



Summary of Operating Results for the Bank and its Subsidiaries**Quarter Ended March 31, 2022**

In the first quarter of 2022, the Thai economy expanded at a slower pace due to the spread of the Covid-19 Omicron variant with another spike of new infections. The government responded by curbing travel entry, resulting in the slow recovery of international tourism. Meanwhile, the war between Russia and Ukraine pushed up global oil and energy prices as well as the cost of some commodities. As a result, inflation rates in many countries, including Thailand, have increased causing a slowdown in domestic private consumption. Additionally, central banks of some countries increased policy rates, which have impacted economic growth and global commerce. Consequently, the Thai export sector for the first 2 months of 2022 grew only 12.2 percent compared with 22.1 percent in the previous quarter. Going forward, the volatility of financial markets and world economy will be important factors to closely monitor.

The recovery of Thailand's economy is expected to be slow and uneven. Some businesses including exports have recovered back to where they were prior to the Covid-19 crisis while tourism-related sectors have been recovering more slowly. Bangkok Bank continues to support customers in each sector in accordance with their needs by providing short-term liquidity to help businesses stay afloat and offer working capital when their businesses recover. With the commitment to be a trusted partner and reliable close friend, the Bank focuses on sharing knowledge and expertise to support customers to achieve sustainable growth by adjusting business model in line with changing market trends or enhancing the opportunities for international business expansion. At the same time, the Bank places importance on prudent risk management, together with maintaining its financial stability, liquidity and capital positions.

The Bank and its subsidiaries reported a net profit of Baht 7,118 million, an increase of 2.8 percent from the first quarter of 2021. Net interest income rose by 10.4 percent contributed from loan growth, while the net interest margin stood at 2.11 percent. Non-interest income declined by 16.1 percent primarily from lower gains on mark to market of financial assets in line with the market environment, and lower net fees and service income from credit card and bancassurance and mutual funds. Operating expenses decreased by 1.6 percent, resulting in a cost to income ratio of 49.8 percent. The Bank set aside expected credit loss of Baht 6,489 million.

At the end of March 2022, the Bank's total loans amounted to Baht 2,587,534 million, the same level as the end of December 2021. There was a net increase in loans to large corporate customers while loans made through the Bank's international network decreased. The non-performing loan to total loans ratio was 3.3 percent. The Bank's prudent management approach achieved a healthy increase in the allowance for expected credit losses to non-performing loans ratio to 229.0 percent.

As of March 31, 2022, the Bank's deposits amounted to Baht 3,194,460 million, an increase of 1.2 percent from the end of December 2021, reflecting customers' desire to maintain their highly liquid assets during a time of uncertainty. The loan to deposit ratio was 81.0 percent. Meanwhile, the total capital adequacy ratio, Tier 1 capital adequacy ratio and Common Equity Tier 1 capital adequacy ratio of the Bank and its subsidiaries were 19.5 percent, 16.0 percent and 15.2 percent respectively, comfortably above the Bank of Thailand's minimum capital requirements.

Overall Picture of the Bank and its Subsidiaries

Item	Million Baht				
	Q1/22	Q4/21	Q1/21	%QoQ	%YoY
Net profit ^{/1}	7,118	6,318	6,923	12.7%	2.8%
Earnings per share (Baht)	3.73	3.31	3.63	12.7%	2.8%
Net interest margin	2.11%	2.09%	2.17%	0.02%	(0.06)%
Net fees and service income to operating income ratio	22.4%	21.5%	23.8%	0.9%	(1.4)%
Cost to income ratio	49.8%	54.6%	51.1%	(4.8)%	(1.3)%
Return on average assets ^{/1}	0.67%	0.58%	0.72%	0.09%	(0.05)%
Return on average equity ^{/1}	5.83%	5.12%	6.18%	0.71%	(0.35)%

^{/1} Attributable to owners of the Bank

Item	Million Baht				
	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Loans	2,587,534	2,588,339	2,369,276	(0.0)%	9.2%
Deposits	3,194,460	3,156,940	2,904,276	1.2%	10.0%
Loan to deposit ratio	81.0%	82.0%	81.6%	(1.0)%	(0.6)%
Non-performing loan (Gross NPL) ^{/1}	102,342	101,103	108,470	1.2%	(5.6)%
Gross NPL to total loans ratio ^{/1}	3.3%	3.2%	3.7%	0.1%	(0.4)%
Allowance for expected credit losses to NPL ratio ^{/1}	229.0%	225.8%	187.3%	3.2%	41.7%
Total capital adequacy ratio	19.5%	19.6%	18.4%	(0.1)%	1.1%

^{/1} Including interbank and money market lending

Operating Income and Expenses of the Bank and its Subsidiaries

Item	Million Baht				
	Q1/22	Q4/21	Q1/21	%QoQ	%YoY
Net interest income	21,747	21,716	19,707	0.1%	10.4%
Non-interest income	9,363	13,698	11,166	(31.6)%	(16.1)%
Operating expenses	15,507	19,336	15,761	(19.8)%	(1.6)%
Expected credit losses	6,489	8,127	6,326	(20.2)%	2.6%
Operating profit before tax	9,114	7,951	8,786	14.6%	3.7%
Income tax expenses	1,875	1,517	1,747	23.6%	7.3%
Net profit	7,239	6,434	7,039	12.5%	2.8%
Net profit ^{/1}	7,118	6,318	6,923	12.7%	2.8%
Total comprehensive income ^{/1}	4,906	5,822	11,195	(15.7)%	(56.2)%

^{/1} Attributable to owners of the Bank

Non-Interest Income

Non-interest income for the first quarter of 2022 amounted to Baht 9,363 million, a decrease from the previous quarter due to gains on financial instruments measured at FVTPL, in line with the market environment, and lower net fees and service income from credit card and investment banking.

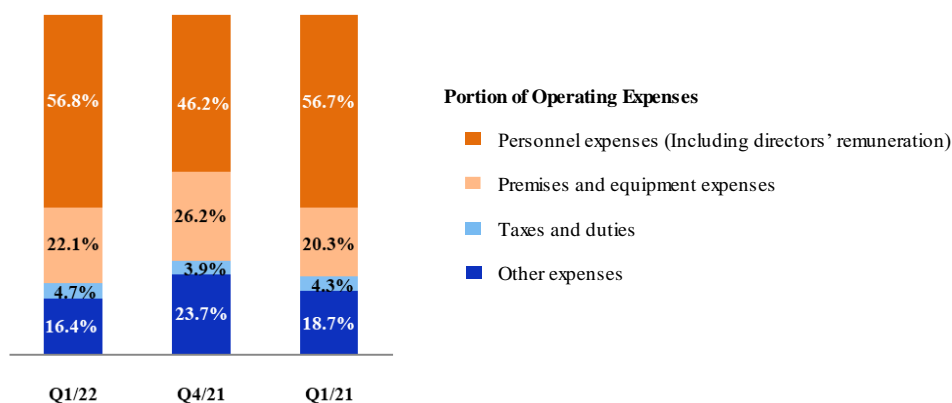
Compared with the first quarter of 2021, non-interest income decreased due to gains on financial instruments measured at FVTPL and lower net fees and service income of credit card and bancassurance and mutual funds.

	Million Baht				
Item	Q1/22	Q4/21	Q1/21	%QoQ	%YoY
Fees and service income	10,089	10,441	9,637	(3.4)%	4.7%
<u>Less</u> fees and service expenses	3,132	2,834	2,303	10.5%	36.0%
Net fees and service income	6,957	7,607	7,334	(8.5)%	(5.1)%
Gains on financial instruments measured at FVTPL	1,346	4,796	2,088	(71.9)%	(35.5)%
Gains on investments	71	459	841	(84.5)%	(91.6)%
Share of profit from investment for using equity method	50	35	32	42.9%	56.3%
Gains on disposal of assets	64	257	79	(75.1)%	(19.0)%
Dividend income	611	280	525	118.2%	16.4%
Other operating income	264	264	267	-	(1.1)%
Total other operating income	2,406	6,091	3,832	(60.5)%	(37.2)%
Total non-interest income	9,363	13,698	11,166	(31.6)%	(16.1)%
Net fees and service income to operating income ratio	22.4%	21.5%	23.8%	0.9%	(1.4)%

Operating Expenses

Operating expenses for the first quarter of 2022 amounted to Baht 15,507 million, decreasing by Baht 3,829 million, or 19.8 percent from the previous quarter, due to expenses to develop and improve working systems, which was partly completed, and higher seasonality of operating expenses in the previous quarter. Compared with the first quarter of 2021, total operating expenses were at a similar level. The cost to income ratio decreased to 49.8 percent.

	Million Baht				
Item	Q1/22	Q4/21	Q1/21	%QoQ	%YoY
Personnel expenses	8,735	8,841	8,902	(1.2)%	(1.9)%
Directors' remuneration	81	86	42	(5.8)%	92.9%
Premises and equipment expenses	3,420	5,068	3,198	(32.5)%	6.9%
Taxes and duties	731	759	679	(3.7)%	7.7%
Other expenses	2,540	4,582	2,940	(44.6)%	(13.6)%
Total operating expenses	15,507	19,336	15,761	(19.8)%	(1.6)%
Cost to income ratio	49.8%	54.6%	51.1%	(4.8)%	(1.3)%



Expected Credit Losses

The Bank set aside Baht 6,489 million in expected credit losses in the first quarter of 2022, lower than the previous quarter. The Bank continues its prudent approach by assessing the impact from the Covid-19 pandemic as well as the pace of the Thai economic recovery which is expected to be uneven and take a long time. Expected credit losses cover loans, interbank and money market items, and debt securities, which are not measured at FVTPL, as well as loan commitments and financial guarantee contracts.

Significant Items in the Financial Position

Assets

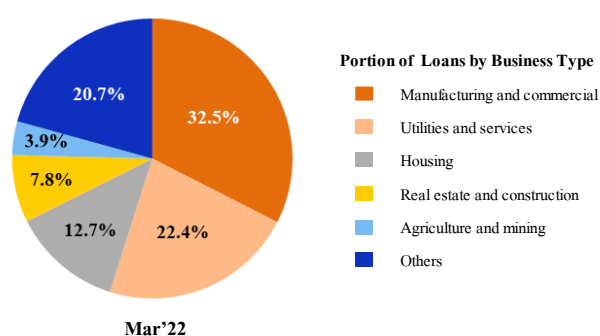
As of March 31, 2022, total assets amounted to Baht 4,343,930 million, increasing slightly from the end of December 2021 predominantly from net investments.

Item	Million Baht				
	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Net interbank and money market items	768,421	801,212	758,200	(4.1)%	1.3%
Financial assets measured at FVTPL	88,150	84,341	64,660	4.5%	36.3%
Net investments	875,378	803,637	680,784	8.9%	28.6%
Net investments in associates	1,378	1,329	944	3.7%	46.0%
Loans	2,587,534	2,588,339	2,369,276	(0.0)%	9.2%
Net properties for sale	9,749	9,496	9,579	2.7%	1.8%
Total assets	4,343,930	4,333,281	3,952,809	0.2%	9.9%

Loans

As of March 31, 2022, loans amounted to Baht 2,587,534 million, the same level as the end of December, 2021. There was a net increase in loans to large corporate customers while loans made through the Bank's international network decreased.

	Million Baht				
Loans by Business Type	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Manufacturing and commercial	839,754	839,469	805,112	0.0%	4.3%
Utilities and services	579,940	574,485	558,694	0.9%	3.8%
Housing	327,432	324,546	304,299	0.9%	7.6%
Real estate and construction	203,091	211,647	204,797	(4.0)%	(0.8)%
Agriculture and mining	101,726	101,487	77,577	0.2%	31.1%
Others	535,591	536,705	418,797	(0.2)%	27.9%
Total loans	2,587,534	2,588,339	2,369,276	(0.0)%	9.2%



The Bank and its subsidiaries had loans distributed across business sectors, with 32.5 percent in the manufacturing and commercial sector, 22.4 percent in the utilities and services sector, 12.7 percent in the housing sector, and 7.8 percent in the real estate and construction sector. Loans at the end of March 2022 were at the same level as the end of December 2021.

Classified Loans and Allowance for Expected Credit Losses

Non-performing loan (Gross NPL) at the end of March 2022 was Baht 102,342 million. The gross NPL to total loans ratio was 3.3 percent.

The allowance for expected credit losses was Baht 234,411 million. The allowance for expected credit losses to NPL ratio was 229.0 percent.

	Million Baht				
Item	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Consolidated					
Non-performing loan (Gross NPL) ^{/1}	102,342	101,103	108,470	1.2%	(5.6)%
Gross NPL to total loans ratio ^{/1}	3.3%	3.2%	3.7%	0.1%	(0.4)%
Net NPL to net total loans ratio ^{/1}	0.9%	1.0%	1.2%	(0.1)%	(0.3)%
Allowance for expected credit losses to NPL ratio	229.0%	225.8%	187.3%	3.2%	41.7%
The Bank					
Non-performing loans (Gross NPL) ^{/1}	83,441	82,820	95,048	0.7%	(12.2)%
Gross NPL to total loans ratio ^{/1}	3.1%	3.0%	3.7%	0.1%	(0.6)%

^{/1} Including interbank and money market lending

Million Baht

Item	Loans and Interbank & Money Market			Allowance for Expected Credit Losses ^{/1}		
	Mar'22	Dec'21	Mar'21	Mar'22	Dec'21	Mar'21
	Non-credit-impaired	3,254,160	3,289,055	3,019,462	156,247	153,342
Credit-impaired	102,342	101,103	108,470	78,164	74,943	78,149
Total	3,356,502	3,390,158	3,127,932	234,411	228,285	203,125

^{/1} Including allowance for expected credit losses of loans, interbank and money market items, loan commitments and financial guarantee contracts

Investments

As of March 31, 2022, investments amounted to Baht 963,528 million, increasing by Baht 75,550 million or 8.5 percent from the end of December 2021 mostly from investments in Thai government and state enterprise securities.

A significant proportion of investments was in Thai government and state enterprise securities. As of March 31, 2022, these amounted to Baht 532,418 million, accounting for 55.3 percent of total investments. Foreign debt securities amounted to Baht 232,350 million, private enterprise debt securities to Baht 21,745 million, and net investment in equity securities to Baht 111,879 million.

Million Baht

Investments by Investment Holding	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Trading securities	16,698	13,104	10,237	27.4%	63.1%
Securities measured at FVTPL	71,452	71,237	54,423	0.3%	31.3%
Debt securities measured at amortized cost	45,637	46,053	37,549	(0.9)%	21.5%
Debt securities measured at FVOCI	734,269	667,473	555,176	10.0%	32.3%
Equity securities measured at FVOCI	95,472	90,111	88,059	5.9%	8.4%
Total investments	963,528	887,978	745,444	8.5%	29.3%

Liabilities and Shareholders' Equity

Total liabilities as of March 31, 2022, amounted to Baht 3,844,329 million, an increase of 0.1 percent from the end of December 2021, mainly due to an increase in deposits.

Million Baht

Item	Mar'22	Dec'21	Mar'21	%QoQ	%YoY
Deposits	3,194,460	3,156,940	2,904,276	1.2%	10.0%
Interbank and money market items	265,243	288,709	249,830	(8.1)%	6.2%
Financial liabilities measured at FVTPL	19,299	20,833	19,503	(7.4)%	(1.0)%
Debt issued and borrowings	182,843	183,239	142,151	(0.2)%	28.6%
Total liabilities	3,844,329	3,838,688	3,491,106	0.1%	10.1%
Shareholders' equity ^{/1}	497,633	492,727	460,209	1.0%	8.1%

^{/1} Attributable to owners of the Bank

Deposits

Total deposits as of March 31, 2022, amounted to Baht 3,194,460 million, rising by 1.2 percent from the end of December 2021 from increases in savings and current deposits from cost management.

Million Baht

Deposits Classified by Product Type	Mar'22		Dec'21		Mar'21		%QoQ	%YoY
	Amount	Portion	Amount	Portion	Amount	Portion		
Current	284,322	8.9%	273,597	8.7%	228,605	7.9%	3.9%	24.4%
Savings	1,672,825	52.4%	1,613,777	51.1%	1,450,648	49.9%	3.7%	15.3%
Fixed	1,237,313	38.7%	1,269,566	40.2%	1,225,023	42.2%	(2.5)%	1.0%
Total deposits	3,194,460	100.0%	3,156,940	100.0%	2,904,276	100.0%	1.2%	10.0%
Loan to deposit ratio		81.0%		82.0%		81.6%	(1.0)%	(0.6)%

Debt Issued and Borrowings

Total debt issued and borrowings as of March 31, 2022, amounted to Baht 182,843 million, decreasing by Baht 396 million from the end of December 2021 due to a decrease in the value of foreign-denominated debentures following the appreciation of the baht.

Million Baht

Debt Issued and Borrowings Classified by Type of Instruments	Mar'22		Dec'21		Mar'21		%QoQ	%YoY
	Amount	Portion	Amount	Portion	Amount	Portion		
Senior unsecured notes	83,280	45.5%	83,594	45.6%	78,364	55.1%	(0.4)%	6.3%
Subordinated notes	98,271	53.7%	98,640	53.8%	62,418	43.9%	(0.4)%	57.4%
Bills of exchange	519	0.3%	516	0.3%	916	0.6%	0.6%	(43.3)%
Others	826	0.5%	549	0.3%	529	0.4%	50.5%	56.1%
Total (before less discount on borrowings)	182,896	100.0%	183,299	100.0%	142,227	100.0%	(0.2)%	28.6%
Less discount on borrowings	53		60		76		(11.7)%	(30.3)%
Total debt issued and borrowings	182,843		183,239		142,151		(0.2)%	28.6%

Shareholders' Equity

Shareholders' equity attributable to owners of the Bank as of March 31, 2022, amounted to Baht 497,633 million, an increase of Baht 4,906 million or 1.0 percent from the end of 2021. Net profit attributable to owners of the Bank in the first quarter of 2022 was Baht 7,118 million, net of a decrease in gains on translating the financial statements of foreign operations.

Sources and Utilization of Funds

As of March 31, 2022, the primary sources of funds were Baht 3,194,460 million or 73.5 percent in deposits, Baht 497,633 million or 11.5 percent in shareholders' equity attributable to owners of the Bank, Baht 265,243 million or 6.1 percent in interbank and money market liabilities, and Baht 202,142 million or 4.7 percent in debt issued and borrowings including financial liabilities measured at FVTPL.

The utilization of funds comprised Baht 2,587,534 million or 59.6 percent in loans, Baht 964,906 million or 22.2 percent in net investments including financial assets measured at FVTPL and net investments in associates and Baht 768,421 million or 17.7 percent in net interbank and money market assets.

Capital Reserves and Capital Adequacy Ratio

Under the principles of Basel III, the Bank of Thailand (BOT) currently requires commercial banks registered in Thailand and members of their financial groups to maintain minimum levels of capital adequacy as measured by three ratios: the Common Equity Tier 1 capital adequacy ratio at no less than 4.50 percent, the Tier 1 capital adequacy ratio at no less than 6.00 percent, and the Total Capital Adequacy ratio at no less than 8.50 percent – measured as a percentage of total risk-weighted assets. The BOT also requires a capital conservation buffer of more than 2.50 percent. It requires the Bank, which is identified as a Domestic Systemically Important Bank (D-SIB), to have additional capital to meet the Higher Loss Absorbency (HLA) requirement, which gradually raised the Common Equity Tier 1 ratio by 1.00 percent. Consequently, the Bank is required to maintain the Common Equity Tier 1 capital adequacy ratio at more than 8.00 percent, the Tier 1 capital adequacy ratio at more than 9.50 percent, and the total capital adequacy ratio at more than 12.00 percent – measured as percentages of total risk-weighted assets.

As of March 31, 2022, the Bank's Common Equity Tier 1 capital adequacy ratio was 15.2 percent, the Tier 1 capital adequacy ratio was 16.0 percent, and the total capital adequacy ratio was 19.5 percent. Consequently, the Bank's capital is at a level that provides such additional buffers.

Consolidated

Million Baht

Item	Mar'22		Dec'21		Mar'21		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	430,538	15.2%	433,699	15.2%	410,911	15.1%	> 8.00%
Tier 1 capital	454,319	16.0%	457,469	16.0%	434,679	15.9%	> 9.50%
Tier 2 capital	99,812	3.5%	102,957	3.6%	68,097	2.5%	
Total capital	554,131	19.5%	560,426	19.6%	502,776	18.4%	> 12.00%

The Bank

Million Baht

Item	Mar'22		Dec'21		Mar'21		BOT's requirements
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	423,793	16.6%	425,758	16.5%	415,731	16.6%	> 8.00%
Tier 1 capital	447,385	17.6%	449,350	17.4%	439,323	17.6%	> 9.50%
Tier 2 capital	98,873	3.9%	101,989	3.9%	67,364	2.7%	
Total capital	546,258	21.5%	551,339	21.3%	506,687	20.3%	> 12.00%

Liquid Assets

Liquid assets consisted of cash, net interbank and money market items, debt securities, and marketable equity securities. As of March 31, 2022, the ratio of liquid assets to total assets and liquid assets to deposits were 39.2 percent and 53.3 percent respectively.

Item	Mar'22	Dec'21	Mar'21
Liquid assets/Total assets (%)	39.2	38.6	38.1
Liquid assets/Deposits (%)	53.3	53.0	51.8

Credit Ratings

Details of the Bank's credit ratings are as follows:

Credit Rating Agency	Mar'22	Dec'21	Mar'21
Moody's Investors Service			
Long-term Deposit	Baa1	Baa1	Baa1
Short-term Deposit	P-2	P-2	P-2
Senior Unsecured Debt Instrument	Baa1	Baa1	Baa1
Subordinated Debt Instrument	Baa2	Baa2	Baa2
Subordinated Debt (Basel III-compliant Tier 2 securities)	Baa3	Baa3	Baa3
Subordinated Debt (Basel III-compliant Tier 1 securities)	Ba1	Ba1	Ba1
Financial Strength (BCA)	baa1	baa1	baa1
Outlook	Stable	Stable	Stable
S&P Global Ratings			
Long-term Issuer Credit Rating	BBB+	BBB+	BBB+
Short-term Issuer Credit Rating	A-2	A-2	A-2
Senior Unsecured Debt Instrument	BBB+	BBB+	BBB+
Subordinated Debt Instrument	BBB	BBB	BBB
Financial Strength (SACP)	bbb-	bbb	bbb
Outlook	Stable	Stable	Stable
Fitch Ratings			
International Rating			
Long-term Issuer Default Rating	BBB	BBB	BBB
Short-term Issuer Default Rating	F2	F2	F2
Senior Unsecured Debt Instrument	BBB	BBB	BBB
Subordinated Debt Instrument	BB+	BB+	BB+
Subordinated Debt (Basel III-compliant Tier 2 securities)	BB+	BB+	BB+
Financial Strength (VR)	bbb	bbb	bbb
Outlook	Stable	Stable	Stable
National Rating			
Long-term	AA+(tha)	AA+(tha)	AA+(tha)
Short-term	F1+(tha)	F1+(tha)	F1+(tha)
Outlook	Stable	Stable	Stable