

**Basel III**  
**Pillar 3 Financial Disclosures**  
**31 December 2024**

## Scope of application

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Bank of China (Thai) Public Company Limited disclosure information for the capital adequacy including capital, risk exposures are conducted on solo basis complying with BOT requirement on Basel III referred to the Notification No. FPG. 4/2556 Re: Disclosure Requirement on the Capital Adequacy for the Commercial Bank.

## Capital Information

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### 1. Capital

#### 1.1. Capital Structure

- **Common Equity Tier 1 (CET1)**
  - Paid-up capital (common stock) deducted by repurchased shares
  - Legal reserves
  - Other items of owner's equity
  - Items to be deducted from CET1
    - Net Losses
    - Goodwill
    - Deferred tax assets
    - Intangible assets
    - Accumulated loss from ECL recognition
- **Additional Tier 1 (AT1):** The capital which not be included in CET1.
- **Tier 2 Capital:** The supplementary capital. At the present, BOCT issued THB 1,413 million of subordinated debentures to Bank of China (Hong Kong). The debentures are qualifying capital instruments under Basel III and could be fully counted as Tier 2 capital.

**Table 1: Capital Structure**

Table 1 Capital Structure	Dec 31, 2023 (Thousand Baht)	Dec 31, 2024 (Thousand Baht)
<b>1. Tier 1 capital</b>	<b>10,477,958</b>	<b>11,338,741</b>
1.1 Common equity tier 1 (CET1)	10,477,958	11,338,741
1.1.1 Paid-up capital (common stock) deducted by buyback of common stock	10,000,000	10,000,000
1.1.2 Warrants to buy common stock	-	-
1.1.3 Premium (Discount) on the value of common stock (net)	-	-
1.1.4 Legal reserves	56,944	100,861
1.1.5 Net profits (losses) after appropriated in accordance with the resolution of shareholders general meeting or the rules specified by parent of the financial group (Taking into account the impact from ECL)	1,080,239	1,914,673
1.1.6 Other items of owner's equity (1.1.7.1+1.1.7.2)	-	-
1.1.6.1 Accumulated other comprehensive income	7,012	97,918
1.1.6.2 Other items from owner changes	-	-
1.1.7 Items of subsidiaries conducting commercial banking business, only the portion of the shareholders who have no controlling authority that can be counted as CET 1 of the financial group	-	-
1.1.8 Adjustment items not allowed to affect the capital	(474,229)	(474,229)
1.1.9 Items to be deducted from CET1 (1.1.10.1+1.1.10.2)	-	-
1.1.9.1 Items to be deducted from CET1 *	192,008	300,482
1.1.9.2 Items to be deducted from Additional tier 1, for remaining parts, in case where Additional tier 1 is insufficient for the deductions in full	-	-
1.2 Additional tier 1	-	-
<b>2. Tier 2 capital</b>	<b>1,412,790</b>	<b>1,412,790</b>
2.1 Proceeds received from issuing preferred shares with accrued dividends deducted by buyback of such preferred shares	-	-
2.2 Warrants to buy preferred shares with accrued dividends	-	-
2.3 Proceeds received from issuing debt instruments with claims subordinated to depositors and general creditors	1,412,790	1,412,790
2.4 Premiums (or discounts) on value of instruments under 2.1 to 2.3 received by locally-registered commercial banks	-	-
2.5 General provision for performing loans	-	-
2.6 Surplus of provision	-	-
2.7 Items of subsidiaries, only the portion of the shareholders and outsiders who have no controlling authority that can be counted as Tier 2 capital of the financial group	-	-
2.8 Items to be deducted from Tier 2 capital ***	-	-
<b>3. Total regulatory capital</b>	<b>11,890,748</b>	<b>12,751,531</b>

## 1.2. Capital Adequacy

The mandatory requirement from Bank of Thailand required the bank to calculate and report capital adequacy ratio on monthly basis. Since 2019, the minimum requirement for capital adequacy ratio (CAR) is 11%. For each risk type under Basel Pillar I, the bank adopted the following approaches to calculate the capital requirement.

- Credit Risk: Standardized Approach (SA)
- Market Risk: Standardized Approach (SA)
- Operational Risk: Basic Indicator Approach (BIA)

**Table 2: Capital Adequacy Information**

Table 2 Capital Adequacy	Dec 31, 2023	Dec 31, 2024
Total capital to Risk-weighted-assets	22.11%	19.55%
Tier 1 capital to Risk-weighted assets	19.48%	17.38%
Common equity Tier 1 capital to Risk-weighted assets	19.48%	17.38%

**Table 3: Minimum Capital Requirement Classified by Risk Types**

Table 3: Minimum Capital Requirement for Each Type of Risks	December 31, 2023	December 31, 2024
<b>Performing claims</b>	-	-
Claims on sovereigns and central banks, multilateral	-	-
1. development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-
Claims on financial institutions , non-central government	-	-
2. public sector entities (PSEs) treated as claims on financial institutions, and securities firms	1,160,827	1,546,752
Claims on corporate , non-central government public sector	-	-
3. entities (PSEs) treated as claims on corporate	2,856,402	3,318,254
4. Claims on retail portfolios	26,125	22,287
5. Claims on housing loans	112,820	89,412
6. Other assets	43,204	36,071
<b>Non-performing claims</b>	48,224	7,876
First-to-default credit derivatives and Securitization	-	-
<b>Total minimum capital requirement for credit risk</b>	<b>4,247,602</b>	<b>5,020,653</b>

Minimum Capital Requirement for Counterparty Credit Risk	Dec 31,2023	Dec 31,2024
Credit valuation adjustment: CVA Risk	-	114,182.83

Minimum capital requirement for market risk	December 31, 2023	December 31, 2024
1. Standardized approach	13,279	5,533
2. Internal model approach	-	-
<b>Total minimum capital requirement for market risk</b>	<b>13,279</b>	<b>5,533</b>

Minimum capital requirement for operational risk	December 31, 2023	December 31, 2024
1. Calculate by Basic Indicator Approach	291,338	404,090
2. Calculate by Standardized Approach	-	-
3. Calculate by Alternative Standardized Approach	-	-
<b>Total minimum capital requirement for operational risk</b>	<b>291,338</b>	<b>404,090</b>

Note: Minimum capital requirement for each of risk types is calculated at 8.5 percent

## 2. Risk Exposure and Assessment

### 2.1. Credit Risk

Credit risk is the risk of loss that a customer or counterparty is unable to meet their obligations with the bank. The credit risk exists in both trading book and banking book, as well as from on-balance and off-balance sheet transactions. Credit risk arises from lending, trade finance, and treasury business.

#### 2.1.1. Credit Risk Management Process

The bank has established credit risk management framework to achieve and maintain the good governance, and also high quality of credit assets. The framework stipulates the comprehensive credit risk policies and procedures including credit approval process, credit monitoring, risk reporting mechanism, and independent credit review process. To provide a sound control environment with clear segregation to

ensure an effective credit risk management process, the bank set up the following the credit risk management structure:

- The Board of Directors (BOD) and Risk Oversight Committee (ROC) are responsible for overseeing and supervising the bank's comprehensive credit risk management, along with reviewing and approving high level of risk exposures.
- Country Head is responsible for managing the bank's credit risk and approval within his authority. The bank's senior management are responsible for detailed credit risk management procedures approval.
- The business units are responsible and accountable for conducting internal credit ratings, assessing, monitoring and reporting credit risk of customers on an ongoing basis.
- Risk management unit is responsible for undertaking risk assessment independently, monitoring credit risk profiles, approving internal ratings, loan grades and impairment allowance. The credit risk management function is in charge of formulating credit risk management procedures, conducting portfolio management and performing stress test on credit risk. It is also responsible for reporting to the senior management and the risk management of the parent bank.

#### 2.1.2 Credit Asset Classification and Impairment

The bank pursues asset grades to reflect asset quality in accordance with BOCHK's guidelines of asset classification and requirements from BOT. The BOCHK divides asset into five classifications including Pass, Special Mentioned, Sub-standard, Doubtful, and Loss), while the BOT classified assets into 3 stages including Performing, Under-Performing, and Non-Performing.

The credit assets are classified by taking into consideration quantitative measure such as overdue days record on the principal or interest of credit facilities and the qualitative measures such as the Significant Credit Deterioration Criteria (SCDC)

To comply with the requirements of Accounting standard (TFRS9), the bank has assessed the Expected Credit Loss (ECL) which is the impairment of its credit assets regularly to reflect changes in credit risk since initial recognition which the bank has adopted ECL% proxy approach from the parent bank to apply for provision estimation.

The Bank calculates the Expected Credit Loss (ECL) for Performing exposures and Under-Performing exposures by assessing relevant credit information like forward-looking macroeconomic factors and customers' credit information. The ECL for Non-Performing exposures are assessed by considering future discounted cash flow.

Stage 1 or Performing exposures shall recognize ECL impairment within the next 12 months while the Stage 2 or Under-Performing and Stage 3 Non-Performing shall consider the lifetime remaining life for ECL impairment.

**Table 4: Outstanding amounts of significant on-balance sheet assets and off-balance sheet items before adjusted by credit risk mitigation**

Unit: Thousand Baht

Table 4 Outstanding amounts of on-balance sheet and off-balance sheet items	December 31, 2023	December 31, 2024
<b>1. On-balance sheet assets (1.1 + 1.2 + 1.3+ 1.4)</b>	<b>70,394,078</b>	<b>88,760,435</b>
1.1 Net loans <sup>1/</sup>	51,458,819	58,174,885
1.2 Net Investment in debt securities <sup>2/</sup>	7,500,450	18,691,808
1.3 Net Deposits <sup>3/</sup>	11,373,800	10,926,496
1.4 Derivative	61,008	967,246
<b>2. Off-balance sheet items <sup>4/</sup> (2.1 + 2.2 + 2.3)</b>	<b>32,028,349</b>	<b>106,332,871</b>
2.1 Aval of bills, guarantees, and letter of credits	21,060,161	22,396,952
2.2 OTC derivatives <sup>5/</sup>	9,947,560	82,597,423
2.3 Undrawn committed line	1,020,628	1,338,496

**Table 5: Outstanding amounts of on-balance sheet assets and off-balance sheet items before credit risk mitigation classified by residual maturity**

Unit: Thousand Baht

Table 5 Outstanding amounts of on-balance sheet and off-balance sheet items before credit risk mitigation classified by residual maturity			
December 31, 2024			
on-balance sheet and off-balance sheet items	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
<b>1. On-balance sheet assets (1.1 + 1.2 + 1.3+ 1.4)</b>	<b>51,465,681</b>	<b>37,294,754</b>	<b>88,760,435</b>
1.1 Net loans <sup>1/</sup>	35,862,228	22,312,656	58,174,885
1.2 Net Investment in debt securities <sup>2/</sup>	3,709,711	14,982,097	18,691,808
1.3 Net Deposits <sup>3/</sup>	10,926,496	-	10,926,496
1.4 Derivative	967,246	-	967,246
<b>2. Off-balance sheet items <sup>4/</sup> (2.1 + 2.2 + 2.3)</b>	<b>84,010,711</b>	<b>22,322,160</b>	<b>106,332,871</b>
2.1 Aval of bills, guarantees, and letter of credits	600,906	21,796,047	22,396,952
2.2 OTC derivatives <sup>5/</sup>	82,597,423	-	82,597,423
2.3 Undrawn committed line	812,383	526,114	1,338,496

Unit: Thousand Baht

December 31, 2023			
on-balance sheet and off-balance sheet items	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
<b>1. On-balance sheet assets (1.1 + 1.2 + 1.3+ 1.4)</b>	<b>11,835,487</b>	<b>58,558,591</b>	<b>70,394,078</b>
1.1 Net loans <sup>1/</sup>	160,000	51,298,819	51,458,819
1.2 Net Investment in debt securities <sup>2/</sup>	240,678	7,259,772	7,500,450
1.3 Net Deposits <sup>3/</sup>	11,373,800	-	11,373,800
1.4 Derivative	61,008	-	61,008
<b>2. Off-balance sheet items <sup>4/</sup> (2.1 + 2.2 + 2.3)</b>	<b>22,086,112</b>	<b>9,942,237</b>	<b>32,028,349</b>
2.1 Aval of bills, guarantees, and letter of credits	16,343,356	4,716,805	21,060,161
2.2 OTC derivatives <sup>5/</sup>	5,268,360	4,679,200	9,947,560
2.3 Undrawn committed line	474,396	546,233	1,020,628

<sup>1/</sup> Including accrued interest receivables and net of deferred incomes, Expected Credit Losses and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

<sup>2/</sup> Excluding accrued interest receivables and net of allowances for revaluation of securities and Expected Credit Losses of securities.

<sup>3/</sup> Including accrued interest receivables and net of Expected Credit Loss

<sup>4/</sup> Before multiplying credit conversion factor

<sup>5/</sup> Including equity-related derivatives

**Table 6: Outstanding amounts of on-balance sheet assets and off-balance sheet items before adjusted credit risk mitigation classified by country of debtor**

Unit: Thousand Baht

Table 6 Outstanding amounts of on-balance sheet assets and off-balance sheet items before adjusted credit risk mitigation classified by country or geographic area of debtor* (BOT-T10)					
Country or geographic area of debtor	December 31, 2024				
	On-balance sheet assets				
	Total	Net loans <sup>1/</sup>	Net Investment in debt securities <sup>2/</sup>	Net Deposits <sup>3/</sup>	Derivative
China (CN)	2,634,846.14	33,795.90	2,290,245.32	310,804.91	-
Hong Kong (HK)	13,885,200.20	4,354,084.96	-	9,308,900.59	222,214.65
Cayman Islands (KY)	1,127,862.50	1,127,862.50	-	-	-
Malaysia (MY)	2,437,528.70	2,437,528.70	-	-	-
Maldives (MV)	571,826.29	571,826.29	-	-	-
Thailand (TH)	57,369,425.13	46,118,339.17	9,640,227.32	865,827.56	745,031.09
United States (US)	7,093,511.74	-	6,761,335.64	332,176.10	-
British Virgin Islands (VG)	1,724,335.13	1,720,928.54	-	3,406.60	-
Australia (AU)	502,520.42	473,918.28	-	28,602.14	-
Singapore (SG)	1,346,397.43	1,336,600.20	-	9,797.24	-
Germany (DE)	28,796.95	-	-	28,796.95	-
Japan (JP)	38,184.16	-	-	38,184.16	-
<b>Total</b>	<b>88,760,435</b>	<b>58,174,885</b>	<b>18,691,808</b>	<b>10,926,496</b>	<b>967,246</b>

  

Country or geographic area of debtor	Off-balance sheet assets			
	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives	Undrawn committed line
China (CN)	15,207,414.92	15,164,525.49	42,889.42	-
Hong Kong (HK)	10,658,100.30	46,778.54	10,611,321.76	-
Thailand (TH)	80,192,910.41	7,179,622.18	71,943,211.37	1,070,076.85
Malaysia (MY)	3,423.03	3,423.03	-	-
Maldives (MV)	268,419.44	-	-	268,419.44
Singapore (SG)	2,602.81	2,602.81	-	-
<b>Total</b>	<b>106,332,871</b>	<b>22,396,952</b>	<b>82,597,423</b>	<b>1,338,496</b>

Unit: Thousand Baht

December 31, 2023					
Country or geographic area of debtor	On-balance sheet assets				
	Total	Net loans <sup>1/</sup>	Net Investment in debt securities <sup>2/</sup>	Net Deposits <sup>3/</sup>	Derivative
China (CN)	2,048,078	19,234	1,641,159	387,685	-
Hong Kong (HK)	14,813,812	4,516,755	-	10,236,049	61,008
Cayman Islands (KY)	1,268,466	1,268,466	-	-	-
Malaysia (MY)	2,574,412	2,574,412	-	-	-
Maldives (MV)	583,977	583,977	-	-	-
Thailand (TH)	46,598,371	40,118,273	5,859,291	620,807	-
United States (US)	129,259	-	-	129,259	-
British Virgin Islands (VG)	2,147,673	2,147,673	-	-	-
Australia (AU)	230,029	230,029	-	-	-
<b>Total</b>	<b>70,394,078</b>	<b>51,458,819</b>	<b>7,500,450</b>	<b>11,373,800</b>	<b>61,008</b>

  

Country or geographic area of debtor	Off-balance sheet assets			
	Total	Aval of bills, guarantees, and letter of credits	OTC derivatives	Undrawn committed line
China (CN)	521,359	-	521,359	-
Hong Kong (HK)	2,838,311	-	2,838,311	-
Thailand (TH)	28,628,664	21,060,161	6,587,890	980,613
Maldives (MV)	40,015	-	-	40,015
<b>Total</b>	<b>32,028,349</b>	<b>21,060,161</b>	<b>9,947,560</b>	<b>1,020,628</b>

<sup>1/</sup> Including accrued interest receivables and net of deferred incomes, Expected Credit Losses and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

<sup>2/</sup> Excluding accrued interest receivables and net of allowances for revaluation of securities and Expected Credit Losses of securities.

<sup>3/</sup> Including accrued interest receivables and net of Expected Credit Loss

<sup>4/</sup> Before multiplying credit conversion factor

**Table 7: Outstanding amounts of financial assets and commitments before adjusted credit risk mitigation and general provision and specific provision**

Unit: Thousand Baht

Table 7 Outstanding amounts of Financial Assets and Commitments before adjusted credit risk mitigation and General provision and Specific Provision				
Items	December 31, 2024			
	Outstanding		Specific Provision under SA	Net Amount
	Default Exposures	Non-default Exposures		
1. Loans including accrued interest receivables	1,579,592	56,595,293	2,693,276	55,481,609
2. Investment in debt securities	-	18,691,808	1,409	18,690,399
3. Deposits including accrued interest receivables	-	10,926,496	21	10,926,475
4. Contingent Liabilities, Undrawn Commitments and Loan Guarantee	74,150	106,258,721	127,351	106,205,520
<b>Total</b>	<b>1,653,742</b>	<b>192,472,318</b>	<b>2,822,057</b>	<b>191,304,003</b>

  

Items	December 31, 2023			
	Outstanding		Specific Provision under SA	Net Amount
	Default Exposures	Non-default Exposures		
1. Loans including accrued interest receivables	2,088,789	49,295,880	2,399,636	49,059,183
2. Investment in debt securities	-	7,500,450	-	7,500,450
3. Deposits including accrued interest receivables	-	11,373,800	13	11,373,787
4. Contingent Liabilities, Undrawn Commitments and Loan Guarantee	74,150	32,028,349	117,349	31,911,000
<b>Total</b>	<b>2,162,939</b>	<b>100,198,480</b>	<b>2,516,999</b>	<b>99,844,420</b>

**Table 8: Outstanding amounts of loan including accrued interest receivables and investment in debt securities before adjusted risk mitigation classified by country and BOT loan classification criteria**

Unit: Thousand Baht

Table 8 Outstanding amounts of Loans including accrued interest receivables and Investment in debt securities before adjusted credit risk mitigation classified by country or geographic area and BOT's Loan Classification Criteria								
Country or geographic area of debtor	December 31, 2024				December 31, 2023			
	Loans including accrued interest receivables <sup>1/</sup>				Investment in debt securities			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
China (CN)	33,796	-	-	33,796	2,290,245	-	-	2,290,245
Hong Kong (HK)	4,354,085	-	-	4,354,085	-	-	-	-
Cayman Islands (KY)	-	1,127,863	-	1,127,863	-	-	-	-
Malaysia (MY)	2,437,529	-	-	2,437,529	-	-	-	-
Maldives (MV)	571,826	-	-	571,826	-	-	-	-
Thailand (TH)	42,710,066	1,828,681	1,579,592	46,118,339	9,640,227	-	-	9,640,227
United States (US)	-	-	-	-	6,761,336	-	-	6,761,336
British Virgin Islands (VG)	1,720,929	-	-	1,720,929	-	-	-	-
Australia (AU)	473,918	-	-	473,918	-	-	-	-
Singapore (SG)	1,336,600	-	-	1,336,600	-	-	-	-
Germany (DE)	-	-	-	-	-	-	-	-
Japan (JP)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>53,638,749</b>	<b>2,956,543</b>	<b>1,579,592</b>	<b>58,174,885</b>	<b>18,691,808</b>	<b>-</b>	<b>-</b>	<b>18,691,808</b>

  

Country or geographic area of debtor	December 31, 2024				December 31, 2023			
	Loans including accrued interest receivables <sup>1/</sup>				Investment in debt securities			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
China (CN)	19,234	-	-	19,234	1,641,159	-	-	1,641,159
Hong Kong (HK)	4,516,755	-	-	4,516,755	-	-	-	-
Cayman Islands (KY)	-	-	1,268,466	1,268,466	-	-	-	-
Malaysia (MY)	2,574,412	-	-	2,574,412	-	-	-	-
Maldives (MV)	583,977	-	-	583,977	-	-	-	-
Thailand (TH)	39,178,849	44,951	894,473	40,118,273	5,859,291	-	-	5,859,291
United States (US)	-	-	-	-	-	-	-	-
British Virgin Islands (VG)	2,147,673	-	-	2,147,673	-	-	-	-
Australia (AU)	230,029	-	-	230,029	-	-	-	-
<b>Total</b>	<b>49,250,929</b>	<b>44,951</b>	<b>2,162,939</b>	<b>51,458,819</b>	<b>7,500,450</b>	<b>-</b>	<b>-</b>	<b>7,500,450</b>

\* Country or geographic area classification is on registration basis.

<sup>1/</sup> Including loans and accrued interest receivables of interbank and money market

**Table 9: Outstanding amounts of loans including accrued interest receivables and investment in debt securities classified by country or geographical area and asset classification as prescribed by the Bank of Thailand**

Unit: Thousand Baht

<b>Table 9 Provisions (General provision and Specific provision) and bad debt written-off during period for loan including accrued interest receivables and investment in debt securities classified by country or geographic area* (BOT-T13)</b>				
<b>December 31, 2024</b>				
<b>Country or geographic area of debtor</b>	<b>Loans including accrued interest receivables <sup>1/</sup></b>			<b>Specific provision for investment in debt securities</b>
	<b>General provision</b>	<b>Specific provision under SA</b>	<b>Bad debt written-off during period</b>	
China (CN)	-	20	-	191
Hong Kong (HK)	-	1,994	-	-
Cayman Islands (KY)	-	555,224	-	-
Malaysia (MY)	-	11,321	-	-
Maldives (MV)	-	8,052	-	-
Thailand (TH)	-	2,098,828	459,100	1,218
United States (US)	-	-	-	-
British Virgin Islands (VG)	-	2,020	-	-
Australia (AU)	-	15,230	-	-
Singapore (SG)	-	586	-	-
Germany (DE)	-	-	-	-
Japan (JP)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2,692,689</b>	<b>459,100</b>	<b>1,409</b>
<b>December 31, 2023</b>				
<b>Country or geographic area of debtor</b>	<b>Loans including accrued interest receivables <sup>1/</sup></b>			<b>Specific Investment in debt securities</b>
	<b>General provision</b>	<b>Specific provision</b>	<b>Bad debt written-off</b>	
Australia (AU)	-	1	-	-
China (CN)	-	1,353	-	-
Hong Kong (HK)	-	744,696	-	-
Cayman Islands (KY)	-	14,964	-	-
Malaysia (MY)	-	8,259	-	-
Philippines (PH)	-	1,624,248	-	-
Singapore (SG)	-	-	-	-
Thailand (TH)	-	2,774	230,407	-
United States (US)	-	3,341	-	-
<b>Total</b>	<b>-</b>	<b>2,399,636</b>	<b>230,407</b>	<b>-</b>

\* Country or geographic area classification is on registration basis.

<sup>1/</sup> Including Expected Credit Losses and bad debt written-off during period of loans including accrued interest receivables of interbank and money market

**Table 10: Outstanding amounts of loan including accrued interest before adjusted classified by types of business and BOT loan classification criteria**

Unit: Thousand Baht

Table 10 Outstanding amounts of Loans including accrued interest receivables before adjusted credit risk mitigation classified by type of business and BOT's Loan Classification Criteria				
Type of business	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	2,287,256	-	-	2,287,256
Air Transportation	-	1,127,863	-	1,127,863
Construction	2,378,375	-	-	2,378,375
Education, Health	187,919	551,633	-	739,553
Energy	2,249,661	723,060	-	2,972,721
Logistics	2,100,288	-	-	2,100,288
Metals, minerals and steel	635,311	531,556	-	1,166,866
Non- bank FI	3,455,884	-	-	3,455,884
Oil & Gas	2,294,674	-	-	2,294,674
Property development and investment - Industrial	470,744	-	-	470,744
Property development and investment - Residenti	611,450	-	-	611,450
Retail & Wholesale	1,266,743	8,313	1,025,235	2,300,291
Service	1,483,606	-	-	1,483,606
Telecommunication	1,692,163	-	-	1,692,163
Jewelry	199,891	-	-	199,891
Manu - Others	3,831,613	-	425,819	4,257,433
Manu - Furniture and Home Furnishing	1,042,698	-	-	1,042,698
Manu - Food and Beverage	3,453,733	-	91,301	3,545,034
Manu - Rubber	4,390,185	-	-	4,390,185
Manu - Electronics and Electrical Components	601,143	-	-	601,143
Retail	1,546,462	14,120	37,236	1,597,818
Loan to Financial Institution	17,458,947	-	-	17,458,947
<b>Total</b>	<b>53,638,749</b>	<b>2,956,543</b>	<b>1,579,592</b>	<b>58,174,885</b>

  

Type of business	December 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
Agriculture and forestry	1,205,806	-	-	1,205,806
Air Transportation	-	-	1,268,466	1,268,466
Construction	1,295,581	12,194	-	1,307,774
Education, Health	1,075,920	-	-	1,075,920
Energy	988,966	-	-	988,966
Logistics	653,294	-	-	653,294
Metals, minerals and steel	1,553,795	-	140,216	1,694,011
Non- bank FI	3,567,459	-	-	3,567,459
Oil & Gas	2,212,756	-	-	2,212,756
Property development and investment	1,563,366	-	-	1,563,366
Retail & Wholesale	3,412,262	8,782	-	3,421,043
Service	1,640,680	6,268	-	1,646,948
Telecommunication	1,284,655	-	-	1,284,655
Manu - Others	3,367,814	-	422,970	3,790,784
Manu - Furniture and Home Furnishing	855,501	-	-	855,501
Manu - Food and Beverage	4,208,187	-	-	4,208,187
Manu - Rubber	3,893,289	-	-	3,893,289
Manu - Electronics and Electrical Components	350,300	-	310,188	660,487
Retail	1,840,609	17,708	21,099	1,879,415
Loan to Financial Institution	14,280,690	-	-	14,280,690
<b>Total</b>	<b>49,250,929</b>	<b>44,951</b>	<b>2,162,939</b>	<b>51,458,819</b>

**Table 11: Specific provision and bad debt written-off during period for loans including accrued interest receivables classified by types of business**

Unit: Thousand Baht

<b>Table 11 Provisions (General provision and Specific provision) and bad debt written-off during period for loans including accrued interest receivables* classified by types of business (BOT-T15)</b>			
<b>Type of business</b>	<b>December 31, 2024</b>		
	<b>General provision</b>	<b>Specific provision under SA</b>	<b>Bad debt written-off during period</b>
Agriculture and forestry	-	156,024	-
Air Transportation	-	76,937	-
Construction	-	162,240	-
Education, Health	-	50,448	-
Energy	-	202,783	-
Logistics	-	143,270	-
Metals, minerals and steel	-	79,597	-
Non- bank FI	-	235,742	-
Oil & Gas	-	156,530	-
Property development and investment - Industrial	-	32,112	-
Property development and investment - Residential	-	41,710	-
Retail & Wholesale	-	156,913	140,470
Service	-	101,204	-
Telecommunication	-	115,430	-
Jewelry	-	13,636	-
Manu - Others	-	290,419	-
Manu - Furniture and Home Furnishing	-	71,127	-
Manu - Food and Beverage	-	241,823	-
Manu - Rubber	-	299,474	-
Manu - Electronics and Electrical Components	-	41,007	310,676
Retail	-	22,984	7,954
Loan to Financial Institution	-	1,867	-
<b>Total</b>	<b>-</b>	<b>2,693,276</b>	<b>459,100</b>

  

<b>Type of business</b>	<b>December 31, 2023</b>		
	<b>General provision</b>	<b>Specific provision under SA</b>	<b>Bad debt written-off during period</b>
Agriculture and forestry	-	1,512	-
Air Transportation	-	744,696	-
Construction	-	6,170	-
Education, Health	-	1,354	-
Energy	-	6,993	-
Logistics	-	889	-
Metals, minerals and steel	-	658,247	-
Non- bank FI	-	10,328	-
Oil & Gas	-	17,836	-
Property development and investment	-	13,617	-
Retail & Wholesale	-	145,872	-
Service	-	413,336	-
Telecommunication	-	10,875	-
Manu - Others	-	13,786	230,407
Manu - Furniture and Home Furnishing	-	2,222	-
Manu - Food and Beverage	-	8,775	-
Manu - Rubber	-	10,775	-
Manu - Electronics and Electrical Components	-	311,805	-
Retail	-	18,245	-
Loan to Financial Institution	-	2,303	-
<b>Total</b>	<b>-</b>	<b>2,399,636</b>	<b>230,407</b>

**Table 12: Reconciliation of change in specific provision for loans including accrued interest receivables**

Unit: Thousand Baht

<b>Table 12 Reconciliation of change in provisions (General provision and Specific provision) for loans including accrued interest receivables* (BOT-T16)</b>			
<b>Item</b>	<b>December 31, 2024</b>		
	<b>General provision</b>	<b>Specific provision under SA</b>	<b>Total</b>
<b>Provisions at the beginning of the period</b>	-	<b>2,516,998.61</b>	<b>2,516,998.61</b>
Bad debts written-off during the period	-	459,099.57	459,099.57
Increases or Decreases of provisions during the period	-	305,058.86	305,058.86
Other provisions (provisions for losses from foreign exchange, provisions for merger and sale of businesses)	-	-	-
<b>Provisions at the end of the period</b>	-	<b>2,822,057.47</b>	<b>2,822,057.47</b>

  

<b>Item</b>	<b>December 31, 2023</b>		
	<b>General provision</b>	<b>Specific provision under SA</b>	<b>Total</b>
<b>Provisions at the beginning of the period</b>	-	<b>2,115,891.34</b>	<b>2,115,891.34</b>
Bad debts written-off during the period	-	230,407.26	230,407.26
Increases or Decreases of provisions during the period	-	401,107.27	401,107.27
Other provisions (provisions for losses from foreign exchange, provisions for merger and sale of businesses)	-	-	-
<b>Provisions at the end of the period</b>	-	<b>2,516,998.61</b>	<b>2,516,998.61</b>

\* Including outstanding amount of loans including accrued interest receivables of interbank and money market

**Table 13: Outstanding amounts of on-balance sheet assets and off-balance sheet items classified by type of assets under Standardized approach (SA)**

Unit: Thousand Baht

Table 13 Outstanding amounts of on-balance sheet assets and off-balance sheet items* classified by type of assets under the SA (BOT-T17)			
Type of asset	December 31, 2024		
	On-balance sheet assets <sup>1/</sup>	Off-balance sheet item <sup>2/</sup>	Total
<b>1. Performing claims</b>	87,040,949	13,150,907	100,191,856
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	19,657,787	-	19,657,787
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	28,714,694	1,553,429	30,268,123
1.3 Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate	35,254,708	10,912,214	46,166,922
1.4 Claims on retail portfolios	129,756	132,447	262,203
1.5 Housing loans	1,425,960	552,818	1,978,778
1.6 Other assets	1,858,044	-	1,858,044
<b>2. Non-performing claims</b>	92,662	-	92,662
<b>3. First-to-default credit derivatives and Securitization</b>	-	-	-
<b>Total</b>	<b>87,133,611</b>	<b>13,150,907</b>	<b>100,284,518</b>

Type of asset	December 31, 2023		
	On-balance sheet assets <sup>1/</sup>	Off-balance sheet item <sup>2/</sup>	Total
<b>1. Performing claims</b>	68,264,785,631	11,157,909,101	79,422,695
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	8,109,098,231	-	8,109,098
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	25,843,079,072	93,882,734	25,936,962
1.3 Claims on corporate, non-central government public sector entities (PSEs) treated as claims on corporate	31,576,804,287	10,182,380,612	41,759,185
1.4 Claims on retail portfolios	161,595	145,763	307,359
1.5 Housing loans	1,689,756	735,882	2,425,638
1.6 Other assets	884,453	-	884,453
<b>2. Non-performing claims</b>	601,213	-	601,213
<b>3. First-to-default credit derivatives and Securitization</b>	-	-	-
<b>Total</b>	<b>68,865,999</b>	<b>11,157,909</b>	<b>80,023,908</b>

<sup>1/</sup> Net of specific provision

<sup>2/</sup> After multiplying with credit conversion factor and net of specific provision

### 2.1.3 Credit Rating

When calculating the risk-weighted assets (RWA) under standardized approach Basel III, the bank applies credit ratings from qualified External Credit Assessment Institution (ECAIs) specified by the Bank of Thailand (BOT):

- Public sector and financial institution borrowers: S&P, Moody's, Fitch Rating and also Fitch (Thailand);
- Private sector borrowers: TRIS, Fitch, Fitch (Thailand), S&P, and Moody's;

The bank follows the process of mapping the ECAIs ratings with corresponding borrower's risk-weighted prescribed by BOT.

**Table 14: Outstanding amount of net on-balance and off-balance sheet items after adjusted by risk mitigation for each types of asset, classified by risk weight %**

Unit: Thousand Baht

Table 14 Outstanding amount of net on-balance sheet assets and off-balance sheet items* after adjusted by credit risk mitigation for each type of asset, classified by risk weight under the SA (BOT-T19)												
Type of asset	December 31, 2024											
	Rated outstanding amount					Unrated outstanding amount						
Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	150
Performing claims	19,657,787	17,187,466	11,198,565	17,874,489	299,150	1,433,674	-	1,425,960	-	-	31,114,764	-
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	19,657,787	-	-	-	-	-	-	-	-	-	-	-
2. Claims on financial institutions , non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	14,803,990	455,694	15,008,439	-	-	-	-	-	-	-	-
3. Claims on corporate , non-central government public sector entities (PSEs) treated as claims on corporate	-	2,383,477	10,742,871	2,866,050	299,150	-	-	-	-	-	29,875,373	-
4. Claims on retail portfolios	-	-	-	-	-	-	-	-	-	-	262,203	-
5. Claims on housing loans	-	-	-	-	-	-	-	1,425,960	-	-	552,818	-
6. Other assets	-	-	-	-	-	1,433,674	-	-	-	-	424,370	-
<b>Risk weight (%)</b>	<b>0</b>	<b>20</b>	<b>50</b>	<b>100</b>	<b>150</b>	<b>0</b>	<b>20</b>	<b>35</b>	<b>50</b>	<b>75</b>	<b>100</b>	<b>150</b>
Non-performing claims <sup>1/</sup>	-	-	-	-	-	-	-	-	-	-	92,662	-
Capital deduction items prescribed by the Bank of Thailand	-	-	-	-	-	-	-	-	-	-	-	-

  

Type of asset	December 31, 2023											
	Rated outstanding amount					Unrated outstanding amount						
Risk weight (%)	0	20	50	100	150	0	20	35	50	75	100	150
Performing claims	6,734,496	16,823,294	13,753,914	38,286,001	-	376,176	-	1,689,756	-	-	1,759,058	-
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	6,734,496	-	-	1,374,603	-	-	-	-	-	-	-	-
2. Claims on financial institutions , non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	15,093,030	411,499	10,432,433	-	-	-	-	-	-	-	-
3. Claims on corporate , non-central government public sector entities (PSEs) treated as claims on corporate	-	1,730,264	13,342,416	26,478,965	-	-	-	-	-	-	207,540	-
4. Claims on retail portfolios	-	-	-	-	-	-	-	-	-	-	307,359	-
5. Claims on housing loans	-	-	-	-	-	-	-	1,689,756	-	-	735,882	-
6. Other assets	-	-	-	-	-	376,176	-	-	-	-	508,277	-
<b>Risk weight (%)</b>	<b>0</b>	<b>20</b>	<b>50</b>	<b>100</b>	<b>150</b>	<b>0</b>	<b>20</b>	<b>35</b>	<b>50</b>	<b>75</b>	<b>100</b>	<b>150</b>
Non-performing claims <sup>1/</sup>	-	-	-	-	-	-	-	-	-	-	601,213	-
Capital deduction items prescribed by the Bank of Thailand	-	-	-	-	-	-	-	-	-	-	-	-

Capital deduction items prescribed by the Bank of Thailand

\* After multiplying credit conversion factor. 1/ For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

## 2.1.4 Credit Risk Mitigation

Main types of collateral taken by the bank including cash, counter guarantee from other financial institution, corporate guarantee, and the mortgage. The cash collateral shall be deposited and pledged for control. Counter guarantee from financial institutions shall be controlled by Head office, and the bank should review each guarantor on quarterly basis case by case. Main types of guarantor include the personal guarantor, corporate guarantor, and financial institutions.

**Table 15: Part of outstanding that is secured by collateral under SA classified by the types of assets and collaterals**

(Unit: Thousand Baht)

Table 15 Credit risk mitigation under SA - outstanding that is secured by collateral		
Type of asset	December 31, 2024	
	Eligible financial collateral	Guarantee and credit derivatives
<b>Performing Claims</b>	<b>65,530</b>	<b>580,555</b>
• Claims on sovereigns and central banks, MDBs, and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-
• Claims on sovereigns and central banks, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	-
• Claims on corporate, non-central government public sector entities (PSEs) treated as coporate	65,530	580,555
• Claims on retail porfortlios	-	-
• Claims on housing loans	-	-
• Other assets	-	-
<b>Total amount</b>	<b>65,530</b>	<b>580,555</b>

(Unit: Thousand Baht)

Table 15 Credit risk mitigation under SA - outstanding that is secured by collateral		
Type of asset	December 31, 2023	
	Eligible financial collateral	Guarantee and credit derivatives
<b>Performing Claims</b>	<b>99,038</b>	<b>1,079,294</b>
• Claims on sovereigns and central banks, MDBs, and non-central government public sector entities (PSEs) treated as claims on sovereigns	-	-
• Claims on sovereigns and central banks, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	-	-
• Claims on corporate, non-central government public sector entities (PSEs) treated as coporate	99,038	1,079,294
• Claims on retail porfortlios	-	-
• Claims on housing loans	-	-
• Other assets	-	-
<b>Total amount</b>	<b>99,038</b>	<b>1,079,294</b>

\* Values after on-balance sheets and off-balance sheets netting 1/ Eligible financial collateral that the Bank of Thailand allows to use for risk mitigation. Commercial banks applying the comprehensive approach shall disclose the value after haircut.

## 2.2 Market Risk

Market risk is defined as the risk of potential losses of the bank arising from the price volatility or position value including assets, liabilities, and contingent liabilities held by the bank. Market risk factors affecting such price or value are change in interest rate, foreign exchange, equity price and commodity price.

BOCT market risk consists of interest rate risk (IRR) and foreign exchange (FX) risk in both trading and banking book. IRR refers to the risk of loss from shifting in the benchmark rate, causing depreciation of values of interest rate-based asset classes. FX risk refers to the risk of loss due to change in the currency exchange rate in which the investment is priced. Nowadays, the bank applies the Standardized model (SA) to quantify

the market risk RWA and the capital requirement. Market risk-weighted assets arises solely out of the FX positions of the bank. Even though the aggregate foreign currency exposures quite small when comparing to the size of the total portfolios, the bank has implemented the following market risk control:

- Establishing market risk limit including Bank-wide FX exposure, profit and loss limit, Value at Risk (VaR), Price value of basis point (PVBP).
- Global Markets Department is responsible for monitoring and reporting market risk related transactions, and ensuring that the level of market risks is within the risk limits determined by Board of Directors.
- Risk Management Department are responsible for implementing market risk management policies, and identifying, measuring, monitoring, controlling, and reporting market risk exposures.

**Table 16: Minimum capital requirements for each type of market risk under the Standardized Approach (SA)**

(Unit: Thousand Baht)

Table 16 Capital requirement for market risk	Dec 31,2023	Dec 31,2024
Interest rate risk	-	-
Equity position risk	-	-
Foreign exchange rate risk	14,108	5,533
Commodity risk	-	-
<b>Total minimum capital requirement</b>	<b>14,108</b>	<b>5,533</b>

Note: Minimum capital requirement for each of risk types is calculated at 8.5 percent

## 2.3 Operational Risk

Operational Risk is defined as the risk of loss resulting from inadequate or fail internal processes, people and systems or from the external events. The risks include legal and compliance risk and IT risk, but exclude strategic and reputational risk.

All business units in the bank are responsible for systematically managing operational risk according to the bank’s three lines of defense. The bank stipulated policy and measure of operational risk which cover all major operational risk points and each department shall monitor its operational risk management according to this policy and measure.

Operational risk management tools such as Risk and control assessment (RACA), key risk indicators and loss data collection are used to identify, assess and monitor operational risk exposures. Operational risk incidents that have significant impact shall be closely monitor and report to senior management and also risk oversight committee. Moreover, BOCT is cognizant of the reputational risk posed by money laundering activities and customer complaints. The bank has maintained and developed policies and processes to control these risks. The market conduct policy has been enforced to ensure the soundness of the Bank’s operation and process and aims to standardize procedures of management on fair customer treatment. For the Risk-weight-asset calculation, the bank currently adopts the Basic Indicator Approach (BIA) to quantify its operational risk RWA and the capital requirement.

#### 2.4 Interest Rate Risk in the Banking Book (IRRBB)

Interest rate risk refers to losses of earning and economic value from changing in the interest rates, which can be incurred from both on-balances and of-balance sheet exposures in banking book. The objective of IRRBB is to control the movement of interest rate within acceptable level as well as in line with business strategies and risk appetite endorsed by the Board of Directors. The bank manages the IRRBB primarily through interest rate re-pricing gap analysis. The data generated by gap analysis is used to perform sensitivity analysis, assisting decision making regarding the re-pricing of the interest-earning assets and interest-bearing liabilities. The bank currently monitors IRRBB on daily basis at 100 bps by following the Group’s regulation and BOT regulation. Moreover, ALCO regularly evaluates cost of fund and use of fund in order to maintain the appropriate interest rate regarding to risk appetite of BOCT.

**Table 17: The effect of changes in interest rates on net earnings**

	(Unit: Thousand Baht)	
Table 17 Interest rate risk in the banking book	Dec 31,2023	Dec 31,2024
<b>Currency</b>		
Thai Baht (THB)	41,150	51,296
US Dollar (USD)	(2,456)	(66,730)
Chinese Yuan (CNY)	(8,289)	(10,228)
Others	(422)	(74,064)
<b>Total effect</b>	<b>29,984</b>	<b>(99,726)</b>

\* Percentage changes in interest rates of 100 bps has been applied

### 3. Additional disclosure of capital under the BCBs requirement (Composition of capital disclosure requirements)

For the subordinated debenture which is classified as Tier 2 Capital, the 20% regulatory amortization deduction will be required from year 2022-2027.

**Table for disclosure of main features of regulatory capital instruments**

	Heading	Details
1	Investor name	BANK OF CHINA (HONG KONG) LIMITED
2	Unique identifier	Callable Subordinated Instruments Intended to Qualify as Tier 2 Capital of Bank of China (Thai) Public Company Limited which will be required to be written down (fully or partially) when government authority decides to grant financial assistance to issuers No.1/2023 due 2033
	<i>Inclusion of the instruments in the capital under the regulations of the Bank of Thailand</i>	
3	Instrument type (Common equity tier 1 / Additional tier 1 / Tier 2 capital)	Tier 2 Capital
4	Having the features in accordance with the Basel III or not	Yes
5	If having the features not in accordance with the Basel III, specify such features	N/A
6	To be gradually deducted or be included in full	Gradually deduct after 5 years
7	Eligible at solo / consolidated / consolidated and solo	Solo Basis
8	Amount recognized in regulatory capital (unit: million baht)	1,412.79
9	Par value of instrument (unit: baht)	1,412,790,000
10	Accounting classification	Liability – amortized cost
11	Original date of issuance	21 August 2023
12	Perpetual or dated	Dated
13	Original maturity date	21 August 2023
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	The issuer may exercise its right to early redemption upon the 5 <sup>th</sup> anniversary of the issue date (the first redemption date, 21 August 2028).
16	Subsequent call dates, if applicable	N/A
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	USD SOFR + 0.97%
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Partially discretionary
21	Existence of step up or other incentive to redeem	No



22	Noncumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	N/A
25	If convertible, fully and partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	Write-down feature	Yes
30	If write-down, write-down trigger(s)	Non-Viability Event which means, unless otherwise specified in the Terms and Conditions, the occurrence of the Bank of Thailand and/or any other empowered government agency deciding to grant financial assistance to the issuer such as in the form of a capital injection, without which the issuer become unable to continue its business in any manner, including but not limited to situations as set out below (or any such similar events): (i) having insufficient resources to make repayments to its depositors and creditors; or (ii) its capital funds having depleted to the extent that its depositors and creditors will be adversely affected; or (iii) not being in a position to independent increase its capital base.
31	If write-down, full or partial	May be written down partially
32	If write-down, permanent or temporary	Permanent
33	If temporary write-down, description of write-up mechanism	N/A
34	Position in subordination hierarchy in liquidation (specify instrument type which is subordinate to this instrument)	N/A