



Capital Requirement Disclosures

Basel III _ Pillar III

For the year ended 31 December 2022

Scope of Information Disclosure

According to the Bank of Thailand's guideline in the supervision of capital for commercial banks based on Basel III enforced at full consolidation, the Financial Group is required to maintain the minimum capital requirement corresponding to more complicated risk assessment methods for better risk measurement and embracing other relevant aspects of the Financial Group's encountered risks. The Financial Group is required to disclose both quantitative and qualitative data. Regarding quantitative disclosure, the data as of 31 December 2022 and the latest disclosure of the Financial Group shall be compared.

The disclosure report covers information at both the Bank level (Solo Basis) and the Group level (Full Consolidation Basis). There are 4 companies in the Group consisting of;

1. ICBC (Thai) Public Company Limited engaged in commercial banking business (as the parent company)
2. ICBC (Thai) Leasing Company Limited engaged in hire purchase, financial lease and factoring business
3. ICBC (Thai) Insurance Broker Company Limited engaged in life and non-life insurance brokers
4. Sky High LI Leasing Designated Activity Company Limited engaged in hire purchase business

The financial statement reports for capital adequacy consideration under the guidelines on consolidated supervision and the public disclosure of the consolidated financial statement reports have no difference.

Besides the regulation mentioned above, the Bank of Thailand further requires the Financial Group to disclose other key relevant information regarding the capital to be easily accessible and to engender the transparency of the Financial Group's risks and capital information as follows.

Key Prudential Metrics

The table below provides an overview of The Financial Group's key prudential metrics related to regulatory capital and liquidity standards.

	The Financial Group	
	31 December 2022	30 June 2022
	<i>Unit : thousand Baht</i>	
Capital Fund Amount		
Common equity Tier 1	36,863,520	35,607,442
Common equity Tier 1 after deduction of Fully loaded ECL	36,863,520	35,607,442
Tier 1 capital	36,863,520	35,607,442
Tier 1 capital after deduction of Fully loaded ECL	36,863,520	35,607,442
Total Capital fund	44,405,197	43,329,154
Total Capital fund after deduction of Fully loaded ECL	44,405,197	43,329,154
Risk weighted assets		
Total risk – weighted assets	215,199,705	229,029,467

The Financial Group
31 December 2022 30 June 2022
Unit : Percent
Capital Ratio

Common equity Tier 1 ratio	17.1	15.6
Fully loaded ECL CET1 Ratio	17.1	15.6
Tier 1 ratio	17.1	15.6
Fully loaded ECL Tier 1 Ratio	17.1	15.6
Total Capital Ratio	20.6	18.9
Fully loaded ECL Total Capital Ratio	20.6	18.9

Additional capital adequacy ratio

Conservation buffer Ratio	2.5	2.5
Countercyclical buffer Ratio	0.0	0.0
D-SIB additional requirements	0.0	0.0
Total additional capital adequacy ratio	2.5	2.5
CET1 available after meeting the bank's minimum capital requirements	10.1	8.6

The Bank
31 December 2022 30 June 2022
Unit : thousand Baht
Capital Fund Amount

Common equity Tier 1	32,566,816	31,935,353
Common equity Tier 1 after deduction of Fully loaded ECL	32,566,816	31,935,353
Tier 1 capital	32,566,816	31,935,353
Tier 1 capital after deduction of Fully loaded ECL	32,566,816	31,935,353
Total Capital fund	39,603,520	39,145,506
Total Capital fund after deduction of Fully loaded ECL	39,603,520	39,145,506

Risk weighted assets

Total risk – weighted assets	170,403,066	183,753,076
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Capital Ratio

Common equity Tier 1 ratio	19.1	17.4
Fully loaded ECL CET1 Ratio	19.1	17.4
Tier 1 ratio	19.1	17.4
Fully loaded ECL Tier 1 Ratio	19.1	17.4
Total Capital Ratio	23.2	21.3
Fully loaded ECL Total Capital Ratio	23.2	21.3

The Bank

31 December 2022	30 June 2022
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Unit : Percent

Additional capital adequacy ratio

Conservation buffer Ratio	2.5	2.5
Countercyclical buffer Ratio	0.0	0.0
D-SIB additional requirements	0.0	0.0
Total additional capital adequacy ratio	2.5	2.5
CET1 available after meeting the bank's minimum capital requirements	12.1	10.4

Liquidity coverage ratio under liquidity stress scenario

Average value for the four quarter ^{1/}

2022	2021
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Unit : million Baht

Total High-quality liquid assets (Total HQLA)	68,556	88,239
Total net cash outflows within the 30-day period	43,405	59,206
Liquidity coverage ratio (LCR) ^{2/}	158%	149%

^{1/} Average of month-end value in the quarter

^{2/} The LCR is computed as an average ratio of month-end LCR in the quarter. This may not be equal to an LCR computed with the average value of HQLA and net cash outflows within the 30-day period

Key Financial Ratio

The Bank's key financial ratio as of 31 December 2022 and 2021 were as follows.

The Bank

2022	2021
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Unit : million Baht

Total High-quality liquid assets (Total HQLA)	71,559	89,667
Total net cash outflows within the 30-day period	45,195	65,082
Liquidity coverage ratio (LCR)	158%	138%
Net stable funding ratio (NFSR)	124%	127%

The Bank has been complied with TFRS9 and shall set up the credit impairment by using the Expected credit loss method. All amount of previous allowance for doubtful accounts are recognized to be the Expected credit loss so there is no the excess allowance for doubtful account from the previous year for reversal. In order that Bank assesses the expected credit losses, models are developed based on historical repayment, default information and other information indicating default risk behavior.

In case the models cannot capture the risk, the management overlay principle, covering industry, model and other risks will be applied.

Capital structure

The Financial Group and the Bank's capital as of 31 December 2022 and as of 30 June 2022 are composed of the following data.

	The Financial Group	
	31 December 2022	30 June 2022
	<i>Unit : thousand Baht</i>	
Tier-1 Capital		
Common Equity Tier 1 (CET1)		
Paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	15,871,540	14,494,434
Other comprehensive income	58,817	108,422
Other owner changes items	(24,849)	(24,849)
<u>Less</u> deductible items on Common Equity Tier 1	(1,164,087)	(1,092,664)
Total Common Equity Tier 1 (CET1)	36,863,520	35,607,442
Tier-2 Capital		
Subordinated debentures	5,000,000	5,000,000
Reserve for assets classified as "Pass"	2,541,677	2,721,712
Total Tier-2 Capital	7,541,677	7,721,712
Total capital fund of The Financial Group	44,405,197	43,329,154
Total risk – weighted assets	215,199,705	229,029,467

	The Bank	
	31 December 2022	30 June 2022
	<i>Unit: thousand Baht</i>	
Tier-1 Capital		
Common Equity Tier 1 (CET1)		
Paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	11,188,210	10,421,868
Other comprehensive income	133,983	194,473
<u>Less</u> deductible items on Common Equity Tier 1	(877,476)	(803,087)
Total Common Equity Tier 1 (CET1)	32,566,816	31,935,353

	The Bank	
	<u>31 December 2022</u>	<u>30 June 2022</u>
	<i>Unit : thousand Baht</i>	
Tier-2 Capital		
Subordinated debentures	5,000,000	5,000,000
Reserve for assets classified as “Pass”	2,036,704	2,210,153
Total Tier-2 Capital	7,036,704	7,210,153
Total capital fund of the bank	39,603,520	39,145,506
Total risk – weighted assets	170,403,066	183,753,076

Capital Adequacy

The objective of capital management policy for the Financial Group and the Bank is to maintain an adequate level of capital to support growth strategies under the risk appetite.

In compliance with the BOT’s supervisory review process guidelines, the Bank’s capital management process assesses the overall risk and capital adequacy under the Internal Capital Adequacy Assessment Process (ICAAP) which covers on the significant risk assessments in order that the Financial Group and the Bank can effectively manage their risks and have an adequate level of capital for the Bank’s and the Financial Group’s business under normal and stress circumstance.

The Financial Group shall establish the policy to maintain the regulatory capital in compliance with the methodologies and conditions as specified by the Bank of Thailand. To assess the capital adequacy for different types of risk, the Financial Group utilizes the approaches corresponding to complexity of transactions and size of the Financial Group as follows:

- Credit Risk Standardized Approach
- Market Risk Standardized Approach
- Operational Risk Basic Indicator Approach

Under the principles of Basel III, the BOT requires that commercial banks registered in Thailand and their financial groups must maintain three minimum capital adequacy ratios as follows:

- Common Equity Tier 1 Capital adequacy ratio of no less than 4.50 percent
- Tier 1 Capital adequacy ratio of no less than 6.00 percent
- Total Capital adequacy ratio of no less than 8.50 percent

The aforementioned minimum ratios have not been included the Capital Conservation Buffer of 2.50 percent yet. Therefore, the Financial Group and the Bank must maintain the capital adequacy ratio including the Conservation Buffer as follows:

- Common Equity Tier 1 Capital adequacy ratio of more than 7.00 percent
- Tier 1 Capital adequacy ratio of more than 8.50 percent
- Total Capital adequacy ratio of more than 11.00 percent

The minimum capital requirement

According to the Basel III guideline in supervision of capital, the Financial Group and the Bank have to maintain the minimum capital corresponding to the following type of risk :

1. Credit risk capital requirement

Based on the Standardized Approach, the minimum capital requirements of The Financial Group and The Bank's capital are classified by type of assets with the data as of 31 December 2022 and as of 30 June 2022 were as follows:

	The Financial Group	
	31 December 2022	30 June 2022
	<i>Unit: thousand Baht</i>	
Minimum Credit Risk Capital Requirement		
Performing Loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank.,	-	450
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions.	1,790,319	2,588,235
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates.	12,104,986	12,492,314
- Claims in the Retails Portfolio	3,128,410	3,133,575
- Residential Mortgage Loans	305	346
- Other assets	191,672	216,790
Non-performing Loans	67,714	75,931
Total Minimum Credit Risk Capital Requirement	17,283,406	18,507,641

	The Bank	
	31 December 2022	30 June 2022
	<i>Unit: thousand Baht</i>	
Minimum Credit Risk Capital Requirement		
Performing Loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank.,	-	450
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions.	1,774,413	2,576,875
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates.	11,544,682	11,904,100
- Claims in the Retails Portfolio	38,359	39,094
- Residential Mortgage Loans	305	346
- Other assets	464,519	473,841
Non-performing Loans	27,310	34,336
Total Minimum Credit Risk Capital Requirement	13,849,588	15,029,042

2. Market Risk Capital Requirement

For the Trading Book, The Financial Group and the Bank use the Standardized Approach for capital calculation. The market risk capital requirement for The Financial Group and the Bank as of 31 December 2022 and 30 June 2022 as follows.

	The Financial Group		The Bank	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
Capital Requirement	<i>Unit: thousand Baht</i>		<i>Unit: thousand Baht</i>	
Market Risk Capital Requirement	37,428	33,166	30,595	23,512

3. Operational Risk Capital Requirement

The Financial group and the Bank adopt the Basic Indicator Approach for capital requirement calculation of operational risk as of 31 December 2022 and as of 30 June 2022 as follows.

	The Financial Group		The Bank	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
Minimum Capital Requirement	<i>Unit: thousand Baht</i>		<i>Unit: thousand Baht</i>	
Operational Risk Capital Requirement	971,141	926,698	604,077	566,458

4. Capital Adequacy Ratio

The Financial Group and the Bank calculated risk weight assets under Basel III guideline for 3 types of risk, The Capital Adequacy Ratio were as follows

Capital Adequacy Ratio	The Financial Group		BOT
	31 December 2022	30 June 2022	Requirement
	<i>Unit : Percent</i>		
Tier 1 capital to risk assets	17.1	15.6	8.5
Common Equity Tier 1 to risk assets	17.1	15.6	7
Tier 2 capital to risk assets	3.5	3.3	-
Total capital to risk assets	20.6	18.9	11

Capital Adequacy Ratio	The Bank		BOT
	31 December 2022	30 June 2022	Requirement
	<i>Unit : Percent</i>		
Tier 1 capital to risk assets	19.1	17.4	8.5
Common Equity Tier 1 to risk assets	19.1	17.4	7
Tier 2 capital to risk assets	4.1	3.9	-
Total capital to risk assets	23.2	21.3	11

Reconciliation of Regulatory Capital and Financial Statement under Consolidated Supervision

Capital fund under Consolidated Supervision			
Items	31 December	30 June	References base on Statement
	2022	2022	of financial position under the Consolidated supervision
	<i>Unit : thousand Baht</i>		
Tier-1 Capital			
Common Equity Tier 1 (CET1)			
Paid-up share capital	20,107,099	2,107,099	A
Legal reserve	2,015,000	2,015,000	B
Retained earnings after appropriations	15,871,540	14,494,434	C
Other comprehensive income	58,817	108,422	D
Other owner changes items	(24,849)	(24,849)	E
Less deductible items on Common Equity Tier 1	(1,164,087)	(1,092,664)	F
Total Common Equity Tier 1 (CET1)	36,863,520	35,607,442	
Tier-2 Capital			
Subordinated debentures	5,000,000	5,000,000	G
Reserve for assets classified as "Pass"	2,541,677	2,721,712	H
Total Tier-2 Capital	7,541,677	7,721,712	
Total Capital Funds	44,405,197	43,329,154	

Statement of financial position under consolidated supervision

Items	31 December 2022	30 June 2022	References for the Group Capital Items
<i>Unit : thousand Baht</i>			
Assets			
Cash	335,295	339,913	
Interbank and money market items, net	42,546,784	55,907,055	
Derivative assets	1,715,948	1,477,711	
Investments, net	83,810,598	84,009,279	
Loans to customers and accrued interest receivables, net	156,515,271	161,789,884	
<i>Qualified as capital</i>	2,541,677	2,721,712	<i>H</i>
Properties foreclosed, net	156,380	145,001	
Premises and equipment, net	694,686	691,861	
<i>Intangible assets, net</i>	49,121	32,589	<i>F</i>
<i>Deferred tax assets, net</i>	1,114,966	1,060,074	<i>F</i>
Accrued income, net	598,289	481,558	
Receivables on credit support for derivative contracts	-	51,933	
Other receivables, net	1,103,660	1,155,192	
Other assets, net	63,106	90,013	
Total assets	288,704,104	307,232,063	
Liabilities			
Deposits	162,981,600	173,822,652	
Interbank and money market items	35,650,745	42,564,447	
Liabilities payable on demand	129,228	165,160	
Derivative liabilities	230,149	686,852	
Debt issued and borrowings	45,534,998	47,449,985	
<i>Qualified as capital</i>	5,000,000	5,000,000	<i>G</i>
Provision for liabilities	607,166	616,513	
Accrued interest payables	698,807	479,076	
Payable on credit support for derivative contracts	363,333	221,177	
Lease liabilities	436,304	442,573	
Other liabilities	2,152,167	2,589,244	
Total liabilities	248,784,497	269,037,679	

Items	31 December	30 June	References for the Group Capital Items
	2022	2022	
<i>Unit : thousand Baht</i>			
Equity			
Issued and paid-up share capital	20,107,099	20,107,099	A
Difference arising from business combination under common control	(24,849)	(24,849)	E
Other components of equity	185,146	225,594	
<i>Qualified as capital</i>	58,817	108,422	D
Retained earnings			
Appropriated - Legal reserve	2,015,000	2,015,000	B
Unappropriated	17,637,211	15,871,540	
<i>Qualified as capital</i>	15,871,540	14,494,434	C
Total equity	39,919,607	38,194,384	
Total liabilities and equity	288,704,104	307,232,063	

The main features of regulatory capital instruments issued

Subject		Description
1	Issuer	Industrial and Commercial Bank of China (Thai) Public Company Limited.
2	Unique identifier	ICBCT289A
<i>BOT's Treatment</i>		
3	Instrument type (CET 1 / Tier 1/ Tier 2)	Tier 2
4	Qualified as per BOT Basel III rerulations	Qualified
5	If not, specify unqualified feature as per the Basel III regulation	-
6	Recognized as capital partially or full	Fully recognized
7	Eligible as The Bank / The Group / The Bank and Group	The Bank and Group
8	Amount recognized in regulatory capital (unit : million Baht)	5,000 (Five thousand) million Baht
9	Par value of instrument (unit : Baht)	1,000 (One thousand) Baht / Unit
10	Accounting classification	Financial Liabilities stated at Amortized Cost
11	Original date of issuance	23 March 2018

Subject		Description
12	Perpetual or dated	Dated
13	Original maturity date	23 September 2028
14	Issuer call subject to prior supervisory approval	Issuer call option with BOT's prior approval
15	Optional call date , Contingent call dates and redemption amount	<p>The issuer may early redeem prior to the maturity date, if it falls under any of the following events</p> <ol style="list-style-type: none"> 1. After the lapse of 5 years from the issue date or. 2. If there is a change in tax law after the issue date which results in a change to the tax treatment of the Subordinate Instruments that is not to the benefit of the Issuer or. 3. If the Subordinate Instruments are fully excluded from Tier 2 capital as a result of the change in the applicable regulations or. 4. Any other event as permitted by the BOT after the Issue Date.
16	Subsequent call dates, if applicable	After 23 March 2023, issuer may early withdraw before maturity date.
<i>Coupons / Other returns</i>		
17	Fixed or floating dividend / Coupon	Fixed rate
18	Coupon rate and any related index	Fixed interest rate at 3.5 % p.a until maturity. The interest payment shall be paid every 3 months.
19	Existence of dividend stopper	-None-
20	Fully discretionary, partially discretionary or mandatory	Discretionary as stated in term and conditions
21	Existence of step up or other incentive to redeem	No step up interest payment.

Subject		Description
22	Noncumulative or Cumulative	Non - cumulative
23	Convertible or Non - Convertible	Non - Convertible
24	If convertible, conversion trigger	-
25	If convertible, fully or partially	-
26	If convertible, Conversion rate	-
27	If convertible, specify instrument	-
28	If convertible, specify issuer of instrument it converts into	-
29	Write-down feature	Write-down feature
30	If write-down, write-down trigger	In case of non-viability events of the issuer and the authority decides to grant financial assistance, the subordinate instrument holder shall be forced to write-down. Issuer may write-down (in full or partial amount).
31	If write-down, full or partial	Write-down in full or partial amount
32	If write-down, permanent or temporary	Permanent
33	If temporary write-down, description of write-up mechanism	-
34	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Superior to Additional Tier 1 debt securities (if any) / Preferred share / Common stock.

Credit Risk Policies

The Financial Group has established the credit risk policies and credit policies as the guidelines for credit approvals consideration to be within the portfolio risk tolerance of The Financial Group and the bank. The credit risk management policies comprise the lending to related parties policy, individual and group facility limits, the list of prohibited businesses lending, specific businesses lending and sectorial lending limits including other relevant policies to credit approval processes which are in line with the Bank of Thailand's regulations so that The Financial Group has appropriate control of credit risk and sufficient credit and portfolio risk management. The policies also incorporate the processes of credit risk assessment, monitoring, controlling and capital adequacy assessment as appropriate.

Definition of default and impairment of assets

The Financial Group has established the policy to define the default for the impairment of loan consideration whereby the incurrence of default corresponding to the overdue of either principal or interest of over 90 days after the due date or any loans qualitatively classified as non - performing.

Guideline for setting general provision and specific provision

The Group recognized expected credit loss which complied with TFRS9 and Bank of Thailand notification: Guideline on Asset Classification and Provisioning of Financial Institutions. An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

The estimation of expected cash shortfalls on collateralized financial instruments reflects the expected amount and timing of cash flow from foreclosure of the collateral less the costs of obtaining and selling the collateral.

In addition, the Group also recognized the specific an expected credit loss by individual as follows:

1. The Financial Group has set the additional allowance by considering the Expected loss for “Stage 1” and “Stage 2”.
2. In case that The Financial Group has considered the credit approval, extension of facility or restructuring and found that it is possible that the loans cannot be repaid in both principal and interest according to the contract, the credit risk department will consider classification and propose the additional specific allowance for each individual loan.
3. For some industry sectors, countries or portfolios which have higher risk profiles, the Credit Risk Department may recommend increases in the allowances for debtors in those sectors, countries or portfolios.
4. The Financial Group may set additional allowances upon the recommendations of Industrial and Commercial Bank of China Limited, the parent company, the BOT or the Bank’s management, internal auditors, and external auditors.
5. Since the difficulties to receive recovery from enforcement of machinery, the Bank shall not use the machinery placed as collateral as a deductible.

The Financial Group and the Bank have the outstanding balance of financial statement before considering the credit risk mitigation as of 31 December 2022 and 2021 as follows:

Items	The Financial Group	
	31 December 2022	31 December 2021
	<i>Unit : thousand Baht</i>	
On- Statements of financial position		
Net loans and accrued interest receivables ^{1/}	193,265,764	217,190,241
Net investment in debt securities ^{2/}	84,508,035	74,933,391
Net deposits and accrued interest receivables ^{3/}	5,854,635	5,783,736
Derivatives assets	1,715,948	403,530
Off- Statements of financial position ^{4/}		
Avals, Guarantee to loans and Letters of Credit	808,378	1,010,339
OTC derivatives	64,947,775	71,581,116
Undrawn committed lines	2,753,956	8,096,136

^{1/} Including accrued interest receivables and net deferred income allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF).

Items	The Bank	
	31 December 2022	31 December 2021
	<i>Unit: thousand Baht</i>	
On- Statements of financial position		
Net loans and accrued interest receivables ^{1/}	142,861,969	165,901,458
Net investment in debt securities ^{2/}	84,508,035	74,933,391
Net deposits and accrued interest receivables ^{3/}	5,276,738	5,333,914
Derivatives assets	1,715,948	403,530
Off- Statements of financial position ^{4/}		
Avals, Guarantee to loans and Letters of Credit	808,378	1,010,339
OTC derivatives	64,947,775	71,581,116
Undrawn committed lines	2,753,956	8,096,136

^{1/} Including accrued interest receivables and net deferred income allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF).

The Financial Group and the Bank have the outstanding balance of financial statement before considering the credit risk mitigation classified by country as of 31 December 2022 and 2021 as follows:

The Financial Group

31 December 2022

On- Statements of financial position

Customer's country of residence	Net loans and	Net investment	Net deposits and	Derivative	Total
	accrued interest receivables ^{1/}	in debt securities ^{2/}	accrued interest receivables ^{3/}		
<i>Unit: thousand Baht</i>					
Thailand	181,523,914	75,399,544	2,861,423	805,761	260,590,642
Asia Pacific Rim excluding Thailand	9,327,425	5,829,676	2,967,442	910,187	19,034,730
North America and Latin America	2,260,097	3,278,815	-	-	5,538,912
Africa and Middle East	6,969	-	-	-	6,969
Europe	147,359	-	25,770	-	173,129
Total	193,265,764	84,508,035	5,854,635	1,715,948	285,344,382

^{1/} Including accrued interest receivables and net deferred income , allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

The Financial Group

31 December 2021

On- Statements of financial position

Customer's country of residence	Net loans and	Net investment	Net deposits and	Derivative	Total
	accrued interest receivables ^{1/}	in debt securities ^{2/}	accrued interest receivables ^{3/}		
<i>Unit: thousand Baht</i>					
Thailand	202,581,689	60,592,954	3,137,160	268,377	266,580,180
Asia Pacific Rim excluding Thailand	10,971,950	8,170,276	2,634,478	135,153	21,911,857
North America and Latin America	2,354,221	6,170,161	-	-	8,524,382
Africa and Middle East	611,010	-	-	-	611,010
Europe	671,371	-	12,098	-	683,469
Total	217,190,241	74,933,391	5,783,736	403,530	298,310,898

^{1/} Including accrued interest receivables and net deferred income , allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

The Bank
31 December 2022

On- Statements of financial position

Customer's country of residence	Net loans and accrued interest receivables ^{1/}	Net investment in debt securities ^{2/}	Net deposits and accrued interest receivables ^{3/}	Derivative Assets	Total
<i>Unit: thousand Baht</i>					
Thailand	130,583,087	75,399,544	2,372,964	805,761	209,161,356
Asia Pacific Rim excluding Thailand	9,196,146	5,829,676	2,882,192	910,187	18,818,201
North America and Latin America	2,260,095	3,278,815	-	-	5,538,910
Africa and Middle East	145	-	-	-	145
Europe	822,496	-	21,582	-	844,078
Total	142,861,969	84,508,035	5,276,738	1,715,948	234,362,690

^{1/} Including accrued interest receivables and net deferred income allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

The Bank
31 December 2021

On- Statements of financial position

Customer's country of residence	Net loans and accrued interest receivables ^{1/}	Net investment in debt securities ^{2/}	Net deposits and accrued interest receivables ^{3/}	Derivative Assets	Total
<i>Unit: thousand Baht</i>					
Thailand	151,431,462	60,592,954	2,778,131	268,377	215,070,924
Asia Pacific Rim excluding Thailand	10,861,400	8,170,276	2,543,685	135,153	21,710,514
North America and Latin America	2,353,451	6,170,161	-	-	8,523,612
Africa and Middle East	603,863	-	-	-	603,863
Europe	651,282	-	12,098	-	663,380
Total	165,901,458	74,933,391	5,333,914	403,530	246,572,293

^{1/} Including accrued interest receivables and net deferred income allowance for expected credit loss and net loans to interbank and money market.

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss.

^{3/} Including accrued interest receivables and net allowance for expected credit loss.

The Financial Group
31 December 2022
Off- Statements of financial position ^{1/}

Customer's country of residence	Avals, Guarantees to loans	Over-the-counter	Undrawn	Total
	and Letter of Credit	derivatives	Committed Line	
	<i>Unit: thousand Baht</i>			
Thailand	43,975	43,684,777	2,351,844	46,080,596
Asia Pacific Rim excluding Thailand	756,378	21,262,998	519	22,019,895
North America and Latin America	-	-	401,593	401,593
Africa and Middle East	-	-	-	-
Europe	8,025	-	-	8,025
Total	808,378	64,947,775	2,753,956	68,510,109

^{1/} Before multiplying by the credit conversion factors (CCF)

The Financial Group
31 December 2021
Off- Statements of financial position ^{1/}

Customer's country of residence	Avals, Guarantees to loans	Over-the-counter	Undrawn	Total
	and Letter of Credit	derivatives	Committed Line	
	<i>Unit: thousand Baht</i>			
Thailand	128,192	39,061,913	3,962,917	43,153,022
Asia Pacific Rim excluding Thailand	863,677	32,519,203	2,477,321	35,860,201
North America and Latin America	-	-	275,109	275,109
Africa and Middle East	4,527	-	1,023,406	1,027,933
Europe	13,943	-	357,383	371,326
Total	1,010,339	71,581,116	8,096,136	80,687,591

^{1/} Before multiplying by the credit conversion factors (CCF)

The Bank
31 December 2022

Off- Statements of financial position ^{1/}

Customer's country of residence	Avals, Guarantees to loans and Letter of Credit	Over-the-counter derivatives	Undrawn Committed Line	Total
	<i>Unit: thousand Baht</i>			
Thailand	43,975	43,684,777	2,351,844	46,080,596
Asia Pacific Rim excluding Thailand	756,378	21,262,998	519	22,019,895
North America and Latin America	-	-	401,593	401,593
Africa and Middle East	-	-	-	-
Europe	8,025	-	-	8,025
Total	808,378	64,947,775	2,753,956	68,510,109

^{1/} Before multiplying by the credit conversion factors (CCF)

The Bank
31 December 2021

Off- Statements of financial position ^{1/}

Customer's country of residence	Avals, Guarantees to loans and Letter of Credit	Over-the-counter derivatives	Undrawn Committed Line	Total
	<i>Unit: thousand Baht</i>			
Thailand	128,192	39,061,913	3,962,917	43,153,022
Asia Pacific Rim excluding Thailand	863,677	32,519,203	2,477,321	35,860,201
North America and Latin America	-	-	275,109	275,109
Africa and Middle East	4,527	-	1,023,406	1,027,933
Europe	13,943	-	357,383	371,326
Total	1,010,339	71,581,116	8,096,136	80,687,591

^{1/} Before multiplying by the credit conversion factors (CCF)

The Financial Group and the Bank have the outstanding balance of financial statement before considering the credit risk mitigation classified by remaining maturities as of 31 December 2022 and 2021 as follows:

The Financial Group			
31 December 2022			
Items	Up to 1 year	Over 1 year	Total
<i>Unit: thousand Baht</i>			
On- Statements of financial position			
Net loans and accrued interest receivables ^{1/}	72,044,701	121,221,063	193,265,764
Net investment in debt securities ^{2/}	29,731,124	54,776,911	84,508,035
Net deposits and accrued interest receivables ^{3/}	5,403,925	450,710	5,854,635
Derivatives assets	479,194	1,236,754	1,715,948
Off- Statements of financial position ^{4/}			
Avals, Guarantee to loans and Letters of Credit	64,795	743,583	808,378
OTC derivatives	34,056,581	30,891,194	64,947,775
Undrawn committed lines	1,000,850	1,753,106	2,753,956

^{1/} Including accrued interest receivables and net deferred income, allowance for expected credit loss and net loans to interbank and money market

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

^{3/} Including accrued interest receivables net revaluation surplus and allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF)

The Financial Group			
31 December 2021			
Items	Up to 1 year	Over 1 year	Total
<i>Unit: thousand Baht</i>			
On- Statements of financial position			
Net loans and accrued interest receivables ^{1/}	84,963,169	132,227,072	217,190,241
Net investment in debt securities ^{2/}	44,311,970	30,621,421	74,933,391
Net deposits and accrued interest receivables ^{3/}	3,821,204	1,962,532	5,783,736
Derivatives assets	213,086	190,444	403,530
Off- Statements of financial position ^{4/}			
Avals, Guarantee to loans and Letters of Credit	135,740	874,599	1,010,339
OTC derivatives	44,384,846	27,196,270	71,581,116
Undrawn committed lines	4,351,039	3,745,097	8,096,136

^{1/} Including accrued interest receivables and net deferred income, allowance for expected credit loss and net loans to interbank and money market

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

^{3/} Including accrued interest receivables net revaluation surplus and allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF)

The Bank			
31 December 2022			
Items	Up to 1 year	Over 1 year	Total
<i>Unit: thousand Baht</i>			
On- Statements of financial position			
Net loans and accrued interest receivables ^{1/}	70,354,756	72,507,213	142,861,969
Net investment in debt securities ^{2/}	29,731,124	54,776,911	84,508,035
Net deposits and accrued interest receivables ^{3/}	5,274,380	2,358	5,276,738
Derivatives assets	479,194	1,236,754	1,715,948
Off- Statements of financial position ^{4/}			
Avals, Guarantee to loans and Letters of Credit	64,795	743,583	808,378
OTC derivatives	34,056,581	30,891,194	64,947,775
Undrawn committed lines	1,000,850	1,753,106	2,753,956

^{1/} Including accrued interest receivables and net deferred income, allowance for expected credit loss and net loans to interbank and money market

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

^{3/} Including accrued interest receivables net revaluation surplus and allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF)

The Bank			
31 December 2021			
Items	Up to 1 year	Over 1 year	Total
<i>Unit: thousand Baht</i>			
On- Statements of financial position			
Net loans and accrued interest receivables ^{1/}	83,864,727	82,036,731	165,901,458
Net investment in debt securities ^{2/}	44,311,970	30,621,421	74,933,391
Net deposits and accrued interest receivables ^{3/}	3,372,188	1,961,726	5,333,914
Derivatives assets	213,086	190,444	403,530
Off- Statements of financial position ^{4/}			
Avals, Guarantee to loans and Letters of Credit	135,740	874,599	1,010,339
OTC derivatives	44,384,846	27,196,270	71,581,116
Undrawn committed lines	4,351,039	3,745,097	8,096,136

^{1/} Including accrued interest receivables and net deferred income, allowance for expected credit loss and net loans to interbank and money market

^{2/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

^{3/} Including accrued interest receivables net revaluation surplus and allowance for expected credit loss.

^{4/} Before multiplying by the credit conversion factors (CCF)

The Financial Group and the Bank have the financial instruments outstanding before considering the credit risk mitigation and General provision, Specific provision according to the Bank of Thailand's guideline as of 31 December 2022 and 2021 as follows:

The Financial Group

31 December 2022

Items	Outstanding balance		Provision ^{2/}	Provision under SA		Net ^{3/}
	Non			General	Specific	
	Performing ^{1/}	Performing ^{1/}		Provision	Provision	
	<i>Unit: thousand Baht</i>					
Loans and accrued interest receivables ^{4/}	928,590	199,714,979	7,377,805	7,137,405	240,400	193,265,764
Investment in debt securities ^{5/}	-	84,552,422	44,387	44,387	-	84,508,035
Deposits and accrued interest receivables ^{6/}	-	5,855,697	1,062	1,062	-	5,854,635
Financial Guarantees ^{7/}	44	322,784,663	230,836	230,814	22	322,553,871
Total	928,634	612,907,761	7,654,090	7,413,668	240,422	606,182,305

^{1/} The Standardised Approach

^{3/} Net = Outstanding balance – Provision

^{5/} Excluding accrued interest receivables and net revaluation surplus

^{6/} Including accrued interest receivables

^{2/} The allowance for expected credit loss

^{4/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

^{7/} Before multiplying by the credit conversion factors (CCF)

The Financial Group

31 December 2021

Items	Outstanding balance		Provision ^{2/}	Provision under SA		Net ^{3/}
	Non			General	Specific	
	Performing ^{1/}	Performing ^{1/}		Provision	Provision	
	<i>Unit: thousand Baht</i>					
Loans and accrued interest receivables ^{4/}	954,424	223,489,574	7,253,757	7,027,328	226,429	217,190,241
Investment in debt securities ^{5/}	-	74,964,329	30,938	30,938	-	74,933,391
Deposits and accrued interest receivables ^{6/}	-	5,784,713	977	977	-	5,783,736
Financial Guarantees ^{7/}	44	343,391,910	260,518	260,496	22	343,131,436
Total	954,468	647,630,526	7,546,190	7,319,739	226,451	641,038,804

^{1/} The Standardised Approach

^{3/} Net = Outstanding balance – Provision

^{5/} Excluding accrued interest receivables and net revaluation surplus

^{6/} Including accrued interest receivables

^{2/} The allowance for expected credit loss

^{4/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

^{7/} Before multiplying by the credit conversion factors (CCF)

The Bank
31 December 2022

Items	Outstanding balance		Provision ^{2/}	Provision under SA		Net ^{3/}
	Non			General	Specific	
	Performing ^{1/}	Performing ^{1/}		Provision	Provision	
<i>Unit: thousand Baht</i>						
Loans and accrued interest receivables ^{4/}	230,044	147,198,236	4,566,311	4,552,884	13,427	142,861,969
Investment in debt securities ^{5/}	-	84,552,422	44,387	44,387	-	84,508,035
Deposits and accrued interest receivables ^{6/}	-	5,277,800	1,062	1,062	-	5,276,738
Financial Guarantees ^{7/}	44	322,784,619	230,836	230,814	22	322,553,827
Total	230,088	559,813,077	4,842,596	4,829,147	13,449	555,200,569

^{1/} The Standardised Approach

^{3/} Net = Outstanding balance – Provision

^{5/} Excluding accrued interest receivables and net revaluation surplus

^{6/} Including accrued interest receivables

^{2/} The allowance for expected credit loss

^{4/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

^{7/} Before multiplying by the credit conversion factors (CCF)

The Bank
31 December 2021

Items	Outstanding balance		Provision ^{2/}	Provision under SA		Net ^{3/}
	Non			General	Specific	
	Performing ^{1/}	Performing ^{1/}		Provision	Provision	
<i>Unit: thousand Baht</i>						
Loans and accrued interest receivables ^{4/}	274,864	169,437,267	3,810,673	3,805,223	5,450	165,901,458
Investment in debt securities ^{5/}	-	74,964,329	30,938	30,938	-	74,933,391
Deposits and accrued interest receivables ^{6/}	-	5,334,891	977	977	-	5,333,914
Financial Guarantees ^{7/}	44	374,343,910	260,518	260,496	22	374,083,436
Total	274,908	624,080,397	4,103,106	4,097,634	5,472	620,252,199

^{1/} The Standardised Approach

^{3/} Net = Outstanding balance – Provision

^{5/} Excluding accrued interest receivables and net revaluation surplus

^{6/} Including accrued interest receivables

^{2/} The allowance for expected credit loss

^{4/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

^{7/} Before multiplying by the credit conversion factors (CCF)

The outstanding balance of loans and interest receivable and Investment in debt securities before considering credit risk mitigation classified by Customer's country of residence and by the Bank of Thailand's guideline for loan classification as follow :

The Financial Group
31 December 2022

Loans and accrued interest receivables ^{1/}

Customer's country of residence	Performing	Under - Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	174,973,805	12,893,921	927,586	188,795,312
Asia Pacific Rim excluding Thailand	9,397,725	2,526	663	9,400,914
North America and Latin America	2,291,262	-	-	2,291,262
Africa and Middle East	6,984	-	-	6,984
Europe	148,677	79	341	149,097
Total	186,818,453	12,896,526	928,590	200,643,569

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Financial Group
31 December 2021

Loans and accrued interest receivables ^{1/}

Customer's country of residence	Performing	Under-Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	198,996,223	9,699,083	954,150	209,649,456
Asia Pacific Rim excluding Thailand	11,105,523	1,848	274	11,107,645
North America and Latin America	2,393,337	-	-	2,393,337
Africa and Middle East	611,377	802	-	612,179
Europe	680,892	489	-	681,381
Total	213,787,352	9,702,222	954,424	224,443,998

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Financial Group
31 December 2022
Investment in debt securities ^{1/}

Customer's country of residence	Performing	Under-Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	75,437,823	-	-	75,437,823
Asia Pacific Rim excluding Thailand	5,833,757	-	-	5,833,757
North America and Latin America	3,280,842	-	-	3,280,842
Africa and Middle East	-	-	-	-
Europe	-	-	-	-
Total	84,552,422	-	-	84,552,422

^{1/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

The Financial Group
31 December 2021
Investment in debt securities ^{1/}

Customer's country of residence	Performing	Under-Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	60,616,681	-	-	60,616,681
Asia Pacific Rim excluding Thailand	8,175,188	-	-	8,175,188
North America and Latin America	6,172,460	-	-	6,172,460
Africa and Middle East	-	-	-	-
Europe	-	-	-	-
Total	74,964,329	-	-	74,964,329

^{1/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

The Bank
31 December 2022
Loans and accrued interest receivables ^{1/}

Customer's country of residence	Performing	Under- Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	128,473,354	3,521,448	229,710	132,224,512
Asia Pacific Rim excluding Thailand	9,267,111	423	334	9,267,868
North America and Latin America	2,291,263	-	-	2,291,263
Africa and Middle East	147	-	-	147
Europe	128,610	3,515,880	-	3,644,490
Total	140,160,485	7,037,751	230,044	147,428,280

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Bank
31 December 2021

Customer's country of residence	Loans and accrued interest receivables ^{1/}			
	Performing	Under -Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	149,843,866	1,542,744	274,760	151,661,370
Asia Pacific Rim excluding Thailand	10,994,531	505	104	10,995,140
North America and Latin America	2,392,548	-	-	2,392,548
Africa and Middle East	604,712	-	-	604,712
Europe	659,845	3,398,516	-	4,058,361
Total	164,495,502	4,941,765	274,864	169,712,131

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Bank
31 December 2022

Customer's country of residence	Investment in debt securities ^{1/}			
	Performing	Under-Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	75,437,823	-	-	75,437,823
Asia Pacific Rim excluding Thailand	5,833,757	-	-	5,833,757
North America and Latin America	3,280,842	-	-	3,280,842
Africa and Middle East	-	-	-	-
Europe	-	-	-	-
Total	84,552,422	-	-	84,552,422

^{1/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

The Bank
31 December 2021

Customer's country of residence	Investment in debt securities ^{2/}			
	Performing	Under-Performing	Non-Performing	Total
	<i>Unit: thousand Baht</i>			
Thailand	60,616,681	-	-	60,616,681
Asia Pacific Rim excluding Thailand	8,175,188	-	-	8,175,188
North America and Latin America	6,172,460	-	-	6,172,460
Africa and Middle East	-	-	-	-
Europe	-	-	-	-
Total	74,964,329	-	-	74,964,329

^{1/} Excluding accrued interest receivables and net revaluation surplus and allowance for expected credit loss

General provision and Specific provision and bad debt write-off relate to loans and interest receivable and investments in debt securities as of 31 December 2022 and 2021 are classified by country of borrowers as follows.

The Financial Group

31 December 2022

Customer's country of residence	Loans and accrued interest receivables ^{1/}			Investment in debt securities	
	Provision under SA ^{2/}			Provision under SA ^{2/}	
	General Provision	Specific Provision	Bad debt written-off	General provision	Specific Provision
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>	
Thailand		239,847	604,694		-
Asia Pacific Rim excluding Thailand		417	597		-
North America and Latin America		-	-		-
Africa and Middle East		-	-		-
Europe		136	220		-
Total	7,137,405	240,400	605,511	44,387	-

^{1/} Including provision and Bad debt written-off and loans to interbank and money market.

^{2/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

The Financial Group

31 December 2021

Customer's country of residence	Loans and accrued interest receivables ^{1/}			Investment in debt securities	
	Provision under SA ^{2/}			Provision under SA ^{2/}	
	General Provision	Specific Provision	Bad debt written-off	General provision	Specific Provision
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>	
Thailand		226,272	353,736		-
Asia Pacific Rim excluding Thailand		157	476		-
North America and Latin America		-	-		-
Africa and Middle East		-	-		-
Europe		-	369		-
Total	7,027,328	226,429	354,581	30,938	-

^{1/} Including provision and Bad debt written-off and loans to interbank and money market.

^{2/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

The Bank

31 December 2022

Customer's country of residence	Loans and accrued interest receivables ^{1/}			Investment in debt securities	
	Provision under SA ^{2/}			Provision under SA ^{2/}	
	General Provision	Specific Provision	Bad debt written-off	General provision	Specific Provision
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>	
Thailand		13,142	6,798		-
Asia Pacific Rim excluding Thailand		285	597		-
North America and Latin America		-	-		-
Africa and Middle East		-	-		-
Europe		-	220		-
Total	4,552,884	13,427	7,615	44,387	-

^{1/} Including provision and Bad debt written-off and loans to interbank and money market.

^{2/} Allowance for expected credit loss base on credit risk assets calculation using The Standardized Approach.

The Bank

31 December 2021

Customer's country of residence	Loans and accrued interest receivables ^{1/}			Investment in debt securities	
	Provision under SA ^{2/}			Provision under SA ^{2/}	
	General Provision	Specific Provision	Bad debt written-off	General provision	Specific Provision
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>	
Thailand		5,362	57,221		-
Asia Pacific Rim excluding Thailand		88	476		-
North America and Latin America		-	-		-
Africa and Middle East		-	-		-
Europe		-	370		-
Total	3,805,223	5,450	58,067	30,938	-

^{1/} Including provision and Bad debt written-off and loans to interbank and money market.

^{2/} Allowance for expected credit loss base on credit risk assets calculation using The Standardized Approach.

The Financial Group and the Bank have the total outstanding loans and interest receivable^{1/} before considering credit risk mitigation classified by type of businesses of borrowers and by the Bank of Thailand's guideline for loan classification as of 31 December 2022 and 2021 as follows:

The Financial Group				
31 December 2022				
Type of business	Performing	Under - Performing	Non-Performing	Total
<i>Unit: thousand Baht</i>				
Agriculture and mining	2,648,824	221,906	29,218	2,899,948
Manufacturing and commercial	46,453,205	3,071,717	251,036	49,775,958
Real estate and construction	11,468,034	263,697	134,861	11,866,592
Public utility and services	52,419,509	7,574,566	214,918	60,208,993
Housing loans	9,229	1,518	-	10,747
Others	73,819,652	1,763,122	298,557	75,881,331
Total^{1/}	186,818,453	12,896,526	928,590	200,643,569

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Financial Group				
31 December 2021				
Type of business	Performing	Under - Performing	Non-Performing	Total
<i>Unit: thousand Baht</i>				
Agriculture and mining	3,914,173	128,725	27,033	4,069,931
Manufacturing and commercial	51,560,243	973,750	235,302	52,769,295
Real estate and construction	15,408,212	176,865	189,467	15,774,544
Public utility and services	49,366,398	7,196,809	215,060	56,778,267
Housing loans	12,197	1,579	-	13,776
Others	93,526,129	1,224,494	287,562	95,038,185
Total^{1/}	213,787,352	9,702,222	954,424	224,443,998

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Bank
31 December 2022

Type of business	Performing	Under - Performing	Non-Performing	Total
<i>Unit: thousand Baht</i>				
Agriculture and mining	77,878	1,447	-	79,325
Manufacturing and commercial	29,672,914	2,076,274	26,151	31,775,339
Real estate and construction	8,842,210	71,928	91,275	9,005,413
Public utility and services	40,610,695	1,368,226	110,933	42,089,854
Housing loans	9,229	1,518	-	10,747
Others	60,947,559	3,518,358	1,685	64,467,602
Total^{1/}	140,160,485	7,037,751	230,044	147,428,280

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

The Bank
31 December 2021

Type of business	Performing	Under - Performing	Non-Performing	Total
<i>Unit: thousand Baht</i>				
Agriculture and mining	1,750,794	1,418	-	1,752,212
Manufacturing and commercial	35,000,147	173,290	19,320	35,192,757
Real estate and construction	12,941,238	19,231	147,130	13,107,599
Public utility and services	37,365,334	1,345,531	107,266	38,818,131
Housing loans	12,197	1,579	-	13,776
Others	77,425,792	3,400,716	1,148	80,827,656
Total^{1/}	164,495,502	4,941,765	274,864	169,712,131

^{1/} Including accrued interest receivables and net deferred income and net loans to interbank and money market

General provision, Specific provision and bad debt write-off of loan and accrued interest receivable are classified by the type of businesses of the borrowers as of 31 December 2022 and 2021 as follows:

The Financial Group			
31 December 2022			
Type of business	Provision under SA ^{1/}		
	General Provision	Specific Provision	Bad debt written –off
<i>Unit: thousand Baht</i>			
Agriculture and mining		8,498	53,723
Manufacturing and commercial		85,065	322,827
Real estate and construction		15,465	64,008
Public utility and services		41,043	126,002
Housing loans		-	-
Others		90,329	38,951
Total	7,137,405	240,400	605,511

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

The Financial Group			
31 December 2021			
Type of business	Provision under SA ^{1/}		
	General Provision	Specific Provision	Bad debt written –off
<i>Unit: thousand Baht</i>			
Agriculture and mining		8,510	14,246
Manufacturing and commercial		75,913	224,656
Real estate and construction		16,390	46,787
Public utility and services		41,713	60,109
Housing loans		-	-
Others		83,903	8,783
Total	7,027,328	226,429	354,581

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

The Bank

31 December 2022

Type of business	Provision under SA ^{1/}			Bad debt written –off
	General Provision	Specific Provision		
	<i>Unit: thousand Baht</i>			
Agriculture and mining		-		-
Manufacturing and commercial		8,252		-
Real estate and construction		69		-
Public utility and services		3,666		-
Housing loans		-		-
Others		1,440		7,615
Total	4,552,884	13,427		7,615

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

The Bank

31 December 2021

Type of business	Provision under SA ^{1/}			Bad debt written –off
	General Provision	Specific Provision		
	<i>Unit: thousand Baht</i>			
Agriculture and mining		-		-
Manufacturing and commercial		-		-
Real estate and construction		1,251		47,695
Public utility and services		3,225		3,702
Housing loans		-		-
Others		974		6,670
Total	3,805,223	5,450		58,067

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

Changes in the general provision and specific provision for the loans including the accrued interest receivable as of 31 December 2022 and 2021 were as follows:

Items	The Financial Group					
	31 December 2022			31 December 2021		
	Provision under SA ^{1/}			Provision under SA ^{1/}		
	General provision ²	Specific provision ²	Total	General provision ²	Specific provision ²	Total
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>		
Beginning balance	7,027,328	226,429	7,253,757	6,276,945	289,142	6,566,087
Increase (decrease) in provision during the period	110,077	619,482	729,559	750,383	291,868	1,042,251
Bad debt written off	-	(605,511)	(605,511)	-	(354,581)	(354,581)
Ending balance	7,137,405	240,400	7,377,805	7,027,328	226,429	7,253,757

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

^{2/} Including loans and accrued interest receivables of interbank and money market.

Items	The Bank					
	31 December 2022			31 December 2021		
	Provision under SA ^{1/}			Provision under SA ^{1/}		
	General provision ²	Specific provision ²	Total	General provision ²	Specific provision ²	Total
	<i>Unit: thousand Baht</i>			<i>Unit: thousand Baht</i>		
Beginning balance	3,805,223	5,450	3,810,673	3,083,865	1,419	3,085,284
Increase (decrease) in provision during the period	747,661	15,592	763,253	721,358	62,098	783,456
Bad debt written off	-	(7,615)	(7,615)	-	(58,067)	(58,067)
Ending balance	4,552,884	13,427	4,566,311	3,805,223	5,450	3,810,673

^{1/} Allowance for expected credit loss base on credit risk assets calculation using the Standardized Approach.

^{2/} Including loans and accrued interest receivables of interbank and money market.

The outstanding balance On Statement and Off Statement under financial position classified by Standardized Approach as of 31 December 2022 and 2021 were as follows:

The Financial Group			
31 December 2022			
Type of assets	On-Statement of financial position	Off- Statement of financial position ^{1/}	Total
<i>Unit: thousand Baht</i>			
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	35,124,685	-	35,124,685
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	44,459,763	6,688,765	51,148,528
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	164,182,246	14,484,282	178,666,528
- Claims in the Retails Portfolio	48,617,730	455,675	49,073,405
- Residential Mortgage Loans	10,244	-	10,244
- Other assets	4,524,454	-	4,524,454
Non-performing loans	691,680	11	691,691
Total	297,610,802	21,628,733	319,239,535

^{1/} After multiplying by the credit conversion factor (CCF) and deducting specific provision

The Financial Group			
31 December 2021			
Type of assets	On-Statement of financial position	Off- Statement of financial position ^{1/}	Total
<i>Unit: thousand Baht</i>			
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	28,484,368	-	28,484,368
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	70,691,496	6,147,789	76,839,285
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	159,895,791	21,031,822	180,927,613
- Claims in the Retails Portfolio	46,003,854	454,244	46,458,098
- Residential Mortgage Loans	13,240	-	13,240
- Other assets	4,444,366	-	4,444,366
Non-performing loans	727,996	10	728,006
Total	310,261,111	27,633,865	337,894,976

^{1/} After multiplying by the credit conversion factor (CCF) and deducting specific provision

The Bank			
31 December 2022			
Type of assets	On-Statement of financial position	Off- Statement of financial position ^{1/}	Total
<i>Unit: thousand Baht</i>			
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	35,124,685	-	35,124,685
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	43,881,865	6,688,765	50,570,630
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	160,139,372	14,484,282	174,623,654
- Claims in the Retails Portfolio	146,351	455,675	602,026
- Residential Mortgage Loans	10,244	-	10,244
- Other assets	7,444,487	-	7,444,487
Non-performing loans	216,617	11	216,628
Total	246,963,621	21,628,733	268,592,354

^{1/} After multiplying by the credit conversion factor (CCF) and deducting specific provision

The Bank			
31 December 2021			
Type of assets	On-Statement of financial position	Off- Statement of financial position ^{1/}	Total
<i>Unit: thousand Baht</i>			
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	28,484,367	-	28,484,367
- Claims on Financial Institutions and claims on Non- central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	69,833,510	6,147,789	75,981,299
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	151,712,910	21,031,822	172,744,732
- Claims in the Retails Portfolio	139,440	454,244	593,684
- Residential Mortgage Loans	13,240	-	13,240
- Other assets	7,115,958	-	7,115,958
Non-performing loans	269,415	10	269,425
Total	257,568,840	27,633,865	285,202,705

^{1/} After multiplying by the credit conversion factor (CCF) and deducting specific provision

Credit Risk Exposures Classified by Credit Risk Weighted Asset Calculation Methods

1. The list of the External Credit Rating Institutions (ECAI) that The Financial Group chooses to determine the risk weight for the borrowers in each type of the assets is as follows:

- Sovereigns, provincial organizations, governmental entities, state enterprises, securities companies which the Bank of Thailand assigns the rating equal to loans to financial institutions are based on 3 ECAIs including Fitch Ratings, Moody's Investor Services and Standard and Poor's Rating Services.

- Corporate borrowers.

Since 1 January 2022 onwards, The Financial Group chooses to determine the risk weight for the borrowers by considering its credit rating from 5 ECAIs including Fitch Rating, Fitch Thailand Rating, Moody's Investor Services, TRIS rating and Standard and Poor's Rating Services.

As of 31 December 2021: The Financial Group chooses to determine the risk weight of 100% for every corporate borrowers without considering its credit rating from the ECAI since the number of the Bank's current customers rated by the ECAI is not high and most of them have the risk weight of 100%, therefore, assigning all corporate borrowers at the risk weight of 100% for the credit risk capital calculation would not much different from the method of using the credit rating from ECAI .

2. The process of assigning the ECAI credit rating to the borrowers.

- For sovereigns, provincial organizations, governmental entities, state enterprises, securities companies that the Bank of Thailand treats their risk weight as the financial institutions. The Financial Group designates the risk weights in compliance with the Bank of Thailand's guidelines corresponding to the type of borrowers.

The outstanding balance of financial statement equivalence items ^{1/} after considering the credit risk mitigation for each type of asset categorized by the risk weight through Standardized Approach as of 31 December 2022 and 2021 as follows:

<i>Type of Assets</i> ^{1/} <i>and</i> <i>Risk weight (%)</i>	<i>The Financial Group</i>		
	<i>31 December 2022</i>		
	<i>Rating</i>	<i>No Rating</i>	<i>รวม</i>
	<i>Unit: thousand Baht</i>		
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank			
● RW 0%	58,517,277	-	58,517,277
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions			
● RW 0%	830,311	-	830,311
● RW 20%	13,065,885	-	13,065,885
● RW 50%	20,497,677	-	20,497,677
● RW 100%	8,200,559	-	8,200,559
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates			
● RW 20%	1,930,561	-	1,930,561
● RW 50%	24,025,514	11,517,620	35,543,134
● RW 100%	14,369,856	109,884,073	124,253,929
- Claims in the Retails Portfolio			
● RW 75%	-	49,073,090	49,073,090
- Residential Mortgage Loans			
● RW 35%	-	10,244	10,244
- Other assets			
● RW 0%	-	4,370,212	4,370,212
● RW 100%	-	2,254,965	2,254,965
Non-performing loans			
● RW 50%	-	3,642	3,642
● RW 100%		474,522	474,522
● RW 150%	-	213,528	213,528
Total	141,437,640	177,801,896	319,239,536

^{1/} After multiplying by the credit conversion factor (CCF)

<i>Type of Assets</i> ^{1/} <i>and</i> <i>Risk weight (%)</i>	<i>The Financial Group</i>		
	<i>31 December 2021</i>		
	<i>Rating</i>	<i>No Rating</i>	<i>Total</i>
	<i>Unit: thousand Baht</i>		
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank			
● RW 0%	71,550,635	-	71,550,635
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions			
● RW 0%	859,844	-	859,844
● RW 20%	16,014,653	-	16,014,653
● RW 50%	27,352,215	-	27,352,215
● RW 100%	10,084,589	-	10,084,589
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates			
● RW 100%	-	158,233,757	158,233,757
- Claims in the Retails Portfolio			
● RW 75%	-	46,457,483	46,457,483
- Residential Mortgage Loans			
● RW 35%	-	13,240	13,240
- Other assets			
● RW 0%	-	3,992,419	3,992,419
● RW 100%	-	2,608,135	2,608,135
Non-performing loans			
● RW 50%	-	159	159
● RW 100%	-	458,581	458,581
● RW 150%	-	269,266	269,266
รวม	125,861,936	212,033,040	337,894,976

^{1/} After multiplying by the credit conversion factor (CCF)

<i>Type of Assets</i> ^{1/} <i>and</i> <i>Risk weight (%)</i>	<i>The Bank</i>		
	<i>31 December 2022</i>		
	<i>Rating</i>	<i>No Rating</i>	<i>Total</i>
	<i>Unit: thousand Baht</i>		
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank			
● RW 0%	58,517,277	-	58,517,277
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions			
● RW 0%	830,311	-	830,311
● RW 20%	12,577,425	-	12,577,425
● RW 50%	20,497,677	-	20,497,677
● RW 100%	8,111,121	-	8,111,121
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates			
● RW 20%	1,930,561	3,335,438	5,265,999
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates			
● RW 50%	24,025,514	11,517,620	35,543,134
● RW 100%	14,369,856	102,625,170	116,995,026
- Claims in the Retails Portfolio			
● RW 75%	-	601,712	601,712
- Residential Mortgage Loans			
● RW 35%	-	10,244	10,244
- Other assets			
● RW 0%	-	1,979,556	1,979,556
● RW 100%	-	7,446,245	7,446,245
Non-performing loans			
● RW 50%	-	3,642	3,642
● RW 150%	-	212,986	212,986
Total	140,859,742	127,732,613	268,592,355

^{1/} After multiplying by the credit conversion factor (CCF)

<i>Type of Assets</i> ^{1/} <i>and</i> <i>Risk weight (%)</i>	<i>The Bank</i>		
	<i>31 December 2021</i>		
	<i>Rating</i>	<i>No Rating</i>	<i>Total</i>
	<i>Unit: thousand Baht</i>		
Performing loans			
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank			
● RW 0%	71,550,635	-	71,550,635
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions			
● RW 0%	859,844	-	859,844
● RW 20%	15,564,831	-	15,564,831
● RW 50%	27,352,215	-	27,352,215
● RW 100%	10,084,589	-	10,084,589
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates			
● RW 100%	-	150,181,648	150,181,648
- Claims in the Retails Portfolio			
● RW 75%	-	593,069	593,069
- Residential Mortgage Loans			
● RW 35%	-	13,240	13,240
- Other assets			
● RW 0%	-	3,423,037	3,423,037
● RW 100%	-	5,723,325	5,723,325
Non-performing loans			
● RW 50%	-	159	159
● RW 150%	-	269,266	269,266
Total	125,412,114	160,203,744	285,615,858

^{1/} After multiplying by the credit conversion factor (CCF)

1. Credit Risk Mitigation by Standardized Approach

The Financial Group has established the policy in mitigating the credit risk of financial statement items for the purposes of capital maintenance and credit risk reduction in accordance with the Bank of Thailand's guidelines in the credit risk mitigation by Standardized Approach where The Financial Group has formulated the guidelines and working process on the document, contracts, or legal terms relating to the credit risk mitigation as follows:

- Shall maintain the document or contract relating to such credit risk mitigation obligating to and enforceable to all relevant parties.
- Shall have the processes and systems in considering the legal terms.
- Shall revise all relevant documents and contracts to be continuously enforceable
- Shall have the processes in controlling other potential risks that are caused by employing the credit risk mitigation.

- Shall comply with the Bank of Thailand's guideline in information disclosure according to Pillar III
- Shall consider the contractual maturities and remaining maturities in the credit risk mitigation process to ensure that there would be no maturity mismatch between the exposures and the credit risk mitigation .

The credit risk mitigation by Simple Approach consists of:

- Risk mitigation by the eligible financial collaterals
- Risk mitigation by the on-balance sheet netting
- Risk mitigation by guarantee and credit derivatives

The Financial Group has formulated the policy for the credit risk mitigation by means of on-balance sheet netting as follows.

- Shall have legal consideration regarding the enforceable on-balance netting contract in specifying which assets and liabilities are eligible in netting at any time.
- Shall be capable of monitoring and controlling the risks from maturity mismatch between the assets and liabilities for netting or roll-off risk.
- Shall be capable of monitoring and controlling the exposures on the netting basis.

2. Policies and processes for collateral management and assessment

Under the credit risk mitigation policy, the eligible financial collateral including those traded in the exchange and over-the-counter markets are subject to valuation.

3. Major types of collaterals of The Financial Group

The main eligible financial collateral is deposit at bank; however, other eligible financial collaterals for credit risk mitigation before risk weighted assets and credit risk capital calculation include:

1. Cash, deposits at bank or deposit receipts issued by banks
2. Gold bullions
3. Debt instrument issued by the issuers rated by the ECAs as follows:
 - Short-term debt instruments with the rating better or equal to A-3/P-3, sovereigns, central banks, provincial organizations, governmental entities, and state enterprises which the supervisory authority treats the risk weight as that of sovereigns and the rating of equivalent to BB- or higher.
 - Other issuers, e.g. financial institutions, securities companies, corporate, provincial organizations, governmental entities, and state enterprises which the supervisory authority treats the risk weight as that of financial institutions and the rating of equivalent to BBB- or higher.
 - Short-term debt instrument with rating better or equivalent to A-3/P-3
4. Non-rated by ECAs debt instruments with all characteristics as follows:
 - Issuers are financial institutions and
 - Listed in acceptable exchange bond market and
 - Senior debt and other debt instruments issued by The Financial Group with rating better or equivalent to BBB- or A-3/P-3 and the same seniority as that with no rating
 - No objective evidence for The Financial Group to revise the rating to below BBB-or A-3/P-3

5. Equity instruments including the convertible bonds listed in the main stock exchange.
6. Unit trust invested in the eligible financial collaterals and marked to market on a daily basis

4. Main types of guarantors and protection sellers of credit derivative

The major current guarantors of The Financial Group are the Ministry of Finance mainly guaranteeing the state enterprise bond. Other guarantors and the protection sellers can be reckoned in the credit risk mitigation before risk weighted assets and credit risk capital calculations under the Credit Risk Mitigation Policy are:

- Sovereign, Multilateral Development Banks (MDBs), provincial organizations, and governmental entities
- State enterprises, financial institutions, and securities companies with the risk weight below that of the guaranteed counterparties Corporate including the parent and subsidiary companies and the joint guarantee of credit risk must be rated higher or assigned with the risk weight lower than the guaranteed counterparties. The credit guarantors must be rated higher or equal to A- or A3.

5. Concentration of credit and market risk in each type of collaterals, guarantors, protection sellers of the credit derivative for the credit risk mitigation

Most credit risk mitigation by the eligible financial collaterals method is in forms of deposits at bank for reducing the credit risk in general loans, while the credit risk mitigation by guarantee of loan method is in forms of guarantee by the Ministry of Finance on the investment in debt instruments.

The Financial Group and the bank have the outstanding collateralized exposures in each type of asset by Standardized Approach classified by the types of collaterals as of 31 December 2022 and 2021 as follows:

Type of Assets	The Financial Group	
	31 December 2022	
	Eligible financial collaterals	Guarantees and Credit derivatives
	<i>Unit: thousand Baht</i>	
Performing loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	-	-
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	23,309,025	-
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	8,036,209	13,379,234
- Claims in the Retails Portfolio	315	-
- Residential Mortgage Loans	-	-
- Other assets	-	-
Non-performing loans	-	-
Total	31,345,549	13,379,234

The Financial Group		
31 December 2021		
Type of Assets	Eligible financial collaterals	Guarantees and Credit derivatives
<i>Unit: thousand Baht</i>		
Performing loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	-	-
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	38,785,047	4,206,676
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	3,201,212	19,492,644
- Claims in the Retails Portfolio	615	-
- Residential Mortgage Loans	-	-
- Other assets	-	-
Non-performing loans	-	-
Total	41,986,874	23,699,320
The Bank		
31 December 2022		
Type of Assets	Eligible financial collaterals	Guarantees and Credit derivatives
<i>Unit: thousand Baht</i>		
Performing loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	-	-
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	23,309,025	-
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	7,916,801	13,379,234
- Claims in the Retails Portfolio	315	-
- Residential Mortgage Loans	-	-
- Other assets	-	-
Non-performing loans	-	-
Total	31,226,141	13,379,234

Type of Assets	The Bank	
	31 December 2021	
	Eligible financial collaterals	Guarantees and Credit derivatives
	<i>Unit: thousand Baht</i>	
Performing loans		
- Claims on Sovereigns and Central Bank and claims on non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Sovereigns and Central Bank	-	-
- Claims on Financial Institutions and claims on Non-central Government Public Sector Entities (PSEs) which are treated as Claims on Financial Institutions	38,785,047	4,206,676
- Claims on Corporates and claims on Non-Central Government Public Sector Entities (PSEs) which are treated as Claims on Corporates	3,075,427	19,492,644
- Claims in the Retails Portfolio	615	-
- Residential Mortgage Loans	-	-
- Other assets	-	-
Non-performing loans	-	-
Total	41,861,089	23,699,320

Market risk in Trading Book

Market risk means the risks potentially from the changes in market prices or values caused by interest rates, exchange rates, equity and commodity price movements impacting net interest income and capital of financial institutions. Such changes have an impact through both general market risk and specific risk. The transactions with the market risk can be categorized as follows:

- 1. Transactions in the Trading Book** include the positions of financial instruments and commodities with the intents of trading or hedging of other positions in the trading book and all types of financial derivatives with non-hedging intents for Banking Book positions. The transactions must be non-obligated in buying, selling or hedging with the holding period of no longer than 6 months.
- 2. Transactions in the Banking Book** include the positions of financial instruments or other types of transactions with the intents of not for trading or the financial instrument with the initial intention to hold for long period of time or hold to maturity. The holding period must be at least 1 month.

The Financial Group has the Market Risk Management Policy to identify, measure, control and monitor the market risk both in Trading Book and the interest rate in Banking Book so as to efficiently manage the risk and comply with the Bank of Thailand's guideline in market risk management. The relevant market risks include:

1. Interest Rate Risk is the risk stemming from changes in interest rates resulting in the changes of values of assets, liabilities and off-balance sheet items especially in the medium- to long-term.
2. FX Risk is the risk stemming from negative impact caused by the changes of FX aggregate positions which may incur from the FX transactions for trading, partly hedging for Trade Finance customers, partly hedging for investment in FCY debentures, etc.
3. Price Risk is the risk stemming from the change in prices of equity or equity derivatives in the Proprietary Portfolio.

In managing market risk, the Portfolio Risk Management Department under Risk Management Division is responsible for monitoring and controlling any potential market risk incurred by the operation of Treasury Division where the Asset and Liability Committee (ALCO) determines the market risk limits which are approved by the Executive Committee (EXCOM). ALCO meeting is organized at least once a month to review the market risk and formulate the risk management strategies under changes in financial market environment. For the Market Risk Management Policy, the Portfolio Risk Management Department shall propose through the Group Risk Committee while the policy shall be approved by the Board of Directors (BOD).

The measurement of market risk in the Trading Book embraces all types of market risk including interest rate risk, FX risk, and price risk. Besides, The Financial Group assesses the risk and capital adequacy on a regular basis both in normal and crisis situations by means of assessing the Trading Book position at least on a daily basis based on marking to market, marking to model or other appropriate prices. The gain/loss from each transaction in the Trading Book is subject to the stop loss limits. Moreover, The Financial Group conducts the stress test on the Trading book for all relevant risks while stress test assumptions shall be revised to be in line with economic and financial market condition and to encompass the possibility of negative impacts on the net interest income and The Financial Group's capital on a regular basis.

The risk management tools include control limits, which curb the maximum amounts that the Treasury Division can invest, and stop loss limits, restraining the maximum loss acceptable to The Financial Group in consistent with the Business plan, strategies of The Financial Group and economic, political, financial market conditions domestically and internationally.

The Financial Group has calculated the market risk capital by using the Standardized Approach which is appropriate to the characteristics of investment portfolio of The Financial Group. The market risk capital requirements as of 31 December 2022 and 2021 were as follows:

	The Financial Group		The Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Market Risk Capital Requirement	Unit: thousand Baht		Unit: thousand Baht	
Interest Rate Risk	1,501	2,365	1,501	2,365
Equity Price Risk	-	-	-	-
Foreign Exchange Risk	33,725	22,038	27,294	13,739
Commodity Price Risk	-	-	-	-
Market risk capital requirement (BIS 8%)	35,226	24,403	28,795	16,104
Market risk capital requirement (BIS 8.5%)	37,428	25,928	30,595	17,111

Operational Risk

Operational risk is the risks from damages caused by the lack of good corporate governance in the organization and the appropriate controls. It may relate to the internal processes, human, working systems, or external events and have the negative impact on the interest income and The Financial Group's capital.

The policy of The Financial Group specifies the guideline to prevent and manage the relevant risks and includes the definitions, objectives, sources of risk, operational risk management principles and operational risk working procedures which encompasses risk identification, assessment, analysis, designation of risk control processes, application of risk controlling and monitoring.

At present, The Financial Group use Basic Indicator Approach (BIA) corresponding to the characteristics and complexity of The Financial Group's business operation.

Equity related exposures

Most of the equities in the Banking Book were obtained from debt restructuring. The Group classified the equity into fair value to OCI and recognized the different amount of fair value into the other comprehensive income and will no longer recognize the profit or loss on selling into profit or loss statement.

The equity in the Banking Book of which were held in the portfolio for long time and shall be at least 1 month, according to The Financial Group's policy in Banking Book. The effect on the financial statement is not strongly affected. Thus, equity risk management in Banking Book has no need to set the investment limit and stop loss limit.

The Financial Group and the Bank have the outstanding equity related exposures in the Banking Book as of 31 December 2022 and 2021 as follows:

Equity position	The Financial Group	
	31 December 2022	31 December 2021
	<i>Unit: thousand Baht</i>	
1. Equity related position		
1.1 Equity listed in the Stock Exchange of Thailand	99,218	488,969
1.2 Other equity values	7,342	7,450
2. Gain (Loss) from selling of the equity in this period	197,455	54,896
3. Gain (Loss) from marking to market of FVOCI	96,603	295,743
4. Minimum capital requirement under Standardized Approach	18,870	42,196

Equity position	The Bank	
	31 December 2022	31 December 2021
	<i>Unit: thousand Baht</i>	
1. Equity related position		
1.1 Equity listed in the Stock Exchange of Thailand	99,218	488,969
1.2 Other equity values	9,430,004	8,244,590
2. Gain(Loss) from selling of the equity in this period	197,455	54,896
3. Gain (Loss) from marking to market of FVOCI	96,603	295,743
4. Minimum capital requirement under Standardized Approach	819,796	742,353

Interest rate risk in the Banking Book

The interest rate risk on The Financial Group's balance sheet items are from the mismatch of the repricing periods of assets and liabilities both of the financial statement. Such a difference indicates the level of risk or the magnitude of impact of the change in an interest rate that The Financial Group encounters.

Owing to no trading position in debt instrument, the interest rate risk of The Financial Group mainly comes from the Banking Book where The Financial Group assesses the impact of the interest rates of assets and liabilities through both Net Interest Income (NII), measuring the impact of a change in interest rate on the net interest income in the next 12 months, and Economic Value of Equity (EVE), measuring the impact of a change in interest rate on all assets and liabilities to perceive the impact on the overall portfolio of The Financial Group.

However, The Financial Group has engaged in the interest rate swaps, comprising the swap transactions that receive floating rate and pay fixed and some of the swap transactions that receive fixed and pay floating rates in order to partly hedge the interest rate risk.

The financial group employs repricing Gap Report in measuring and managing the interest rate in the Banking Book in which the control limit has been set at the acceptable level. The Portfolio Risk Management Department is responsible for arranging the gap report and reporting to the relevant sub-committees/committees as well as the Bank of Thailand on a regular basis.

In addition, The Financial Group conducts the stress test on the interest rate risk in the Banking Book based on the assumptions in line with the principle of extreme but plausible scenarios and divided into individual currencies in a quarterly basis in order to report to the Group Risk Committee for consideration and revision of risk management strategy and the action plans to handle any adverse outcomes of the stress tests.

At present, The Financial Group does not have the behavioral adjustments on both assets and liabilities, e.g. behavioral adjustment on prepayment schedule and the rollover of the deposit.

The Repricing Gap report in Banking Book by currency is reported to the Asset and Liabilities Committee on a monthly basis, and a report on interest rate risk to the Bank of Thailand on a quarterly basis.

The impacts of a change in interest rate on earnings of The Financial Group and the bank for the years ended 31 December 2022 and 2021 were as follows:

Currency	The Financial Group			
	Year end 2022		Year end 2021	
	<i>Unit : thousand Baht</i>			
	+1.00%	-1.00%	+1.00%	-1.00%
Thai Baht	-16,066	+16,066	+296,869	-296,869
US Dollar	-42,077	+42,077	-90,944	+90,944
CNY	-12,189	+12,189	-12,121	+12,121
EUR	+1,668	-1,668	+25,308	-25,308
OTHER	-48	+48	-130	+130
Total impact of the change in interest rate	-68,712	+68,712	+218,982	-218,982
Expected net interest income in the next year	6,058,648		5,961,836	

Currency	The Bank			
	Year end 2022		Year end 2021	
	<i>Unit : thousand Baht</i>			
	+1.00%	-1.00%	+1.00%	-1.00%
Thai Baht	+52,561	-52,561	+328,402	-328,402
US Dollar	-42,077	+42,077	-95,616	+95,616
CNY	-12,189	+12,189	-12,341	+12,341
EUR	+1,668	-1,668	+25,241	-25,241
OTHER	-48	+48	-130	+130
Total impact of the change in interest rate	-85	+85	+245,556	-245,556
Expected net interest income in the next year	4,124,426		3,892,306	



Liquidity Coverage Ratio Disclosure

For the year ended 31 December 2022

Scope of Information Disclosure

Industrial and Commercial Bank of China (Thai) Public Company Limited has maintained the liquidity coverage ratio (LCR ratio) to be in line with BOT regulations. The purpose is to assure that the bank has adequate liquidity position on hand to handle any short-term severe liquidity stress.

$$\text{Liquidity Coverage Ratio (LCR)} = \frac{\text{High-quality liquid assets (HQLA)}}{\text{Total net cash outflows within the 30-day period Under liquidity stress scenario}}$$

Liquidity coverage ratio disclosure (LCR disclosure) is provided the information to shareholder to assess the liquidity risk of the bank and to promote the market discipline. Moreover, it would also enhance transparency in the disclosure of risk information in accordance with internal standards.

However, the bank shall disclose the information at the bank level on a quarterly basis, minimum LCR as specified by the Bank of Thailand, including LCR comparison with the previous quarters.

1. Liquidity Coverage Ratio: LCR

	<i>Unit: Million Baht</i>	
	Quarter 4/2022	Quarter 4/2021
	<i>(average)</i>	
(1) Total high-quality liquid assets (HQLA)	68,556	88,239
(2) Total net cash outflows within the 30-day period	43,405	59,206
(3) LCR (%)	158%	149%
<i>Minimum LCR as specified by the Bank of Thailand (%)</i>	100%	100%

2. LCR of the preceding quarters (for comparison)

	Unit : %
Quarter 1/2022	155%
Quarter 2/2022	150%
Quarter 3/2022	142%
Quarter 4/2022	158%

As of Quarter 4, 2022, the average LCR was 158% which was higher than the minimum requirement set by the Bank of Thailand at 100%. It was calculated from the average LCR of end of October, November and December 2022 at 146%, 171% and 158% respectively. The LCR is calculated by using 2 factors.

1. High Quality Liquid Assets (HQLA) includes unencumbered high-quality assets with low risk and low volatility which can be converted into cash easily and quickly. These assets should also be liquid in markets during in time of liquidity stress. The value of each type of HQLA is subjected to a range of haircuts and any applicable caps according to the criteria from the Bank of Thailand.

As of Quarter 4, 2022, the average HQLA was 68,556 million Baht (or 88% of Level 1 assets such as Government bond and cash) by calculating from average HQLA as of end of October, November and December 2022.

2. Net Cash Outflow is defined as expected cash outflows within the 30-day period, minus expected cash inflows within the 30-day period under liquidity stress scenarios. The expected cash inflows must not exceed 75% of the expected cash outflows.

As of Quarter 4, 2022, the average net cash outflows within the 30-day period was 43,405 million Baht by calculating from average cash outflows as of end of October, November and December 2022. Average cash outflows under the severe liquidity stress scenarios are the deposits and borrowings run-off of customers by using the run-off rates set by the Bank of Thailand, meanwhile, most of the average cash inflows are from the loan repayments from high-quality customers and from the maturing debenture by using the inflow rate set by the Bank of Thailand.

In addition, The Bank also has the monitoring and control processes by setting the liquidity risk limits which have been approved by the Executive Committee. The Bank has set Early Warning Indicator to monitor liquidity risk daily and monthly and also set the Trigger Point in case there are some factors that may cause the increasing in risk level and report to the related departments. Moreover, the bank prepares Liquidity Gap Report and presents to the Asset and Liability Committee (ALCO) on a monthly basis and also prepares the Liquidity Risk Report to the Group Risk Supervision and Internal Committee on a quarterly basis. From the aforementioned reason, it can be concluded that the Bank can manage the liquidity risk and believe that the liquidity is sufficient to cover any future crisis.