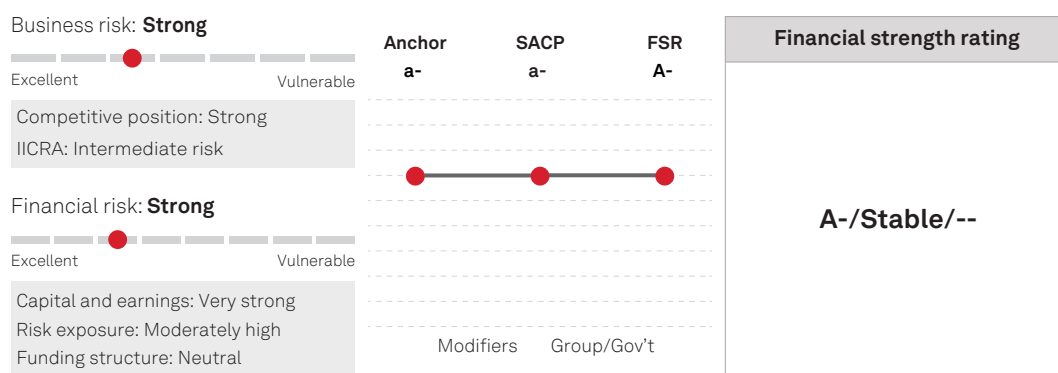


Bangkok Insurance Public Co. Ltd.

November 26, 2025

This report does not constitute a rating action.



FSR--Financial strength rating. ICR--Issuer credit rating. IICRA--Insurance industry and country risk assessment. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths

Strong competitive position in Thailand, supported by an established market position and broad distribution network.

Healthy capitalization with ability to withstand a hypothetical sovereign stress scenario.

Exceptional liquidity, with limited refinancing needs.

Key risks

Susceptible to market risk due to high concentration in its equity investment portfolio.

Bangkok Insurance Public Co. Ltd. will likely maintain its strong competitive position and profitable underwriting over the next two years.

The insurer benefits from strong brand recognition, a broad distribution network, and diverse operations in the Thai property/casualty (P/C) insurance market, reinforcing its solid market position. We anticipate Bangkok Insurance will maintain stable growth in premiums, albeit with an outlook for slower economic growth.

Prudent underwriting will continue to support Bangkok Insurance's very strong capital position.

We anticipate the insurer's capital adequacy will remain at the 99.95% confidence level over the next two years. The insurer's capital buffer will erode slightly due to business growth in the domestic market.

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Bangkok Insurance's sound underwriting practices will support stable operating performance as the insurer expands its market share in Thailand's P/C insurance sector. We expect Bangkok Insurance's combined ratio to be about 90% over the next two years, indicating the insurer will make an underwriting profit. The insurer's reinsurance coverage helped safeguard against large losses from the March 2025 Myanmar earthquake that affected Bangkok, limiting its final losses.

Bangkok Insurance will remain exposed to high-risk investments with sector and obligor concentration. The insurer had allocated about 62% of its invested assets to high-risk investments, comprising equity, loans, and other investments, as of Dec. 31, 2024. The company's concentrated equity exposure increases its sensitivity to market swings.

Outlook

The stable outlook reflects our view that Bangkok Insurance will maintain its dominance in the Thai property/casualty (P/C) insurance market with profitable underwriting while managing its sensitivity to investment and natural catastrophe risk. We expect the insurer's very strong capital and earnings to remain supportive of its creditworthiness over the next two years.

Downside scenario

We may lower the ratings if Bangkok Insurance's capitalization weakens. This could be due to a decline in underwriting profit and persistent deterioration in equity markets, resulting in substantial capital impairment.

We could also lower the rating if Bangkok Insurance's exposure to catastrophe risks increases substantially.

We may also downgrade the insurer if we believe its susceptibility to a sovereign default has increased or if our industry and country risk assessment on Thailand's P/C sector deteriorates.

Upside scenario

An upgrade is unlikely in the next two years.

We could upgrade the insurer if its financial risk profile strengthens, which could happen due to:

- Consistently higher prospective levels of capital adequacy, with no deterioration in risk exposure and funding structure; or
- Improved risk exposure owing to reduced investment concentration or increasing investment diversification.

Assumptions

- Real GDP for Thailand to remain 2%-2.5% in 2025 to 2027.
- Inflation to remain less than 0.7% over the next two years.
- Interest rates to decrease in line with U.S. Federal Reserve rate cuts. We expect Thailand's interest rates to be about 1.25%-1.5% for 2025 to 2027.

Bangkok Insurance Public Co. Ltd.--Key metrics

	2027f	2026f	2025f	2024	2023	2022
Gross premiums written (mil. THB)	38,500 to 40,500	36,500 to 38,500	33,500 to 35,500	31,736	29,916	26,676

Bangkok Insurance Public Co. Ltd.--Key metrics

	2027f	2026f	2025f	2024	2023	2022
Net income (attributable to all shareholders)	3,600 to 3,800	3,400 to 3,600	3,100 to 3,300	3,060	3,044	(638)
Financial leverage (%)	<5.0	<5.0	<5.0	5.0	4.4	4.2
Return on shareholders' equity (%)	9 to 11	9 to 11	8 to 10	9.5	9.3	(2.0)
Net investment yield (%)	2.3 to 2.7	2.3 to 2.7	2.3 to 2.7	2.6	2.1	2.0
Net combined ratio (%)	88 to 92	88 to 92	88 to 92	90.1	88.0	143.3
Return on revenue (%)	14 to 19	14 to 19	14 to 19	16.4	17.9	(33.7)
S&P Global Ratings capital adequacy*	99.95%	99.95%	99.95%	99.95%	99.95%	99.95%

THB--Thai baht. f--Forecast.

Business Risk Profile

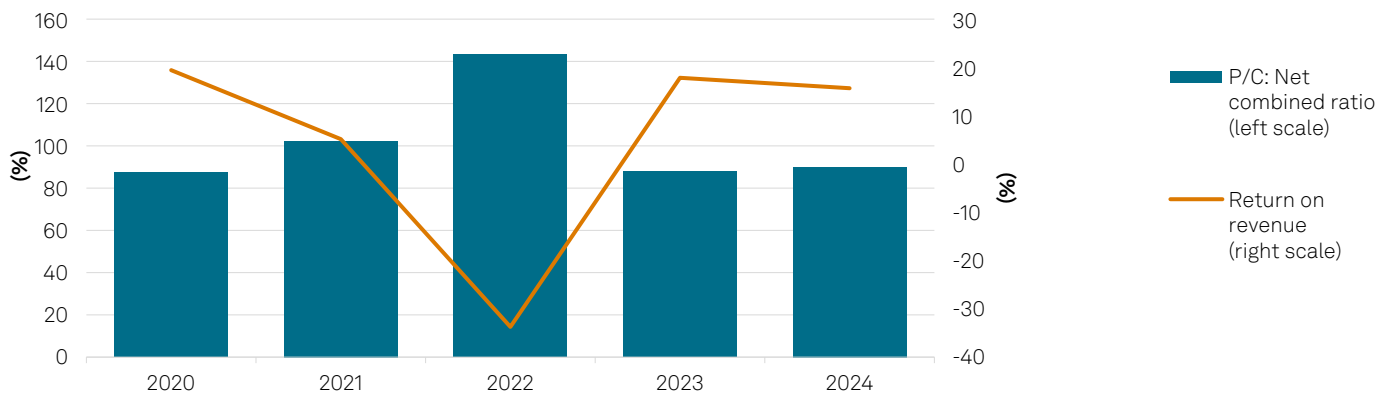
Bangkok Insurance's sound underwriting performance, established market presence, and good brand recognition will underpin its strong competitive position. These factors will help the insurer maintain its top-three position in Thailand's competitive property and casualty (P/C) insurance sector. Bangkok Insurance has a steady market share of about 10% as of June 30, 2025. The insurer operates mainly in the Thai P/C insurance market, which we assess as having intermediate industry risk.

We anticipate Bangkok Insurance will undertake some inorganic growth after setting up listed holding company BKI Holdings Public Co. Ltd. (BKI Holdings). This new structure helps the insurer expand into businesses, on a small and gradual basis, to supplement its core insurance sales. P/C insurance will remain Bangkok Insurance's core business. As of Dec. 31, 2024, Bangkok Insurance contributed 96.9% of BKI Holdings' shareholder equity and 98.5% of its total assets.

Bangkok Insurance's prudent underwriting and business diversity will continue to support its sound operating performance, which has historically exceeded that of the Thailand P/C industry. The insurer's combined ratio was 88.1% as of the end of the third quarter of 2025, compared with 90.1% in 2024.

Bangkok Insurance benefits from risk-strengthening measures that safeguard it against natural catastrophe losses over the long run. These efforts have helped limit its final losses from a recent earthquake in neighboring Myanmar that also affected Bangkok. We expect Bangkok Insurance to expand prudently while maintaining profitable underwriting over the next two years.

Bangkok Insurance's profitable underwriting will likely continue



Source: S&P Global Ratings.
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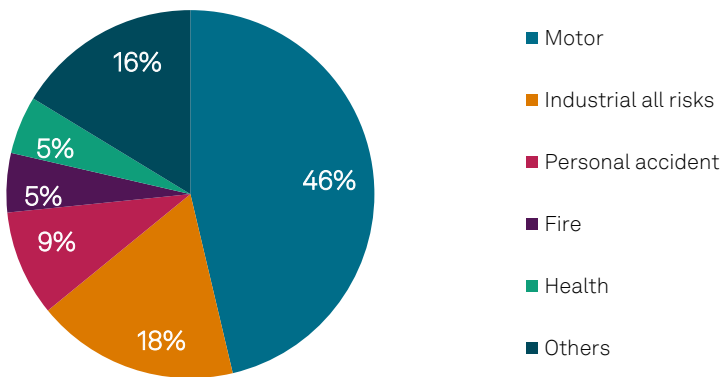
We expect Thailand's economy to slow through 2025 and 2026 as strains in global trade emerge. However, the Thai government continues its supportive fiscal stance and a stronger pick up in international tourism will provide some buffer to the economy. In turn, this will support the insurer's growth over the next two years.

Bangkok Insurance had more subdued premium growth in the first half of 2025 than the average for the industry, as the insurer adopts more prudent expansion, particularly within its motor insurance business. On electric vehicle (EV) insurance, Bangkok Insurance remains cautious in risk selection, given limited historical data to support actuarial pricing and higher repair costs for EVs than for traditional vehicles.

We anticipate Bangkok Insurance's ability to attract good business, combined with effective business partnerships and a focus on key lines such as motor, personal accident, property, will support long-term premium growth and customer loyalty.

Motor segment dominates Bangkok Insurance's business

Portfolio breakdown in terms of direct premiums written in the first half of 2025

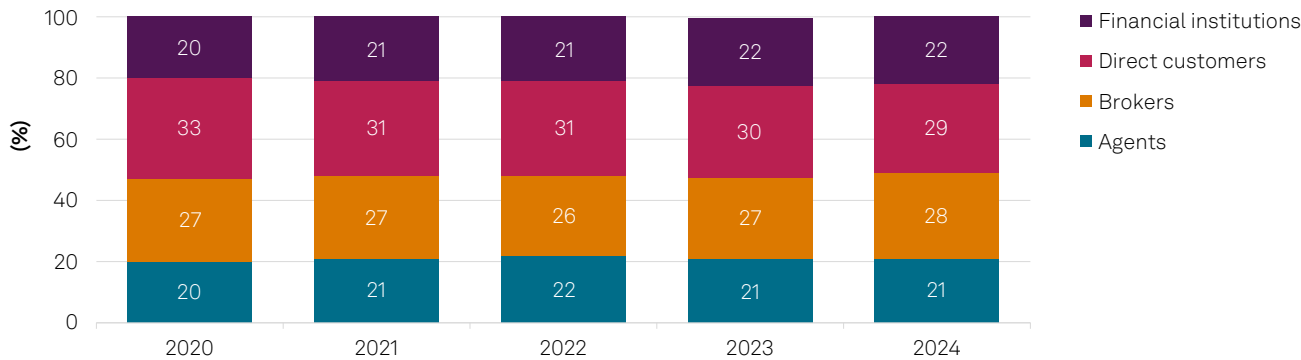


Source: Bangkok Insurance PCL.
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We expect premium income to remain stable, supported by the insurer's strong distribution relationships, particularly with its bank and brokers' channels. A multichannel approach-- including bancassurance, telemarketing, brokers, and agents--supports the insurer's premium growth.

Bangkok Insurance's distribution channel is well diversified

Breakup of direct premiums written



Source: Bangkok Insurance PCL
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Financial Risk Profile

We expect Bangkok Insurance's very strong capitalization will remain supportive for its business expansion over the next two years. The insurer's sound underwriting margin supports this. Government fiscal initiatives and a pickup in international tourism will buffer Thailand's slow economy growth through 2026, underpinning momentum in growth of the P/C insurance industry.

Bangkok Insurance's underwriting performance remained strong as of third quarter of 2025. We expect the insurer to maintain profitable underwriting over the next two years. On the other

hand, Bangkok Insurance's substantial exposure to equities (about 55% of total invested assets as of the first half of 2025) is likely to introduce volatility to the insurer's capital and earnings.

Bangkok Insurance's equity investments remain exposed to concentration on certain sectors and obligors, particularly in three family-related entities: Bangkok Bank (10% of invested assets as of Dec. 31, 2024), Bumrungrad Hospital (34%), and Bangkok Life Assurance (3%). These three investments are long-term holdings and constituted about 47% of the insurer's invested assets as of the end of 2024.

However, Bangkok Insurance's strong balance sheet suggests it can withstand stock market volatility over the next two years. As of Dec. 31, 2024, the insurer reported a revaluation loss of about Thai baht (THB) 2,649 million on its available-for-sale portfolio.

The company's catastrophe risk controls are straightforward through monitoring of natural catastrophe risk exposure, particularly flood risk and treaty limits. This is comparable to its peers in the Thai P/C insurance sector. Bangkok Insurance continues to maintain active risk selection when undertaking business and developed online codes to enforce its risk management framework.

Over time, we have seen some strengthening in protection purchase and risk exposure management. This helped to limit the insurer's final losses from the March 2025 Myanmar earthquake that also affected Bangkok.

Bangkok Insurance's funding structure is prudent, reflecting its access to a moderate range of capital resources and external liquidity. The insurer has no outstanding financial debt.

Other Credit Considerations

Governance

Bangkok Insurance's risk culture and governance will likely strengthen further over the next two years amid regulatory developments in Thailand. The Sophonpanich family has a significant controlling interest in the company's shareholding structure. However, this does not automatically translate to control over the board and executive management.

Bangkok Insurance continues to be run by a professional management team, and its board comprises a majority of independent directors (eight out of 11) that effectively representing the interests of all stakeholders. We believe the board maintains sufficient independence from management to provide effective oversight.

Bangkok Insurance has a transparent risk culture, reflecting limits in the company's underwriting and investment guidelines. The company has processes to monitor and control risks with its risk tolerance. Investment risks appear broadly controlled except for investments in related entities.

Liquidity

Bangkok Insurance's liquidity is exceptional, reflecting its substantial holdings of liquid assets and a strong liquidity ratio of 3.27x as of Dec. 31, 2024.

Ratings above the sovereign

We rate Bangkok Insurance above our foreign currency sovereign credit rating on Thailand (foreign currency BBB+/Stable/A-2; local currency A-/Stable/A-2) because the insurer's capital and liquidity ratios remain substantive to meet the risks under our hypothetical scenario of

sovereign default. The stresses include devaluation of the insurer's investments in bonds, deposits, and equities.

Group support

We consider Bangkok Insurance a core operating subsidiary and the key contributor to the financial strength of Thailand-listed investment holding company BKI Holdings. Bangkok Insurance represented 98.5% of BKI Holdings' total assets as of the end of 2024, and it contributed 100% of the group's net profit in 2024. Consequently, we consider Bangkok Insurance's creditworthiness to be highly correlated with the credit quality of Bangkok Insurance group.

The parent group has no debt and has plans to invest in other businesses that will support its insurance business such as health care and wellness, and technology.

Environmental, social, and governance

ESG factors have no material influence on our rating analysis on Bangkok Insurance.

Rating Component Scores

Business Risk Profile	Strong
Competitive position	Strong
IICRA	Intermediate risk
Financial Risk Profile	Strong
Capital and earnings	Very strong
Risk exposure	Moderately high
Funding structure	Neutral
Anchor	a-
Modifiers	
Governance	Neutral
Liquidity	Exceptional
Comparable rating analysis	0
Current Credit Rating	
Local currency financial strength rating	A-/Stable/--
Foreign currency financial strength rating	--
Local currency issuer credit rating	A-/Stable/--
Foreign currency issuer credit rating	--

Related Criteria

- [Criteria | Insurance | General: Insurer Risk-Based Capital Adequacy--Methodology And Assumptions](#), Nov. 15, 2023
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Insurance | General: Insurers Rating Methodology](#), July 1, 2019
- [General Criteria: Group Rating Methodology](#), July 1, 2019

- [General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions](#), Nov. 19, 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Related Research

- [Bangkok Insurance Public Co. Ltd.](#), June 25,2025

Ratings Detail (as of November 26, 2025)*

Operating Company Covered By This Report	
Bangkok Insurance Public Co. Ltd.	
Financial Strength Rating	
Local Currency	A-/Stable/--
Issuer Credit Rating	
Local Currency	A-/Stable/--
Domicile	Thailand

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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