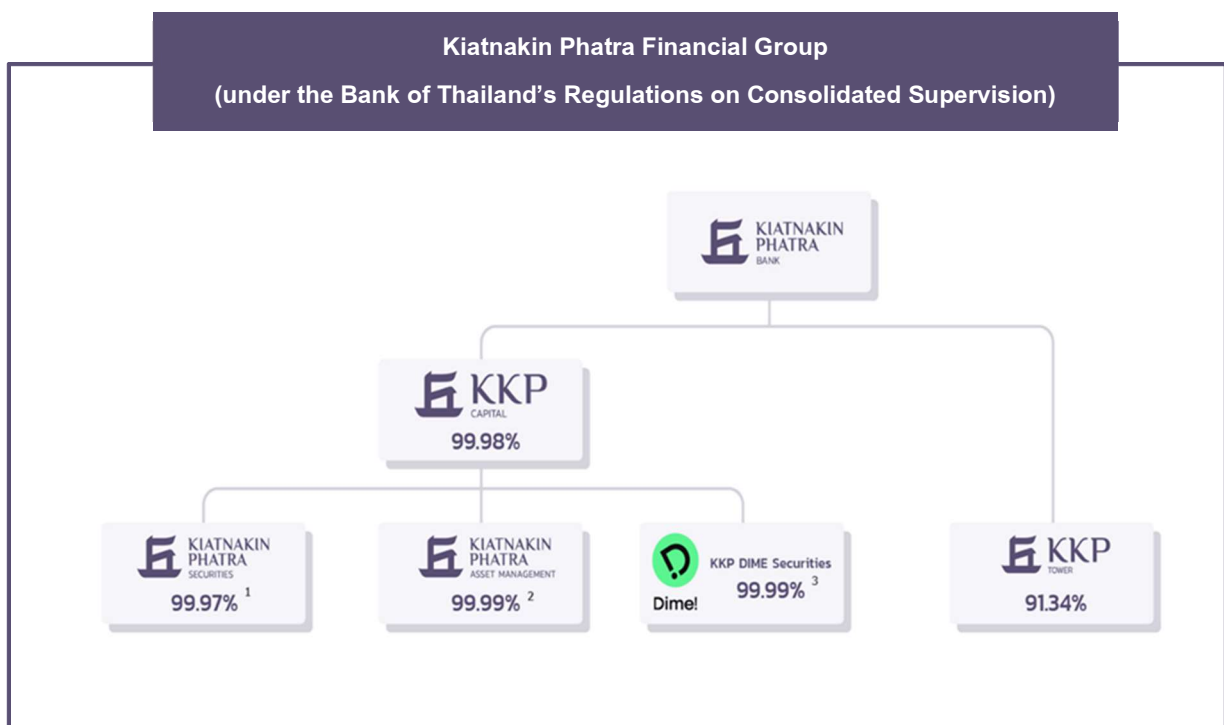
**Basel III - Pillar 3 and Liquidity Coverage Ratio (LCR)  
Disclosures  
As at December 31, 2024**

# Basel III – Pillar 3 Disclosures

## As at 31 December 2024

### 1. Scope of Disclosure

Kiatnakin Phatra Financial Group ("the Group") discloses information regarding the capital management under the Pillar 3 disclosure criteria of Basel III. The disclosed information covers the Group under the Bank of Thailand's regulations on consolidated supervision. Kiatnakin Phatra Bank Public Company Limited ("the Bank"), the parent company, operates the commercial banking business. KKP Capital Public Company Limited is the Bank's subsidiary company, which is a holding company. KKP Tower Company Limited, another subsidiary company, operates the office rental and property management business for the Bank and its subsidiary companies. KKP Capital Public Company Limited has subsidiary companies that consist of Kiatnakin Phatra Securities Public Company Limited, which is a securities and derivatives broker; Kiatnakin Phatra Asset Management Company Limited, which is an asset management company; and KKP Dime Securities Company Limited, which provides financial and investment services through digital channels and is a securities broker. The information disclosed in this report complies with the Bank of Thailand's regulation for both bank-only and consolidation levels.



<sup>1</sup> The Bank holds a 99.97% share through KKP Capital Public Company Limited.

<sup>2</sup> The Bank holds a 99.99% share through KKP Capital Public Company Limited.

<sup>3</sup> The Bank holds a 99.99% share through KKP Capital Public Company Limited.

## 2. Capital Adequacy Requirements under Basel III

The Group has adopted the Basel III capital requirements since January 1, 2013, as a framework for maintaining high-quality and sufficient capital to absorb potential losses in both normal and stress conditions, as well as to enhance the efficiency of liquidity risk management.

The Basel III has refined both the quality and quantity of capital requirements to strengthen the stability and resilience of commercial banks. On the qualitative side, it mandates that the core capital primarily consists of the highest quality capital-Common Equity Tier 1 (CET1), which includes common shares and retained earnings. This ensures that the real capital needed to absorb potential losses comes sufficiently from shareholders' equity as the primary component of overall capital. Additionally, the criteria for financial instruments eligible as regulatory capital have been amended to align more closely with the characteristics of equity. On the quantitative side, the minimum Tier 1 capital ratio has been raised from 4.25% to 6.00%, with the CET1 ratio set at no less than 4.50%. The total capital ratio remains at a minimum of 8.50%. Furthermore, from January 1, 2019, the Bank of Thailand introduced a 2.50% Conservation Buffer to absorb losses during financial crisis. The methodology for calculating credit risk-weighted assets for complex transactions has also been enhanced to better reflect the underlying risks.

## 3. Capital

### 3.1 Capital Management

The capital adequacy objectives and minimum capital levels are established within the Group's risk appetite statement, approved by the Bank's Board of Directors. The minimum capital level and capital target set by the Group reflect the following key objectives:

- Maintain capital levels above the minimum requirements set by the Bank of Thailand under the Pillar 1 framework to safeguard against other significant risks not captured within the minimum capital requirements under Pillar 1.
- Ensure an appropriate capital level aligned with the expectations of credit rating agencies to maintain or enhance the credit rating, as defined within the risk appetite boundaries.
- Maintain capital levels consistent with the Group's risk appetite and the degree of deviation from the acceptable risk (risk tolerance) as determined by the Bank's Board of Directors.
- Account for capital levels under stress conditions and ensure contingency plans are in place to maintain capital above the prescribed thresholds during such periods.
- Maintain sufficient capital to cover significant risks in accordance with supervisory requirements under the Pillar 2 framework applicable to the Group.
- Consider the impact of capital maintenance on shareholders.

To enhance the completeness of the Group's capital adequacy assessment process, the following actions have been implemented:

- Develop systems to assess significant risks, including credit risk, market risk, operational risk, credit concentration risk, and interest rate risk in banking book, using quantitative methods under both normal and stress conditions.
- Develop capital maintenance criteria linked to the level of significant risks identified above for each business segment within the Group.
- Develop performance evaluation systems for each business segment, accounting for the cost of maintaining capital and reflecting the returns generated for shareholders from each segment.
- Develop capital assessment processes based on the economic capital approach.

The appropriateness of the minimum capital level to be maintained by the Group, along with future additional capital requirements based on projections aligned with the annual business plan, risk appetite, and risk tolerance, will be used to assess capital adequacy and to develop the annual capital plan. If any event causes or is likely to cause capital adequacy to fall below the target deviation from the minimum capital threshold or the minimum regulatory requirement set by the Bank of Thailand, the Group will implement the corrective actions outlined in the corrective actions, capital plan, and capital contingency plan. These actions will take into account the appropriateness of available options and the most suitable course of action based on the circumstances.

### 3.2 Capital Structure

The Group's Tier 1 capital consists of three primary components: paid-up capital, share premium, and unappropriated retained earnings. This represents the highest quality of capital, providing the greatest capacity to absorb risks and losses. Tier 2 capital primarily comprises subordinated debt instruments eligible as Tier 2 capital and general provisions. The Group has subordinated debt totaling Baht 9,102 million, ensuring efficient capital utilization and strengthening its financial position. The Group's capital structure remains robust, with Common Equity Tier 1 (CET1) accounting for 80.62% of total capital, reflecting the high quality of its capital under Basel III framework. This enables the Group to effectively absorb various risks and support future business expansion.

Table 1 Key Prudential Metrics

## Bank Only

Items		December 31, 2024	June 30, 2024
<b>Available Capital (Unit: Million Baht)</b>			
1	Common Equity Tier 1 (CET1) Fully loaded ECL CET1 1/	48,322.52	48,115.60
1A	Fully loaded ECL CET1 <sup>1/</sup>	48,322.52	48,115.60
2	Tier 1 capital	48,322.52	48,115.60
2A	Fully loaded ECL Tier1	48,322.52	48,115.60
3	Total capital	61,352.57	61,276.31
3A	Fully loaded ECL Total Capital	61,352.57	61,276.31
<b>Risk-Weighted Assets (Unit: Million Baht)</b>			
4	Total Risk-Weighted Assets (RWA)	369,823.47	378,856.07
<b>Capital Adequacy Ratio (%)</b>			
5	CET1 Ratio	13.07	12.70
5A	Fully Loaded ECL CET1 Ratio	13.07	12.70
6	Tier 1 Ratio	13.07	12.70
6A	Fully Loaded ECL Tier 1 Ratio	13.07	12.70
7	Total Capital Ratio	16.59	16.17
7A	Fully Loaded ECL Total Capital Ratio	16.59	16.17
<b>Buffer Requirements (%)</b>			
8	Conservation Buffer	2.50	2.50
9	Countercyclical Buffer	-	-
10	Higher Loss Absorbency	-	-
11	Total Capital Buffer Requirements	2.50	2.50
12	CET 1 Available after meeting the minimum capital requirements <sup>2/</sup>	7.07	6.70
<b>Liquidity Coverage Ratio (LCR) (%)</b>			
13	Total HQLA (Unit: Million Baht)	54,572.70	80,204.75
14	Total Net Cash Outflows (Unit: Million Baht)	40,544.82	58,105.50
15	LCR (%)	134.60	138.03

**Consolidated**

Items	December 31, 2024	June 30, 2024
<b>Available Capital (Unit: Million Baht)</b>		
1 Common Equity Tier 1 (CET1)	54,769.40	54,463.99
1A Fully loaded ECL CET1 <sup>1/</sup>	54,769.40	54,463.99
2 Tier 1 capital	54,769.40	54,463.99
2A Fully loaded ECL Tier1	54,769.40	54,463.99
3 Total capital	67,935.70	67,776.81
3A Fully loaded ECL Total Capital	67,935.70	67,776.81
<b>Risk-Weighted Assets (Unit: Million Baht)</b>		
4 Total Risk-Weighted Assets (RWA)	391,651.06	400,200.97
<b>Capital Adequacy Ratio (%)</b>		
5 CET1 Ratio	13.98	13.61
5A Fully Loaded ECL CET1 Ratio	13.98	13.61
6 Tier 1 Ratio	13.98	13.61
6A Fully Loaded ECL Tier 1 Ratio	13.98	13.61
7 Total Capital Ratio	17.35	16.94
7A Fully Loaded ECL Total Capital Ratio	17.35	16.94
<b>Buffer Requirements (%)</b>		
8 Conservation Buffer	2.50	2.50
9 Countercyclical Buffer	-	-
10 Higher Loss Absorbency	-	-
11 Total Capital Buffer Requirements	2.50	2.50
12 CET 1 Available after meeting the minimum capital requirements <sup>2/</sup>	7.98	7.61

<sup>1/</sup> Expected Credit Loss (ECL) under the Thai Financial Reporting Standards 9 (TFRS9) of Thailand Federation of Accounting Professions (TFAC)

<sup>2/</sup> CET 1 Available after meeting the minimum capital requirements does not necessarily have to equal the difference between CET1 Ratio in item no.5 and the minimum CET1 ratio requirement of 4.5%. This is because the CET1 ratio maybe used to meet the minimum Tier1 ratio requirement of 6% and /or the minimum total capital ratio requirement of 8.5%

Table 2 Capital Structure

## Bank Only

Unit: Million Baht

Items	December 31, 2024	June 30, 2024
<b>Tier 1 Capital</b>	<b>48,322.52</b>	<b>48,115.60</b>
<b>Common Equity Tier 1 (CET1)</b>	<b>48,322.52</b>	<b>48,115.60</b>
Issued and paid-up capital net of treasury stocks	7,676.64	8,467.60
Share premium	9,356.80	9,356.80
Legal reserve	1,047.88	1,047.88
Reserves appropriated from net profit	-	-
Retain earnings after appropriation	35,866.72	34,896.16
Other reserve and other provisions	517.42	328.86
Capital deduction items on CET1 <sup>1/</sup>	(6,142.94)	(5,981.70)
<b>Additional Tier 1 Capital</b>	<b>-</b>	<b>-</b>
<b>Tier 2 Capital</b>	<b>13,030.05</b>	<b>13,160.71</b>
Tier 2 Capital Instrument	9,102.00	9,102.00
General Provision	3,928.05	4,058.71
<b>Total Capital Fund</b>	<b>61,352.57</b>	<b>61,276.31</b>

## Consolidated

Unit: Million Baht

Items	December 31, 2024	June 30, 2024
<b>Tier 1 Capital</b>	<b>54,769.40</b>	<b>54,463.99</b>
<b>Common Equity Tier 1 (CET1)</b>	<b>54,769.40</b>	<b>54,463.99</b>
Issued and paid-up capital net of treasury stocks	7,676.64	8,467.60
Share premium	9,356.80	9,356.80
Legal reserve	1,047.88	1,047.88
Reserves appropriated from net profit	-	-
Retain earnings after appropriation	41,182.66	39,970.00
Other reserve and other provisions	2,267.22	2,116.41
Capital deduction items on CET1 <sup>1/</sup>	(6,761.80)	(6,494.70)
<b>Additional Tier 1 Capital</b>		
Non-controlling interest of subsidiaries which can be counted as	-	-
Additional Tier 1 capital	-	-
<b>Tier 2 Capital</b>	<b>13,166.30</b>	<b>13,312.82</b>
Tier 2 Capital Instrument	9,102.00	9,102.00
General Provision	4,064.30	4,210.82
Non-controlling interest of subsidiaries which can be counted as	-	-
Tier 2 capital	-	-
<b>Total Capital Fund</b>	<b>67,935.70</b>	<b>67,776.81</b>

<sup>1/</sup> Net loss, goodwill, intangible assets and deferred tax assets

### 3.3 Capital Adequacy

The Group places significant importance on the Internal Capital Adequacy Assessment Process (ICAAP) to ensure that it maintains capital levels above the established targets. It also employs strategies, methods, and tools to strengthen and appropriately assess capital adequacy. These efforts ensure sufficient capital to absorb risks arising from business operations under both normal and stress conditions.

The Internal Capital Adequacy Assessment Process involves coordination across various internal departments within to align the Group's performance with its goals, strategies, business plans, and risk appetite as defined by the Bank's Board of Directors. Capital targets are established and reviewed at least annually, or immediately upon any significant changes that materially impact the capital levels, to ensure alignment with the Group's strategic goals and risk profile.

Both the Bank and the Group maintain capital in accordance with Basel III requirements, employing the Standardised Approach (SA) for credit risk and market risk, and the Basic Indicator Approach (BIA) for operational risk. At this stage, neither the Bank nor the Group is required to hold capital for interest rate risk in banking book or credit concentration risk, as these risks have not yet reached the significant level based on the thresholds established by the Bank of Thailand.

However, the Group has a policy to maintain additional capital levels above the Bank of Thailand's minimum requirements, aligned with its risk appetite. This ensures sufficient capital to cover other risks it may face, beyond those addressed under the minimum capital requirements, in accordance with supervisory guidelines.

As of December 31, 2024, the Bank's Common Equity Tier 1 ratio and Tier 1 ratio were at 13.07%, while the total capital ratio is at 16.59%. The Bank's total capital amounted to Baht 61,353 million, compared to the regulatory minimum capital requirement of Baht 31,435 million, primarily driven by credit risk. This indicates a capital surplus of Baht 29,918 million above the regulatory minimum requirement. Similarly, the Group's Common Equity Tier 1 ratio and Tier 1 capital ratio were at 13.98%, with a total capital ratio of 17.35%. The Group's total capital amounted to Baht 67,936 million, compared to the minimum capital requirement of Baht 33,290 million, also primarily reflecting credit risk. This indicates a capital surplus of Baht 34,646 million. These capital surpluses reflect the financial strength of both the Bank and the Group, ensuring sufficient capacity to support business expansion, manage various risks, and handle unforeseen future events.



**Table 3 Minimum Capital Requirements for Credit Risk by Asset Classes under Standardized Approach**
**Bank Only**

Unit: Million Baht

Minimum Capital Requirements for Credit Risk by Asset Classes under Standardized Approach	December 31, 2024	June 30, 2024
<b>Performing Assets</b>	<b>25,891.85</b>	<b>26,762.53</b>
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	40.73	99.29
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	860.39	490.27
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	9,711.53	9,943.70
Claims on retail portfolios	12,244.59	13,079.33
Residential mortgage loans	1,649.61	1,636.03
Other assets	1,385.00	1,513.91
<b>Non-Performing Assets</b>	<b>818.91</b>	<b>836.68</b>
First-to-default Credit derivatives and Securitisation	-	-
<b>Total Minimum Capital Requirements for Credit Risk by Asset Classes under Standardized Approach</b>	<b>26,710.76</b>	<b>27,599.21</b>

**Consolidated**

Unit: Million Baht

Unit: Million Baht

Minimum Capital Requirements for Credit Risk by Asset Classes under Standardized Approach	December 31, 2024	June 30, 2024
<b>Performing Assets</b>	<b>26,818.33</b>	<b>27,796.89</b>
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	40.73	99.29
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	854.91	494.37
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	8,926.10	9,178.61
Claims on retail portfolios	12,267.36	13,105.64
Residential mortgage loans	1,649.61	1,636.03
Other assets	3,079.62	3,282.95
<b>Non-Performing Assets</b>	<b>818.91</b>	<b>836.68</b>
First-to-default Credit derivatives and Securitisation	-	-
<b>Total Minimum Capital Requirements for Credit Risk by Asset Classes under Standardized Approach</b>	<b>27,637.24</b>	<b>28,633.57</b>

**Table 4 Minimum Capital Requirements for Market Risk**
**Bank Only**

Unit: Million Baht

Minimum Capital Requirements for Market Risk	December 31, 2024	June 30, 2024
Standardized Approach	719.88	684.08
Total Minimum Capital Requirements for Market Risk	<b>719.88</b>	<b>684.08</b>

**Consolidated**

Unit: Million Baht

Minimum Capital Requirements for Market Risk	December 31, 2024	June 30, 2024
Standardized Approach	1,172.98	993.22
Total Minimum Capital Requirements for Market Risk	<b>1,172.98</b>	<b>993.22</b>

**Table 5 Minimum Capital Requirements for Operational Risk**
**Bank Only**

Unit: Million Baht

Minimum Capital Requirements for Operational Risk	December 31, 2024	June 30, 2024
Basic Indicator Approach	4,004.35	3,919.48
Total Minimum Capital Requirements for Operational Risk	<b>4,004.35</b>	<b>3,919.48</b>

**Consolidated**

Unit: Million Baht

Minimum Capital Requirements for Operational Risk	December 31, 2024	June 30, 2024
Basic Indicator Approach	4,480.13	4,390.29
Total Minimum Capital Requirements for Operational Risk	<b>4,480.13</b>	<b>4,390.29</b>

**Table 6 Capital Adequacy Ratio**

Bank Only

Capital Requirement (%)	December 31, 2024			
	Capital Adequacy Ratio	Minimum Capital Requirement Ratio	Capital Buffer Ratio	Minimum Capital Requirement and Capital Buffer Ratio
Common Equity Tier 1	13.07	4.50	2.50	7.00
Tier 1 Capital	13.07	6.00	2.50	8.50
Total Capital	16.59	8.50	2.50	11.00

Capital Requirement (%)	June 30, 2024			
	Capital Adequacy Ratio	Minimum Capital Requirement Ratio	Capital Buffer Ratio	Minimum Capital Requirement and Capital Buffer Ratio
Common Equity Tier 1	12.70	4.50	2.50	7.00
Tier 1 Capital	12.70	6.00	2.50	8.50
Total Capital	16.17	8.50	2.50	11.00

Consolidated

Capital Requirement (%)	December 31, 2024			
	Capital Adequacy Ratio	Minimum Capital Requirement Ratio	Capital Buffer Ratio	Minimum Capital Requirement and Capital Buffer Ratio
Common Equity Tier 1	13.98	4.50	2.50	7.00
Tier 1 Capital	13.98	6.00	2.50	8.50
Total Capital	17.35	8.50	2.50	11.00

Capital Requirement (%)	June 30, 2024			
	Capital Adequacy Ratio	Minimum Capital Requirement Ratio	Capital Buffer Ratio	Minimum Capital Requirement and Capital Buffer Ratio
Common Equity Tier 1	13.61	4.50	2.50	7.00
Tier 1 Capital	13.61	6.00	2.50	8.50
Total Capital	16.94	8.50	2.50	11.00

## Composition of capital disclosure requirements

Table 7 Main Features of Regulatory Capital Instruments

Subject	Detail			
Issuer	Kiatnakin Phatra Bank Public Company Limited	Kiatnakin Phatra Bank Public Company Limited	Kiatnakin Phatra Bank Public Company Limited	Kiatnakin Phatra Bank Public Company Limited
Unique identifier	TH0121010001	KKP308A	KKP309A	KKP30NA
Regulatory treatment				
Instrument type	Common Equity Tier 1 Capital	Tier 2 Capital	Tier 2 Capital	Tier 2 Capital
Qualified or non-qualified Basel III	Qualified	Qualified	Qualified	Qualified
Non-qualified Basel III features	-	-	-	-
Phase-out or full amount	Full amount	Full amount (Phased-out 20% p.a. after year 5)	Full amount (Phased-out 20% p.a. after year 5)	Full amount (Phased-out 20% p.a. after year 5)
Eligible at Bank-only/Consolidated level	Bank-only and Consolidated	Bank-only and Consolidated	Bank-only and Consolidated	Bank-only and Consolidated
Amount recognised in regulatory capital (Unit: Million Baht)	7,676.64	750.00	350.00	2,000.00
Par value of instrument (Unit: Baht)	10.00	1,000.00	1,000.00	1,000.00
Accounting classification	Shareholders' equity	Liabilities	Liabilities	Liabilities
Original date of issuance	Multiple	August 18, 2020	September 3, 2020	November 18, 2020
Perpetual or dated	Perpetual	Dated	Dated	Dated
Original maturity date	-	August 18, 2030	September 3, 2030	November 18, 2030

Subject		Detail		
Issuer's authority to call subject to prior supervisory approval	No	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval
Optional call date, contingent call date and redemption amount	-	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.
Subsequent call dates, if applicable	-	After the 5th anniversary of the issuance date or on any subsequent interest payment date.	After the 5th anniversary of the issuance date or on any subsequent interest payment date.	After the 5th anniversary of the issuance date or on any subsequent interest payment date.
Coupons / dividends				
Fixed or floating dividend/coupon	Discretionary dividend amount	Fixed rate	Fixed rate	Fixed rate
Coupon rate and any related index	Distributable profit that has been declared as dividend	3.50% p.a.	3.50% p.a.	3.50% p.a.
Existence of a dividend stopper	No	No	No	No
Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory	Mandatory

Subject		Detail		
Existence of step up or other incentive to redeem	No	No	No	No
Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, specify conversion trigger	-	-	-	-
If convertible, full or partial amount	-	-	-	-
If convertible, specify conversion rate	-	-	-	-
If convertible, specify the type of financial instrument into which it will be converted	-	-	-	-
If convertible, specify the issuer of the financial instrument into which it will be converted	-	-	-	-
Write-down feature	No	Yes	Yes	Yes
If write-down, specify write-down trigger	-	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).

Subject		Detail		
If write-down, full or partial amount	-	Full or partial	Full or partial	Full or partial
If write-down, permanent or temporary	-	Permanent	Permanent	Permanent
If temporary write-down, describe the write-down mechanism	-	-	-	-
Position in subordination hierarchy in liquidation	The ordinary shareholders shall of the return of capital in a winding-up at the last position.	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.

Subject	Detail		
Issuer	Kiatnakin Phatra Bank Public Company Limited	Kiatnakin Phatra Bank Public Company Limited	Kiatnakin Phatra Bank Public Company Limited
Unique identifier	KKP314A	KKP316A	KKP338A
Regulatory treatment			
Instrument type	Tier 2 Capital	Tier 2 Capital	Tier 2 Capital
Qualified or non-qualified Basel III	Qualified	Qualified	Qualified
Non-qualified Basel III features	-	-	-
Phase-out or full amount	Full amount (Phased-out 20% p.a. after year 5)	Full amount (Phased-out 20% p.a. after year 5)	Full amount (Phased-out 20% p.a. after year 5)
Eligible at Bank-only/Consolidated level	Bank-only and Consolidated	Bank-only and Consolidated	Bank-only and Consolidated
Amount recognised in regulatory capital (Unit: Million Baht)	2,852.00	150.00	3,000.00
Par value of instrument (Unit: Baht)	1,000.00	1,000.00	1,000.00
Accounting classification	Liabilities	Liabilities	Liabilities
Original date of issuance	April 22, 2021	June 24, 2021	August 18, 2023
Perpetual or dated	Dated	Dated	Dated
Original maturity date	April 22, 2031	June 24, 2031	August 18, 2033



Subject	Detail		
Issuer's authority to call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval
Optional call date, contingent call date and redemption amount	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.	With written approval from the Bank of Thailand, the issuer may redeem this financial instrument in full prior to maturity at the par value per unit, plus accrued interest up to (but excluding) the early redemption date, subject to the following conditions: 1) On the 5th anniversary of the issuance date or on any subsequent interest payment date; or (2) Upon any change in tax law affecting the issuer's tax benefits; or (3) Upon regulatory changes rendering the instrument no longer eligible as Tier 2 capital; or (4) As otherwise specified by the Bank of Thailand, allowing early redemption of the financial instrument.
Subsequent call dates, if applicable	After the 5th anniversary of the issuance date or on any subsequent interest payment date.	After the 5th anniversary of the issuance date or on any subsequent interest payment date.	After the 5th anniversary of the issuance date or on any subsequent interest payment date.
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed rate	Fixed rate	Fixed rate
Coupon rate and any related index	3.50% p.a.	3.50% p.a.	4.30% p.a.
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory

Subject		Detail	
Existence of step up or other incentive to redeem	No	No	No
Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, specify conversion trigger	-	-	-
If convertible, full or partial amount	-	-	-
If convertible, specify conversion rate	-	-	-
If convertible, specify the type of financial instrument into which it will be converted	-	-	-
If convertible, specify the issuer of the financial instrument into which it will be converted	-	-	-
Write-down feature	Yes	Yes	Yes
If write-down, specify write-down trigger	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).	In the event the issuer's financial performance renders it unable to continue operations and authorities intervene with financial support, the issuer must write off this financial instrument (in whole or in part). The write-off amount must not exceed the proportional reduction of capital required to cover the issuer's total losses. Additionally, it must absorb losses before any subordinated instruments, including Additional Tier 1 instruments, issued by the same issuer (if applicable).

Subject		Detail	
If write-down, full or partial amount	Full or partial	Full or partial	Full or partial
If write-down, permanent or temporary	Permanent	Permanent	Permanent
If temporary write-down, describe the write-down mechanism	-	-	-
Position in subordination hierarchy in liquidation	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.	Rights of claims shall take precedence over: (1) holders of loss-absorption Additional Tier 1 instruments, and (2) preferred and common shareholders of the issuer.

Table 8 Capital during Transitional Period under Basel III

Bank-only

Unit: Million Baht

Capital Components as of 31 December 2024		Net Value of Items with Transitional Phase under Basel III
<b>Tier 1 Capital :</b>		
<b>Common Equity Tier 1 (CET1) Capital</b>		
CET1 capital before regulatory adjustments and deductions	54,465.46	-
Paid-up common shares capital net of treasury stocks	7,676.64	-
Premium (discount) on common share capital (net)	9,356.80	-
Legal reserve	1,047.88	-
Appropriated net profit	-	-
Unappropriated retained earnings	35,866.72	-
Other Comprehensive Income	517.42	-
<u>Adjust</u> Regulatory adjustments on CET1 capital <sup>1/</sup>	-	-
<u>Less</u> Regulatory deductions on CET1 capital	6,142.94	-
Net loss	69.40	-
Goodwill	3,066.03	-
Intangible assets	1,382.76	-
Deferred tax assets	1,624.75	-
Common Equity Tier 1 (CET1) Capital - Net	48,322.52	-
<b>Additional tier 1 Capital</b>		
Additional Tier 1 capital before regulatory deductions	-	-
<u>Less</u> Regulatory deductions on Additional Tier 1 capital	-	-
Additional Tier 1 Capital - Net	-	-
<b>Total Tier 1 Capital (CET1 + Additional Tier 1)</b>	<b>48,322.52</b>	<b>-</b>
<b>Tier 2 Capital :</b>		
Tier 2 capital before regulatory deductions	13,030.05	-
Tier 2 capital instrument issued	9,102.00	-
General Provision	3,928.05	-
<u>Less</u> Regulatory deductions on Tier 2	-	-
<b>Total Tier 2 Capital</b>	<b>13,030.05</b>	<b>-</b>
<b>Total Regulatory Capital (Tier 1 + Tier 2)</b>	<b>61,352.57</b>	<b>-</b>

Consolidated

Unit: Million Baht

Capital Components as of 31 December 2024		Net Value of Items with Transitional Phase under Basel III
<b>Tier 1 Capital :</b>		
<b>Common Equity Tier 1 (CET1) Capital</b>		
CET1 capital before regulatory adjustments and deductions	61,531.20	-
Paid-up common shares capital net of treasury stocks	7,676.64	-
Premium (discount) on common share capital (net)	9,356.80	-
Legal reserve	1,047.88	-
Appropriated net profit	-	-
Unappropriated retained earnings	41,182.66	-
Other Comprehensive Income	2,425.56	-
Owner Changes	(158.34)	-
<u>Adjust</u> Regulatory adjustments on CET1 capital <sup>1/</sup>	-	-
<u>Less</u> Regulatory deductions on CET1 capital	6,761.80	-
Net loss	121.79	-
Goodwill	3,066.03	-
Intangible assets	1,732.45	-
Deferred tax assets	1,841.53	-
Common Equity Tier 1 (CET1) Capital - Net	54,769.40	-
<b>Additional tier 1 Capital</b>		
Additional Tier 1 capital before regulatory deductions	-	-
<u>Less</u> Regulatory deductions on Additional Tier 1 capital	-	-
Additional Tier 1 Capital - Net	-	-
<b>Total Tier 1 Capital (CET1 + Additional Tier 1)</b>	<b>54,769.40</b>	<b>-</b>
<b>Tier 2 Capital :</b>		
Tier 2 capital before regulatory deductions	13,166.30	-
Tier 2 capital instrument issued	9,102.00	-
General Provision	4,064.30	-
<u>Less</u> Regulatory deductions on Tier 2 capital	-	-
<b>Total Tier 2 Capital</b>	<b>13,166.30</b>	<b>-</b>
<b>Total Regulatory Capital (Tier 1 + Tier 2)</b>	<b>67,935.70</b>	<b>-</b>

<sup>1/</sup> This refers to accounting items that are excluded in calculating the regulatory capital amount.

## Reconciliation of regulatory capital items

Consolidated

Unit : Million Baht

Capital related items as at December 31, 2024	Amount as disclosed in public financial statement - Financial Position (a)	Amount as disclosed in the statement of financial position under the consolidated supervision (b)	References (c)
<b>Assets</b>			
Cash	1,247.82	1,247.82	
Interbank and money market items, net	38,984.57	38,273.66	
Financial assest measured at fair value through profit or loss	23,893.31	23,892.62	
Derivatives assets	8,218.73	8,218.73	
Investments, net	34,540.20	34,540.20	
Subject to capital deduction	-	-	K
Not subject to capital deduction	-	34,540.20	
Investments in subsidiaries, net	-	1,545.76	
Loans to customers and accrued interest receivables, net			
Loans to customers	403,776.89	403,506.31	
Accrued interest receivables	8,346.06	8,153.34	
Total loans to customers and accrued interest receivables	412,122.95	411,659.65	
Less Deferred Revenue	36,574.28	36,574.28	
Less Expected credit loss	20,607.50	20,529.60	
Qualified as capital	-	4,064.30	N
Non-qualified as capital	-	16,465.30	
Loans to customers and accrued interest receivables, net	354,941.17	354,555.77	
Properties foreclosed, net	6,984.11	8,212.64	
Land, premises and equipment, net	7,381.34	7,381.34	
Goodwill and other intangible assets, net	4,798.48	4,798.48	
Goodwill	3,066.03	3,066.03	H
other intangible assets	1,732.45	1,732.45	
Subject to capital deduction	-	1,732.45	I
Not subject to capital deduction	-	-	
Deferred tax assets	1,786.65	1,786.65	
Subject to capital deduction	-	1,841.53	J
Not subject to capital deduction	-	(54.88)	
Other assets, net	15,653.06	15,576.50	
<b>Total assets</b>	<b>498,429.44</b>	<b>500,030.17</b>	

Unit : Million Baht

Capital related items as at December 31, 2024	Amount as disclosed in public financial statement - Financial Position (a)	Amount as disclosed in the statement of financial position under the consolidated supervision (b)	References (c)
<b>Liabilities</b>			
Deposits	359,305.99	359,892.43	
Interbank and money market items, net	17,399.45	17,399.45	
Liabilities payable on demand	346.50	346.50	
Financial liabilities measured at fair value through profit or loss	824.95	824.95	
Derivatives liabilities	9,116.17	9,116.17	
Debt issued and borrowings	27,349.66	27,349.66	
Qualified as capital	-	9,102.00	M
Non-qualified as capital	-	18,247.66	
Provisions	1,570.20	1,570.20	
Deferred tax liabilities	559.50	559.50	
Other liabilities	18,746.15	18,685.74	
<b>Total liabilities</b>	<b>435,218.57</b>	<b>435,744.60</b>	

Unit : Million Baht

Capital related items as at December 31, 2024	Amount as disclosed in public financial statement - Financial Position (a)	Amount as disclosed in the statement of financial position under the consolidated supervision (b)	References (c)
<b>Equity</b>			
Share capital			
Issued and paid-up share capital			
Common Equity	8,467.60	8,467.60	A
Premium on share capital			
Premium on common shares	9,356.80	9,356.80	B
Other components of equity			
Surplus on revaluation of land and premises	3,146.40	2,517.12	E
Revaluation surplus (deficit) of investments classified as FVTOCI	(720.65)	(91.38)	
Qualified as capital	-	(91.56)	F
Non-qualified as capital	-	0.18	
Owner Changes	(158.34)	(158.34)	G
Share-based payment	59.15	59.15	
Retained earning			
Appropriated retained earning			
Legal reserve	1,047.88	1,047.88	C
Treasury shares reserve	790.96	-	
Unappropriated retained earning	41,711.10	43,621.74	
Net profit after appropriation to capital	-	41,060.87	D
Net profit unappropriated to capital	-	2,560.87	
<b>Less</b> Treasury shares reserve	(790.96)	(790.96)	A
<b>Total owners of the company</b>	<b>62,909.94</b>	<b>64,029.61</b>	
Non-controlling interests	300.93	255.96	
Qualified as Tier 1 capital	-	-	L
Qualified as Tier 2 capital	-	-	O
Non-qualified as capital	300.93	255.96	
<b>Total equity</b>	<b>63,210.87</b>	<b>64,285.57</b>	
<b>Total liabilities and equity</b>	<b>498,429.44</b>	<b>500,030.17</b>	



Unit : Million Baht

Capital related items as at December 31, 2024	Component of regulatory capital reported by financial business group (d)	References based on statement of financial position under consolidated supervision (e)
<b>Common Equity Tier 1 (CET1): Eligible items for Common Equity Tier 1</b>		
Paid-up shares capital net of treasury stocks	7,676.64	A
Warrants	-	
Premium (discount) on common share capital - net	9,356.80	B
Legal reserve	1,047.88	C
Reserve appropriated from net profit	-	
Retained earnings after appropriation	41,182.66	D
Accumulated other comprehensive income		
Changes in capital surplus from appraisal of lands, buildings or units in condominium	2,517.12	E
Revaluation surplus (deficit) of investment classified as FVTOCI	(91.56)	F
Owner changes	(158.34)	G
<b>Total Common Equity Tier 1 (CET1) before regulatory adjustments and deduction items</b>	<b>61,531.20</b>	
<b>Common Equity Tier 1 (CET1): Deduction items</b>		
Net loss	121.79	D
Goodwill	3,066.03	H
Other intangible assets	1,732.45	I
Deferred tax assets	1,841.53	J
Investment in equity including warrants counted as CET 1 of other financial institutions or other consolidated financial institutions other than specified in no. 1.11.7 and 1.11.8	-	K
<b>Total regulatory deductions from Common Equity Tier 1</b>	<b>6,761.80</b>	
<b>Total Common Equity Teir 1 (CET1)</b>	<b>54,769.40</b>	
Non-controlling interest of subsidiaries which can be counted as Additional Tier 1 capital	-	L
<b>Total Additional Tier 1 capital before regulatory adjustments and deduction items (AT1)</b>	<b>-</b>	
<b>Total Tier 1 Capital (T1 = CET1+AT1)</b>	<b>54,769.40</b>	
<b>Tier 2 Capital: Eligible items for Tier 2</b>		
Proceeds from issuance of subordinated debts, in which the holders' right to receive payment is after depositors and creditors	9,102.00	M
General Provision	4,064.30	N
Non-controlling interest of subsidiaries which can be counted as Tier 2 capital	-	O
<b>Total Tier 2 capital before regulatory adjustments and deduction items (T2)</b>	<b>13,166.30</b>	
<b>Total capital (TC = T1+T2)</b>	<b>67,935.70</b>	

## 4. Risk Management

### 4.1 Risk Management Overview

In 2024, the Group continued to focus on the synchronization of risk management and business operations to limit risks to acceptable levels. The risks to the Group originate from both internal and external factors. To efficiently manage all significant risks, the Group has classified them, according to the Bank of Thailand's definition, into ten different types, specifically credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in banking books, strategic risk, reputation risk, legal and compliance risk, operational risk, and information technology risk ("IT risk"). In addition, the Group applied a risk management process in accordance with international standards, consisting of risk identification, risk measurement, risk assessment and risk monitoring and control. The Risk Oversight Committee and subcommittee cooperated in reviewing and proposing policies and a risk governance framework, as well as monitoring the overview of risk management to report to the Board of Directors. Meanwhile, the Risk Management Group and subsidiaries' risk management departments, independent from front office departments and risk owners, regulate and support the risk management of the Group.

During 2024, the Group improved many aspects of risk management in 2024 to strengthen the overall risk management, for example, the development of both new and existing risk management tools to increase effectiveness, the establishment of the recovery plan for solving problems that may arise in the future, and the promotion of a good risk management culture.

- Risk Management Development

In 2024, the Group developed several risk management initiatives to increase the efficiency of risk management activities, as follows:

1. Existing tool applications and new tool development
  - Developed and improved the Internal Credit Rating (ICR) system to classify the risk levels of commercial lending and corporate lending clients. The results from the ICR will be used in each client's credit approval, credit review processes, and classification of individual borrowers.
  - Developed and improved monitoring of the watchlist process to increase surveillance and supervision of debtors more closely to make sure the Bank will be able to solve problems or provide assistance to debtors faster and in a timely manner.
  - Developed and improved NCB Score (Acquisition Score) across various retail products, including new car hire purchase loans, used car hire purchase loans, RRN, personal loans, housing loans, and SME loans. For some products, new recut-off scores were calibrated to align with prescribed risk appetite and enhance predictive accuracy.
  - Developed and improved the Behavior Score for retail loans, covering various products such as new car hire purchase loans, used car hire purchase loans, RRN, personal loans, housing loans, and SME loans, to increase the accuracy of distinguishing clients in order to determine and enable additional use cases such as:

- Setting collection strategies, tailored cross-selling, and credit line increases (Top-up) aligned with client risk levels
  - Risk-based segmentation to customize collection strategies
  - Providing key input for determining the probability of default (“PD”) for provision under TFRS 9 accounting standards.
- Developed risk segmentation for debtor tracking, covering both open and closed accounts, such as written-off accounts or accounts with vehicles sold at auction, using machine learning as a tool to enhance debt collection for retail loans. Additionally, the Bank developed a PD forecast for new loans issued each month, enabling greater accuracy and faster adjustments to lending criteria.
- Determined the indicator to monitor the credit quality of each retail lending product to promptly monitor the credit quality of the new loans. This is a proactive action to prevent NPLs. Therefore, there is no need to issue measures to improve the product program.
- Developed early indicators to improve product programs and launched test programs for new channels and new segments in order to increase business opportunities within acceptable risk levels of the Bank and determine the exposure for the test to reduce the Group’s concentration risk.
- Reviewed the risks of retail credit clients at the portfolio level to manage the risk in setting limits. The Bank implemented a program to assist clients in timely debt restructuring when there were significant increases in risk. The Bank also uses it to formulate credit quality improvement strategies tailored to each client’s unique situation.
- Specified special financial assistance measures in accordance with the client’s repayment ability for retail lending in every lending product to alleviate the impact from the economic situation. Developed and improved the provision model under TFRS 9 accounting standards for the volatile economic situation in the future.
- Developed debtor segmentation for troubled accounts to propose appropriate assistance measures for retail loan debtors based on their situation and repayment capacity, enabling them to repay their debt in full without becoming NPLs.
- Developed or provided various calculation tools, such as fair value, pricing, profit and loss, analysis of profit and loss, market risk and capital adequacy, counterparty credit risk, and the credit value adjustment for new products of the Financial Markets Group.
- Developed a model for adjusting the behavior of savings deposits (CASA) to be more accurate by reflecting behaviors based on client type and savings deposits product type for better liquidity risk management.
- Improved commercial credit risk and financial institution dashboard to increase stability and level of information provided.
- Improved single lending limit (SLL) effectiveness.
- Developed and improved the ESG risk assessment tool to enhance its effectiveness.

- Developed and improved risk assessment of interest rate risk in the banking book (IRRBB) to be more efficient and reflect reality by adjusting the risk factors of client behavior in the repricing gap and testing the risk factors of the deformation and slope of the yield curve in various patterns (The Risk Factors of Deformation and Slope of the Yield Curve).
  - Developed and enhanced risk early warning systems for liquidity risk (Liquidity Risk Management Early Warning System) to cover various risk factors in the current era, both internal bank risks and external risks, to a greater extent.
  - Developed financial crime risk management systems for both fraud prevention and audit as well as digital fraud monitoring functions and provided fraud awareness training to relevant departments to raise awareness on the importance of shared policies, guidelines, and responsibilities in managing financial crime risk.
  - Developed and improved the system to connect and receive CFR Suspicious Reports declared by the National ITMX CFR (Central Fraud Registry) for integration into the Bank's CCL system and used it to block the opening of accounts for individuals listed for fraud.
  - Improved and carried out fraud and financial transaction fraud investigation, as well as investigations into employee non-compliance to regulations, guidelines, and work procedures, including strictly pursuing criminal prosecution against perpetrators.
  - Implemented the Nasdaq risk platform to monitor risks for various transactions of the Group companies, which allows real-time risk management of portfolio total return swap transactions. Additionally, it enhances the ability to track the risk of securities trading for both institutional and retail clients throughout the day.
2. Preparation for upcoming systems and regulations planned for implementation by the Bank of Thailand, such as:
- Upgraded systems related to TFRS 9 accounting standards to accommodate future economic volatility.
3. Preparation for new product launches, optimization of work procedures, and accommodating the overall changes of financial markets to support the Financial Markets Group by the Market Risk Management Department, such as:
- New products, such as new types of derivatives or existing derivatives with the addition of new underlying assets.
  - Development of a treasury management system to support new products.
4. New guideline implementation and process improvement

Apart from new developments for risk management, the Group also continued to develop the previous year's risk management actions, which have contributed benefits to the business as follows:

1. Reviewed the recovery plan to prepare for future financial crisis, especially the impact on liquidity risk and capital adequacy of the Group, so that the Group will be able to strengthen its stability more effectively with the integration of risk frameworks and crisis response plans in each area.
2. Monitored risk management involvement in the product and service development process along with business units.
3. Carried out risk management knowledge training for the Group's personnel to foster understanding and embed risk awareness and risk culture into the Group.
4. Developed the capital adequacy assessment process to cover all of the Group's significant risks and assesses three aspects of capital adequacy: forecast capital needs, current capital needs, and potential capital needs in crisis, to conform with the Internal Capital Adequacy Assessment Process (ICAAP) guidelines from Basel.
5. Established internal operational guidelines as standards, including the implementation of the maker-checker principle in operational processes, as well as measures to reduce risks from fraudulent activities both internally and externally. These include improvements in cash advance procedures, asset management guidelines, and updates to regulations and standards related to the discipline of business partners and the Bank's employees, as appropriate.
6. Participated in the pilot climate change stress test for the year 2024, organized by the Bank of Thailand, to prepare data, models, and personnel for the full exercise testing in 2026.

In 2024, the Group continued to prioritize risk management, with a focus on managing NPLs and providing assistance to debtors affected by various situations or disasters. Additionally, the Group will oversee the quality of new debtors emerging during 2024, in line with the principles of responsible lending.

The Group validated each model every quarter to assure the accuracy and effectiveness of risk management. The Group continued to encourage cooperation between the Risk Management Group and other business units to manage risk, develop risk management procedures, and initiate tools or processes to assess risks the Group may confront within the foreseeable future.

- The Bank and the Group companies' principles of risk management are as follows:
  - 1) A risk owner is primarily responsible for managing the risks arising from their business activities.
  - 2) The risk owner and the independent departments cooperate to carry out risk control.
  - 3) In order to control the risks to an acceptable level, the Group applies the model "Three Lines of Defense" to ensure the appropriateness and effectiveness of the Group's risk management.

Level 1: Risk Owner Level: The risk owner must monitor their own unit's risk to be within an appropriate level.

Level 2: Risk Management Group and Legal and Compliance Group Level: The Risk Management Group is responsible for monitoring and supporting tools and an effective risk management process to control the risks to be within an acceptable level. The Legal and Compliance Group is responsible for monitoring and reviewing the operations of the Group in compliance with the risk management policy and regulations. These two groups are independent of the risk owner.

Level 3: Internal Audit Level: The Internal Audit Office is responsible for auditing guidelines for risk management and internal control.

These principles of risk management, as shown above, show that not only is the Risk Management Group responsible for risk management but other business units are also important for effective risk management. It is not just executives; all employees in the business units at the source of the risk are also important. Therefore, any relevant personnel must strictly comply with the risk management policy and relevant risk management regulations.

Apart from the mentioned principles of risk management, reducing the risk to an acceptable level and consistently monitoring risk levels are also crucial. The risk management process follows a systematic approach:



- Risk Report Preparation

The risk report preparation for relevant committees is as follows:

1. Report on the Bank's and the Group's risk limits on a monthly and quarterly basis.
2. Report on emerging risks on a quarterly basis or when there is a significant change; the assessment is conducted in the context of risks to the Group's business operations over the next year that may be caused by any changes in economic factors, geopolitical problems, regulation, and technology, for instance, default risks of SME and retail clients, global recession risk that affects exports, current account balance, and Baht value, sluggish market conditions and used car stock that cause the used car price to further decrease, affecting the Bank's collateral value, etc.

If any indicator reaches the early warning trigger level, the person responsible for that risk must prepare a plan to closely monitor and reduce it. If indicators related to the risk exceed the risk tolerance level, the Risk Management Group will coordinate with relevant business units to prepare a mitigation plan. This plan will be implemented to reduce the risk to an acceptable level, following the established risk management process, as mentioned above.

- Risk Assessment

The Group assesses important risks in various areas that may affect the business, and they cover the following risks:

- 1) Credit risk
- 2) Credit concentration risk
- 3) Market risk
- 4) Liquidity risk
- 5) Interest rate risk in banking books
- 6) Strategic risk
- 7) Reputational risk
- 8) Legal and compliance risk
- 9) Operational risk
- 10) IT risk

Whenever a new product is launched or certain significant business has changed, the relevant business unit must conduct a risk analysis on society and/or the environment, along with a review of the policy, guidelines, and regulations related to the risk management of the Group at least once a year or upon any significant changes, to ensure they are appropriate to the business circumstances and changes.

## 4.2 Core Risk Management Policies

- Risk Management Policy and Plan

The risk management policy of the Group is emphasised on managing overall risks as a Group wide in order to ensure the appropriateness and effectiveness of the enterprise-wide risk management. While each related business and department unit is required to sufficiently understand and effectively manage its risks incurred under the centralised framework and risk management policy of the Group, risk management department also plays important roles to control and review each business line and unit to ensure the sufficient risk management and control system.

There are twenty-two core risk management policies, namely

1. Enterprise Risk Management Policy of the Group
2. Market Risk Management Policy of the Group
3. Liquidity Risk Management Policy of the Group
4. Strategic Risk Management Policy of the Group
5. Operational Risk Management Policy of the Group
6. IT Risk Management Policy of the Bank
7. Stress Test Policy of the Group
8. Investment & Trading Policy of the Group
9. Reputation Risk Management Policy of the Bank
10. Pillar 3 Disclosure of the Bank and the Group and LCR Disclosure of the Bank
11. Retail Lending Policy of the Bank
12. Financial Crime Risk Management Policy of the Group
13. Core Credit Policy of the Bank
14. Commercial Lending Policy of the Bank
15. Debt Restructuring, Asset Classification, Provision, and Write-Off Policy
16. Collateral Policy of the Bank
17. Counterparty Risk Policy of the Bank
18. Country Risk Management Policy of the Group
19. Delegation of Authority Policy for Commercial Lending & Counterparty Limit Setting
20. Factoring Policy of the Bank
21. ESG Lending Policy for the Bank
22. Model Risk Management Policy of the Group

The Risk Management Group widely communicates these policies via the intranet system. Moreover, the Risk Management Group arranges for risk management knowledge trainings for the Bank's and the Group companies' personnel to foster understanding, embed risk awareness and risk culture into the Group, and encourage employees' involvement in managing the risks of the organization.



### 4.3 Risk Management Structure

The Board of Directors, via the Risk Oversight Committee, closely regulates the risk management policy, embracing the management of risks throughout the entire organization with emphasis on establishing, for each business group and unit, the roles and responsibilities of understanding the risks of its business activities and managing such risks under the risk management policies and guidelines of the Group. The Risk Management Group has roles and duties to regulate, monitor, and review the mechanics of risk management and control in each business unit and business group. Furthermore, each business group will be allocated capital in an amount depending on the level of its transaction risks and business operation losses.

The roles, duties, and responsibilities of the relevant committees, business groups, and risk management authorities are as follows:

- Board of Directors

The Board of Directors sets or approves a good and effective risk governance framework by defining the acceptable risk appetite to suit the Bank's risk level and supervising business conduct to comply with the specified risk appetite. Additionally, the Board of Directors supervises the Risk Oversight Committee to ensure the development of policies, procedures, and control measures for risk management that at least cover credit risk, credit concentration risk, market risk, liquidity risk, interest rate risk in banking books, reputation risk, legal and compliance risk, strategic risk, operational risk, and IT risk, as well as risks from new products or any significant process change. The Board of Directors is also responsible for approving and reviewing the policies and practices consistently and immediately after significant change.

- Risk Oversight Committee

The Risk Oversight Committee plays a key role in defining risk management policy, overseeing the adequacy of policies and risk management systems within the Group and reporting to the Board of Directors. It also monitors risk levels to be within the acceptable level of risk appetite for the Group, aiming to limit risks in a predetermined range while earning an appropriate rate of return.

- Operational Risk Sub-committee

The Operational Risk Sub-committee is under the supervision of the Risk Oversight Committee. The subcommittee is responsible for the assessment of operational risks while providing guidance, policies, strategies, frameworks, and tools for operational risk management and IT risk management. The subcommittee supervises, gives advice, and supports the development and implementation of operational risk management and IT risk management processes to achieve efficiency in the organization. It also oversees and monitors the progress of the management of risk situations, losses, and the Bank of Thailand's observations relating to operational risk management and IT risk management, as well as providing comments and presenting quarterly performance reports to the Risk Oversight Committee.

### - Risk Management Group

The Risk Management Group designs and develops key tools and risk management procedures, ensures the implementation of such tools and procedures in business groups and various units within the Group, and assesses, tracks, controls, and prepares reports of the Group's risk position in order to control risks to be within an acceptable level.

### - Internal Audit Office

The Internal Audit Office audits and verifies the operations of departments and units to comply with policies, guidelines, regulations, and processes of risk management. The Internal Audit Office examines and assesses the performance of the internal control system and the quality of operational processes to improve such processes as well as control and reduce significant risks.

### - Risk Owner

Risk owners, which are the product owners, departments, branches, and units in the Group, are responsible for managing the different risks related to their operations, systems, products, and services to be within acceptable risk levels in compliance with the risk management policies, regulations, and processes. These risk management activities include identification, assessment, monitoring, control, and reporting of risks.

## 4.4 Internal control system and internal audit

The Audit Committee operates independently to review the adequacy of the internal control system established by management and the Bank's Board of Directors. It also reviews the policies and audit procedures of the Internal Audit Department, ensuring that the internal audit process is independent, objective, and effective.

The Internal Audit Department is responsible for testing and evaluating the adequacy and effectiveness of the internal control system, risk management, and the quality of the Bank's and its subsidiaries' operations. The department reports the audit findings to senior management, the Chief Governance Officer, the Audit Committee, and the Board of Directors.

## 5. Risk Management Disclosure

### 5.1 Credit Risk Disclosure

#### 5.1.1 Credit Risk

Credit risk refers to risk arising from the failure of either debtors to repay principal and interest as agreed, or of counterparties to comply with conditions or contracts. Credit risk covers all types of financial products: transactions on-financial reporting such as loans, overdrafts, bills of exchange, and other types of debts; and those off-financial reporting such as letters of guarantee.

The Group has constantly improved its process of credit risk management to appropriately reflect its managed credit risk. Details of such improvement measures are as follows;

- Credit Policy Adjustment

The Bank focuses on adjusting its main credit policy, business loan policy, personal loan policy, and Watch List mechanism as an integral part of Debt Restructuring, Asset Classification, Provision and Write-off Policy to provide adequate level of conservativeness and suitability to current environment. Counterparty credit policy and country credit policy have also been added to accommodate the Bank's extended reach to financial institutions and corporation counterparties. In addition, credit policy has been established taking into account the environmental dimension also including climate change, society and governance, according to guidelines for responsible lending and covers everything from customer selection guidelines, credit analysis, setting necessary conditions and credit management.

- Development of Credit Approval Aid

The Bank aims to consistently develop and improve its tools for assisting with the credit approval process. Set up Product Program for Retail Banking, which covers 2 dimensions, customer profile and collateral class. In addition, Behavior-Score usage, which applied for acquired existing customer with different credit granted from risk level. For new customer, the Bank started implementing internal score by using the NCB data which will ensure to a better risk assessment and select a customer group in accordance with the Bank's goals and strategy. In addition to that, Bank introduced the alternative score base for Thin customer profile who just newly to credit to help Bank to precise underwriting process for business target expansion which is the major segment for Hire Purchase business.

- Loan portfolio Management

The Bank focuses on giving credit to businesses which the Bank has expertise. The Bank will manage its loan portfolio to maximise profit with an acceptable level or Risk Appetite of each portfolio as well as early warning indicator for monitoring of loan portfolio position with a systematic information reporting, in-depth analysis for the identification of risks and solution planning. A concentration risk limit is also utilised to lessen the volatility in the Group's performance. Examples of concentration limits include the Single Lending Limit and the Large Borrower Concentration Limit.

The Bank has introduced Risk Mitigation function which will be responsible for Retail Collection Strategies. The customer will be graded as High, Medium and Low upon each Individual payment behavior and collection treatment will be differentiated according to their grade. In addition, the Bank implemented has done in-depth cost-benefit analysis for each collection activity, especially when comparing to debt outstanding balance to ensure each collection activity must be cost-effective. During the Covid-19 situation, Bank has introduced the risk segmentation for phone collection dunning (Before NPL) by Chi-square Automatic Interaction Detector (CHAID) for forbearance and normal account. This is to give the right offer help program to customers during crisis. In addition, Bank performed portfolio scrub or credit review to manage the risk of existing customers and to offer the right restructuring program if we found significant shift in behavior of customer performance.

In the case of recognised financial assets, the carrying amount of the assets recorded in the statement of financial position, net of a portion of allowance for expected credit losses, represents the maximum exposure to credit risk.

The Group considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-statement of financial position financial instruments will not adhere to the terms of the contract when settlement becomes due.

The Group is exposed to credit risk in case where the counterparty fails to comply with terms in accordance with off-statement of financial position financial instruments such as commitments to extend credit, standby letters of credit, and financial guarantees. Risk of aforementioned instruments equals the contractual notional amount of applicable instruments. The Group use the same credit policy in making commitments and conditional obligations as they do for on-statement of financial position financial instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amount does not represent the Group exposure to potential credit loss. The Group controls credit risk on financial instruments through prudent credit approvals, limits, and strict monitoring procedures.

The Group has policies in place to ensure that loans are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the credit line of loan transaction to any client or financial institution.

### 5.1.2 Definition of Default and Asset Impairment

#### - Default

Default refers to the situation where a debtor is unable to meet their payment obligations within the time specified in the contract or under the terms agreed upon with the Bank. The date which the debtor agrees to make the payment according to the terms is called the due date.

#### - Impairment of assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. An impairment loss will be recognised in the profit or loss of the Group.

### 5.1.3 Loan Classification, Provisions, and Write-Off

The Bank complies with the loan classifications and required provisions according to the regulations of the Bank of Thailand and also according to the guidelines from the Bank's Risk Oversight Committee. The Bank also sets additional indicators in order to closely monitor credit quality. The Bank will perform write-offs when debt repayment is no longer possible, such as in cases where legal actions have been taken, the debtor has no assets to support repayment, there is no debt guarantor, or the collateral no longer has any value. Write-offs and any recovery will be in accordance with regulations by the Bank of Thailand and the Revenue Department and guidelines from the Bank's Risk Oversight Committee. Any write-off conducted shall be subject to a strict compliance process, with no benefits to be considered for any director, senior executive, or shareholder of the Bank or any related parties.

Table 9 Exposure on-balance sheet assets and off-balance items before credit risk mitigation (CRM)

Bank Only

Unit : Million Baht

Items	2024*	December 31, 2024	December 31, 2023
On-balance sheet assets	<b>474,081.89</b>	<b>450,794.41</b>	<b>497,369.37</b>
Loans and accrued interest receivables, net <sup>1/</sup>	413,854.33	389,886.27	437,822.39
Investment in debt securities, net <sup>2/</sup>	45,656.93	47,698.82	43,615.05
Deposit (including accrued interests), net <sup>3/</sup>	6,457.35	5,021.72	7,892.97
Derivatives assets	8,113.28	8,187.60	8,038.96
Off-balance sheet items <sup>4/</sup>	<b>927,661.34</b>	<b>924,528.31</b>	<b>930,794.37</b>
Aval of bills, guarantees and letters of credit	14,513.15	14,681.26	14,345.05
OTC derivatives <sup>5/</sup>	895,501.90	894,361.08	896,642.71
Undrawn committed line	17,646.29	15,485.97	19,806.61

Unit : Million Baht

Items	2023*	December 31, 2023	December 31, 2022
On-balance sheet assets	<b>477,097.17</b>	<b>497,369.37</b>	<b>456,824.96</b>
Loans and accrued interest receivables, net <sup>1/</sup>	422,645.26	437,822.39	407,468.13
Investment in debt securities, net <sup>2/</sup>	37,548.90	43,615.05	31,482.75
Deposit (including accrued interests), net <sup>3/</sup>	7,614.03	7,892.97	7,335.09
Derivatives assets	9,288.98	8,038.96	10,538.99
Off-balance sheet items <sup>4/</sup>	<b>825,526.06</b>	<b>930,794.37</b>	<b>720,257.75</b>
Aval of bills, guarantees and letters of credit	13,273.83	14,345.05	12,202.62
OTC derivatives <sup>5/</sup>	795,396.36	896,642.71	694,150.01
Undrawn committed line	16,855.87	19,806.61	13,905.12

Consolidated

Unit : Million Baht

Items	2024*	December 31, 2024	December 31, 2023
On-balance sheet assets	<b>473,495.36</b>	<b>449,039.98</b>	<b>497,950.73</b>
Loans and accrued interest receivables, net <sup>1/</sup>	411,420.37	387,330.14	435,510.60
Investment in debt securities, net <sup>2/</sup>	46,527.71	47,991.81	45,063.61
Deposit (including accrued interests), net <sup>3/</sup>	7,406.69	5,499.30	9,314.07
Derivatives assets	8,140.59	8,218.73	8,062.45
Off-balance sheet items <sup>4/</sup>	<b>927,272.51</b>	<b>924,153.12</b>	<b>930,391.89</b>
Aval of bills, guarantees and letters of credit	14,510.50	14,675.96	14,345.05
OTC derivatives <sup>5/</sup>	895,787.07	894,645.49	896,928.64
Undrawn committed line	16,974.94	14,831.67	19,118.20

Unit : Million Baht

Items	2023*	December 31, 2023	December 31, 2022
On-balance sheet assets	<b>475,279.71</b>	<b>497,950.73</b>	<b>452,608.69</b>
Loans and accrued interest receivables, net <sup>1/</sup>	418,295.57	435,510.60	401,080.55
Investment in debt securities, net <sup>2/</sup>	38,987.74	45,063.61	32,911.86
Deposit (including accrued interests), net <sup>3/</sup>	8,696.17	9,314.07	8,078.27
Derivatives assets	9,300.23	8,062.45	10,538.01
Off-balance sheet items <sup>4/</sup>	<b>824,935.55</b>	<b>930,391.89</b>	<b>719,479.22</b>
Aval of bills, guarantees and letters of credit	13,273.83	14,345.05	12,202.62
OTC derivatives <sup>5/</sup>	795,494.58	896,928.64	694,060.51
Undrawn committed line	16,167.14	19,118.20	13,216.09

\* Average On-Balance Sheet and Off-Balance Sheet during the period.

<sup>1/</sup> Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, allowance for expected credit losses, and loans and accrued interest receivables from interbank and money market transactions.

<sup>2/</sup> Including investment in accounts receivable but, excluding accrued interest receivables and net of revaluation and allowance for expected credit losses.

<sup>3/</sup> Total accrued interest receivable not yet due and net of allowance for expected credit losses.

<sup>4/</sup> before multiplying by credit conversion factor (CCF).

<sup>5/</sup> Including derivative in equity securities.

Table 10 Exposure on-balance sheet assets and off-balance sheet items before credit risk mitigation (CRM) classified by country or geographic area

Bank Only

2024									
Unit : Million Baht									
Country or geographic area	On-balance sheet assets					Off-balance sheet items <sup>4/</sup>			
	Total	Loans and accrued interest receivables, net <sup>1/</sup>	Investment in debt securities, net <sup>2/</sup>	Deposit (including accrued interests), net <sup>3/</sup>	Derivatives assets	Total	Aval of bills, guarantees and letters of credit	OTC Derivatives <sup>5/</sup>	Undrawn committed line
Thailand	438,735.43	380,166.09	47,698.82	2,682.92	8,187.60	903,453.96	14,681.26	873,286.73	15,485.97
Asia Pacific	8,571.01	8,476.49	-	94.52	-	5,064.68	-	5,064.68	-
North America and Latin America	3,373.40	1,129.12	-	2,244.28	-	-	-	-	-
Africa and Middle East	33.18	33.18	-	-	-	-	-	-	-
Europe	81.39	81.39	-	-	-	16,009.67	-	16,009.67	-
Total	450,794.41	389,886.27	47,698.82	5,021.72	8,187.60	924,528.31	14,681.26	894,361.08	15,485.97

2023									
Unit : Million Baht									
Country or geographic area	On-balance sheet assets					Off-balance sheet items <sup>4/</sup>			
	Total	Loans and accrued interest receivables, net <sup>1/</sup>	Investment in debt securities, net <sup>2/</sup>	Deposit (including accrued interests), net <sup>3/</sup>	Derivatives assets	Total	Aval of bills, guarantees and letters of credit	OTC Derivatives <sup>5/</sup>	Undrawn committed line
Thailand	485,337.42	427,582.49	43,615.05	6,100.92	8,038.96	915,763.45	14,345.05	881,611.79	19,806.61
Asia Pacific	8,205.56	8,099.61	-	105.95	-	5,775.64	-	5,775.64	-
North America and Latin America	3,826.39	2,140.29	-	1,686.10	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	9,255.28	-	9,255.28	-
Total	497,369.37	437,822.39	43,615.05	7,892.97	8,038.96	930,794.37	14,345.05	896,642.71	19,806.61



Consolidated

2024									
Unit : Million Baht									
Country or geographic area	On-balance sheet assets					Off-balance sheet items <sup>4/</sup>			
	Total	Loans and accrued interest receivables, net <sup>1/</sup>	Investment in debt securities, net <sup>2/</sup>	Deposit (including accrued interests), net <sup>3/</sup>	Derivatives assets	Total	Aval of bills, guarantees and letters of credit	OTC Derivatives <sup>5/</sup>	Undrawn committed line
Thailand	436,945.32	377,609.96	47,991.81	3,124.82	8,218.73	902,938.66	14,675.96	873,431.03	14,831.67
Asia Pacific	8,596.81	8,476.49	-	120.32	-	5,178.48	-	5,178.48	-
North America and Latin America	3,383.28	1,129.12	-	2,254.16	-	26.31	-	26.31	-
Africa and Middle East	33.18	33.18	-	-	-	-	-	-	-
Europe	81.39	81.39	-	-	-	16,009.67	-	16,009.67	-
Total	449,039.98	387,330.14	47,991.81	5,499.30	8,218.73	924,153.12	14,675.96	894,645.49	14,831.67

2023									
Unit : Million Baht									
Country or geographic area	On-balance sheet assets					Off-balance sheet items <sup>4/</sup>			
	Total	Loans and accrued interest receivables, net <sup>1/</sup>	Investment in debt securities, net <sup>2/</sup>	Deposit (including accrued interests), net <sup>3/</sup>	Derivatives assets	Total	Aval of bills, guarantees and letters of credit	OTC Derivatives <sup>5/</sup>	Undrawn committed line
Thailand	485,918.78	425,270.70	45,063.61	7,522.02	8,062.45	879,247.68	14,345.05	845,784.43	19,118.20
Asia Pacific	8,205.56	8,099.61	-	105.95	-	5,775.64	-	5,775.64	-
North America and Latin America	3,826.39	2,140.29	-	1,686.10	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	45,368.57	-	45,368.57	-
Total	497,950.73	435,510.60	45,063.61	9,314.07	8,062.45	930,391.89	14,345.05	896,928.64	19,118.20

<sup>1/</sup> Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, allowance for expected credit losses, and loans and accrued interest receivables from interbank and money market transactions.

<sup>2/</sup> Including investment in accounts receivable but, excluding accrued interest receivables and net of revaluation and allowance for expected credit losses.

<sup>3/</sup> Total accrued interest receivable not yet due and net of allowance for expected credit losses.

<sup>4/</sup> before multiplying by credit conversion factor (CCF).

<sup>5/</sup> Including derivative in equity securities.

Table 11 Exposure on-balance sheet assets and off-balance sheet items before credit risk mitigation (CRM) classified by residual maturity

Bank Only

Unit: Million Baht

Items	2024			2023		
	Within 1 year	Over 1 year	Total	Within 1 year	Over 1 year	Total
On-balance sheet assets	<b>83,695.49</b>	<b>367,098.92</b>	<b>450,794.41</b>	<b>82,253.67</b>	<b>415,115.70</b>	<b>497,369.37</b>
Loans and accrued interest receivables, net <sup>1/</sup>	68,268.62	321,617.65	389,886.27	55,619.45	382,202.94	437,822.39
Investment in debt securities, net <sup>2/</sup>	4,126.55	43,572.27	47,698.82	12,003.29	31,611.76	43,615.05
Deposit (including accrued interests), net <sup>3/</sup>	5,021.72	-	5,021.72	7,892.97	-	7,892.97
Derivatives assets	6,278.60	1,909.00	8,187.60	6,737.96	1,301.00	8,038.96
Off-balance sheet items <sup>4/</sup>	<b>679,268.75</b>	<b>245,259.56</b>	<b>924,528.31</b>	<b>751,973.48</b>	<b>178,820.89</b>	<b>930,794.37</b>
Aval of bills, guarantees and letters of credit	5,888.60	8,792.66	14,681.26	8,008.95	6,336.10	14,345.05
OTC derivatives <sup>5/</sup>	657,894.18	236,466.90	894,361.08	724,157.92	172,484.79	896,642.71
Undrawn committed line	15,485.97	-	15,485.97	19,806.61	-	19,806.61

Consolidated

Unit: Million Baht

Items	2024			2023		
	Within 1 year	Over 1 year	Total	Within 1 year	Over 1 year	Total
On-balance sheet assets	<b>84,169.29</b>	<b>364,870.69</b>	<b>449,039.98</b>	<b>83,930.71</b>	<b>414,020.02</b>	<b>497,950.73</b>
Loans and accrued interest receivables, net <sup>1/</sup>	68,233.72	319,096.42	387,330.14	55,622.84	379,887.76	435,510.60
Investment in debt securities, net <sup>2/</sup>	4,126.55	43,865.26	47,991.81	12,232.35	32,831.26	45,063.61
Deposit (including accrued interests), net <sup>3/</sup>	5,499.30	-	5,499.30	9,314.07	-	9,314.07
Derivatives assets	6,309.72	1,909.01	8,218.73	6,761.45	1,301.00	8,062.45
Off-balance sheet items <sup>4/</sup>	<b>684,813.14</b>	<b>239,339.98</b>	<b>924,153.12</b>	<b>199,666.86</b>	<b>730,725.03</b>	<b>930,391.89</b>
Aval of bills, guarantees and letters of credit	5,888.60	8,787.36	14,675.96	8,008.95	6,336.10	14,345.05
OTC derivatives <sup>5/</sup>	664,092.87	230,552.62	894,645.49	172,539.71	724,388.93	896,928.64
Undrawn committed line	14,831.67	-	14,831.67	19,118.20	-	19,118.20

<sup>1/</sup> Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, allowance for expected credit losses, and loans and accrued interest receivables from interbank and money market transactions.

<sup>2/</sup> Including investment in accounts receivable but, excluding accrued interest receivables and net of revaluation and allowance for expected credit losses.

<sup>3/</sup> Total accrued interest receivable not yet due and net of allowance for expected credit losses.

<sup>4/</sup> before multiplying by credit conversion factor (CCF).

<sup>5/</sup> Including derivative in equity securities.

Table 12 Exposure on-balance sheet assets and off-balance sheet items before credit risk mitigation (CRM), general provision and specific provision

Bank Only

2024						
Unit : Million Baht						
Items	Exposure		Provision <sup>2/</sup>	Provision <sup>2/</sup> of Exposures under SA		Net Exposure <sup>3/</sup>
	Defaulted exposures <sup>1/</sup>	Non - defaulted exposures <sup>1/</sup>		General provision	Specific provision	
Loans and accrued interest receivables, net <sup>4/</sup>	17,743.57	392,679.03	20,536.33		16,608.28	389,886.27
Investment in debt securities, net <sup>5/</sup>	-	47,698.82	-		-	47,698.82
Deposit (including accrued interests), net <sup>6/</sup>	-	5,021.75	0.03		-	5,021.72
Loan commitment and financial guarantee contracts <sup>7/</sup>	349.78	100,722.95	194.04		8.09	100,878.69
Total	18,093.35	546,122.55	20,730.40	3,928.05	16,616.37	543,485.50

2023

Unit : Million Baht

Items	Exposure		Provision <sup>2/</sup>	Provision <sup>2/</sup> of Exposures under SA		Net Exposure <sup>3/</sup>
	Defaulted exposures <sup>1/</sup>	Non - defaulted exposures <sup>1/</sup>		General provision	Specific provision	
Loans and accrued interest receivables, net <sup>4/</sup>	15,126.30	443,330.99	20,634.89		16,444.70	437,822.40
Investment in debt securities, net <sup>5/</sup>	-	43,615.05	-		-	43,615.05
Deposit (including accrued interests), net <sup>6/</sup>	-	7,893.12	0.15		-	7,892.97
Loan commitment and financial guarantee contracts <sup>7/</sup>	307.15	71,306.46	124.46		1.74	71,489.15
Total	15,433.45	566,145.62	20,759.50	4,190.19	16,446.44	560,819.57

Consolidated

2024

Unit : Million Baht

Items	Exposure		Provision <sup>2/</sup>	Provision <sup>2/</sup> of Exposures under SA		Net Exposure <sup>3/</sup>
	Defaulted exposures <sup>1/</sup>	Non - defaulted exposures <sup>1/</sup>		General provision	Specific provision	
Loans and accrued interest receivables, net <sup>4/</sup>	17,743.57	390,121.81	20,535.25		16,470.95	387,330.13
Investment in debt securities, net <sup>5/</sup>	-	47,991.81	-		-	47,991.81
Deposit (including accrued interests), net <sup>6/</sup>	-	5,499.33	0.03		-	5,499.30
Loan commitment and financial guarantee contracts <sup>7/</sup>	349.78	98,663.35	193.58		8.09	98,819.55
Total	18,093.35	542,276.30	20,728.86	4,064.30	16,479.04	539,640.79

2023

Unit : Million Baht

Items	Exposure		Provision <sup>2/</sup>	Provision <sup>2/</sup> of Exposures under SA		Net Exposure <sup>3/</sup>
	Defaulted exposures <sup>1/</sup>	Non - defaulted exposures <sup>1/</sup>		General provision	Specific provision	
Loans and accrued interest receivables, net <sup>4/</sup>	15,126.30	441,017.93	20,633.63		16,311.99	435,510.60
Investment in debt securities, net <sup>5/</sup>	-	45,063.61	-		-	45,063.61
Deposit (including accrued interests), net <sup>6/</sup>	-	9,314.22	0.15		-	9,314.07
Loan commitment and financial guarantee contracts <sup>7/</sup>	307.15	69,218.05	123.96		1.74	69,401.25
<b>Total</b>	<b>15,433.45</b>	<b>564,613.81</b>	<b>20,757.74</b>	<b>4,321.64</b>	<b>16,313.73</b>	<b>559,289.53</b>

\* Financial instruments recognized impairment under Thai Financial Reporting Standard No.9 (TFRS 9) of Thailand Federation of Accounting Professions (TFAC).

<sup>1/</sup> Defaulted exposures considered as non-performing financial assets, as defined by the Bank of Thailand, according to the regulations on asset classification and provisioning for financial institutions.

<sup>2/</sup> Expected credit loss allowance as defined in TFRS9 However, for financial instruments measured at fair value through other comprehensive income, the provision does not need to be shown as Thai Financial Reporting Standard No.7 (TFRS 7) Financial Instruments: Disclosures. The outstanding value of such financial instruments will be shown net of the provision.

<sup>3/</sup> Net Value = Exposure - Provisions

<sup>4/</sup> Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, and loans and accrued interest receivables from interbank and money market transactions.

<sup>5/</sup> Excluding accrued interest and net of allowance for expected credit losses but excluding investment in account receivables.

<sup>6/</sup> Total accrued interest receivable not yet due.

<sup>7/</sup> Before multiplying by credit conversion factor (CCF)



**Table 13 Loans and accrued interest receivables and investment in debt securities before credit risk mitigation (CRM) classified by country or geographic area and asset classification**

**Bank Only**

2024										
Unit : Million Baht										
Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>					Investment in debt securities, net <sup>2/</sup>				
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total
Thailand	357,169.04	26,580.91	16,689.87	270.80	400,710.62	47,698.82	-	-	-	47,698.82
Asia Pacific	8,268.64	21.07	180.06	-	8,469.77	-	-	-	-	-
North America and Latin America	529.41	0.94	600.12	-	1,130.47	-	-	-	-	-
Africa and Middle East	27.01	1.99	0.60	-	29.60	-	-	-	-	-
Europe	79.46	0.56	2.12	-	82.14	-	-	-	-	-
<b>Total</b>	<b>366,073.56</b>	<b>26,605.47</b>	<b>17,472.77</b>	<b>270.80</b>	<b>410,422.60</b>	<b>47,698.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,698.82</b>

2023

Unit : Million Baht

Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>					Investment in debt securities, net <sup>2/</sup>				
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total
Thailand	408,640.46	27,157.98	14,369.02	315.37	450,482.83	43,615.05	-	-	-	43,615.05
Asia Pacific	4,476.02	161.89	253.27	-	4,891.18	-	-	-	-	-
North America and Latin America	2,894.64	-	188.64	-	3,083.28	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-
Total	416,011.12	27,319.87	14,810.93	315.37	458,457.29	43,615.05	-	-	-	43,615.05

## Consolidated

2024

Unit : Million Baht

Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>					Investment in debt securities, net <sup>2/</sup>				
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total
Thailand	354,611.82	26,580.91	16,689.87	270.80	398,153.40	47,991.81	-	-	-	47,991.81
Asia Pacific	8,268.64	21.07	180.06	-	8,469.77	-	-	-	-	-
North America and Latin America	529.41	0.94	600.12	-	1,130.47	-	-	-	-	-
Africa and Middle East	27.01	1.99	0.60	-	29.60	-	-	-	-	-
Europe	79.46	0.56	2.12	-	82.14	-	-	-	-	-
Total	363,516.34	26,605.47	17,472.77	270.80	407,865.38	47,991.81	-	-	-	47,991.81

2023										
Unit : Million Baht										
Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>					Investment in debt securities, net <sup>2/</sup>				
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	Total
Thailand	406,327.40	27,157.98	14,369.02	315.37	448,169.77	45,063.61	-	-	-	45,063.61
Asia Pacific	4,476.02	161.89	253.27	-	4,891.18	-	-	-	-	-
North America and Latin America	2,894.64	-	188.64	-	3,083.28	-	-	-	-	-
Africa and Middle East	-	-	-	-	-	-	-	-	-	-
Europe	-	-	-	-	-	-	-	-	-	-
Total	413,698.06	27,319.87	14,810.93	315.37	456,144.23	45,063.61	-	-	-	45,063.61

<sup>1/</sup> Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, and loans and accrued interest receivables from interbank and money market transactions.

<sup>2/</sup> Excluding accrued interest and net of allowance for expected credit losses but excluding investment in account receivables.

Table 13A General provision, Specific provision and write-offs for loans and accrued interest receivables and investment in debt securities classified by country or geographic area

Bank Only

2024						
Unit : Million Baht						
Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>			Investment in debt securities, net <sup>2/</sup>		
	Provision <sup>3/</sup>		Write-offs	Provision <sup>3/</sup>		Write-offs
	under the SA Approach			under the SA Approach		
	General provision <sup>4/</sup>	Specific provision		General provision <sup>4/</sup>	Specific provision	
Thailand		16,256.55	5,938.64		-	-
Asia Pacific		80.68	-		-	-
North America and Latin America		270.05	-		-	-
Africa and Middle East		0.21	-		-	-
Europe		0.79	-		-	-
Total	3,928.05	16,608.28	5,938.64	-	-	-

2023						
Unit : Million Baht						
Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>			Investment in debt securities, net <sup>2/</sup>		
	Provision <sup>3/</sup>		Write-offs	Provision <sup>3/</sup>		Write-offs
	General provision <sup>4/</sup>	Specific provision		General provision <sup>4/</sup>	Specific provision	
Thailand		16,180.00	5,785.80		-	-
Asia Pacific		3.90	-		-	-
North America and Latin America		260.14	-		-	-
Africa and Middle East		0.22	-		-	-
Europe		0.44	-		-	-
Total	4,190.19	16,444.70	5,785.80	-	-	-

## Consolidated

2024

Unit : Million Baht

Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>			Investment in debt securities, net <sup>2/</sup>		
	Provision <sup>3/</sup>		Write-offs	Provision <sup>3/</sup>		Write-offs
	General provision <sup>4/</sup>	Specific provision		General provision <sup>4/</sup>	Specific provision	
Thailand		16,206.25	5,938.64		-	-
Asia Pacific		3.90	-		-	-
North America and Latin America		260.14	-		-	-
Africa and Middle East		0.22	-		-	-
Europe		0.44	-		-	-
Total	4,064.30	16,470.95	5,938.64	-	-	-

2023

Unit : Million Baht

Country or geographic area	Loans and accrued interest receivables, net <sup>1/</sup>			Investment in debt securities, net <sup>2/</sup>		
	Provision <sup>3/</sup>		Write-offs	Provision <sup>3/</sup>		Write-offs
	General provision <sup>4/</sup>	Specific provision		General provision <sup>4/</sup>	Specific provision	
Thailand		16,047.29	5,785.80		-	-
Asia Pacific		3.90	-		-	-
North America and Latin America		260.14	-		-	-
Africa and Middle East		0.22	-		-	-
Europe		0.44	-		-	-
Total	4,321.64	16,311.99	5,785.80	-	-	-

<sup>1/</sup> Including provisions and write-off Bad Debt for loans and accrued interest receivables of interbank and money market item

<sup>2/</sup> Excluding investment in account receivables

<sup>3/</sup> Allowance for expected credit losses

<sup>4/</sup> Disclose the total value



Table 14 Loans and accrued interest receivables\* before credit risk mitigation (CRM) classified by type of business and asset classification

Bank Only

Unit : Million Baht

Type of business	2024				Total
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	
Agriculture and mining	2,754.86	36.26	15.15	1.83	2,808.10
Manufacturing and commerce	21,247.94	612.26	1,904.90	0.19	23,765.29
Real estate and constructions	28,627.27	1,364.53	3,981.94	47.53	34,021.27
Public utilities and services	43,559.01	956.53	2,032.88	182.73	46,731.15
Housing loans	54,540.67	597.73	910.45	-	56,048.85
Others	215,343.81	23,038.16	8,627.45	38.52	247,047.94
<b>Total</b>	<b>366,073.56</b>	<b>26,605.47</b>	<b>17,472.77</b>	<b>270.80</b>	<b>410,422.60</b>

Unit : Million Baht

Type of business	2023				Total
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	
Agriculture and mining	2,711.34	9.58	37.97	1.43	2,760.32
Manufacturing and commerce	22,265.96	470.07	1,849.75	0.19	24,585.97
Real estate and constructions	32,218.51	993.67	4,121.49	46.60	37,380.27
Public utilities and services	38,498.62	1,085.39	1,775.72	198.61	41,558.34
Housing loans	51,890.78	433.56	853.60	-	53,177.94
Others	268,425.91	24,327.60	6,172.40	68.54	298,994.45
<b>Total</b>	<b>416,011.12</b>	<b>27,319.87</b>	<b>14,810.93</b>	<b>315.37</b>	<b>458,457.29</b>

Consolidated

Unit : Million Baht

Type of business	2024				Total
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	
Agriculture and mining	2,754.86	36.26	15.15	1.83	2,808.10
Manufacturing and commerce	21,247.94	612.26	1,904.90	0.19	23,765.29
Real estate and constructions	26,602.88	1,364.53	3,981.94	47.53	31,996.88
Public utilities and services	43,559.01	956.53	2,032.88	182.73	46,731.15
Housing loans	54,540.67	597.73	910.45	-	56,048.85
Others	214,810.98	23,038.16	8,627.45	38.52	246,515.11
<b>Total</b>	<b>363,516.34</b>	<b>26,605.47</b>	<b>17,472.77</b>	<b>270.80</b>	<b>407,865.38</b>

Unit : Million Baht

Type of business	2023				Total
	Performing	Under-Performing	Non-Performing	Purchased or originated credit impaired (POCI)	
Agriculture and mining	2,711.34	9.58	37.97	1.43	2,760.32
Manufacturing and commerce	22,265.96	470.07	1,849.75	0.19	24,585.97
Real estate and constructions	29,904.16	993.67	4,121.49	46.60	35,065.92
Public utilities and services	38,498.62	1,085.39	1,775.72	198.61	41,558.34
Housing loans	51,890.78	433.56	853.60	-	53,177.94
Others	268,427.20	24,327.60	6,172.40	68.54	298,995.74
<b>Total</b>	<b>413,698.06</b>	<b>27,319.87</b>	<b>14,810.93</b>	<b>315.37</b>	<b>456,144.23</b>

\*Total accrued interest receivable not yet due and net of deferred revenues, gains or losses from modifications of terms, allowance for expected credit losses, and loans and accrued interest receivables from interbank and money market transactions

Table 15 General provision, Specific provision and write-offs for loans and accrued interest receivables\* classified by type of business

Bank Only

Unit : Million Baht

Type of business	2024		
	Provision <sup>1/</sup>		Write-offs
	under Standardized Approach		
	General provision <sup>2/</sup>	Specific provision	
Agriculture and mining		25.95	8.45
Manufacturing and commerce		1,941.42	371.95
Real estate and constructions		2,343.60	64.51
Public utilities and services		1,579.05	122.62
Housing loans		593.49	132.46
Others		10,124.77	5,238.65
Total	3,928.05	16,608.28	5,938.64

Unit : Million Baht

Type of business	2023		
	Provision <sup>1/</sup>		Write-offs
	under Standardized Approach		
	General provision <sup>2/</sup>	Specific provision	
Agriculture and mining		32.03	2.32
Manufacturing and commerce		1,588.90	227.73
Real estate and constructions		2,138.52	50.97
Public utilities and services		1,528.59	70.71
Housing loans		516.23	97.70
Others		10,640.43	5,336.37
Total	4,190.19	16,444.70	5,785.80

Consolidated

Unit : Million Baht

Type of business	2024		
	Provision <sup>1/</sup>		Write-offs
	under Standardized Approach		
	General provision <sup>2/</sup>	Specific provision	
Agriculture and mining		25.95	8.45
Manufacturing and commerce		1,941.42	371.95
Real estate and constructions		2,342.58	64.51
Public utilities and services		1,579.05	122.62
Housing loans		593.49	132.46
Others		9,988.46	5,238.65
Total	4,064.30	16,470.95	5,938.64

Unit : Million Baht

Type of business	2023		
	Provision <sup>1/</sup>		Write-offs
	under Standardized Approach		
	General provision <sup>2/</sup>	Specific provision	
Agriculture and mining		32.03	2.32
Manufacturing and commerce		1,588.90	227.73
Real estate and constructions		2,137.26	50.97
Public utilities and services		1,528.59	70.71
Housing loans		503.86	97.70
Others		10,521.35	5,336.37
Total	4,321.64	16,311.99	5,785.80

\* Including provisions and write-off Bad Debt for loans and accrued interest receivables of interbank and money market items

<sup>1/</sup> Allowance for expected credit losses

<sup>2/</sup> Disclose the total value

Table 16 Reconciliation of change in general provision and specific provision for loans and accrued interest receivables\*

Bank Only

Unit : Million Baht

Business Type	2024		Total
	Provision <sup>1/</sup>		
	under Standardized Approach		
	General provision	Specific provision	
Provision at the beginning of the period	4,190.19	16,444.70	20,634.89
Increase/decrease in provision during period <sup>2/</sup>	(262.14)	(5,775.06)	(6,037.20)
Others (provision for loss from foreign exchange and acquisition or disposals)	-	-	-
Write-offs during period	-	5,938.64	5,938.64
Provision at the end of the period	3,928.05	16,608.28	20,536.33

Unit : Million Baht

Business Type	2023		
	Provision <sup>1/</sup>		Total
	under Standardized Approach		
	General provision	Specific provision	
Provision at the beginning of the period	4,017.27	14,172.37	18,189.64
Increase/decrease in provision during period <sup>2/</sup>	172.92	(3,513.47)	(3,340.55)
Others (provision for loss from foreign exchange and acquisition or disposals)	-	-	-
Write-offs during period	-	5,785.80	5,785.80
Provision at the end of the period	4,190.19	16,444.70	20,634.89

Consolidated

Unit : Million Baht

Business Type	2024		Total
	Provision <sup>1/</sup>		
	under Standardized Approach		
	General provision	Specific provision	
Provision at the beginning of the period	4,321.64	16,311.99	20,633.63
Increase/decrease in provision during period <sup>2/</sup>	(257.34)	(5,779.68)	(6,037.02)
Others (provision for loss from foreign exchange and acquisition or disposals)	-	-	-
Write-offs during period	-	5,938.64	5,938.64
Provision at the end of the period	4,064.30	16,470.95	20,535.25

Unit : Million Baht

Unit: Million Euro			
Business Type	2023		Total
	Provision <sup>1/</sup>		
	under Standardized Approach		
	General provision	Specific provision	
Provision at the beginning of the period	4,001.89	14,185.40	18,187.29
Increase/decrease in provision during period <sup>2/</sup>	319.75	(3,659.21)	(3,339.46)
Others (provision for loss from foreign exchange and acquisition or disposals)	-	-	-
Write-offs during period	-	5,785.80	5,785.80
Provision at the end of the period	4,321.64	16,311.99	20,633.63

\* Including provisions and write-off Bad Debt for loans and accrued interest receivables of interbank and money market items

<sup>1/</sup> Allowance for expected credit losses

<sup>2/</sup> Excludes expected credit losses on financial instruments measured at fair value through other comprehensive income

Table 17 Exposure on-balance sheet and off-balance sheet items exposure classified by asset type under the SA Approach

Bank Only

Unit: Million Baht

Asset Type	2024			2023		
	On-balance sheet	Off-balance sheet	Total	On-balance sheet	Off-balance sheet	Total
	exposure	items*		exposure	items*	
<b>Performing Assets</b>	<b>468,598.94</b>	<b>10,289.31</b>	<b>478,888.25</b>	<b>485,374.73</b>	<b>19,437.68</b>	<b>504,812.41</b>
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	34,681.62	958.37	35,639.99	37,397.38	588.56	37,985.94
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	29,853.85	3,403.44	33,257.29	15,435.98	4,842.19	20,278.17
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	118,191.37	5,287.01	123,478.38	110,316.57	12,468.34	122,784.91
Claims on retail portfolios	202,016.49	640.49	202,656.98	237,013.07	1,538.59	238,551.66
Residential mortgage loans	55,138.40	-	55,138.40	53,103.51	-	53,103.51
Other assets	28,717.21	-	28,717.21	32,108.22	-	32,108.22
<b>Non-Performing Assets</b>	<b>9,520.11</b>	<b>-</b>	<b>9,520.11</b>	<b>7,949.33</b>	<b>-</b>	<b>7,949.33</b>
<b>First-to-default Credit derivatives and Securitisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>478,119.05</b>	<b>10,289.31</b>	<b>488,408.36</b>	<b>493,324.06</b>	<b>19,437.68</b>	<b>512,761.74</b>

Table 17 Exposure on-balance sheet and off-balance sheet items exposure classified by asset type under the SA Approach

Consolidated

Unit: Million Baht

Asset Type	2024			2023		
	On-balance sheet exposure	Off-balance sheet items*	Total	On-balance sheet exposure	Off-balance sheet items*	Total
<b>Performing Assets</b>	<b>475,437.35</b>	<b>10,570.34</b>	<b>486,007.69</b>	<b>493,538.49</b>	<b>19,671.91</b>	<b>513,210.40</b>
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	34,681.62	958.37	35,639.99	37,626.44	588.56	38,215.00
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	29,854.05	3,366.27	33,220.32	17,077.71	4,794.50	21,872.21
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	110,173.92	5,547.30	115,721.22	102,314.92	12,684.03	114,998.95
Claims on retail portfolios	202,284.39	698.40	202,982.79	237,236.58	1,604.82	238,841.40
Residential mortgage loans	55,138.40	-	55,138.40	53,103.52	-	53,103.52
Other assets	43,304.97	-	43,304.97	46,179.32	-	46,179.32
<b>Non-Performing Assets</b>	<b>9,520.11</b>	<b>-</b>	<b>9,520.11</b>	<b>7,949.33</b>	<b>-</b>	<b>7,949.33</b>
<b>First-to-default Credit derivatives and Securitisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>484,957.46</b>	<b>10,570.34</b>	<b>495,527.80</b>	<b>501,487.82</b>	<b>19,671.91</b>	<b>521,159.73</b>

\*Including all repo-style transactions (include reverse repo)



#### 5.1.4 Credit Risk Exposures Based on the Standardised Approach (SA)

The list of external credit rating agencies used, and the OECD Country Risk Classification referenced for credit ratings, categorised by asset/debtor types within the Group for risk-weighting purposes.

The Group utilises the credit ratings from Standard & Poor's, Moody's Investors Service, and FITCH Ratings to assign risk weights for government debtors, financial institution debtors, multilateral development bank debtors, and foreign-registered corporate debtors. For domestic-registered corporate debtors, the Group uses credit ratings from FITCH Ratings (Thailand) and TRIS Rating to effectively reflect the risk.

# Kiatnakin Phatra Financial Group

**Table 18 Exposure on-balance sheet and off-balance sheet items exposure after credit risk mitigation (CRM) classified by asset type and and risk weight under the SA Approach**

Bank Only

Unit : Million Baht

Asset Type	2024													
		Rated Exposure					Unrated Exposure							
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150
Performing Assets														
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns		35,180.11		958.37										
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions			26,386.52	2,833.32	2,980.89								14.84	
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates			3,294.48	8,295.29	8,334.12	701.31	0.10	98.29					100,110.96	
Claims on retail portfolios												182,484.87	7,190.36	
Residential mortgage loans										54,866.62		271.78		
Other assets							12,422.09		1.15				16,293.96	
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150
Non Performing Assets <sup>1/</sup>														
Assets specified by the BOT allow to deduct from capital fund											615.20	111.23	6,365.83	1,918.22

Unit : Million Baht

Asset Type	2023													
		Rated Exposure					Unrated Exposure							
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150
Performing Assets														
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns		37,882.45		588.56										
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions			11,464.16	1,462.57	5,736.50								19.92	
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates			4,628.01	6,566.08	7,262.16	44.56	2.78						100,725.73	
Claims on retail portfolios												204,059.42	12,633.81	
Residential mortgage loans										50,699.05		2,404.46		
Other assets							12,376.55		0.30				19,731.37	
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150
Non Performing Assets <sup>1/</sup>														
Assets specified by the BOT allow to deduct from capital fund											470.46	127.64	5,017.66	1,849.69

# Kiatnakin Phatra Financial Group

Consolidated

Unit : Million Baht

Asset Type	2024														
		Rated Exposure					Unrated Exposure								
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150	1,176.47
Performing Assets															
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns		35,180.11		958.37											
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions			26,419.72	2,833.32	2,910.73								14.84		
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates			3,294.48	8,295.29	8,334.12	701.31	1,475.33	98.29					90,870.62		
Claims on retail portfolios												182,484.87	7,458.27		
Residential mortgage loans										54,866.62		271.78			
Other assets							17,370.06		1.15				24,971.70		957.01
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150	1,176.47
Non Performing Assets <sup>1/</sup>															
Assets specified by the BOT allow to deduct from capital fund											615.20	111.23	6,365.83	1,918.22	

Unit : Million Baht

Asset Type	2023														
		Rated Exposure					Unrated Exposure								
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150	1,176.47
Performing Assets															
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns		38,111.51		588.56											
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions			13,050.22	1,462.57	5,744.48								19.92		
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates			4,628.01	6,566.08	7,262.16	44.56	1,857.54						91,081.02		
Claims on retail portfolios												204,059.42	12,857.32		
Residential mortgage loans												2,404.46			
Other assets							17,365.86		0.30				27,834.94		978.23
	Risk Weight (%)	0	20	50	100	150	0	2	20	35	50	75	100	150	1,176.47
Non Performing Assets <sup>1/</sup>															
Assets specified by the BOT allow to deduct from capital fund											470.46	127.64	5,017.66	1,849.69	

<sup>1/</sup> For the part without any credit risk mitigation, risk weights depend on the ratio of provisions to total exposures

### 5.1.5 Credit Risk Mitigation Information using the Standardised Approach (SA)

The Group has adopted credit risk mitigation techniques for calculating risk-weighted assets. The Group applies financial collateral mitigation using the Comprehensive Method with standard supervisory haircuts as specified by the Bank of Thailand. The types of financial collateral used for credit risk mitigation include cash, deposits, certificates of deposit, equities, and debt instruments. Additionally, the Group utilises guarantees to support a variety of financial products. This approach also accounts for the inclusion of future financial collateral to effectively reflect risks.

Table 19 Collateralized exposures\*\* under the SA Approach classified by asset type

Bank Only

Unit : Million Baht

Asset Type	2024	
	Eligible financial collateral <sup>1/</sup>	Guarantee and credit derivatives
<b>Performing Assets</b>		
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	-	-
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	989.48	-
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	2,696.06	-
Claims on retail portfolios	12,981.75	-
Residential mortgage loans	-	-
Other assets	-	-
<b>Total</b>	<b>16,667.29</b>	<b>-</b>

Unit : Million Baht

Asset Type	2023	
	Eligible financial collateral <sup>1/</sup>	Guarantee and credit derivatives
<b>Performing Assets</b>		
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	-	-
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	1,555.49	-
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	3,593.92	-
Claims on retail portfolios	21,858.42	-
Residential mortgage loans	-	-
Other assets	-	-
<b>Total</b>	<b>27,007.83</b>	<b>-</b>

Consolidated

Unit : Million Baht

Asset Type	2024	
	Eligible financial	Guarantee and credit
	collateral <sup>1/</sup>	derivatives
<b>Performing Assets</b>		
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	-	-
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	989.48	-
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	2,704.01	-
Claims on retail portfolios	13,039.65	-
Residential mortgage loans	-	-
Other assets	-	-
<b>Total</b>	<b>16,733.14</b>	<b>-</b>

Unit : Million Baht

Asset Type	2023	
	Eligible financial	Guarantee and credit
	collateral <sup>1/</sup>	derivatives
<b>Performing Assets</b>		
Claims on sovereigns, central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	-	-
Claims on financial institutions, securities companies and public sector entities (PSEs) that are treated as claims on financial institutions	1,556.69	-
Claims on corporates and public sector entities (PSEs) that are treated as claims on corporates	3,597.91	-
Claims on retail portfolios	21,924.65	-
Residential mortgage loans	-	-
Other assets	-	-
<b>Total</b>	<b>27,079.25</b>	<b>-</b>

\* Excludes securitisation

\*\* Value after netting of on-balance sheets and off-balance sheets

<sup>1/</sup> Eligible financial collateral that the BOT allows to use for risk mitigation under comprehensive method

## 5.2 Market Risk Disclosure

Market risk refers to the risk arising from changes in prices, including interest rates, exchange rates, and the prices of instruments in both the money market and capital market. This also includes price volatility of instruments in these markets, which can affect the prices of derivatives. These changes can impact on the Bank's positions in both the trading book and the banking book, potentially causing negative effects on the Bank's income and capital.

Presently, the Bank performs many transactions in financial market products. The six major transaction types to hedge risk or sell structured notes to investors are: 1) debt instruments and debt derivatives trading; 2) foreign exchange and its derivatives trading; 3) interest rate derivatives; 4) common equity and equity derivatives; 5) property funds, infrastructure funds, and real estate investment trusts ("REITs"), which are registered on the SET, ETFs, and equity derivatives; and 6) commodity derivatives that refer to these aforementioned derivatives, which may be used to form structured bonds with embedded derivatives for sale to investors. Its capital market business subsidiary invests in common equities traded on the SET and foreign stock markets, futures contracts in TFEX, equity derivatives, and private equities, which have market risk.

When it comes to market risk management in the Bank's trading book, which is mostly about interest rate and foreign exchange risks, the Bank is aware of the risks associated with such transactions in highly volatile market conditions caused by both domestic and external factors beyond the Bank's control. These risks may negatively impact the position in the trading book. Therefore, the Bank sets limits on interest rate and foreign exchange risks for transactions in the trading book to levels deemed acceptable and stipulates that those transactions related to equity securities, financial indices, commodity prices, and the performance of mutual funds must be structured in a way that minimizes the overall price risk of the equity securities reference variables to zero.

The available-for-sale book's market risk management emphasizes transactions with interest rate risk. The Bank has to determine the acceptable interest rate risk limit and hedges the risk to an insignificant level. However, the Bank may invest in common equities, property funds, infrastructure funds, and REITs, which are registered on the SET. This will be a long-term investment, which requires the related committee's approval on a case-by-case basis.

The Bank has consistently developed comprehensive and systematic market risk management procedures, ranging from identifying, measuring, monitoring, and controlling risks. These processes cover related and significant market risk factors. Meanwhile, the Financial Markets Group and the Treasury Department are major units to manage market risk in trading and available-for-sale books, respectively. The Market Risk Management Department, together with the Liquidity Risk Management and ALM Department, identify risk indicators and propose a risk limit for approval from the Risk Oversight Committee to assess and monitor market risk. Internationally accepted risk indicator tools, such as Value at Risk (VaR), Present Value of a Basis Point (PV01), Net Open Position in Foreign Currency (NOP), and Economic Value of Equity (EVE), are utilized to cover changes in the market. In the case of any irregularities or situations that exceed the acceptable market risk limit, the Market Risk Management Department and the Liquidity Risk Management and ALM Department will report to relevant units.

For capital market investment in the SET and other market equities, future derivatives, equity derivatives, and private equities, important risk factors are based on the equity price, liquidity, and equity price volatility. Short-term investments typically have negligible market risks since there are investment strategies deployed to reduce the market risks. However, long-term investments in the subsidiary still have high market risks due to its directional investment strategy, both onshore and offshore. A decrease in the price of securities held by the Group would negatively affect its performance and profit. However, the Group is aware of the risks associated with such an investment strategy. The Group has specified the level of risk tolerance for each investment. The Risk Management Department of the subsidiary is responsible for defining standard risk tolerances, such as VaR and volume limits of daily transactions, and will alert relevant business units in the event that the risk in the trading book exceeds the limit or there is an unexpected irregularity.

Uncontrollable factors often cause the volatility of securities prices. Despite the Group's standard risk management process, it is unable to guarantee that significant losses will not occur when risk factors become more volatile than predicted. This could adversely affect the Group's performance and economic value.

### 5.2.1 Foreign Exchange Rate Risk

Foreign exchange rate risk refers to the loss affecting income and/or equity from exchange rate fluctuations that affect foreign currency transactions and foreign currency assets and liabilities.

The Bank sets and controls the risk of trading intent transactions that exposed to foreign exchange rate risk to be within an acceptable level. The transactions include foreign currency bonds, FX spot, FX derivatives, and cross currency swap. For other assets and liabilities, the Bank regularly hedges against the foreign exchange rate risk by using forward and swap contracts. Therefore, the Bank's overall foreign exchange rate risk is relatively low.

The subsidiaries have strategies which invest abroad and do not intent to expose to foreign exchange rate risk. As such, the subsidiaries also use forward and swap contracts to hedge the risk. However, the foreign exchange rate risk may remain for some investment strategies, since the amount of these investment strategies is considered as very small or the investments are exposed to foreign exchange rate risk in low liquidity currencies. In some cases, the subsidiaries will hedge the risk by taking an opposite position in another currency which is positively correlated with the target currency (i.e., cross hedging).

### 5.2.2 Interest Rate Risk

The Bank manages interest rate risk in trading book by limiting portfolio's sensitivity to interest rate change, including relevant foreign interest rates, to be in line with the risk appetite.

Interest rate risk management in banking book is to reduce negative impact arising from interest rate volatility. The Bank manages risk of the gap between asset and liability structures, which sensitive to interest rate change, both on statement of financial position, and off-statement of financial position. The Bank specifies to regularly evaluate the impacts on net interest income (Earning perspective), and economic value of equity (Economic

value perspective), under supervision of the Assets and Liabilities Management Committee (ALCO). The treasury department is mainly responsible for managing the structure of assets and liabilities to be at an appropriate level, while the risk management group monitors and controls the risk, and reports to the Risk Oversight Committee and the Bank's Board of Directors on a regular basis.

### 5.2.3 Equity Price Risk

Equity price risk refers to the loss affecting income and/or equity from a movement in equity price.

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term investments. For trading book, the Bank can invest in equity securities and/or equity derivative. In managing equity position risk, which is held, according to initial intention, as long-term, the Bank monitors and regularly reports the equity price risk.

The majority of Bank's equity position is in the subsidiaries, and unit trusts, which manage the Bank's assets. The remaining portion consists of equities listed in The Stock Exchange of Thailand, and those obtained from debt restructuring.

The equity position in the banking book of the capital market business is managed by the direct investment department of KKPS, which focuses on a long-term investment based on the business intrinsic value by employing value-based investment approach. In a search for investment opportunities, the direct investment department performs in-depth analysis, and covers essential aspects related to sustainable growth of the business opportunity, such as, attractiveness, industry's trend, business model, sustainable competitiveness, talent and transparency of executives, including the structure that encourages good governance. However, every transaction of the direct investment department must be approved from the Investment Committee (IC) before investing and be controlled and monitored transactions under the framework which approved by the risk management department.

### 5.2.4 Commodity Price Risk

Commodity price risk refers to the potential losses that can impact income and/or the value of equity due to fluctuations in commodity prices. (This is disclosed under section 5.2, Market Risk Disclosure for the Trading Book).

### 5.2.5 Fair Value

The methodology of fair value measurement is depended on the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If, the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique and complied with related authorities' regulations.



The Group holds derivatives for trading intent, and servicing customers, including for the purpose of managing the Bank and subsidiaries' assets and liabilities. This includes interest rate swaps, cross-currency swaps, FX derivatives, and equity derivatives.

Additionally, the Group does not control only the market risk of the derivatives to be within an acceptable level, but also the counterparty credit risks by setting up and controlling transaction limits based on the normal lending procedures.

### 5.3 Operational Risk Disclosure

#### 5.3.1 Operational Risk

Operational risk refers to the risk of potential losses resulting from poor corporate governance or inadequate internal controls. This risk may be associated with internal processes, inadequate or faulty procedures, personnel, and systems, or external events. Operational risks can negatively affect the Group's income and capital. The risk events can be categorised into seven types (1) Internal fraud (2) External fraud (3) Employment practices and workplace safety (4) Improper practices involving customers, products, and business conduct (5) Damage to physical assets (6) System and IT infrastructure failures or disruptions (7) Execution, delivery, and process management errors. Operational risk also includes legal risk arising from operational risk in the seven categories mentioned above.

The Bank and the Group companies' operations are presently offering diverse and complex products and services, involving many related parties across the country, having to comply with laws and regulations, and facing volatile challenges such as business growth and expansion, new products and services that rely more on electronic channels, technological revolution, and innovative fraud techniques, especially external fraud from individuals or technology. Additionally, situational changes may result in incautious operations. All the aforementioned factors can perhaps cause risks or damage to the business. For example, products and services may be misrepresented, affecting reputation, possibly invoking lawsuits, slowing down operations, causing a decline in competitiveness and income, heightening costs, and eventually impacting the Group's performance.

To reduce operational risks and fraud, the Bank's Operational Risk Sub-committee functionally manages and monitors risk possibilities, as well as controls operational losses to within acceptable levels. In the past year, the Bank has improved its guidelines for drawing advances and managing office assets, as well as revised regulations and standards related to the punishment of business partners and employees, as deemed appropriate. The Bank has also established a fraud unit, including the Financial Crime Risk Management Department, responsible for preventing, controlling, and monitoring unusual or suspicious incidents of fraud and issuing policies on financial crime risk management. These measures aim to ensure that the Bank's financial crime risk management processes can operate effectively and manage risks before damage occurs.

Additionally, the Bank has established various measures to reduce operational risks for new products and services. These measures require relevant personnel to conduct risk assessments and develop a risk mitigation plan. They must also complete a readiness check before launching new products and services and initiating any process changes. The Legal and Compliance Group and the Risk Management Group form the second

line of defense and are responsible for this task. They collaborate to analyze and filter various issues, guided by a subcommittee of the Bank's New Product and Process Review Committee. This subcommittee is responsible for filtering and reviewing the development and design approaches of systems or processes, as well as the risk control systems, before presenting them to the New Product and Process Review Committee for approval to launch new products and initiate process changes. They identify deficiencies, provide recommendations on risk and other related aspects to optimize the products and services, and also report incidents related to fraud according to the guidelines of the Bank of Thailand.

The Group also has guidelines for educating and enhancing awareness of cyber threats for employees at all levels to prevent risks from integrating IT into the business and risks from cyber threats that may affect the Group's operations and services. The Group also adjusts its organizational structure to align with such changes and reviews its policies and regulations to ensure they are consistent with the current situation.

Although the Group cautiously enforces such measures, uncontrollable and significant factors, such as IT risks, work from home risks, people's behavior, complex fraud, embezzlement, and corruption are difficult to control and may inevitably impact the Group's performance.

### **5.3.2 Methodology for Operational Risk-Weighted Assets Calculation**

The Group has adopted the Basic Indicator Approach (BIA) for calculating the minimum capital requirements for operational risk. The fixed risk factor ( $\beta$ ) is set at 15%, with the average operating income from the past 3 years used as a proxy for determining the equivalent value of operational risk-weighted assets.

## **5.4 Equity Position Disclosure**

### **5.4.1 General Qualitative Information on Equity Risk in the Banking Book**

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term investments. For trading book, the Bank can invest in equity securities and/or equity derivative. In managing equity position risk, which is held, according to initial intention, as long-term, the Bank monitors and regularly reports the equity price risk.

The majority of Bank's equity position is in the subsidiaries, and unit trusts, which manage the Bank's assets. The remaining portion consists of equities listed in The Stock Exchange of Thailand, and those obtained from debt restructuring.

The equity position in the banking book of the capital market business is managed by the direct investment department of KKPS, which focuses on a long-term investment based on the business intrinsic value by employing value-based investment approach. In a search for investment opportunities, the direct investment department performs in-depth analysis, and covers essential aspects related to sustainable growth of the business opportunity, such as, attractiveness, industry's trend, business model, sustainable competitiveness, talent and transparency of executives, including the structure that encourages good governance. However, every transaction of the direct investment department must be approved from the Investment Committee (IC) before investing and be controlled and monitored transactions under the framework which approved by the risk management department.

#### 5.4.2 Key Policies for Fair Value Assessment in Accordance with Accounting Standards, assumptions and practices used to determine the fair value, including changes in practices

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income and profit sharing when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gain or loss on financial instrument measured at fair value through profit or loss in the profit or loss in the statement of profit or loss and other comprehensive income.

**Table 20 Minimum capital requirements for market risk under the SA Approach**

Bank Only

Unit : Million Baht

Minimum Capital Requirements for Market Risk	December 31, 2024	December 31, 2023
Interest rate risk	717.27	635.34
Equity price risk	-	-
Foreign exchange rate risk	2.61	5.58
Commodity price risk	-	-
<b>Total Minimum Capital Requirements</b>	<b>719.88</b>	<b>640.92</b>

Consolidated

Unit : Million Baht

Minimum Capital Requirements for Market Risk	December 31, 2024	December 31, 2023
Interest rate risk	706.85	643.65
Equity price risk	369.45	120.51
Foreign exchange rate risk	96.68	112.09
Commodity price risk	-	-
<b>Total Minimum Capital Requirements</b>	<b>1,172.98</b>	<b>876.25</b>

Table 21 Equity positions in the banking book

Bank Only

Unit : Million Baht

Equity positions	December 31, 2024	December 31, 2023
<b>Equity exposures</b>		
Listed Equity (domestic and foreign)		
Cost Value	5.42	5.42
Market Value	5.92	7.85
Others (domestic and foreign)	9,211.96	9,318.56
<b>Gain (loss) on sales of equity during period</b>	62.17	368.51
<b>Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income (FVOCI)</b>	190.72	185.39
<b>Minimum capital requirements for equity exposures</b>		
SA Approach	783.52	792.74
IRB Approach		
<b>Equity value for banks using the IRB Approach that the BOT has allowed to use the SA Approach</b>		

Consolidated

Unit : Million Baht

Equity positions	December 31, 2024	December 31, 2023
<b>Equity exposures</b>		
Listed Equity (domestic and foreign)		
Cost Value	699.68	698.49
Market Value	271.28	147.54
Others (domestic and foreign)	3,039.42	3,194.90
<b>Gain (loss) on sales of equity during period</b>	57.10	412.55
<b>Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income (FVOCI)</b>	(141.70)	(221.98)
<b>Minimum capital requirements for equity exposures</b>		
SA Approach	281.41	284.11
IRB Approach		
<b>Equity value for banks using the IRB Approach that the BOT has allowed to use the SA Approach</b>		

## 5.5 Interest Rate Risk Disclosure for the Banking Book

### 5.5.1 General Qualitative Information on Interest Rate Risk in the Banking Book

Managing interest rate risk in the banking book has the goal to minimise the negative impact of interest rate fluctuations. The bank manages the risk arising from the mismatch between assets and liabilities, both on-balance sheet and off-balance sheet, that are sensitive to changes in interest rates. The bank regularly assesses the impact of interest rate changes on net interest income and the economic value of equity. These assessments are conducted under the supervision of the Asset and Liability Management Committee, with the treasury department being primarily responsible for implementing policies to maintain an appropriate structure of assets and liabilities. The risk management department also monitors and controls the interest rate risk exposure and regularly reports the risk positions to the Risk Management Committee and the Bank's Board of Directors.

Table 22 Impact of interest rate change\* on net earning

Bank Only

Unit: Million Baht

Currency	December 31, 2024	December 31, 2023
	Net Interest Income Impacts	Net Interest Income Impacts
Baht	(597.74)	512.92
USD	-	-
EURO	-	-
Others	-	-
Total effect of interest rate change	(597.74)	512.92
% of expected net interest income (NII) in the next 1 year	(2.95)	2.36

Consolidated

Unit: Million Baht

Currency	December 31, 2024	December 31, 2023
	Net Interest Income Impacts	Net Interest Income Impacts
Baht	(249.02)	418.80
USD	-	-
EURO	-	-
Others	-	-
Total effect of interest rate change	(249.02)	418.80
% of expected net interest income (NII) in the next 1 year	(1.23)	1.93

\*Use the percentage changes in increase yield curve of 100 bps

# Liquidity Coverage Ratio (LCR) Disclosure

## Semi-annual as at 31 December 2024

### 1. Scope of Disclosure

Kiatnakin Phatra Bank Public Company Limited ("The Bank") has disclosed information on the maintenance of liquid assets to support severe liquidity situations (Liquidity Coverage Ratio: LCR) in accordance with Basel III guidelines. This disclosure references the "Basel III: The Liquidity Coverage Ratio and Liquidity Risk Monitoring Tools: January 2013" of the Basel Committee on Banking Supervision (BCBS). The disclosure in this report complies with the Bank of Thailand's notification on Liquidity Coverage Ratio Disclosure Standards, which requires the disclosure of information specific to the Bank only.

### 2. Liquidity Coverage Ratio (LCR) Requirement for Liquidity Stress Scenario

Liquidity risk is a significant factor affecting the confidence of depositors in financial institutions. Even if a financial institution has a stable financial position, failure to meet its obligations to depositors and creditors could result in the institution being unable to continue its business operations. To address this, the Bank of Thailand has established the Liquidity Coverage Ratio (LCR) Requirement, ensuring that the management of assets, liabilities, and commitments is aligned with deposits, borrowings, or the receipt of funds from the public. The purpose of these requirements is to ensure that commercial banks have sufficient liquidity to withstand short-term liquidity stress scenario. Therefore, commercial banks are required to maintain liquid assets that are high-quality, highly liquid, unencumbered, and capable of being quickly converted into cash without a significant change in value. The amount of such liquid assets must be adequate to cover net cash outflows for 30 days under liquidity stress scenario, based on the calculation guidelines set by the Bank of Thailand. This ensures that banks have time to develop solutions and allows the Bank of Thailand and relevant regulators to implement appropriate measures to support that scenario. The calculation for the amount of liquid assets that commercial banks must maintain under the LCR Requirement consists of two main components: the calculation of the amount of liquid assets and the calculation of estimated net cash outflows over 30 days under liquidity stress scenario. The brief calculation is as follows:

$$\text{LCR}^* = \frac{\text{High Quality Liquid Assets}}{\text{Expected net cash outflows for 30 days under liquidity stress scenario}}$$

\* The Bank of Thailand requires commercial banks to maintain liquid assets of no less than 60% of the estimated net cash outflows for 30 days, starting from January 1, 2016. This requirement increases by 10% each year, reaching 100% by 2020.

### 3. Liquidity Coverage Ratio (LCR) Information

Unit: Million Baht

Liquidity Coverage Ratio (LCR)		Q4/2024 (Average)	Q4/2023 (Average)
(1) Total HQLA		57,233	74,911
(2) Total net cash outflows		43,017	53,036
(3) LCR	(%)	133	141
LCR - BOT minimum requirement	(%)	100	100

Unit : Percentage

LCR Comparison		2024 (Average)	2023 (Average)
Quarter 3	(%)	134	133
Quarter 4	(%)	133	141

In the fourth quarter of 2024, The Bank had an average Liquidity Coverage Ratio (LCR) of 133%, which is higher than the minimum LCR requirement of 100% set by the Bank of Thailand. This average was calculated from the LCR at the end of October (128%), November (136%), and December (135%).

The calculation of the LCR consists of 2 main components as follows:

(1) High quality liquid assets (HQLA) These are high-quality, highly liquid assets that carry low risk and low volatility. They are unencumbered and can be quickly converted into cash without significant changes in value, even under liquidity stress scenario. Each type of liquid asset is subject to a haircut, and holding limits are calculated based on the guidelines set by the Bank of Thailand.

For the fourth quarter of 2024, The Bank's average HQLA amounted to 57,233 million Baht (with 92% classified as Tier 1 liquid assets, such as government bonds, cash, and deposits at the Bank of Thailand). This figure is based on the average HQLA at the end of each month from October to December 2024. The Bank holds a variety of liquid assets to ensure diversification in its liquidity portfolio.

(2) Net cash outflow (net COF) This represents the estimated cash outflows over 30 days, minus the estimated cash inflows over 30 days, under liquidity stress scenario. The estimated cash inflows must not exceed 75% of the estimated cash outflows.

For the fourth quarter of 2024, the Bank's average net COF over 30 days was 43,017 million Baht, based on the average net cash outflow at the end of each month from October to December 2024. The estimated cash outflows that the Bank considers critical under liquidity stress scenario include withdrawals by retail depositors and loan repayments related to secured borrowings from repo transactions. Most of the estimated cash inflows come from repayments by high-quality debtors, deposits from reliable counterparties, and maturing debt instruments. The Bank applies the run-off rate for outflows and inflow rate in accordance with the Bank of Thailand's guidelines.

In addition, The Bank utilises tools to analyse liquidity gap and funding concentration to regularly assess and analyse liquidity risk. Ensuring that the Bank has sufficient liquidity to continue its business operations. These tools are continuously developed, aligning with international standards while considering the Bank's business growth direction. Resulting in the Bank's ability to plan and manage liquidity more effectively.