

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS

BANGKOK BANK PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Bank Public Company Limited and subsidiaries (the “Bank and subsidiaries”) and the Bank’s statement of financial position of Bangkok Bank Public Company Limited (the “Bank”) as at March 31, 2021, and the related consolidated and Bank’s statements of profit or loss and other comprehensive income, changes in shareholders’ equity and 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. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned 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.

BANGKOK
May 13, 2021

Nisakorn Songmanee
Certified Public Accountant (Thailand)
Registration No. 5035
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2021 (Unaudited)	December 31, 2020	March 31, 2021 (Unaudited)	December 31, 2020
ASSETS					
CASH		63,760,610	73,886,309	60,354,407	70,013,515
INTERBANK AND MONEY MARKET ITEMS, NET		758,200,362	519,036,028	610,101,001	374,778,755
FINANCIAL ASSETS MEASURED AT FAIR VALUE					
THROUGH PROFIT OR LOSS	6.2	64,659,689	57,936,242	75,556,878	69,359,414
DERIVATIVES ASSETS		47,548,228	67,560,232	46,853,122	66,143,443
INVESTMENTS, NET	6.3	680,783,582	758,482,179	582,449,292	670,444,629
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	6.4	944,461	911,321	144,589,329	144,589,329
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET	6.5	2,181,655,494	2,189,102,088	1,884,277,707	1,896,205,127
PROPERTIES FOR SALE, NET		9,578,760	9,753,914	7,781,569	7,754,245
PREMISES AND EQUIPMENT, NET		64,673,882	65,049,861	54,873,478	55,460,373
GOODWILL AND OTHER INTANGIBLE ASSETS, NET		35,060,722	32,307,811	1,424,576	1,451,391
DEFERRED TAX ASSETS		5,979,894	7,939,617	2,191,533	2,082,884
COLLATERAL PLACED WITH FINANCIAL COUNTERPARTIES		10,240,381	12,833,047	10,088,412	12,699,962
SECURITIES BUSINESS RECEIVABLES-CASH ACCOUNTS		9,670,210	3,755,268	-	-
OTHER ASSETS, NET		20,052,297	24,405,768	12,780,053	13,977,916
TOTAL ASSETS		3,952,808,572	3,822,959,685	3,493,321,357	3,384,960,983

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2021

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2021 (Unaudited)	December 31, 2020	March 31, 2021 (Unaudited)	December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
DEPOSITS		2,904,276,405	2,810,862,624	2,521,180,704	2,485,596,798
INTERBANK AND MONEY MARKET ITEMS		249,830,477	219,149,193	241,055,266	162,499,180
LIABILITY PAYABLE ON DEMAND		6,819,899	7,257,360	6,607,265	6,702,768
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE					
THROUGH PROFIT OR LOSS	6.6	19,503,338	19,256,663	19,312,009	19,056,520
DERIVATIVES LIABILITIES		45,686,791	57,127,821	44,947,790	56,212,287
DEBT ISSUED AND BORROWINGS		142,150,745	136,176,779	139,733,702	133,963,539
PROVISIONS		25,805,093	27,305,660	23,624,746	25,065,453
DEFERRED TAX LIABILITIES		2,451,079	2,447,583	2,164,958	2,588,682
OTHER LIABILITIES		94,582,391	93,128,867	47,796,356	53,792,151
TOTAL LIABILITIES		3,491,106,218	3,372,712,550	3,046,422,796	2,945,477,378
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Registered share capital					
1,655,000 preferred shares of Baht 10 each		16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each		39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital					
1,908,842,894 common shares of Baht 10 each		19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES		56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES		51,276,838	47,256,838	54,730,656	52,849,874
RETAINED EARNINGS					
Appropriated					
Legal reserve	6.8	25,000,000	25,000,000	25,000,000	25,000,000
Others		111,500,000	111,500,000	111,500,000	111,500,000
Unappropriated		196,997,416	189,822,190	180,233,244	174,699,070
TOTAL BANK'S EQUITY		460,208,915	449,013,689	446,898,561	439,483,605
NON-CONTROLLING INTEREST		1,493,439	1,233,446	-	-
TOTAL SHAREHOLDERS' EQUITY		461,702,354	450,247,135	446,898,561	439,483,605
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,952,808,572	3,822,959,685	3,493,321,357	3,384,960,983

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2021	2020	2021	2020
INTEREST INCOME	6.15	27,511,741	28,625,157	20,013,900	27,586,599
INTEREST EXPENSES	6.16	7,804,413	8,805,355	5,116,717	8,412,821
NET INTEREST INCOME		19,707,328	19,819,802	14,897,183	19,173,778
FEES AND SERVICE INCOME	6.17	9,637,271	9,082,977	6,892,291	7,423,061
FEES AND SERVICE EXPENSES	6.17	2,303,350	2,729,081	1,947,632	2,680,675
NET FEES AND SERVICE INCOME		7,333,921	6,353,896	4,944,659	4,742,386
GAINS (LOSSES) ON FINANCIAL INSTRUMENTS					
MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS		2,087,865	(1,689,429)	1,469,671	(1,202,097)
GAINS ON INVESTMENTS		840,998	1,150,513	840,998	1,150,509
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		32,596	12,127	-	-
GAINS ON DISPOSAL OF ASSETS		78,793	58,144	59,240	48,137
DIVIDEND INCOME		525,424	485,967	490,590	485,967
OTHER OPERATING INCOME		266,517	203,473	82,001	134,071
TOTAL OPERATING INCOME		30,873,442	26,394,493	22,784,342	24,532,751
OTHER OPERATING EXPENSES					
Employee's expenses		8,901,860	6,836,054	6,259,675	6,221,518
Directors' remuneration		42,081	33,274	15,450	14,850
Premises and equipment expenses		3,197,967	2,295,767	2,364,667	2,113,285
Taxes and duties		678,939	780,823	662,188	768,959
Others		2,940,234	1,431,385	1,873,434	1,229,171
TOTAL OTHER OPERATING EXPENSES		15,761,081	11,377,303	11,175,414	10,347,783
EXPECTED CREDIT LOSS	6.18	6,326,525	5,087,268	5,000,382	4,952,846
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		8,785,836	9,929,922	6,608,546	9,232,122
INCOME TAX EXPENSES		1,746,553	2,168,655	1,319,521	2,035,606
NET PROFIT		7,039,283	7,761,267	5,289,025	7,196,516

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2021	2020	2021	2020
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Losses on investments in debt instruments at fair value					
through other comprehensive income		(7,225,206)	(152,159)	(6,753,282)	(274,060)
Losses on cash flow hedges		(399,934)	(88,623)	(399,934)	(88,623)
Gains arising from translating the financial statements of					
foreign operations		4,971,376	4,130,323	2,564,324	2,349,648
Income tax relating to components of other comprehensive					
income (losses)		1,569,614	107,735	1,479,608	132,965
Items that will not be reclassified subsequently to profit or loss					
Changes in revaluation surplus		36,044	-	-	-
Gains (losses) on investment in equity instruments designates at					
fair value through other comprehensive income		7,010,257	(23,516,952)	6,891,479	(22,677,077)
Gains (losses) on financial liabilities designated at fair value					
through profit or loss		(411,182)	2,012,358	(411,182)	2,012,358
Actuarial losses on defined benefit plans		(811)	(2,296)	(811)	(2,296)
Share of other comprehensive income of associate		545	847	-	-
Income tax relating to components of other comprehensive					
income (losses)		(1,267,871)	4,322,017	(1,244,271)	4,153,655
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		<u>4,282,832</u>	<u>(13,186,750)</u>	<u>2,125,931</u>	<u>(14,393,430)</u>
TOTAL COMPREHENSIVE INCOME (LOSSES)		<u><u>11,322,115</u></u>	<u><u>(5,425,483)</u></u>	<u><u>7,414,956</u></u>	<u><u>(7,196,914)</u></u>
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		6,923,096	7,670,508	5,289,025	7,196,516
Non-controlling interest		116,187	90,759	-	-
		<u><u>7,039,283</u></u>	<u><u>7,761,267</u></u>	<u><u>5,289,025</u></u>	<u><u>7,196,516</u></u>
TOTAL COMPREHENSIVE INCOME (LOSSES) ATTRIBUTABLE					
Owners of the Bank		11,195,226	(5,515,659)	7,414,956	(7,196,914)
Non-controlling interest		126,889	90,176	-	-
		<u><u>11,322,115</u></u>	<u><u>(5,425,483)</u></u>	<u><u>7,414,956</u></u>	<u><u>(7,196,914)</u></u>
BASIC EARNINGS PER SHARE (BAHT)		3.63	4.02	2.77	3.77
WEIGHTED AVERAGE NUMBER					
OF COMMON SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

	Note	CONSOLIDATED											Total Equity Attributable to the Bank's Shareholders	Non-controlling Interest	Total	
		Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves							Retained Earnings					
				Land Appraisal Surplus	Premises Appraisal Surplus	Revaluation Surplus on Investments	Cash flow Hedge Reserve	Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Others	Appropriated					Unappropriated
											Legal Reserve	Others				
Balance as at January 1, 2020		19,088,429	56,346,232	16,824,012	5,600,324	29,178,279	356,384	(2,196,285)	(16,089,996)	2,045	24,000,000	106,500,000	190,298,981	429,908,405	366,420	430,274,825
Appropriation for previous year																
Dividend paid	6.8	-	-	-	-	-	-	-	-	-	-	-	(9,544,214)	(9,544,214)	-	(9,544,214)
Legal reserve	6.8	-	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-
Total comprehensive income		-	-	-	-	(18,855,039)	(70,898)	1,609,887	4,130,323	678	-	-	7,669,390	(5,515,659)	90,176	(5,425,483)
Transfer to retained earnings		-	-	-	(234,674)	(7,264)	-	-	-	-	-	-	241,938	-	-	-
Balance as at March 31, 2020		<u>19,088,429</u>	<u>56,346,232</u>	<u>16,824,012</u>	<u>5,365,650</u>	<u>10,315,976</u>	<u>285,486</u>	<u>(586,398)</u>	<u>(11,959,673)</u>	<u>2,723</u>	<u>24,500,000</u>	<u>106,500,000</u>	<u>188,166,095</u>	<u>414,848,532</u>	<u>456,596</u>	<u>415,305,128</u>
Balance as at January 1, 2021		19,088,429	56,346,232	23,074,253	9,962,525	27,035,092	564,850	(1,429,178)	(11,954,319)	3,615	25,000,000	111,500,000	189,822,190	449,013,689	1,233,446	450,247,135
Total comprehensive income		-	-	-	35,580	(71,481)	(319,947)	(328,946)	4,957,129	436	-	-	6,922,455	11,195,226	126,889	11,322,115
Transfer to retained earnings		-	-	-	(252,771)	-	-	-	-	-	-	-	252,771	-	-	-
Others		-	-	-	-	-	-	-	-	-	-	-	-	-	133,104	133,104
Balance as at March 31, 2021		<u>19,088,429</u>	<u>56,346,232</u>	<u>23,074,253</u>	<u>9,745,334</u>	<u>26,963,611</u>	<u>244,903</u>	<u>(1,758,124)</u>	<u>(6,997,190)</u>	<u>4,051</u>	<u>25,000,000</u>	<u>111,500,000</u>	<u>196,997,416</u>	<u>460,208,915</u>	<u>1,493,439</u>	<u>461,702,354</u>

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

Note	THE BANK											Total
	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves						Retained Earnings		Unappropriated	
			Land Appraisal Surplus	Premises Appraisal Surplus	Revaluation Surplus on Investments	Cash flow Hedge Reserve	Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Appropriated			
									Legal Reserve	Others		
Balance as at January 1, 2020	19,088,429	56,346,232	16,759,866	5,574,824	28,913,728	356,384	(2,196,285)	(9,987,545)	24,000,000	106,500,000	175,421,823	420,777,456
Appropriation for previous year												
Dividend paid	6.8	-	-	-	-	-	-	-	-	-	(9,544,214)	(9,544,214)
Legal reserve	6.8	-	-	-	-	-	-	-	500,000	-	(500,000)	-
Total comprehensive income		-	-	-	(18,280,949)	(70,898)	1,609,887	2,349,648	-	-	7,195,398	(7,196,914)
Transfer to retained earnings		-	-	(233,806)	(7,264)	-	-	-	-	-	241,070	-
Balance as at March 31, 2020	<u>19,088,429</u>	<u>56,346,232</u>	<u>16,759,866</u>	<u>5,341,018</u>	<u>10,625,515</u>	<u>285,486</u>	<u>(586,398)</u>	<u>(7,637,897)</u>	<u>24,500,000</u>	<u>106,500,000</u>	<u>172,814,077</u>	<u>404,036,328</u>
Balance as at January 1, 2021	19,088,429	56,346,232	22,804,480	9,740,769	26,485,473	564,850	(1,429,178)	(5,316,520)	25,000,000	111,500,000	174,699,070	439,483,605
Total comprehensive income		-	-	-	211,141	(319,947)	(328,946)	2,564,324	-	-	5,288,384	7,414,956
Transfer to retained earnings		-	-	(245,790)	-	-	-	-	-	-	245,790	-
Balance as at March 31, 2021	<u>19,088,429</u>	<u>56,346,232</u>	<u>22,804,480</u>	<u>9,494,979</u>	<u>26,696,614</u>	<u>244,903</u>	<u>(1,758,124)</u>	<u>(2,752,196)</u>	<u>25,000,000</u>	<u>111,500,000</u>	<u>180,233,244</u>	<u>446,898,561</u>

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chatsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

	Note	CONSOLIDATED		THE BANK	
		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit from operating before income tax expenses		8,785,836	9,929,922	6,608,546	9,232,122
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities					
Depreciation and amortization expenses		1,498,909	1,198,255	1,112,989	1,104,447
Expected credit loss		6,326,525	5,087,268	5,000,382	4,952,846
Loss on foreign exchange of long-term borrowings		5,807,178	11,379,482	5,807,178	11,379,482
Amortization of premium on investment in debt securities		409,164	101,152	391,570	108,457
Unrealized losses on financial instruments measured at fair value through profit or loss		987,867	6,945,306	766,375	6,949,969
Gains on financial instruments measured at fair value through other comprehensive income		(840,998)	(1,150,518)	(840,998)	(1,150,509)
Share of profit from investment using equity method		(32,596)	(12,127)	-	-
Loss on impairment of properties for sale		341,382	68,021	36,620	68,021
Gain on disposal of premises and equipment		(2,983)	(2,189)	(1,594)	(2,262)
Reversal of loss on impairment of other assets		(66,472)	(12,449)	(67,717)	(11,912)
Provision expenses (reversal)		117,223	(7,657)	104,940	(15,951)
Net interest income		(19,707,328)	(19,819,802)	(14,897,183)	(19,173,778)
Dividend income		(525,391)	(485,967)	(490,590)	(485,967)
Proceeds from interest income		27,455,233	26,407,476	19,027,090	25,441,431
Interest expenses paid		(10,710,396)	(11,889,655)	(8,253,394)	(11,713,709)
Proceeds from dividend income		144,734	129,905	109,933	129,905
Income tax paid		(455,763)	(514,691)	(391,769)	(428,749)
Increase in other accrued receivables		(353,990)	(120,703)	(344,207)	(136,636)
Increase (decrease) in other accrued expenses		1,819,347	(2,008,825)	(555,678)	(1,555,667)
Profit from operating before changes in operating assets and liabilities		20,997,481	25,222,204	13,122,493	24,691,540
(Increase) decrease in operating assets					
Interbank and money market items		(237,700,540)	(32,322,847)	(235,529,266)	(36,069,617)
Financial assets measured at fair value through profit or loss		(5,890,161)	(25,456,877)	(4,783,827)	(26,608,976)
Loans to customers		(2,981,309)	(64,018,453)	5,271,482	(64,198,586)
Properties for sale		33,554	181,669	120,002	175,251
Other assets		21,330,575	(18,260,698)	23,932,455	(14,793,868)

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(Unaudited)

Baht : '000

		CONSOLIDATED		THE BANK	
	Note	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Increase (decrease) in operating liabilities					
Deposits		89,430,390	143,538,780	35,583,905	144,407,400
Interbank and money market items		29,925,005	(25,751,390)	78,556,086	(22,342,577)
Liability payable on demand		(201,954)	(960,161)	(95,503)	(931,151)
Short-term borrowings		(1,950,333)	(153,634)	-	(1,250)
Other liabilities		(2,349,448)	46,108,660	(11,897,011)	35,410,501
Net cash from operating activities		<u>(89,356,740)</u>	<u>48,127,253</u>	<u>(95,719,184)</u>	<u>39,738,667</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities measured at fair value					
through other comprehensive income		(155,298,504)	(105,289,213)	(140,429,239)	(100,505,349)
Proceeds from disposal of investment securities					
measured at FVOCI		237,007,335	85,079,510	226,336,440	84,158,985
Purchase of investment securities measured at amortized cost					
		(17,806,950)	(29,536,780)	(201,595)	(419,538)
Proceeds from redemption of investment securities					
measured at amortized cost		13,104,669	26,354,431	692,669	1,758,625
Purchase of premises and equipment		(485,996)	(292,769)	(219,738)	(280,266)
Proceeds from disposal of premises and equipment		47,789	9,932	2,694	2,268
Net cash from investing activities		<u>76,568,343</u>	<u>(23,674,889)</u>	<u>86,181,231</u>	<u>(15,285,275)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in long-term borrowings	6.1	2,770,196	5,579	(43,344)	5,579
Cash paid for lease liabilities		(149,190)	(306,526)	(110,191)	(268,292)
Dividend paid		-	(9,544,214)	-	(9,544,214)
Net cash from financing activities		<u>2,621,006</u>	<u>(9,845,161)</u>	<u>(153,535)</u>	<u>(9,806,927)</u>
Effect on cash due to changes in the exchange rates		41,692	97,525	32,380	95,296
Net increase (decrease) in cash		<u>(10,125,699)</u>	<u>14,704,728</u>	<u>(9,659,108)</u>	<u>14,741,761</u>
Cash as at January 1,		<u>73,886,309</u>	<u>58,090,112</u>	<u>70,013,515</u>	<u>58,012,561</u>
Cash as at March 31,		<u><u>63,760,610</u></u>	<u><u>72,794,840</u></u>	<u><u>60,354,407</u></u>	<u><u>72,754,322</u></u>

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(UNAUDITED)

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BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
(UNAUDITED)

1. GENERAL INFORMATION AND REGULATORY REQUIREMENTS

Bangkok Bank Public Company Limited is a public company limited registered in the Kingdom of Thailand and registered in the Stock Exchange of Thailand with its head office located at 333 Silom Road, Bangrak, Bangkok. The Bank's main business is commercial banking and the Bank conducts its businesses through a network of branches covering all parts of Thailand and some major parts of the world.

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand ("BOT"). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measurements of the Bank's assets, liabilities and certain off-balance sheet items calculated in accordance with regulatory requirements. The Bank's capital amounts and classification are also subject to qualitative judgment by the BOT about components, risk weightings and other factors. The Bank believes that as at March 31, 2021 and December 31, 2020, the Bank complied with all capital adequacy requirements. However, these capital and regulatory requirements are subject to change by the BOT.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS

2.1 The consolidated and the Bank's statutory financial statements are in the Thai language and prepared in accordance with Thai Financial Reporting Standards, Accounting Treatment Guidance promulgated by the Federation of Accounting Professions ("TFAC"), accounting practices generally accepted in Thailand including the Regulations of The Securities and Exchange Commission, The Stock Exchange of Thailand and relevant BOT's Notifications.

The consolidated and the Bank's interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 regarding Interim Financial Reporting; and relevant official regulations, and presented in accordance with the BOT's Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups dated October 31, 2018, which is required to apply to the financial statements beginning on or after January 1, 2020 onwards.

Certain financial information which is normally included in financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted.

The aforementioned interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2020.

The consolidated and the Bank's statements of financial position as at December 31, 2020, presented herein for comparison, had been derived from the consolidated and the Bank's financial statements for the year then ended which had been audited.

The results of operations for the three-month period ended March 31, 2021 are not necessarily indicative of the operating results anticipated for the full year.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards also requires the Bank to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. The actual results may differ from those estimates.

2.2 New or Revised Thai Financial Reporting Standards

2.2.1 The Bank and subsidiaries have adopted the new or revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations, issued by the TFAC and announced in the Royal Gazette, applying for the financial statements of the periods beginning on or after January 1, 2021 onwards, with no material impact on the Bank and subsidiaries' financial statements.

2.2.2 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has announced the revision of Thai Financial Reporting Standard No. 16 regarding Leases (TFRS 16) by adding the requirements for the temporary exception arising from interest rate benchmark reform to reflect the interest rate benchmark reform directly to lease contracts, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The above amendment does not have a significant impact to the Bank and subsidiaries' financial statements.

2.3 The consolidated interim financial statements for the three-month periods ended March 31, 2021 and 2020, and the consolidated statement of financial position as at December 31, 2020, included the accounts of the head office and all branches of the Bank and its subsidiaries, by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries, and included equity interest in associates. The subsidiaries consist of BBL (Cayman) Limited, Bangkok Bank Berhad, Sinnsuptawee Asset Management

Company Limited, BBL Asset Management Company Limited, Bualuang Securities Public Company Limited, Bangkok Bank (China) Company Limited, Bualuang Ventures Limited, PT Bank Permata Tbk that the Bank acquired on May 20, 2020 to be the subsidiary company and BSL Leasing Company Limited was changed from an associate to be a subsidiary on September 17, 2020.

In addition, the consolidated interim financial statements for the three-month periods ended March 31, 2021 and 2020 and the consolidated statement of financial position as at December 31, 2020, also included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad, Bangkok Capital Asset Management Company Limited, the 100.00% owned subsidiary of Bualuang Securities Public Company Limited and PT Sahabat Finansial Keluarga, the 99.99% owned subsidiary of PT Bank Permata Tbk.

All subsidiaries of the Bank were incorporated in the Kingdom of Thailand except for BBL (Cayman) Limited which was incorporated in the Cayman Islands British West Indies, Bangkok Bank Berhad which was incorporated in Malaysia, Bangkok Bank (China) Company Limited which was incorporated in the People's Republic of China and PT Bank Permata Tbk which was incorporated in Indonesia. For associates, all were incorporated in the Kingdom of Thailand.

- 2.4 The Bank's interim financial statements for the three-month periods ended March 31, 2021 and 2020, and the Bank's statement of financial position as at December 31, 2020 included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates were accounted for using the cost method, net of valuation allowance for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

The Bank applies accounting policies and calculation methods to the interim financial statements consistent with those used in the financial statements for the year ended December 31, 2020. This includes the application of the new or revised Thai financial reporting standards as mentioned in Note 2.2.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or in the absence, the most advantageous market, where is accessible to by the Bank. The fair value of instruments that are quoted in active markets is determined using the quoted prices. A market is regarded as active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market is not active, or an asset or a liability is not traded in an active market, the Bank uses valuation techniques to determine fair value by using the assumptions that market participants would use when pricing the asset or liability. Where applicable, a valuation adjustment is applied to arrive at the fair value.

The following table shows an analysis of financial assets and financial liabilities by level of the fair value hierarchy as at March 31, 2021 and December 31, 2020.

	Million Baht							
	CONSOLIDATED							
	March 31, 2021			Total	December 31, 2020			Total
Level 1	Level 2	Level 3	Level 1		Level 2	Level 3		
Items measured at fair value :								
Financial assets								
Financial assets measured at fair value through								
profit or loss	7,261	6,722	50,677	64,660	3,244	8,951	45,741	57,936
Derivatives assets	517	46,807	22	47,346	448	65,361	22	65,831
Investments, net	140,016	497,482	5,737	643,235	123,211	624,497	6,122	753,830
Financial liabilities								
Financial liabilities measured at fair value through								
profit or loss	191	19,312	-	19,503	200	19,057	-	19,257
Derivatives liabilities	137	45,422	-	45,559	103	55,326	-	55,429

	Million Baht							
	THE BANK							
	March 31, 2021			Total	December 31, 2020			Total
Level 1	Level 2	Level 3	Level 1		Level 2	Level 3		
Items measured at fair value :								
Financial assets								
Financial assets measured at fair value through								
profit or loss	736	4,301	70,520	75,557	1,441	2,939	64,979	69,359
Derivatives assets	456	46,122	22	46,600	444	63,892	22	64,358
Investments, net	93,449	476,127	5,667	575,243	87,758	569,017	5,993	662,768
Financial liabilities								
Financial liabilities measured at fair value through								
profit or loss	-	19,312	-	19,312	-	19,057	-	19,057
Derivatives liabilities	-	44,770	-	44,770	-	54,455	-	54,455

Fair values are 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

The following methods and assumptions were used by the Bank in estimating the fair value of financial instruments measured at fair value.

The fair value of derivatives is derived from market price or valuation techniques which are based on the market prices of instruments with similar characteristics and maturities or the valuation quoted by a reliable institution.

The fair value determination of investments in debt securities

- For domestic debt securities listed in the Thai Bond Market Association, the fair value is determined by using the market yield of debt securities published by the Thai Bond Market Association. For such debt securities that are not listed in the Thai Bond Market Association, the average bid yield from three reliable financial institutions will be used.
- For foreign debt securities, the value quoted by reliable international financial institutions will be used.

The fair value determination of investments in equity securities

- For marketable equity securities with readily determinable market values, the fair value is determined by the last bid price on The Stock Exchange of Thailand on the last business day of the reporting date. If the last bid price is not available, the last closing price will be used.
- Investment in unit trusts are stated at fair value based on redemption value at the reporting date.

When using valuation techniques, the valuation adjustments are adopted, when the Bank considers that there are additional factors that would be considered by a market participant but are not incorporated within the valuation measurements. The considering factors are such as bid-offer spread, counterparty credit and liquidity, etc.

5. CAPITAL FUND

It is the Bank's policy to maintain an adequate level of capital to support growth strategies under an acceptable risk framework taking into consideration regulatory requirements and market expectations. The Bank regularly assesses its capital adequacy under various scenarios in order to anticipate capital requirements for the purpose of its capital planning and management process.

The guideline on capital fund based on the Basel III guidelines of the BOT requires the Bank to maintain a capital conservation buffer in addition to minimum capital adequacy ratios which sets out to phasing in additional capital ratio of more than 0.625 percent p.a. starting January 1, 2016 until completion of the increment to more than 2.50 percent on January 1, 2019. In September 2017, the BOT has announced the guideline to identify and regulate Domestic Systemically Important Banks (D-SIBs). The BOT requires the Bank, classified as D-SIBs, must have additional capital requirement for Higher Loss Absorbency (HLA) requirement by increasing the Common Equity Tier 1 ratio at 1 percent, beginning at 0.5 percent from January 1, 2019 and increasing to be 1 percent from January 1, 2020 onwards. The minimum capital adequacy and a capital conservation buffer ratios to risk-weighted assets is as follows :

Capital Fund Ratio	Percentage	
	March 31, 2021	December 31, 2020
Common Equity Tier 1 ratio	More than 8.0	More than 8.0
Tier 1 capital ratio	More than 9.5	More than 9.5
Total capital fund ratio	More than 12.0	More than 12.0

Moreover, the BOT may require to maintain additional capital for countercyclical buffer at maximum of 2.50 percent.

As at March 31, 2021 and December 31, 2020, the Bank maintained capital adequacy ratios to risk assets and capital fund in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

	CONSOLIDATED		THE BANK	
	Percentage		Percentage	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Common Equity Tier 1 capital to risk assets ratio	15.06	14.89	16.63	16.33
Tier 1 capital to risk assets ratio	15.93	15.76	17.57	17.28
Total capital to risk assets ratio	18.43	18.34	20.27	20.10

	CONSOLIDATED		THE BANK	
	Million Baht		Million Baht	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Tier 1 capital	434,679	431,381	439,323	428,010
Common Equity Tier 1 capital	410,911	407,621	415,731	404,418
Paid-up share capital	19,088	19,088	19,088	19,088
Premium on share capital	56,346	56,346	56,346	56,346
Legal reserve	25,000	25,000	25,000	25,000
Reserves appropriated from net profit	111,500	111,500	111,500	111,500
Net profit after appropriation	185,859	185,859	170,314	170,314
Other comprehensive income	51,707	47,386	55,396	53,184
Deductions from Common Equity				
Tier 1 capital	(38,589)	(37,558)	(21,913)	(31,014)
Additional Tier 1 capital	23,768	23,760	23,592	23,592
Tier 2 capital	68,097	70,686	67,364	69,839
Total capital fund	502,776	502,067	506,687	497,849

As at March 31, 2021 and December 31, 2020, the Bank has no capital add-on arising from Single Lending Limit.

Disclosure of capital maintenance information of the Bank and the Financial Holding Group under the BOT's Notification regarding the disclosure of the capital requirement of commercial banks, regarding the disclosure of the capital requirement of the Financial Holding Group and regarding liquidity coverage ratio disclosure standards.

Location of disclosure www.bangkokbank.com/Investor Relations/Financial Information/Basel III - Pillar 3

Date of disclosure April 30, 2021

Information as of December 31, 2020

6. ADDITIONAL INFORMATION

6.1 Supplementary disclosures of cash flow information

Significant non-cash items for the three-month periods ended March 31, 2021 and 2020 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Unrealized gains on investments in				
shareholders' equity increase (decrease)	(71)	(18,855)	211	(18,281)
Properties for sale increased from loans				
payment/inactive assets	184	390	184	390
Unrealized increment per premises				
appraisal transferred to retained earnings	253	235	246	234
Changes in non-cash items of debt issued and				
borrowings				
Loss on foreign exchange	(5,807)	(11,379)	(5,807)	(11,379)
Amortization on discount	6	8	6	8

6.2 Financial assets measured at fair value through profit or loss

6.2.1 Trading financial assets as at March 31, 2021 and December 31, 2020 consisted of the following :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Fair Value	Fair Value	Fair Value	Fair Value
Interbank and money market items	-	6	-	6
Thai government and state enterprise				
securities	3,599	1,718	3,250	1,718
Private enterprise debt securities	-	249	-	249
Foreign debt securities	3,853	3,953	-	-
Domestic marketable equity securities	2,672	1,804	-	-
Others	113	109	-	-
Total	<u>10,237</u>	<u>7,839</u>	<u>3,250</u>	<u>1,973</u>

6.2.2 Others as at March 31, 2021 and December 31, 2020 consisted of the following :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Fair Value	Fair Value	Fair Value	Fair Value
Investment in debt securities	42,188	38,856	61,829	57,523
Investment in equity securities	<u>12,235</u>	<u>11,241</u>	<u>10,478</u>	<u>9,863</u>
Total	<u><u>54,423</u></u>	<u><u>50,097</u></u>	<u><u>72,307</u></u>	<u><u>67,386</u></u>
Financial assets measured at fair value through profit or loss				
	<u><u>64,660</u></u>	<u><u>57,936</u></u>	<u><u>75,557</u></u>	<u><u>69,359</u></u>

6.3 Investments, net

6.3.1 Investments as at March 31, 2021 and December 31, 2020 consisted of the following :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost
Debt investment securities - measured at amortized cost				
Thai government and state enterprise securities	24,448	26,443	6,537	7,030
Foreign debt securities	<u>13,103</u>	<u>12,448</u>	<u>671</u>	<u>651</u>
Total	37,551	38,891	7,208	7,681
Less Allowance for expected credit loss	<u>(2)</u>	<u>(7)</u>	<u>(2)</u>	<u>(4)</u>
Total	<u><u>37,549</u></u>	<u><u>38,884</u></u>	<u><u>7,206</u></u>	<u><u>7,677</u></u>

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Fair Value	Fair Value	Fair Value	Fair Value
Debt investment securities - measured at FVOCI				
Thai government and state enterprise securities	375,795	458,728	375,795	458,728
Private enterprise debt securities	23,820	31,676	23,820	31,676
Foreign debt securities	148,461	141,594	82,884	87,060
Others	<u>7,100</u>	<u>7,440</u>	<u>7,100</u>	<u>7,440</u>
Total	<u><u>555,176</u></u>	<u><u>639,438</u></u>	<u><u>489,599</u></u>	<u><u>584,904</u></u>
Allowance for expected credit loss	<u><u>2,970</u></u>	<u><u>2,888</u></u>	<u><u>2,964</u></u>	<u><u>2,837</u></u>

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Fair Value	Fair Value	Fair Value	Fair Value
Equity investment securities - designated at FVOCI				
Domestic marketable equity securities	59,217	51,677	56,969	49,546
Foreign marketable equity securities	21,442	20,649	21,442	20,649
Others	<u>7,400</u>	<u>7,834</u>	<u>7,233</u>	<u>7,669</u>
Total	<u><u>88,059</u></u>	<u><u>80,160</u></u>	<u><u>85,644</u></u>	<u><u>77,864</u></u>
Investments, net	<u><u>680,784</u></u>	<u><u>758,482</u></u>	<u><u>582,449</u></u>	<u><u>670,445</u></u>

For the three-month periods ended March 31, 2021 and 2020, the Bank received dividends from equity investment securities designated at FVOCI that the Bank maintains. For the consolidated amounting to Baht 525 million and Baht 486 million and the Bank's financial statements amounting to Baht 491 million and Baht 486 million, respectively.

The Bank had investments in companies whose prospects as a going concern are uncertain, comprising of companies listed in the SET that fall under the SET delisting criteria and non-listed companies that their financial performance and financial position fall under the SET delisting criteria. As at March 31, 2021, there were 35 companies with investment cost of Baht 808 million and fair value of Baht 82 million. As at December 31, 2020, there were 33 companies with investment cost of Baht 257 million and fair value of Baht 1 million.

On December 30, 2004, the Bank entered into a transaction to transfer certain investments classified as available-for-sale securities received from debt restructuring to Sinnsuptawee Asset Management Co., Ltd., a subsidiary of the Bank, at the closing price on December 28, 2004 quoted on The Stock Exchange of Thailand in the amount of Baht 3,323 million. The proceeds from the aforementioned transfer were recorded as other liabilities and the related securities were recorded as securities transferred to subsidiary under available-for-sale securities in accordance with accounting treatment guidance for Transfer and Transferred Financial Assets. As at March 31, 2021 and December 31, 2020, the Bank had outstanding balances of other liabilities from such transaction amounting to Baht 328 million.

6.3.2 As at March 31, 2021 and December 31, 2020, the Bank and subsidiaries had investments in other companies of 10% and upwards of the paid-up capital of the respective companies but which are not considered to be investments in subsidiaries and associates. The classification is as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Fair Value	Fair Value	Fair Value	Fair Value
Manufacturing and commercial	1	1	1	1
Real estate and construction	939	939	939	939
Utilities and services	21	21	21	21
Others	<u>2,141</u>	<u>2,327</u>	<u>2,141</u>	<u>2,327</u>
Total	<u>3,102</u>	<u>3,288</u>	<u>3,102</u>	<u>3,288</u>

6.4 Investments in subsidiaries and associates, net

As at March 31, 2021 and December 31, 2020, the Bank had investments in subsidiaries and associates, net as follows :

Company	Type of Business	Type of Shares	CONSOLIDATED					
			Direct and Indirect Shareholding (%)		Investment (Cost Method)		Investment (Equity Method)	
			March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Associates								
Thai Payment Network Co., Ltd.*	Service	Common share	69.08	69.08	362	362	16	26
Processing Center Co., Ltd.	Service	Common share	30.00	30.00	15	15	471	457
BCI (Thailand) Co., Ltd.	Service	Common share	22.17	22.17	118	118	92	95
National ITMX Co., Ltd.	Service	Common share	14.26	14.26	<u>13</u>	<u>13</u>	<u>366</u>	<u>333</u>
Total					508	508	945	911
<u>Less</u> Allowance for impairment					<u>(2)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Investments in associates, net					<u>506</u>	<u>506</u>	<u>945</u>	<u>911</u>

* The Bank has only significantly influenced but not control.

							Million Baht	
Company	Type of Business	Type of Shares	THE BANK					
			Direct and Indirect Shareholding (%)		Investment (Cost Method)			
			March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020		
Subsidiaries								
BBL (Cayman) Limited	Finance	Common share	100.00	100.00	2	2		
Bangkok Bank Berhad	Banking	Common share	100.00	100.00	9,261	9,261		
Sinnsuptawee Asset Management Co., Ltd.	Asset Management	Common share	100.00	100.00	2,500	2,500		
Bangkok Bank (China) Co., Ltd.	Banking	Common share	100.00	100.00	19,585	19,585		
Bualuang Ventures Limited	Venture Capital	Common share	100.00	100.00	1,500	1,500		
	Company							
PT Bank Permata Tbk	Banking	Common share	98.71	98.71	105,010	105,010		
Bualuang Securities PCL.	Securities	Common share	99.91	99.91	4,772	4,772		
BSL Leasing Co., Ltd.	Finance	Common share	90.00	90.00	1,365	1,365		
BBL Asset Management Co., Ltd.	Finance	Common share	75.00	75.00	183	183		
Associates								
Thai Payment Network Co., Ltd.*	Service	Common share	69.08	69.08	362	362		
Processing Center Co., Ltd.	Service	Common share	30.00	30.00	15	15		
BCI (Thailand) Co., Ltd.	Service	Common share	22.17	22.17	118	118		
National ITMX Co., Ltd.	Service	Common share	14.26	14.26	13	13		
Total					144,686	144,686		
<u>Less</u> Allowance for impairment					(97)	(97)		
Investments in subsidiaries and associates, net					<u>144,589</u>	<u>144,589</u>		

The Acquisition of PT Bank Permata Tbk

On May 20, 2020, the Bank acquired PT Bank Permata Tbk ("Permata") from Standard Chartered Bank ("Standard Chartered") and PT Astra International Tbk ("Astra") representing 89.12% of the total issued and paid-up shares in Permata ("Transaction") at price of IDR 1,346.97 per share (approximately THB 2.95 or USD 0.09 per share). The transaction value for the acquisition of 89.12% of the total shares in Permata is IDR 33,662,797 million (approximately Baht 73,722 million or USD 2,282 million).

In accordance with applicable laws and regulations of Indonesia, the Bank is then required to conduct a mandatory tender offer ("MTO") for the remaining shares in Permata (representing approximately 10.88% of the total issued and paid-up shares in Permata held by minority shareholders). On October 7, 2020, the Bank has completed MTO with total payment of 2,970,419,446 shares in Permata, representing 10.59% of the total issued and paid-up shares in Permata. The MTO is determined "a linked transaction" which is accounted for as a single business combination as if all ownership interests were acquired at the acquisition date. Since the Bank has completed MTO then the adjustment is made to reflect the actual percentage acquired.

* The Bank has only significantly influenced but not control.

In addition, according to applicable laws and regulations of Indonesia a commercial bank in Indonesia with shares listed on the Indonesia Stock Exchange must have at least 1% shares held by an Indonesian citizen and/or legal entity. Thus on October 6, 2020, the Bank has sold 280,427,394 shares in Permata, representing 1% of total issued and paid-up shares in Permata to an Indonesian entity.

Therefore, as at March 31, 2021 and December 31, 2020, the Bank owns 27,681,421,384 shares in Permata, representing 98.71% of total issued and paid-up shares in Permata.

In March 2021, the fair value measurement of Net Asset Value related to a business combination has been completed. The previous provisioned amount including goodwill was adjusted as follows :

	Million Baht Fair Value
Assets	
Cash	4,640
Interbank and money market items, net	69,227
Financial assets measured at fair value through profit and loss	1,617
Derivatives assets	1,020
Investment, net	43,733
Loans to customers and accrued interest receivables, net	227,260
Properties for sale, net	799
Premises and equipment, net	6,205
Others	21,252
Total Assets	375,753
Liabilities	
Deposits	299,893
Interbank and money market items	4,348
Liability payable on demand	733
Derivatives liabilities	403
Debt issued and borrowings	3,469
Others	5,125
Total Liabilities	313,971
Net identifiable assets acquired and the liabilities assumed	61,782
<u>Less</u> Non-controlling interests	(796)
<u>Add</u> Goodwill	20,595
Net cash payment	81,581

In this regard, Otoritas Jasa Keuangan - OJK has approved to have the Bank's branches in Indonesia to be integrated into Permata according to the Bank's business plan. On December 21, 2020, the Bank's branches in Indonesia transfer the assets and liabilities of the branches according to regulations of Indonesia including the part that can be counted as capital to Permata, as a result that Permata's assets, liabilities and capital are increased.

The additional investments in BSL Leasing Co., Ltd.

On September 17, 2020 the Bank additionally purchased the issued 541,249 common shares representing 54.12% shareholding in BSL Leasing Co., Ltd. at the amount of Baht 1,165 million. This results in an increase of the Bank's shareholding to be 90% and BSL Leasing Co.,Ltd. is changed from an associate to be a subsidiary. The net identifiable assets acquired and liabilities assumed and non-controlling interests are recognized in the consolidated financial statement as of acquisition date amounting to Baht 2,152 million and Baht 215 million, respectively.

The aggregated financial information of associates that are not individually material is as follows :

	Million Baht	
	FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020
Net profit	245	242
Total comprehensive income	245	242

6.5 Loans to customers and accrued interest receivables, net

6.5.1 Classified by product type as at March 31, 2021 and December 31, 2020 as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Overdrafts	104,296	105,064	84,838	85,394
Loans	1,893,164	1,869,431	1,609,158	1,592,004
Bills	362,467	384,482	353,458	375,349
Hire purchase receivable	3,914	4,000	-	-
Finance lease receivable	947	1,013	-	-
Others	<u>4,488</u>	<u>4,248</u>	<u>1,894</u>	<u>1,866</u>
Loans to customers	2,369,276	2,368,238	2,049,348	2,054,613
<u>Add</u> Accrued interest receivables and undue interest receivables	<u>6,869</u>	<u>6,431</u>	<u>5,674</u>	<u>5,126</u>
Loans to customers and accrued interest receivables	2,376,145	2,374,669	2,055,022	2,059,739
<u>Less</u> Allowance for expected credit loss	<u>(194,490)</u>	<u>(185,567)</u>	<u>(170,744)</u>	<u>(163,534)</u>
Total loans to customers and accrued interest receivables, net	<u>2,181,655</u>	<u>2,189,102</u>	<u>1,884,278</u>	<u>1,896,205</u>

6.5.2 Classified by business type as at March 31, 2021 and December 31, 2020 as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Agriculture and mining	77,577	78,175	53,295	52,766
Manufacturing and commercial	805,112	791,828	674,557	663,820
Real estate and construction	204,797	211,510	168,345	178,453
Utilities and services	558,694	539,151	514,395	495,571
Housing loans	304,299	302,142	260,023	259,977
Others	<u>418,797</u>	<u>445,432</u>	<u>378,733</u>	<u>404,026</u>
Total	<u>2,369,276</u>	<u>2,368,238</u>	<u>2,049,348</u>	<u>2,054,613</u>

6.5.3 Classified as at March 31, 2021 and December 31, 2020 as follows :

	Million Baht			
	Loans and Interbank and Money Market items			
	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Performing and Under-performing	3,019,462	2,781,073	2,564,884	2,337,689
Non-performing	<u>108,470</u>	<u>104,401</u>	<u>95,048</u>	<u>91,978</u>
Total	<u>3,127,932</u>	<u>2,885,474</u>	<u>2,659,932</u>	<u>2,429,667</u>

The consolidated and the Bank's financial statements as at March 31, 2021, impaired loans with restructured loans amounted to Baht 51,070 million and Baht 44,662 million, respectively.

The consolidated and the Bank's financial statements as at December 31, 2020, impaired loans with restructured loans amounted to Baht 48,254 million and Baht 43,074 million, respectively.

6.5.4 As at March 31, 2021 and December 31, 2020, the Bank and subsidiaries had non-performing loans (NPLs), including interbank and money market items but excluding accrued interest receivable, as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Million Baht			
NPLs before allowance for expected credit loss	108,470	104,401	95,048	91,978
NPLs as percentage of total loans	3.70	3.91	3.74	4.00
Net NPLs after allowance for expected credit loss	33,024	34,560	29,322	31,173
Net NPLs as percentage of net total loans	1.21	1.39	1.24	1.46

6.6 Financial liabilities measured at fair value through profit or loss

As at March 31, 2021, the Bank had financial liabilities measured at fair value through profit or loss. It is a financial liability that is determined to be measured at fair value through profit or loss amounting to Baht 19,312 million. The cumulative effect of changes in fair value resulting from changes in credit risk recognized in other comprehensive income of amounting to Baht 2,197 million, and the difference between the book value and the contract value that must be paid when due amounting to Baht 5,212 million.

As at December 31, 2020, the Bank had financial liabilities measured at fair value through profit or loss. It is a financial liability that is determined to be measured at fair value through profit or loss amounting to Baht 19,057 million. The cumulative effect of changes in fair value resulting from changes in credit risk recognized in other comprehensive income of amounting to Baht 1,786 million, and the difference between the book value and the contract value that must be paid when due amounting to Baht 5,544 million.

As at March 31, 2021 and December 31, 2020, the subsidiary had financial liabilities measured at fair value through profit or loss is a trading financial liability of amounting to Baht 191 million and Baht 200 million, respectively.

6.7 Share capital

The Bank's share capital consists of :

- Common shares
- Class A and Class B preferred shares, the holders of which have rights according to Article 3 of the Bank's Articles of Association.

As at March 31, 2021 and December 31, 2020, the Bank had registered share capital of Baht 40,000,000,000 divided into common shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

Type	Number of Registered Shares	
	March 31, 2021	December 31, 2020
Common shares	3,998,345,000	3,998,345,000
Class A preferred shares	655,000	655,000
Class B preferred shares	1,000,000	1,000,000
Total	<u>4,000,000,000</u>	<u>4,000,000,000</u>

As at March 31, 2021 and December 31, 2020, the Bank had 1,908,842,894 issued common shares and 2,039,502,106 unissued common shares and 655,000 Class A unissued preferred shares and 1,000,000 Class B unissued preferred shares. In relation to the allocation of the unissued common shares, the Bank will follow the resolutions of the 12th ordinary shareholders' meeting convened on April 12, 2005, as per the following details :

1. Allocation of 1,339,502,106 common shares as follows :
 - 1.1) Allocation of 459,502,106 common shares for offer and sale to the general public, including the existing shareholders and the beneficial owners of the shares held by custodian or by any other similar arrangements.
 - 1.2) Allocation of 440,000,000 common shares for offer and sale to institutional investors or investors with specific characteristics prescribed in the Notification of the Securities and Exchange Commission.
 - 1.3) Allocation of 440,000,000 common shares for offer and sale to the existing shareholders and the beneficial owners of the common shares in proportion to their shareholdings.
2. Allocation of 50,000,000 common shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds issued by the Bank and offered for sale in 1999 as part of the Capital Augmented Preferred Securities (CAPS).

3. Allocation of 500,000,000 common shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds and/or convertible bonds that may further be issued in the future by the Bank.
4. Allocation of 200,000,000 common shares to be reserved for the exercise of right to purchase common shares by holders of warrants that may further be issued in the future by the Bank.
5. Allocation of 655,000 Class A preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds.
6. Allocation of 1,000,000 Class B preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds and/or unsubordinated bonds and/or subordinated convertible bonds and/or convertible bonds.

The offer and sale of the Bank's securities shall comply with the regulations prescribed by the Securities and Exchange Commission.

6.8 The appropriation of the profit and the dividend payments

On February 23, 2020, the Meeting of Board of Director approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2019 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2019 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2019), and the amount to be appropriated for the period of July - December 2019 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 7.00 per common share, totaling Baht 13,266 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,722 million on September 20, 2019, and the remaining amount was paid on April 30, 2020 at the rate of Baht 5.00 per share amounting to Baht 9,544 million.

According to the BOT's letter BOT. SorNorSor. (23) Wor. 395/2563 dated March 31, 2020 regarding the waiver of compliance with the rules of the Bank of Thailand during the COVID-19 situation, it has allowed banks to bring profits that passed the resolution of the Board of Directors' meeting to be allocated as capital funds and when the bank is able to hold annual shareholders' meetings count the capital in accordance with the resolution of the shareholders' meeting.

The Bank already paid dividend according to the above-mentioned resolution on April 30, 2020.

On August 27, 2020, the meeting of the Board of Directors of the Bank No. 9/2020 approved the resolutions regarding the appropriation of the profit of interim as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2020 amounting to Baht 500 million and Baht 5,000 million, respectively.

6.9 Assets pledged as collateral and under restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowances for impairment, as at March 31, 2021 and December 31, 2020 amounted to Baht 55,522 million and Baht 2,120 million, respectively.

6.10 Contingent liabilities

As at March 31, 2021 and December 31, 2020, the Bank and subsidiaries had contingent liabilities as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Avals to bills	6,581	6,187	6,581	6,187
Guarantees of loans	34,334	34,445	22,660	23,165
Liability under unmatured import bills	17,826	18,133	11,814	11,333
Letters of credit	34,966	26,775	33,656	26,049
Other commitments				
Amount of unused bank overdraft	170,383	171,843	169,594	171,053
Other guarantees	259,408	252,594	245,606	239,065
Others	201,366	208,560	192,819	204,382
Total	<u>724,864</u>	<u>718,537</u>	<u>682,730</u>	<u>681,234</u>

6.11 Litigation

As at March 31, 2021 and December 31, 2020, a number of civil proceedings have been brought against the Bank and subsidiaries in the ordinary course of business. The Bank and subsidiaries believe that such proceedings, when resolved, will not materially affect the Bank and subsidiaries's financial position and result of operations.

6.12 Related party transactions

As at March 31, 2021 and December 31, 2020, related parties of the Bank consisted of subsidiaries, associates, key management personnel that are directors, executives at the level of executive vice president and higher or equal, any parties related to key management personnel, including the entities in which key management personnel and any parties related which are controlled or significantly influenced.

The Bank and subsidiaries had significant assets, liabilities and commitments with related parties as at March 31, 2021 and December 31, 2020 as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Million Baht				
Placements				
Subsidiaries				
Bangkok Bank Berhad	-	-	1,571	909
Bangkok Bank (China) Co., Ltd.	-	-	5	4
PT Bank Permata Tbk	-	-	8	23
Total	<u>-</u>	<u>-</u>	<u>1,584</u>	<u>936</u>
Investments				
Subsidiary				
PT Bank Permata Tbk	-	-	22,161	21,246
Total	<u>-</u>	<u>-</u>	<u>22,161</u>	<u>21,246</u>
Loans				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	500	700
Other related parties	142	20	139	19
Total	<u>142</u>	<u>20</u>	<u>639</u>	<u>719</u>
Allowance for expected credit loss				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	6	8
Other related parties	2	-	2	-
Total	<u>2</u>	<u>-</u>	<u>8</u>	<u>8</u>
Other assets				
Subsidiaries				
Bangkok Bank Berhad	-	-	6	7
BBL Asset Management Co., Ltd.	-	-	382	343
Bualuang Securities PCL.	-	-	4	2
PT Bank Permata Tbk	-	-	27	32
Associates				
Processing Center Co., Ltd.	2	3	2	3
Thai Payment Network Co., Ltd.	20	17	20	17
Other related parties	5	6	-	-
Total	<u>27</u>	<u>26</u>	<u>441</u>	<u>404</u>

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Million Baht				
Deposits				
Subsidiaries				
BBL (Cayman) Limited	-	-	765	733
Bangkok Bank Berhad	-	-	188	139
Sinnsuptawee Asset Management Co., Ltd.	-	-	10	4
BBL Asset Management Co., Ltd.	-	-	849	84
Bualuang Securities PCL.	-	-	174	161
Bangkok Bank (China) Co., Ltd.	-	-	156	141
Bualuang Ventures Limited	-	-	437	412
Bangkok Capital Asset Management Co., Ltd.*	-	-	235	273
PT Bank Permata Tbk	-	-	1,101	13
BSL Leasing Co., Ltd.	-	-	36	47
Associates				
Processing Center Co., Ltd.	148	99	148	99
National ITMX Co., Ltd.	150	105	150	105
Thai Payment Network Co., Ltd.	26	32	26	32
BCI (Thailand) Co., Ltd.	47	48	47	48
Other related parties	8,625	9,100	8,625	9,100
Total	8,996	9,384	12,947	11,391
Borrowings				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	-	-	1,378	1,954
Total	-	-	1,378	1,954
Other liabilities				
Subsidiaries				
BBL (Cayman) Limited	-	-	1	-
Sinnsuptawee Asset Management Co., Ltd.	-	-	328	328
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	34	64
PT Bank Permata Tbk	-	-	9	-
Associates				
Processing Center Co., Ltd.	5	4	5	4
National ITMX Co., Ltd.	17	16	17	16
BCI (Thailand) Co., Ltd.	1	-	1	-
Other related parties	15	16	6	8
Total	38	36	402	421

* Holding by Bualuang Securities PCL.

	CONSOLIDATED		THE BANK	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Million Baht			
Commitments				
Subsidiaries				
Bangkok Bank Berhad	-	-	31	-
Bualuang Securities PCL.	-	-	3	155
Bangkok Bank (China) Co., Ltd.	-	-	1,910	2,549
BSL Leasing Co., Ltd.	-	-	-	4
Associate				
National ITMX Co., Ltd.	1	1	1	1
Other related parties	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>
Total	<u><u>5</u></u>	<u><u>4</u></u>	<u><u>1,949</u></u>	<u><u>2,712</u></u>

For the three-month period ended March 31, 2021, the Bank and subsidiaries charged interest at rates between 0.75% and 13.00% on loans to these related parties depending on the types of loans and collateral.

For the year ended December 31, 2020, the Bank and subsidiaries charged interest at rates between 0.75% and 13.00% on loans to these related parties depending on the types of loans and collateral.

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at March 31, 2021 and December 31, 2020 are shown in Note 6.4.

Significant accounting transactions between the Bank and subsidiaries, associates and other related parties were transacted under normal business practices. The prices, interest rates, commission charges, terms and conditions are determined on an arm's length basis.

The Bank and subsidiaries had significant income and expenses with related parties for the three-month periods ended March 31, 2021 and 2020 as follows :

	Million Baht			
	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	1	12
PT Bank Permata Tbk	-	-	6	-
BSL Leasing Co., Ltd.	-	-	2	-
Associate				
BSL Leasing Co., Ltd.*	-	1	-	1
Total	<u>-</u>	<u>1</u>	<u>9</u>	<u>13</u>
Fees and service income				
Subsidiaries				
Bangkok Bank Berhad	-	-	1	-
BBL Asset Management Co., Ltd.	-	-	579	521
Bualuang Securities PCL.	-	-	51	9
Associate				
Processing Center Co., Ltd.	-	2	-	2
Other related parties	30	20	-	-
Total	<u>30</u>	<u>22</u>	<u>631</u>	<u>532</u>
Other income				
Subsidiaries				
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	40	32
Associates				
National ITMX Co., Ltd.	1	1	1	1
Thai Payment Network Co., Ltd.	3	3	3	3
Total	<u>4</u>	<u>4</u>	<u>45</u>	<u>37</u>
Interest paid				
Subsidiaries				
BBL (Cayman) Limited	-	-	1	4
Bualuang Securities PCL.	-	-	-	2
Bangkok Bank (China) Co., Ltd.	-	-	2	3
Bualuang Ventures Limited	-	-	-	1
PT Bank Permata Tbk	-	-	10	-
Other related parties	6	16	6	16
Total	<u>6</u>	<u>16</u>	<u>19</u>	<u>26</u>

* On September 17, 2020, BSL Leasing Co., Ltd. is changed from an associate to be a subsidiary.

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH		FOR THE THREE-MONTH	
	PERIODS ENDED		PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Commission paid				
Subsidiary				
Bualuang Securities PCL.	-	-	1	-
Other related parties	<u>15</u>	<u>14</u>	<u>-</u>	<u>-</u>
Total	<u>15</u>	<u>14</u>	<u>1</u>	<u>-</u>
Other expenses				
Associates				
Processing Center Co., Ltd.	2	1	2	1
National ITMX Co., Ltd.	44	30	44	30
BCI (Thailand) Co., Ltd.	1	1	1	1
Other related parties	<u>21</u>	<u>35</u>	<u>18</u>	<u>33</u>
Total	<u>68</u>	<u>67</u>	<u>65</u>	<u>65</u>

6.13 Events after the reporting period

On April 12, 2021, the 28th Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2020 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2020 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2020), and the amount to be appropriated for the period of July - December 2020 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 2.50 per common share amounting to Baht 4,772 million will be paid on May 10, 2021.

6.14 Operating segments

6.14.1 Operating segments

Operating segments are reported measured on a basis that is consistent with internal reporting. Amounts for each operating segment are shown after the allocation of centralized costs and transfer pricing.

Transactions between operating segments are recorded within the segment as if they were third party transactions and are eliminated on consolidated financial statement.

The Bank is organized into segments based on products and services as follows :

Domestic Banking

Domestic Banking provides financial services in domestic. The main products and services are loans, deposits, trade finance, remittances and payments, electronic services, credit cards, debit cards and related other financial services.

International Banking

International Banking provides financial services through overseas branches and subsidiaries. The main products and services are loans, deposits, foreign exchange services, international fund transfers and payments, and export and import services.

Investment Banking

Investment Banking provides project services, corporate finance services, financial advisory services, securities business services, business strategic management by trading financial instruments including liquidity management of the Bank.

Others

Segments other than banking and investment banking business provide fund management services, securities services, assets management services and others, including operating expenses not allocated to operating segments.

The operating results of operating segments for the three-month periods ended March 31, 2021 and 2020 are as follows :

	CONSOLIDATED					Million Baht
	FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021					
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	16,923	7,311	2,648	3,992	(1)	30,873
Total operating expenses before						
expected credit loss	<u>(5,911)</u>	<u>(3,906)</u>	<u>(544)</u>	<u>(5,401)</u>	<u>1</u>	<u>(15,761)</u>
Profit from operating before expected						
credit loss and income tax expenses	<u>11,012</u>	<u>3,405</u>	<u>2,104</u>	<u>(1,409)</u>	<u>-</u>	<u>15,112</u>

	CONSOLIDATED					Million Baht
	FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2020					
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	19,571	3,492	1,101	2,231	(1)	26,394
Total operating expenses before credit losses	<u>(7,890)</u>	<u>(960)</u>	<u>(224)</u>	<u>(2,304)</u>	<u>1</u>	<u>(11,377)</u>
Profit from operating before credit losses and income tax expenses	<u>11,681</u>	<u>2,532</u>	<u>877</u>	<u>(73)</u>	<u>-</u>	<u>15,017</u>

The financial position of operating segments as at March 31, 2021 and December 31, 2020 are as follows :

	CONSOLIDATED					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total assets						
As at March 31, 2021	1,611,693	1,128,337	1,191,744	560,379	(539,344)	3,952,809
As at December 31, 2020	1,697,604	1,091,071	1,278,707	245,140	(489,562)	3,822,960

6.14.2 Geographical Segments

The operating results classified by geographical areas for the three-month periods ended March 31, 2021 and 2020 are as follows :

	CONSOLIDATED						Million Baht
	FOR THE THREE-MONTH PERIODS ENDED						
	March 31, 2021			March 31, 2020			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Total operating income	23,364	7,509	30,873	22,266	4,128	26,394	
Total operating expenses*	(16,554)	(5,533)	(22,087)	(8,428)	(8,036)	(16,464)	
Profit from operating							
before income tax expenses	6,810	1,976	8,786	13,838	(3,908)	9,930	
Income tax expenses	1,362	385	1,747	1,622	547	2,169	

The financial position classified by geographical areas as at March 31, 2021 and December 31, 2020 are as follows :

	CONSOLIDATED						Million Baht
	March 31, 2021			December 31, 2020			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Non-current assets**	80,607	19,128	99,735	80,092	17,266	97,358	
Total assets	3,227,503	725,306	3,952,809	3,055,911	767,049	3,822,960	

* Including expected credit loss.

** Consisting of premises and equipment, net, goodwill and other intangible assets, net.

6.15 Interest income

Interest income for the three-month periods ended March 31, 2021 and 2020 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Interbank and money market items	1,526	1,685	606	1,522
Investments and trading transactions	122	56	26	56
Investment in debt securities	2,588	2,472	1,731	2,292
Loans	23,273	24,369	17,648	23,674
Others	<u>3</u>	<u>43</u>	<u>3</u>	<u>43</u>
Total interest income	<u>27,512</u>	<u>28,625</u>	<u>20,014</u>	<u>27,587</u>

For the three-month period ended March 31, 2021, the Bank and subsidiaries have total interest income on financial assets that are measured at amortized cost and at FVOCI for the consolidated amounting to Baht 25,010 million and Baht 2,380 million, respectively and for the Bank's financial statement amounting to Baht 18,295 million and amounting to Baht 1,693 million, respectively.

6.16 Interest expenses

Interest expenses for the three-month periods ended March 31, 2021 and 2020 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deposits	4,548	5,596	2,121	5,237
Interbank and money market items	220	368	168	336
Contributions to the Deposit Protection Agency	1,542	1,314	1,376	1,313
Debt issued				
Bonds and subordinated notes	1,491	1,520	1,448	1,520
Others	<u>4</u>	<u>7</u>	<u>4</u>	<u>7</u>
Total interest expenses	<u>7,805</u>	<u>8,805</u>	<u>5,117</u>	<u>8,413</u>

6.17 Net fees and service income

Net fees and service income for the three-month periods ended March 31, 2021 and 2020 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Fees and service income				
Acceptances, aval and guarantees of loans	78	201	70	182
Debit card, credit card and electronic services	3,899	4,394	3,598	4,393
Others	<u>5,660</u>	<u>4,488</u>	<u>3,224</u>	<u>2,848</u>
Total fees and service income	9,637	9,083	6,892	7,423
Fees and service expenses	<u>2,303</u>	<u>2,729</u>	<u>1,947</u>	<u>2,681</u>
Net fees and service income	<u><u>7,334</u></u>	<u><u>6,354</u></u>	<u><u>4,945</u></u>	<u><u>4,742</u></u>

6.18 Expected credit loss

Expected credit loss for the three-month periods ended March 31, 2021 and 2020 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Expected credit loss				
Loans to customers and accrued interest receivables	6,802	4,396	5,551	4,292
Others (reversal)	<u>(476)</u>	<u>691</u>	<u>(551)</u>	<u>661</u>
Total expected credit loss	<u><u>6,326</u></u>	<u><u>5,087</u></u>	<u><u>5,000</u></u>	<u><u>4,953</u></u>

6.19 The Coronavirus Disease 2019 Pandemic (COVID-19)

The Coronavirus Disease 2019 Pandemic (COVID-19) is continuing to evolve, resulting in the economic slowdown and impacting most business and industries. This situation may bring uncertainties and have an impact on the environment in which the Bank operates.

In the classification, the bank adheres to Accounting Treatment Guidance on “The temporary relief measures for entities supporting their debtors who are affected from the situations that affected Thailand’s economy” by providing assistance to the debtor during January 1, 2020 to December 31, 2021 or until there are any changes from the BOT, which require the compliance with such changes. The debt classification which has no credit impairment is a class that does not have a significant increase in credit risk (Stage 1 Performing) immediately after analyzing the status and business of the debtor that the debtor is able to comply with the debt restructuring agreement. As for debt that has credit impairment but still has the potential to operate

business, the Bank can classify the debt as a class that does not have a significant increase in credit risk (Stage 1 Performing) if the debtor has made a payment under the new debt restructuring agreement for 3 consecutive months or 3 payment periods, whichever is longer.

As for the reserve, the Bank adheres to the Financial Reporting Standards No. 9 Financial instruments, which specifies the Expected Credit Loss by considering the past, present and future economic conditions under various assumptions and situations due to the transmission problem of COVID-19 being transmitted impact on the Thai economy and the broad global economy. The situation of the outbreak still cannot be controlled, causing the economic activity to have a severe slowdown especially the tourism, service and industry sectors that may lead to economic recession. Therefore, in estimating the credit losses that are expected to occur the Bank therefore considers future economic factors that reflect the effects of the pandemic of COVID-19, both in the short and long term, including considering the management's discretion to reserve more (Management Overlay) from the values obtained from the model to another level so that the bank's reserves are able to sufficiently cope with the increase in default payments of loan receivables affected by this situation.

6.20 Approval of the financial statements

On May 13, 2021, the Audit Committee and the Board of Executive Directors have authorized to issue these interim financial statements.