

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
AND FINANCIAL STATEMENTS
EXPORT – IMPORT BANK OF THAILAND
FOR THE THREE – MONTH PERIOD ENDED MARCH 31, 2022
(TRANSLATION)

(TRANSLATION)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO : MINISTER OF FINANCE

The State Audit Office of the Kingdom of Thailand has reviewed the statement of financial position of the Export-Import Bank of Thailand, as at March 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting and the Bank of Thailand's regulations. The responsibility of the State Audit Office of the Kingdom of Thailand is to express a conclusion on this interim financial information based on the review.

Scope of review

The State Audit Office of the Kingdom of Thailand conducted the review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable the State Audit Office of the Kingdom of Thailand to obtain assurance that the State Audit Office of the Kingdom of Thailand would become aware of all significant matters that might be identified in an audit. Accordingly, the State Audit Office of the Kingdom of Thailand does not express an audit opinion.

Conclusion

Based on the review, nothing has come to the attention that causes the State Audit Office of the Kingdom of Thailand to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting and the Bank of Thailand's regulations.

.....

(Mrs. Ladawan Chotimanont)

Director of Financial and

Procurement Audit Office No.3

.....

(Ms. Jitprapat Tantiyawarong)

Auditor, Senior Professional Level

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

| | | | Unit : Thousand Baht |
|---|--------------|---------------------------|--------------------------|
| | <u>Notes</u> | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| | | "Unaudited" "Reviewed" | "Audited" |
| <u>Assets</u> | | | |
| Cash | | 243 | 715 |
| Interbank and money market items, net | 5.3 | 9,911,030 | 8,604,628 |
| Financial assets measured at fair value through profit or loss | | 1,265 | 1,261 |
| Derivatives assets | 5.4 | 146,362 | 286,409 |
| Investments, net | 5.5 | 5,001,321 | 4,002,715 |
| Loans to customers and accrued interest receivables, net | 5.6 | 135,924,392 | 138,486,026 |
| Loans to customers from public service account and accrued interest receivables, net | 5.30.2 | 3,361,049 | 3,127,908 |
| Receivable eligible for government reimbursement | 5.30.4 | 69,337 | 52,459 |
| Properties for sale, net | 5.8 | 303,166 | 286,984 |
| Premises and equipment, net | 5.9 | 766,957 | 776,209 |
| Intangible assets, net | 5.10 | 242,647 | 242,327 |
| Reinsurance assets | 5.11 | 393,293 | 312,355 |
| Prepaid public revenue | | 308,830 | 308,830 |
| Prepaid expenses | | 53,896 | 57,543 |
| Other assets, net | 5.12 | 510,175 | 257,920 |
| Total assets | | 156,993,963 | 156,804,289 |

Notes to the interim financial statements are an integral part of these financial statements.

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

| | <u>Notes</u> | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------|--------------|-----------------------|--------------------------|
| | | "Unaudited" | "Audited" |
| Unit : Thousand Baht | | | |
| <u>Liabilities and Equity</u> | | | |
| Deposits | 5.13 | 48,522,711 | 48,150,034 |
| Interbank and money market items | 5.14 | 20,662,754 | 21,087,766 |
| Liabilities payable on demand | | 205,205 | 233,027 |
| Derivatives liabilities | 5.4 | 1,360,140 | 748,135 |
| Debt issued and borrowings | 5.15 | 59,811,594 | 60,639,636 |
| Provisions | 5.16 | 587,810 | 619,021 |
| Accrued interest payables | | 312,598 | 216,776 |
| Reserves for insurance service | 5.17 | 756,875 | 651,033 |
| Other liabilities | 5.18 | 684,141 | 779,024 |
| Total liabilities | | 132,903,828 | 133,124,452 |
| Equity | | | |
| Capital | 5.19 | 14,998,000 | 14,998,000 |
| Paid-up capital | | 14,998,000 | 14,998,000 |
| Other components of equity | | (171) | 442 |
| Retained earnings | | | |
| Appropriated | | | |
| Legal reserve | | 8,120,000 | 8,120,000 |
| Unappropriated | | 972,305 | 561,395 |
| Total equity | | 24,090,134 | 23,679,837 |
| Total liabilities and equity | | 156,993,962 | 156,804,289 |

Notes to the interim financial statements are an integral part of these financial statements.

(Mr. Rak Vorrakitpokatorn)

President

(Mrs. Wanpen Unchundacha)

Executive Vice President

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
AS AT MARCH 31, 2022

| | Notes | 2022 | 2021 |
|---|--------|----------------------|-----------|
| | | Unit : Thousand Baht | |
| Interest income | 5.24 | 1,226,259 | 1,114,778 |
| Interest expenses | 5.25 | 318,434 | 330,813 |
| Interest income, net | | 907,825 | 783,965 |
| Fees and service income | | 110,493 | 116,780 |
| Fees and service expenses | | 40,436 | 40,985 |
| Fees and service income, net | 5.26 | 70,057 | 75,795 |
| Loss on financial instruments measured at fair value through profit or loss, ne | 5.27 | (1,537) | (17,773) |
| Other operating income | | 17,975 | 1,333 |
| Income from public service account | 5.30.5 | 33,212 | 15,680 |
| Total operating income | | 1,027,532 | 859,000 |
| Other operating expenses | | | |
| Employee's expenses | | 255,733 | 272,869 |
| Directors' remuneration | | 2,284 | 1,675 |
| Premises and equipment expenses | | 26,641 | 30,313 |
| Loss on claims and reserves for insurance services | 5.28 | 63,312 | (6,973) |
| Loss on impairment of properties for sale | | 4,443 | 2,861 |
| Doubtful account for contingent liabilities and other reserve | | 130 | 340 |
| Others | | 56,698 | 43,286 |
| Total other operating expenses | | 409,241 | 344,371 |
| Expenses from public service account | 5.30.6 | 33,279 | 20,131 |
| Expected credit losses | 5.29 | 174,102 | 402,377 |
| Net profit | | 410,910 | 92,121 |
| Other comprehensive income (loss) | | | |
| Item that will not be reclassified subsequently to profit or loss | | | |
| Gains (Loss) on investments in equity instruments designated to be measured | | | |
| at fair value through other comprehensive income | | (613) | 1,435 |
| Total net other comprehensive income (loss) | | (613) | 1,435 |
| Total comprehensive income | | 410,297 | 93,556 |

Notes to the interim financial statements are an integral part of these financial statements.

(Mr. Rak Vorrakitpokatorn)

President

(Mrs. Wanpen Unchundacha)

Executive Vice President

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

Unit : Thousand Baht

| Notes | Capital | Other Components of Equity | Appropriated Retained Earnings | Unappropriated Retained Earnings (Deficits) | Total |
|-------------------------------|------------|--|-----------------------------------|---|------------|
| | | Revaluation Surplus (Deficit) on Investments | | | |
| Balance as at January 1, 2021 | 12,800,000 | (1,562) | 8,120,000 | (1,005,602) | 19,912,836 |
| Total comprehensive income | - | 1,435 | - | 92,121 | 93,556 |
| Balance as at March 31, 2021 | 12,800,000 | (127) | 8,120,000 | (913,481) | 20,006,392 |
| Balance as at January 1, 2022 | 14,998,000 | 442 | 8,120,000 | 561,395 | 23,679,837 |
| Total comprehensive income | - | (613) | - | 410,910 | 410,297 |
| Balance as at March 31, 2022 | 14,998,000 | (171) | 8,120,000 | 972,305 | 24,090,134 |

Notes to the interim financial statements are an integral part of these financial statements.

(Mr. Rak Vorrakitpokatorn)
President

(Mrs. Wanpen Unchundacha)
Executive Vice President

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

| | Unit : Thousand Baht | |
|---|----------------------|-------------|
| | <u>2022</u> | <u>2021</u> |
| Cash flows from operating activities | | |
| Net profit (loss) | 410,910 | 92,121 |
| Adjustments to reconcile net profit to cash received (paid) from operating activities | | |
| Depreciation and amortization | 29,740 | 25,464 |
| Expected credit losses | 174,092 | 416,759 |
| Loss (Gain) on disposal of assets | 5,782 | (14) |
| Gain on financial instruments measured at fair value through profit or loss | (649,777) | (134,280) |
| Loss on impairment of properties for sale | 4,443 | 2,861 |
| Loss (Gain) on foreign currency translation | 742,854 | (128,356) |
| Derivative revaluation | 722,235 | 254,395 |
| Amortization of premium on debt securities | 633 | 2,588 |
| Increase in provisions | 5,076 | 17,202 |
| (Reversal) Loss on claims and reserves for insurance service | 63,312 | (6,973) |
| Decrease in advance for other expenses | 1,093 | - |
| (Increase) Decrease in accrued income | (1,881) | 1,460 |
| Decrease in other prepaid expenses | 3,373 | 897 |
| (Decrease) Increase in other accrued expenses | (16,504) | 6,898 |
| | 1,495,381 | 551,022 |
| Interest income, net | (929,564) | (794,130) |
| Dividend income | (6) | (6) |
| Proceeds from interest income | 1,205,727 | 1,122,528 |
| Interest paid | (234,381) | (276,037) |
| Proceeds from dividend income | 6 | 6 |
| | 1,537,163 | 603,383 |
| Income from operations before changes in operating assets and liabilities | | |
| (Increase) Decrease in operating assets | | |
| Interbank and money market items | (1,312,594) | (3,702,710) |
| Loans to customers | 1,186,667 | 2,890,478 |
| Properties for sale | 2,196 | 2,025 |
| Reinsurance assets | (15,957) | - |
| Other assets | (275,914) | (18,665) |

Notes to the interim financial statements are an integral part of these financial statements.

EXPORT-IMPORT BANK OF THAILAND
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022

| | Unit : Thousand Baht | |
|--|----------------------|--------------------|
| | <u>2022</u> | <u>2021</u> |
| Cash flows from operating activities | | |
| Increase (Decrease) in operating liabilities | | |
| Deposits | 379,542 | 184,435 |
| Interbank and money market items | (373,594) | (4,162,456) |
| Liabilities payable on demand | (27,025) | (248,547) |
| Other liabilities | (76,756) | (122,815) |
| Net cash from operating activities | <u>1,023,728</u> | <u>(4,574,872)</u> |
| Cash flows from investing activities | | |
| Purchases of debt securities measured at amortized cost | (3,060,000) | (2,800,000) |
| Proceeds from redemption of debt securities measured at amortised cost | 2,060,000 | 2,800,000 |
| Purchases of premises and equipment | (17,313) | (1,353) |
| Proceeds from disposal of premises and equipment | 10,881 | 15 |
| Purchases of intangible assets | (12,910) | (17,520) |
| Net cash from investing activities | <u>(1,019,342)</u> | <u>(18,858)</u> |
| Cash flows from financing activities | | |
| Proceeds from debt issued and long-term borrowings | - | 4,594,388 |
| Repayments of debt issued and long-term borrowings | (1,049) | (2,381) |
| Repayments of lease liabilities | (3,809) | (1,859) |
| Net cash from financing activities | <u>(4,858)</u> | <u>4,590,148</u> |
| Net increase (decrease) in cash and cash equivalents | <u>(472)</u> | <u>(3,582)</u> |
| Cash and cash equivalents at the beginning of the year | <u>715</u> | <u>3,792</u> |
| Cash and cash equivalents at the end of the year | <u><u>243</u></u> | <u><u>210</u></u> |

Notes to the interim financial statements are an integral part of these financial statements.

(Mr. Rak Vorrakitpokatorn)

President

(Mrs. Wanpen Unchundacha)

Executive Vice President

EXPORT-IMPORT BANK OF THAILAND
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022
(UNAUDITED/REVIEWED)

| Notes | Contents | Page |
|-------|--|------|
| 1 | General Information | 10 |
| 2 | Basis of Preparation of the Financial Statements | 10 |
| 3 | Capital Adequacy under Basel II Standard | 14 |
| 4 | Estimates and Assumptions | 15 |
| 5 | Additional Information | |
| 5.1 | Supplementary Information of Cash Flows | 15 |
| 5.2 | Classification of Financial Assets and Liabilities | 16 |
| 5.3 | Interbank and Money Market Items, Net (Assets) | 18 |
| 5.4 | Derivatives | 19 |
| 5.5 | Investments, Net | 22 |
| 5.6 | Loans to Customers and Accrued Interest Receivables, Net | 23 |
| 5.7 | Allowance for Expected Credit Losses | 24 |
| 5.8 | Properties for Sale, Net | 27 |
| 5.9 | Premises and Equipment, Net | 28 |
| 5.10 | Intangible Assets, Net | 29 |
| 5.11 | Reinsurance Assets | 29 |
| 5.12 | Other Assets, Net | 29 |
| 5.13 | Deposits | 30 |
| 5.14 | Interbank and Money Market Items (Liabilities) | 30 |
| 5.15 | Debt Issued and Borrowings | 31 |
| 5.16 | Provisions | 32 |
| 5.17 | Reserves for Insurance Service | 34 |

EXPORT-IMPORT BANK OF THAILAND
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022
(UNAUDITED/REVIEWED)

| Notes | Contents | Page |
|-------|---|------|
| 5.18 | Other Liabilities | 34 |
| 5.19 | Capital | 34 |
| 5.20 | Contingent Liabilities | 35 |
| 5.21 | Other Benefits to Directors and Executives | 35 |
| 5.22 | Leases | 36 |
| 5.23 | Financial Position and Operational Performance Classified by Domestic and Foreign Operations | 36 |
| 5.24 | Interest Income | 39 |
| 5.25 | Interest Expenses | 39 |
| 5.26 | Fees and Service Income, Net | 39 |
| 5.27 | Gains on Financial Instruments Measured at Fair Value Through Profit or Loss | 40 |
| 5.28 | Loss on Claims and Reserves for Insurance Services | 40 |
| 5.29 | Expected Credit Losses | 40 |
| 5.30 | Public Service Account | 41 |
| 5.31 | Fair value of Assets and Liabilities | 43 |
| 5.32 | Approval of the Financial Statements | 44 |

EXPORT-IMPORT BANK OF THAILAND
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022
(UNAUDITED/REVIEWED)

1. GENERAL INFORMATION

Export-Import Bank of Thailand (the Bank) was established by the Export-Import Bank of Thailand Act, 1993 (B.E. 2536), as amended (Act), with the objective to promote and support export, imports, and investment, both domestic and overseas, for the purpose of national development by providing credit facilities, guarantee, risk insurance or other necessary services under the provisions of this Act. The Bank's head office is located at 1193 Phaholyothin Road, Phayathai, Phayathai, Bangkok.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Preparation of the Financial Statements

The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 : Interim Financial Reporting, covering the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows as those of annual financial statements and notes on only material item.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2021. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2021.

The interim financial statements are prepared in accordance with generally accepted accounting standards by adopting Thai Financial Reporting Standards (TFRSs), which assigned by the Federation of Accounting Professions, presented and disclosed in accordance with the Notification of the Bank of Thailand, No. SorNorSor. 21/2561 dated October 31, 2018, regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups. Staging for impairment and allowance for expected credit losses are considered in accordance with the Bank of Thailand's circular No. TorPorTor.ForNorSor.(2) Wor. 802/2564 dated September 3, 2021, regarding Guidelines regarding the Provision of Financial Assistance to the Debtors Affected by the Coronavirus Disease 2019 (COVID-19) (Sustainable Debt Resolution). The debt restructuring is considered in accordance with the Bank of Thailand's Notification No. SorKorSor2.14/2564 dated December 16, 2021, regarding Guidance on Sustainable Debt Restructuring for the Specialized Financial Institutions' Debtors and the Bank of Thailand's circular No. TorPorTor.ForKorChor.(07) Wor. 1156/2564 dated December 16, 2021, regarding Guidance on Financial Assistance to the Debtors Affected by Situations that Affect the Thai Economy (Sustainable Debt Restructuring). The Federation of Accounting Professions under the Royal Patronage of His Majesty the King

has also issued an announcement regarding accounting guidance in relation to Guidelines for Relief Measures for Debtors Affected by Coronavirus Disease 2019 (COVID-19) Pandemic. Its objectives are to provide temporary relief measures for entities providing assistance to debtors affected by COVID-19 Pandemic, in accordance with the assistance measures of government and the Bank of Thailand. The Bank has complied with all the temporary relief measures specified in this guidance.

2.2 New or Revised Thai Financial Reporting Standards (TFRSs)

2.2.1 Revised Thai Financial Reporting Standards (TFRSs), effective for the financial statements beginning on or after January 1, 2022 and has impact on the Bank's financial statements are as follows:

Conceptual Framework for Financial Reporting

| | |
|---------|--|
| TFRS 1 | First-time Adoption of International Financial Reporting Standards |
| TFRS 4 | Insurance Contracts |
| TFRS 7 | Financial Instruments: Disclosures |
| TFRS 9 | Financial Instruments |
| TFRS 16 | Leases |

The adoption of TFRSs mentioned above has no material impact on the Bank's financial statements.

2.3 The Bank of Thailand's Regulations and Accounting Guidance, issued by the Federation of Accounting Professions, regarding Guidelines for Relief Measures for Debtors Affected by Coronavirus Disease 2019 (COVID-19) Pandemic

The Bank of Thailand announced circular No. TorPorTor.ForNorSor.(2) Wor. 802/2564 dated September 3, 2021, regarding Guidelines regarding the Provision of Financial Assistance to the Debtors Affected by the Coronavirus Disease 2019 (COVID-19) (Sustainable Debt Resolution) to promote financial institutions in providing the affected debtors with the sustainable long-term debt restructuring during January 1, 2022 to December 31, 2023. The Federation of Accounting Professions has also issued an announcement regarding accounting guidance in relation to Guidelines for Relief Measures for Debtors Affected by Coronavirus Disease 2019 (COVID-19) Pandemic. Its objectives are to provide temporary relief in determining the classification and provisioning for the debt restructuring program for financial institutions that assist affected debtors as follow:

1) The, debt restructuring with the purpose of reducing the debt burden of debtors more than just extending the payment timeline, for example, the debt restructuring involving a reduction of accrual interest, a reduction of the contractual interest rate which leads to a decrease in the effective interest rate (EIR) or a decrease in the average of interest rate throughout the contract, or other lessstringent payment conditions (including modifying conditions that will benefit the debtors such as directing the payment towards reducing

the principal before interest payment), asset foreclosure, receipt of debtors' equity arising from debt to equity conversion, short-term debt to long-term debt transformation employed with other types of debt restructuring measures that reduces the debtors' debt burden as well as the restructuring package offered with an additional credit line to the debtors, is allowed as follow:

Asset classification

- The debt restructuring for non-NPL debtors: Financial institutions are then able to classify such debtors that do not have a significant increase in credit risk in performing stage or stage 1 immediately without having to wait for the outcome whether or not the debtors honor the conditions under the debt restructuring program if the terms and conditions regarding the payment are clearly stated in the agreement or the new contract and, under the financial institutions' judgment, the debtors are able to honor the stated conditions.

- The debt restructuring for NPL debtors: Financial institutions are then able to classify such debtors in performing stage or stage 1 if the debtors are able to honor the payment conditions stated in the new debt restructuring contracts for 3 months or 3 payment due dates consecutively whichever is of longer time period.

- Extending new credit to be used as additional capital or liquidity for continuing the debtors' business operation during the debt restructuring period: financial institutions are able to classify this new credit in performing stage or stage 1 immediately if, under a careful consideration, the financial institutions view that the debtors are able to honor the stated conditions.

- With regards to the re-classification from performing stage (stage 1) to under-performing stage (stage 2), financial institutions shall consider re-classifying the debtors based on the number of days overdue for principal or interest payments of more than 30 days or 1 month from the due date set forth on the contract or the agreement.

Provisioning

- In case the debt restructuring results in the original effective interest rate (EIR) being inconsistent with the projected cash flow on the loans, financial institutions can employ the new EIR rate to calculate the present value of their restructured loans.

2) The debt restructuring involving just the payment timeline extension such as the extension of the payment due date, issuing the grace period on the principle and/or interest payments, and short-term debt to long term debt transformation, is allowed as follow:

- the financial institutions shall adhere to the following for the asset classification and provisioning under the according to relevant financial reporting standards.

- financial institutions shall use the guidelines for considering a significant increase in credit risk (SICR) in accordance with the Bank of Thailand's circular regarding Guidelines for sustainable debt resolution in considering changing the classification of the debtors to underperforming stage (stage 2).

3) If financial institutions employ measures to provide assistance to debtors affected by the COVID-19 according with the Bank of Thailand's circular regarding Guidelines for sustainable debt resolution, financial institutions can calculate the expected credit loss based on the current credit outstanding (the used credit line) without having to calculate the expected credit loss for the unused credit line.

4) For retail and SME debtors who are classified by using the current debt classification developed by the individual financial institution and are in the process of the debt restructuring that cannot be completed by December 31, 2021, financial institutions are able to apply the current classification to those debtors up until March 31, 2022.

5) If financial institutions apply the temporary relief measures according to the accounting guidance, financial institutions must disclose information about the adoption of such alternatives, facts and situations that financial institutions applied in accordance with the related Bank of Thailand's circulars, in the notes to the financial statements, including the disclosures required by related Thai Financial Reporting Standards, credit risk management, and the impact on expected credit loss. In addition, financial institutions must still comply with all financial reporting standards that are effective and related in preparing the financial statements in each reporting period.

3. CAPITAL ADEQUACY UNDER BASEL II STANDARD

As at March 31, 2022 and December 31, 2021 the Bank's capital adequacy ratio under Basel II standard were as follows:

| Capital Structure Based on Basel II Standard | | Unit: Million Baht | |
|---|-----------------------|--------------------------|--|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> | |
| Tier 1 Capital | | | |
| Paid-up capital | 14,998.00 | 14,998.00 | |
| Legal reserve | 8,120.00 | 8,120.00 | |
| Net loss after appropriation | <u>(959.05)</u> | <u>(959.05)</u> | |
| Total Tier 1 Capital | 22,158.95 | 22,158.95 | |
| Tier 2 Capital | | | |
| Provision for asset classification as normal | 2,099.54 | 2,193.63 | |
| Revaluation surplus on investments in equity securities designated at fair value through other comprehensive income, net | <u>2.59</u> | <u>2.59</u> | |
| Total Tier 2 Capital | <u>2,102.13</u> | <u>2,196.22</u> | |
| Total capital under Basel II standard | <u>24,261.08</u> | <u>24,355.17</u> | |
| Capital Adequacy Ratio | | | |
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> | |
| Tier 1 capital adequacy ratio | 11.85% | 12.19% | |
| Total capital adequacy ratio | 12.97% | 13.40% | |
| Unit: Million Baht | | | |
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> | |
| Total capital after deducting capital add-on arising from single lending limit | 23,749.23 | 23,840.38 | |
| Total capital adequacy ratio after deducting capital add-on arising from single lending limit | 12.70% | 13.12% | |

4. ESTIMATES AND ASSUMPTIONS

In preparation of the financial statements in conformity with Thai Financial Reporting Standards, the Bank has to set up estimates and assumptions that affect the application of accounting policies, the reported amounts of assets, liabilities, revenue and expenses and the disclosure of contingent assets and liabilities. However, the actual results may differ from the estimates.

The Bank reviews the estimates and assumptions on a regular basis. Changes in accounting estimates are recognized in the period in which estimates are revised if the changes in accounting estimates affects only that period, and recognized both in the period in which such estimates are reviewed and future periods if the change in accounting estimate has an effect on both the current and future periods.

5. ADDITIONAL INFORMATION

5.1 Supplementary Information of Cash Flows

Significant non-cash items for the the three-month periods March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|---|-----------------------|-----------------------|
| | <u>March 31, 2022</u> | <u>March 31, 2021</u> |
| Increase (Decrease) in revaluation surplus on investments in equity | (0.61) | 1.44 |
| Increase in properties for sale from loan payment | 22.82 | 1.75 |

5.2 Classification of Financial Assets and Liabilities

Unit : Million Baht

| | <u>March 31, 2022</u> | | | |
|--|--|---|---|------------|
| | Financial instruments measured at fair value through profit or loss | Investments in equity securities designated at fair value through other comprehensive income | Financial instruments measured at amortized cost | Total |
| Financial assets | | | | |
| Cash | - | - | 0.24 | 0.24 |
| Interbank and money market items, net | - | - | 9,911.03 | 9,911.03 |
| Financial assets measured at fair value | | | | |
| through profit or loss | 1.26 | - | - | 1.26 |
| Derivatives assets | 146.36 | - | - | 146.36 |
| Investments, net | - | 7.33 | 4,993.99 | 5,001.32 |
| Loans to customers and accrued interest | | | | |
| receivables, net | - | - | 135,924.39 | 135,924.39 |
| Loans to customers from public service account | | | | |
| and accrued interest receivables, net | - | - | 3,361.05 | 3,361.05 |
| Receivable eligible for government reimbursement | - | - | 69.34 | 69.34 |
| Financial liabilities | | | | |
| Deposits | - | - | 48,522.71 | 48,522.71 |
| Interbank and money market items | - | - | 20,662.75 | 20,662.75 |
| Liabilities payable on demand | - | - | 205.20 | 205.20 |
| Derivatives liabilities | 1,360.14 | - | - | 1,360.14 |
| Debt issued and borrowings | - | - | 59,811.59 | 59,811.59 |
| Allowance for expected credit losses on loan | | | | |
| commitments and financial guarantee contracts | - | - | 169.33 | 169.33 |
| Accrued interest payable | - | - | 312.60 | 312.60 |

Unit : Million Baht

| | <u>December 31, 2021</u> | | | |
|--|--|---|---|------------|
| | Financial instruments measured at fair value through profit or loss | Investments in equity securities designated at fair value through other comprehensive income | Financial instruments measured at amortized cost | Total |
| Financial assets | | | | |
| Cash | - | - | 0.71 | 0.71 |
| Interbank and money market items, net | - | - | 8,604.63 | 8,604.63 |
| Financial assets measured at fair value | | | | |
| through profit or loss | 1.26 | - | - | 1.26 |
| Derivatives assets | 286.41 | - | - | 286.41 |
| Investments, net | - | 7.95 | 3,994.77 | 4,002.72 |
| Loans to customers and accrued interest | | | | |
| receivables, net | - | - | 138,486.03 | 138,486.03 |
| Loans to customers from public service account | | | | |
| and accrued interest receivables, net | - | - | 3,127.91 | 3,127.91 |
| Other assets, net | - | - | 52.46 | 52.46 |
| Financial liabilities | | | | |
| Deposits | - | - | 48,150.03 | 48,150.03 |
| Interbank and money market items | - | - | 21,087.77 | 21,087.77 |
| Liabilities payable on demand | - | - | 233.03 | 233.03 |
| Derivatives liabilities | 748.13 | - | - | 748.13 |
| Debt issued and borrowings | - | - | 60,639.64 | 60,639.64 |
| Allowance for expected credit losses on loan | | | | |
| commitments and financial guarantee contracts | - | - | 205.61 | 205.61 |
| Accrued interest payable | - | - | 216.78 | 216.78 |

5.3 Interbank and Money Market Items, Net (Assets)

Unit : Million Baht

| | <u>March 31, 2022</u> | | | <u>December 31, 2021</u> | | |
|--|-----------------------|-----------------|-----------------|--------------------------|-----------------|-----------------|
| | <u>Demand</u> | <u>Time</u> | <u>Total</u> | <u>Demand</u> | <u>Time</u> | <u>Total</u> |
| Domestic items | | | | | | |
| Bank of Thailand | 20.93 | - | 20.93 | 21.62 | - | 21.62 |
| Commercial banks | 1,018.15 | 5,346.16 | 6,364.31 | 616.20 | 3,570.00 | 4,186.20 |
| Specialized financial institutions | <u>0.01</u> | <u>2,150.00</u> | <u>2,150.01</u> | <u>0.01</u> | <u>900.00</u> | <u>900.01</u> |
| Total | 1,039.09 | 7,496.16 | 8,535.25 | 637.83 | 4,470.00 | 5,107.83 |
| <u>Add</u> Accrued interest receivables | - | 0.01 | 0.01 | - | - | - |
| <u>Less</u> Allowance for expected credit losses | <u>(0.70)</u> | <u>(3.33)</u> | <u>(4.03)</u> | <u>(0.46)</u> | <u>(1.16)</u> | <u>(1.62)</u> |
| Total domestic items | <u>1,038.39</u> | <u>7,492.84</u> | <u>8,531.23</u> | <u>637.37</u> | <u>4,468.84</u> | <u>5,106.21</u> |
| Foreign items | | | | | | |
| US Dollars | 327.77 | 752.74 | 1,080.51 | 353.24 | 2,954.82 | 3,308.06 |
| Yen | 159.58 | - | 159.58 | 46.01 | - | 46.01 |
| Euro | 80.14 | - | 80.14 | 80.83 | - | 80.83 |
| Other currencies | <u>60.06</u> | <u>-</u> | <u>60.06</u> | <u>64.80</u> | <u>-</u> | <u>64.80</u> |
| Total | 627.55 | 752.74 | 1,380.29 | 544.88 | 2,954.82 | 3,499.70 |
| <u>Add</u> Accrued interest receivables | - | - | - | - | 0.01 | 0.01 |
| <u>Less</u> Allowance for expected credit losses | <u>(0.29)</u> | <u>(0.20)</u> | <u>(0.49)</u> | <u>(0.24)</u> | <u>(1.05)</u> | <u>(1.29)</u> |
| Total foreign items | <u>627.26</u> | <u>752.54</u> | <u>1,379.80</u> | <u>544.64</u> | <u>2,953.78</u> | <u>3,498.42</u> |
| Total domestic and foreign items | <u>1,665.65</u> | <u>8,245.38</u> | <u>9,911.03</u> | <u>1,182.01</u> | <u>7,422.62</u> | <u>8,604.63</u> |

5.4 Derivatives

5.4.1 Derivatives Held for Trading

As at March 31, 2022 and December 31, 2021, the fair value and notional amount classified by type of risk were as follows:

Unit : Million Baht

| <u>Type of Risk</u> | <u>March 31, 2022</u> | | |
|---------------------|-----------------------|--------------------|-----------------|
| | <u>Fair Value</u> | | <u>Notional</u> |
| | <u>Assets</u> | <u>Liabilities</u> | <u>Amount</u> |
| Exchange rate | 146.36 | 369.24 | 28,881.62 |

Unit : Million Baht

| <u>Type of Risk</u> | <u>December 31, 2021</u> | | |
|---------------------|--------------------------|--------------------|-----------------|
| | <u>Fair Value</u> | | <u>Notional</u> |
| | <u>Assets</u> | <u>Liabilities</u> | <u>Amount</u> |
| Exchange rate | 263.56 | 385.45 | 34,420.42 |

5.4.2 Derivatives for Hedging

As at March 31, 2022 and December 31, 2021, hedging instrument classified by type of hedge accounting and risk were as follows:

Fair value hedge

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

Unit : Million Baht

March 31, 2022

| Type of risk | Notional amount | Carrying amount | | Line item in the statement of financial position where the hedging instrument is included | Change in fair value used for measuring hedge ineffectiveness | Ineffectiveness recognized in profit or loss | Line item in profit or loss that includes hedge ineffectiveness |
|---|------------------|-----------------|---------------|---|---|--|---|
| | | Assets | Liabilities | | | | |
| Interest rate risk | | | | | | | |
| Interest rate swap | | | | | | | Loss on financial instruments measured at fair value through profit or loss |
| - hedge of USD fixed – rate debt securities | 14,983.79 | - | 990.90 | Derivative Liabilities | (990.90) | - | |
| Total | <u>14,983.79</u> | <u>-</u> | <u>990.90</u> | | <u>(990.90)</u> | <u>-</u> | |

Unit : Million Baht

December 31, 2021

| Type of risk | Notional amount | Carrying amount | | Line item in the statement of financial position where the hedging instrument is included | Change in fair value used for measuring hedge ineffectiveness | Ineffectiveness recognized in profit or loss | Line item in profit or loss that includes hedge ineffectiveness |
|---|------------------|-----------------|---------------|---|---|--|--|
| | | Assets | Liabilities | | | | |
| Interest rate risk | | | | | | | |
| Interest rate swap | | | | | | | Gain (loss) on financial instruments measured at fair value through profit or loss |
| - hedge of USD fixed – rate debt securities | 5,012.99 | 22.85 | - | Derivative assets | 22.85 | - | |
| Interest rate swap | | | | | | | Gain (loss) on financial instruments measured at fair value through profit or loss |
| - hedge of USD fixed – rate debt securities | 10,025.97 | - | 362.68 | Derivative Liabilities | (362.68) | - | |
| Total | <u>15,038.96</u> | <u>22.85</u> | <u>362.68</u> | | <u>(339.83)</u> | <u>-</u> | |

The amounts relating to items designated as hedged items were as follows:

Unit : Million Baht

March 31, 2022

| Type of risk | Carrying amount | | Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item | | Line item in the statement of financial position in which the hedged item is included | Change in fair value used for measuring hedge ineffectiveness | Accumulated amount of fair value hedge adjustments remaining in the statement of financial position for any hedged items that have ceased to be adjusted for hedging gains and losses |
|----------------------------------|-----------------|-------------|--|-------------|---|---|---|
| | Assets | Liabilities | Assets | Liabilities | | | |
| Interest rate risk | | | | | | | |
| - USD fixed-rate debt securities | - | (13,992.89) | 990.90 | - | Debt issued and borrowings | 990.90 | - |
| Total | - | (13,992.89) | 990.90 | - | | 990.90 | - |

Unit : Million Baht

December 31, 2021

| Type of risk | Carrying amount | | Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item | | Line item in the statement of financial position in which the hedged item is included | Change in fair value used for measuring hedge ineffectiveness | Accumulated amount of fair value hedge adjustments remaining in the statement of financial position for any hedged items that have ceased to be adjusted for hedging gains and losses |
|----------------------------------|-----------------|-------------|--|-------------|---|---|---|
| | Assets | Liabilities | Assets | Liabilities | | | |
| Interest rate risk | | | | | | | |
| - USD fixed-rate debt securities | - | (5,035.83) | - | (22.85) | Debt issued and borrowings | (22.85) | - |
| - USD fixed-rate debt securities | - | (9,663.29) | 362.68 | - | Debt issued and borrowings | 362.68 | - |
| Total | - | (14,699.12) | 362.68 | (22.85) | | 339.83 | - |

5.5 Investments, Net

As at March 31, 2022 and December 31, 2021, the Bank had Investments as follows:

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Investments in debt securities measured at amortized cost | 4,993.99 | 3,994.77 |
| Investments in equity securities designated at fair value through other comprehensive income | <u>7.33</u> | <u>7.95</u> |
| Total | <u>5,001.32</u> | <u>4,002.72</u> |

5.5.1 Investments in Debt Securities Measured at Amortized Cost

| | Unit : Million Baht | |
|--|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Government and state enterprises securities | 4,994.69 | 3,995.33 |
| <u>Less</u> Allowance for expected credit losses | <u>(0.70)</u> | <u>(0.56)</u> |
| Total | <u>4,993.99</u> | <u>3,994.77</u> |

5.5.2 Investments in Equity Securities Designated at Fair Value Through Other Comprehensive Income

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Domestic marketable equity securities | 5.18 | 5.77 |
| Domestic non-marketable equity securities | 0.80 | 0.80 |
| Foreign non-marketable equity securities | <u>1.35</u> | <u>1.38</u> |
| Total | <u>7.33</u> | <u>7.95</u> |

5.6 Loans to Customers and Accrued Interest Receivables, Net

5.6.1 Classified by Type of Loan

| | Unit : Million Baht | |
|--|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Overdrafts | 177.75 | 155.41 |
| Loans | 146,876.99 | 149,272.69 |
| Others | <u>116.30</u> | <u>118.69</u> |
| Total loans to customers | 147,171.04 | 149,546.79 |
| <u>Less</u> Deferred revenue | <u>(119.75)</u> | <u>(119.08)</u> |
| Total loans to customers net of deferred revenue | 147,051.29 | 149,427.71 |
| <u>Add</u> Accrued interest receivables | <u>729.83</u> | <u>699.53</u> |
| Total loans to customers net of deferred revenue, plus accrued interest receivables | 147,781.12 | 150,127.24 |
| <u>Less</u> Allowance for expected credit losses | <u>(11,856.73)</u> | <u>(11,641.21)</u> |
| Total loans to customers and accrued interest receivables, net | <u>135,924.39</u> | <u>138,486.03</u> |

Overseas loans to foreign government agencies, extended in accordance with the Thai government monetary and fiscal policy, but not defined as loans to customers from public service account (PSA), were as follows:

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Loan for National Road No.67 Construction Project (Anlong Veng – Siem Reap) The Kingdom of Cambodia | 904.34 | 904.34 |

5.6.2 Classified by Residency

| | Unit : Million Baht | |
|----------|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Domestic | 94,092.64 | 98,009.14 |
| Foreign | <u>53,078.40</u> | <u>51,537.65</u> |
| Total | <u>147,171.04</u> | <u>149,546.79</u> |

5.6.3 Classified by Loan Classification

| | <u>March 31, 2022</u> | | <u>December 31, 2021</u> | |
|---|--|---|--|---|
| | <u>Loans to customers and accrued interest receivables</u> | <u>Allowance for expected credit losses</u> | <u>Loans to customers and accrued interest receivables</u> | <u>Allowance for expected credit losses</u> |
| Financial assets where there has not been a significant increase in credit risk | 136,109.42 | 3,981.20 | 139,203.86 | 4,044.43 |
| Financial assets where there has been a significant increase in credit risk | 7,367.80 | 4,163.85 | 6,760.19 | 3,990.89 |
| Financial assets that are credit-impaired | | <u>3,711.68</u> | <u>4,163.19</u> | <u>3,605.89</u> |
| | <u>4,303.90</u> | | | |
| Total | <u>147,781.12</u> | <u>11,856.73</u> | <u>150,127.24</u> | <u>11,641.21</u> |

Unit : Million Baht

5.7 Allowance for Expected Credit Losses

As at March 31, 2022 and December 31, 2021, the Bank had allowance for expected credit losses and allowance for doubtful accounts as follows:

| | <u>March 31, 2022</u> | | | |
|--|---|---|---|--------------|
| | <u>Financial assets where there has not been a significant increase in credit risk (12-mth ECL)</u> | <u>Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)</u> | <u>Financial assets that are credit-impaired (Lifetime ECL - credit impaired)</u> | <u>Total</u> |
| Interbank and money market items (assets) | | | | |
| Beginning balance | 2.88 | 0.03 | - | 2.91 |
| Allowance for expected credit losses during period | <u>(0.02)</u> | <u>1.63</u> | <u>-</u> | <u>1.61</u> |
| Ending balance | <u>2.86</u> | <u>1.66</u> | <u>-</u> | <u>4.52</u> |
| Investments in debt securities measured at amortized cost | | | | |
| Beginning balance | 0.56 | - | - | 0.56 |
| Allowance for expected credit losses during period | <u>0.14</u> | <u>-</u> | <u>-</u> | <u>0.14</u> |
| Ending balance | <u>0.70</u> | <u>-</u> | <u>-</u> | <u>0.70</u> |

Unit : Million Baht

Unit : Million Baht

March 31, 2022

| | Financial assets where there has not been a significant increase in credit risk (12-mth ECL) | Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) | Financial assets that are credit-impaired (Lifetime ECL - credit impaired) | Total |
|--|---|---|--|------------------|
| Loans to customers and accrued interest receivables | | | | |
| Beginning balance | 4,044.43 | 3,990.89 | 3,605.89 | 11,641.21 |
| Allowance for expected credit losses during period | <u>(63.23)</u> | <u>172.96</u> | <u>105.79</u> | <u>215.52</u> |
| Ending balance | <u>3,981.20</u> | <u>4,163.85</u> | <u>3,711.68</u> | <u>11,856.73</u> |
| Loans to customers from public service account and accrued interest receivables | | | | |
| Beginning balance | 29.20 | - | - | 29.20 |
| Allowance for expected credit losses during period | <u>(6.03)</u> | <u>-</u> | <u>-</u> | <u>(6.03)</u> |
| Ending balance | <u>23.17</u> | <u>-</u> | <u>-</u> | <u>23.17</u> |

Unit : Million Baht

December 31, 2021

| | Financial assets where there has not been a significant increase in credit risk (12-mth ECL) | Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) | Financial assets that are credit-impaired (Lifetime ECL - credit impaired) | Total |
|---|---|---|--|---------------|
| Interbank and money market items (assets) | | | | |
| Beginning balance | 2.88 | 4.18 | - | 7.06 |
| Changes due to remeasurement of allowance for expected credit losses | (0.64) | (0.32) | - | (0.96) |
| New financial assets purchased or acquired | 0.64 | - | - | 0.64 |
| Derecognition of financial assets | <u>-</u> | <u>(3.83)</u> | <u>-</u> | <u>(3.83)</u> |
| Ending balance | <u>2.88</u> | <u>0.03</u> | <u>-</u> | <u>2.91</u> |

Unit : Million Baht

December 31, 2021

| | Financial assets where there has not been a significant increase in credit risk (12-mth ECL) | Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) | Financial assets that are credit-impaired (Lifetime ECL - credit impaired) | Total |
|--|---|---|--|-------------------|
| Investments in debt securities measured at amortized cost | | | | |
| Beginning balance | 0.73 | - | - | 0.73 |
| New financial assets purchased or acquired | 0.56 | - | - | 0.56 |
| Derecognition of financial assets | (0.73) | - | - | (0.73) |
| Ending balance | <u>0.56</u> | <u>-</u> | <u>-</u> | <u>0.56</u> |
| Loans to customers and accrued interest receivables | | | | |
| Beginning balance | 1,221.21 | 6,591.86 | 4,152.44 | 11,965.51 |
| Changes due to staging of financial assets | 2,824.94 | (2,917.72) | 92.78 | - |
| Changes due to remeasurement of allowance for expected credit losses | (73.00) | 519.84 | 416.59 | 863.43 |
| New financial assets purchased or acquired | 124.41 | 4.12 | 6.99 | 135.52 |
| Derecognition of financial assets | <u>(53.13)</u> | <u>(207.21)</u> | <u>(1,062.91)</u> | <u>(1,323.25)</u> |
| Ending balance | <u>4,044.43</u> | <u>3,990.89</u> | <u>3,605.89</u> | <u>11,641.21</u> |
| Loans to customers from public service account and accrued interest receivables | | | | |
| Beginning balance | 11.19 | - | - | 11.19 |
| Changes due to remeasurement of allowance for expected credit losses | 6.27 | - | - | 6.27 |
| New financial assets purchased or acquired | 12.01 | - | - | 12.01 |
| Derecognition of financial assets | <u>(0.27)</u> | <u>-</u> | <u>-</u> | <u>(0.27)</u> |
| Ending balance | <u>29.20</u> | <u>-</u> | <u>-</u> | <u>29.20</u> |

5.8 Properties for Sale, Net

As at March 31, 2022 and December 31, 2021, the Bank had properties for sale, net as follows:

| | Unit : Million Baht | | | |
|---|--------------------------|------------------|------------------|-----------------------|
| | <u>March 31, 2022</u> | | | |
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals</u> | <u>Ending Balance</u> |
| Assets acquired from debt repayment | | | | |
| - Immovable properties | 440.12 | 22.82 | 2.19 | 460.75 |
| - Movable properties | <u>23.44</u> | <u>-</u> | <u>-</u> | <u>23.44</u> |
| Total properties for sale | 463.56 | 22.82 | 2.19 | 484.19 |
| <u>Less</u> accumulated impairment loss | <u>(176.58)</u> | <u>(4.44)</u> | <u>-</u> | <u>(181.02)</u> |
| Total properties for sale, net | <u>286.98</u> | <u>18.38</u> | <u>2.19</u> | <u>303.17</u> |

| | Unit : Million Baht | | | |
|---|--------------------------|------------------|------------------|-----------------------|
| | <u>December 31, 2021</u> | | | |
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals</u> | <u>Ending Balance</u> |
| Assets acquired from debt repayment | | | | |
| - Immovable properties | 425.46 | 18.84 | 4.18 | 440.12 |
| - Movable properties | <u>23.44</u> | <u>-</u> | <u>-</u> | <u>23.44</u> |
| Total properties for sale | 448.90 | 18.84 | 4.18 | 463.56 |
| <u>Less</u> accumulated impairment loss | <u>(174.89)</u> | <u>(2.86)</u> | <u>(1.17)</u> | <u>(176.58)</u> |
| Total properties for sale, net | <u>274.01</u> | <u>15.98</u> | <u>3.01</u> | <u>286.98</u> |

As at March 31, 2022 and December 31, 2021, the Bank had immovable properties from debt repayment in the amount 460.75 million baht and 440.12 million baht, respectively, which were appraised by external appraisers.

For the three-month periods ended March 31, 2022 and 2021, the Bank generated gain on sale of properties for sale in the amount of 0.59 million baht and 1.23 million baht, respectively.

5.9 Premises and Equipment, Net

As at March 31, 2022 and December 31, 2021, the Bank had premises and equipment, net as follows:

Unit : Million Baht

| | March 31, 2022 | | | | | | | | Premises and Equipment, Net |
|------------------------------------|----------------------|---------------------------|----------------------------|-------------------|--------------------------|--------------|----------------------------|-------------------|--------------------------------------|
| | Cost | | | | Accumulated Depreciation | | | | |
| | Beginning Balance | Additions/ Transfer in | Disposals/ Transfer out | Ending Balance | Beginning Balance | Depreciation | Disposals/ Transfer out | Ending Balance | |
| Land | 391.26 | - | - | 391.26 | - | - | - | - | 391.26 |
| Buildings | | | | | | | | | |
| - Buildings | 683.25 | - | - | 683.25 | 426.07 | 2.63 | - | 428.70 | 254.55 |
| - Building improvement | 144.12 | 0.10 | 2.22 | 142.00 | 127.07 | 0.74 | 2.20 | 125.61 | 16.39 |
| Equipment | | | | | | | | | |
| - Office equipment and fixtures | 354.34 | 18.28 | 0.45 | 372.17 | 290.48 | 6.88 | 0.45 | 296.91 | 75.26 |
| - Vehicles | <u>110.88</u> | <u>-</u> | <u>41.53</u> | <u>69.35</u> | <u>64.02</u> | <u>0.71</u> | <u>24.88</u> | <u>39.85</u> | <u>29.50</u> |
| Total | <u>1,683.85</u> | <u>18.38</u> | <u>44.20</u> | <u>1,658.03</u> | <u>907.64</u> | <u>10.96</u> | <u>27.53</u> | <u>891.07</u> | <u>766.96</u> |

Unit : Million Baht

| | December 31, 2021 | | | | | | | | Premises and Equipment, Net |
|------------------------------------|----------------------|---------------------------|----------------------------|-------------------|--------------------------|--------------|----------------------------|-------------------|--------------------------------------|
| | Cost | | | | Accumulated Depreciation | | | | |
| | Beginning Balance | Additions/ Transfer in | Disposals/ Transfer out | Ending Balance | Beginning Balance | Depreciation | Disposals/ Transfer out | Ending Balance | |
| Land | 391.26 | - | - | 391.26 | - | - | - | - | 391.26 |
| Buildings | | | | | | | | | |
| - Buildings | 683.25 | - | - | 683.25 | 415.41 | 10.66 | - | 426.07 | 257.18 |
| - Building improvement | 144.01 | 0.11 | - | 144.12 | 124.05 | 3.02 | - | 127.07 | 17.05 |
| Equipment | | | | | | | | | |
| - Office equipment and fixtures | 344.90 | 9.83 | 0.39 | 354.34 | 263.95 | 26.92 | 0.39 | 290.48 | 63.86 |
| - Vehicles | <u>110.88</u> | <u>-</u> | <u>-</u> | <u>110.88</u> | <u>58.86</u> | <u>5.16</u> | <u>-</u> | <u>64.02</u> | <u>46.86</u> |
| Total | <u>1,674.30</u> | <u>9.94</u> | <u>0.39</u> | <u>1,683.85</u> | <u>862.27</u> | <u>45.76</u> | <u>0.39</u> | <u>907.64</u> | <u>776.21</u> |

5.10 Intangible Assets, Net

As at March 31, 2022 and December 31, 2021, the Bank had intangible assets as follows:

Unit : Million Baht

| | <u>March 31, 2022</u> | | | | | | | | <u>Premises and Equipment, Net</u> |
|------------------------------|------------------------------|-----------------------------------|------------------------------------|---------------------------|------------------------------|---------------------|------------------------------------|---------------------------|--|
| | Cost | | | | Accumulated Depreciation | | | | |
| | <u>Beginning Balance</u> | <u>Additions/ Transfer in</u> | <u>Disposals/ Transfer out</u> | <u>Ending Balance</u> | <u>Beginning Balance</u> | <u>Depreciation</u> | <u>Disposals/ Transfer out</u> | <u>Ending Balance</u> | |
| Computer software | 416.14 | 16.09 | - | 432.23 | 225.54 | 14.25 | - | 239.79 | 192.44 |
| Software under installation* | <u>51.73</u> | <u>6.48</u> | <u>8.00</u> | <u>50.21</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>50.21</u> |
| Total | <u>467.87</u> | <u>22.57</u> | <u>8.00</u> | <u>482.44</u> | <u>225.54</u> | <u>14.25</u> | <u>-</u> | <u>239.79</u> | <u>242.65</u> |

* Software under installation-disposal/transfer out are assets recognized during the year

Unit : Million Baht

| | <u>December 31, 2021</u> | | | | | | | | <u>Premises and Equipment, Net</u> |
|------------------------------|------------------------------|-----------------------------------|------------------------------------|---------------------------|------------------------------|---------------------|------------------------------------|---------------------------|--|
| | Cost | | | | Accumulated Depreciation | | | | |
| | <u>Beginning Balance</u> | <u>Additions/ Transfer in</u> | <u>Disposals/ Transfer out</u> | <u>Ending Balance</u> | <u>Beginning Balance</u> | <u>Depreciation</u> | <u>Disposals/ Transfer out</u> | <u>Ending Balance</u> | |
| Computer software | 355.60 | 60.54 | - | 416.14 | 174.05 | 51.49 | - | 225.54 | 190.60 |
| Software under installation* | <u>63.44</u> | <u>73.90</u> | <u>85.61</u> | <u>51.73</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>51.73</u> |
| Total | <u>419.04</u> | <u>134.44</u> | <u>85.61</u> | <u>467.87</u> | <u>174.05</u> | <u>51.49</u> | <u>-</u> | <u>225.54</u> | <u>242.33</u> |

* Software under installation-disposal/transfer out are assets recognized during the year

5.11 Reinsurance Assets

As at March 31, 2022 and December 31, 2021, the Bank had intangible assets as follows:

Unit : Million Baht

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------------|-----------------------|--------------------------|
| Receivables from reinsurance | 15.96 | - |
| Insurance reserves from reinsurance | <u>377.33</u> | <u>312.35</u> |
| Total | <u>393.29</u> | <u>312.35</u> |

5.12 Other Assets, Net

Unit : Million Baht

| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
|---|-----------------------|--------------------------|
| Collateral under Credit Support Annex contract | 430.53 | 174.12 |
| Revenue receivables, net | 6.02 | 3.36 |
| Insurance claim receivables, net of reinsurance | 471.06 | 451.16 |
| Allowance for insurance claim receivables | (471.06) | (451.16) |
| Right-of use assets, net | 66.83 | 70.88 |
| Advance deposits | 3.08 | 3.08 |
| Others | <u>3.71</u> | <u>6.48</u> |
| Total | <u>510.17</u> | <u>257.92</u> |

5.13 Deposits

5.13.1 Classified by Type of Deposits

| | Unit : Million Baht | |
|-------------------------|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Demand | 2,626.01 | 2,472.24 |
| Savings | 69.29 | 215.29 |
| Time | 6,623.48 | 6,763.36 |
| Certificates of deposit | <u>39,203.93</u> | <u>38,699.14</u> |
| Total | <u>48,522.71</u> | <u>48,150.03</u> |

5.13.2 Classified by Currency and Residency of Depositors

| | Unit : Million Baht | | | | | |
|------------------|-----------------------|----------------|------------------|--------------------------|----------------|------------------|
| | <u>March 31, 2022</u> | | | <u>December 31, 2021</u> | | |
| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
| Baht | 46,600.45 | 583.24 | 47,183.69 | 46,503.07 | 581.03 | 47,084.10 |
| US Dollar | 812.67 | 367.58 | 1,180.25 | 785.30 | 230.10 | 1,015.40 |
| Other currencies | <u>148.82</u> | <u>9.95</u> | <u>158.77</u> | <u>40.85</u> | <u>9.68</u> | <u>50.53</u> |
| Total | <u>47,561.94</u> | <u>960.77</u> | <u>48,522.71</u> | <u>47,329.22</u> | <u>820.81</u> | <u>48,150.03</u> |

5.14 Interbank and Money Market Items (Liabilities)

| | Unit : Million Baht | |
|------------------------------------|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Domestic items | | |
| Bank of Thailand | 6,095.93 | 6,165.54 |
| Commercial banks | 8,838.02 | 10,400.11 |
| Specialized financial institutions | 1,807.50 | 1,799.54 |
| Other financial institutions | <u>1,000.00</u> | <u>1,000.00</u> |
| Total domestic items | <u>17,741.45</u> | <u>19,365.19</u> |
| Foreign items | | |
| US Dollar | 1,697.53 | 1,702.58 |
| Euro | 11.68 | 17.97 |
| Other currencies | <u>1,212.09</u> | <u>2.03</u> |
| Total foreign items | <u>2,921.30</u> | <u>1,722.58</u> |
| Total domestic and foreign items | <u>20,662.75</u> | <u>21,087.77</u> |

5.15 Debt Issued and Borrowings

5.15.1 Classified by Type of Instrument and Source of Fund

Unit : Million Baht

March 31, 2022

| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
|---------------------------------------|------------------|------------------|------------------|
| Bonds | 13,000.00 | 47,781.63 | 60,781.63 |
| Others | <u>20.86</u> | <u>-</u> | <u>20.86</u> |
| Total | 13,020.86 | 47,781.63 | 60,802.49 |
| <u>Less Allowance for revaluation</u> | <u>-</u> | <u>(990.90)</u> | <u>(990.90)</u> |
| Total debt issued and borrowings | <u>13,020.86</u> | <u>46,790.73</u> | <u>59,811.59</u> |

Unit : Million Baht

December 31, 2021

| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
|---------------------------------------|------------------|------------------|------------------|
| Bonds | 13,000.00 | 47,957.56 | 60,957.56 |
| Others | <u>21.91</u> | <u>-</u> | <u>21.91</u> |
| Total | 13,021.91 | 47,957.56 | 60,979.47 |
| <u>Less Allowance for revaluation</u> | <u>-</u> | <u>(339.83)</u> | <u>(339.83)</u> |
| Total debt issued and borrowings | <u>13,021.91</u> | <u>47,617.73</u> | <u>60,639.64</u> |

5.15.2 Classified by Type of Instrument, Currency, Maturity and Interest Rate

Unit : Million Baht

| | <u>Currency</u> | <u>Maturity</u> | <u>Interest Rate /</u> | <u>Amount</u> | |
|----------------------------------|-----------------|-----------------|----------------------------|-----------------------|--------------------------|
| | | | <u>Interest Rate Index</u> | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Bonds | USD | 2022-2024 | LIBOR ± MARGIN | 31,132.98 | 31,247.61 |
| Bonds | USD | 2025-2031 | 1.457% - 2.607% | 15,657.75 | 16,370.12 |
| Bonds | THB | 2022-2031 | 1.30% - 2.84% | 13,000.00 | 13,000.00 |
| Others | THB | 2024-2027 | 0% | <u>20.86</u> | <u>21.91</u> |
| Total debt issued and borrowings | | | | <u>59,811.59</u> | <u>60,639.64</u> |

5.16 Provisions

As at March 31, 2022 and December 31, 2021, the Bank had set up provisions as follows:

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Allowance for expected credit losses on loan commitments and financial guarantee contracts | 169.33 | 205.61 |
| Provision for short-term employee benefits | 29.70 | 29.70 |
| Provisions for employee benefits – post employment | 343.46 | 338.52 |
| Provisions for contingent liabilities | 17.73 | 17.97 |
| Other provisions | <u>27.59</u> | <u>27.22</u> |
| Total provisions | <u>587.81</u> | <u>619.02</u> |

5.16.1 Allowance for Expected Credit Losses on Loan Commitments and Financial Guarantee Contracts

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Financial assets where there has not been a significant increase in credit risk (Performing) | 125.67 | 156.04 |
| Financial assets where there has been a significant increase in credit risk (Under-Performing) | <u>43.66</u> | <u>49.57</u> |
| Total | <u>169.33</u> | <u>205.61</u> |

The changes in the allowance for expected credit losses on loan commitments and financial guarantee contracts were as follows:

| | Unit : Million Baht | | | |
|---|---|---|--|----------------|
| | <u>March 31, 2022</u> | | | |
| | Financial assets where there has not been a significant increase in credit risk (12-mth ECL) | Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) | Financial assets that are credit-impaired (Lifetime ECL - credit impaired) | Total |
| Beginning balance | 156.04 | 49.57 | - | 205.61 |
| Allowance for expected credit losses during period | <u>(30.37)</u> | <u>(5.91)</u> | <u>-</u> | <u>(36.28)</u> |
| Ending balance | <u>125.67</u> | <u>43.66</u> | <u>-</u> | <u>169.33</u> |

Unit : Million Baht

| | <u>December 31, 2021</u> | | | |
|---|---|---|--|---------------|
| | Financial assets where there has not been a significant increase in credit risk (12-mth ECL) | Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) | Financial assets that are credit-impaired (Lifetime ECL - credit impaired) | Total |
| Beginning balance | 137.13 | 51.53 | 14.76 | 203.42 |
| Allowance for expected credit losses during period | <u>18.91</u> | <u>(1.96)</u> | <u>(14.76)</u> | <u>2.19</u> |
| Ending balance | <u>156.04</u> | <u>49.57</u> | <u>-</u> | <u>205.61</u> |

5.16.2 Provisions for Employee Benefits

The Bank assessed the provision for the post-employment benefits by using the Projected Unit Credit method. The details of the Bank's provisions for employee benefits were as follows:

| | Unit : Million Baht | |
|--|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Beginning balance | 338.52 | 365.21 |
| Current service cost* | 2.21 | 16.02 |
| Interest cost* | 2.73 | 9.68 |
| Employee benefits paid during the year | - | (16.87) |
| Actuarial (gain) loss on defined benefit plans | <u>-</u> | <u>(35.52)</u> |
| Ending Balance | <u>343.46</u> | <u>338.52</u> |

* These items are presented as employee's expenses in profit or loss.

Principal actuarial assumptions for the Bank's post-employment benefits were as follows:

| | <u>2022</u> | <u>2021</u> |
|------------------------------|---------------|----------------|
| Average salary increase rate | 0% - 14.50% | 0.25% - 12.25% |
| Average staff turnover rate | 0% - 15.99% | 0% - 19.23% |
| Discount rate | 0.53% - 3.60% | 0.51% - 2.91% |
| Mortality rate | TMO17 | TMO17 |

5.17 Reserves for Insurance Service

| | Unit : Million Baht | |
|---|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Reserves for export credit insurance | 468.12 | 385.11 |
| Reserves for investment insurance | 163.13 | 163.13 |
| Reserves for stand-by claims purchase agreement | <u>125.62</u> | <u>102.79</u> |
| Total | <u>756.87</u> | <u>651.03</u> |

5.18 Other Liabilities

| | Unit : Million Baht | |
|--|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Other payable per Credit Support Annex | - | 16.04 |
| Advance deposits | 25.38 | 17.43 |
| Accrued expenses | 81.40 | 75.80 |
| Account payables | 21.00 | 29.43 |
| Reinsurance payables | 4.71 | 31.93 |
| Lease liabilities | 64.84 | 68.71 |
| Deferred revenue | 49.53 | 49.19 |
| Withholding tax payable | 5.35 | 15.93 |
| Suspense liabilities | 430.77 | 473.45 |
| Others | <u>1.16</u> | <u>1.11</u> |
| Total | <u>684.14</u> | <u>779.02</u> |

5.19 Capital

The Bank had an initial capital of 2,500 million baht and received additional capital from the Ministry of Finance in the amount of 4,000 million baht on July 31, 1998, 1,300 million baht on December 30, 2008 and 5,000 million baht on September 21, 2009. On November 17, 2021, the Bank received the first capital increase from the Ministry of Finance in the amount of 2,198 million baht from total capital increase of 4,198 million baht according to resolution of the Cabinet meeting on August 24, 2021. The Bank has total capital amounting to 14,998 million baht.

5.20 Contingent Liabilities

| | <u>March 31, 2022</u> | Unit : Million Baht <u>December 31, 2021</u> |
|---|-----------------------|---|
| Guarantees of loans | 689.50 | 2,093.70 |
| Liabilities under immature import bills | 507.51 | 1,056.90 |
| Letters of credit | 935.68 | 1,081.85 |
| Export bills insured | 41,836.94 | 31,286.38 |
| Other contingencies | | |
| Unused overdraft credit lines | 601.31 | 681.08 |
| Other guarantees | 6,152.43 | 5,046.11 |
| Investment Insurance | 2,975.78 | 2,986.74 |
| Stand-by claims purchase agreement | <u>12,419.02</u> | <u>10,269.58</u> |
| Total other contingencies | <u>22,148.54</u> | <u>18,983.51</u> |
| Total | <u>66,118.17</u> | <u>54,502.34</u> |

As at March 31, 2022 the Bank has seven cases of legitimate claims, which are on trial in the court proceedings, classified into one case has already been recognized as a provision, three cases with total claims amounting to 25.45 million baht were dismissed or judged that the Bank was not liable to make payment to the plaintiff by the Court of First Instance or the Appeal Court, and three cases with total claims amounting to 22.70 million baht are on trail of the Court of First Instance. However, the Bank considers that there will be no material impact to the Bank's financial position or operating results upon the case finalization.

5.21 Other Benefits to Directors and Executives

The Bank paid no further benefits to directors and executives other than normal remuneration such as monthly allowance, meeting allowance and bonus for directors (if any), salary for executives, special monthly allowance for executives (if any).

5.22 Leases

5.22.1 Long-Term Leases

The Bank has entered into the lease agreements of the Bank's branch offices and equipment as follows:

| | <u>Maturity</u> | <u>Carrying Amount</u> | | <u>Depreciation</u> | |
|--------------------------------|-----------------|------------------------|--------------------------|----------------------------|-----------------------|
| | | <u>March 31, 2022</u> | <u>December 31, 2021</u> | <u>For the Years ended</u> | |
| | | | | <u>March 31, 2022</u> | <u>March 31, 2021</u> |
| Right-of-use land and building | 2024 - 2029 | 37.30 | 39.00 | 1.97 | 1.37 |
| Right-of-use equipment | 2022 | - | 0.66 | 0.66 | 0.66 |
| Right-of-use vehicle | 2025 - 2026 | <u>29.53</u> | <u>31.22</u> | <u>1.69</u> | <u>-</u> |
| Total | | <u>66.83</u> | <u>70.88</u> | <u>4.32</u> | <u>2.03</u> |

For the the three-month periods March 31, 2022 and 2021, the Bank paid the rental of the above contract in the amount of 4.62 million baht and 2.04 million baht, respectively and recognized interest expenses from lease liabilities in the amount of 0.29 million baht and 0.18 million baht, respectively.

The Bank entered into a sublease agreement for part of the branch office. For the the three-month periods March 31, 2022 and 2021, the Bank recognized sublease revenue in the amount of 0.08 million baht and 0.07 million baht, respectively.

5.22.2 Leases of Low-Value Assets

The Bank has entered into the lease agreements of office equipment. The Bank recognized the rental as expenses on a straight-line basis over the lease term. For the the three-month periods March 31, 2022 and 2021, the Bank recognized the rental of office equipment of 3.07 million baht and 3.18 million baht, respectively.

5.23 Financial Position and Operational Performance Classified by Domestic and Foreign Operations

The Bank established representative office to promote and support international trade and investments. The Bank currently has four representative offices, including representative office in Yangon, the Republic of the Union of Myanmar, representative office in Vientiane, Laos People's Democratic Republic, representative office in Phnom Penh, Kingdom of Cambodia and representative office in Ho Chi Minh City, Socialist Republic of Vietnam.

5.23.1 Financial Position Classified by Business

| | Unit : Million Baht | | |
|--|-----------------------|----------------|--------------|
| | <u>March 31, 2022</u> | | |
| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
| Total assets | 156,979.70 | 14.26 | 156,993.96 |
| Interbank and money market items, net (assets) | 9,909.83 | 1.20 | 9,911.03 |
| Financial assets measured at fair value through | | | |
| profit or loss | 1.26 | - | 1.26 |
| Investments, net | 5,001.32 | - | 5,001.32 |
| Loans to customers and accrued interest receivables, net | 135,924.39 | - | 135,924.39 |
| Deposits | 48,522.71 | - | 48,522.71 |
| Interbank and money market items (liabilities) | 20,662.75 | - | 20,662.75 |
| Debt issued and borrowings | 59,811.59 | - | 59,811.59 |

| | Unit : Million Baht | | |
|--|--------------------------|----------------|--------------|
| | <u>December 31, 2021</u> | | |
| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
| Total assets | 156,790.87 | 13.42 | 156,804.29 |
| Interbank and money market items, net (assets) | 8,603.67 | 0.96 | 8,604.63 |
| Financial assets measured at fair value through | | | |
| profit or loss | 1.26 | - | 1.26 |
| Investments, net | 4,002.72 | - | 4,002.72 |
| Loans to customers and accrued interest receivables, net | 138,486.03 | - | 138,486.03 |
| Deposits | 48,150.03 | - | 48,150.03 |
| Interbank and money market items (liabilities) | 21,087.77 | - | 21,087.77 |
| Debt issued and borrowings | 60,639.64 | - | 60,639.64 |

5.23.2 Operations Classified by Business

Unit : Million Baht

For the three-month period ended
March 31, 2022

| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
|--|-----------------|----------------|-----------------|
| Interest income | 1,226.26 | - | 1,226.26 |
| Interest expenses | <u>(318.40)</u> | <u>(0.03)</u> | <u>(318.43)</u> |
| Interest income, net | 907.86 | (0.03) | 907.83 |
| Fees and service income, net | 70.06 | - | 70.06 |
| Other operating income | 49.64 | - | 49.64 |
| Other operating expenses | <u>(438.38)</u> | <u>(4.14)</u> | <u>(442.52)</u> |
| Operating profit before expected credit losses | 589.18 | (4.17) | 585.01 |
| Expected credit losses | <u>(174.10)</u> | <u>-</u> | <u>(174.10)</u> |
| Net (loss) profit | <u>415.08</u> | <u>(4.17)</u> | <u>410.91</u> |

Unit : Million Baht

For the three-month period ended
March 31, 2021

| | <u>Domestic</u> | <u>Foreign</u> | <u>Total</u> |
|--|-----------------|----------------|-----------------|
| Interest income | 1,114.78 | - | 1,114.78 |
| Interest expenses | <u>(330.81)</u> | <u>-</u> | <u>(330.81)</u> |
| Interest income, net | 783.97 | - | 783.97 |
| Fees and service income, net | 75.79 | - | 75.79 |
| Other operating income | (0.76) | - | (0.76) |
| Other operating expenses | <u>(358.56)</u> | <u>(5.94)</u> | <u>(364.50)</u> |
| Operating profit before expected credit losses | 500.44 | (5.94) | 494.50 |
| Expected credit losses | <u>(402.38)</u> | <u>-</u> | <u>(402.38)</u> |
| Net loss | <u>98.06</u> | <u>(5.94)</u> | <u>92.12</u> |

5.24 Interest Income

Interest income for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|----------------------------------|---------------------|-----------------|
| | <u>2022</u> | <u>2021</u> |
| Interbank and money market items | 16.52 | 22.43 |
| Investment in debt securities | 4.92 | 5.30 |
| Loans | <u>1,204.82</u> | <u>1,087.05</u> |
| Total interest income | <u>1,226.26</u> | <u>1,114.78</u> |

5.25 Interest Expenses

Interest expenses for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|----------------------------------|---------------------|---------------|
| | <u>2022</u> | <u>2021</u> |
| Deposits | 95.63 | 109.64 |
| Interbank and money market items | 35.50 | 69.19 |
| Lease liabilities | 0.29 | 0.18 |
| Debt issued | | |
| - Bonds | 182.85 | 129.29 |
| - Promissory note | - | 18.75 |
| - Borrowings fee | <u>4.16</u> | <u>3.76</u> |
| Total interest expenses | <u>318.43</u> | <u>330.81</u> |

5.26 Fees and Service Income, Net

Net fees and service income for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|------------------------------------|---------------------|---------------|
| | <u>2022</u> | <u>2021</u> |
| Fees and service income | | |
| - Acceptance aval and guarantee | 22.92 | 14.56 |
| - Income from insurance | 63.94 | 80.52 |
| - Others | <u>23.64</u> | <u>21.70</u> |
| Total fees and service income | <u>110.50</u> | <u>116.78</u> |
| Fees and service expenses | | |
| - Expense on insurance | 36.29 | 37.64 |
| - Others | <u>4.15</u> | <u>3.35</u> |
| Total fees and service expenses | <u>40.44</u> | <u>40.99</u> |
| Total fees and service income, net | <u>70.06</u> | <u>75.79</u> |

5.27 Gains on Financial Instruments Measured at Fair Value Through Profit or Loss, Net

Gains on financial instruments measured at fair value through profit or loss, net for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|---|---------------------|----------------|
| | <u>2022</u> | <u>2021</u> |
| Gains (losses) on trading and foreign exchange transactions | | |
| - Foreign currencies, debt securities and foreign exchange derivatives | (1.54) | (17.54) |
| - Interest rate derivative | - | (0.32) |
| - Equity securities | <u>-</u> | <u>0.09</u> |
| Total gains on financial instruments measured at fair value through profit or loss, net | <u>(1.54)</u> | <u>(17.77)</u> |

5.28 Loss on Claims and Reserves for Insurance Services

Loss on claims and reserves for insurance services for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|---|---------------------|----------------|
| | <u>2022</u> | <u>2021</u> |
| Doubtful account for export credit insurance | 31.39 | 1.22 |
| Doubtful account for investment insurance | - | 6.85 |
| Doubtful account for stand-by claims purchase agreement | <u>31.92</u> | <u>(15.04)</u> |
| Total | <u>63.31</u> | <u>(6.97)</u> |

5.29 Expected Credit Losses

Expected credit losses for financial assets for the three-month periods ended March 31, 2022 and 2021 were as follows:

| | Unit : Million Baht | |
|---|---------------------|---------------|
| | <u>2022</u> | <u>2021</u> |
| Interbank and money market items | 1.61 | (2.66) |
| Investment in debt securities measured at amortized cost | 0.14 | - |
| Loans to customers and accrued interest receivables* | 215.52 | 389.15 |
| Loans to customers and accrued interest receivables from public service account | (6.03) | 15.47 |
| Other receivables | <u>(0.86)</u> | <u>1.73</u> |
| Total | 210.38 | 403.69 |
| Loan commitments and financial guarantee contracts | <u>(36.28)</u> | <u>(1.31)</u> |
| Total expected credit losses | <u>174.10</u> | <u>402.38</u> |

* Includes written-down debt recovery and bad debt recovery.

5.30 Public Service Account

5.30.1 Summary of Public Service Account

As at March 31, 2022 and December 31, 2021, the assets from public service account were as follows:

| | Unit : Million Baht | |
|--|-----------------------|--------------------------|
| | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| Loans to customers from public service account and accrued interest receivables, net | 3,361.05 | 3,127.91 |
| Receivable eligible for government reimbursement | <u>69.34</u> | <u>52.46</u> |
| Total assets | <u>3,430.39</u> | <u>3,180.37</u> |

For the three-month periods ended March 31, 2022 and 2021, the Bank recognized income and expenses from public service account were as follows:

| | Unit : Million Baht | |
|--|---------------------|----------------|
| | <u>2022</u> | <u>2021</u> |
| Income from public service account | 33.21 | 15.68 |
| <u>Less</u> Expenses from public service account | (33.28) | (20.13) |
| <u>Less</u> Expected credit losses from public service account | <u>6.03</u> | <u>(15.47)</u> |
| Net Loss | <u>5.96</u> | <u>(19.92)</u> |

5.30.2 Loans to Customers from Public Service Account and Accrued Interest Receivables, Net

| | | | Unit : Million Baht | |
|---|---|-----------------|-----------------------|--------------------------|
| <u>Project</u> | <u>Project Summary</u> | <u>Duration</u> | <u>March 31, 2022</u> | <u>December 31, 2021</u> |
| 1. Investment and Production Efficiency Enhancement Credit Scheme | To encourage entrepreneurs to purchase and improve their machinery and equipment or factories in order to uplift production efficiency and cost reduction | 2020 - 2028 | 3,142.38 | 3,078.31 |

| | | | | |
|---------------------------------|--|-------------|--------|-------|
| 2. EXIM Biz Transformation Loan | To support entrepreneurs affected by COVID-19 that wish to acquire or improve machinery and equipment or make new investment for efficiency enhancement, as well as the entrepreneurs who gradually recover to continue their business, with the competitive interest rate | 2021 – 2029 | 218.67 | 49.60 |
|---------------------------------|--|-------------|--------|-------|

5.30.3 Loan Classification and Provision for Public Service Account

As at March 31, 2022 and December 31, 2021, loan classification and provision for the investment and production efficiency enhancement credit scheme were as follows:

Unit : Million Baht

March 31, 2022

| <u>Loan Classification</u> | <u>Cases</u> | <u>Outstanding</u> | <u>Allowance for expected credit losses</u> |
|--|--------------|--------------------|---|
| Financial assets where there has not been a significant increase in credit risk (Performing) | 176 | 3,384.23 | 23.17 |

Unit : Million Baht

December 31, 2021

| <u>Loan Classification</u> | <u>Cases</u> | <u>Outstanding</u> | <u>Allowance for expected credit losses</u> |
|--|--------------|--------------------|---|
| Financial assets where there has not been a significant increase in credit risk (Performing) | 167 | 3,157.11 | 29.20 |

5.30.4 Receivable Eligible for Government Reimbursement

As at March 31, 2022 and December 31, 2021, the Bank is eligible for government reimbursement for the interest spread for the investment and production efficiency enhancement credit scheme amounting to 69.34 million baht and 52.46 million baht, respectively.

5.30.5 Income from Public Service Account

Income from public service account for the three-month periods ended March 31, 2022 and 2021, were as follows:

| | Unit : Million Baht | |
|---|---------------------|--------------|
| | <u>2022</u> | <u>2021</u> |
| Interest income from public service account | 16.33 | 7.86 |
| Compensation for public service account | <u>16.88</u> | <u>7.82</u> |
| Total income from public service account | <u>33.21</u> | <u>15.68</u> |

5.30.6 Expenses from Public Service Account

Expenses from public service account for the three-month periods ended March 31, 2022 and 2021, were as follows:

| | Unit : Million Baht | |
|--|---------------------|--------------|
| | <u>2022</u> | <u>2021</u> |
| Interest expenses | 11.47 | 5.52 |
| Fees and service expenses | 0.26 | 0.14 |
| Operating expenses | <u>21.55</u> | <u>14.47</u> |
| Total expenses from public service account | <u>33.28</u> | <u>20.13</u> |

5.31 Fair Value of Assets and Liabilities

As at March 31, 2022 and December 31, 2021, the Bank determined level of the fair value hierarchy of financial assets and financial liabilities as follows:

| | Unit : Million Baht | | |
|---|-----------------------|-----------------|-----------------|
| | <u>March 31, 2022</u> | | |
| | <u>Fair Value</u> | | |
| | <u>Level 1</u> | <u>Level 2</u> | <u>Total</u> |
| Financial Assets | | | |
| Financial assets measured at fair value through profit or loss | 1.26 | - | 1.26 |
| Derivative assets | - | 146.36 | 146.36 |
| Investment in equity securities designated at fair value through other comprehensive income | <u>5.18</u> | <u>2.15</u> | <u>7.33</u> |
| Total financial assets | <u>6.44</u> | <u>148.51</u> | <u>154.95</u> |
| Financial Liabilities | | | |
| Derivative liabilities | <u>-</u> | <u>1,360.14</u> | <u>1,360.14</u> |
| Total financial liabilities | <u>-</u> | <u>1,360.14</u> | <u>1,360.14</u> |

Unit : Million Baht

| | <u>December 31, 2021</u> | | |
|--|--------------------------|----------------|---------------|
| | <u>Fair Value</u> | | |
| | <u>Level 1</u> | <u>Level 2</u> | <u>Total</u> |
| Financial Assets | | | |
| Financial assets measured at fair value through profit or loss | 1.26 | - | 1.26 |
| Derivative assets | - | 286.41 | 286.41 |
| Investment in equity securities designated at fair value through other comprehensive income | <u>5.77</u> | <u>2.18</u> | <u>7.95</u> |
| Total financial assets | <u>7.03</u> | <u>288.59</u> | <u>295.62</u> |
| Financial Liabilities | | | |
| Derivative liabilities | <u>-</u> | <u>748.14</u> | <u>748.14</u> |
| Total financial liabilities | <u>-</u> | <u>748.14</u> | <u>748.14</u> |

Fair values were determined according to the following hierarchy :

- Level 1 - quoted prices in active market for identical assets or liabilities.
- Level 2 - value derived from valuation techniques for which the significant input used for the fair value measurement is directly or indirectly observable in the market.
- Level 3 - value derived from valuation techniques for which the significant input used for the fair value measurement is unobservable in the market.

Level 2 fair values of derivatives are the prices based on market prices, broker or dealer quotations, prices of other similar transactions or prices derived by using a valuation technique incorporating observable market data adjusted with counterparty credit risk.

Level 2 fair value of investments in equity securities designated at fair value through other comprehensive income, which are non-marketable equity securities, is determined by comparing their share price with their book value.

5.32 Approval of the Financial Statements

These financial statements have been authorized to issue by President and Executive Vice President on July 21, 2022.
