



**Summary of Operating Results for the Bank and its Subsidiaries
Quarter and Year Ended December 31, 2021**

In 2021, the Thai economy continued to be significantly affected by the Covid-19 pandemic, with the number of daily new infections rapidly increasing and reaching an all-time high in the third quarter. Many businesses in the hospitality and tourism sectors were affected by government measures to control the spread of the virus. In the fourth quarter, the number of new infections decreased while the proportion of vaccinated people increased, so the government eased the lockdown measures and reopened Thailand's borders to welcome foreign tourists towards the end of the year. These led to a revival of the Thai economy and private consumption. Export growth accelerated as a result of growing demand from trading partners and the continued expansion of the global manufacturing sector. However, the Omicron variant and possible mutations present potential risks that could affect Thailand's economic recovery.

Since the beginning of the Covid-19 pandemic, the government and the Bank of Thailand have regularly launched measures to help impacted businesses and individuals, support a steady economic recovery and facilitate transition to the New Normal. Bangkok Bank continues to support government measures by taking care of customers closely and understanding their current situations. The Bank believes that providing financial support and relevant advice suitable to the changing business landscape during the pandemic, as well as how to adjust business model and expansion to accommodate new opportunities, will help customers and the Bank overcome the situation in a sustainable way. At the same time, the Bank has placed importance on prudent risk management, together with maintaining its financial stability, liquidity and strong capital positions.

In 2021, Bangkok Bank and its subsidiaries reported a net profit of Baht 26,507 million, an increase of 54.3 percent from 2020. Net interest income rose by 6.6 percent from last year due to the full-year consolidation of Permata's net interest income and lower interest expenses resulting from cost management. The net interest margin stood at 2.10 percent. Non-interest income rose by 25.7 percent mainly due to an increase in net fees and service income from securities business, loan-related services, bancassurance and mutual funds, along with an increase on gains on mark to market of financial assets in line with the market environment.

Operating expenses rose by 2.0 percent from last year as a result of the full-year consolidation of Permata's operating expenses. Meanwhile, the cost to income ratio declined to 50.0 percent. The Bank maintained its prudent approach by setting aside expected credit losses of Baht 34,134 million to accommodate future uncertainty from the impact of the Covid-19 outbreaks, while closely monitoring the situation regarding the Omicron variant and potential risks arising from new variants.

At the end of December 2021, the Bank's total loans amounted to Baht 2,588,339 million, an increase of 9.3 percent from the end of last year, due mainly to loans to large corporate customers and loans made through the international network. The non-performing loan to total loans ratio decreased to 3.2 percent, while the ratio of the allowance for expected credit losses to non-performing loans remaining strong at 225.8 percent.

As of December 31, 2021, the Bank's deposits amounted to Baht 3,156,940 million, an increase of 12.3 percent from the end of December 2020, reflecting customers' desire to maintain highly liquid assets during a time of uncertainty. Accordingly, the loan to deposit ratio stood at 82.0 percent. In September 2021, the Bank issued 15-year Subordinated Notes qualified as Basel III-compliant Tier 2 capital amounting to USD 1 billion, which further strengthened the Bank's diverse capital structure. At the end of December 2021, the total capital adequacy ratio, Tier 1 capital adequacy ratio, and Common Equity Tier 1 capital adequacy ratio of the Bank and its subsidiaries stood at 19.6 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

	Million Baht							
Item	Q4/21	Q3/21	Q4/20	%QoQ	%YoY	Y'21	Y'20	%YoY
Net profit ^{/1}	6,318	6,909	2,398	(8.6)%	163.5%	26,507	17,181	54.3%
Earnings per share (Baht)	3.31	3.62	1.26	(8.6)%	163.5%	13.89	9.00	54.3%
Net interest margin	2.09%	2.04%	2.12%	0.05%	(0.03)%	2.10%	2.24%	(0.14)%
Net fees and service income to operating income ratio	21.5%	21.4%	20.8%	0.1%	0.7%	21.7%	20.8%	0.9%
Cost to income ratio	54.6%	46.1%	65.8%	8.5%	(11.2)%	50.0%	55.6%	(5.6)%
Return on average assets ^{/1}	0.58%	0.65%	0.25%	(0.07)%	0.33%	0.65%	0.48%	0.17%
Return on average equity ^{/1}	5.12%	5.74%	2.15%	(0.62)%	2.97%	5.62%	3.96%	1.66%

^{/1} Including interbank and money market lending

	Million Baht				
Item	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
Loans	2,588,339	2,523,772	2,368,238	2.6%	9.3%
Deposits	3,156,940	3,124,277	2,810,863	1.0%	12.3%
Loan to deposit ratio	82.0%	80.8%	84.3%	1.2%	(2.3)%
Non-performing loan (Gross NPL) ^{/1}	101,103	112,433	104,401	(10.1)%	(3.2)%
Gross NPL to total loans ratio ^{/1}	3.2%	3.7%	3.9%	(0.5)%	(0.7)%
Allowance for expected credit losses to NPL ratio ^{/1}	225.8%	198.9%	186.8%	26.9%	39.0%
Total capital adequacy ratio	19.6%	19.7%	18.3%	(0.1)%	1.3%

^{/1} Including interbank and money market lending

Operating Income and Expenses of the Bank and its Subsidiaries

	Million Baht							
Item	Q4/21	Q3/21	Q4/20	%QoQ	%YoY	Y'21	Y'20	%YoY
Net interest income	21,716	20,705	19,264	4.9%	12.7%	82,156	77,046	6.6%
Non-interest income	13,698	13,725	11,364	(0.2)%	20.5%	52,385	41,682	25.7%
Operating expenses	19,336	15,879	20,144	21.8%	(4.0)%	67,266	65,974	2.0%
Expected credit loss	8,127	9,870	7,203	(17.7)%	12.8%	34,134	31,196	9.4%
Operating profit before tax	7,951	8,681	3,281	(8.4)%	142.3%	33,141	21,558	53.7%
Income tax expenses	1,517	1,662	799	(8.7)%	89.9%	6,189	4,013	54.2%
Net profit	6,434	7,019	2,482	(8.3)%	159.2%	26,952	17,545	53.6%
Net profit ^{/1}	6,318	6,909	2,398	(8.6)%	163.5%	26,507	17,181	54.3%
Total comprehensive income ^{/1}	5,822	20,976	10,741	(72.2)%	(45.8)%	50,394	30,056	67.7%

^{/1} Attributable to owners of the Bank

Bangkok Bank and its subsidiaries reported a net profit attributable to owners of the Bank in the fourth quarter of 2021 of Baht 6,318 million, a decrease of Baht 591 million or 8.6 percent from the previous quarter due mainly to higher operating expenses from seasonality and expenses to develop and improve working systems. Net interest income rose by 4.9 percent from higher loan volume. Non-interest income was at nearly the same level as the previous quarter. Expected credit losses declined from the previous quarter. However, the Bank continues to take a prudent approach as it assesses the potential impact of the Covid-19 situation and related uncertainties.

Compared with the fourth quarter of 2020, net profit attributable to owners of the Bank increased by Baht 3,920 million or 163.5 percent, from an increase in operating income. This was due to higher net interest income from an increase in loan volume and management of the cost of deposits; an increase in non-interest income mainly owing to higher net fees and service income from investment banking and loan-related services; and an increase in gains on financial instruments measured at FVTPL in line with the market environment. Expected credit losses increased to accommodate uncertainty from the impact of the Covid-19 outbreaks and the emergence of new variants.

In 2021, net profit attributable to owners of the Bank amounted to Baht 26,507 million, an increase of Baht 9,326 million or 54.3 percent from last year. Net interest income increased by 6.6 percent, due to the consolidation of Bank Permata's net interest income for the full year combined with a decline in interest expenses from management of the cost of deposits. Non-interest income rose by 25.7 percent from an increase in net fees and service income from the securities business, loan-related services as well as bancassurance and mutual funds, together with an increase in gains on financial instruments measured at FVTPL in line with the market environment. Meanwhile, operating expenses increased by 2.0 percent from the consolidation of Permata's expenses for the full year. The Bank set aside additional expected credit losses in accordance with its prudent approach to accommodate future uncertainty from the impact of the Covid-19 outbreaks, while closely monitoring the situation regarding the Omicron variant and risks from the emergence of new variants.

Net Interest Income

Net interest income in the fourth quarter of 2021 amounted to Baht 21,716 million, rising by 4.9 percent from the previous quarter and 12.7 percent from the same period last year from increases in business loans and loans made through the Bank's international network, combined with a decrease in interest expenses on deposits due to management of the cost of deposits.

In 2021, net interest income rose by 6.6 percent from last year from the consolidation Bank Permata's income for the full year, together with a decrease in interest expenses on deposits from cost management.

Million Baht								
Item	Q4/21	Q3/21	Q4/20	%QoQ	%YoY	Y'21	Y'20	%YoY
Interest Income								
Loans	25,546	24,419	23,454	4.6%	8.9%	96,929	95,994	1.0%
Interbank and money market items	1,436	1,601	1,106	(10.3)%	29.8%	6,250	5,431	15.1%
Investments	3,040	2,835	2,892	7.2%	5.1%	11,133	11,098	0.3%
Total interest income	30,022	28,855	27,452	4.0%	9.4%	114,312	112,523	1.6%
Interest expenses								
Deposits	4,514	4,619	4,902	(2.3)%	(7.9)%	18,195	22,437	(18.9)%
Interbank and money market items	218	220	174	(0.9)%	25.3%	891	952	(6.4)%
Contributions to the Deposit Protection Agency and Financial Institutions Development Fund	1,680	1,667	1,528	0.8%	9.9%	6,500	5,846	11.2%
Debt issued and borrowings	1,894	1,644	1,584	15.2%	19.6%	6,570	6,242	5.3%
Total interest expenses	8,306	8,150	8,188	1.9%	1.4%	32,156	35,477	(9.4)%
Net interest income	21,716	20,705	19,264	4.9%	12.7%	82,156	77,046	6.6%
Yield on earning assets	2.88%	2.85%	3.02%	0.03%	(0.14)%	2.92%	3.28%	(0.36)%
Cost of funds	0.92%	0.92%	1.03%	-	(0.11)%	0.94%	1.19%	(0.25)%
Net interest margin	2.09%	2.04%	2.12%	0.05%	(0.03)%	2.10%	2.24%	(0.14)%

Bangkok Bank Interest Rate	Dec'21	Sep'21	Jun'21	Mar'21	Dec'20	Sep'20	Jun'20	Mar'20	Dec'19
Loans (%)									
MOR	5.875	5.875	5.875	5.875	5.875	5.875	5.875	6.500	6.875
MRR	5.950	5.950	5.950	5.750	5.750	5.750	5.750	6.500	6.875
MLR	5.250	5.250	5.250	5.250	5.250	5.250	5.250	5.875	6.000
Deposits (%)									
Savings	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.375	0.500-0.625
3-month Fixed	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.500	1.000
6-month Fixed	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.625	1.250
12-month Fixed	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.750	1.375-1.500
Bank of Thailand Policy Rate (%)	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.750	1.250

Non-Interest Income

Non-interest income for the fourth quarter of 2021 amounted to Baht 13,698 million, similar to the previous quarter. Compared with the fourth quarter of 2020, non-interest income rose by 20.5 percent from gains on financial instruments measured at FVTPL in line with the market environment. Net fees and service income increased, mainly from investment banking and loan related services due to the improvements across many business sectors in line with domestic economic activities.

In 2021, non-interest income rose by 25.7 percent. This was due predominantly to increases in net fees and service income from securities business, loan-related services as well as bancassurance and mutual funds, together with higher gains on financial instruments measured at FVTPL.

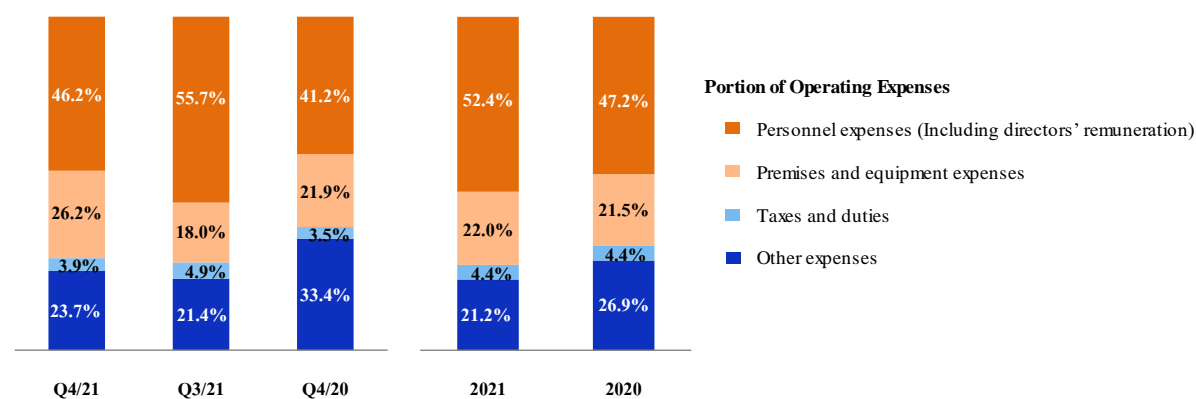
	Million Baht								
Item	Q4/21	Q3/21	Q4/20	%QoQ	%YoY	Y'21	Y'20	%YoY	
Fees and service income	10,441	9,727	9,120	7.3%	14.5%	39,127	34,168	14.5%	
<u>Less</u> fees and service expenses	2,834	2,354	2,764	20.4%	2.5%	9,918	9,457	4.9%	
Net fees and service income	7,607	7,373	6,356	3.2%	19.7%	29,209	24,711	18.2%	
Gains on financial instruments measured at FVTPL	4,796	5,030	3,703	(4.7)%	29.5%	17,868	11,058	61.6%	
Gains on investments	459	165	480	178.2%	(4.4)%	1,225	2,512	(51.2)%	
Share of profit (losses) from investment for using equity method	35	117	7	(70.1)%	400.0%	209	(14)	1,592.9%	
Gains on disposal of assets	257	93	553	176.3%	(53.5)%	519	734	(29.3)%	
Dividend income	279	641	215	(56.5)%	29.8%	2,252	2,039	10.4%	
Other operating income	265	306	50	(13.4)%	430.0%	1,103	642	71.8%	
Total other operating income	6,091	6,352	5,008	(4.1)%	21.6%	23,176	16,971	36.6%	
Total non-interest income	13,698	13,725	11,364	(0.2)%	20.5%	52,385	41,682	25.7%	
Net fees and service income to operating income ratio	21.5%	21.4%	20.8%	0.1%	0.7%	21.7%	20.8%	0.9%	

Operating Expenses

Operating expenses for the fourth quarter of 2021 amounted to Baht 19,336 million, increasing by Baht 3,457 million, or 21.8 percent from the previous quarter, due partly to seasonality of expenses as well as expenses to develop and improve working systems to accommodate changing consumer behavior as people increasingly use digital channels.

Total operating expenses for 2021 increased by Baht 1,292 million or 2.0 percent from last year due mainly to the consolidation of Permata's expenses for the full year.

Million Baht								
Item	Q4/21	Q3/21	Q4/20	%QoQ	%YoY	Y'21	Y'20	%YoY
Personnel expenses	8,841	8,805	8,248	0.4%	7.2%	35,003	30,960	13.1%
Directors' remuneration	86	47	45	83.0%	91.1%	264	187	41.2%
Premises and equipment expenses	5,068	2,854	4,422	77.6%	14.6%	14,765	14,165	4.2%
Taxes and duties	759	780	699	(2.7)%	8.6%	2,949	2,929	0.7%
Other expenses	4,582	3,393	6,730	35.0%	(31.9)%	14,285	17,733	(19.4)%
Total operating expenses	19,336	15,879	20,144	21.8%	(4.0)%	67,266	65,974	2.0%
Cost to income ratio	54.6%	46.1%	65.8%	8.5%	(11.2)%	50.0%	55.6%	(5.6)%



Expected Credit Losses

The Bank set aside Baht 8,127 million in expected credit losses in the fourth quarter of 2021 and Baht 34,134 million in 2021 in line with its prudent approach as it continues to assess and closely monitor the impact from the Covid-19 pandemic including the Omicron variant and potential risks arising from new variants. 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

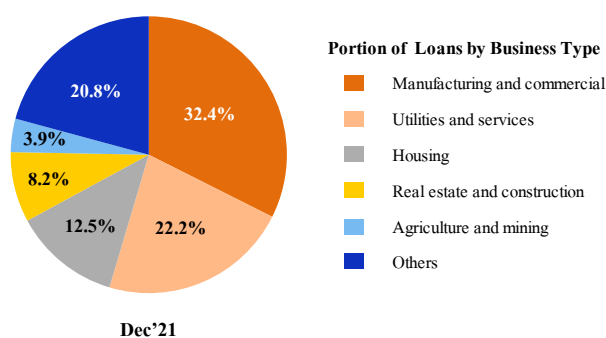
As of December 31, 2021, total assets amounted to Baht 4,333,281 million, increasing by 1.3 percent from the end of the previous quarter predominantly from higher loans. Compared with 2020, total assets rose by 13.3 percent mainly from an increase in net interbank and money market items to manage the Bank's liquidity together with an increase in business loans.

	Million Baht				
Item	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
Net interbank and money market items	801,212	776,521	519,036	3.2%	54.4%
Financial assets measured at FVTPL	84,341	88,800	57,936	(5.0)%	45.6%
Net investments	803,637	806,176	758,482	(0.3)%	6.0%
Net investments in associates	1,329	980	911	35.6%	45.9%
Loans	2,588,339	2,523,772	2,368,238	2.6%	9.3%
Net properties for sale	9,496	9,535	9,754	(0.4)%	(2.6)%
Total assets	4,333,281	4,275,691	3,822,960	1.3%	13.3%

Loans

As of December 31, 2021, loans amounted to Baht 2,588,339 million, rising by 2.6 percent from the end of the previous quarter and 9.3 percent from the end of last year due to increases in loans to corporate customers and loans made through the Bank's international network.

	Million Baht				
Loans by Business Type	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
Manufacturing and commercial	839,469	838,474	791,828	0.1%	6.0%
Utilities and services	574,485	571,417	539,151	0.5%	6.6%
Housing	324,546	317,176	302,142	2.3%	7.4%
Real estate and construction	211,647	218,211	211,510	(3.0)%	0.1%
Agriculture and mining	101,487	101,156	78,175	0.3%	29.8%
Others	536,705	477,338	445,432	12.4%	20.5%
Total loans	2,588,339	2,523,772	2,368,238	2.6%	9.3%



The Bank and its subsidiaries had loans distributed across business sectors, with 32.4 percent in the manufacturing and commercial sector, 22.2 percent in the utilities and services sector, 12.5 percent in the housing sector, and 8.2 percent in the real estate and construction sector. The increase in loans from the end of September 2021 was mainly driven by other sectors, and the increase from the end of December 2020 was mainly driven by other sectors and manufacturing and commercial sector.

Classified Loans and Allowance for Expected Credit Losses

Non-performing loans (Gross NPL) at the end of December 2021 were Baht 101,103 million. The gross NPL to total loans ratio was 3.2 percent.

The allowance for expected credit losses was Baht 228,285 million and the allowance for expected credit losses to NPL ratio was 225.8 percent.

	Million Baht				
Item	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
<u>Consolidated</u>					
Non-performing loans (Gross NPL) ^{/1}	101,103	112,433	104,401	(10.1)%	(3.2)%
Gross NPL to total loans ratio ^{/1}	3.2%	3.7%	3.9%	(0.5)%	(0.7)%
Net NPL to net total loans ratio ^{/1}	1.0%	1.2%	1.4%	(0.2)%	(0.4)%
Allowance for expected credit losses to NPL ratio	225.8%	198.9%	186.8%	26.9%	39.0%
<u>The Bank</u>					
Non-performing loans (Gross NPL) ^{/1}	82,820	93,315	91,978	(11.2)%	(10.0)%
Gross NPL to total loans ratio ^{/1}	3.0%	3.5%	4.0%	(0.5)%	(1.0)%

^{/1} Including interbank and money market lending

	Million Baht					
Item	Loans and Interbank & Money Market			Allowance for Expected Credit Losses ^{/1}		
	Dec'21	Sep'21	Dec'20	Dec'21	Sep'21	Dec'20
Non-credit-impaired	3,289,055	3,188,686	2,781,073	153,342	143,562	121,083
Credit-impaired	101,103	112,433	104,401	74,943	80,083	73,890
Total	3,390,158	3,301,119	2,885,474	228,285	223,645	194,973

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

Investments

As of December 31, 2021, investments amounted to Baht 887,978 million, decreasing by Baht 6,998 million or 0.8 percent from the previous quarter due mainly to lower investments in Thai government and state enterprise securities. Investments rose by Baht 71,566 million or 8.8 percent from the end of last year due to higher investments in foreign debt securities.

A significant proportion of investments were in Thai government and state enterprise securities. As of December 31, 2021, these amounted to Baht 482,201 million, accounting for 54.3 percent of total investments. There were foreign debt securities of Baht 212,726 million, private enterprise debt securities of Baht 21,886 million, and net investment in equity securities of Baht 107,116 million.

Million Baht

Investments by Investment Holding	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
Trading securities	13,104	22,251	7,833	(41.1)%	67.3%
Securities measured at FVTPL	71,237	66,549	50,097	7.0%	42.2%
Debt securities measured at amortized cost	46,053	49,450	38,884	(6.9)%	18.4%
Debt securities measured at FVOCI	667,473	667,570	639,438	(0.0)%	4.4%
Equity securities measured at FVOCI	90,111	89,156	80,160	1.1%	12.4%
Total investments	887,978	894,976	816,412	(0.8)%	8.8%

Liabilities and Shareholders' Equity

Total liabilities as of December 31, 2021, amounted to Baht 3,838,688 million, increasing by 1.4 percent from the end of the previous quarter and 13.8 percent from the end of last year, mainly due to increases in deposits and interbank and money market transactions.

Million Baht

Item	Dec'21	Sep'21	Dec'20	%QoQ	%YTD
Deposits	3,156,940	3,124,277	2,810,863	1.0%	12.3%
Interbank and money market items	288,709	245,955	219,149	17.4%	31.7%
Financial liabilities measured at FVTPL	20,833	21,466	19,257	(2.9)%	8.2%
Debt issued and borrowings	183,239	187,887	136,177	(2.5)%	34.6%
Total liabilities	3,838,688	3,787,029	3,372,713	1.4%	13.8%
Shareholders' equity ^{/1}	492,727	486,905	449,014	1.2%	9.7%

^{/1} Attributable to owners of the Bank

Deposits

Total deposits as of December 30, 2021, amounted to Baht 3,156,940 million, the same level as the end of the previous quarter, but rose by 12.3 percent from the end of December 2020 for all type of deposits.

Million Baht

Deposits Classified by Product Type	Dec'21		Sep'21		Dec'20		%QoQ	%YTD
	Amount	Portion	Amount	Portion	Amount	Portion		
Current	273,597	8.7%	250,413	8.0%	165,912	5.9%	9.3%	64.9%
Savings	1,613,777	51.1%	1,576,480	50.5%	1,435,331	51.1%	2.4%	12.4%
Fixed	1,269,566	40.2%	1,297,384	41.5%	1,209,620	43.0%	(2.1)%	5.0%
Total deposits	3,156,940	100.0%	3,124,277	100.0%	2,810,863	100.0%	1.0%	12.3%
Loan to deposit ratio		82.0%		80.8%		84.3%	1.2%	(2.3)%

Debt Issued and Borrowings

Total debt issued and borrowings as of December 31, 2021, amounted to Baht 183,239 million, a decrease of Baht 4,648 million from the end of September 2021 due to a decrease in the value of foreign-denominated debentures following the appreciation of the baht. Total debt issued and borrowings increased by Baht 47,062 million from the end of December 2020, due mainly to the issuance of 15-year Subordinated Notes qualifying as Basel III-compliant Tier 2 capital of USD 1,000 million in September 2021.

Debt Issued and Borrowings Classified by Type of Instruments	Dec'21		Sep'21		Dec'20		%QoQ	%YTD
	Amount	Portion	Amount	Portion	Amount	Portion		
	Million Baht							
Senior unsecured notes	83,593	45.6%	84,827	45.1%	75,100	55.1%	(1.5)%	11.3%
Subordinated notes	98,640	53.8%	101,511	54.0%	59,835	43.9%	(2.8)%	64.9%
Bills of exchange	517	0.3%	917	0.5%	814	0.6%	(43.6)%	(36.5)%
Others	549	0.3%	699	0.4%	507	0.4%	(21.5)%	8.3%
Total (before less discount on borrowings)	183,299	100.0%	187,954	100.0%	136,256	100.0%	(2.5)%	34.5%
Less discount on borrowings	60		67		79		(10.4)%	(24.1)%
Total debt issued and borrowings	183,239		187,887		136,177		(2.5)%	34.6%

Shareholders' Equity

Shareholders' equity attributable to owners of the Bank as of December 31, 2021, amounted to Baht 492,727 million, an increase of Baht 43,713 million or 9.7 percent from the end of 2020. Net profit attributable to owners of the Bank in 2021 was Baht 26,507 million, net of a dividend payment during 2021 of Baht 6,680 million which consisted of a dividend payment for the operating performance in 2020 of Baht 4,772 million (2.50 baht per share) according to the resolution of the shareholders' meeting on April 12, 2021 and the interim dividend payment from net profit from operations in the first half (January to June) of 2021 of Baht 1,908 million (1.00 baht per share), combined with an increase in gains on translating the financial statements of foreign operations.

Sources and Utilization of Funds

As of December 31, 2021, the primary sources of funds were Baht 3,156,940 million or 72.9 percent in deposits, Baht 492,727 million or 11.4 percent in shareholders' equity attributable to owners of the Bank, Baht 288,709 million or 6.7 percent in interbank and money market liabilities, and Baht 204,072 million or 4.7 percent in debt issued and borrowings including financial liabilities measured at FVTPL.

The utilization of funds comprised Baht 2,588,339 million or 59.7 percent in loans, Baht 889,307 million or 20.5 percent in net investments including financial assets measured at FVTPL and net investments in associates and Baht 801,212 million or 18.5 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) 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 from January 1, 2020, onwards. To satisfy the BOT's minimum levels and capital buffer requirements, from January 1, 2020, onwards, 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 December 31, 2021, the regulatory capital position of the Bank's financial group according to the consolidated financial statements was Baht 560,426 million. The 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 19.6 percent.

Consolidated

Million Baht

Item	Dec'21		Sep'21		Dec'20		BOT's requirements 2020 onwards
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	433,699	15.2%	435,115	15.3%	407,621	14.9%	> 8.00%
Tier 1 capital	457,469	16.0%	458,877	16.1%	431,381	15.7%	> 9.50%
Tier 2 capital	102,957	3.6%	102,265	3.6%	70,686	2.6%	
Total capital	560,426	19.6%	561,142	19.7%	502,067	18.3%	> 12.00%

The Bank

Million Baht

Item	Dec'21		Sep'21		Dec'20		BOT's requirements 2020 onwards
	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	Capital	Capital Adequacy Ratio	
Common Equity Tier 1 capital	425,758	16.5%	426,286	16.5%	404,418	16.3%	> 8.00%
Tier 1 capital	449,350	17.4%	449,878	17.5%	428,010	17.3%	> 9.50%
Tier 2 capital	101,989	3.9%	101,549	3.9%	69,839	2.8%	
Total capital	551,339	21.3%	551,427	21.4%	497,849	20.1%	> 12.00%

Liquid Assets

Liquid assets consisted of cash, net interbank and money market items, debt securities, and marketable equity securities. As of December 31, 2021, the ratio of liquid assets to total assets and liquid assets to deposits were 38.6 percent and 53.0 percent respectively.

Item	Dec'21	Sep'21	Dec'20
Liquid assets/Total assets (%)	38.6	38.8	35.3
Liquid assets/Deposits (%)	53.0	53.2	48.1

Credit Ratings

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

Credit Rating Agency	Dec'21	Sep'21	Dec'20
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