



ISLAMIC BANK
OF THAILAND

ธนาคารอิสลามแห่งประเทศไทย • البنك الإسلامي بتايلاند



CUSTOMER *1st*

Annual Report

2021

Contents

Message from the Chairman	2
Message from the Chairman of the Shariah Advisory Council	4
Message from the President	6

General Information 8

➤ Financial Highlights	9
➤ History	10
➤ Statement of Direction / Vision / Mission / iBank Core Value	11
➤ Business Type	12
➤ Bank Branches	13
➤ Investment in Subsidiaries and Associated Companies	20
➤ Organizational Structure	21
➤ Board of Directors	22
➤ Shariah Advisory Council	32
➤ Executives	36
➤ Bank's Creditors	43
➤ Budget Received from the Government and Cash or dividend return to Government	43

Operational Report 44

➤ Award and Achievement	45
➤ Business Environment and Strategic Plan	46
➤ Operating Performance Analysis and Financial Position	51
➤ Risk Management	58
➤ Internal control	66
➤ Internal Audit	67
➤ Report of the Shariah Governance	70
➤ Report of the Good Corporate Governance	72
➤ Board of Directors as December 2021	90
➤ Appointment of the Board of Directors, Subcommittees and Working Groups	93
➤ Policy and Remuneration of Directors	101
➤ Board of Directors and Subcommittees Meeting	103

➤ Remuneration for Top Executive	104
➤ Report of the Nomination, Remuneration and Performance Appraisal Subcommittee	105
➤ Management Policy for Related Party Transactions	106
➤ Report of the Audit Subcommittee	107

Financial Report 110

➤ Report of the Board of Directors' Responsibilities for the Financial Statements	111
➤ Auditor's Report	112
➤ Financial Statements and Notes of Financial Statements	118

Message from the Chairman



Due to our effort and
commitment,
**the Bank could regain
the net profit of**

120.22 million baht in 2021

from the loss in 2020.



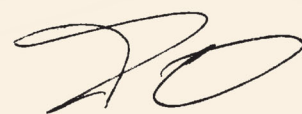
As a result of the COVID-19 pandemic in 2021 having a series of waves in Thailand and continuous severity, economic activities were restricted under the strict control measures of the outbreak for several months. Banking sector was still affected by the decrease in operating revenue. Credit growth dwindled because of a slowdown in investment from business expansion demand of the private sector as well as a burden from asset risk management although the domestic COVID-19 situation was unfold in the last quarter of 2021. The public sector gradually relaxed COVID-19 control measures and issued economic stimulus measures to alleviate the impact from the said situation. At the end of 2021, the government began to reopen the country to tourists under COVID-19 safety measures, resulting in a slight recovery of Thailand's overall economy in 2021.

However, under the past circumstances, Islamic Bank of Thailand as specialized financial institution under the supervision of Ministry of Finance provided business sector with support and assistance to drive the economy, helped people sector to access funding sources and responded to the government's and the Bank of Thailand's policies by implementing debt moratorium for its debtors affected by the COVID-19 situation, mainly from tourism sector. In addition, the Bank assisted its potential debtors affected by the COVID-19 situation to support business recovery by participating in the asset warehousing scheme which resulted in the Bank's higher figure of allowance for doubtful accounts.

The Bank continued to commit itself to the key missions to elevate well-being of Thai people, especially the Muslims and those in the 5 southern border provinces by launching "Honest Community Project" to enable the Muslim customers to access the Bank's financial service via mosques and synergy between affiliated companies and other state enterprise agencies to be able to provide good service and cover wider customers across the country. In our efforts to resolve the operating loss problem, the Bank could regain the net profit of 120.22 million baht as at the end of 2021 from the loss in 2020.

As for the operational direction in 2022, the Bank will continue to focus on solving its financial position problem to restore and improve its BIS ratio by developing the Strategic Plan and Business Plan for 2022-2026 which is linked and in line with the National Strategy, responding to the government policies, carrying out its mission by providing product development service to satisfy the customer needs according to the Bank's mission to serve as Muslim Main Bank, credit expansion for retail customers, implementing the projects in response to government policies, credit as the Bank's mission, asset quality management, increasing the efficiency for blocking doubtful accounts, expense reduction both financial and non-financial expenses, the synergy of joint utilization of resources for mutual benefits in the future, information technology development to support mobile banking and organizational development to digital transformation so as to drive the economy and strengthen the Bank.

On this occasion, I would like to thank all executives, employees, shareholders as well as customers for giving the Bank continuous support and opportunity. Those people play a major role in the Bank's current and future success and allow Islamic Bank of Thailand's operation to successfully achieve its objective as planned so that it can contribute to the country's economic development to further move forward.



Mr. Poomsak Aranyakasemsuk
Chairman
Islamic Bank of Thailand

Message from the Chairman of the Shariah Advisory Council



The Islamic Bank of Thailand
provides banking services
in accordance with
Shariah principles
considering the combination of
ordinary mainstream business
undertaking with
religious guidance.



The panic and consequence of pandemic Covid-19 have caused negative impact to every aspect of human livings, especially economic aspect as visible from business units and financial institutions both in the country and worldwide have to quickly adjust to overcome these depressed business, economic and servicing direction by sequencing great attention to suitable management.

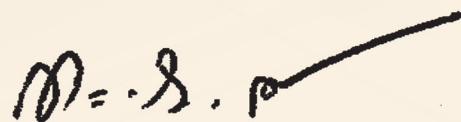
The emerging of war between Russia and Ukraine has deteriorated the economic condition as the oil price rising has caused all the other goods become more expensive which severely affects investor, consumer and inevitably having an impact on financial institutions directly and indirectly.

With these situations, any management to reduce cost is crucial for financial institutions customers and clients. High quality management, fast, secure, obvious, transparent, equal and good human relation will bring about customers' trustworthiness and satisfaction. Delivery of service with consideration of different groups of customers and business units in general or specific creates more business partner network and new dimensions of service that embed in every form of livings of customers and clients. Recently, the financial institutions all over the world put more effort to build up mechanism, instruments, products to reach after their customers and clients and satisfy their needs of financial services and capitals to entire groups with intimacy and new experiences.

The Islamic Bank of Thailand provides banking services in accordance with Islamic principles considering the combination of ordinary mainstream business undertaking with religious guidance. The use of digital financial technology pertaining to fast development of application platform from within and outside to support customers and clients' needs for easy and rapid accessible service and

the use of digital financial technology pertaining to data analysis to classify various groups of customers in general and specific leading to building up marketing mix mechanism, appropriate instruments, variety of new products and efficient services in this ever-changing era. The combination is done with Shariah guidance in order to bring about rendering service with high quality, rapid, secure, obvious, transparent, equal and good human relation, free from interest, ambiguity, deceit, fraud and causing damage to customer for instances.

Last year, the financial services of Islamic bank of Thailand had witnessed various improvements especially in new products and services taking into consideration of diversified customer's groups, accessible to various clients at community and organizational business level along with new sustain cooperation. These are good signs indicating that in the future the financial services of Islamic bank of Thailand will penetrate more to all those customers in harmony with the changing world's situations and further share in the development of Thailand in efficient manner.



Asst. Prof. Dr. Maroning Salaeming
Chairman of the Shariah Advisory Council,
Islamic Bank of Thailand

Message from the President



The Bank received
**the Integrity and Transparency
Assessment with a score of
98.23 or AA level,
the highest score
ever since its participation.**



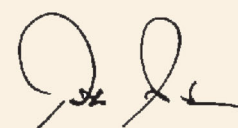
Although 2021 continued to be a year that experienced a difficulty from the new wave of coronavirus 2019 (COVID-19) pandemic causing the prolonged economic recession than forecasted and significantly affecting the Bank customers, the Bank insisted on carrying out its 2021 core mission by focusing on giving top priority to customers or “Year of Customer First” to ensure that the Bank customers were taken care of and given support so that they could pass this crisis test. The Bank launched measures to help its customers constantly, both measures carried out by the Bank itself and measures implemented according to the government policies. In addition, it collaborated with government agencies to assist the customers affected by COVID-19 to enhance liquidity for business and support funds for business rehabilitation. Furthermore, the Bank adopted other monetary easing measures and asset warehousing scheme according to the Bank of Thailand’s policy guidelines to alleviate hardship of affected customers, carried out internal process improvement with the aim of providing good services to its customers by developing new products and services that took into account the customer needs and reinforced organizational culture in order to be a moral organization. In 2021, the Bank received the Integrity and Transparency Assessment with a score of 98.23 or AA level, higher than that of 2020 which was at 93.00 or A level.

Following is another important task the Bank performed according to its core mission and government policies to promote socio-economic development to elevate Thai people's well-being, especially the Muslims and people in the 5 southern border provinces, so that they can access financial services based on Islamic principles. In 2021, the Bank launched "Honest Community Project" which aimed to develop the grassroots economy. The objectives of this project were to provide an opportunity for the Muslims to access financial service system and to solve informal debt problem that caused trouble for the Muslims falling into this unfair debt trap and was regarded a loan with interest against Shariah principles. From May 2021 to 30 December 2021, the Bank successfully pushed the project forward to a total of 481 mosques in 9 provinces including Pattani, Yala, Narathiwat, Songkhla, Satun, Surat Thani, Phuket, Bangkok and Ubon Ratchathani. As a result, more Muslims could access a fair financial service in compliance with Shariah principles, covering 394,842 general members of the mosques with a budget of over 248 million baht. Loan withdrawal was performed at 124 mosques. For the operating performance in 2021, the Bank could revive operating profits of 230 million baht with a net profit of over 120 million baht.

For the goal in 2022, the Bank will focus on the year of Digital Transformation by developing financial innovations and offering services throughout Muslim life cycle. Products will be linked and service channels will be integrated for accessing various stakeholders. The operation process will be improved to be more efficient and in line with technological changes. In addition, the Bank will reduce operational risk, support and enable its branches to enhance effective marketing and recognize the significance of risk management

continuously to handle the uncertainty of domestic and foreign economy. The operations will be based on good governance to create a strong corporate culture and move in the same direction. There will also be enhancement of competitiveness via technology and innovation. However, the Bank will also continue to increase management quality with the aim to operate in accordance with its mission, seek more channels for business conduct, retain revenue and expense level following the criteria suitable for business growth, enhance the effectiveness of profit/accrued income collection and manage unused credit line to be at appropriate level. Investment will be for developing new technology for business improvement while personnel development will be carried out constantly. Such investment will bring about benefits and more profits in the future in order to strengthen the Bank and community, be environmentally friendly and lead to a sustainable and strong foundation for financial business according to the established framework.

On behalf of the Board of Directors, I would like to thank all the Bank's customers for their trust in our services, the shareholders, the Board of Directors and the religious advisory board for their support for bank operations as well as the executives and the Bank's employees for improving and developing better work process in order to carry out significant missions to elevate the Muslims' well-being and enable them to successfully access the funding sources of financial institutions and stay far away from loan sharking against Islamic principles. The Bank will serve as the main bank of Muslim clients and alternative bank for general clients as well.



Mr. Wuttichai Suraratchai
Director and President
Islamic Bank of Thailand

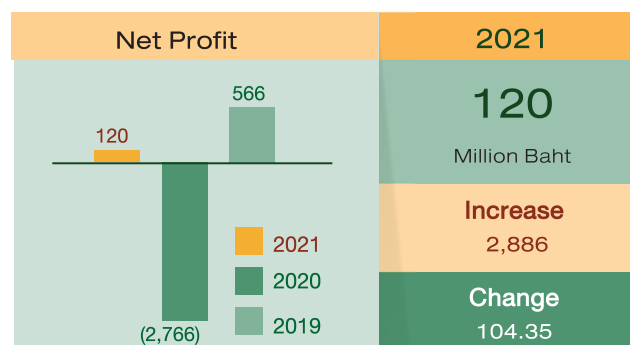
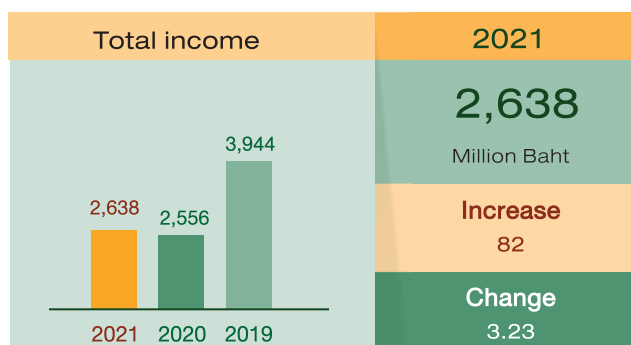
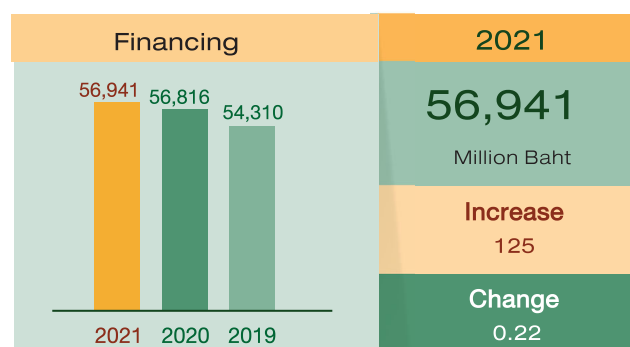
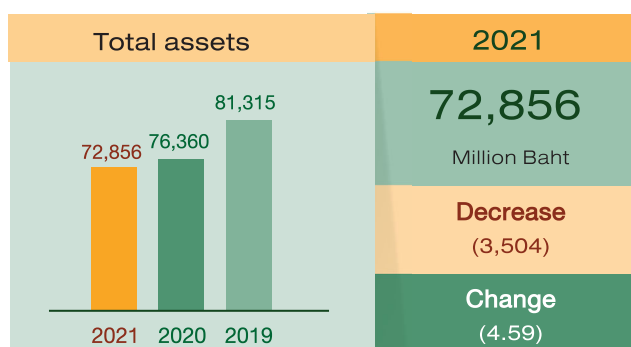
General Information

- › Financial Highlights
- › History
- › Statement of Direction / Vision / Mission / iBank Core Value
- › Business Type
- › Bank Branches
- › Investment in Subsidiaries and Associated Companies
- › Organizational Structure
- › Board of Directors
- › Shariah Advisory Council
- › Executives
- › Bank's Creditors
- › Budget Received from the Government and Cash or dividend return to Government

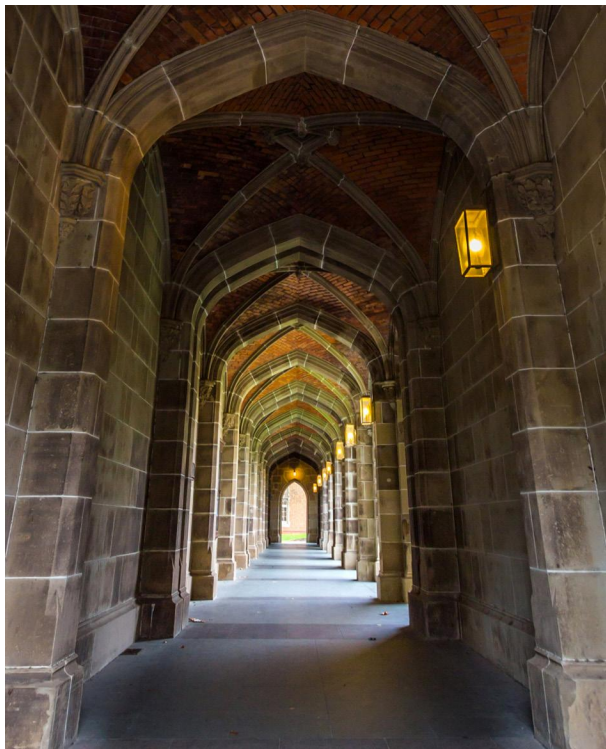


Financial Highlights

	Million Baht			Change	
	2021	2020	2019	Increase (Decrease)	Percent
Financial position and operating performances					
Total assets	72,856.93	76,360.71	81,315.72	(3,503.78)	(4.59)
Financing	56,941.87	56,816.58	54,310.44	125.29	0.22
Financing and accrued income, net	47,399.66	47,298.23	47,249.58	101.43	0.21
Deposits	70,992.60	75,168.52	79,307.49	(4,175.92)	(5.56)
Total liabilities	76,229.79	79,852.35	82,193.35	(3,622.56)	(4.54)
Equity	(3,372.86)	(3,491.64)	(877.64)	118.78	3.40
Financing and investment income	2,177.37	2,183.95	2,697.60	(6.58)	(0.30)
Total income	2,638.77	2,556.14	3,944.93	82.63	3.23
Net Profit (loss)	120.22	(2,766.71)	566.01	2,886.93	104.35
Earnings (Loss) per share					
Basic earning (loss) per share (Baht)	0.00007	(0.00152)	0.00031		
Share value					
Book value	(0.0019)	(0.0019)	(0.0005)		
Financial ratio (%)					
Returns on average assets	0.16	(3.51)	0.70		
Returns on average equity	3.50	(126.64)	(49.66)		
Net income (losses) per total income	4.56	(108.24)	14.35		
Capital Fund	(5.99)	(6.51)	(1.86)		



History



**ISLAMIC BANK
OF THAILAND**

ธนาคารอิสลามแห่งประเทศไทย • البنك الإسلامي بتايلاند

The Idea of setting up the Islamic Bank in Thailand emerged from Muslim population's need for financial services that comply with Shariah principles, especially those residing in the country's three southern boarder provinces. In 1998 the government impelled the development of Islamic banking system in many forms to facilitate Thai Muslims in conducting their banking transactions in conformity with Shariah principles. As the government intended to set up an Islamic Bank under the government's jurisdiction with its own sets of law, the Ministry of Finance was then assigned to draft 'The Islamic Bank of Thailand Act', which was later approved by the parliament in October 2002.

Islamic Bank of Thailand or "ibank"

is set up under the Islamic Bank of Thailand Act B.E.2545 (2002) and regulated by the Ministry of Finance. The Bank commenced its operations on June 12, 2003 with paid-up capital of 1 billion baht and had its head quarter, which was also the first branch, in Klongton. The Bank continued to open branches especially in Bangkok and Southern provinces and had a total of 9 branches by the end of 2004.

The expansion of the Bank's business continued through the acquisition of Shariah Banking Services of Krung Thai Bank PCL in November 2005 under the government's policy. This increased the number of branches from 18 to 27 In August 2006, the Bank relocated its head quarter from Klongton to the central business district, Asoke, to facilitate growing business and increase operating efficiency. During the initial stage of operation, ibank focused solely on Muslim market segmentation. However, the Bank sees the opportunity of expanding Shariah banking services to general public, and thus, creates

and develops more innovative and competitive products, while embarking rebranding exercises to provide best services to customers, along with promoting ethical culture, social responsibility, Islamic principles and good governance through the operational framework. These allow ibank to differentiate from competitors and become an alternative bank for everyone regardless of his or her religion. In October 2007, the Ministry of Finance became ibank's major shareholder and this has made the Bank a state-owned enterprise thereafter.

Currently in December 2021, the bank's major shareholder, the Ministry of Finance, has raised its stake in the bank to almost 100 percent (99.59%) after the amendment of the Islamic Bank of Thailand Act B.E.2545 (2002). The amended act, Islamic Bank of Thailand Act B.E.2561 (2018), commenced on July 18, 2018 which allows the Ministry of Finance to own more than 49 percent as the bank's major Shareholder for a proper period of time. Now, ibank has 97 branches throughout the country.

Statement of Direction / Vision / Mission / iBank Core Value

	Statement of Direction Finance for all: Be financial institution to promote financial transactions according to Islamic principles. Literacy for all: Supporting the provision of Islamic financial literacy to the people Responsibility for all: Be the bank with a solid foundation. Take responsibility for all sectors and create benefits thoroughly and sustainably.
	Vision To be a reliable and trustworthy Islamic bank providing Shariah-compliant services in order to be the main bank of Muslim clients and clients doing businesses with Muslims, and to be alternative bank for general clients.
	Mission 1. To have good management, systems of standard, competent staff and to operate business professionally. 2. To operate transparently with good corporate governance. 3. To have stability and grow sustainably with capability to treat stakeholders equitably. 4. To support and connect businesses of Muslims and related parties. 5. To participate in the stabilization, economic and social development, especially in the five Southern border provinces.

iBank Core Value

	INTEGRITY & TRANSPARENCY Adherence to moral principles and transparency in business operations	
	BEST SHARIAH PRACTICE Excellence in Financial Services According to Shariah principle	
	ACCOUNTABILITY Responsibility for decisions and actions	
	NETWORKING Cooperation on the network for accomplish work in the organization	
	KNOWLEDGE & INNOVATION Knowledge and innovation to the digital age	

Business Type



Bank Information

Name	: Islamic Bank of Thailand
Type of Business	: Specialized Financial Institutions (SFIs) to be subordinate to Ministry of Finance
Tax Payer Identification No.	: 0993000275063
Head Office	: 66 Q House Asoke Building, Sukhumvit 21 Rd. (Asoke) Klong Toei Nuer, Vadhana, Bangkok 10110
Telephone	: 0-2650-6999
Fax	: 0-2664-3345
Website	: www.ibank.co.th

Characteristic of Business

Islamic Bank of Thailand (IBANK) is the Government-owned financial institution which was established in accordance with the Islamic Bank of Thailand Act B.E.2545 under the supervision of Ministry of Finance by doing business according to Islamic Bank of Thailand Act B.E.2545, Royal Decree, Ministerial regulation and Related announcements Bank of Thailand Ministry of Finance and Related organizations.



Bank Branches

Asoke Office

No.66, Q House Asoke Building, G Floor, Sukhumvit 21 Road,
Khlong Toei Nuea Sub-district, Vadhana District, Bangkok 10110

Telephone : 02-260-1752-4

Fax : 02-260-1750



6 Branches of Thon Buri District Office

Thung Khru

No.32/424-425, Pracha-uthit Road, Thung Khru
Sub-district, Thung Khru District, Bangkok 10140

Telephone : 02-873-6803, 02-873-6805-6

Fax : -

Southern Bus Terminal

SC Plaza Building, G Floor, Room No. GN09-GN10,
No. 24/6, Chimphlee Sub-district, Taling Chan
District, Bangkok 10170

Telephone : 02-422-3935-6

Fax : 02-422-3939

Seeyaek Thotsakan

No. 54/54, 2nd Floor, Room DD1-DD2, Village No. 7,
Phutthamonthon Sai 2 Road, Bang Phai Sub-district,
Bang Khae District, Bangkok 10160

Telephone : 02-410-3235-7

Fax : -

Samut Sakhon

No.927/408, Setthakit 1 Road, Mahachai Sub-district,
Mueang Samut Sakhon District, Samut Sakhon 74000

Telephone : 034-423-730-2

Fax : -

Hua Hin

No.4/19, Phetkasem Road, Hua Hin Sub-district,
Hua Hin District, Prachuap Khirikhan 77110

Telephone : 032-522-448-9

Fax : 032-522-450

Phetchaburi

No.107, Surinruechai Road, Tharab Sub-district,
Mueang Phetchaburi District, Phetchaburi 76000

Telephone : 032-414-090-1

Fax : 032-414-094

6 Branches of Sathon District Office

Thanon Charoenkrung

No.2350/6, Charoenkrung Road, Bangkholaem Sub-
District, Bangkholaem District, Bangkok 10120

Telephone : 02-292-1973-5

Fax : -

Paradise Park

2nd Floor, Room No. 2C005, Paradise Park Shopping
Center, Park No. 61 Srinakarin Road, Nong Bon Sub-
District, Prawet District, Bangkok 10250

Telephone : 02-780-2214-6

Fax : -

Pratunam

No. 120/69, Ratchaprarop Road, Phaya Thai
Sub-district, Ratchathewi District, Bangkok 10400

Telephone : 02-208-0919-21

Fax : -

Town in Town

B1 Building, Room 101, Tonsoong Avenue, No. 226/11,
Praditmanutham Road Wang Thong lang Sub-district,
Wang Thong lang District, Bangkok 10310

Telephone : 02-148-1037-9

Fax : -

Nakhon Pathom

No.100-102, Rajvithee Road, Phra Pathom Chedi
Sub-district, Mueang Nakhon Pathom District,
Nakhon Pathom 73000

Telephone : 034-271-906-7

Fax : 034-271-908

Ratchaburi

No.295-297, Kraipetch Road, Na Mueang Sub-district,
Mueang Ratchaburi District, Ratchaburi 70000

Telephone : 032-332-375-7

Fax : -

7 Branches of Minburi District Office**Klong Tan**

No.9, UM Building Tower, M Floor, Ramkhamhaeng Road, Suan Luang Sub-District, Suan Luang District, Bangkok 10250

Telephone : 02-729-8805-7

Fax : -

The Mall Bang Kapi

2nd Floor, Room No. 2S-L3C, The Mall Bang Kapi, No. 3522, Lat Phrao Road, Khlong Chan Sub-district, Bang kapi District, Bangkok 10240

Telephone : 02-734-1905-7

Fax : -

Thanon Nawamin

No. 4/1483-1486, Village No. 7, Nawamin Road, Khlong Khum Sub-district, Bueng Kum District, Bangkok 10230

Telephone : 02-509-4782-3

Fax : 02-509-4786

Saphanmai

No. 348, Phahonyothin Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220

Telephone : 02-521-9627-9

Fax : -

Thanon Ramkhamhaeng 87

No. 847, Ramkhamhaeng Road, Hua Mark Sub-district, Bang Kapi District, Bangkok 10240

Telephone : 02-736-3831-3

Fax : -

Min Buri

No.286, Seethaburanukit Road, Min Buri Sub-district, Min Buri District, Bangkok 10510

Telephone : 02-517-9655-6, 02-517-9600

Fax : -

Fashion Island

B Floor, Room No. B004A, Fashion Island , No. 587, 589, Ram-intra Road, Khannayao Sub-district, Khannayao District, Bangkok 10230

Telephone : 02-508-3818-9

Fax : 02-508-3822

7 Branches of Nonthaburi District Office**Phra Nakhon Si Ayutthaya**

1st Floor, Room No. GP-06-07, Ayutthaya Park, No. 126, Village No. 3, Asia Highway, Khlong Suan Phlu Sub-district, Phra Nakhon Si Ayutthaya District,

Phra Nakhon Si Ayutthaya 13000

Telephone : 035-801-254-6

Fax : -

The Government Complex Commemorating

No. 120, B Building, 1st Floor, Village No. 3, Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok 10210

Telephone : 02-143-8781, 02-143-8783-4

Fax : -

Nonthaburi

No. 638, 640 Pracharat Road, Suan Yai Sub-district, Mueang Nonthaburi District, Nonthaburi 11000

Telephone : 02-526-6101-3

Fax : -

Bang Phlat

Room No. 678, 680, Meeting Mall, Charansanitwong Road, Bang O Sub-district, Bang Phlat District, Bangkok 10700

Telephone : 02-424-5099, 02-424-5101-2

Fax : -

Suphanburi

No.24/2-3, Muenhan Road, Tha Philiang Sub-district, Mueang Suphanburi District, Suphanburi 72000

Telephone : 035-525-872-4

Fax : -

Kanchanaburi

No.218/13, Sangchuto Road, Ban Nuea Sub-district, Mueang Kanchanaburi District, Kanchanaburi 71000

Telephone : 034-671-520-2

Fax : -

Pathum Thani

No.27/17-19, Pathum Sampan Road, Bang Prok Sub-district, Mueang Pathum Thani District,

Pathum Thani 12000

Telephone : 02-593-4070-2

Fax : -

7 Branches of Chon Buri District Office

Nong Chok

No.67, Village No. 2, Choemsamphan Road,
Krathumrai Sub-district, Nong Chok District,
Bangkok 10530
Telephone : 02-548-3101-3
Fax : -

Chachoengsao

No. 217/39-40, Mahacharkkaphat Road, Na Mueang
Sub-district, Mueang Chachoengsao District,
Chachoengsao 24000
Telephone : 038-518-585-7
Fax : -

Bang Saen

No. 177, Long Hat Bang Saen Road, Saen Suk
Sub-district, Mueang Chon Buri District,
Chon Buri 20130
Telephone : 038-395-051-4
Fax : -

Rayong

No. 292/2-3, Sukhumvit Road, Choeng Noen
Sub-district, Mueang Rayong District, Rayong 21000
Telephone : 038-610-412-5
Fax : -

Chanthaburi

No.84/24, Tha Chalab Road, Talat Sub-district,
Mueang Chanthaburi District, Chanthaburi 22000
Telephone : 039-328-893-5
Fax : -

Thanon Sri Nakarin

No.1170, Sri Nakarin Road, Suan Luang Sub-district,
Suan Luang District, Bangkok 10250
Telephone : 02-320-3361-2, 02-320-3365
Fax : -

Pattaya

No.597/3, South Pattaya Road, Nong Prue
Sub-district, Bang Lamung District, Chon Buri 20260
Telephone : 038-488-414-6
Fax : 038-488-417

7 branches of Chiang Mai District Office

Thanon Chang Phueak Chiang Mai

No. 141/1, Chang Phueak Road, Sripum Sub-district,
Mueang Chiang Mai District, Chiang Mai 50200
Telephone : 053-287-214-5
Fax : 053-287-218

Hang Dong Chiang Mai

Kadfarang Shopping Plaza, No. 225/242, Village No. 13,
Chiang Mai – Hod Road, Ban Wen Sub-District,
Hang Dong District, Chiang Mai 50230
Telephone : 053-431-230-2
Fax : -

Lamphun

No.23, Inthayongyot Road, Nai Mueang Sub-district,
Mueang Lamphun District, Lamphun 51000
Telephone : 053-510-185-6
Fax : 053-510-195

Phayao

No.474/3-4, Phahonyothin Road, Wiang Sub-district,
Mueang Phayao District, Phayao 56000
Telephone : 054-432-191-2
Fax : 054-432-195

Lampang

No.92-98 Bunwat Road, Suan Dok Sub-District,
Mueang Lampang District, Lampang 52100
Telephone : 054-222-054, 054-222-996
Fax : -

Chiang Mai

No.125 Chang Khlan Road, Chang Khlan Sub-District,
Mueang Chiang Mai District, Chiang Mai 50100
Telephone : 053-283-265-6
Fax : 053-270-718

Chiang Rai

No.808/8 Paholyothin Road, Wiang Sub-District,
Mueang Chiang Rai District, Chiang Rai 57000
Telephone : 053-748-883, 053-748-887
Fax : 053-748-886

6 branches of Phitsanulok District Office**Mae Sot**

No. 620/2-3, Intarakiri Road, Mae Sot Sub-district,
Mae Sot District, Tak 63110

Telephone : 055-533-636, 055-533-646

Fax : 055-533-649

Nakhon Sawan

No. 1016/4-5, Village No.9, Asia Road, Nakhon Sawan
Tok Sub-district, Mueang Nakhon Sawan District,
Nakhon Sawan 60000

Telephone : 056-372-367-9

Fax : -

Phichit

No. 8/206-207, Srimala Road, Nai Mueang
Sub-district, Mueang Phichit District, Phichit 66000

Telephone : 056-613-746-8

Fax : -

Sukhothai

No.5, Rat-uthit Road, Thani Sub-district,
Mueang Sukhothai District, Sukhothai 64000

Telephone : 055-610-311-3

Fax : -

Uttaradit

No.202-8/9, Boroma-at Road, Tha-it Sub-district,
Mueang Uttaradit District, Uttaradit 53000

Telephone : 055-407-444-5, 055-407-447

Fax : -

Phitsanulok

No.87/24, Akathotsarot Road, Nai Mueang
Sub-district, Mueang Phitsanulok District,
Phitsanulok 65000

Telephone : 055-242-425, 055-242-712-3

Fax : -

6 branches of Khon Kaen District Office**Nakhon Ratchasima**

No.160/2, Chomsurangyat Road, Nai Mueang
Sub-District, Mueang Nakhon Ratchasima District,
Nakhon Ratchasima 30000

Telephone : 044-252-661-3

Fax : -

UD Town (Udon Thani)

1st Floor, Room No. H22-H23, UD Town Building,
No. 45/5, Tong Yai Road, Mak Kaeng Sub-district,
Mueang Udon Thani District, Udon Thani 41000

Telephone : 042-932-990-1

Fax : 042-932-994

Sakon Nakhon

No.1755/8-9, Ratpattana Road, Thatchoengchum
Sub-district, Mueang Sakon Nakhon District,
Sakon Nakhon 47000

Telephone : 042-716-724-6

Fax : -

Maha Sarakham

No.453/2-3, Nakhon Sawan Road, Talat Sub-district,
Mueang Maha Sarakham District, Maha Sarakham
44000

Telephone : 043-711-587, 043-711-645,
043-711-677

Fax : -

Kalasin

No.93-95, Phirom Road, Kalasin Sub-district,
Mueang Kalasin District, Kalasin 46000

Telephone : 043-816-913-5

Fax : -

Khon Kaen

No.77/3, Klang Mueang Road, Nai Mueang
Sub-district, Mueang Khon Kaen District,
Khon Kaen 40000

Telephone : 043-246-824-5, 043-246-827

Fax : -

6 branches of Ubon Ratchathani District Office**Roi Et**

No.206/1-2, Phloenchit Road, Nai Mueang Sub-district,
Mueang Roi Et District, Roi Et 45000

Telephone : 043-515-881-3

Fax : -

Yasothon

No.230/3-5, Chaeng Sanit Road, Nai Mueang Sub-district,
Mueang Yasothon District, Yasothon 35000

Telephone : 045-711-859-60

Fax : 045-711-367

Si Sa Ket

No.1104-5, Khukhan Road, Mueang Tai Sub-district,
Mueang Si Sa Ket District, Si Sa Ket 33000
Telephone : 045-643-981, 045-643-984
Fax : 045-643-985

Ubon Ratchathani

No.479/1-2, Chayangkun Road, Nai Mueang
Sub-district, Mueang Ubon Ratchathani District,
Ubon Ratchathani 34000
Telephone : 045-316-967-9
Fax : -

Buri Ram

No.39/6-7, Thani Road, Nai Mueang Sub-district,
Mueang Buri Ram District, Buri Ram 31000
Telephone : 044-602-526-8
Fax : -

Surin

No.73, 75, Chitbumrung Road, Nai Mueang
Sub-district, Mueang Surin District, Surin 32000
Telephone : 044-515-343, 044-515-314
Fax : 044-515-812

6 Branches of Phuket District Office**Ranong**

No. 75-77, Ruangrat Road, Khao Niwet Sub-district,
Mueang Ranong District, Ranong 85000
Telephone : 077-825-266, 077-825-393
Fax : 077-825-394

Phang-nga

No. 235/1 - 2, Phetkasem Road, Thai Chang
Sub-district, Mueang Phang-nga District,
Phang-nga 82000
Telephone : 076-414-422-4
Fax : -

Krabi

No.94, 94/1, Maharat Road, Pak Nam Sub-district,
Mueang Krabi District, Krabi 81000
Telephone : 075-624-042-3
Fax : 075-624-044

Phuket

No.5, 7, Yaowarat Road, Talat Nuea Sub-district,
Mueang Phuket District, Phuket 83000
Telephone : 076-214-053-4, 076-214-056
Fax : -

Trang

No.52/1-2, Wisetkul 11 Alley, Ratsada Road,
Thapthiang Sub-district, Mueang Trang District,
Trang 92000
Telephone : 075-590-459-60
Fax : 075-590-473

Maekhri Phatthalung

No. 175, Village No. 1, Anukul Road, Mae Khri
Sub-district, Tamot District, Phatthalung 93160
Telephone : 074-695-554, 074-695-655
Fax : -

6 branches of Surat Thani District Office**Surat Thani**

No.103/1, Na Mueang Road, Talat Sub-district,
Mueang Surat Thani District, Surat Thani 84000
Telephone : 077-206-057-9
Fax : -

Nakhon Sri Thammarat

No.1664, Ratchadamnoen Road, Tha Wang Sub-dis-
trict, Mueang Nakhon Si Thammarat District, Nakhon
Si Thammarat 80000
Telephone : 075-357-351-3
Fax : -

Koh Samui

No. 80, Village No. 6, Bo Phut Sub-district,
Ko Samui District, Surat Thani 84320
Telephone : 077-447-845-7
Fax : -

Thung Song

No.41, Chaichumpon Road, Pak Phraek Sub-district,
Thung Song District, Nakhon Si Thammarat 80110
Telephone : 075-412-567, 075-423-885,
075-423-993
Fax : -

Chumphon

No.56/1, Poraminmakkha Road, Tha Tapao
Sub-district, Mueang Chumphon District,
Chumphon 86000

Telephone : 077-503-395, 077-511-363,
077-502-889

Fax : -

Thanon Chon Kasem Surat Thani

No.545 Chon Kasem Road, Talad Sub-District,
Mueang Surat Thani District, Surat Thani 84000

Telephone : 077-203-994-6

Fax : -

6 Branches of Song Khla District Office**Thanon Niphat Uthit 1 Hat Yai**

No. 151-157, Niphat Uthit 1 Road, Hat Yai
Sub-district, Hat Yai District, Song Khla 90110

Telephone : 074-225-110, 074-225-130

Fax : 074-225-255

La-ngu

No.149, Village No. 6, La-ngu – Pakbara Road, La-ngu
Sub-district, La-ngu District, Satun 91110

Telephone : 074-783-904-6

Fax : -

Song Khla

No.81/78, Village No. 10, Kanchanawanit Road,
Khao Rubchang Sub-district, Mueang Song Khla
District, Song Khla 90000

Telephone : 074-558-259, 074-558-261,
074-558-263

Fax : -

Chana

No.8/4-5 Chana - Nathawi Road, Ban Na
Sub-district, Chana District, Song Khla 90130

Telephone : 074-207-123-4

Fax : -

Satun

No.287/6, Village No. 7, Yontrakan Kamthon Road,
Khlung Khut Sub-district, Mueang Satun District,
Satun 91000

Telephone : 074-725-039-41

Fax : -

Hat Yai

No.2/1-2, Hat Yai City Alley, Thammanunwithi
Road, Hat Yai District, Song Khla 90110

Telephone : 074-237-958, 074-237-392

Fax : 074-237-158

7 Branches of Pattani District Office**Big C Pattani**

G-In Floor, Room No.GCR116, Big C Pattani, No.301,
Village No. 4, Rusamilae Sub-district, Mueang Pattani
District Pattani 94000

Telephone : 073-337-812-4

Fax : -

Palat Pattani

No. 122/11-12, Village No. 5, Phetkasem (Pattani –
Narathiwat) Road, La-Nga Sub-district, Mayo District,
Pattani 94190

Telephone : 073-485-160, 073-485-399,
073-485-327

Fax : -

Yarang Pattani

No. 1/7, Village No. 2, Pattani – Yala Road, Pitumudi
Sub-district, Yarang District, Pattani 94160

Telephone : 073-439-491-3

Fax : -

Khokpho Pattani

No.170/10, Village No. 7, Naket – Khokpho Road,
Khokpho Sub-district, Khokpho District Pattani 94120

Telephone : 073-431-040, 073-431-284,
073-431-709

Fax : -

Saiburi Pattani

No. 23/1-2, Suriya Road, Taluban Sub-district, Saiburi
District, Pattani 94110

Telephone : 073-411-163, 073-411-059-60

Fax : -

Pattani

No.20,22,24, Na Kluea Road, A No Ru Sub-district,
Mueang Pattani District, Pattani 94000

Telephone : 073-323-465, 073-323-468

Fax : -

Jabangtigor Pattani

No.49/9-12, Kalapor Road, Jabangtigor Sub-district,
Mueang Pattani District, Pattani 94000
Telephone : 073-311-822-3
Fax : -

6 branches of Yala District Office**Thanon Phumacheep Yala 2**

No. 24-26, Phumacheep Road, Sateng Sub-district,
Mueang Yala District, Yala 95000
Telephone : 073-223-690, 073-223-692-3
Fax : -

Betong

No. 130/1, Sukyang Rong, Betong Sub-district,
Betong District, Yala 95110
Telephone : 073-235-131, 073-235-133
Fax : 073-235-135

Raman Yala

No. 100-102, Village No. 1, Mueang Raman Road,
Kayubokoh Sub-district, Raman District, Yala 95140
Telephone : 073-295-041, 073-295-042-3
Fax : -

Bannang Sata Yala

No. 200, 202, Village No. 2, Sukyang Road,
Bannangsata Sub-district, Bannangsata District,
Yala 95130
Telephone : 073-289-282, 073-289-284-5
Fax : -

Yaha Yala

No. 4/3, Pitakthani Road, Yaha Sub-district,
Yaha District, Yala 95120
Telephone : 073-291-463-5
Fax : -

Yala

No.59, Phiphitphakdee Road, Sataeng Sub-district,
Mueang Yala District, Yala 95000
Telephone : 073-247-140-3
Fax : 073-247-144

7 Branches of Narathiwat District Office**Tanyongmat**

No. 46, Thetsaban 3 Road, Tanyongmat Sub-district,
Ra-ngae District, Narathiwat 96130
Telephone : 073-671-858-60
Fax : -

Su-ngai Kolok Narathiwat

No.36, Butsayaphan Road, Su-ngai Kolok Sub-district,
Su-ngai Kolok District, Narathiwat 96120
Telephone : 073-614-561-3
Fax : -

Takbai Narathiwat

No. 62/21, Village No. 4, Narathiwat – Takbai Road,
CheheSub-district, Takbai District, Narathiwat 96110
Telephone : 073-581-971-3
Fax : -

Waeng Narathiwat

No. 111/1-2, Village No. 1, Su-ngai Kolok – Waeng
Road, Waeng Sub-district, Waeng District,
Narathiwat 96160
Telephone : 073-659-321-3
Fax : -

Rueso Narathiwat

No. 30/15, Village No. 2, Rueso-Yala Road,
Rueso Ok Sub-district, Rueso District,
Narathiwat 96150
Telephone : 073-572-271-3
Fax : -

Narathiwat

No.52/18-19, Suriyapradit (Opposite Police Station)
Road, Bangnak Sub-district, Mueang Narathiwat
District, Narathiwat 96000
Telephone : 073-512-627-8
Fax : 073-512-629

Thanon Wichitchaiboon Narathiwat

No.11/2-4, Wichitchaiboon Road, Bangnak
Sub-district, Mueang Narathiwat District,
Narathiwat 96000
Telephone : 073-511-117, 073-513-663-4
Fax : -

Investment in Subsidiaries and Associated Companies

Company Name	: Amanah Leasing Public Company Limited
Type of Business	: Amanah Hair purchase , Amanah Inventory Finance , Other auto-related Financial services
Head Office	: 16-16/1 Soi kasemsan 1, Phayathai Rd. Wangmai, Pathumwan, Bangkok 10330
Tel	: 0-2091-6456
Fax	: 0-2091-6401
Website	: www.amanah.co.th
Sharholder Ratio	: 48.46 %

Capital and shareholding structure

Capital and shareholding structure of Islamic bank of Thailand as of December 31, 2021

As of December 31, 2021 The Bank's capital stock was 1,820,276,825,862 shares or calculated to be the total registered capital of 18,202,768,258.62 Baht. The proportion of Bank's shareholders as of December 31, 2021 as follows:

No.	List of Shareholders	Quantity	Shares	Ratio (%)
1.	Ministry of Finance		1,812,863,564,181	99.5927%
2.	Government Savings Bank		4,091,533,440	0.2248%
3.	Krungthai Bank Public Company Limited		1,010,208,044	0.0555%
4.	Ms. Asra Angkaria		436,235,586	0.0240%
5.	Mrs. Rahmah Moonsap		100,000,000	0.0055%
6.	Mrs. Cholthicha Al-umaree		73,000,000	0.0040%
7.	Ms. Chittra Sorhasan		51,302,579	0.0028%
8.	Lt. Surakampon Adulyarat		40,799,061	0.0022%
9.	MFC Asset Management Public		40,753,015	0.0022%
10.	Mr. Somsak Taksina		40,000,000	0.0022%
11.	Other shareholders		1,529,429,956	0.0840%
Toal			1,820,276,825,862	100.0000%

Board of Directors





Name and history board of directors



Rathian Srimongkol

Chairman

(Since 14 February 2019 – 25 June 2021)

Age 62



Poomsak Aranyakasemsuk

Chairman

(25 June 2021 - Present)

Age 58



Rathian Srimongkol

Age 62

Chairman

(Since 14 February 2019 – 25 June 2021)

Education and Degrees

- **Master Degree**
MBA, Thammasat University
M.P.A (General Administration), Suan Sunandha Rajabhat University
- **Bachelor Degree**
Medical Degree, Faculty of Medicine Siriraj Hospital, Mahidol University
Medical Science, Mahidol University

Professional Experiences

2012 - Present	President and Chief Executive Officer, Director, Krunghai Card Public Co., Ltd.
2018 - Present	Independent Director, Vice Chairman, Chairman of Audit Committee, Member of Nomination and Remuneration Committee Raimon Land Public Co., Ltd.
2018 - Present	Chairman, Tobacco Authority of Thailand
2017 - Present	Vice President, Thai Listed Companies Association
2013 - Present	Independent Director, Chairman of the Audit Committee, Corporate Governance Committee Member, Nominating and Compensation Committee Member One to One Contacts Public Co., Ltd.
2009 - Present	Independent Director, Lead Independent Director, Vice Chairman of the Board, Chairman of the Audit Committee, Member of the Sustainability and Risk Management Committee, Appointment Date of Directorship Indorama Ventures Public Co., Ltd.
2015 - 2017	Director, Thai Listed Companies Association
2008 - 2010	Director, TOT Public Co., Ltd.
2001 - 2011	Executive Vice President, Thanachart Bank Public Co., Ltd. (Siam City Bank Public Co., Ltd.)

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.



Poomsak Aranyakasemsuk
Chairman

Age 58

Education and Degrees

- **Master Degree**
Master of Business Studies (Finance) Massey University, New Zealand
Master of Public Administration (M.P.A.)
- **Bachelor Degree**
Bachelor of Economics

Professional Experiences

February 2021 - Present	Deputy Permanent Secretary, Ministry of Finance
2019 - February 2021	Comptroller-General, The Comptroller General's Department, Ministry of Finance
2018 - 2019	Director General, Public Debt Management Office (PDMO), Ministry of Finance
2017 - 2018	Inspector General, Ministry of Finance
2016 - 2017	State Enterprise Performance Assessment Advisor, State Enterprise Policy Office (SEPO), Ministry of Finance

Shareholding in state owned enterprises/bank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.


Chaichan Palanon

Age 64

Director

- Chairman of Executive Subcommittee
- Chairman of Information System Development Subcommittee
- Chairman of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee
- Member of Corporate Governance and Innovation Subcommittee
- Member of Compliance Subcommittee

Education and Degrees

- **Master Degree**
Master of Public and Private Management Program (MPPM.),
National Institute of Development Administration (NIDA)
- **Bachelor Degree**
Bachelor of Science Program in Agribusiness, Maejo University

Professional Experiences

2015 - 2017	Executive Vice President – Director Credit Restructuring and Asset Management Group, Krung Thai Bank Public Company Limited
2014	Master Change Champion KTB Retail Transformation Project
2007 - 2013	Senior Regional office Manager, Krung Thai Bank Public Company Limited
1994 - 2006	Senior Branch Manager, Krung Thai Bank Public Company Limited

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None


Amporn Purintawaragul

Age 58

Director

- Chairman of Audit Subcommittee
- Member of Nomination, Remuneration and Performance Subcommittee
- Member of Corporate Governance and Innovation Subcommittee
- Member of Corporate Governance and Corporate Social Responsibility (CG & CSR)

Education and Degrees

- **Certified Public Accountant of Thailand**
- **Master Degree**
Master of Science in Accounting, Thammasat University
- **Bachelor Degree**
Bachelor of Accountancy (2nd class honours), Chulalongkorn University

Professional Experiences

2019 - Present	Independent Director, Audit Committee, Nomination and Remuneration Committee, Thai Nippon Rubber Industry Public Co., Ltd.
2010 - 2018	Executive Vice President -Corporate Banking, Bangkok Bank Public Company Limited
2007 - 2010	Senior Vice President - Corporate Banking, Bangkok Bank Public Company Limited
2003 - 2007	Vice President - Project Department Investment Banking Group, Bangkok Bank Public Company Limited

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;
2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.

**Dr. Wichien Chubthaisong**

Age 62

Director

- Chairman of the Employee Relations Committee
- Member of Audit Subcommittee
- Member of President's Performance Appraisal Subcommittee

Education and Degrees

- **Doctoral Degree**
Doctor of Philosophy (Management), North Bangkok University
- **Master Degree**
Master of Arts Program in Leadership in Society, Business and Politics, Rangsit University
Master of Political Science (Public Administration and Law), Ramkhamhaeng University
- **Bachelor Degree**
Bachelor of Laws (LL.B.), Ramkhamhaeng University

Professional Experiences

1997 - Present Managing Director, C.A.L Law Office Company Limited
Legal Advisor, Small and Medium Enterprise Development Bank of Thailand
Vice President, Lawyers Council Under the Royal Patronage
President, Association of King Prajadhipok's Institute
Judicial Committee for Discipline and Etiquette, The Football Association of Thailand
President, Debt Collection Business to Financial Institution Association
Chairman of Director, Exclusive Asset Management Company Limited
Public Warehouse Organization Committee

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

**Rabil Pornpatkul**

Age 62

Director

- Chairman of Nomination, Remuneration and Performance Appraisal Subcommittee
- Member of Risk Oversight Subcommittee
- Member of Audit Subcommittee
- Member of President's Performance Appraisal Subcommittee
- Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee

Education and Degrees

- **Master Degree**
Master of Business Administration, Thammasat University
- **Bachelor Degree**
Bachelor of Science : Chemical Technology, Chulalongkorn University

Professional Experiences

2020 - Present Executive Committee's Director, Pure Thai Energy Co., Ltd.
2020 Risk Management Committee, Islamic Bank Asset Management
2017 - 2019 Director, Phayathai Assets Management (subsidiary of TMB)
2014 - 2019 Executive Vice President, TMB Bank (PLC)
2010 - 2013 Vice President, Eurotech Engineering International Co., Ltd.
2003 - 2011 Director, SCT Sahaphan Co., Ltd. (subsidiary of Pure Thai Energy)
2008 Honorable Advisor, DT Group of Companies
2005-2007 Chief Operation Officer, DT Group of Companies
2003 - 2004 Deputy Managing Director, TV Direct Co., Ltd.
1999 - 2002 Deputy Managing Director, Bangchak Greenet Co., Ltd.
1985 - 2002 Senior Director, Bangchak Petroleum (PLC)

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.



Supak Chaiyawan

Age 51

Director

- Member of Executive Subcommittee
- Member of Nomination, Remuneration and Performance Appraisal Subcommittee
- Member of Information System Development Subcommittee
- Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee

Education and Degrees

- **Master Degree**
Master of Finance, St. Louis University
- **Bachelor Degree**
Faculty of Social Sciences, Major in Sociology and Anthropology.
Chiang Mai University, Thailand

Professional Experiences

2020 - Present	Deputy Director General, Fiscal Policy Office, Ministry of Finance
2016 - 2020	Director of the Fiscal Policy Bureau, Fiscal Policy Office, Ministry of Finance
2015 - 2016	Director of Bureau of Policy on Financial Benefit Protection System, Fiscal Policy Office, Ministry of Finance
2013 - 2015	Senior Expert on Fiscal System and Policy, Fiscal Policy Office, Ministry of Finance

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None



Komon Jirachaisudtignkun

Age 61

Director

- Chairman of Corporate Governance and Innovation Subcommittee
- Member of Executive Subcommittee

Education and Degrees

- **Bachelor Degree**
Bachelor of Law, Ramkhamhaeng University

Professional Experiences

2020 - 2021	Director of Transport Co., Ltd.
2018 - 2000	Director of TOT public company
2017 - 2019	Director of TAT, Tourism Authority of Thailand
2018 - 2021 (Sep 2021)	Deputy Secretary-General of OCS, Office of the Council of State
2011 - 2018	Permanent Law Councilor, Office of the Council of State
1997 - 2011	Director of Administrative Law Bureau, Office of the Council of State

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.

**Wachiraya Permbhusri**

Age 51

Director

- Chairman of Risk Oversight Subcommittee
- Chairman of President's Performance Appraisal Subcommittee

Education and Degrees

- **Master Degree**
Master Degree in MBA from the Graduate School of Business, The University of Chicago, USA
- **Bachelor Degree**
Bachelor Degree from the Faculty of Economics (First class honours), Chulalongkorn University
- **CFA (Chartered Financial Analyst) from CFA Institute, USA**

Professional Experiences

2020	Deputy Director General, State Enterprise Policy Office (SEPO)
2016	Director, Public Private Participation Promotion Bureau, SEPO
2013	Director, SOE Performance Evaluation Bureau, SEPO

Shareholding in state owned enterprises/ibank-related companies for over 10% of voting shares in 2021.

* None

**Wuttichai Suraratchai**

Age 58

Director and President

- Member of Executive Subcommittee and Secretary
- Member of Risk Oversight Subcommittee
- Member of Information System Development Subcommittee
- Member of Corporate Governance and Innovation Subcommittee
- Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee

Education and Degrees

- **Master Degree**
Master of Business Administration (MBA), Thammasat University
- **Bachelor Degree**
Bachelor of Accounting (First-Class Honor), Thammasat University
Bachelor of Economics of Public Finance, Ramkhamhaeng University

Professional Experiences

2011 - 2018	Executive Vice President, Thanachart Bank Public Company Limited
2004 - 2011	Executive Vice President, Siam City Bank Public Company Limited
1999 - 2003	First Vice President, Industrial Finance Corporation of Thailand (IFCT)
1993 - 1999	Executive Vice President, First City Investment Public Company Limited
1990 - 1993	First Vice President, Cathay Trust Finance and Securities Company Limited
1985 - 1990	Project Analysis Team Leader, Industrial Finance Corporation of Thailand (IFCT)

Shareholding in state owned enterprises/ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.



Nipphon Hakimi

Age 65

Director

(Since 1 August 2014 – 25 June 2021)

- Chairman of Executive Subcommittee
- Chairman of Compliance Subcommittee
- Member of President's Performance Appraisal Subcommittee

Education and Degrees

- D.S.U Labor Law from University of Paris II France
- D.S.U Criminology from University of Paris II France
- D.E.A. Sociology of Civil Law from University of Paris II France
- Brevet d' Administration Publique
- Bachelor of Law, Thammasat University

Professional Experiences

2017 - Present	Retired Government Official, Office of the Council of State
2011 - 2017	Deputy Secretary-General, Office of the Council of State (Executive, Higher Level)
	Councilor of State
	Member of Administrative Procedure Committee
	Member of Tourism Authority of Thailand Committee
	Member of Sport Authority of Thailand Commission
	Board of Directors of Nok Airlines Public Company Limited
	Member of Life Insurance Fund Committee
	Member of Fuel Oils Control Commission
	Member of Good Governance and Appeal Committee (Bank of Thailand)
	Chairman of Punishment Deliberation Committee (ANTI-DOPING IN SPORTS ACT, B.E. 2555 (A.D. 2012))

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None



General Dr. Natthipong Pueksakorn

Age 63

Director

(Since 1 August 2014 – 25 June 2021)

- Chairman of Audit Subcommittee
- Chairman of Nomination, Remuneration and Performance Appraisal Subcommittee

Education and Degrees

- **Doctoral Degree**
Doctor of Business Administration Program Sripatum University
- **Master Degree**
Master of Computer Science, National Institute of Development Administration (NIDA)
- **Bachelor Degree**
Bachelor of Engineering, Chulachomklao Royal Military Academy

Professional Experiences

2018 - Present	Retired Government Official, Royal Thai Army
2014 - Present	Chairman of Directors, Amanah Leasing Public Company Limited
2015 - 2018	Senior Expert Royal Thai Army
2013 - 2015	Chief of Finance, Royal Thai Army
2011 - 2013	Director of Directorate Comptroller, the First Army Area

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.

**Piyawan Lamkitcha**

Age 56

Director

(Since 1 August 2014 – 24 June 2021)

- Chairman of President's Performance Appraisal Subcommittee
- Member of Executive Subcommittee
- Member of Compliance Subcommittee

Education and Degrees

- **Master Degree**
Master of Public Administration, Chulalongkorn University
Mini MBA, Thammasat University
- **Bachelor Degree**
Bachelor of Finance, University of the Thai Chamber of Commerce

Professional Experiences

2020 - Present	State Enterprise Development Advisor, State Enterprise Policy Office
2019 - Present	Deputy Director General State Enterprise Policy Office, Acting as Consultant Enterprise Appraisal
2016 - 2019	Deputy Director General State Enterprise Policy Office
2016 - Present	Vice Chairman of Financial Institutions Development Fund
2012 - 2016	Director, Government Securities Management Office, State Enterprise Policy Office, Ministry of Finance
2013 - 2014	Member of Board of Directors, Dhanarak Asset Development Company Limited
2011 - 2014	Board Member, Police Printing Bureau

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

**Dhanasarn Suravudhikul**

Age 57

Director

(Since 28 May 2018 – 31 August 2021)

- Chairman of Risk Oversight Subcommittee
- Chairman of Information System Development Subcommittee
- Member of Nomination, Remuneration and Performance Subcommittee
- Member of President's Performance Appraisal Subcommittee

Education and Degrees

- **Master Degree**
Master of Science in International Banking and Financial Studies,
Heriot-Watt University, Edinburgh, Scotland, U.K.
Master of Business Administration (Finance), National Institute
of Development Administration (NIDA)
- **Bachelor Degree**
Bachelor of Science (Chemistry), Chulalongkorn University
- **CFA (Chartered Financial Analyst), USA**

Professional Experiences

2018	Chief Financial Officer, BT Wealth Industries Public Company Limited
2016 - 2017	Advisor, Siam Wellness Group Public Company Limited
2015 - 2016	Chief Financial Officer, Ocean Life Insurance Public Company Limited
2012 - 2015	Chief Financial Officer, Mass Rapid Transit Authority of Thailand (MRTA)
2010	Vice President & Head of Enterprise Risk Management, American International Assurance (AIA)
2008 - 2010	Vice President, Permanent Control & Operational Risk Management, Calyon Bank
2001 - 2008	Vice President, Bangkok Bank Public Company Limited

Shareholding in state owned enterprises/Ibank-related companies for over 10% of voting shares in 2021.

* None

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.

Shariah Advisory Council







Dr. Maroning Salaeming
Chairman of the Shariah Advisory Council

Age 56

Education and Degrees

- **Doctoral Degree**
Ph.D. in Principles of Jurisprudence, Islamic University of Madina, Saudi Arabia
- **Master Degree**
M.A. in Principles of Jurisprudence, Islamic University of Madina, Saudi Arabia
- **Bachelor Degree**
B.A. in Islamic Law, Islamic University of Madina, Saudi Arabia

Working experience

- Lecturer of Islamic law, College of Islamic Studies, Prince of Songkhla University, Pattani Campus
- Director of Islamic Law Academicians of Southeast Asian Region
- Licensee of Udomsarn Wittaya School, Mueng District, Yala
- Expert for Seikhul Islam Office
- Member of Shariah Advisory Committee, Bina Islamic Cooperative, Ltd.
- Deputy Secretary – General of Southern Provinces Administration Center with responsibility on developing five southern border provinces
- Chairman of Shariah Advisory Committee (Shariah Board), Dhipaya Insurance Ltd.
- Advisor to Foreign Affair Department, The Central Islamic Council of Thailand
- Research and academic journals on various topics, such as the mediation on family disputes and heritage in compliance with Islamic laws in the southern border provinces, the development of system and efficiency of the mediation on family disputes and heritage in compliance with Islamic laws in the southern border provinces, Shariah principles for financial transactions in the seminar on “Shariah and financial innovations”, the insurance in compliance with Islamic law, and the Shariah – applied investment in Thailand
- Member of the Shariah Advisory Council from 2013 - 2021



Pramote Meesuwan
Member of the Shariah Advisory Council

Age 58

Education and Degrees

- **Master Degree**
M.A. in Islamic Studies for Development, Bangkokthonburi University, Bangkok, Thailand
- **Bachelor Degree**
- B.A. in Islamic Propagation, Al-Azhar University, Cairo, Egypt

Working experience

- Imam Badrulummineen Masjid (Sala Loi), Vadhana District, Bangkok
- Religious and Arabic teacher of senior high school level, Miftah El Uloom El Deneyah School (Ban Don)
- Chairman of the Board of Director, Pre-school Child Development Center, Sala Loi Community, Bangkok
- Guest Speaker on religious topics for radio programs on AM 1251 and AM 981 stations
- Guest Speaker on religious topics for Visaidham Parithas, Kasetsat University Radio Station AM 1107 every Sunday
- Guest Speaker at religious instructions and organizations and at Friday prayer
- Advisor to Executive Committee, Alumni Association of Miftah El Uloom El Deneyah School
- Member of the Shariah Advisory Council from 2013 - 2021
- Writer of academic textbooks :
 - o “Key to Arabic Language”, a key to understand Arabic language as it contains part of Arabic grammar and more than 4,500 Arabic words.
 - o “Dua..the brain of Ibadah”, one of the most complete book of Dua (supplication) with translation used in several occasions.
 - o “Arabic–English–Thai Dictionary”, which contains more than 30,000 words including conversation dialogues in three languages.



Senee Yoopensuk
Member of the Shariah Advisory Council

Age 51

Education and Degrees

- **Master Degree**
M.A. in Arabic Linguistics and Literatures, Aligarh Muslim University, India
- **Bachelor Degree**
B.A. in Al – Hadith and Islamic Studies, Abu Bakr University, Karachi, Pakistan

Working experience

- Director, Khunathamwithaya School, Chacheongsao Province
- Committee member of Non-formal Education, Donchimplee Sub-district, Bangnampriew, Chacheongsao Province
- Committee member of Islamic Studies lesson development of Rajabhat Phranakorn University
- Guest speaker at religious schools
- TMTV Academician at Thai – Muslim TV Station (TMTV)
- Advisor to Phillip Shariah Committee, Phillip Life Assurance PLC.
- Member of Committee to set up the Islamic insurance system, Siam Samsung Takaful Co. Ltd.
- Secretary of the Islamic Center Committee of Thailand , International department.
- Guest speaker on religious issues for the TV station, website and ratio of Muslim Foundation (24 – hour TV Muslim)
- Advisor of Parent - Student Club of a religious school
- Independent researcher on the Middle East (Politics and Economy), Institute of Asian Studies, Chulalongkorn University (2011 – 2001)
- Shariah advisor, Krungthai Asset Management PLC. (Islamic Fund)
- Advisory Committee for Krungthai Shariah Funds
- Advisor, Sanabilkoir Foundation for Social Development
- Member of the Shariah Advisory Council from 2013 - 2021



Santi Suasaming
Member of the Shariah Advisory Council

Age 51

Education and Degrees

- **Postgraduate Diploma**
Certificate of Advance Islamic Studies, Samalik Institute, Ministry of Education of Egypt, Cairo, Egypt
- **Bachelor Degree**
B.A. in Islamic Theology (Al-Hadith), Al-Azhar University, Cairo, Egypt
- **Higher Secondary School**
College of International Student, Al-Azhar University, Cairo, Egypt

Working experience

- Chairman, Al-Falah Foundation for Islamic studies and Director of Al-Falah Sassanawit Institute, Chachoengsao
- Chairman, Academic Section, Association of Islamic Teaching Schools (Sanawi Schools)
- Editor, Committee of Arab Student Alumni Association, (2546 B.E.)
- Member, Primary Education Curriculum Improvement Committee, Kurusampan Association.
- Member, Primary Islamic Education Textbook Compiling Committee.
- Advisor, Committee of Muslim Organization of Thailand (CMOT).
- Khatib (Preacher), Nurul Islam Masjid, Banpa, Suanluang, Bangkok
- Ulama Committee of Sheikhul Islam
- Chairman, Jularachamontri Expert Sub-Committee.
- Jularachamontri Working Committee, Sheikhul Islam Office.
- Committee, The World Organization for al-Azhar Graduates , Thailand Branch.
- Speaker, Television Programs (i.e. Sheikhul Islam Office, Salam Ramadhan)
- Speaker, Radio Programs for Muslim (i.e. Vioce form Majlis, Muslim Broadcasting Assembly of Thailand, Al-Yuman Islam Office, Muslim Association of Al-Quran Reader of Thailand, Muslim Mass Media Association of Thailand and Islamic Center of Thailand)
- Eminent Persons, National Moral Promotion committee
- Committee, Summary Writing on Islamic Expert Seminar, National Legislative Assembly.
- Speaker, Southern Border Provinces Administration Centre/Internal Security Operations Command.
- Books/Articles on website, www.alisuasaming.com

Executives







Wuttichai Suraratchai
Director and President

Age 58

Education and Degrees

- **Master Degree**
Master of Business Administration (MBA), Thammasat University
- **Bachelor Degree**
Bachelor of Accounting (First-Class Honor), Thammasat University
Bachelor of Economics of Public Finance, Ramkhamhaeng University

Professional Experiences

2011 - 2018	Executive Vice President, Thanachart Bank Public Company Limited
2004 - 2011	Executive Vice President, Siam City Bank Public Company Limited
1999 - 2003	First Vice President, Industrial Finance Corporation of Thailand (IFCT)
1993 - 1999	Executive Vice President, First City Investment Public Company Limited
1990 - 1993	First Vice President, Cathay Trust Finance and Securities Company Limited
1985 - 1990	Project Analysis Team Leader, Industrial Finance Corporation of Thailand (IFCT)

Shareholding in state owned enterprises/ibank-related companies for over 10% of voting shares in 2021.

* None



Visuit Boreriboon

Senior Executive Vice President Retail Banking Division
Acting Senior Executive Vice President Commercial Banking Division

Age 58

Education and Degrees

- **Master Degree**
Master of Public Administration
National Institute of Development Administration
- **Bachelor Degree**
Bachelor of Economic (Finance and Banking) Ramkhamhaeng University

Professional Experience: Islamic bank of Thailand

2018 - Present	Senior Executive Vice President Retail Banking Division And Senior Executive Vice President Commercial Banking Division
2017 - 2018	Senior Executive Vice President Retail Banking Division
2014 - 2017	Chairman Advisor, Islamic Bank of Thailand

Professional Experience: Others

2016 - Present	Board of Amanah Leasing Public Company Limited
2012 - 2014	Executive Vice President Marketing Group, Bangkok Metro Public Company Limited
2011 - 2012	Senior Vice President, Head of Field Operation & Support, Thanachart Bank Public Company Limited
2008 - 2011	Senior Vice President, Branch Administration Department 3 Acting Executive Vice President Group Head of Region Branch Administration, Siam City Bank Public Company Limited
2004 - 2008	Senior Vice President, Branch Administration Department 2 Senior Vice President, Branch Administration Department 4 Siam City Bank Public Company Limited
2002 - 2004	First Vice President, Credit Review Department Senior Vice President, Audit Department Siam City Bank Public Company Limited
2002 - 2003	First Vice President, Credit Review Department Siam City Bank Public Company Limited
2001 - 2002	Senior Vice President, Information Management Department Bangkok Metropolitans Bank Public Company Limited
2001	Vice President, Regional Credit Department Bangkok Metropolitans Bank Public Company Limited

Remarks * The auditing process is

1. To carry out directors' background check in 2021;

2. To examine reports of conflicts of interest. Directors must report any conflicts of interest when (1) accepting the offer of the position; (2) having a conflict of interest; and (3) at every July of each year.



Pol.Capt.Poomin Peongsujarit
**Executive Vice President Debt Restructuring
 and Law Group**

Age 47

Education and Degrees

- **Master Degree**
 M.B.A. Kasetsart University
 M.A. (Political Science) Ramkhamhaeng University
- **Bachelor Degree**
 B.Eng. (Industrial) Kasetsart University

Professional Experience: Islamic bank of Thailand

2013 - Present	Executive Vice President
2012	Senior Vice President, Compliance Department
2011	Vice President, Compliance Department

Professional Experience: Others

2008 - 2010	Vice President, Dhanarak Asset Development Co.,Ltd.
2004 - 2007	Special Case Inquiry Officer, Department of Special Investigation.
1997 - 2004	Sub - Inspector, Royal Thai Police.
1997	Factory Inspection Engineer, Department of Industrial Works.



Manoch Dangkommen
Executive Vice President Credit Operations Group

Age 58

Education and Degrees

- **Master Degree**
 MBA in Financial Management, Ramkhamheang University
- **Bachelor Degree**
 BBA – Faculty of Commerce and Accountancy, Thammasat University
 Faculty of Law, Sukothai Thamathirat University
- **Certificate**
 Guide Certificate, Chulalongkorn University

Professional Experience: Islamic bank of Thailand

2020 - Present	Executive Vice President Credit Operations Group
2015 - 2020	Executive Vice President Administration and Human Resource Group, Acting Vice President Human Resource Management Department
2013 - 2015	Senior Vice President Foreign Business Department, Acting Vice President Human Resource Management Department
2010 - 2013	Senior Vice President Foreign Business Department
2009 - 2010	Vice President Foreign Business Department

Professional Experience: Others

2005 - 2009	Vice President Trade Finance Marketing Corporate & SME Business, Thai Military Bank PCL,
2000 - 2005	Assistance Vice President Risk Manager, Citibusiness CTB and Citicorp Leasing, Citigroup Inc.,
1999 - 2000	Senior Team Leader Corporate Department, The Siam Commercial Bank PCL.
1997 - 1999	Vice President & General Manager Bombay Branch, The Siam Commercial Bank PCL



Sunsanee Methisariyapong
Executive Vice President Finance Group
Acting Vice President Treasury Department

Age 57

Education and Degrees

- **Master Degree**
M.B.A. (Finance) Oklahoma City University, USA.
- **Bachelor Degree**
B.A. (Accounting) Thammasat University
B.A. (Law) Sukhothai Thammathirat University

Professional Experience: Islamic bank of Thailand

2017 - Present	Executive Vice President Finance Group Acting VP Vice President Treasury Department
2016 - 2017	SVP Senior Vice President Treasury Department Acting Executive Vice President Finance Group
2012 - 2016	SVP Senior Vice President Treasury Department
2009 - 2012	VP Vice President Treasury Department
2008 - 2009	DVP Deputy Vice President Acting VP Vice President Treasury Department
2005 - 2008	DVP Deputy Vice President Corporate Department

Professional Experience: Others

2017 - Present	Board of Amanah Leasing Public Company Limited
2001 - 2005	Deputy Manager Business Department, Secondary Mortgage Corporation
2000 - 2001	Manager Corporate Division, Thanachart Bank
1994 - 1999	Deputy manager Corporate division, Krungthaitanakit Finance & Security Public Company
1992 - 1994	Senior officer Corporate division, Ekachart Finance & Security public Company



Nuchjaree Pakdeecharoen
Executive Vice President Corporate Strategy Group
Acting Vice President Strategy Department

Age 50

Education and Degrees

- **Master Degree**
M.B.A. (Monetary and Industrial Economics) National Institution of
Development Administration (NIDA)
- **Bachelor Degree**
B.A. (Science in Agricultural Business) Kingmongkut Institute of
Technology Ladkrabang (KMITL)

Professional Experience: Islamic bank of Thailand

2021 - Present	Executive Vice President Corporate Strategy Group Acting Vice President Strategy Department
2020 - 2021	Executive Vice President Corporate Strategy Group Acting Vice President Strategy Department And Acting Vice President Organization and Development Department
2019 - 2020	Executive Vice President Strategy Org. Group Acting VP Bank Strategic Department
2018 - 2019	Executive Vice President M.D. Directs Group Acting VP Bank Strategic Department
2015 - 2018	Senior Vice President Bank Strategic Department
2014 - 2015	Senior Vice President Risk Management Department
2013 - 2014	Senior Vice President Risk Management Department Acting Vice President Shariah Products Department
2012 - 2013	Senior Vice President Risk Management Department
2010 - 2011	Vice President Risk Management Department Acting VP Bank Strategic Department

Professional Experience: Others

Present	Board of Center for Muslim World Policies, Economic Faculty
Present	Sub Committee Funds Saving of Thailand
1997 - 2003	Officer Credit Risk Management UOB Bank
1996 - 1997	Researchers, Association of Finance Companies

**Teera Yeegob**

Age 50

Executive Vice President of Branch Banking Group**Acting Vice President Branch****Administration 2 Department****Education and Degrees**

- **Master Degree**
Master of Business Administration Program for Executive,
Burapha University
- **Bachelor Degree**
Bachelor of Arts, Suan Sunandha Rajabhat University

Professional Experience: Islamic bank of Thailand

2018 - Present	Executive Vice President of Branch Banking Group and Acting Vice President Branch Administration 2 Department
2016 - 2018	Senior Vice President Branch Administration 2 Department and Acting Executive Vice President of Branch Banking Group
2016	Senior Vice President of Branch Administration Department Acting Vice President of Communication and Corporate Image Department
2015 - 2016	Vice President of Branch Administration Department Acting Vice President of Communication and Corporate Image Department
2014 - 2015	Vice President of Branch Administration Department
2012 - 2014	Deputy Vice President of SMEs Business Department
2011 - 2012	Assistance Vice President of SMEs Business Department
2008 - 2011	Manager / Senior Manager of Branch Administration Department
2007-2008	Manager of Thung Khru Branch / Asoke Branch
2006	Manager of Branch Administration

Professional Experience: Others

2019 - Present	Board of Amanah Leasing Public Company Limited
1991 - 2006	Siam Commercial Bank (SCB)
1989 - 1990	Thai Military Bank (TMB)

**Radklao Sitthijanyawan**

Age 59

Executive Vice President Administration and Human**Resource Group****Acting Vice President Human Resource Department****Education and Degrees**

- **Master Degree**
M.B.A. (Marketing), Saint John's University
- **Bachelor Degree**
Business Administrator , Sukothai Thammatirat

Professional Experience: Islamic bank of Thailand

2020 - Present	Executive Vice President of Administration and Human Resource Group Acting Vice President Human Resource Department
2019 - 2020	Senior Vice President Bank Operation Department Acting Vice President Information Technology Operations and Services Department
2013 - 2019	Senior Vice President Cheque Clearing Center Department
2012 - 2013	Senior Vice President 2 Information and Technology Supports Department
2012	Senior Vice President 2 Wealth Management Department Acting Executive Vice President General Management Group
2009 - 2012	Vice President Information and Technology Supports Department Acting Vice President Human Resource Department
2007 - 2009	Deputy Vice President Information and Technology Supports Department

Professional Experience: Others

1999 - 2007	Manager Personal and Administrative South City Enterprise Co.,Ltd
1989 - 1998	Vice President Assets Operation Department Siam City Credit Finance & Securities CO., LTD
1984 - 1989	Manager of Finance Department Thaimex Credit Finance & Securities CO., LTD



Suchart Warachawanwanich
Executive Vice President Technology and Electronic Operation Group
Acting Vice President IT Development and Management Department

Age 53

Education and Degrees

- **Master Degree**
Master of Science Program in Computer Science NIDA-GRADUATE SCHOOL OF APPLIED STATISTICS
- **Bachelor Degree**
Bachelor of Science Program in Computer Science Khon Kaen University

Professional Experience: Islamic bank of Thailand

2021 - Present	Executive Vice President Information Technology and Electronic Operation Group Acting Vice President IT Development and Management Department
2020 - 2021	Executive Vice President Information Technology and Electronic Operation Group Acting Vice President IT Operation and Service Department

Professional Experience: Others

1999 - 2019	Assistant Vice President - Senior Vice President Information Technology KIATNAKIN BANK PCL.
1990 - 1999	Officer - Manager Information Technology Phatra Thanakit Finance Co.Ltd.



Yuwaporn Prasertsri
Executive Vice President Corporate Banking Group
Acting Vice President Corporate Banking Department 1

Age 50

Education and Degrees

- **Master Degree**
Master's degree in Financial Business,
The National Institute of Development Administration (NIDA)
- **Bachelor Degree**
Bachelor's degree in Business Administration, Thammasat University

Professional Experience: Islamic bank of Thailand

2020 - Present	Executive Vice President Corporate Banking Group and Acting Vice President Corporate Banking Department 1
----------------	---

Professional Experience: Others

2019 - 2020	First Vice President Commercial Banking, CIMB Thai Bank Public Company Limited
2018 - 2018	Senior Vice President Commercial Banking, United Overseas Bank Limited
2017 - 2018	Senior Vice President Client Relation Management, Wholesale Banking, Thanachart Bank Public Company Limited
2014 - 2017	Team Head Commercial Banking, Senior Vice President, Thai Credit Retail Bank Public Company Limited
2012 - 2014	Team Head of Regional Business Banking, Thai Military Bank Public Company Limited
2011 - 2012	Vice President, Corporate Business Department 8, Bank of Ayudhya Public Company Limited
2008 - 2011	Head of Business Centers (Srinakarin and Sriracha Business Centers), Vice President, Industrial and Commercial Bank of China (Thai)
2005 - 2008	Relationship Manager, Wholesale Banking, Siam Commercial Bank
2002 - 2005	Relationship Manager, Wholesale Banking, Bankthai Public Company Limited
1996 - 2002	Relationship Manager, Wholesale Banking, DBS Thai Danu Bank Public Company Limited
1993 - 1995	Credit officer, Thai Finance and Securities Public Company Limited
1993 - 1993	Staff of International Trade Department, Siam Commercial Bank

Bank's Creditors

	Million Baht		Change	
	2021	2020	Amount	Percent
Liabilities				
Bank of Thailand	1,274.67	198.19	1,076.48	543.16%
Government Saving Bank	1,136.04	1,122.30	13.74	1.22%
Krung Thai Bank	-	-	-	-



Budget Received from the Government and Cash or dividend return to Government

The implementation of the project in accordance with the government policy – Public Service Account (PSA) that has been approved by the Cabinet to compensate for the implementation of the Islamic Bank of Thailand projects in 2021, consisting of:

1. Financing project to promote the public transport operator in the 5 southern border provinces
2. Financing project to plans to improve the livelihoods of people and communities in special areas in 5 southern border provinces
3. Financing project to help small self-employed/enterprises affected by flood and storm in 2010 (waiting for the cabinet resolution)
4. Financing project for emergency Financing Program for Muslim People

And The bank participated in the project with the Bank of Thailand(BOT), Financing project to Financial assistance to enterprises affected by the 2019 coronavirus outbreak and Receive compensation at 2% for a period of 6 months from the date of withdrawal of the customer.

The Islamic Bank of Thailand recognized the budget received from the project under the Public Service Account (PSA)of Government policy, in the amount of 2,268,068.09 Baht (Two million two hundred sixty-eight thousand sixty-eight baht nine satang) And receive a 2% compensation rate as compensation , in the amount of 2,434,129.26 Baht (Two million four hundred thirty four thousand one hundred twenty nine baht twenty six satang) Total amount 4,702,197.35 Baht (Four million seven hundred two thousand one hundred ninety-seven baht thirty-five satang) for the Year 2021

In 2021, the bank did not make any payments to the state or dividend payments.



Operational Report

- Award and Achievement
- Business Environment and Strategic Plan
- Operating Performance Analysis and Financial Position
- Risk Management
- Internal control
- Internal Audit
- Report of the Shariah Governance
- Report of the Good Corporate Governance
- Board of Directors as December 2021
- Appointment of the Board of Directors, Subcommittees and Working Groups
- Policy and Remuneration of Directors
- Board of Directors and Subcommittees Meeting
- Remuneration for Top Executive
- Report of the Nomination, Remuneration and Performance Appraisal Subcommittee
- Management Policy for Related Party Transactions
- Report of the Audit Subcommittee

Award and Achievement

ITA Awards 2021

The Islamic Bank of Thailand received the Integrity and Transparency Assessment : ITA Awards 2021 with a score of 98.23 or AA level in the category of government enterprise from the Office of National Anti-Corruption Commission (NACC Office) on 26 August 2021 which was the Bank's highest score received in 8 years since its first assessment participation in 2014 and reflected the Bank's continual commitment to operate with integrity and good governance.



Money & Banking Awards 2021

The Islamic Bank of Thailand won a prestigious award from the 21st "Money & Banking Awards 2021" for the Best Design Excellence Award Money Expo 2021 of its booth in the category of 108-120-square meter size, which the Bank presented under the theme "Paradise Future Wealth Garden". It was inspired by "Mihrab", the essential structure in the House of God (or mosque) used to indicate the direction for prayer to pay homage to the God and mixed with Islamic architecture and interior design of date palm trees, fruit from heaven. The booth entrance of the Bank conveyed the door to uprightness, wealth and eternity which corresponded to the main theme of the Future Wealth event organization.



Business Environment and Strategic Plan

Thailand's Economic Conditions in 2021 and Outlook for 2022

The Thai economy in 2021 expanded by 1.6%, recovering from a 6.2% contraction in 2020. In 2022, it is projected to revive steadily due to the improving COVID-19 pandemic situation and a growing number of vaccinated people, resulting in an expansion in economic activities both domestic expenditure and tourism. Meanwhile, export of goods is likely to grow owing to the global economy recovery and expected to expand in the range of 3.5–4.5%. The key supportive factors are as follows:

- 1) The improvement in domestic demand;
- 2) The recovery of tourism sector and the maintenance of economic impulses from households and domestic tourism expenditure via the government stimulus measures;
- 3) The steady expansion of merchandise exports and the focus on supporting merchandise exports and imports by facilitating and accelerating export and import of goods to reduce cost and increase the efficiency of the exporters' and the importers' business;

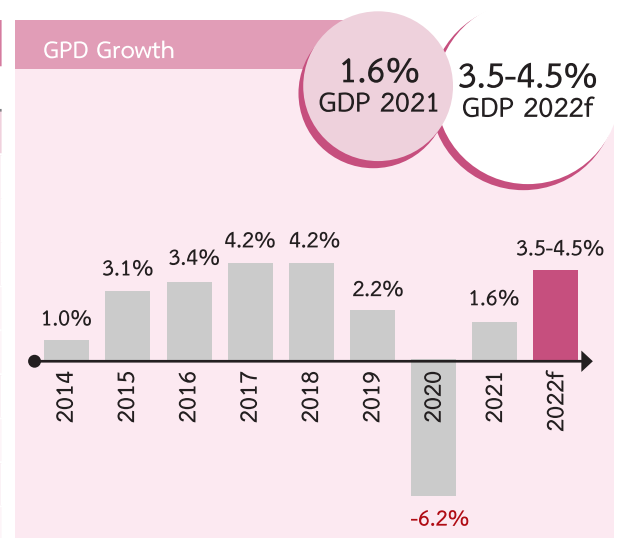


- 4) The driving forces from public sector investments
 - 4.1) Driving government investments in mega infrastructure projects to create economic value added by developing a special economic zone and transport infrastructure, supporting a public-private partnership (PPP) and promoting investment in the Eastern Economic Corridor (EEC) and Special Economic Zones (SEZ) in 10 provinces as well as the southern border provinces to stimulate more regional investment.
 - 4.2) Driving the economic growth according to the Bio-Circular-Green Economic Model (BCG Model) to create stability and sustainability at the same time and push forward Thailand to become a clean energy society.



Export value of goods in US dollar terms is anticipated to increase by 4.9%. Meanwhile private consumption and private investment are expected to increase by 4.5% and 3.8% respectively. Public investment is projected to grow by 4.6%. Headline inflation is estimated to be in the range of 1.5 – 2.5% and the current account is projected to record a surplus of 1.5 percent of GDP.

YoY (%)	2020	2021		2022 (f)	
	Year	Year	Q3	Q4	Year
GDP (CVM)	-6.2	1.6	-0.2	1.9	3.5-4.5
Private consumption	-1.0	0.3	-3.2	0.3	4.5
Government consumption	1.4	3.2	1.5	8.1	-0.2
Investment	-4.8	3.4	-0.4	-0.2	4.0
Private	-8.2	3.2	2.6	-0.9	3.8
Public	5.1	3.8	-6.2	1.7	4.6
Value of merchandise exports	-6.5	18.8	15.7	21.3	4.9
Volume	-5.5	15.0	12.2	16.8	3.9
Value of merchandise imports	-13.8	23.4	31.8	20.6	5.9
Volume	-10.5	18.3	27.9	14.0	4.4
Current account to GDP (%)	4.2	-2.2	-4.3	-1.6	1.5
Inflation	-0.8	1.2	0.7	2.4	1.5-2.5



Source: National Economic and Social Development Council (NESDC)



ธนาคารแห่งประเทศไทย
BANK OF THAILAND

Economic Projection as of December 2021

%YoY	2020*	2021	2022	2023
GDP Growth	-6.1	0.9 (0.7)	3.4 (3.9)	4.7
Domestic demand	-1.6	1.7 (1.9)	4.3 (4.7)	3.2
Private consumption	-1.0	0.4 (0.0)	5.6 (5.7)	3.8
Private investment	-8.4	4.0 (4.2)	5.4 (6.7)	5.0
Government consumption	0.9	2.1 (3.3)	-0.3 (-0.5)	0.3
Public investment	5.7	5.5 (8.0)	3.6 (6.4)	1.4
Export volume of goods & services	-19.4	9.3 (8.7)	5.5 (6.1)	9.7
Import volume of goods & services	-13.3	17.4 (15.3)	4.6 (4.8)	4.6
Current account (billion U.S. dollars)	21.2	-10.0 (-15.3)	1.5 (1.0)	19.7
Value of merchandise exports	-6.5	18.0 (16.5)	3.5 (3.7)	2.9
Value of merchandise imports	-13.8	22.3 (23.8)	4.8 (4.8)	3.7
Number of foreign tourists (million persons)	6.7	0.28 (0.15)	5.6 (6.0)	20.0
Dubai crude oil price (U.S. dollars per barrel)	42.1	69.0 (66.4)	68.3 (65.5)	69.5
Headline Inflation	-0.8	1.2 (1.0)	1.7 (1.4)	1.4
Core Inflation	0.3	0.2 (0.2)	0.4 (0.3)	0.7

Note: *Actual Outturn
() Previous Forecast in Monetary Policy Report, September 2021

Source: Bank of Thailand (BOT)

The Organizational Strategy consistent with the National Strategy

The Bank's corporate strategy is a strategy that is consistent with the country's strategy linked to the 20-Year National Strategy, the 12th and the 13th National Economic and Social Development Plan, the overall SOE Strategic Plan and the SOE Strategic Plan for Financial Institutions. The strategic organizational framework consists of the following:

Strategy 1 Provision of financial services according to Islamic principles (Shariah principles)

We have fulfilled the mission of providing accurate financial services in compliance with Islamic principles (Shariah principles) which focused on creating opportunities and expanding the foundation to access to financial services that are accurate according to Islamic principles (Shariah principles) for Muslim customers and businesses. Moreover, we are being considered a good choice for general customers, having a role in supporting the operations of community financial organizations according to various types of Islamic principles (Shariah principles).

Strategy 2 Value creation and increase of various and comprehensive financial services according to Islamic principles (Shariah principles)

We have developed a variety of financial products and services according to Islamic principles (Sharia principles). We have also adjusted good infrastructures to satisfy the customer needs appropriately and increase competitiveness, especially, in response to the customer demands in the mission area. There is a monitoring and supervisory system to ensure that the Bank's financial transactions are accurate and in accordance with Islamic principles (Sharia principles) clearly.

Strategy 3 Establishment of financial stability and sustainability

We have taken steps to revive our organization and status to gain good return, meet the goals and have financial stability under acceptable risk levels. We aim to expand quality loans, manage asset quality to reduce NPLs, improve the efficiency of branch offices and seek expert alliances according to Islamic principles (Shariah principles) to reinforce financial strength and enhance service efficiency.

Strategy 4 Potential Development of Human Resources

We have enhanced the potential and quality of human resources to be ready for change and encouraged them to have knowledge, understanding, expertise, especially in Muslim-related matters and provision of financial services in compliance with Shariah principles, ability and readiness for continued professional growth by developing suitable HR Road Map, especially the development of necessary Digital Literacy and Core Competency.

Strategy 5 Development of information technology (IT) systems to be able to effectively handle and support the changing times

We have developed IT systems, service processes and operational efficiency in order to support the growth of the target business group and era. We are preparing to support the technology and innovation (Disruptive Technology) and being ready to develop plans/projects that are consistent with the Big Data Analytics project, as well as the technology to help improve operations to reduce costs and develop innovation.

Strategy 6 Increase of operational efficiency and reduction of management costs

We have increased efficiency in operating cost management, financial cost management, asset as well as liability management and developed guidelines for utilization of shared resources among state-owned financial institutions to increase work efficiency and help reduce management costs.

Strategy 7 Creation of transparency and integrity organization

We have conducted a balanced business with regard to the economic, social and environment responsibility through creation and connection with the Business Ecosystem. Meanwhile, we have encouraged employees throughout the organization to be aware and give priority to business operations based on good governance, transparency, integrity and Zero Tolerance.



Direction and Plans in 2022

In 2022, the Bank will focus on Digital Transformation by developing financial innovation and offering services throughout customers' life cycle. Products will be linked and service channels will be integrated for accessing various stakeholders. Competitiveness will be increased via technology and innovation to create BCG economy whilst reducing inequality and building a strong, eco-friendly community in order to bring about financial sustainability. The Bank has formulated strategic and business plans in line with the national strategy which can be divided into 7 main plans as follows:

1. Mission Implementation Plan We focus on providing services to satisfy Muslim customer needs continuously according to the Bank's mission. We have developed financial products that meet the needs of Muslim Life Cycle and Muslim/Halal Business customers and used a mosque as a center to access the Muslims. In addition, we have continued to develop a product that can build up business relation through Muslim organizations in order to expand opportunities to serve more target clients. Furthermore, we have leveraged the strength of Muslim grassroots community through a mosque as a center by creating an opportunity to access basic financial services in conformity with Islamic principles. Meanwhile, we have provided financial literacy which will lead to financial discipline and informal debt relief. As a result, the Muslim community will be able to depend on itself sustainably in the future.

2. Loan Expansion Plan We place a great emphasis on credit quality to maintain the Bank's existing customer base with a good track record, expanding an opportunity to access new customers as well as increasing retail customer base with the aim of mission customers continuously through the Bank's important projects to serve as the main bank of Muslim customers. We also take into account the balance between loan expansion and risk to generate revenue at acceptable risk level by controlling and monitoring compliance with SLA and provide loan support for every target group.

3. Asset Quality Management Plan We aim to implement the NPF debt acceleration policy by managing to block and resolve NPF debt, constantly assist debtors affected by COVID-19 situation as necessary, accelerate the legal process and manage NPA assets to generate income for the Bank.

4. Expense Reduction Plan In terms of financial expenses, we manage excess liquidity to correspond with loan disbursement, adopt the “net stable funding ration (NSFR)” criteria for consideration of concordance between funding source and money spending to ensure more effective liquidity risk management (both mid and long terms), increase the proportion of CASA deposits and focus on CASA marketing. In terms of operating costs, we reduce personnel and facility costs as well as other expenses by regarding the highest efficiency of cost effective.



5. Branch Efficiency Improvement Plan: Branch business model is a form of sale service & mission which can be divided into 3 main plans as follows: 1.) Branch close-down/relocation plan which considers cost appropriateness, high rent, small business volume, low potential of meeting the mission needs, current location of branch offices, business opportunity, capability to respond to the mission needs and other related factors; 2.) Performance improvement plan which aims to earn more income from business increase, distribute non-performing assets, manage branch offices to gain operating profits and take the highest efficiency into consideration when managing budget and expense and; 3.) Mission implementation plan which focuses on implementation according to the mission continuously to serve as the main bank for the Muslims in 2023 by operating based on moral principles constantly and seriously.



6. Human Resources Management Plan

We perform work according to the short and long term measures including more streamlined organizational restructuring based on manpower plan that supports the Bank’s mission to be more efficient, efficiency improvement in multi skill working with the current workforce, personnel development planning for all levels and formulation of personnel development strategies.

7. Organizational Development Plan to Digital Transformation We develop digital technology linked to the 3 main components of important digital foundation development as follows:

- 1) Significant digital services
- 2) Trust digital services
- 3) Digital technology

In addition, we improve the operation process to be more efficient and correspond with technological changes, reduce operating risk and encourage branch offices to have more marketing capabilities with an action plan in 4 aspects including 1.) P/N Pier to Pier; 2.) Trade Finance & Credit Admin Transformation; 3.) All LG / DLC / Aval Digital Control and; 4.) Custodian Management. In terms of risk management, we recognize the importance of continuous risk management in order to cope with the uncertainty of domestic and international economies. Additionally, work operations must be performed based on good governance, transparency and integrity to build up a strong organizational culture and move in the same direction.



Operating Performance Analysis and Financial Position

Operating Performance

The Bank set 2021 to be the Year of Customer First and recognized the significance of taking care of customers so that they could pass hardship from economic slowdown due to the new wave of COVID-19 infections. The Bank implemented assistance measures for the affected customers in line with the Bank of Thailand's policy and measures taken by the Bank itself to help the customers continuously under prudent risk management namely measure to relax debt repayment, loan payment holiday measure, soft loan measure, asset warehousing measure and additional assistance measure for retail debtors to ease the impact and encourage the customers to further be able to overcome a crisis. Thus, as at December 31, 2021, the remaining number of debtors the Bank helped by means of those measures were 3,198 with a debt burden of 6,614 million baht since partial debtors still needed an easing of conditions or further assistance. The Bank regularly assessed the quality of the credit portfolio based on its risk level and debt repayment capability in order to know the overall credit portfolio quality status and proceed with proper management.

As for operating performance according to the financial statements in 2021, the Bank recorded

a total revenue of 2,639 million baht which increased by 83 million baht or 3% compared to 2020 because the Bank's other incomes rose by 207 million baht or 167%. Additionally, the efficient management of financial expenses and the decreased rate of remittance to the Specialized Financial Institutions Development Fund (SFIF) from 0.25% to 0.125% following the Cabinet resolution on 30 June 2020 caused financial expenses to decline by over 342 million baht or 33%, allowing the Bank to have operating profit of 230 million baht. The Bank gradually set aside general provision to stand ready for reserve establishment under TFRS 9 criteria and to accommodate a risk arising from setting aside additional reserves of future debtors, amounting to 180 million baht. In 2021, the Bank had a net amount of doubtful accounts of 110 million baht, a significant decrease from 2020 which was affected by the establishment of reserves of a large state enterprise, allowing it to have a net profit of 120 million baht. Also, the Bank restored the reserves received to general provision since the status of such large state-enterprise debtor was back to normal as a result of entering into business reorganization process.

Key Items in Income Statement

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Financial income (including income from promissory notes - IAM)	2,307	2,432	(125)	(5%)
Other incomes	331	124	207	167%
Total incomes	2,639	2,556	83	(3%)
Financial expenses	699	1,041	(342)	(33%)
Operating expenses	1,710	1,681	29	2%
Total expenses	2,409	2,722	(313)	(11%)
Operating profit (loss)	230	(166)	396	(238%)
Doubtful and impairment	110	2,601	(2,491)	(96%)
Net profit (loss)	120	(2,767)	2,887	(104%)

1. Net financial income

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Financial income	2,169	2,175	(6)	(0.3%)
Financial expenses	699	1,041	(342)	(33%)
Net financial income	1,470	1,134	336	30%

Note: Financial expenses included Public Service Account (PSA).

Net financial income in 2021 increased by 336 million baht or 30%, mainly due to the performance in financial expense management which dropped by 342 million baht or 33%. The 6 million baht decrease in financial incomes or 0.3% resulted from the reduction of credit income because of the impact of economy and COVID-19 situation which the bank implemented a measure to ease debt repayment to assist the customers as well as large business customers' loan repayment. Thus, the income from credit expansion overall did not meet the target although the expansion of retail loan could achieve the target as planned.

2. Net fee and service income

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Fee and service income	200	176	24	14%
Fee and service expense	29	33	(4)	(12%)
Net fee and service income	171	143	28	20%

The Bank recorded net fee and service income of 171 million baht which grew by 28 million baht or 20% from 2020. Most of the increased fees were other non-binding fees e.g. fee income receivable – life insurance broker.

3. Total expenses

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Financial expenses	699	1,041	(342)	(33%)
Other operating expenses	1,710	1,681	29	2%
Total expenses	2,409	2,722	(313)	(11%)

The Bank's total expenses were recorded in the amount of 2,409 million baht which fell by 313 million baht or 11% from 2020, primarily a decrease from the above-mentioned financial expenses. The Bank managed excess liquidity and reduced fixed deposits with high costs to be at appropriate level. Other operating expenses increased by 29 million baht or 2% which most of the increased expenses were employee expenses.

4. Doubtful and impairment

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Net of doubtful and impairment	110	2,601	(2,491)	(96%)

In 2021, the Bank set a net allowance for bad debt and doubtful accounts of 110 million baht, a decrease of 2,491 million baht or 96% from 2020.

Key Items in the Statement of Financial Position

Unit : Million Baht

Operating Result	2021	2020	Change (YoY)	
			Increased (Decreased)	%
Total assets	72,857	76,361	(3,504)	(5%)
Financing	56,942	56,817	125	(0%)
Receivable from transfer of NPAs	11,389	15,396	(4,007)	(26%)
(Promissory notes and accrued income)	76,231	79,852	(3,622)	(5%)
Total liabilities	72,335	77,014	(4,679)	(6%)
Deposits (including financial institutions)	(3,373)	(3,491)	(118)	(3%)
Owner's equity	72,857	76,361	(3,504)	(5%)
Total liabilities and owner's equity				

As at December 31, 2021, the Bank had total assets of 72,857 million baht which dwindled by 3,504 million baht or 5% from 2020. The main item came from receivable from NPL transfer that dipped by 4,007 million baht. Total liabilities in 2021 amounted to 76,230 million baht, a reduction of 3,622 million baht due to a decline in high-yield fixed deposits and excess liquidity management. Negative owner's equity was decreased due to gaining operating profit, reducing from negative 3,491 million baht in 2020 to negative 3,373 million baht in 2021.

Key Items in the Statement of Financial Position

Financing

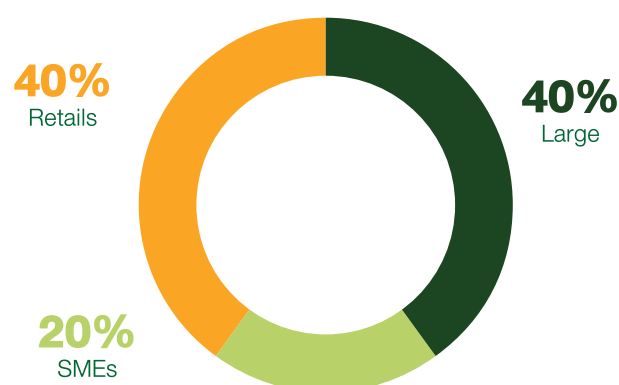
With regard to the expansion in 2021, the Bank has placed a high priority on financing quality among the growing risks from the economic slowdown, the COVID-19 pandemic, and therefore credit expansion is cautious. Meanwhile, the Bank plans to expand financing through MOU programs and aims

to offer financing products that meet the needs of customers, especially a home refinance loan, home financing for Muslim customers and home for cash financing which have been well received. The increase in financing is mostly retail lending. The Bank has implemented measures to help the general public and continued to have measures to support customers who need credit to increase liquidity for their business from the implementation of the assistance measures according to the Bank of Thailand's guidelines as follows: debt moratorium on principal or both principal and profit, revising down repayment per period and profit margin, debt restructuring, as well as debt consolidation of individual debtors to take advantage of the collateral the debtor has with banks covering both business and individual financing. As a result, customers in the group who need help have less debt burden and can extend the repayment period to be able to recover in the next period. In addition, the Bank focuses on providing financial services to Muslim customers in accordance with its mission, allowing Muslim loans and financing supporting the southern border provinces to retail financing and SMEs loans < 20 million baht (New Booking) to have 49% performance, 6% higher than the target.

At the end of 2021, the Bank had total financing of 56,942 million baht (excluding financing to financial institutions) which increased from 2020 by 125 million baht or 0.2% out of credit approval of 13,775 million baht for the whole year. In this regard, retail loans grew by 3,524 million baht and SMEs loans rose by 231 million baht. Nevertheless, large customers' repayment and participation in the asset warehousing program resulted in the reduction of large loans by over 3,630 million baht, causing financing expansion overall not to be able to achieve the target. In this regard, the Bank's overall financing structure as at December 2021 had large business financing (amount greater than 200 million baht) in the proportion of 40 percent, with outstanding balance of 22,886 million baht, close to the proportion of retail financing which had an outstanding balance of 22,451 million baht while SMEs loans accounted for 20%, totaling 11,606 million baht. When considering the total number of financing customers of the Bank, approximately 32% of the customers are Islamic and about 68% of the customers are other religions. Additionally, the Bank has a major project to support its mission which is Honest Community Project. This is the first time that the mosque has an MOU with the Islamic Bank of Thailand to strengthen the Muslim community. For overall performance at the end of 2021, a total of 481 mosques signed the MOUs with a credit limit of 249 million baht. 124 mosques had loan disbursement of 38 million baht and 3,838 out of 115,252 general members of the mosques disbursed loans not exceeding the maximum of 10,000 baht each.



Financing structure
classified by customer type



Number of financing customers
classified by religion



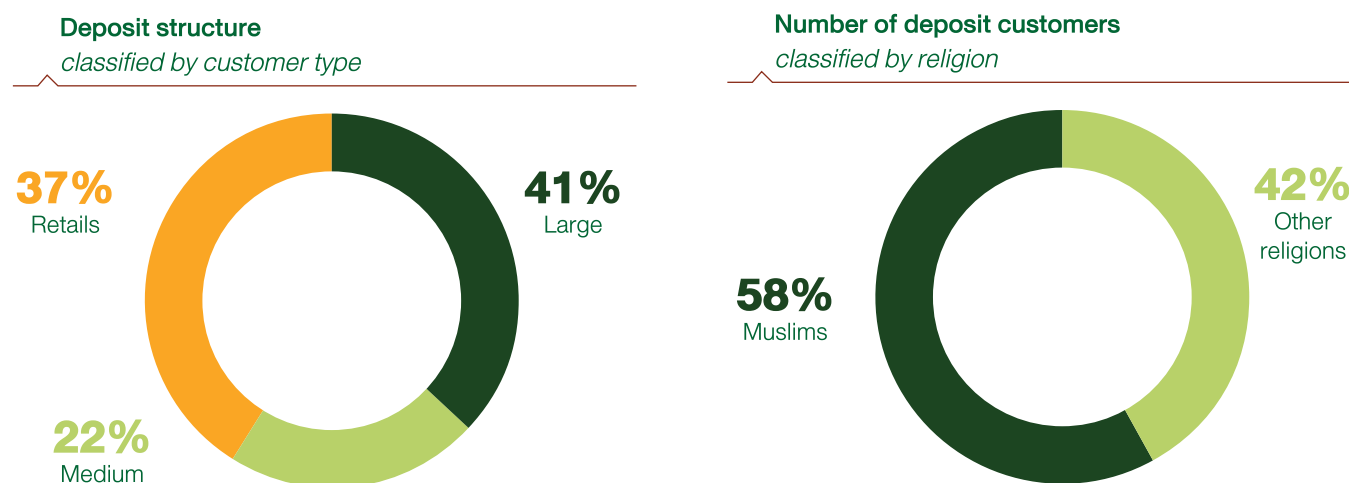
Quality of and debt restructuring

The Bank has focused on the management of NPF (Non-Performing Financing). In 2021, the Bank accelerated the resolution of NPF debt with sufficient potential for debt restructuring. In 2021, the Bank had a remaining NPF of 12,920 million baht or 23% of total loans, a decrease of 597 million baht, compared to 13,517 million baht in 2020.

The amount of allowance for doubtful accounts as of December 2021 was 9,744 million baht, a decline of 6 million baht or 0.1%, compared to 9,750 million baht in 2020.

Deposit

As of December 2021, the total deposit amounted to 72,335 million baht, decreasing by 4,679 million baht or 6% from 2020. This was because the Bank managed excess liquidity in line with loan disbursement and reduced the proportion of high-yield fixed deposits. As a result, the proportion of current and savings account (CASA) to total deposit increased to 43%, better than the planned target, causing the rate of return on deposits to tend to drop. The Bank's deposit structure in 2021 had the proportion of each customer group similar to the loan structure i.e. the proportion of large customers' deposits (limit more than 200 million baht) was 41% with the total amount of 29,921 million baht; the proportion of medium deposits (limit more than 20 million baht - 200 million baht) was 22% with the total amount of 15,552 million baht; and the proportion of retail deposits (limit amount up to 20 million baht) was 37% with the total amount of 26,856 million baht. Approximately 58% of the bank's total deposit customers were Muslim and 42% were customers of other religions.



Owner's equity

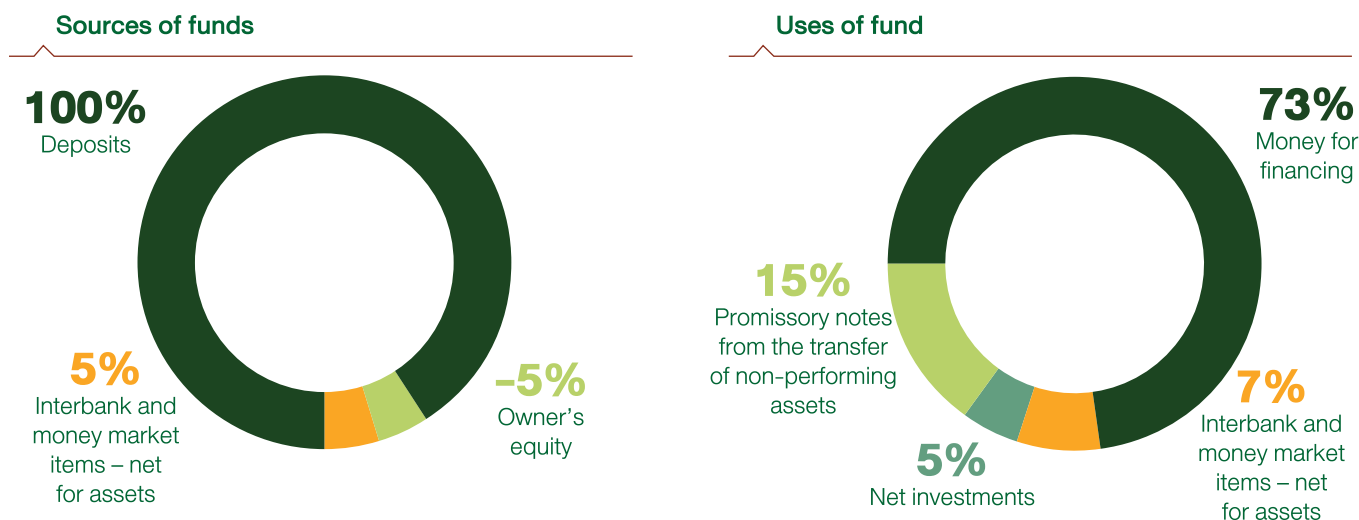
As at December 31, 2021, owner's equity of the Bank was negative with a decrease of 118 million baht or 3%, compared to 2020, due to a net profit. Owner's equity dwindled from negative 3,491 million baht in 2020 to negative 3,373 million baht in 2021.

Legal capital funds

Due to a net profit turnover as at December 31, 2021, the negative BIS Ratio tended to improve, reducing from negative 6.51% in 2020 to negative 5.99% in 2021. The Bank's BIS Ratio was still lower than the criteria. However, the Bank continued to build up the strength of the capital funds. It calculated the capital funds under the Ministry of Finance Regulations on Capital Maintenance and Reserve Money and Liquidity Assets of the Islamic Bank of Thailand B.E. 2563, effective 26 November 2020, by allowing the Bank to maintain a capital fund according to the criteria set by the Bank of Thailand. This was consistent with the Bank of Thailand Notification No. Sor Kor Sor 16/2562 Re: The composition of Specialized Financial Institutions' Fund (SFIs), stipulating that the ratio of capital funds to the ratio of assets and obligations cannot be less than 8.50% given that the ratio of tier 1 capital to such assets and obligations shall not be less than 4.25%.

Analysis of the sources and uses of funds

As at December 31, 2021, the Bank's main source of funds was deposits. The Bank used 73% of its funds to provide financing, followed by 15% for promissory note items from the transfer of non-performing assets, 7% in interbank and money market items – net for assets, and 5% in net investments.



Financing – deposit transactions classified by region

At the end of 2021, the Bank has a total of 97 branches nationwide, of which 38 branches are opened in the Southern Region. There are 34 branches in Bangkok Metropolitan Region, the Central Region, the Eastern Region, the Western Region. There are 13 branches in the North and 12 branches in the Northeast. Due to the Bank's intention to focus on providing services in the areas according to its missions, Muslim customers in the southern region thus have the largest volume of usage of deposit and loan transaction services and the highest proportion of Muslim customers in the country.

Table. Use of Credit Facilities and Deposits of Customers Classified by Customer Group and Region at the End of 2021

Region	Number of Branches	Total of Deposit Customers		Muslim Deposit Customers		Total Credit		Total Muslim Credit Customers	
		% of Cases	% of Amount	% of Cases Nationwide	% Amount Nationwide	% of Cases	% of Amount	% of Cases Nationwide	% Amount Nationwide
1. Southern Region	38	57.20%	20.81%	46.80%	11.90%	31.45%	23.96%	23.75%	17.21%
2. Bangkok Metropolitan Region, Central Region, Eastern Region, Western Region	34	28.88%	65.41%	9.71%	10.83%	52.50%	66.58%	7.31%	15.24%
3. Northern Region	13	6.65%	8.29%	0.77%	0.93%	8.32%	5.47%	0.52%	0.68%
4. Northeastern Region	12	7.26%	5.49%	0.25%	0.14%	7.73%	3.98%	0.20%	0.17%
Total	97	100.00%	100.00%	57.53%	23.80%	100.00%	100.00%	31.78%	33.30%



Financial status analysis

Total Assets of the bank on December 31, 2021 were 72,856.93 million baht, which decrease of 3,503.78 million baht or 4.59 percent from December 31, 2020. That mainly decrease was promissory note of Islamic Bank Asset Management Company Limited. However properties for sale, net increase of 1,493.20 million baht from helping debtors under the Bank of Thailand's Asset Warehouse program and Financing increased of 125.29 million baht.

Total liabilities of the bank on December 31, 2021 were 76,229.79 million baht which decrease of 3,622.56 million baht or 4.54 percent from December 31, 2021. That mainly decrease was deposits. On December 31, 2021, the Bank had total liabilities which were higher than total assets 3,372.86 million baht, as at December 31, 2020, the Bank had total liabilities which were higher than total assets 3,491.64 million baht. Shareholders' equities increased 118.78 million baht or 3.40 percent. The main items are due to the bank's operating profit.

In the year 2021, the bank had net profit 120.22 million baht, which increase of 2,886.93 million baht or 104.35 percent from the year 2020 with operating losses 2,766.71 million baht.



Risk Management

1. Overview of the Bank's Risk Management

The operations of the Islamic Bank of Thailand have been adapted to respond to changes in technology, competition, and rules. As a result, risk management is a necessary management process that will allow the Bank to achieve its goals. Having an efficient and effective risk management will, therefore, reflect good management, transparency, and accountability as a foundation for the bank's strong and sustainable growth.

The Islamic Bank of Thailand recognizes the importance of risk management and internal control and focuses on good management process and effective goal accomplishment under the rehabilitation and business plans 2021-2025. The bank has managed its risks based on the COSO 2017 framework which is a global standard for risk management. The framework highlights the connection between risk management and the Bank's operational plan and business opportunities which will ensure an integrated risk management throughout the organization. This will allow the bank to fulfill its main objectives following its vision and mission. The Bank has created a risk map, key risk indicators (KRIS), risk appetite, and risk tolerance which cover major risks of the bank. Moreover, the Bank has organized trainings to provide overall knowledge on risk management to the Bank's employees to ensure that employees understand that risk management is every employee's responsibility. By operating with risk management responsibility in mind, all units will be able to efficiently and effectively help the organization achieve its goals and conform to risk management which is based on the good governance principles, ensuring the Bank's strong and sustainable growth.

2. Risk Management Structure

The risk management structure (Governance Structure) is as follows:

2.1 Policy: The board of directors has the authority to approve the bank's key risk management policies which covers seven risks including Shariah risk, strategic risk, credit risk, market risk, liquidity risk, and operational risk, and Information Technology Risk.

2.2 Authority: The board of directors is authorized to approve the operations of the executives and subcommittees based on the decentralization of authority whenever appropriate and risk-based authority.

2.3 Subcommittee on risk management: The roles and responsibilities of the subcommittee which involve risk management include approving risk management policies based on risk appetite and ensuring effective risk management system as follows:

1. Risk Oversight Subcommittee has a duty to determine and review the adequacy of risk management policies and system, determine strategies in accordance with the risk management policy, and monitor the overall risk management of the bank.

2. The Audit Subcommittee is responsible for reviewing the internal control system and good risk management in order to ensure that there is an internal control system and risk management which can prevent or reduce potential risks and adjust to the risks and business environment.

Moreover, in managing each type of risks, the bank has established a subcommittee to manage specific risks including the Asset and Liability Management Subcommittee (ALCO), Internal Control Assessment Committee, Compliance Subcommittee, Credit Subcommittee, and IT Steering Subcommittee.



3. The Bank's Management of Each Type of Risks in 2021

3.1 Shariah risk means risks arising from operations, work processes, product offering, and the bank's services that may not be consistent with the Shariah principle as required by the Shariah Advisory Council and/ or in contrast to the Islamic Bank of Thailand Act B.E.2545 (2002) which may affect the status, reputation, liquidity, revenue, and capital funds which are the specific risks of the Islamic Bank of Thailand that the bank puts in a high priority and is considered as part of operational risk according to the definition of the types of risk specified in the bank's audit guidelines.

To ensure that the bank's operations and processes are consistent with the Shariah principle, the bank has established policies for managing Shariah risk which have been proved by the board of directors as a framework for providing financial services and developing products and services based on Islamic principles that can compete and meet the needs of target customers. Furthermore, the bank manages Shariah risk by analyzing, tracking, and reporting information related to the risk through risk status report, report on changes in the number of deposit customers and Muslim customers, report on any damages caused by operations that are inconsistent with the Shariah principles to the Shariah Advisory Council and relevant subcommittee on a regular basis. The reports are important to

the formulation of strategies for managing Shariah risk. Moreover, the bank has emphasized the distribution of knowledge on the Shariah principles to employees across the organization through internal communication channels in order to ensure that employees have the knowledge, understanding, guidelines, and ability to effectively communicate the Shariah principles to customers under the same standard.

3.2 Strategic risk means risk arising from the formulation of strategies and operational plans and improper implementation of the strategies or operational plans that is inconsistent with the internal factors and external environment which affects the bank's revenue, capital, or the existence of the bank.

The bank has developed policies for managing strategic risk and annual risk management plans that are consistent with the rehabilitation plan and business plan for 2021-2025. The bank has adopted the Bank of Thailand's guidelines and good risk management principles as the organization's structural framework for integrated risk management which is based on the international principles of the Committee of Sponsoring Organizations of the Tread Way Commission (COSO). Organizations of the Tread Way Commission (COSO). The guidelines and framework are used for analyzing internal and external risk factors which might affect the bank at present and in the future. The bank has prepared and reviewed the risk management policies and risk management plan by creating a risk map to identify the risk factors that will affect the bank as well as determining the key risk indicators (KRIs), Risk Appetite Level: Risk Tolerance that covers all risk factors and Root Causes, including determining and reviewing the performance report in accordance with the Treatment Plan. The Risk Management department is responsible for monitoring, evaluating and reporting risk management results to the Risk Oversight Subcommittee and related Subcommittee regularly to monitor the risk management to be at acceptable levels and to meet the target.

3.3 Credit risk means risk of damage as a result of the contract party's failure to fulfill the obligations agreed and specified in the contract including the Bank's trading partners being downgraded the risk rating which may affect the income and capital maintenance of the bank.

Credit risk management has focused on various issued as describe below.

(1) Credit risk management policy

The Bank has established a framework for credit risk management policy in accordance with the guidelines of external regulatory agencies, which are based on a balance between business roles, credit risk and regulatory compliance. We focus on credit staff to have a common goal which is to expand credit under an acceptable risk and transparency. Moreover, our ultimate goal is to have a quality loan management, an efficient tracking and control process. In addition, the bank has set standards for credit approval operations in the same direction including the development and improvement of criteria, roles, responsibilities, regulation and credit approval structure to be consistent and systematically linked. Furthermore, we have also provided relevant employees with credit training courses in order to enhance their knowledge and develop skills continuously at a level appropriate for the nature of customers that need to be taken care of.

As at December 31, 2021 the bank had NPFs of general loan and project loan under government policies (Excluding accrued financial income) according to the Bank's financial statements in the total amount of 12,919.77 million baht, a decrease of 597.31 million baht from 2020 (NPF of 13,517.08 million baht in 2020), representing 22.69 percent of the total loan.

Credit risk management tools

The Bank has provided tools to assess credit risk of customers and credit distribution including setting profit margins in line with the risk of each customer group. Likewise, we have adopted a Credit Scoring system for customers of consumer goods

and improved credit risk rating tools. We have also brought the Credit Risk Rating System (CRR) in order to consider the risk of approval or rejection of all business credit customers of the bank.

In this regard, the Bank has developed the Credit Risk Rating (CRR) tool to separate credit risk assessment forms to cover more diverse businesses and ensure more accuracy by dividing into 13 tools as follows:

1. Credit Risk Rating for Medium and Large Corporation (Infrastructure)
2. Credit Risk Rating for Medium and Large Corporation (Communication)
3. Credit Risk Rating for Medium and Large Corporation (Energy)
4. Credit Risk Rating for Medium and Large Corporation (Services)
5. Credit Risk Rating for Medium and Large Corporation (Commerce)
6. Credit Risk Rating for Medium and Large Corporation (Industries)
7. Credit Risk Rating for Property Development
8. Credit Risk Rating for Property Investment
9. Credit Risk Rating for Co-Operatives
10. Credit Risk Rating for Hire Purchase
11. Credit Risk Rating for Small Enterprise (Services)
12. Credit Risk Rating for Small Enterprise (Commerce)
13. Credit Risk Rating for Small Enterprise (Industries)

(2) Credit quality

The Bank has given importance to the management of quality of new credit facilities granted in 2020 with due care and had a close post-approval credit monitoring as well as regular credit quality examination in order to prevent normal accounts from becoming troubled. The Bank has placed a great emphasis on NPF reduction by expediting debt restructuring, legal action and execution with troubled as follows:

1. Determine clear measures to enforce uncooperative debtors in negotiation or those having undergone several debt restructuring programs such as legal action, filing for bankruptcy etc.

2. Require the credit facilitation units to regularly visit or call customers to increase the utilization in the good customer group and follow up on customer performance to plan and adjust the credit conditions to match their income and situation in order to prevent NPF and increase income from the good customers.

3. Require credit facilitation units to report reasons and provide guidelines for handling of all B2 status customers and watch list customers in the large business customers group and SMEs that would possibly be turning into NPF and could not be promptly correcting the situation. Executives of sections/departments/working groups shall take first priority to follow up and resolve the situation until the status is normal.

4. Credit facilitation units shall monitor TDR customer groups or those requesting relaxation of credit conditions or debt repayment with the change in the financial status or current business status that possibly causes the customers to be NPF in the future since it may affect the Bank's operation.

5. Accelerate consideration of allocating or grouping internal staff to the agency responsible for managing/solving problem credit in order to urgently resolve NPF with an action plan and necessary training to provide knowledge, skills and methods of remedial NPF.

6. Credit quality improvement units should closely, systematically and continuously follow up and collect data and find the causes of NPF re-entry and data of recovery rates.

(3) Credit concentration risk

The Bank's credit policy has stipulated the supervisory guidelines on credit concentration risk in compliance with the external regulatory authorities' rules of supervising large customers and set the

lending limit for large borrowers. In addition, there is a supervision of single and group exposure limits to not exceed the specified criteria and the maximum credit limits for each industry (Sector Limit) to distribute risk and prevent credit concentration significantly. Thus, the Bank has been cautious in supporting new customers in the business field that has concentrations similar to or higher than the Risk Appetite (RA) level and had a close monitoring of credit concentration risk. At the end of 2020, the Bank's loans were granted to various industries, mainly in the real estate business and manufacturing groups.

(4) Improvement in credit granting processes

The bank has improved the credit granting processes using Ernst & Young's guidelines, which consist of 3 components as follows:

4.1 The structure of the Credit Facility Department: The Bank has improved the business department structure which are divided into 2 major divisions including large enterprise group and SMEs group in order to be clear in the market. The Bank has also analyzed and considered credit by having the Business Credit Risk Management (CR) line as a credit screening unit responsible for the Check & Balance before approval.

4.2 Process of credit operation is divided into 2 steps:

4.2.1 Process of operation prior to credit approval: The process of price estimation has been developed and improved by adding the internal appraiser; meanwhile, powers shall be distributed, and roles and duties shall be increased for the certifier of cost estimate, and tools for credit risk assessment shall be improved, as well as the rules and regulations relating to credit facilitation in conformity with the actual operation, and the powers of credit approval shall be improved, and powers of credit review shall be distributed under the criteria prescribed by the Bank.

4.2.2 Process of operation after the credit approval: The standard contracts shall be improved by reducing types and the number of pages of contracts, as well as the supporting documents. The document storage system in strong room (DWS)

shall be developed by means of scanning the source contract documents and roles and duties of the Credit Settlement Officer shall be increased.

4.3 Forms: Business Credit Application Form and Credit Screening Form (standard credit and credit under the Product Program) shall be developed and revised. Review of credit amount as well as credit screening shall be performed to reduce data redundancy.

3.4 Market Risk means financial risk resulted from the sensitivity and fluctuation of rates of return risk, foreign exchange rates and instrument prices in money markets and capital markets which have negative impact on the Bank's income and capital.

Market risks can be divided into 3 types, including:

- **Rate of Return Risk**

is the risk that income or capital funds will be adversely affected by changes in the rate of return of the assets, liabilities and off-balance sheet Items showing all financial positions with Rate Sensitive Items which may affect Net Profit Income, Trading Account, and other income and expenses related to the rate of return such as credit service fees, deposit service fees and provisioning expenses, etc.

- **Foreign Exchange Risk**

is the risk that the Bank's income or capital would be subject to negative impact from fluctuation of exchange rates, including risk from business transaction in foreign currencies (transaction risk), risk from having assets or liabilities in foreign currencies (translation risk).

- **Price Risk**

is the risk that the Bank's income or capital would be subject to negative impact from changes of prices of debt instruments and equity instruments, resulting in the Bank's devaluation of investment ports for trading and available for sale and for profit-making purpose.

The Bank has provided the market risk management where the Board of Directors has delegated authority to the Assets and Liabilities Management Subcommittee (ALCO) to determine

strategies, guidelines and operation to manage liquidity risk, rate of return risk and market risk in conformity with the Risk Oversight Subcommittee's policy.

The Bank has focused on managing the market risk to reduce impact on the Rate of Return Risk because it is the root cause of the Bank's market risk. In addition, the Bank has determined the policy framework, measures and tools for market risk management, including control, risk assessment and monitoring of critical risk that may affect the Bank to ensure that the market risk management shall be effective and in conformity with the changing internal and external circumstances or risk factors.

Major activities in the market risk management are as follows:

1. Determination of policies related to the market risk management, including:

- Market risk management policy as a framework for market risk management.
- Review of market risk triggers and risk limits to suit the changing situation.

2. Creating tool for measuring and evaluating market risk which include:

- Use Repricing Gap Analysis tool for analyzing the risk of the movement of the rate of return in each period and evaluating possible impact from the movement of rate of return on Earnings Perspective and Economic Value Perspective.
- Value at Risk (VaR) to assess risk of possible loss in the Bank's investment portfolios. Market risk assessment based on trigger and risk limits covering cause of market risk, including foreign exchange risk and price, position limit and VaR limit, etc..

3. Market risk monitoring and report:

- Monitoring of critical risk factors that may have direct and indirect impact on the market risk, e.g., economic trend, sensitivity and fluctuation of rate of return in money market, and of foreign exchange rate.
- Monitoring and report related to the market risk, e.g., report on the market risk status, report on market, risk limits and trigger, etc., by directly reporting to the Board of Directors, the Risk

Oversight Subcommittee, the Assets and Liabilities Management Subcommittee (ALCO) and the management on a regular basis so that they can determine and readjust strategies at hand in an efficient manner.

In order to provide efficient management of the market risk and in conformity with the changing situations, the Bank has regularly reviewed the tools, policy for management of the market risk, including the risk limits of the Bank.

3.5 Liquidity Risk means the risk resulted from the Bank's failure to pay debts and to comply with obligations when they become due because the Bank is unable to convert its assets into cash or to secure sufficient funding, or secure funding at the cost exceeding the risk appetite, which may affect the Bank's current and future income and capital. In addition, the liquidity risk also resulted from the Bank's failure to unwind or offset the existing risk from the assets held, forcing the Bank to sell assets at the price lower than the acquisition cost because such assets held had low liquidity or the market was in disruption mode.

The Bank, by the Board of Directors, has delegated authorities to the Assets and Liabilities Management Subcommittee (ALCO) to determine strategies, guidelines and operation regarding liquidity and rate of return risk management, and to manage market risk in conformity with policy of the Risk Oversight Subcommittee. Liquidity risk management has been determined to be continuing operation to ensure that the Bank's liquidity is sufficient to support the Bank's business operation in normal circumstances and crisis under appropriate cost and with capability to meet financial obligations and in accordance with the policy framework and guidelines for liquidity risk management and under the risk appetite. The Bank has determined the policy framework, measures and tools for proper management of the liquidity risk as well as monitoring of the liquidity risk management as summarized below:

Major activities in the liquidity risk management are as follows:

1) Determination and review of policies related to the liquidity risk management, including:

- Review of the liquidity risk management policy as a framework for the Bank's liquidity risk management,
- Review of determination of liquidity risk triggers and risk limits to suit the changing situation.

2) Creating tool for measuring and evaluating liquidity risk which include:

- Net Liquidity Report Form (Liquidity Gap) for evaluating the liquidity position at different times. The forms include both the report of the net contractual liquidity position report form (Contractual Liquidity Gap) and net behavioural liquidity position report form (Behavioural Liquidity Gap).

- Liquidity risk assessment based on trigger and risk limits, for examples:

(1) Number of months which Accumulated Net Behavioural Liquidity Gap starts the negative value

(2) Concentration ratio of large deposit

(3) Liquidity ratio

(4) Amount on Net Run-off Deposits within 1 day

(5) Accumulate Amount on Net Run-off Deposits within 3 days

- The preparation of the liquidity risk stress test report which can be divided into three cases including crisis that happens in the bank. (Institution-Specific Crisis), crisis that happens in the financial institution system which affects the bank's liquidity (Market-Wide Crisis), and crisis caused by the combination of both.

- Assessment of impact from credit risk factors and reputation risk factors on the liquidity risk.

3) Monitoring and reporting of liquidity risk which includes:

- Monitoring of major risk factors that might directly or indirectly affect liquidity risk such as economic trends, liquidity of the banking system,

adjustment of the rate of return in the money market, and competition in products and services of financial institutions.

- Monitoring and report related to liquidity risk, e.g., report on the liquidity risk status that may the liquidity risk, operation as per the liquidity risk limits, trigger, and mismatch fund, etc. The reports are submitted to the Board of Directors, the Risk Oversight Subcommittee, the Assets and Liabilities Management Subcommittee (ALCO) and executives of the Bank on a regular basis to ensure efficient risk management.

In order to provide efficient management of the liquidity risk and in conformity with the changing situations, the Bank has regularly reviewed the tools, policy for management of the liquidity risk, including the risk limits of the Bank.

3.6 Operational Risk means the risk resulted from the lack of good corporate governance in the Bank's internal operation process, personnel, work systems or external events that may affect the Bank's operating income and capital, including the legal risk but excluding strategic risk and reputation risk.

In managing the operational risk, the Bank has required the risk identification, risk assessment, risk monitoring, risk reporting, and risk control and reduction in accordance with international standard,

The Bank had been prepared policies and operation plans to use as tools to define the scope of operations and risk management guidelines in terms of operational risk such as the Business Continuity Management Policy, the Business Continuity Plan, the Emergency Plan in case of a serious infection disease pandemic and also included Loss Data reporting, etc.

3.7 Information Technology Risk means the risks that arising from the use of technology affecting the bank's systems or operations, including risks arising from Cyber Threat. Nowadays, changes in economic, social, customer behavior and innovation

or technology development, resulting in new products and services to replace innovation or disruptive technology, which is the challenge of the organization in doing business from the rapid changes in technology. The Bank realizes the importance of the changes that have occurred. Therefore, in order to keep pace with the digital world society, the Bank focuses on a comprehensive risk management process in accordance with regulatory guidelines and international standards compliance guidelines. Along with the bank's business operations, good governance, integrated risk management and internal control, enhance risk management in terms of tools, systems and information to be able to manage risks covering all dimensions related to information technology as part of balancing business opportunity creation and Intelligent Risk Management. Including the enhancement of the Three Lines of Defense to enable the bank to grow stably and sustainably, be able to compete and serve customers effectively.

Key actions for IT risk management in 2021 are as follows:

Policies, rules, regulations and manuals related;

1. Conduct a review of the Information Technology Risk Management Policy to be consistent and up-to-date with changes in the economy, customer behavior and innovation or technology developments.

2. Provided the Non -Audit Finding manual use for tracking the progress of solving problems or issues that are not detected by External or Internal Auditor. Rather, it comes from the detection of risk management officer that have duties and have the right to inspect in accordance with her/his duties.

3. Prepare Risk and Control Self-Assessment (RCSA) and set Key Risk Indicator (KRI) as a guideline for risk management officers. Able to perform a risk assessment together with the staff of the agency to do the risk assessment on their own

4. Provided Cloud Service Provider Evaluation and Cloud Service Provider Assessment in cooperation with the Information Systems Security Agency for use in Cloud Service Provider Evaluation for the selection of Cloud Service Providers and Cloud Service Provider Assessment.

5. Provided the Data Protection Impact Assessment criteria (DPIA), which is a process that banks must provide for risk assessment. In order to comply with the Personal Data Protection Act.

6. Provided the IT Disaster Recovery Plan manual (IT DRP) with Operations and Information Services Department to use as a guideline and practice for recovery the system Information Technology of Bank

7. Review the Risk Assessment Methodology Operation Manual with The Information Security Management Division as a guideline and practice for assessing asset risks in information technology systems.

8. Set up Risk Limits to help control critical information technology risks of the Islamic Bank of Thailand to an acceptable level.

Operational aspects of information technology risk management operators;

1. Conduct various risk assessments, projects related to electronic technology and operations with the Bank's Second Line, such as the procurement of computer servers, software and equipment to replace Core Banking System (CBS) and risk assessment of IT services from service providers to relocate the entire host computer center from the original backup center to the new backup center, etc.

2. Prepare a summary of information technology risk status according to Risk Limits to report to the Risk Oversight Subcommittee.

3. Organize IT Security & IT Risk Awareness training for the year 2021 together with the Information Systems Security Agency

Internal control

Internal control is an important mechanism and a tool for the management of the executives to help enhance the efficiency of various activities to achieve the objectives. Internal control also helps to protect and preserve the assets of the organization in an efficient manner and helps the operations to be carried out correctly.

1. Internal control system

The bank uses Rules of the Ministry of Finance on Standards and Internal Control Practices for Government Agencies 2561 (2018), to have internal control related with the provisions of the State Fiscal and Financial Discipline Act, B.E. 2561 (2018). Moreover, it used as a guideline on internal control; including requiring continuous supervision and monitoring to ensure that the Bank's operations can achieve its objectives with efficiency. Meanwhile, financial reporting and operating are reliable, and operations are in accordance with the laws, rules and regulations, both internally and externally, as well as preventing actions that may damage the Bank's assets and reputation.

2. Structure of Internal Control

- The Internal Control Evaluation Committee, in which all senior executives and groups are also a joint committee by monitoring and overseeing the evaluation of internal controls to comply with the Ministry of Finance's Regulations on Standards and Criteria for Internal Control for Government Agencies 2561 (2018)
- The Audit Subcommittee is responsible for the appointment of the Auditor to propose to the Board of Directors to review and approve the charter, ethics of the internal audit department, the audit plan, and monitor the performance of the internal audit department including monitoring the risk management and internal control independently.
- The Bank has assigned its executives at all levels to participate in and take responsibility for complying with the Bank's internal control processes. The top management shall monitor the risk control self-assessment (RCSA) by means of review to ensure



the adequacy and effectiveness of the internal control system and risk management of works within the scope of responsibilities. This is to gain reasonable confidence that the Bank is always capable of achieving the prescribed targets and objectives efficiently.

- The Bank has each department appoint the Risk-Internal Control Compliance Office (RIC Officer) with responsibility for risk-related coordination, internal control assessment and compliance with rules and regulations, including dissemination of related knowledge to employees. In addition, this participation is considered as part of operational risk management.

3. Key implementations related to internal control in 2021

1. Analysis of risk factors using RCSA which will be used to create an improvement plan for internal control at the organizational level and plan or measure to improve internal control in which there are observations at the level of sub-units in internal control.
2. Prepare an internal control evaluation report to be consistent with the Ministry of Finance's Regulations on Internal Control Standards and Rules for Government Agencies B.E. 2561 (2018)
3. Determine preventive and corrective measures for work processes and develop effective work processes in the areas that the centers and branches do not follow or are not aware of the official regulations and the bank.
4. Workshop on Risk Control Self Assessment (RCSA) for RIC Officers.



Internal Audit

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve the Bank 's operations. It helps and Bank accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes on international standards for the Professional Practice of Internal Auditing and Enterprise Internal Audit Manual updated on B.E.2555 with contain 6 subjects as follows:

1) Internal Auditor 's qualifications.

- Internal auditors have a minimum of a bachelor's degree and there are overall of knowledge, skills and expertise in the Bank required.
- Internal auditors are regularly rotated and consideration to transfer members from other department in the Bank to perform the audit work.
- Prepare the recruitment plan and annual training plan to ensure that training courses are provided to fill in the competency gap, and the internal auditor shall regular development.
- Encouraged the Internal auditors are developed themselves as required for professional certificates concerning to professional knowledge

and information technology knowledge. At present, there are 2 internal auditors have 2 certifications.

- 1). Certified Public Accountant (CPA) License.
- 2). Certified Professional Internal Audit of Thailand (CPIAT).

- Internal auditors must be objective in performing their work, unbiased manner and avoid the conflict of interest by reporting it annually.

2) Internal Audit Department 's organization

- The Internal Audit Department should be independent and directly report to the Audit Subcommittee. Reporting follows the organization structure for general management.
- The Internal Audit Department have disclosure policy or actions to prevent or avoid impact on independence, unbiased manner and any possible conflicts of interest of internal auditors by documented auditing activities work is every time.
- Purpose, Authority and Responsibility of the Internal Audit activity be formally defined in an internal audit charter and operation Manual with the approved by Audit Subcommittee.
- Authorized to access information and documents.

3) Relationship with the Management

- Interview and discuss with the top management, the Bank manager, and the Audit Subcommittee about the business, risk, and internal control to collect the comments to prepare the audit plan, and evaluate the appropriateness and adequacy of the Bank's corporate governance to ensure that the management is efficient and able to achieve the objectives and goals.

4) Accountability and Responsibilities.

- Prepare regulations, audit charters, rules, guidelines and internal audit operation manual in accordance with the State Enterprises Internal Audit manual and communicating and create understanding with the top management, the Audit Subcommittee, the Board of Directors and other parties associated with internal auditing, code of ethics, and performance standards via the meetings and Intranet.
- Perform significant risk auditing that impacts the Bank's strategic objectives and operations according to the Bank's policies and regulations as well as pertinent laws.
- Accountability for fraud prevention by effectiveness of internal control reviewing and evaluating and Bank's risk management.
- Annual review Bank's employees and executives' ethics and disclosure for conflicts of interest.

- Consulting services, advice and related services to managements, other departments to add value, evaluate and improve the effectiveness of risk management, control, and governance processes without the interest of management.

- Internal audit results are reported to the Audit Subcommittee and the President at least once a quarter.

5) Performing the Engagement and Reporting.

Performing

- Prepare the strategic audit plans of 2022-2026 including the systematic risk assessment for risk prioritization in the audit plan in conformity with resources of the Internal Audit Department and in accordance with risks, objectives and goals of the Bank and its plan, Ensuring the resource procedure can performing follow the risk levels and identify man-days in each year. There are changes tracking and risk assessment encountered by the Bank are monitored at all times. The audit plan is timely reviewed and adjusted for conformity as necessary and appropriate.

- The audit plan for 2021 is related to the strategic audit plan, objectives and risks of the Bank and integrated with the Bank of Thailand's guidelines for Significant Activity approach. The audit plan in details is prepared based on risk level, risk assessment and control for activity's characteristics in each step on core activities and support activities. The operation flows diagram and control points in each step are clearly shown. Provision of advice and suggestion is also included in the plan with clear proportion of each work type.

- Information technology audit issues are clearly determined in the plan in accordance with the Bank's objectives and goals, risk and the Management's requirements.

- Audit perform the collect data and documents, record audit results, review and prepare the audit reports, regularly monitor compliance with



reports and recommendations and report to the Audit Subcommittee. In case the auditee not perform the audit suggested and recommended.

- Evaluate the resources, resource management and budgets of the Internal Audit Department in conformity with the audit plan and the existing resources.

- The Management provides comments on the preparation of strategic audit plan approved by the Audit Subcommittee and proposed to the Board of Directors for acknowledgment. In addition, there is a discussion among the related parties before initiation of the audit activities.

- There are performing communication is systematically monitored and reported to the Audit Subcommittee, management, the Bank's Board of Directors and relevant regulatory authorities.

- Coordinate and discuss with external regulatory authorities e.g. State Audit Office of the Kingdom of Thailand (SAO) as the auditor and the Bank of Thailand (BOT) in terms of scope, guidelines for auditing the process to prevent redundancy and correctly proceed with the process as well as the rest of significant findings or recommendations. BOT's or SAO's findings or recommendations are clarified as well.

Reporting

- Prepare a standard format for reporting of the audit result approved by the Audit Subcommittee.

- Invite the close audit meeting with the auditee department and related parties. The final audit report with suggestions for improvement is presented to executives, the auditee department, the President and the Audit Subcommittee after the close audit meeting in a timely fashion.

- Regularly report the Internal Audit Department perform and the monitoring progress in compliance with the recommendations of the Internal Audit Department and the Audit Subcommittee at least once a quarter.

6) Internal Auditor 's quality assurance.

- Evaluate the performance of the audit team and acknowledge of the auditee department's comment related with audit results after the closing audit every time. Consider the auditee department's comment and audit team to continuous improvement for performance measurement.

- Establish officially working group to evaluate the audit performance and quality of audit work by self, Top management and Audit Subcommittee. At least every 5 years. There are evaluate the audit performance by external party. The evaluate result is analyzed to reduce the gap between the performance and best audit good practice standard. is Prepared strategic plan to improve the annual audit performance in conformity with the self-assessment of the audit quality and assessment conducted by the third party.

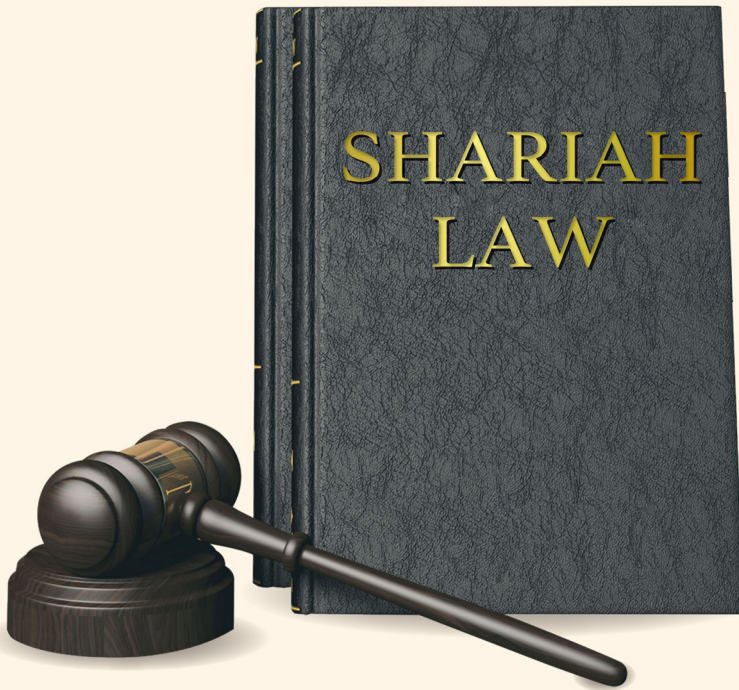
- Review and improve regulations, manuals and operational guidelines related with the work environment of the Bank which are verified and approved by the Audit Subcommittee.

- Determine audit guidelines for performed with proficiency and due professional care. Internal auditors to effectively carry out their professional responsibilities. Clarify and audit guidelines, consider and record for archive the audit objective. Disclosures the facts for prevent report misunderstanding or misleading to any concealment of legal offences.

To be in compliance with all 6 aspects of these guidelines, the internal auditors shall perform to the 4 Ethics that contain Honesty, Individual Objectivity, Confidentiality and Proficiency

Report of the Shariah Governance

In the name of Allah, the Most Gracious, the Most Merciful



The Islamic Bank of Thailand has conducted its corporate governance activities under Islamic principles in accordance with the criteria prescribed the Central Bank of Thailand's Notification No. 25/2562 Subject: Criteria for Governance of Specialized Financial Institutions Operating Financial Business under Islamic Principles dated on September 2, 2019 which is effective from October 1, 2019 and the Regulations of the Islamic Bank of Thailand No.20 on Governing Bank's Operations in accordance with the Islamic Principles (1st Amendment B.E.2562) dated on December 12, 2019 which is effective from November 21, 2019. In 2021, the Shariah Advisory Council of Islamic Bank of Thailand performed the following tasks;

1. Considered and recommended on the review of various regulations and operating manuals of the bank, especially related to credit operations, such as credit policy, underwriting standard, credit guideline, business credit operation manual and bank's notification on business classification regarding forbidden business

according to Shariah and business that the bank cannot support financing for the bank to use as a guideline to be complied with the Islamic principles.

2. The Shariah Advisory Council of Islam Bank of Thailand quarterly received operating reports related to the Islamic principles from departments and offices responsible for corporate governance activities in accordance with the Regulations of the Islamic Bank of Thailand No. 20 on Governing Bank's Operation in accordance with Islamic Principles B.E. 2562 (2019 A.D.) (1st Amendment) which include Internal Audit Department, Compliance and Regulatory Department, Credit Review Department, Risk Management Department, Shariah Department and Fraud Prevention Office. There is no report of any transaction or suspected activity violating the Islamic principles.

3. The Shariah Advisory Council of Islamic Bank of Thailand regularly provides knowledge and recommendations for the executives and staff upon implementing the Shariah principles in all aspects of their banking operations they are responsible in order to bring credibility and good image to the organization as a religious bank through various monthly meetings and weekly VDO inquiry program on Islamic banking system "Ku See Kee Songsai" broadcasted on social network. The Shariah Advisory Council has approved "Al-Ameen Product Program" to uplift livelihood of small Muslim clients (Masjid members) who cannot access to banking finance and also several other product programs for helping clients affecting from Covid-19 as alleviative measures from the bank and the government.

Guarantee by the Shariah Advisory Council of the Islamic Bank of Thailand

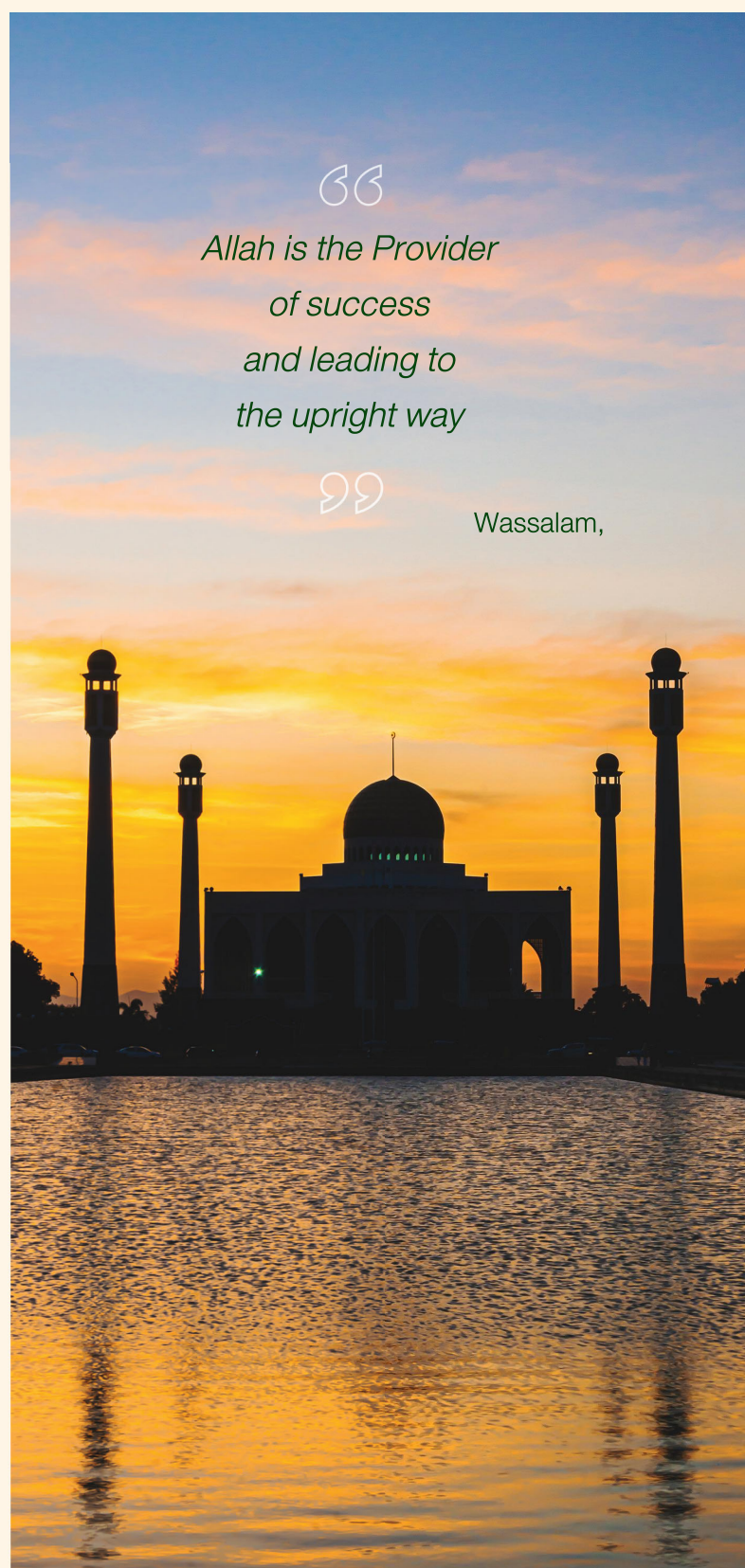
In 2021, the Shariah Advisory Council has organized totally 12 meetings and has considered various cases and issues from relevant documents and presented data, strictly adhering to Islamic principles, and hereby guaranteed as follows:

1. Products and services, regulations, operating manuals and contract documents of the bank used for business operation of the bank in terms of deposit, financing and services are in accordance with the Islamic principles.

2. All client's business types that the bank has given support of financing and investment which become sources of incomes to be allocated as remuneration to depositors are in accordance with the Islamic principles.

3. Collection of compensations/penalty fees resulting from the default of debt payments or un-Islamic receipts as being realized by Thai Accounting Standard under the Federation of Accounting Professions as income to commercial banking operation will not be recognized as bank's revenues but rather will be proceeded to public charity after deduction of opportunity cost and actual damages and expenses from financing operation according to the resolution of the Shariah Advisory Council and bank's regulation on the charging and processing of compensation or penalty resulting from the default of debt payments or inability to fulfil the contract obligations and the regulation on the processing of revenue received from customers who carry out any business or transaction that violates the Shariah law in order to comply with Islamic principles.

4. Allocation of Zakah donation by the Zakah sub-committee which is under the responsibility of the Shariah Advisory Council is in accordance with the Islamic principles. The donation helps to uplift livelihood, education, occupation and quality of living of the donees.



Report of the Good Corporate Governance

1. Good Corporate Governance Policy

In 2021, the Islamic Bank of Thailand reviewed the Good Corporate Governance Policy, effective 3 November 2021 to enable the Bank's personnel at all levels to apply the following 6 categories of corporate governance policies as operating guidelines.

Section 1 Supervision of Government operation

Section 2 Rights and equality of government

Section 3 Board responsibilities

Section 4 Roles of stakeholders

Section 5 Information disclosure and transparency

Section 6 Ethics and culture of integrity organization

Each category comprises 7 principles of good governance in accordance with international standards as follows:

- 1) Integrity is a feature of honesty and morality.
- 2) Transparency is a feature of transparency, disclosure of information to stakeholders and accountability.
- 3) Accountability is a feature of responsibility for the work. It means possessing knowledge, capability and credibility in the performance of duties.
- 4) Responsibility is a feature of responsibility in duty. It means being responsible for the obligations assigned with honesty, caution and prudence.
- 5) Equitable treatment is a feature of treating stakeholders equally.
- 6) Best practice is a feature that promotes the development and good supervision of code of conduct and ethics.
- 7) Participation is a feature that encourages stakeholders to express their opinions about any action that will affect individuals, agencies and the environment.

The Bank has developed and adjusted the operations of every business unit to elevate morality and transparency in operations properly, improved service efficiency and facilitated the general public to fairly access the public sector's funding sources by means of standard work practices. Procedures and service hours have been clearly announced.



In 2021, the Bank received Integrity and Transparency Assessment (ITA) with a score of 98.23% or AA level as a result of cooperation from the Bank's executives and employees to create transparency in operations, fairness as well as equality and treat customers, general public, service users and all groups of stakeholders without discrimination. More people are encouraged to participate in the assessment to promote and develop the Bank's operating standards to be further higher.

2. Conflict of Interest Prevention Policy

The Bank has intention to operate its business by adhering to the principles of good corporate governance in order to help build up confidence among shareholders and all stakeholders. It has operated with transparency and fairness and focused on having the directors, executives, stakeholders as well as employees work with the principles of accuracy, prudence and carefulness and consider the interests of customers and the Bank as top priority. As such, the Bank has formulated the Islamic Bank of Thailand Regulation No. 23 on Code of Conduct for managing director, executives, and employees to prevent conflicts between private interest and public interest B.E. 2563 and set operating regulations on reporting and review of a conflict of interest disclosure in accordance with

Good Corporate Governance principles. It also stipulates that there is a proper control, supervision and prevention of transactions that may have a conflict of interest under the framework of good ethics, which is one of the important codes of conduct that directors, executives, and employees must strictly adhere to in order to be credible and trustworthy for all stakeholders according to the following criteria.

2.1 All directors, managers, executives and employees are required to prepare a disclosure form showing conflicts of interest between self-interest and public interest by revealing the information that is or may be a conflict of interest annually.

2.2 In the case of appointment of new directors, managers, executives or employees, a form showing disclosure of conflicts of interest between personal interest and public interest is required from the effective date of the appointment order.

2.3 In the case where facts and circumstances related to the person's reporting change materially, that person shall file a report showing the change within 30 working days from the date of acknowledgment of such change in facts and circumstances.

2.4 All directors, managers, executives and employees shall maintain the confidentiality of customers and the Bank and not use the confidentiality for their own or others' interest.

2.5 Directors, managers, executives, employees and related persons shall not be parties to the Bank's contract which will cause a conflict between self-interest and public interest, except being a counterparty to providing services under normal transactions without exercising their powers and duties in acquiring such contract.

2.6 Directors, managers and executives must not be directors, advisors, representatives, employees or staff, who are employed or undertake any work in a state enterprise or juristic persons or a financial institution conducting the same business as the Bank or operating businesses that cause conflicts between personal and public interests that they perform their duties, except for performing duties as assigned by the Bank or representing state enterprises holding shares of the Bank not less than 25 percent of the total paid-up capital.

2.7 Directors, managers, executives and related persons are prohibited from acquiring securities of state enterprises or juristic persons with special privileges arising from the performance of such duties.

2.8 In the case where the Bank provides credit support to senior executives from Assistant Manager upwards or related parties as well as to businesses with related interests, directors or executives with interests must not participate in the consideration of that credit granting.

2.9 In the event that the executive responsible for credit facilitation is transferred to another supervisory agency, s/he must report the credit facilitation activities that s/he was responsible for in the Conflict of Interest Disclosure Form within 30 working days from the effective date of the transfer order.

In this regard, the Bank requires that the results of the review of executive and employee conflict of interest be reported to the Audit Subcommittee as well as the Compliance, Good Governance and Innovation Subcommittee and that the report on the conflict of interest of managers and directors be proposed to the Chairman of the Board of Directors. The Bank is committed to expanding knowledge, perception and awareness of "Conflict of Interest Prevention Policy" for executive and employees so that they can perform their work correctly and truly comply with the aforementioned guidelines.

In 2021, the Bank reviewed the Islamic Banking of Thailand Regulation No. 23 on Code of Conduct for directors, managers, executives and employees to prevent conflicts between self-interest and public interest and improved the form for reporting conflicts of private and public interests to be more explicit. Consequently, it organized a training course on preventing conflicts of interest for the Bank's executives and employees to be aware of. The Bank also conducted an assessment of employees' understanding of conflict of interest and performed a review of their performance in compliance with the Regulation No. 23 Disclosure of Conflict of Interest according to the Executive and Employee Conflict of Interest Reporting forms. All employees signed and certified that they had no conflict of interest with the Bank. In order to clearly see whether the disclosure of information of executives and employees is true or not, the Bank has conducted a monitoring of all executives and randomly reviewed employees from other databases outside the Bank as well.

Corporate Social Responsibility according to ISO 26000



The Islamic Bank of Thailand (“Bank”) has reviewed a corporate social responsibility (CSR) policy in terms of both CSR-in-Process and CSR-after-Process to integrate its CSR into the corporate management and been aware of determining CSR activities that will create the positive impacts or minimize the negative impacts of the Bank and reflect or elevate the Bank’s capacity for sustainable growth.

Corporate Social Responsibility in Process (CSR-in-Process)

The Bank has implemented CSR-in-Process that aligns with international standards, ISO26000 by starting from developing all level of employees to have code of conduct and ethics that will lead the organization to have responsibility towards stakeholders, economy, society, community and environment. In this regard, there are 7 aspects of code of conduct and ethics that contain essential part equivalent to the ISO 26000 standard, consisting of 7 fundamental principles and 7 core subjects.

Followings are the Bank’s seven fundamental social responsibility principles.

1. Accountability
2. Transparency
3. Ethical behavior
4. Respect for stakeholder interests
5. Respect for Shariah Law and the rule of law
6. Respect for the international norms of behaviors
7. Respect for human rights



In addition to the 7 fundamental social responsibility principles which are the 7 aspects of code of conduct and ethics mentioned above, the Bank has set personnel to practice 7 core subjects to show CSR as follows:

1. Organizational Governance

Good governance is a primary mechanism for driving the Bank to operate with excellence under the principles of morality, ethics and responsibility. The Board of Directors, as a representative of shareholders, has played a major role in the successful operation. Thus, it is important that the Board of Directors have knowledge and understanding and be able to put the principles of good governance into practice within the bank until achieving successful results. The Bank's operation is an operation that meets international standards and aligns with the principles of good governance in the dimension of stakeholder roles according to the prescribed guidelines of the State Enterprise Policy Office (SEPO), Ministry of Finance, including setting the governance direction and values to enable the Bank to operate with responsibility for the consequences of actions affecting all groups of stakeholders, having CSR leadership, reinforcing a corporate culture committed to sustainability, equally satisfying the needs of all groups of stakeholders and promoting good governance system that can sufficiently drive the Bank to successfully achieve its CSR and sustainable development goals in accordance with the guidelines set by government shareholders.

2. Human Rights

Human rights are regard for each other's lives, caring for each other's suffering and happiness as well as helping each other when one encounters misery. They are a fundamental virtue of human life. The Bank has treated its stakeholders, whether they are employees, customers, communities or the surrounding society, with respect for human values and not violated the fundamental rights of everyone. As a result, it has received credibility, praise and support for its products and services without excessive advertising.

Staff, customers, communities and surrounding society can provide a comment via the complaint channel for any violation of rights caused by the Bank's operation.





3. Labor Practices

Employees are the key human resources in propelling the business towards its goals. The Bank demonstrates social responsibility by treating employees fairly under the scope of fair treatment of labor, which can be divided into 3 areas as follows:

1. Respect the right to work in accordance with the principles of human rights and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization in the following aspects: nondiscrimination which includes no distinction, exclusion, bias or preference in employment; no use of forced labor which is no connection or benefits arising from recruitment with the threat of a penalty, causing that person to work against his/her own free will and; no use of child labor which means that labor force must not be a person less than 15 years of age and must complete compulsory education. In terms of respect for the rights and freedoms of employees to form a union association for collective bargaining, both employer and employees have the rights to establish their own selected organization as specified by the law and/or the Bank's rules and regulations.

2. The provision of social protection and protection of working conditions for employees include the payment of wages and compensation in various forms, working time, vacation, official holidays and protection of female employees from

pregnancy to childbirth. Also, the Bank's provision of welfare includes medical services that cover sickness, disabilities and death, child benefit and education fee for employee's children, welfare loans, safe drinking water, occupational health at workplace as well as provident fund for retirement and as security insurance for the family in the event of employee's death. Additionally, the Bank has a fair treatment procedure for taking disciplinary action and a complaint channel in the event that the employee feels uncomfortable from working.

3. The Bank provides health and safety protection in working, promotes and maintains employee's well-being standard, both physical and mental aspects and supports employees to work safely and have hygiene in workplace. It also creates work safety awareness to prevent any action that may cause unsafe working environment and health risk and arranges safety training and equipment.

4. The Environment

Environmental management adds value and creates sustainability for the business, society and nation. Even if the Bank's core mission does not have operations that directly create a negative impact on the environment, the Bank promotes environmental management that covers key operational dimensions, including pollution prevention, sustainable use of resources, mitigation and adaptation to global warming.





5. Fair Operating Practices

The Bank conducts a fair business in compliance with the ISO 26000 standard that specifies the scope of fair business operations in all 4 main areas: 1) Fair competition in order to prevent monopoly, antidumping and lack of transparency in procurement 2) Promoting social responsibility in trading partners 3) Respecting property rights, whether physical and intellectual property, and 4) Responsible involvement in politics. The Bank prohibits executives and employees from using unethical dominance and asks them to avoid behaviors such as manipulation, intimidation, and political coercion.

6. Consumer Issues

The Bank is committed to creating satisfaction in products and services for customers by offering the products and services that meet customers' needs and are of high quality with willingness, full capacity, equality and fairness. It discloses information about the products and services in a complete, accurate and truthful manner and strictly adheres to the conditions specified in the contract. Apart from that, the Bank provides clear and effective communication and understanding channels to customers, stands by to give advice and help customers, listens to problems and tries to quickly find the causes and solutions for the customers.

7. Community Involvement and Development

Enhancing engagement and community strength development is one of the key mechanisms in driving the Bank's mission to completely strengthen security and socio-economic development, especially in the 5 southern border provinces as required. The Bank adheres to the moral principle of having public mind for the community and society as a whole. It has community information in terms of geography, demographics, opinions and needs of the community under the readiness and its existing resources. The Bank has clear goals and operating guidelines and strengthen communities to have good immunity in order to lead to long-term self-reliance and upgrade social quality, allowing the Bank to have good socio-economic environment as well.





CSR-in-Process Activities in 2021

Organizational Governance

The Bank has issued criteria for internal regulatory reform as a guideline for work departments to use for improvement of the Bank's policies, rules and regulations to ensure that every party has a clear, effective and efficient process as well as high performance to deliver the Bank's high quality service to customers and the general public. In addition, it has reviewed credit facilitation process for personal loan, SMEs loan and large credit to offer faster and fair services to the customers. Furthermore, the Bank has developed a credit scoring model to replace the old one for retail credit which has strict credit risk management and is able to reflect the debtors' risk more accurately as well as credit approval process that can facilitate customers or people and manage the Bank's resources efficiently and quickly. Each step of the process can be verified and meets standards equivalent to those of leading financial institutions.

Human Rights

The Bank has added a channel to enable its stakeholders including the Board of Directors, executives and employees to file a complaint to the anti-corruption office directly (Whistle Blowing) so that they can report on corruption clues through the specified channel. The Bank will protect the rights of the bona fide informant and relevant persons to receive fair treatment and not to be bullied.

Labor Practices

As the Bank has been aware that personnel are the key resources and mechanism to drive the organization to achieve the specified goals, there is continuous development. Its 2021 training plan covers in-depth development in various categories namely executive development; reinforcement of work skills; branch office operations; general skills; a unified corporate culture; rules, regulations, list and good governance; and digital technology skill. Additionally, it enhances personnel's potential so as to handle digital transformation by organizing training courses associated with risk management and safe use of information technology, information leakage prevention and Personal Data Protection Act knowledge which will come into force on June 1, 2022. Moreover, the Bank promotes work rotation which will develop personnel to have a broad knowledge of various works and provide them with an opportunity to demonstrate their knowledge, capability and potential and search for their expertise suitable for their work at no cost. For human resource management, the Bank has a succession plan in place for the key position, departmental director, to continuously support retirement and changes that may occur.

Meanwhile, it creates a work environment and employee engagement by presenting or displaying creativity through the innovation competition project, “iBank Future of Innovation”. The project encourages each department’s staff to invent or create a new work process different from usual practices, allowing the Bank to create 20 innovations in the organization which can be classified into 5% of product innovations, 45% of service innovations and 50% of process innovations.

The Environment

The Bank attaches great importance to environmental impacts caused by direct business operations by adopting an eco-friendly technology to reduce carbon emissions and paper usage. In 2021, the Bank has changed from the use of paper payslip to electronic payslip or e-Slip and sent out an electronic mail to employees instead. It has initiated implementation of IT Service Management or ITSM to internally support the organization to minimize the process of ink cartridge and paper usage. Apart from this, the Bank has selected primary and secondary service providers for computer center who have environmental awareness. It sets a condition for AC service provider to use a system that does not damage the ozone layer so as to sustainably mitigate the impacts of global warming.



iBank Future of Innovation Project

50%
Process Innovations

5%
Product Innovations

45%
Service Innovations



As for reduction of indirect greenhouse gas emissions, the Bank has played a role in staving off global warming as being a funding source for industrial entrepreneurs who are the major cause of greenhouse gas emissions. It has specified in the credit policy that it shall not support industries that produce huge amounts of greenhouse gases (e.g. electricity supply industry from coal and coal mining, electricity supply industry from fossil fuels and exploration of oil and natural gas). Additionally, it shall not support agricultural projects that use land modified from the area with high carbon stocks since it is regarded as damaging the major source of air filters that help reduce the amount of greenhouse gases. Furthermore, the Banks has encouraged the companies to disclose their information about direct and indirect emissions of greenhouse gases and placed great emphasis on the companies’ clear environmental mitigation policy prior to credit approval.



Fair Operating Practices

The Bank attaches great importance to customer service management with responsibility and fairness according to Market Conduct management guidelines and rules set by the Bank of Thailand. For 2021, the Bank has elevated customer service management appropriately which can be concluded as follows:

1. Provide a training course on Market Conduct supervision to the Board of Directors, executives and all levels of employees involved in customer service so that they have sufficient knowledge and understanding to perform service fairly and correctly.
2. Supervise, control and examine sales documents and service staff's performance according to the 3 Lines of Defense process of the internal department and in compliance with the rules on Market Conduct management.
3. Assign a work department for operational auditing and document examination to check any unusual conditions and prevent damage from occurring.
4. Determine the punishment by seriously taking service quality into account for all levels of service staff and the criteria for deducting and revoking remuneration package in the event of mis-selling.
5. Keep customer data secure and regard customer privacy as a top priority by organizing a Personal Data Protection Act (PDPA) training course for the Board of Directors, executives and related employees.

Consumer Issues

The Bank submits the information of credit customers to the Credit Bureau Company in accordance with the rules, measures and conditions stipulated by the Committee for the Protection of Credit Information. In 2021, it has developed the work process for submitting debtor information in the event of default and a lawsuit is filed to require the Bank to accurately submit credit information of the customers according to the facts established in the judgement in a timely manner.

Community Involvement and Development

The Bank has carried out a financial literacy project under the name of "Exploration of Islamic Financial World" for 4 years. It aims to accurately build up economic and financial literacy according to Islamic principles (Shariah principles) and knowledge on personal financial management, personal financial planning or the organization's financial planning by having university students and instructors as a target group. This is to allow them to know the difference of Islamic banking management as well as the Bank's financial services; to reinforce skills, knowledge and understanding of personal financial planning which will benefit everyday lives; and to transfer such knowledge to their close ones in order to lay a strong foundation of the country's economy further. In 2021, the Bank carries out online activities in collaboration with Yala Rajabhat University and Krirk University.

As for community development, the Bank has placed great emphasis on informal debt problem according to the government policy since this big problem affects the country's overall socio-economic system, leading to income inequality and more crimes in a society. The major cause of this problem is people's low income and inability to access a funding source from financial institutions. Therefore, the Bank has initiated Honest Community project and jointly worked with community leaders by engaging the community in solving the informal debt problem through mosques which play a major role in Muslim people's way of life. The Bank has received encouragement and support from the Central Islamic Council of Thailand and provincial Islamic councils countrywide, enabling this channel to efficiently respond to the Bank's mission in the short term.

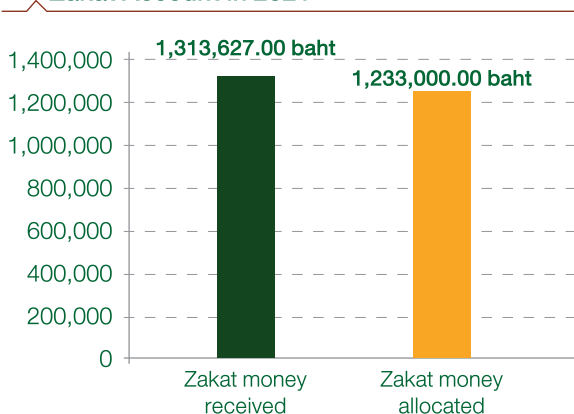


Chumchon Sue-Sat Project (Chumchon Sue-Sat means honest community) is a collaborative project between the Bank and the mosques being registered with Department of Provincial Administration. It has the intention to assist people in their communities to resolve informal debt problem and poverty. In this regard, each mosque is required to select at least 2 persons to serve as the mosque representatives. The Bank will grant a credit limit of 200,000-1,000,000 baht

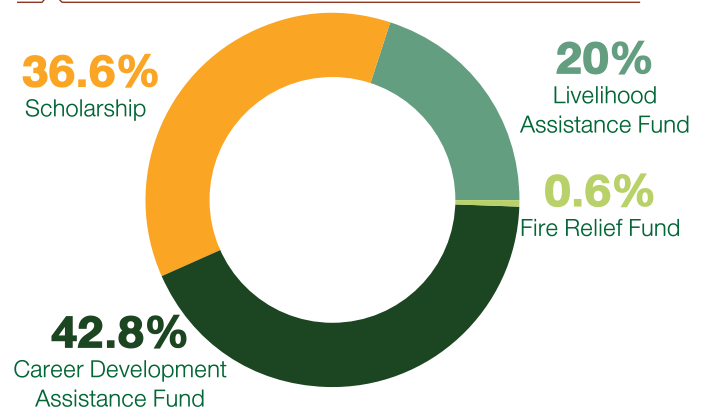
to the mosque representatives (according to the Bank's conditions) in a low rate so that they can further grant the credit to general members of the mosques who suffer from financial hardship in an amount not exceeding 10,000 baht/person with installment payment not over 2 years and lower interest rate than informal debt. Concerning the project feedback as at the end of 2021, there are a total of 481 mosques that have entered into the Memorandum of Understanding with the Bank. The Bank has already approved credit limit to 235 mosques of which 124 mosques have had credit disbursement.

Apart from resolving social inequality through the process of credit granting for Chumchon Sue-Sat Project, the Bank attaches great importance to reduce income inequality between the rich and the poor via Zakat management which has been carried out according to the Bank's objective as stipulated in the Islamic Bank of Thailand Act B.E. 2545, Article 12 (8) Management of Zakat Accounts. The Bank has provided an account for donation and processed donations received in compliance with Islamic principles (Zakat Account) since 2005 to accommodate customers or the general public. The Muslims are obliged to pay Zakat and wish the Bank to act on their behalf to manage Zakat payment to those eligible to receive Zakat under the Islamic rules and conditions. In 2021, the Bank receives total donations from those who are enjoined to pay Zakat and wish the Bank to process payment, as their representative, to those whom Zakat can be given under the Islamic rules and conditions in the amount of 1,077,088.26 baht which are deposited into Zakat account from January 1, 2021 to December 31, 2021. When combined with the balance of 236,538.36 baht from 2020, the account has 1,313,626.62 baht in total. The Bank has made Zakat payment to 167 eligible recipients, totaling 1,233,000.00 baht or 93.86% of the amount in Zakat account which can be classified into 4 main objectives namely 36.6% allocation for scholarship, 42.8% allocation for career development assistance fund, 20% allocation for livelihood assistance fund and 0.6% allocation for fire relief fund.

Amount of Money and Allocation of Zakat Account in 2021



Zakat Allocation



The Bank has allocated Zakat money in parallel with provision of financial literacy by giving advice, tracking and promoting Zakat recipients to have good financial planning so as to upgrade their life quality sustainably. According to the tracking results for quality of life assessments after receiving Zakat fund, it found that 8% of Zakat recipients had improvement in their status, 56% of them had higher income and 81% of them had better financial literacy and could put knowledge into practice in everyday life based on the measurement from household accounting of Zakat eligible recipients. With respect to knowledge on calculating different types of Zakat, the Bank has provided a calculation program on the Bank's website to enable those who are obliged to pay Zakat to accurately calculate their Zakat.

CSR-after-Process Activities in 2021

Glorification of the Royal Institution Dimension

The Bank joined the speech recording to offer good wishes to His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua on the auspicious occasion of the birthday anniversary on July 28, 2021 to show their loyalty and gratitude at the National Broadcasting Services of Thailand (NBT), the Government Public Relations Department. In addition, employees and executives were invited to sign well-wishing messages online for His Majesty on the Bank's website during July 23 – August 2, 2021.



The Bank joined the speech recording to offer good wishes to Her Majesty Queen Suthida Bajrasudhabimalalakshana on the auspicious occasion of the birthday anniversary on June 3, 2021 to express their loyalty and gratitude.



The Bank joined the speech recording to offer blessings on the auspicious occasion of the birthday celebration for Her Majesty Queen Sirikit, the Queen Mother, on August 12, 2021 at the National Broadcasting Services of Thailand (NBT), the Government Public Relations Department, Vibhavadi Rangsit Road, Din Daeng.





iBank executives and volunteers participated in blood donation for the Thai Red Cross Society to combat blood shortages during the COVID-19 crisis for the sake of royal charity offering to His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua on the auspicious occasion of the birthday anniversary (July 28, 2021) at Islamic Bank of Thailand, Headquarter Office, Q House Building (Asoke), Watthana, Bangkok.

The Bank's senior management team presented a vase of flowers and signed a book of well wishes to Her Royal Highness Princess Maha Chakri Sirindhorn at Sahathai Samakom Hall in the Grand Palace Bangkok on January 25, 2021.



The Bank organized a blood donation activity in remembrance of memorial day for the 2 great kings, His Majesty King Chulalongkorn and His Majesty King Bhumibol Adulyadej The Great in October 2021 at Islamic Bank of Thailand, Headquarter Office, Q House Building (Asoke), Watthana, Bangkok.

Religious and Cultural Dimension

The Bank carried out “iBank Ramadan Relations 2021” and presented financial support for the “Iftar Feast for Orphans and Children in Need” activity during the holy month of Ramadan to promote religious practices according to Islam and create awareness of disadvantaged people’s hardship in a good way which was deemed as important virtue for cohabitation in the society amid the COVID-19 crisis at Al-Kawthar Foundation, Soi Suksawat 39/1, Bang Phueng, Phra Pradaeng, Samut Prakan.



Social and Environmental Dimension



The Bank held an activity “iBank Audiobook Communication for the Blind”. iBank executives and volunteers jointly participated in recording audiobooks in March to create an opportunity to access information, news and knowledge via audiobooks for the blind and people with reading disabilities. In addition, this activity helped instill love of reading in employees, allowing them to use their free time after work productively and realize the value of sharing and assisting other people. The activity took place at the building of Thailand Association of the Blind, Din Daeng Road, Phayathai.

iBank, in collaboration with Sheikhul Islam Office and Islamic Affairs Committee of Bangkok Metropolis (IAC, BKK), under the Deep Bond #withgreatconcern project assisted people in different communities in Bangkok who experienced COVID-19 infections by offering a total of 10,908 bottles of iBank drinking water throughout June 2021.



In addition, the Bank presented 6,900 bottles of iBank drinking water, face masks and other necessary items to 12 agencies across the country, for example, Erawan Field Hospital 2, Bangkok Arena sport venue located in Nong Chok of Bangkok, Surat Thani Rajabhat University Field Hospital, Hat Yai Hospital in Songkhla and Songklanagarind Hospital for further distribution to the new wave of COVID-19 patients.

ธนาคารอิสลาม
เพื่อช่วยเหลือผู้ป่วยโควิด-19

ไอบงก์ มอบน้ำดื่มพร้อมหน้ากากอนามัยธนาคาร เพื่อช่วยเหลือผู้ป่วยโควิด-19

- โรงพยาบาลสนามเอราวัณ 2 กรุงเทพฯ
- โรงพยาบาลสนาม มหาวิทยาลัยราชภัฏสุราษฎร์ธานี
- โรงพยาบาลหาดใหญ่ จ.สงขลา
- โรงพยาบาลสงขลานครินทร์ จ.สงขลา

รู้ไปด้วยกัน

www.ibank.co.th | 1302 | ibank.th



The Bank carried out the job creation to build career activity in line with the Ministry of Finance's policy that tasked its affiliated agencies to assist and reinforce the community's potential to make a living under the spread of COVID-19 since the beginning of 2020. In this regard, the Bank offered the items that would help further development of Darul Ibada (Gumpung Nai Dong Prue) Community. They were a device for making rolled wafer from goat's milk, guide signs on the main road at the beginning of Soi Phutthabucha 36 and a welcome sign of this tourist attraction.

Under the same project, the Bank provided support for 3 community enterprises in Thailand's southern borders to reinforce the community's potential to make a living while driving the economy and increasing the strength under the COVID-19 situation as follows:

1. Ban Thon Coconut Processing Community Enterprise Group, Mueang Narathiwat: The Bank provided equipment support by offering a coconut shell crushing machine for producing smokeless coconut charcoal briquettes which can be sold to the restaurant operators in the country and other provinces outside Narathiwat as well as signage with the community enterprise's name on it.
2. Ban Datoh Farm Women Group, Yaring, Pattani: The Bank provided support by presenting a vertical band sealer machine with Nitrogen flushing to develop a product package in accordance with appropriate nutrition and sanitation as well as wayfinding signage.
3. Ban Lidon Women Group, Mueang Yala: The Banked provided support by offering device for salt egg production and pickled bitter bean as well as signage with the name of the women group on it.



Educational and Sport Dimension

Tha Bank organized a CSR activity under the project Exploration of Islamic Financial World on the topic “Financial Literacy for Yala Rajabhat University’s Students” by means of workshop to build on Islamic financial knowledge, which entered its 4th year. The activity was carried out via Google Meet for the first time which was very well suitable for the New Normal era and adaptation to COVID-19 situation to share knowledge and understanding of Islamic Banking and Finance with the students and interested people so that they could apply knowledge in their daily lives and transfer it to their close ones correctly.



The Bank signed a memorandum of understanding with Krirk University to integrate cooperation for the exchange of financial knowledge or experience in accordance with Shariah principles between personnel of the two institutions and carried out a workshop on “Financial Literacy for Krirk University’s Students” as the 5th academic institution via online and in the auditorium at International Academic Conference Center, Krirk University.



Stakeholders' Roles and Engagement

According to the Bank's long-term strategic plan, it aims "to be the main bank of Muslim clients whilst creating balanced business operations to be the alternative bank for general clients" and reinforce the Bank's credibility and good image to build customer confidence. Thus, the Bank has recognized the significance of all groups of stakeholders because they are essential for its operations both directly and indirectly. To ensure that the Bank's treatment of stakeholders moves in the same direction and that employees as well as the general public are informed of communication channels and engaged in the Bank's operations, it has determined the stakeholders' roles and engagement as described below.

1. Customers: The Bank is committed to serving its customers willingly, equally and fairly to satisfy the customers' needs and expectation so that they receive maximum benefits and satisfaction. Therefore, it offers a variety of financial products and services with good quality in compliance with Islamic principles (Shariah Principles) and carries out the business under Market Conduct. It improves a work process and adopts advanced technology properly. In terms of data security, the Bank has a strict measure for maintaining the customers' confidential information and will not disclose or take advantage of it without customer authorization. It also provides complaint and suggestion channels and pays attention to resolve the problems. Furthermore, it measures customer satisfaction, sets a clear target and has the assessment results analyzed for improving service quality in order to create maximum satisfaction for the customers.

2. Regulatory Authorities: The Bank gives importance to strict adherence to the applicable laws, notices, requirements, rules and regulations of regulatory authorities, cooperates and coordinates well with related agencies since it is confident that accurate business conduct while upholding good ethics is a crucial foundation for the Bank's stable and sustainable growth further.

3. Board of Directors: The Bank allows all board members an opportunity to be able to fully perform their duties and to freely give their opinions and suggestions for operations to the Management Department. The board of directors' activities are carried out based on good governance under the requirements of the Ministry of Finance and the Bank of Thailand as well as prescribed laws.



4. Shareholders: The Bank gives importance to and respects the shareholders' right. They are engaged in making a decision for a significant issue, have the opportunity to give feedback and bring useful recommendations to improve the Bank's operations and turnover respectively. The Bank also discloses important information to the shareholders accurately, sufficiently, transparently and verifiably and facilitates them to receive full rights.

5. Employees: As the Bank realizes that all employees are regarded as valuable resources and a key driving force to successfully achieve the goal as planned, it establishes a proper human resource management policy to ensure fair recruitment and appropriate remuneration and welfare for employees. It also retains the capable employees, promotes career advancement and improves the employees' skills and competency by means of training and study trip to allow the employees to perform their work efficiently and have loyalty towards the organization.

6. Business partners: The Bank has a principle to conduct business with its partners equally and fairly to create transparency. It takes common best interests into account, does not give advantages to itself or friends and provides the business partners with accurate and complete information based on the fact. Additionally, the Banks does not accept any gifts or rewards to avoid any accusations by strictly adhering to procurement regulations and laws.

7. Community, society and environment:

The Bank recognizes the importance of instilling consciousness of responsibility towards the progress and sustainable growth of overall society in all employees since sustainability is a fundamental concept for achieving the Bank's core mission. The Bank demonstrates its compliance with the above-mentioned concept via business conduct with responsibility (CSR-in-Process) and social service activities (CSR-after-Process). It considers the impact on stakeholders and customers through sustainable development policy.

In summary, the Bank determines the guidelines to allow the stakeholders the opportunity to express their opinions as input for relationship building/ stakeholder management. In addition, it communicates with the stakeholders to inform them about important details of major plans and projects through comments via online channels e.g. email inbox, Facebook, Line or other channels e.g. telephone, the bank's complaint channel, call center and letter. The stakeholders can inform the Bank by themselves at every branch office or the government agency that supervises the Bank as well. The Bank forms a work team by having stakeholder management working group as the main responsible person to assess stakeholder needs and perform analysis to adjust the work plan towards the stakeholders based on situations, for example, engagement building process and communication process.



Framework/Supervision

iBank brings stakeholders' voices to be as part of their implementation on governance and important work system by considering the stakeholders' voices from the provided channels in case of emergency or complaints concerning both work dissatisfaction and lack of transparency. A joint discussion meeting is required among top executives/board of directors and work departments/sections associated with that process to solve a problem with a quick fix and review a long-term strategy on stakeholder focus as well as an annual action plan stated for each department/section. In addition, a guideline for performance evaluation will be set at both organizational and departmental/sectional levels. If necessary, top executives/board of directors will participate in the process of building relationships with stakeholders to create understanding and build confidence for a concerned issue.

Resource allocation

iBank has allocated the stakeholder resources by setting them in the budget dispersed to related departments/sections based on utilization of resources in the most effective way. However, it depends on the issue to be communicated each year. Meanwhile, it clearly determines a responsible person and stakeholder result such as the number of media to be distributed, the number of activities and cooperation that will drive and create a concrete result.

Performance reporting Stakeholder Relationship building/management

iBank requires performance reporting in relationship building with stakeholders to public continually via online channels namely website at least every year and be reported in the annual report, sustainability report, organizational strategic and business plans. A stakeholder working group, the Corporate Communications and Image

Department and the Banking Strategy Department will serve as primary responsible party in consolidating the content, needs/expectation from stakeholders of the departments/sections and the results from the activities which will be used for communication. Satisfactory survey is conducted every year to improve and develop innovation in reporting the result of stakeholder relationship building/management.

Intention of service provision

iBank aims to correctly provide services to the users in compliance with Shariah principles to satisfy every customer as follows:

1. Provide financial products and services with a quality that meets international standards, serve as a main bank of Muslim and general customers and connect a relationship with customers from all religions with branches nationwide.
2. Provide service standard with friendliness, honesty and equality.
3. Accommodate customers with every touch point to satisfy them.
4. Deliver transparent, accurate, clear and beneficial information to customers and listen to their opinions in order to improve, correct and develop good services (Customer Feedback).
5. Develop financial products that cover the demand of every customer group and improve work process to be modern and fast in order to meet more customer needs (Product & Process Innovation).
6. Provide fair services to customers according to the Market Conduct policy.
7. Maintain customers' privacy by considering the security of customers' personal information under Personal Data Protection Act B.E. 2562.

Board of Directors as December 2021

1. Mr. Poomsak Aranyakasemsuk	Chairman
2. Mr. Chaichan Palanon	Director
3. Mrs. Amporn Purintawaragul	Director
4. Dr. Wichien Chubthaisong	Director
5. Mr. Rabil Pornpatkul	Director
6. Ms. Supak Chaiyawan	Director
7. Mr. Komon Jirachaisudtigitkun	Director
8. Mrs. Wachiraya Permbhusri	Director
9. Mr. Wuttichai Suraratchai	Director and President

Structure and Responsibilities of the Board of Directors

Board of Directors

The Board of Islamic Bank of Thailand consisted of 11 Directors including specialists who have knowledge, abilities, skills and experiences in management from various sectors; whereas, the meeting of shareholders of the Bank shall elect qualified people to assume the office of the Bank's directors in accordance with the criteria, legal methods and regulations of the Bank. Each director shall assume the office for 3 years each; and when the term in office of any director is terminated, the Bank shall organize a meeting of shareholders to elect a substituting director. As of December 2021, the Bank had 9 directors, with details and changes of directors in the previous year, as follows:

1. Board of Directors of Islamic Bank of Thailand as of December 2021

No.	List of Directors	Assigned Duties	Position
1.	Mr. Poomsak Aranyakasemsuk	Chairman (since 25 June 2021)	Director
2.	Mr. Chaichan Palanon	- Chairman of Executive Subcommittee (since 25 June 2021) - Chairman of Information System Development Subcommittee (since 23 September 2021) - Member of Corporate Governance and Innovation Subcommittee (since 29 July 2021) - Chairman of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee (since 12 June 2018 - 28 July 2021) - Member of Executive Subcommittee (since 12 June 2018 - 24 June 2021) - Member of Information System Development Subcommittee (since 19 June 2018 - 22 September 2021) - Member of Compliance Subcommittee (since 20 June 2019 - 28 July 2021)	Director

No.	List of Directors	Assigned Duties	Position
3.	Mrs. Amporn Purintawaragul	- Chairman of Audit Subcommittee (since 29 July 2021) - Member of Nomination, Remuneration and Performance Subcommittee - Member of Corporate Governance and Innovation Subcommittee (since 29 July 2021) - Member of Audit Subcommittee (since 12 June 2018 - 28 July 2021) - Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee (since 12 June 2018 - 28 July 2021)	Director
4.	Dr. Wichien Chubthaisong	- Chairman of the Employee Relations Committee - Member of Audit Subcommittee - Member of President's Performance Appraisal Subcommittee (since 23 September 2021)	Director
5.	Mr. Rabil Pornpatkul	- Chairman of Nomination, Remuneration and Performance Appraisal Subcommittee (since 29 July 2021) - Member of Risk Oversight Subcommittee - Member of Audit Subcommittee (since 29 July 2021) - Member of President's Performance Appraisal Subcommittee (since 29 July 2021) - Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee (since 17 September 2020 - 28 July 2021)	Director
6.	Ms. Supak Chaiyawan	- Member of Executive Subcommittee (since 25 June 2021) - Member of Nomination, Remuneration and Performance Appraisal Subcommittee (since 29 July 2021) - Member of Information System Development Subcommittee since 27 January 2021) - Member of Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee (since 17 September 2020 - 28 July 2021)	Director
7.	Mr. Komon Jirachaisudtigitkun	- Chairman of Corporate Governance and Innovation Subcommittee (since 29 July 2021) - Member of Executive Subcommittee (since 29 July 2021)	Director (since 25 June 2021)
8.	Mrs. Wachiraya Permbhusri	- Chairman of Risk Oversight Subcommittee (since 23 September 2021) - Chairman of President's Performance Appraisal Subcommittee (since 29 July 2021) - Member of Risk Oversight Subcommittee (since 29 July 2021 - 22 September 2021)	Director (since 25 June 2021)

No.	List of Directors	Assigned Duties	Position
9.	Mr. Wuttichai Suraratchai	- Executive Subcommittee and Secretary - Risk Oversight Subcommittee - Information System Development Subcommittee - Member of Corporate Governance and Innovation Subcommittee (since 29 July 2021) - Corporate Governance and Corporate Social Responsibility (CG & CSR) Subcommittee (since 20 June 2019 - 28 July 2021)	Director and President

2. Board of Directors of Islamic Bank of Thailand terminated in 2021

No.	List of Directors	Assigned Duties	Position
1.	Mr. Rathian Srimongkol	Chairman (since 14 February 2019 - 25 June 2021)	Director
2.	Mr. Nipon Hakimi	- Director (since 1 August 2014 - 25 June 2021) - Chairmen of Executive Subcommittee (since 23 June 2015 - 25 June 2021) - Chairman of Compliance Subcommittee (since 13 March 2018 - 25 June 2021) - Member of President's Performance Appraisal Subcommittee (since 21 August 2014 - 25 June 2021)	Director
3.	General Dr.Natthipong Pueksakorn	- Director (Since 1 August 2014 - 25 June 2021) - Chairmen of Audit Subcommittee (since 21 August 2014 - 25 June 2021) - Chairman of Member of Nomination, Remuneration and Performance Appraisal Subcommittee (since 14 March 2017 - 25 June 2021)	Director
4.	Miss Piyawan Lamkitcha	- Director (Since 1 August 2014 - 24 June 2021) - Chairman of President's Performance Appraisal Subcommittee (since 12 June 2018 - 24 June 2021) - Member of Executive Subcommittee (since 29 September 2014 - 24 June 2021) - Member of Compliance Subcommittee (since 29 September 2014 - 24 June 2021)	Director
5.	Mr.Dhanasarn Suravudhikul	- Director (Since 28 May 2018 - 31 August 2021) - Chairman of Risk Oversight Subcommittee (since 12 June 2018 - 31 August 2021) - Chairman of Information System Development Subcommittee (since 19 June 2018 - 31 August 2021) - Member of Nomination, Remuneration and Performance Appraisal Subcommittee (since 12 June 2018 - 28 July 2021) - Member of President's Performance Appraisal Subcommittee (since 30 October 2019 - 31 August 2021)	Director

Appointment of the Board of Directors, Subcommittees and Working Groups

1. Executive Subcommittee

The scope of authorities of the Executive Subcommittee is as follows:

1. Determine overall investment policies, investment directions for potential companies that the Bank may invest in line with the Bank's investment policies, and hold authorities to approve investment direction and overall investment activities under the Bank's rules.

2. Consider and approve possible losses that may (or may not) arise from debt restructuring

3. Consider and approve credit, debt restructuring, investment in securities and property, receipt of financial support, procurement and outsourcing, and other general expenses within the scope of authorities granted by the Board of Directors.

4. Recommend appropriate and efficient organization structure, propose policies and strategies in terms of personnel, manpower, remuneration and benefits for employees and workers to the Board of Directors for approval.

5. Review the Bank's master plans on human resource development both in short term and in long term as well as other ongoing projects.

6. Provide operational advice in terms of organization structure, personnel, remuneration, benefits and welfare, dynamic and sustainable organization development, and provide recommendations on employment of educational institutions or external consulting companies or consultants to improve the Bank's personnel management.

7. Develop human resources at all levels with readiness in all areas to ensure their vision, all-round knowledge, good personality and awareness.

8. Review and identify duties out of the authority scope of Subcommittees and propose them to the Board of Directors.

9. Consider other significant matters such as new businesses, remuneration policy, credit policy, accounting policy and lawsuits taken against the Bank.

10. Approve or acknowledge other management-related matters that the Executive Subcommittee deems necessary or proper by Subcommittees to be proposed for acknowledgment.

11. Consider any other matters assigned by the Board of Directors.

Directors of the Executive Subcommittee as of December 31, 2021 are as follows:

- | | |
|----------------------------------|----------------------------|
| 1) Mr. Chaichan Palanon | Chairman of Subcommittee |
| 2) Ms. Supak Chaiyawan | Subcommittee |
| 3) Mr. Komon Jirachaisudtigitkun | Subcommittee |
| 4) President | Subcommittee and Secretary |

Details of change in the Executive Subcommittee during 2021:

1. Mr. Chaichan Palanon has been Chairman of Subcommittee from 25 June 2021 until present and has been Subcommittee from 12 June 2018 - 24 June 2021

2. Ms. Supak Chaiyawan has been Subcommittee from 25 June 2021 until present.

3. Mr. Komon Jirachaisudtigitkun has been Subcommittee from 29 July 2021 until present.

4. Mr. Nipphon Hakimi has been Chairman of Subcommittee from 23 June 2015 - 24 June 2021

5. Miss Piyawan Lamkitcha has been Subcommittee from 29 September 2014 - 24 June 2021

2. Audit Subcommittee

The scope of responsibilities of the Audit Subcommittee is as follows:

1. Prepare the charter of the Audit Subcommittee in accordance with the scope of responsibility for the Bank's operations and must be approved and approved by the Board of Directors. The suitability of the charter is reviewed at least once a year.

2. Consider and review the Bank's internal control system and internal audit to ensure appropriateness and effectiveness.

3. Consider and review the Bank's financial reporting process to be accurate and sufficient.

4. Consider and review the Bank's internal control system and internal audit appropriate and effective and consider the independence of the internal audit department.

5. Consider and review the Bank is comply with laws, rules, regulations, operating procedures, Cabinet resolutions, announcements or orders related to the Bank's operations.

6. Consider the related issues or items may conflicts of interest or there is a chance of fraud that may affect the Bank's operations.

7. Consider and consult to the Board of Directors regarding the nomination, transfer, dismissal, remuneration determination and annual performance review of the Head of the internal audit department.

8. Consider the nomination of the Bank's auditor to propose the Board of Directors for track operation performance and consider the remuneration for the audit.

9. Reporting the internal audit overall operation of Audit Subcommittee to the Board of Directors at least once per quarter within sixty days from the end of each quarter. Except for the fourth quarter report to be prepared as an annual report and submit report to the Ministry of Finance for acknowledgment within ninety days from the last day of the Bank's financial accounting year.

10. Evaluate the internal audit performance of Audit Sub-Committee at least once per fiscal year and report the assessment, problems and obstacles as well as plans to improve operations to the Board of Directors for acknowledgment.

11. Consider and decisions making in the management and auditor have disagreements about the financial reports.

12. Consider the other operation tasks in case audit out of scope to be performed for the Bank.

13. Consider to accurate and complete of the Bank is disclosure about Public Service Account are conflicts of interest.

14. Determine the Audit Subcommittee's responsibility and including changes that are significant

to the performance of the Audit Subcommittee are clearly stated in writing as approved by the Board of Directors and must be disclosed in the Bank's annual report.

15. Report to the Board of Directors for remedial action within the time that the Audit Subcommittee deems appropriate in the Audit Subcommittee finds or suspects that there are transactions that occur or may cause conflicts of interest, Fraud, or there is something wrong or there is a significant defect in the internal control system, violation of the Bank's establishment Law, Bank of Thailand regulations or other laws related to the bank.

16. Prepare the Audit Subcommittee's manages and corporate report to be disclosed in the Bank's annual report.

17. Review and approve the rules, regulations, charter of the internal audit department, code of Conduct, operation manual, scope, plan and internal audit's budget.

18. Meeting with executives, auditors, internal auditors and external consultants as necessary and appropriate.

19. Authorized to retrieve information, documents, persons or related entities of the Bank and requesting information and cooperation from relevant third parties.

20. Provide external consultants or specialists to advise or assist in performing the audit by using the Bank's expense.

21. Assign authority to working groups in the Audit Subcommittee (if any) as appropriate.

22. Perform any tasks as required by law or assigned by the Board of Directors, provided that it is within the scope of duties and responsibilities of the Audit Subcommittee.

Directors of the Audit Subcommittee as of December 31, 2021 are as follows:

- 1) Mrs. Amporn Purintawaragul Chairman
of Subcommittee
- 2) Dr. Wichien Chubthaisong Subcommittee
- 3) Mr. Rabil Pornpatkul Subcommittee
- 4) Vice President / Secretary
Senior Vice President of Internal
Audit Department or assigned person

Details of change in the Audit Subcommittee during 2021:

1. Mrs. Amporn Purintawaragul has been Chairman of Subcommittee from 29 July 2021 until present and has been Subcommittee from 12 June 2018 – 28 July 2021
2. Mr. Rabil Pornpatkul has been Subcommittee from 29 July 2021 until present.
3. General Dr. Natthipong Pueksakorn has been Chairman of Subcommittee from 21 August 2014 - 25 June 2021

3. Risk Oversight Subcommittee

The scope of responsibilities of the Risk Oversight Subcommittee is as follows:

1. Provide advice to the Board of Directors on the Bank's risk supervision framework.
2. Ensuring that senior management, including the head of the risk management unit, comply with risk management policies and strategies, including acceptable risk levels.
3. Supervise capital and liquidity management strategies to accommodate various risks of the Bank is consistent with the approved acceptable risk level.
4. Review, collate the adequacy and effectiveness of overall risk management policies and strategies, including acceptable risk levels, at least once a year or when there are significant changes. The Risk Management Subcommittee should discuss and exchange views with the Audit Subcommittee to assess whether the Bank's risk management policies and strategies cover all types of risks, including emerging risks, and that such policies and strategies are implemented effectively.
5. Report to the Board of Directors on risk status, risk management efficiency and compliance status with a risk-aware corporate culture. as well as significant factors and problems and things that need to be revised in order to be consistent with the Bank's risk management policies and strategies.
6. Have an opinion or participate in evaluating the efficiency and effectiveness of the head of the risk management unit.
7. Propose to the Board of Directors to consider and approve the risk management policy. Classify management according to key risk categories,

including those that are consistent with the strategy. and covers the assessment, monitoring and supervision of the Bank's risk level to an appropriate level.

8. Consider and review the adequacy and appropriateness of the internal control system. internal control policies and plans, including overseeing and monitoring the results of operations and give opinions or suggestions to comply with internal control standards.

9. Integrate work processes related to Good Governance, Risk Management and compliance with the requirements of laws, regulations, regulations, notices and compliance to achieve the implementation of Integrity-Driven Performance.

10. Having powers to retrieve data, documents or to demand people or related departments to be examined or provide clarification.

11. Give opinions or suggestions on the appropriateness and sufficiency of the credit review plan. before presenting to the authorized person and acknowledge the report of the review results of the credit review department to consider giving advice Appropriate action guidelines for management to hedge potential credit risks.

12. Take other activities as assigned by the Board of Directors.

Directors of the Risk Oversight Subcommittee as of December 31, 2021 are as follows:

- | | |
|------------------------------|---|
| 1) Mrs. Wachiraya Permbhusri | Chairman
of Subcommittee |
| 2) Mr. Rabil Pornpatkul | Subcommittee |
| 3) President | Subcommittee |
| 4) Executive Vice President | Subcommittee
of Corporate Strategy Group |
| 5) Vice President of Risk | Secretary
Management Department or assigned person |

Details of change in the Risk Oversight Subcommittee during 2021:

1. Mrs. Wachiraya Permbhusri has been Chairman of Subcommittee from 23 September 2021 until present and has been Subcommittee from 29 July 2021 – 22 September 2021
2. Mr. Dhanasarn Suravudhikul has been Chairman of Subcommittee from 12 June 2018 – 31 August 2021

4. Compliance, Good Governance and Innovation Subcommittee

(From July 29, 2022 until present)

The scope of authorities of the Compliance, Good Governance and Innovation Subcommittee is as follows:

1. Consider and screen the release or review of rules, policies and charters of the Bank issued in accordance with the laws or the Bank's requirements relating to personnel management, banking and general operation management; provide advice or recommendations on the exercise of powers to issue, enforce and determine legal directions, formats and issues; and summarize and consolidate the complete content of rules, regulations, policies and charters prior to submission thereof to the authorized person for approval.

2. Regularly review policy and charter of compliance with the official rules, good governance principles as well as the Bank's corporate social responsibility and propose them for the Board of Directors approval.

3. Consider and provide comments or recommendations on reporting compliance performance and credit review and inform the Board of Directors for acknowledgment.

4. Endorse compliance plan, credit review plan and annual compliance report.

5. Report to the Board of Directors for improvement or correction in case that the Compliance, Good Governance and Innovation Subcommittee finds or suspects any non-compliance with the laws, rules, regulations, standards and practices in any transactions that may cause compliance risk.

6. Determine operational framework and guidelines in accordance with the Bank's code of ethics.

7. Provide recommendations on the Bank's business operations in order to successfully achieve the goal of the operation plan on good governance and annual corporate social responsibility of the Bank.

8. Promote the dissemination of cultural information and transparent corporate governance to ensure understanding at all levels and practical outcome as well as engagement of the Bank's Board

of Directors, executives, employees, hired workers, community and the general public in social services and environmental activities for sustainable development.

9. Integrate work processes related to good governance, risk management, and compliance with the requirements of laws, rules, regulations, notices and compliance to achieve the implementation of Integrity-Driven Performance.

10. Consider and endorse determination of vision, direction, policy, charter, work plan and target concerning knowledge and innovation management for both short and long term.

11. Monitor the Bank's corporate governance, corporate social responsibility and knowledge and innovation management and report it to the Board of Directors.

12. Have the authority to appoint working groups or the Bank's employees to perform the assigned tasks.

13. Have the authority to invite working groups or the Bank's employees to provide information or clarification supporting for consideration.

14. Perform other duties as assigned by the Board of Directors.

Directors of the Compliance, Good Governance and Innovation Subcommittee as of July 29, 2021 are as follows:

- | | |
|----------------------------------|---|
| 1) Mr. Komon Jirachaisudtigitkun | Chairman |
| | of Subcommittee |
| 2) Mr. Chaichan Palanon | Subcommittee |
| 3) Mrs. Amporn Purintawaragul | Subcommittee |
| 4) President | Subcommittee |
| 5) Vice President of Compliance | Secretary |
| | and Rules Department or assigned person |

Details of change in the Compliance, Good Governance and Innovation Subcommittee as of July 29, 2021:

1. Mr. Komon Jirachaisudtigitkun has been Chairman of Subcommittee since 29 July 2021 until present.

2. Mr. Chaichan Palanon Mrs. Amporn Purintawaragul and President has been Subcommittee since 29 July 2021 until present.

5. Nomination, Remuneration and Performance Appraisal Subcommittee

The scope of authorities of the Nomination, Remuneration and Performance Appraisal Subcommittee is as follows:

Nomination and Performance Appraisal

1. Determine policy, criteria and methods of selection and nomination of the Bank's directors and subcommittee Directors for the Board of Directors' approval, including the following matters:

i) Extent and varieties of essential knowledge, skills and experience of the Bank's directors.

ii) Types, size and components of Subcommittees, including recommendation to the Board of Directors to appoint replacement for vacant positions due to directors' retirement by rotation or any other reasons.

2. Determine policy, criteria, nomination procedures, selection and nomination process for candidates in Deputy Managing Director and Assistant Managing Director positions to be presented to the board of directors for approval.

3. Determine policy, criteria, performance evaluation process, and approval process of performance of Executives, Department Directors, Assistant Managing Director, and Deputy Managing Director.

4. Disclose information and details of the nomination process in the annual report.

5. Ensure that the Bank has appropriate succession plan for the President and propose it to the Board of Directors for approval.

Remuneration

1. Determine a policy on remuneration and other benefits including the amount of remuneration and other benefits for members of the Subcommittees, Deputy Managing Director, and Assistant Managing Director based on clear and transparent criteria to be presented to the Board of Directors for approval.

2. Ensure that the Subcommittees, Deputy Managing Director, and Assistant Managing Director receive appropriate remuneration according to their duties and responsibilities. Directors who are assigned more responsibilities should receive remuneration that match their assigned duties and responsibilities.

3. Determine performance evaluation process of the members of the Subcommittees, Deputy Managing Director, and Assistant Managing Director to consider the adjustment of annual remuneration based on duties, responsibilities, and related risks.

4. Disclose the policy on remuneration determination and disclosure in various forms and prepare a report on remuneration determination with at least details of the goals, operations, and opinion of the Subcommittee on remuneration in the Bank's annual report.

5. Take actions as assigned by the Board of Directors.

Directors of the Nomination, Remuneration and Performance Appraisal Subcommittee as of December 31, 2021 are as follows:

- | | |
|-------------------------------|--|
| 1) Mr. Rabil Pornpatkul | Chairman
of Subcommittee |
| 2) Mrs. Amporn Purintawaragul | Subcommittee |
| 3) Ms. Supak Chaiyawan | Subcommittee |
| 4) Vice President of Company | Secretary
Secretary Department or assigned person |

Details of change in the Nomination, Remuneration and Performance Appraisal Subcommittee as of December 31, 2021 are as follows:

1. Mr. Rabil Pornpatkul has been Chairman of Subcommittee from 29 July 2021 until present.
2. Ms. Supak Chaiyawan has been Subcommittee from 29 July 2021 until present.
3. General Dr. Natthipong Pueksakorn has been Subcommittee from 14 March 2017 - 25 June 2021
4. Mr. Dhanasarn Suravudhikul has been Subcommittee from 12 June 2018 - 31 August 2021

6. President's Performance Appraisal Subcommittee

The scope of authorities of the President's Performance Appraisal Subcommittee is as follows:

1. Review the operation plan proposed by the President and ensure that such plan will be for the Bank's benefits.

2. Determine assessment guidelines in line with and achieve the Bank's vision, objectives, missions and target of operation as well as budget approved by the Board of Directors.

3. Set indicators and to measure the efficiency and effectiveness in the President's performance.

4. Considering the performance and evaluating the quality of the work according to the plans proposed by the bank manager, which has been approved by the bank's board of directors.

5. Give suggestions; take evaluation results, including problems, obstacles, and limitations of the bank manager's operations and plan to solve problems, obstacles, and limitations of the operations to the Board of Directors.

6. Review the target and performance criteria for the President and propose it to the Board of Directors for approval.

7. Present the performance result in comparison with the above-mentioned target and criteria to the Board of Directors to consider appropriate remuneration and benefits for the President.

Directors of the President's Performance Appraisal Subcommittee as of December 31, 2021 are as follows:

- | | |
|------------------------------|--|
| 1) Mrs. Wachiraya Permbhusri | Chairman
of Subcommittee |
| 2) Mr. Rabil Pornpatkul | Subcommittee |
| 3) Dr. Wichien Chubthaisong | Subcommittee |
| 4) Vice President of Company | Secretary
Secretary Department or assigned person |

Details of change in the President's Performance Appraisal Subcommittee during 2021:

1. Mrs. Wachiraya Permbhusri has been Chairman of Subcommittee from 29 July 2021 until present.

2. Mr. Rabil Pornpatkul has been Subcommittee from 29 July 2021 until present.

3. Dr. Wichien Chubthaisong has been Subcommittee from 23 September 2021 until present.

4. Miss Piyawan Lamkitcha has been Subcommittee from 12 June 2018 - 24 June 2021

5. Mr. Niphon Hakimi has been Subcommittee from 21 August 2014 - 25 June 2021

6. Mr. Dhanasarn Suravudhikul has been Subcommittee from 30 October 2019 - 31 August 2021

7. Employee Relations Committee

The scope of authorities of the Employee Relations Committee is as follows:

1. Provide comments on efficiency improvement for the Bank's operation and promote and develop the labor relations.

2. Seek reconciliation and resolve disputes in the Bank.

3. Improve work rules and regulations for the benefits of the employer, employees and the Bank.

4. Discuss and solve problems as per complaints of employees or employee union, including complaints relating to disciplinary action.

5. Discuss on solutions to improve the employment condition. The committee have the terms as specified in Section 20 and 21 of the State Enterprise Labor Relations Act B.E. 2543 (2000) with effective date from August 23, 2020 – August 22, 2022

Members of the Employee Relations Committee as of December 31, 2021 are as follows:

- | | |
|---------------------------------|--------------------------|
| 1) Dr. Wichien Chubthaisong | Chairman
of Committee |
| 2) Employer's 7 representatives | Committee |
| 3) Employee's 7 representatives | Committee |

None for changing the Employee Relations Committee during 2021

8. Information System Development Subcommittee

The scope of responsibilities of the Information System Development Subcommittee is as follow:

1. Develop a clear strategic plan on information technology to ensure information technology governance in order to enhance the efficiency and effectiveness of operations and monitoring of information system development.

2. Improve the Digital Roadmap to adapt to the needs and policies as well as strategies necessary for adaptation to the organizational environment in order to respond to the bank's business plan and comply with the regulatory bodies' rules.

3. Consider investment, breakeven point, and value of operating systems to evaluate the monetary and non-monetary potential of information

technology as well as the appropriateness of the information system.

4. Recommend corrective measures and provide advice on the solutions and obstacles regarding the bank's information system.

5. Have the authority to request information, documents, person, or relevant agencies for investigation or clarification and submit the report to the board of directors.

6. Perform other duties assigned by the board of director.

Directors of Information System Development Subcommittee as of December 31, 2021 are as follows:

- | | |
|--|-----------------------------|
| 1) Mr. Chaichan Palanon | Chairman
of Subcommittee |
| 2) Ms. Supak Chaiyawan | Subcommittee |
| 3) President | Subcommittee |
| 4) Senior Executive | Subcommittee |
| Vice President Retail Banking Division | |
| 5) Executive Vice President | Subcommittee |
| Technology and Electronic | and Secretary |
| Operation Group | |

Details of change in the Information System Development Subcommittee during 2021:

1. Mr. Chaichan Palanon has been Chairman of Subcommittee from 23 September 2021 until present.

2. Ms. Supak Chaiyawan has been Subcommittee from 27 January 2021 until present.

3. Senior Executive Vice President Retail Banking Division has been Subcommittee from 23 September 2021 until present.

4. Mr.Dhanasarn Suravudhikul has been Chairman of Subcommittee from 19 June 2018 – 31 August 2021

9. Corporate Governance and Corporate Social Responsibility (CG&CSR) Subcommittee

as of 28 July 2021

The scope of authorities of the Corporate Governance and Corporate Social Responsibility (CG&CSR) Subcommittee is as follows:

1. Propose Corporate Governance and Corporate Social Responsibility policy to the Board of Directors.

2. Regularly review Corporate Governance and Corporate Social Responsibility policy of the Bank.

3. Determine operational framework and guidelines in line with the Bank's code of ethics.

4. Provide recommendations on the Bank's business operation to achieve goals in line with the Bank's annual Corporate Governance and Corporate Social Responsibility plan.

5. Promote the dissemination of cultural information and transparent corporate governance to ensure understanding at all levels and practical outcome, including the participation of the Board of Directors, executives, employees and workers, communities, customers and the general public in CSR activities for sustainable development.

6. Integrate processes relating to governance, risk management and compliance to ensure that the achievement is derived from all departments' participation.

7. Monitor the Bank's Corporate Governance and Corporate Social Responsibility operation and report it to the Board of Directors.

8. Supervise the Bank's integrated Corporate Governance and Corporate Social Responsibility operation, supervise the preparation of the Bank's annual Corporate Governance and Corporate Social Responsibility report.

9. Appoint working groups or consultants of the Corporate Governance and Corporate Social Responsibility Subcommittee to support the performance on corporate governance and corporate social responsibility as necessary and appropriate.

10. Perform other duties as assigned by the Board of Directors.

Directors of the Corporate Governance and Corporate Social Responsibility (CG&CSR) Subcommittee as of 28 July 2021 are as follows:

- | | |
|-------------------------------|-----------------------------|
| 1) Mr. Chaichan Palanon | Chairman
of Subcommittee |
| 2) Mrs. Amporn Purintawaragul | Subcommittee |
| 3) Mr. Rabil Pornpatkul | Subcommittee |

- 4) Ms. Supak Chaiyawan Subcommittee
- 5) President Subcommittee
- 6) Executive Vice President Subcommittee
of Compliance and Audit Group
- 7) Vice President of Subcommittee
Communication and Corporate Image Department
- 8) Vice President of Subcommittee
Compliance and Rules and Secretary
Department or assigned person

Details of change in the Corporate Governance and Corporate Social Responsibility (CG&CSR) Subcommittee as of 28 July 2021

1. Mr. Chaichan Palanon has been Chairman of Subcommittee since 12 June 2018 - 28 July 2021
2. Mrs. Amporn Purintawaragul has been Subcommittee since 12 June 2018 - 28 July 2021
3. Mr. Rabil Pornpatkul and Ms. Supak Chaiyawan has been Subcommittee since 17 September 2020 - 28 July 2021

10. Compliance Subcommittee as of 28 July 2021

The scope of Compliance Subcommittee is as follows:

1. Consider and screen the release or review of rules and regulations of the Bank issued in accordance with the law or the Bank's requirements relating to personnel management, banking and general operation management, provide advice or recommendation on the exercise of powers to issue, enforce and determine directions and legal issues regarding rules and regulations, and consider the summary and ensure the completeness of rules and regulations prior to submission thereof to the authorized person for approval.
2. Regularly review policy and charter of compliance with the official rules and regulations and propose it for the Board of Directors approval.
3. Having powers to appoint working groups or the Bank's employees to perform the assigned duties.
4. Having powers to invite working groups or the Bank's employees to provide information or clarification supporting the consideration.

5. Consider and provide comments or recommendations on compliance report and credit review and report the same to the Board of Directors for acknowledgment.

6. Endorse annual compliance report, compliance plan and credit review.

7. Provide recommendations on operation of the Compliance and Rules Department and the Credit Review Department.

8. Report to the Board of Directors for correction of any detected or suspicious non-compliance with the law, rules, regulations, standard and practices in any transactions that may cause compliance risk.

9. Take any other actions as assigned by the Board of Directors.

Directors of the Compliance Subcommittee as of 28 July 2021 are as follows:

- 1) Mr. Niphon Hakimi Chairman
of Subcommittee
- 2) Miss Piyawan Lamkitcha Subcommittee
- 3) Mr. Chaichan Palanon Subcommittee
- 4) Vice President/ Secretary
Senior Vice President of Compliance
and Rules Department or assigned person

Details of change in the Compliance Subcommittee as of 28 July 2021

1. Mr. Niphon Hakimi has been Chairman of Subcommittee since 13 March 2018 - 25 June 2021
2. Miss Piyawan Lamkitcha has been Subcommittee since 29 September 2014 - 24 June 2021
3. Mr. Chaichan Palanon has been Subcommittee since 20 June 2019 - 28 July 2021



Policy and Remuneration of Directors

Remuneration of Directors consists of 3 parts which are monthly compensation, meeting allowance, and special remuneration (bonus) as following;

1. Monthly Compensation with the following rates;

According to the Cabinet resolution on April 24, 2019,

The chairman receives monthly compensation of 20,000 baht

The directors receive monthly compensation of 10,000 baht

Therefore, in case of the directors could not serve a full month operation, they will receive monthly compensation in proportion to the operation's period.

2. Meeting allowances * with the following rates;

According to the Cabinet resolution on April 24, 2019,

The chairman receives meeting allowance of 25,000 baht

The directors receive meeting allowance of 20,000 baht

The Bank will pay meeting allowances 1 time per month. In case that is reasonable, the bank may consider paying meeting allowances more than 1 time per month, but not more than 15 times per year or in accordance with the rules set by the Ministry of Finance.

For committee who has been appointed as subcommittee will receive a meeting allowance at the rate of 0.5 times of board meeting allowance. In this regard, the directors will receive a meeting allowance for subcommittee not more than 2 parties, each party not more than 1 time per month. The chairman of the subcommittee will receive allowance higher than subcommittee at 25 percent.

The meeting allowance of the Audit subcommittee paid monthly which equal to the directors' meeting allowance, whether there is a meeting or not and get paid 1 time/month. The chairman of the Audit Subcommittee will receive an additional 25% of the meeting allowance.

In the case that the committee or subcommittee appointed as the chairman of the meeting, the meeting allowance will be increased by 25 percent of meeting allowance.

3. Special remuneration : We paid allowance according to the Bank's performance. In 2021, the bank does not pay the bonus. Due to the operating results in 2020 did not meet the bonus payment criteria.

Remuneration of the board of directors in 2021

Name	Total Monthly Remunerations	Board of Directors	Executive Subcommittee	Audit Subcommittee	Risk Management Subcommittee	CG & CSR Subcommittee	Compliance Subcommittee	Information System Development Subcommittee	Nomination, Remuneration and Performance Appraisal Subcommittee	Nomination, Remuneration and Performance Appraisal Subcommittee	President's Performance Appraisal Subcommittee	Review the Bank's Master Plan Subcommittee	Employee Relations Committee	Total Amount 2021
1. Mr.Rathian Srimongkol	116,000.08	150,000.00	-	-	-	-	-	-	-	-	-	-	-	266,000.08
2. Mr. Poomsak Aranyakasemsuk	124,000.02	200,000.00	-	-	-	-	-	-	-	-	-	-	-	324,000.02
3. Mr.Niphon Hakini	57,999.92	120,000.00	75,000.00	-	-	-	62,500.00	-	-	-	-	-	-	315,499.92
4. Mr. Komon Jirachaisudtigitkun	61,999.98	160,000.00	50,000.00	-	-	-	50,000.00	-	-	-	-	-	-	321,999.98
5. General Dr.Natthipong Pueksakom	57,999.92	120,000.00	-	150,000.00	-	-	-	-	50,000.00	-	-	-	-	377,999.92
6. Ms.Piyawan Lamkitcha	57,999.92	120,000.00	50,000.00	-	-	-	10,000.00	-	-	12,500.00	12,500.00	50,000.00	-	312,999.92
7. Mrs. Wachiraya Permbhusri	61,999.98	160,000.00	-	-	47,500.00	-	-	-	-	-	37,500.00	-	-	306,999.98
8. Dr.Wichien Chubthaisong	120,000.00	240,000.00	-	240,000.00	-	-	-	-	-	10,000.00	30,000.00	-	-	640,000.00
9. Mr.Chaichan Palanon	120,000.00	280,000.00	135,000.00	-	-	25,000.00	20,000.00	50,000.00	-	-	-	40,000.00	-	670,000.00
10. Mr.Dhanasarn Suravudhikul	80,000.00	160,000.00	-	-	100,000.00	-	-	100,000.00	-	-	-	-	-	440,000.00
11. Mrs.Amporn Purintawaragul	120,000.00	280,000.00	-	270,000.00	-	10,000.00	20,000.00	-	50,000.00	-	-	40,000.00	-	790,000.00
12. Mr.Rabil Pompatkul	120,000.00	280,000.00	-	100,000.00	40,000.00	10,000.00	-	-	50,000.00	10,000.00	30,000.00	40,000.00	-	680,000.00
13. Ms.Supak Chaiyawan	120,000.00	280,000.00	50,000.00	-	-	10,000.00	-	60,000.00	40,000.00	-	-	50,000.00	-	610,000.00
14. Mr.Wuttichai Suraratchai	120,000.00	280,000.00	-	-	-	-	-	-	-	-	-	-	-	400,000.00
Total	1,337,999.82	2,830,000.00	360,000.00	760,000.00	217,500.00	55,000.00	152,500.00	210,000.00	220,000.00	32,500.00	80,000.00	200,000.00	-	6,455,499.82

Note : The symbol (-) means a present director or former director/ Subcommittee in that party but did not receive meeting allowance due to they cannot receive meeting allowance from more than 2 Subcommittee party or wishes to not receive meeting allowance.

Board of Directors and Subcommittees Meeting

Name	Board of Directors		Executive Subcommittee	Audit Subcommittee	Risk Management Subcommittee	CG & CSR Subcommittee	Compliance Subcommittee	Information System Development Subcommittee	Nomination, Remuneration and Performance Appraisal Subcommittee	Nomination, Remuneration and Performance Appraisal Subcommittee (Provisional)	President's Performance Appraisal Subcommittee	Review the Bank's Master Plan Subcommittee	Employee Relations Committee
	16 Meetings	17 Meetings	14 Meetings	13 Meetings	2 Meetings	9 Meetings	12 Meetings	9 Meetings	2 Meetings	5 Meetings	9 Meetings	12 Meetings	
1. Mr.Rathian Srimongkol	chairman	7 / 7											
2. Mr. Poomsak Aranyakasemsuk	chairman	9 / 9											
3. Mr.Niphon Hakimi	Director	7 / 7	8 / 8			5 / 5				1 / 1			
4. Mr. Komon Jirachaisudtikun	Director	9 / 9	6 / 6			4 / 4							
5. General Dr.Natthipong Pueksakorn	Director	7 / 7		8 / 8				4 / 4					
6. Ms.Piyawan Lamkitcha	Director	6 / 7	5 / 8			4 / 5			2 / 2	1 / 1		9 / 9	
7. Mrs. Wachiraya Permehusri	Director	9 / 9		5 / 5						4 / 4			
8. Dr.Wichien Chubthaisong	Director	14 / 16		14 / 14					2 / 2	4 / 4			12 / 12
9. Mr.Chaichan Palanon	Director	16 / 16	17 / 17			2 / 2	9 / 9	12 / 12				9 / 9	
10. Mr.Dhanasarn Suravudhikul	Director	9 / 9		9 / 9				8 / 8	4 / 4		1 / 1		
11. Mrs.Amporn Purintawaragul	Director	16 / 16		14 / 14		1 / 2	4 / 4	9 / 9				9 / 9	
12. Mr.Rabil Pompatkul	Director	16 / 16		5 / 5	12 / 12	2 / 2			2 / 2	4 / 4		9 / 9	
13. Ms.Supak Chaiyawan	Director	16 / 16	8 / 9			2 / 2		11 / 11	5 / 5			9 / 9	
14. Mr.Wuttichai Suraratchai	Director	16 / 16	17 / 17										



Remuneration for Top Executive

Remuneration Subcommittee for the President of Islamic Bank of Thailand determines the President's remuneration package and will take appropriate remuneration rate into account for determination. President's Performance Appraisal Subcommittee considers and screens the achievement-based operation plan in line with the mission and proposes a performance report in comparison with the target for considering an annual compensation increase to the Board of Directors for consideration and determination of a proper remuneration and benefit package.

Nomination, Remuneration and Appraisal Subcommittee determines remuneration package for the senior executive vice presidents and executive vice presidents and will take appropriate remuneration rate into account for determination. The senior executive vice presidents' and executive vice presidents' annual performance assessment is conducted every six months which will be linked to key performance indicators (KPI) that reflect the achievement according to the Bank's vision, mission and strategy as well as other assigned tasks. For annual salary increase, the Board of Directors authorizes the Director and President to determine the annual salary increase based on their performance that meets KPI expectations as well as the Bank's work plan and goals.

In 2021, total remuneration the Bank paid to the executives consisting of the Director and President, senior executive vice presidents and executive vice presidents was 30,891,583.76 baht, including wages and provident fund.

Report of the Nomination, Remuneration and Performance Appraisal Subcommittee

The Board of Directors has appointed the Nomination, Remuneration and Performance Appraisal Subcommittee to determine policy, criteria and methods of selection of the Bank's qualified directors, members of the subcommittees and senior management from the position of Executive Vice President upwards to ensure transparency and prudence. The Subcommittee is tasked to consider appropriate remuneration of the top executives from the position of Executive Vice President upwards in accordance with their responsibility and propose to the Board of Directors. Additionally, it is tasked to consider and evaluate the performance of the Bank's executives under the employment contract and vice presidents of the department upwards, except for the Bank's President.

At present, the Nomination, Remuneration and Performance Appraisal Subcommittee consists of 3 independent members as follows:

- | | |
|-------------------------------|--------------------------|
| 1) Mr. Rabil Pornpatkul | Chairman of Subcommittee |
| 2) Mrs. Amporn Purintawaragul | Subcommittee |
| 3) Ms. Supak Chaiyawan | Subcommittee |

In 2021, the Subcommittee convened 9 meetings to consider important issues to propose to the Board of Directors as described below.

Nomination and remuneration

- The Subcommittee reviewed the policy, criteria and methods of selection and nominated the name of qualified individuals to be the Bank's Director according to the guidelines for appointment of state enterprises directors by considering qualifications, knowledge, competency, skills and expertise (Skill Matrix) of the nominee to be in accordance with the Bank's mission and strategy and not to possess disqualification or prohibited characteristics according to the Bank of Thailand Notification.
- The Subcommittee reviewed the subcommittees' authority and duty framework, selected and nominated the name of the Bank's Director to serve a member of subcommittees.
- The Subcommittee considered draft criteria and standard approach for selecting top executives for the position of Executive Vice President as well as employment contract renewal of senior management.
- The Subcommittee considered appropriate welfare and other benefits.

Appraisal

- The Subcommittee considered the establishment of performance appraisal criteria of the executives from vice president of the department upwards, executives with a fixed-term employment contract, senior executive vice presidents and executive vice presidents.
- The Subcommittee reviewed and approved the annual performance appraisal of the Bank's executives under the employment contract and vice presidents of the department upwards, except for the Bank's President. Performance appraisal is conducted twice a year.
- The Subcommittee reviewed and screened the Bank's Human Resource Policy.
- The Subcommittee reviewed and approved the performance appraisal form for the subcommittees as a guideline for development.

The Nomination, Remuneration and Appraisal Subcommittee has performed its duties and responsibilities assigned by the Bank's Board of Directors based on good governance with full capacity, due care and independence. The Subcommittee has been committed to working with fairness and transparency in compliance with good governance and taking into account the best interests of the Bank and all stakeholders.



(Mr. Rabil Pornpatkul)

Chairman of Nomination, Remuneration and Appraisal Subcommittee



Management Policy for Related Party Transactions

The bank policy is at the end of every quarter the related party transaction of Board of Director and executive officers including persons who hold that position during the year are collected. The executive officers are President, Senior Executive Vice President, Executive Vice President, Senior Vice President, vice President and acting Vice President in all departments. The information of the related party transactions as follows;

1. Financing
2. Deposit and bonds
3. Contingent Liability (Avals or Letter of Guarantee)
4. Bad debt or allowance for doubtful debt

5. Rent / lease more than 1 year
6. Employee benefits
7. Other transactions. such as buy & sell products/services, debt settlement for Bank or bank settlement for related persons .

The information of the Board of Directors and executive officers include close persons such as their husband/wife, children and private patronage of those Person, child of the husband / wife and private patronage of those person. The information have been collected and the bank will summarize and disclose the information in notes of Financial Statement in the topic of disclosure of related party transaction.

Report of the Audit Subcommittee

In the 2021, The Islamic Bank of Thailand's Board of Directors has appointed the Audit Subcommittee as described below.

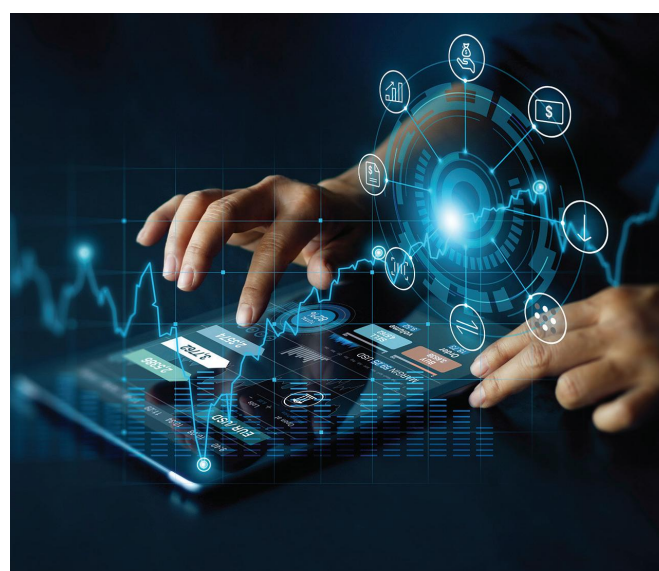
The members were appointed on July 29, 2021 to present.

Mrs. Amporn Purintawaragul	Chairman of Audit Subcommittee
Dr. Wichien Chubthaisong	Subcommittee
Mr. Rabil Pornpatkul	Subcommittee

The members were appointed on June 12, 2019 to July 28, 2021

General Dr. Natthipong Pueksakorn	Chairman of Audit Subcommittee
Mrs. Amporn Purintawaragul	Subcommittee
Dr. Wichien Chubthaisong	Subcommittee

The Head of the Internal Audit Department is the Secretary of the Audit Subcommittee. At least one person of the Islamic Bank of Thailand 's audit Subcommittee must have financial statements sufficient knowledge and expertise to perform the audit within scope of their responsibilities as specified in the Audit Subcommittee Charter assigned by Islamic Bank of Thailand 's Board of Directors. Which in accordance with the Ministry of Finance's Regulations on Audit Committee and Internal Audit Unit of State Enterprises B.E. 2555 (2012) and State Enterprise Assessment Model (SE-AM) manual. During 2021, the Audit Subcommittee held 14 meetings to consider matters such as Charter approval, regulations, Audit Subcommittee working manual and the Internal audit department working manual, Internal Audit Department 's organization chart, audit plan and budget, adjustment of the audit plan during the year to ensure the resources accordingly, changes in business conditions and environment and the coronavirus disease 2019 (COVID-19) situation. Assessment of the Internal Audit Department's performance, review of the Internal Audit Department's audit results ,external audit and external regulatory follow-up to the operational deficiency's improvement of auditee units according to the Internal audit department and external regulators 's recommendations etc. And discussed with the Bank's Management to



consider the draft of the financial report, conflicts of interest, review of risk management, internal controls, compliance with the Bank's regulations and related laws and follow up of importance issues and meeting with external auditors such as State Audit Office of the Kingdom of Thailand and the Bank of Thailand for follow up internal control systems adjust and improvement on audit reports of both external auditors. In 2021, there is an additional meeting with Risk Subcommittee, Compliance Subcommittee, Governance Subcommittee and Innovation Subcommittee for performing integrations with second line and third line by internal audit report result and audit Subcommittee report to Board of Directors on a regular. Key topic as follows.



Reviews of Financial Report.

The Audit Subcommittee had reviewed quarterly and annually financial reports by meeting with the Auditor, Accounting and Finance Executives, Bank executives and the Internal Audit Department regarding the issues that impact the financial statements report and notes of financial statements with the findings and recommendations to ensure that accounting systems and financial reports were prepared in accordance with Thai Financial Reporting Standards and the Bank of Thailand's Notification and that information disclosure was sufficient, complete and reliable.

Reviews of Risk Management and Internal Control

The Audit Subcommittee reviewed and followed up the risk management status report by joint the meeting with related Subcommittees, executives and the Bank's Risk Management Department to ensure that risk management in various aspects was appropriate and efficient under the Bank's acceptable risk.

The Subcommittee also reviewed internal control systems from the audit report of the Internal Audit Department, risk management report from the Risk Management Department and external

regulatory, internal control assessment report of the Bank, internal control self-assessment form and a review report on internal control assessment of internal auditors in accordance with the Ministry of Finance's Standards and Internal Control Practice for Government Agency B.E. 2561 to ensure that the Bank's internal control systems were consistently appropriate and adequate and find a way to prevent or reduce risks to an acceptable level, without impact the Bank's operations.

Compliance with Regulations

The Audit Subcommittee are reviewed and follow up compliance with regulations by the meeting with related subcommittees and executives regarding significant management-related issues that might impact the Bank to ensure the Bank strictly adhered to the laws, rules, regulations, orders and notices.

Supervision of Internal Audit

The Audit Subcommittee reviewed/ approved/consented to the update of the Charter and working manuals of the Audit Subcommittee and the Internal Audit Department by considering its appropriateness, scope of work, accountability, responsibilities and individual. The Subcommittee also approved, reviewed and provided feedback/ recommendations on the strategic audit plans for the long-term audit plan and annual audit plan as well as adjustment of the audit plan during the year due to the Covid-19 pandemic. Moreover, it monitored work progress to be in accordance with the approved audit plan, approved the adjustment of the audit plan from resource management and circumstances including the coronavirus disease (COVID-19) situation and consented to a special audit outside the audit plan. To ensure the quality of internal audit work, the Audit Subcommittee has conducted an evaluation of the internal audit work and encouraged internal auditors to continuously acquire further knowledge and expertise by obtaining professional certificates.

Transactions that Conflict of Interest of Ethics and Governances

The Audit Subcommittee reviewed the annual disclosure of conflicts of interest and ethics to ensure the operations did not cause conflicts of interest according to the regulations and reflected good governance under the rules and practice guide on ethics of Directors, President and Executives to prevent conflicts between personal and common interest and comply with the guidelines of the State Enterprise Policy Office (SEPO).

Self-Assessment of the Audit Subcommittee

The Audit Subcommittee reviewed and revised the Audit Subcommittee Charter and working manual in 2021. Additionally, it has provided self-assessment at least once a year to ensure the performing of the Audit Subcommittee is efficient and achieves the prescribed objectives as per the Good Practice on Maintenance of Work Quality of the Audit Subcommittee in the Manual for the Audit Committee of State Enterprises (Revision) B.E. 2555 and the Audit Subcommittee's perform is in accordance with the objectives as prescribed in the Audit Subcommittee Charter and working manual.

Report on the Audi Subcommittee's performance

The Audit Subcommittee prepared a performance report and presented to the Board of Directors on a quarterly basis, except for the performance report in the 4th quarter which was prepared as annual performance report and submitted to the Ministry of Finance within 90 days from the year-end date.

Auditor Appointment

The Audit Subcommittee proposed the appointment and offer the compensation (State Audit Office of the Kingdom of Thailand) as Bank 's auditor and presenting to Board of Directors for review and get approve from the shareholders' meeting.

The Audit Subcommittee has performed by carefully and individual and able to opinions without limitation and in an equitable and accountable manner as per the good governance principles to ensure that the Islamic Bank of Thailand can move forward in a sustainable manner.



(Mrs. Amporn Purintawaragul)
Chairman of Audit Subcommittee

Financial Report

- Report of the Board of Directors' Responsibilities for the Financial Statements
- Auditor's Report
- Financial Statements and Notes of Financial Statements



Report of the Board of Directors' Responsibilities for the Financial Statements

The Board of Directors has attached great importance and has been well aware of its duty as Directors to supervise the preparation of the bank's financial statements. The management is responsible for the preparation of the Bank's financial statements appearing in the annual report. The Financial statements for the year ended December 31, 2021 have been prepared in accordance with Thai Accounting Standards, Thai Financial Reporting Standards, including the rules on the preparation and announcement of Financial Statements of Specialized Financial Institutions and appropriate accounting policies applied on a consistent basis. Where judgment and estimates were required, these were made with careful and reasonable consideration, and adequate disclosures have been made in the notes to the financial statements. These financial statements have been audited and gave an unqualified opinion by the State Audit office of the kingdom of Thailand that shown in auditor's report and presented in the annual report.

The Board of Directors supports the Bank to have good corporate governance to enhance good governance continually and to ensure the Bank's operations are efficient, transparent, and credibility. They have established Internal Control and Risk Management System to provide accurate financial information and reasonably complete. Therefore, the Board of Directors has assigned the Audit Sub-Committee to be responsible for overseeing and reviewing the financial reporting, internal control, including internal audit which is sufficient and fairly presented in all material respects in accordance with financial reporting standards and Bank of Thailand's notifications. The Audit Sub-Committee has expressed opinions on those issues which appeared in the report of the Audit Sub-Committee which has been shown in the annual report.

The Board of Directors' opinion is that the overall internal control is sufficient and appropriate. It contributes to enhance reasonable confidence that the Bank's financial statements and the consolidated financial statements of the Bank and its subsidiary for the year ended December 31, 2020 meet generally accepted accounting standards Including rules on accounting and financial reporting for specialized financial institutions and other regulations of the Bank of Thailand.



Mr. Poomsak Aranyakasemsuk
Chairman
Islamic Bank of Thailand



AUDITOR'S REPORT AND FINANCIAL STATEMENTS

ISLAMIC BANK OF THAILAND

FOR THE YEAR ENDED DECEMBER 31, 2021

สำนักงานการตรวจเงินแผ่นดิน



(TRANSLATION)

AUDITOR'S REPORT

To the Shareholders of Islamic Bank of Thailand

Opinion

The State Audit Office of the Kingdom of Thailand has audited the accompanying consolidated financial statements of Islamic Bank of Thailand and its subsidiaries (the Group) and the Bank's financial statements of Islamic Bank of Thailand (the Bank), which comprise the consolidated and the Bank's statements of financial position as at December 31, 2021, the consolidated and the Bank's statements of profit or loss and other comprehensive income, the consolidated and the Bank's statements of changes in equity and the consolidated and the Bank's statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In the State Audit Office of the Kingdom of Thailand's opinion, the accompanying consolidated and the Bank's financial statements present fairly, in all material respects, the consolidated financial position of Islamic Bank of Thailand and its subsidiaries, and the Bank's financial position of Islamic Bank of Thailand, as at December 31, 2021, and its consolidated and the Bank's financial performance and its consolidated and the Bank's cash flows for the year then ended in accordance with the regulation related to the Preparation of Accounts and Financial Reports for Specialized Financial Institutions and other regulations of the Bank of Thailand as disclosed in Note No. 2 Basis for preparation of the financial statements.

Basis for Opinion

The State Audit Office of the Kingdom of Thailand conducted the audit in accordance with the State Audit Standards and Thai Standards on Auditing (TSAs). The State Audit Office of the Kingdom of Thailand's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and the Bank's Financial Statements section of the State Audit Office of the Kingdom of Thailand's report. The State Audit Office of the Kingdom of Thailand is independent of the Group and the Bank in accordance with the ethical requirements set out in the State Audit Standards issued by the State Audit Commission and the Federation of Accounting Professions' Code of Ethics



for Professional Accountants that are relevant to the audit of the consolidated and the Bank's financial statements, and the State Audit Office of the Kingdom of Thailand has fulfilled other ethical responsibilities in accordance with these requirements. The State Audit Office of the Kingdom of Thailand believes that the audit evidence the State Audit Office of the Kingdom of Thailand has obtained is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's opinion.

Emphasis of Matter

The State Audit Office of the Kingdom of Thailand draws attention to Notes to the financial statements as follows:

1. Note No. 2.1 Basic for Preparation of the Financial Statements in accordance with the Notification of the Bank of Thailand No. Sor Gor Sor2. 7/2564 dated April 9, 2021 regarding the Preparation of Accounting and Financial Report for Specialized Financial Institutions which become effective for the period beginning on or after January 1, 2020.

2. Note No. 7 Going concern, which described the operating of the strategic plan and business plan for 2021 - 2025 to expedite operations to improve operational efficiency and develop products and services. Regarding to the new wave situation of the coronavirus infection (COVID-19) that impact to the overall economy and the Bank's key operations, therefore, the Bank has revised the estimates in 2021 and has prepared the sustainable restoration and business plan in 2021.

However, the State Audit Office of the Kingdom of Thailand's opinion is not qualified in respect of these matters.

Other Information

Management is responsible for the other information. The other information comprises information included in the annual report, but does not include the consolidated and the Bank's financial statements and auditor's report thereon.

The State Audit Office of the Kingdom of Thailand's opinion on the consolidated and the Bank's financial statements does not cover the other information and the State Audit Office of the Kingdom of Thailand will not express any form of assurance conclusion thereon.

In connection with the audit of the consolidated and the Bank's financial statements, the State Audit Office of the Kingdom of Thailand's responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and the Bank's financial statements or the State Audit Office of the Kingdom of Thailand's knowledge obtained in the audit, or otherwise appears to be materially misstated.

When the State Audit Office of the Kingdom of Thailand reads the annual report if the State Audit Office of the Kingdom of Thailand concludes that there is a material misstatement therein, the State Audit Office of the Kingdom of Thailand is required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated and the Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and the Bank's financial statements in accordance with the regulation the preparation of accounts and financial reports for Specialized Financial Institutions of Thailand, and for such internal control as management determines is necessary to enable the preparation of consolidated and the Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the Bank's financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and the Bank's Financial Statements

The State Audit Office of the Kingdom of Thailand's objectives are to obtain reasonable assurance about whether the consolidated and the Bank's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes the State Audit Office of the Kingdom of Thailand's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit Standards and Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and the Bank's financial statements.

As part of an audit in accordance with the State Audit Standards and Thai Standards on Auditing, the State Audit Office of the Kingdom of Thailand exercises professional judgment and maintain professional skepticism throughout the audit. The State Audit Office of the Kingdom of Thailand also:

- Identifies and assesses the risks of material misstatement of the consolidated and the Bank's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the State



Audit Office of the Kingdom of Thailand's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If the State Audit Office of the Kingdom of Thailand concludes that a material uncertainty exists, the State Audit Office of the Kingdom of Thailand is required to draw attention in the auditor's report of the State Audit Office of the Kingdom of Thailand to the related disclosures in the consolidated and the Bank's financial statements or, if such disclosures are inadequate, the State Audit Office of the Kingdom of Thailand's opinion will be modified. The State Audit Office of the Kingdom of Thailand's conclusions are based on the audit evidence obtained up to the date of the auditor's report of the State Audit Office of the Kingdom of Thailand. However, future events or conditions may cause the Group or the Bank to cease to continue as a going concern.

- Evaluates the overall presentation, structure and content of the consolidated and the Bank's financial statements, including the disclosures, and whether the consolidated and the Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the bank or business activities within the Group to express an opinion on the consolidated financial statements. The State Audit Office of the Kingdom of Thailand is responsible for the direction, supervision and performance of the Group audit. The State Audit Office of the Kingdom of Thailand remains solely responsible for the State Audit Office of the Kingdom of Thailand's audit opinion.



The State Audit Office of the Kingdom of Thailand communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the State Audit Office of the Kingdom of Thailand identifies during the State Audit Office of the Kingdom of Thailand's audit.

(Signed)

Pattra Showsri

(Pattra Showsri)

Deputy Auditor General

(Signed)

Wilaiwan Phromyu

(Wilaiwan Phromyu)

Auditor, Senior Professional Level

Acting Director of Financial and Procurement Audit Office No. 5

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

*Unit : Thousand Baht

		Consolidated Financial Statements		The Bank's Financial Statements	
	Notes	2021	2020	2021	2020
Assets					
Cash		1,336,918	1,352,523	1,336,569	1,352,359
Interbank and money market items, net	8.2	5,419,410	5,618,665	5,260,238	5,521,267
Derivatives assets	8.3	65	5	65	5
Investments, net	8.4	4,086,431	4,826,958	4,086,431	4,826,958
Investments in subsidiaries, net	8.5	-	-	560,347	560,347
Financing to customers and financial accrued income, net	8.6				
Financing to customers		60,146,149	59,577,455	56,600,935	56,431,052
Financial accrued income		332,602	395,735	204,400	230,271
Total financing to customers and financial accrued income		60,478,751	59,973,190	56,805,335	56,661,323
Less Deferred revenue		1,725,097	1,697,805	3,733	4,667
Less Allowance for doubtful accounts	8.7	9,185,005	9,847,728	9,029,797	9,640,874
Less Revaluation allowance for debt restructuring	8.8	628,019	-	628,019	-
Total financing to customers and financial accrued income, net		48,940,630	48,427,657	47,143,786	47,015,782
Financing to customers from Public Service Account					
and financial accrued income, net					
Financing to customers from Public Service Account					
Portion that is not subject to government compensation for damages		345,071	390,637	345,071	390,637
Financial accrued income from Public Service Account					
Portion that is not subject to government compensation for damages		546	964	546	964
Total financing to customers from Public Service Account					
and financial accrued income		345,617	391,601	345,617	391,601
Less Deferred revenue from Public Service Account		402	442	402	442
Less Allowance for doubtful accounts from					
Public Service Account	8.38.3	89,337	108,707	89,337	108,707
Total financing to customers from Public Service Account					
and financial accrued income, net	8.38.1	255,878	282,452	255,878	282,452
Receivables waiting for government compensation		2,725	1,605	2,725	1,605
Properties for sale, net	8.10	1,824,861	309,909	1,733,719	240,521
Premises and equipment, net	8.11	282,311	307,473	256,245	280,617
Right-of-use assets, net	8.12	199,580	280,769	177,407	257,422
Goodwill and other intangible assets, net	8.13	218,461	162,361	214,323	157,457
Deferred tax assets	8.14	36,665	51,161	-	-
Receivables from transferring non-performing assets	8.15				
Promissory note		11,381,070	15,381,070	11,381,070	15,381,070
Accrued compensations from promissory notes		8,216	15,205	8,216	15,205
Total receivables from transferring non-performing assets		11,389,286	15,396,275	11,389,286	15,396,275
Other assets, net	8.16	461,005	528,680	439,912	467,647
Total Assets		74,454,226	77,546,493	72,856,931	76,360,714

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

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2021

*Unit : Thousand Baht

		Consolidated Financial Statements		The Bank's Financial Statements	
	Notes	2021	2020	2021	2020
Liabilities and Equity					
Deposits	8.17	70,950,219	75,124,252	70,992,597	75,168,516
Interbank and money market items, net	8.18	4,074,805	3,266,167	3,752,805	3,166,167
Liability payable on demand		75,463	54,585	75,463	54,585
Derivatives liabilities	8.3	2	1	2	1
Lease liabilities, net	8.19	262,140	326,411	239,441	302,755
Provisions	8.20	602,090	528,615	574,075	506,296
Accrued expenses		191,111	147,701	167,335	122,063
Accrued compensation on deposits		148,302	243,679	148,302	243,679
Trade account payables		73,123	68,789	44,015	48,998
Income from government grant received in advance		96,610	98,878	96,610	98,878
Other liabilities	8.21	190,026	191,442	139,142	140,416
Total liabilities		76,663,891	80,050,520	76,229,787	79,852,354
Equity					
Share capital	8.22				
Authorized share capital					
1,820,276,825,862 ordinary shares, Baht 0.01 par value		18,202,768	18,202,768	18,202,768	18,202,768
Issued and paid-up share capital					
1,820,276,825,862 ordinary shares, Baht 0.01 par value		18,202,768	18,202,768	18,202,768	18,202,768
Equity from share-based payment		4	269	-	-
Other components of equity		696	2,129	696	2,129
Retained earnings (loss)					
Appropriated					
Legal reserve	8.24	121,700	109,678	121,700	109,678
Unappropriated		(21,453,100)	(21,638,280)	(21,698,020)	(21,806,215)
Total Bank's equity		(3,127,932)	(3,323,436)	(3,372,856)	(3,491,640)
Non-controlling interest		918,267	819,409	-	-
Total equity		(2,209,665)	(2,504,027)	(3,372,856)	(3,491,640)
Total liabilities and equity		74,454,226	77,546,493	72,856,931	76,360,714

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



(Mr. Wuttichai Suraratchai)

President



(Miss Sunsanee Methisariyapong)

Executive Vice President Finance Group

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	Consolidated Financial Statements		The Bank's Financial Statements	
		2021	2020	2021	2020
Financial income	8.30	2,740,194	2,722,250	2,168,695	2,175,100
Financial expenses	8.31	702,581	1,037,976	695,426	1,036,592
Financial income, net		2,037,613	1,684,274	1,473,269	1,138,508
Fees and service income		243,117	219,443	199,540	176,496
Fees and service expenses		28,508	33,399	28,508	33,399
Fees and service income, net	8.32	214,609	186,044	171,032	143,097
Gains on tradings and foreign exchange transactions, net	8.33	2,671	3,324	2,671	3,324
Gains (losses) on investment, net	8.34	2,753	(172,594)	2,753	(172,594)
Compensations from promissory notes (AMC)		129,994	248,376	129,994	248,376
Bad debt recoveries		72,570	60,198	23,766	19,485
Other operating income	8.35	74,429	78,553	79,233	70,221
Income from Public Service Account	8.38.4	32,114	35,735	32,114	35,735
Total operating income		2,566,753	2,123,910	1,914,832	1,486,152
Other operating expenses					
Employees' expenses		1,137,387	1,051,431	983,989	905,580
Directors' remuneration		25,514	22,410	12,851	10,240
Premises and equipment expenses		295,513	357,050	265,251	325,425
Depreciation of right-of-use asset		135,110	127,865	124,000	116,702
Taxes and duties		79,217	85,766	79,200	85,728
Other expenses	8.36	250,401	221,611	177,141	143,919
Total other operating expenses		1,923,142	1,866,133	1,642,432	1,587,594
Expenses from Public Service Account	8.38.5	42,124	64,713	42,124	64,713
Bad debt and doubtful accounts	8.37	193,254	2,699,391	110,059	2,600,557
Profit (loss) from operating before income tax expenses		408,233	(2,506,327)	120,217	(2,766,712)
Income tax expenses		45,863	25,242	-	-
Net profit (loss)		362,370	(2,531,569)	120,217	(2,766,712)
Other comprehensive income (loss)					
Items that will be reclassified subsequently to profit or loss					
Gains (losses) on remeasuring available-for-sale investment		(1,433)	152,709	(1,433)	152,709
Items that will not be reclassified subsequently to profit or loss					
Actuarial losses on defined employee benefit plans		(2,502)	(1,317)	-	-
Total other comprehensive income (loss), net		(3,935)	151,392	(1,433)	152,709
Total comprehensive income (loss)		358,435	(2,380,177)	118,784	(2,614,003)

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

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht					
	Consolidated Financial Statements		The Bank's Financial Statements		
	Note	2021	2020	2021	2020
Net profit (loss) attributable					
Owners of the Bank		203,640	(2,681,291)	120,217	(2,766,712)
Non-controlling interest		158,730	149,722	-	-
		<u>362,370</u>	<u>(2,531,569)</u>	<u>120,217</u>	<u>(2,766,712)</u>
Total comprehensive income (loss) attributable					
Owners of the Bank		200,999	(2,529,221)	118,784	(2,614,003)
Non-controlling interest		157,436	149,044	-	-
		<u>358,435</u>	<u>(2,380,177)</u>	<u>118,784</u>	<u>(2,614,003)</u>
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	8.25	0.00011	(0.00147)	0.00007	(0.00152)

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



(Mr. Wuttichai Suraratchai)

President



(Miss Sumsanee Methisariyapong)

Executive Vice President Finance Group

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Consolidated Financial Statements						
	Issued and paid-up share capital	Premium (discount) on ordinary shares	Equity from share-based payment	Other components of equity		Retained earnings (loss)	Total
				Surplus (deficit) on revaluation of investments	Appropriated Legal reserve		
Balance as at January 1, 2020	18,202,768	-	316	(150,580)	109,678	(18,950,633)	(68,631)
Subsidiaries common share insurance from warrants	-	-	-	-	-	1,682	3,471
Legal reserve	-	-	-	-	-	(7,492)	-
Dividends paid	-	-	-	-	-	-	(58,783)
Share-based payments	-	-	(47)	-	-	92	48
Actuarial losses on defined employee benefit plans	-	-	-	-	-	(638)	(679)
Total comprehensive income (loss)	-	-	-	152,709	-	(2,681,291)	149,722
Balance as at December 31, 2020	18,202,768	-	269	2,129	109,678	(21,638,280)	(2,504,027)
Balance as at January 1, 2021	18,202,768	-	269	2,129	109,678	(21,638,280)	(2,504,027)
Subsidiaries common share insurance from warrants	-	-	-	-	-	2,582	5,349
Legal reserve	-	-	-	-	12,022	(19,966)	-
Dividends paid	-	-	-	-	-	-	(69,146)
Share-based payments	-	-	(265)	-	-	132	(143)
Actuarial losses on defined employee benefit plans	-	-	-	-	-	(1,208)	(1,294)
Total comprehensive income (loss)	-	-	-	(1,433)	-	203,640	360,937
Balance as at December 31, 2021	18,202,768	-	4	696	121,700	(21,453,100)	(2,209,665)

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

Sunnee Methisariyapong

(Miss Sunnee Methisariyapong)
Executive Vice President Finance Group

Wutichai Suratchai

(Mr. Wutichai Suratchai)
President

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

The Bank's Financial Statements

	Issued and paid-up share capital	Premium (discount) on ordinary shares	Other components		Retained earnings (loss)		Total
			Surplus (deficit) on revaluation of investments	of equity	Appropriated	Unappropriated	
Balance as at January 1, 2020	18,202,768	-	(150,580)		109,678	(19,039,503)	(877,637)
Total comprehensive income (loss)	-	-	152,709		-	(2,766,712)	(2,614,003)
Balance as at December 31, 2020	18,202,768	-	2,129		109,678	(21,806,215)	(3,491,640)
Balance as at January 1, 2021	18,202,768	-	2,129		109,678	(21,806,215)	(3,491,640)
Legal reserve	-	-	-		12,022	(12,022)	-
Total comprehensive income (loss)	-	-	(1,433)		-	120,217	118,784
Balance as at December 31, 2021	18,202,768	-	696		121,700	(21,698,020)	(3,372,856)

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

W. Thak S. Loh

(Mr. Wuttichai Suratchai)

President

Sunsanee Methisariyapong

(Miss Sunsanee Methisariyapong)

Executive Vice President Finance Group

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Consolidated Financial Statements		Unit : Thousand Baht The Bank's Financial Statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) from operating before income tax expenses	408,233	(2,506,327)	120,217	(2,766,712)
Adjustments to reconcile profit (loss) from operating before income tax expenses to cash received (paid) from operating activities				
Depreciation and amortization	194,509	210,027	177,127	188,933
Bad debt and doubtful accounts	193,254	2,699,391	110,059	2,600,557
Provisions	75,080	44,493	72,277	41,970
(Gains) losses on disposal of premises and equipment	(63)	397	(42)	(21)
Share-based payment	(276)	93	-	-
Losses on impairment of properties for sale (reversal)	2,037	(1,226)	4,075	(1,142)
Expense on lease liabilities	4,737	5,795	3,815	4,854
(Gains) losses from investments, net	(2,753)	172,594	(2,753)	172,594
Losses on impairment of other assets	1,289	2,104	1,289	2,104
Losses on discontinued assets	912	129	910	129
Gains on discontinued right-of-use assets under leases	(1,400)	(228)	(1,400)	(228)
Losses on disposal of properties for sale	-	806	-	-
Losses on tradings and foreign currency transactions	2,502	985	2,502	985
Advance income from Public Service Account	(2,268)	(2,550)	(2,268)	(2,550)
Promissory note income	(129,994)	(248,376)	(129,994)	(248,376)
Increase (decrease) in accrued expenses	44,517	(41,180)	46,378	(47,150)
Financial income, net	(2,046,703)	(1,692,833)	(1,482,359)	(1,147,066)
Dividend income	-	-	(65,010)	(55,564)
Cash received from financial income	2,817,747	2,512,601	2,203,662	2,042,470
Cash paid for financial expenses	(798,804)	(1,086,420)	(791,496)	(1,085,536)
Cash received from promissory note of non-performing asset transferation	136,983	543,760	136,983	543,760
Income tax paid	(30,978)	(20,764)	-	-
Operating profit before changes in operating assets and liabilities	868,561	593,271	403,972	244,011
(Increase) decrease in operating assets				
Interbank and money market items, net	240,918	1,676,669	258,427	1,625,570
Financing to customers	(2,521,208)	(3,223,991)	(1,755,126)	(2,686,277)
Receivables waiting for government compensation	(1,120)	(1,605)	(1,120)	(1,605)
Properties for sale, net	279,316	229,113	20,114	(6,293)
Other assets, net	44,340	2,295	26,380	10,128

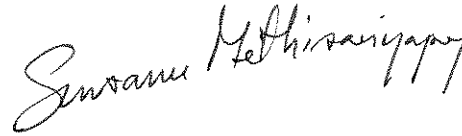
Notes to the financial statements are an integral part of these financial statements.

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Unit : Thousand Baht			
	Consolidated Financial Statements		The Bank's Financial Statements	
	2021	2020	2021	2020
Increase (decrease) in operating liabilities				
Deposits	(4,218,296)	(4,183,242)	(4,175,919)	(4,138,978)
Interbank and money market items, net	808,638	1,741,291	586,638	1,644,228
Liabilities payable on demand	20,878	12,618	20,878	12,618
Provision of employee benefit	(4,733)	(12,873)	(4,498)	(12,375)
Trade account payables	7,184	(5,615)	(2,133)	7,446
Other liabilities	(3,963)	(37,170)	(2,602)	(40,380)
Net cash used in operating activities	(4,479,485)	(3,209,239)	(4,624,989)	(3,341,907)
Cash flows from investing activities				
Purchases of investments	(8,116,924)	(13,283,870)	(8,116,924)	(13,283,870)
Proceeds from disposal of investments	8,858,771	13,239,696	8,858,771	13,239,696
Cash received on dividend income from a subsidiary	-	-	65,010	55,564
Purchases of premises and equipment	(24,982)	(25,422)	(20,736)	(13,358)
Proceeds from disposal of premises and equipment	65	2,429	42	36
Purchases of intangible assets	(65,552)	(128,684)	(65,079)	(128,354)
Proceeds from promissory note (AMC)	4,000,000	3,500,000	4,000,000	3,500,000
Net cash received from investing activities	4,651,378	3,304,149	4,721,084	3,369,714
Cash flows from financing activities				
Proceeds from exercise of warrants	5,349	3,471	-	-
Cash paid for lease liabilities	(123,701)	(117,009)	(111,885)	(105,215)
Dividend paid	(69,146)	(58,783)	-	-
Net cash used in financing activities	(187,498)	(172,321)	(111,885)	(105,215)
Net decrease in cash and cash equivalents	(15,605)	(77,411)	(15,790)	(77,408)
Cash and cash equivalents as at beginning	1,352,523	1,429,934	1,352,359	1,429,767
Cash and cash equivalents as at ending	1,336,918	1,352,523	1,336,569	1,352,359

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


 (Mr. Wuttichai Suraratchai)
 President


 (Miss Sunsanee Methisariyapong)
 Executive Vice President Finance Group

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2021**

Note	Subjects
1.	General information
2.	Basis for presentation of the financial statements
3.	Significant accounting policies
4.	Risk management
5.	Capital fund
6.	Estimates and judgements
7.	Going concerns
8.	Supplementary information
8.1	Supplementary disclosures of cash flow information
8.2	Interbank and money market items, net (assets)
8.3	Derivatives assets and liabilities
8.4	Investments, net
8.5	Investments in subsidiaries, net
8.6	Financing to customers and financial accrued income, net
8.7	Allowance for doubtful accounts
8.8	Revaluation allowance for debt restructuring
8.9	Troubled debt restructuring
8.10	Properties for sale, net
8.11	Premises and equipment, net
8.12	Right-of-use assets, net
8.13	Goodwill and other intangible assets, net
8.14	Deferred tax assets and liabilities
8.15	Receivables from transferring non-performing assets
8.16	Other assets, net
8.17	Deposits
8.18	Interbank and money market items, net (liabilities)
8.19	Lease liabilities, net
8.20	Provisions

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note	Subjects
	8.21 Other liabilities
	8.22 Share capital
	8.23 Warrants/ Capital reserve for share-based payment transaction
	8.24 The appropriation of net income for the year
	8.25 Basic earnings (loss) per share
	8.26 Contingent liabilities and other obligations
	8.27 Disclosure of related party transactions
	8.28 Other benefits paid to directors and persons with managing authority
	8.29 Financial information by segments
	8.30 Financial income
	8.31 Financial expenses
	8.32 Fees and service income, net
	8.33 Gains on trading and foreign exchange transactions, net
	8.34 Gains (losses) on investment, net
	8.35 Other operating income
	8.36 Other expenses
	8.37 Bad debt and doubtful accounts
	8.38 Public Service Account
9.	Approval of the financial statements

ISLAMIC BANK OF THAILAND AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2021****1. General information****1.1 Bank's general information**

Islamic Bank of Thailand (the "Bank") is incorporated in Thailand under the Islamic Bank of Thailand Act B.E. 2545. The principal businesses of the Bank are financial services based on Shariah principles.

The Bank has registered office at 66, M, 12th, 14th, and 18th and 20th - 23rd Floor, Q House Asoke Building, Sukhumvit 21 Road, North Klongtoey, Wattana, Bangkok and has branches all over Thailand.

1.2 The spread of the Coronavirus disease 2019 pandemic

The spread of the Coronavirus disease (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and impacted various businesses and industries, directly or indirectly. This situation may bring uncertainties and has an impact on the Bank's and its subsidiaries business operation with may impacting the Bank's and its subsidiaries operating results and cash flows, at present and in the future. These effects cannot be reasonably estimated at this time.

2. Basis of Presentation of the Financial Statements**2.1 Basis of Preparation of the Financial Statements**

The financial statements are prepared in accordance with the Notification of Bank of Thailand (BOT) No. Sor Gor Sor. 27/2562 dated September 2, 2019 regarding the Preparation and Announcement of Financial Statements of Specialized Financial Institutions (SFIs). This is to enable all SFIS to use the same standardized financial statements format and to be comparable, that enhance the usefulness of the supervision and the use of information of users of the financial statements and to comply with the Notification of BOT No. Sor Gor Sor2. 7/2564 dated April 9, 2021 regarding the Preparation of Accounting and Financial Reports for Specialized Financial Institutions, in order to set the requirement for SFIs to account for recording and preparing financial reports for transactions or items related to financial instrument during the SFIs are extended the adoption of Thai Financial Reporting Standards related to the financial instruments issued by the Federation of Accounting Professions which become effective for the periods beginning on or after January 1, 2020.

2.1 Basis of Preparation of the Financial Statements (Continued)

The Bank has prepared accounting and financial report in accordance with the guidelines of the Bank of Thailand since January 1, 2020 with the significantly affected as follows:

“(1) Transactions or items that are not related to financial instruments transactions are complied with the Conceptual Framework for Financial Reporting, Thai Accounting Standards and Thai Financial Reporting Standards issued by the Federation of Accounting Professions, including the preparation of other relevant accounting and reporting in accordance with the Bank of Thailand.

(2) Transactions or items that are related to financial instruments, transactions and other transactions referred to Thai Financial Reporting Standards issued by the Federation of Accounting Professions with reference to TFRS9 shall comply with this accounting regulation in appendix of the announcement and other additional regulation announced by the Bank of Thailand.”

Titles of the regulation for preparing accounts and financial reports for SFIs (the “Regulation”) prescribed by the Bank of Thailand use for financial instruments are as follows:

1. Regulations on doubtful debts and bad debts as specified by the BOT
2. Regulations for troubled debt restructuring as specified by the BOT
3. Regulations on accounting for investments in debt and equity securities as specified by the BOT
4. Regulations for writing off financial assets and financial liabilities as specified by the BOT
5. Regulations for recording stock dividend accounts as specified by the BOT
6. Regulations on assets transferred to the debtor for the payment of debts as specified by the BOT
7. Regulations on disclosure of information in the Bank’s financial statements and similar financial institutions specified by the BOT
8. Regulations on presentation and disclosure for financial instruments as specified by the BOT
9. Regulations on the treasury shares of the business as specified by the BOT

The aforementioned regulations will be replaced Thai Financial Reporting Standards related to financial instruments during the Bank is in the process of preparing to apply Thai Financial Reporting Standards related to financial instruments. The Bank will be able to use such regulations until January 1, 2025.

2.1 Basis of Preparation of the Financial Statements (Continued)

Thai Financial Reporting Standards related to financial instruments which the Bank extended the adoption are as follows:

- | | |
|-----------------------------|--|
| 1. TAS 32 | Financial Instruments: Presentation |
| 2. TFRS 7 | Financial Instruments: Disclosures |
| 3. TFRS 9 | Financial Instruments |
| 4. TFRIC 16 | Hedges of a Net Investment in a Foreign Operation |
| 5. TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |
| 6. Thai Accounting Guidance | Financial Instruments and Disclosures for Insurance Business |

The Bank has no transactions related to the mentioned financial reporting standards no. 4.- 6.

The Financial statements are prepared in Thai language in order to report in Thailand. The Bank's Financial Statements in English have been prepared for the convenience of readers who do not familiar with the Thai language. In case of a conflict or a different in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies. The financial statements are presented in thousand Baht, and notes to financial statements are presented in million Baht, unless otherwise stated.

The financial statements included the accounts of the head office and all branches of the Bank which all material intercompany transactions and balances have been eliminated.

In the Bank's financial statements, investments in subsidiaries are accounted for the cost method.

The Bank has also separated Public Service Account (PSA) as according to the Notification of BOT No. Sor Gor Sor. 28/2562 regarding Regulatory for Public Service Account dated September 2, 2019 and used allocation method to other operating expenses and fees and service income for recording government policy transactions as approved by the Fiscal Policy Office in accordance with the official letter No. Gor Kor 1006/Wor 2990 dated August 2, 2016.

2.2 Basis of Preparation of the Consolidate Financial Statements

The consolidated financial statements included the accounts of head office, all branches and subsidiaries (Enterprise Group) where the Bank has the controls both directly and indirectly in determine the financial and operating policies in order to obtain the benefits from subsidiaries' activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements included the accounts of the Bank and subsidiaries which the significant business transactions and outstanding balances between the Bank and subsidiaries are eliminated on consolidation.

The consolidated financial statements for the year ended December 31, 2021 also including Amanah Leasing Public Company Limited, which is 48.27 percent owned subsidiary of the Bank where the Bank has the controls that give it the ability to direct relevant activities (See Note 8.5).

In this regards, the Bank's subsidiaries have complied with Thai Financial Reporting Standards for transactions or items that are related to financial instruments in according to the Notification of BOT No. Sor Gor Sor2. 7/2564 dated April 9, 2021 to prepare the consolidated financial statement.

2.3 New and revised Thai Financial Reporting Standards

The Bank has adopted the new and revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations, issued by the Federation of Accounting Professions and applied for the financial statements of the periods beginning on or after January 1, 2021 for the transactions or items that are not related to financial instruments.

Thai Financial Reporting Standards announced in the Government Gazette but not yet effective.

Thai Financial Reporting Standards No.1 "First-time Adoption of Thai Financial Reporting Standards", is an addition and improvement of the term regarding the first-time adoption of the Thai Financial Reporting Standards in accordance with Thai Financial Reporting Standards No.9 "Financial Instruments" (TFRS9), which be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.

Thai Financial Reporting Standards No. 16 "Leases" (TFRS 16) as a result of the updated interest rate benchmark reform Phase2, which was announced in the Government Gazette. The amendment will be implemented for the financial statement periods beginning on or after January 1, 2022 with earlier application permitted.

Accounting Guidance on "Guidelines regarding the provision of financial assistance to the debtors who are impacted by the COVID-19", which the objective is to grant the temporary relief measures for entities helping their debtors who are impacted by the COVID-19 with the supporting period during January 1, 2022 to December 31, 2023 or until any changes announced from the Bank of Thailand.

2.3 New and revised Thai Financial Reporting Standards (Continued)

The management of the Bank is in the process to assess the impact of these TFRSs on the financial statements in the period of initial application.

The Bank engaged the consulting firm to evaluate the impact at the beginning period of the adoption of Thai Accounting Standards and Thai Financial Reporting Standards related to financial instruments that were approved by the Minister of Finance to take effect from January 1, 2025. The consulting firm has already completed the work. Currently, the Bank is in the process of improving its system for adopting the Thai Accounting Standards and Thai Financial Reporting Standards by engaging the consulting firm to oversee the development process.

3. Significant accounting policies

3.1 Recognition of income

Income from financing to customer

Income from financing to customer is recognized in form of profits or other income on an accrual basis for income from financing which was accrued over three months from due date. The Bank reverses all accrued income from the statement of profit or loss and other comprehensive income and recognizes income on a cash basis. After the income in arrears is fully received, the Bank normally recognizes the income on an accrual basis. Except income from financing under debt restructuring, the Bank would recognize on cash basis as the term of contract. The recognition of income from such financing to customer in accordance with the notifications of BOT.

The Bank recognizes income from loans for project loans and restructured loans undertaken on an accrual basis over the moratorium. According to the BOT's Circular No. BOT. For Gor Chor.(72)Wor. 406/2563 dated April 7, 2020, regarding guidelines for Specialized Financial Institutions to implement measures to assist debtors who are affected by the coronavirus outbreak or COVID-19. The Bank has set aside an allowance for doubtful accounts to cover the losses for the accrued income which fully recognized of high-risk debtors and partially recognized of normal-risk debtors (See Note 8.6.1)

Income from hire-purchase and finance lease contracts

Income from hire-purchase and finance lease contracts are recognized in form of profits on an accrual basis according to the effective rate method through the term of hire-purchase and finance lease contracts except the income from hire-purchase and finance lease contracts which was accrued over three months from due date. The Bank reverses the accrued income from statement of profit or loss and other comprehensive income and

3.1 Recognition of income (Continued)

Income from hire-purchase and finance lease contracts (Continued)

recognizes income on a cash basis. After the income in arrears is fully received, the Bank recognizes the income on an accrual basis normally. Except, income from hire-purchase and finance lease contracts under debt restructuring, the Bank would recognize on cash basis as the term of contract. The recognition of income from hire-purchase and finance lease contracts is in accordance with the notifications of BOT.

Income from government grant and other operations

Income from government grant and other operations are recognized on an accrual basis.

3.2 Recognition of expenses

Financial expenses

Compensations paid to depositor is recognized on an accrual basis. Returns on Wadiah account are based on the resolution of Deposits compensation Sub-Committee.

Other operating expenses

Other operating expenses are recognized on an accrual basis.

Expenses under operating leases

Expenses under operating leases are recognized through profit or loss in the statements of profit or loss and other comprehensive income on a straight-line basis over the lease term.

3.3 Recognition of income and expenses from Public Service Account : PSA

Public Service Account : PSA, the Bank separated Public Service Account (PSA) regarding the allocation expenses guideline according to the approval of Fiscal Policy Office in accordance with the official letter of Ministry of Finance No. Gor Kor. 1006/Wor. 2990 dated August 2, 2016 towards "The Agreed Regarding the Method of Allocation Public Service Account Expenses of the Islamic Bank of Thailand's Policies".

Expenses

Financial cost is calculated from the weighted average cost throughout the period multiplied by the weighted average financing from PSA of the period.

Other operating expenses and other expenses including fees and service expenses, except loss from provisions, are calculated from other operating expenses and other expenses multiplied by (the weighted average number of accounts PSA financing of the period divided by the weighted average number of accounts total financing of the period).

Income

Fees and service income are calculated by applying the method consistent with the method used in other operating expenses.

3.4 Cash and cash equivalents

Cash and cash equivalents are cash in hand and cash on collection.

3.5 Derivatives

The Bank enters into derivative contract to hedge risk exposures arising from exchange rates volatility (Banking book) without speculation policy. Forward exchange rate contracts for the purpose of hedging financial risk, the Bank initially recognizes gains (losses) on foreign exchange transaction that is the difference between contract rates and spot rates on trade date.

Recognition methods of financial derivatives are as follows:

1. Financial derivatives for trading are initially recognized at fair value. Transaction costs are recognized through profit or loss from operating in statement of profit or loss and other comprehensive income and are subsequently measured at fair value, which profit or loss from subsequent measurement from remeasured at fair value is recognized through profit or loss from operating in the statement of profit or loss and other comprehensive income immediately.

2. Hedging derivatives on the hedged items are measured in the same manner of the hedged items.

3.6 Investments

Investments are classified as follows:

3.6.1 Trading investments

Trading investments consist of marketable equity securities and debt securities that are acquired with the intent to hold for trading, carried at fair value determined by bid price. Profit or loss on changes in fair value recognized through profit or loss in the statements of profit or loss and other comprehensive income.

3.6.2 Available-for-sale investments

Available-for-sale investments consist of marketable debt securities and equity securities other than trading investments are classified as available-for-sale investments and carried at fair value. Profit or loss on changes in fair value recognized through other comprehensive income in the statement of profit or loss and other comprehensive income and transferred to other components of equity in the statement of changes in equity. On disposal of the investments, the difference between book value and selling price is recognized through profit or loss from operating in the statements of profit or loss and other comprehensive income. The impairment losses on investments are recognized through profit or loss from operating in the statements of profit or loss and other comprehensive income.

3.6.3 General investments

General investments include non-marketable equity securities and carried at cost, net of impairment loss. Investments in unit trusts are stated at net asset value.

3.6.4 Investment in receivables

Investments in receivables are classified as held-to-maturity securities, which are recognized at contract price. The differences between contract price and non-discounted estimated cash flows expected to be collected from receivables are counted as the non-performing differences and difference between non-discount estimated cash flows expected to be collected from receivables and the fair value of asset used for exchange are counted as performing differences.

The profit from receivable's payment is recognized on the effective profit method and performing differences are amortized into the profit or loss from operating in the statements of profit or loss and other comprehensive income. In addition, the Bank will assess the impairment when estimated future cash flows decrease from expected cash flows from contract or expected cash flows to be collected, which is recognized through profit or loss from operating in the statements of profit or loss and other comprehensive income. When such cash flows subsequently increase, the impairment recognized in previous period will be reversed.

3.6.5 Investment in subsidiaries

Subsidiary is the entity that the Bank has the controlling power in financial operating policies, and in generally the Bank will hold more than half the voting right. In assessing whether the Bank controls another company or not, the Bank considers the existence and effect of potential voting rights, that are currently exercisable or convertible debt instruments, including potential voting rights held by another entity. The subsidiaries' financial statements are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Business combination is accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given or equity instruments issued and liabilities which the Bank has obligation since the date of acquired its subsidiaries the identifiable assets and liabilities acquired from acquisition date are initially measured at fair value regardless of the non-controlling interest.

The excess of the cost of acquisition over the fair value of the subsidiaries' share of the net assets acquired is recognized as goodwill and tested for the impairment at each the end of reporting period.

The excess of the fair value of the subsidiaries' share of the net assets acquired over the cost of acquisition is recognized immediately through profit or loss from operating in the statements of profit or loss and other comprehensive income.

3.6.5 Investment in subsidiaries (Continued)

The balances, transactions and unrealized gains or losses arising from intra-entity transaction are eliminated except for realized loss which the Bank considers that there is indication of impairment. The Bank will change accounting policies of its subsidiaries if it is necessary to comply with the accounting policies of the Bank.

Investments in subsidiaries in the Bank's financial statements are stated at cost. Income from investment in subsidiaries is recognized when the dividend has been declared.

Fair value of investments

At the end of month, the Bank presents fair value by following methods:

1. For equity securities which are listed securities, fair value is determined by the last bid price or the last ask-bid price when the economy has not been significantly changed during the measurement date and the date of the last ask-bid price at the end of month.
2. Marketable unit trusts are stated at fair value by the last bid price or the closing price at the end of month, non-marketable unit trusts are stated at fair value by net assets value at the end of month.
3. Marketable debt securities are stated at fair value by the last average yield or bid price or clean price at the end of month.

Disposal of investments

On disposal of the investments, the difference between net proceeds from disposal and the carrying amount included unrealized gains or losses on remeasuring investment which were recorded as a component of equity will be recognized thorough profit or loss on investments as gains (losses) from operating in the statements of profit or loss and other comprehensive income.

3.7 Financing

Financing consists of financing, hire-purchase receivables, finance lease receivables and other financing are presented at cost net of deferred revenue, allowance for doubtful accounts and revaluation allowance for debt restructuring.

3.8 Allowance for doubtful accounts

The Bank applies guideline regarding the allowance for doubtful accounts according to the Ministry of Finance's Notification regarding the Classification and Provision Criteria of Islamic Bank of Thailand, which become effective from July 9, 2020, accordance to the Notification of BOT No. Sor Gor Sor. 23/2562 dated September 2, 2019, regarding the Classification and Provision Criteria of Specialized Financial Institutions. The Bank has classified its loan portfolios with 2 criteria as follows:

3.8 Allowance for doubtful accounts (Continued)

3.8.1 Quantitative criterion; the Bank considered based on the past due period and/or profit from due date.

3.8.2 Qualitative criterion; the Bank considered the factor that effects to payment ability of debtors i.e. money shortage or loss, industry condition and business recession.

The Bank has classified its loan portfolios into six categories. For the financing classified as normal and special-mention, the allowances for doubtful accounts are calculated based on the minimum percentage is in accordance with the BOT's guidelines in which the collateral value was taken into consideration, where the collateral type being applied is qualifying factor. For financing classified as sub-standard, doubtful and doubtful of loss, the allowance on these accounts is calculated at 100 percent of the difference between the book value of the outstanding financing and the present value of the expected cash flows from the disposal of collateral in accordance with the BOT's guidelines.

Subsidiary companies estimate the allowance for doubtful accounts by considering the overdue period and applying a percentage as follows:

<u>Number of installment periods overdue</u>	<u>Percentage applied</u>
Not over 1 period	1 after deducted by collateral
Over 2 periods to 3 periods	2 after deducted by collateral
Over 4 periods to 6 periods	100 after deducted by collateral
Over 7 periods to 12 periods	100 before deducted by collateral
Over 12 periods	100 before deducted by collateral

Additional allowance for doubtful accounts set aside of the Bank and its subsidiaries is recognized as bad debt and doubtful accounts in the statements of profit or loss and other comprehensive income. For write off case, the Bank and its subsidiaries record as expenses and the bad debt recovered is show as income in the statement of profit and loss and other comprehensive income.

Apart from stated above, the Bank has surplus reserve and general reserve to sustain loss which may be occurred in addition to the allowance as the abovementioned basis for all cases including the process to decrease the risk or to improve financial statements or to align with notification/announcement from regulator. The Bank will consider the changes of surplus reserve and general reserve to specific reserve on appropriateness and consistency with the situation by time.

3.8 Allowance for doubtful accounts (Continued)

The Bank classifies the debtor that has been on hold delay the payment of debts that enter the same project for granting loans. For the project loans, the expected value of government compensation will be deducted from the book value of the debtor before setting aside the reserve according to the BOT's Circular No. BOT. For Gor Chor.(72)Wor. 406/2563 dated April 7, 2020 on guidelines for Specialized Financial Institutions to implement measures to assist the debtors who are affected by the Coronavirus or COVID-19 infection and the BOT's Circular No. BOT. For Nor Sor.(23)Wor. 450/2563 dated April 24, 2020 on submitting the Accounting Guidelines for temporary relief measures for businesses that provide assistance to debtors who are affected by the impacted economy situation.

3.9 Troubled debt restructurings

In case where the debt restructuring involves modification of payment schedule, the Bank calculates the fair value of debt after debt restructurings based on the present value of the expected future cash flows discounted by financial cost at the date of debt restructuring. If financial cost rate lower than profit rate according to debt restructuring criteria, then discounted by the profit rates at the date of debt restructuring. In case when fair value of debts lower than carrying amount of debts at restructuring date, the Bank recorded difference between the fair value of debts, and the carrying amount of debts at restructuring date as expenses through profit or loss from operating in the statements of profit or loss and other comprehensive income. Losses arising from restructuring by waiver of part of principal or recorded accrued profit receivable, less recorded allowance, are recognized as expenses through profit or loss from operating in the statements of profit or loss and other comprehensive income when incurred.

Apart from stated above, the Bank has quarterly reviewed and recognized loss and will recognize loss occurred from reviewing as expense through profit or loss from operating in the statements of profit or loss and other comprehensive income.

The Bank has relieved the terms of payment for debtors who are affected by the economic by using pre-emptive restructuring for the non-NPL debtors and they are classified as normal immediately after analyzing the debtor's financial position and business that the debtor can comply with the debt restructuring agreement without waiting to follow up on the performance of the debt restructuring conditions.

For non-performing debtors, since January 1, 2019, the Bank has restructured troubled debts by classifying such debtors as normal if the debtors are able to make payments under the debt restructuring agreement at least 3 consecutive months or 3 payment installments, whichever is longer, according to the BOT's Circular No. BOT. For Gor Chor.(72)Wor. 277/2563 dated February 28, 2020, on guidelines for providing assistance to debtors who have been affected by economy situations.

3.10 Properties for sale

Properties for sale consist of immovable and movable properties from debt repayment or troubled debt restructuring which are awaiting for sale, including immovable and movable properties from debt repayment according to the BOT's measure.

Properties for sale are recorded at fair value less estimated selling expenses but not to exceed the carrying amount of debt plus unrecognized gains entitled by the Bank. Assets for hire-purchase and financial lease repossessed from the default debtors, the Bank records at cost of the lower of carrying amount of the receivable or market value.

Losses arising from impairment are recognized to other expenses in profit or loss of the statements of profit or loss and other comprehensive income. Gains or losses arising from disposal of properties for sale are recognized to other income or other expenses in the statements of profit or loss and other comprehensive income.

Properties for sale according to the BOT's measure (Asset warehousing), the Bank has given the customers the rights to buy back the collaterals within 3 - 5 years from the date that the Bank accepts the transfer of the collateral assets. During that period, the customer has the right to lease the property from the bank to operate the business. The Bank will deduct that rental amount from the price of the collateral assets. If the customers do not wish to buy it back, the Bank will sell the collateral assets to other parties. The rental amount will be recognized in the statements of the profit or loss and other comprehensive income.

3.11 Premises and equipment

Land is stated at cost. Premises and equipment are presented at cost, net of accumulated depreciation and allowance for impairment losses.

Cost is comprised of acquisition cost including costs necessary to bring the asset to place and working condition for its intended use. Cost of dismantling and removing the asset and restoring the site, and borrowing cost are included in the cost of assets.

Building improvement and leasehold improvement are recognized as assets at acquisition price. At each of the end of month, depreciation is calculated based on the economic benefits and term of lease agreement.

In case of price of acquired asset per transaction is less than Baht 5,000, the Bank records as expenses in profit or loss from operating in the statements of profit or loss and other comprehensive income in related section.

Significant component of premises and equipment in which reflect different useful lives of economic benefits are recorded as separated items in premises and equipment, and depreciation being calculated based on useful lives of each economic benefits.

3.11 Premises and equipment (Continued)

Subsequent expenditure

Subsequent expenditures relating to premises and equipment are additional recorded in related assets accounts if it is probable that the future economic benefits will flow to the Bank.

In terms of replacement of major part of the assets, the Bank recognizes the part of such an item as new assets and the part that is replaced will be derecognized.

Other subsequent expenditures, such as maintenance cost, are recorded as expenses in profit or loss from operating in the statements of profit or loss and other comprehensive income.

Depreciation

The Bank records depreciation as expenses in profit and loss from operating in the statements of profit or loss and other comprehensive income based on a straight-line basis over the estimated useful lives of economic benefit of each item of assets in accordance with the Bank's guideline and in conformity to the Revenue Department's regulation.

The Bank will review the useful lives of economic benefits of assets annually and appropriately adjusted. The estimated useful lives are as follows:

Type of assets	Useful Lives
Building	20 years
Building improvements	10 years
Land improvements on lease land	10 years
Leasehold improvements	3-10 years
Furniture, fixture and equipment	5 - 6 years
Vehicle	5 years

3.12 Thai Financial Reporting Standards related to leases

The Bank has applied TFRS 16 since January 1, 2020 and the Bank recognizes right-of-use assets and lease liabilities according to the conditions as follows:

1. Long-term lease with a term more than 12 months and high value of the underlying asset with the value per transaction more than Baht 150,000.
2. Short-term lease with a term of 12 months or lesses and the Bank has an option to purchase that has high value underlying assets with the value per transaction more than Baht 150,000.

If in the same lease contract is longer than 12 months and the underlying assets under the lease are low and high value. The Bank recognizes the leases as leasehold assets and lease liabilities in the aggregate.

3.12 Thai Financial Reporting Standards related to leases (Continued)

Rights-of-use assets

The Bank recognizes the right-of-use assets at the effective date of the lease. The cost consists of amount of the lease liability from the initial measurement. Initial direct costs incurred the amount paid under the lease as of the effective date of the lease or before the effective contract date lesses any incentives received. Cost estimate to take place in the dismantling, relocation and restoration of the right-of-use assets to the condition stipulated in the lease terms and conditions.

The Bank subsequently measures the right-of-use assets at cost lesses accumulated depreciation and accumulated impairment losses and adjusted by measuring the new lease liability.

If the Bank does not have reasonable assurance that the ownership of the underlying assets will be transferred to the Bank at the end of the lease term or reflect that the Bank will exercise a purchase option, the Bank shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date, the Bank recognizes the lease liabilities at the present value of the lease payments that are not paid at that date plus the estimated cost of decommissioning. The discount is applied at the cost of financing cost calculated at the end of each month. After the commencement date, the book value of lease liabilities increases to reflect return on the lease liabilities and decreases to reflect the lease payment made. In addition, the book value of the lease liabilities is re-measured when there is any reassessment or lease modifications.

Short-term leases and leases for which the underlying asset is of low value.

The Bank recognizes the payment made under short-term lease that has a lease term of 12 months or lesses from the commencement date, or long-term lease that has a lease term more than 12 months, but its underlying asset has low value which the value per transaction is not exceeding Baht 150,000 as an expense on a straight-line basis over the lease term.

3.13 Goodwill and other intangible assets

Goodwill

Goodwill derives from differences between costs of business acquisition at acquisition date and fair value of identifiable net assets of the acquirer's interest and stated at cost less allowance of impairment losses, which impairment must be tested annually.

3.13 Goodwill and other intangible assets (Continued)

Goodwill and intangible assets are presented at costs net of accumulated amortization and allowance for impairment losses except the intangible assets which is indefinite useful life i.e. goodwill is stated at cost net of allowance for impairment loss.

Amortization of intangible assets

Amortization of intangible assets is recognized as expenses in profit or loss from operating in the statements of profit or loss and other comprehensive income and calculated amortization of intangible assets based on a straight-line basis regarding to each of its estimated useful lives of economic benefits. The estimated useful lives are as follows:

Type of assets	Useful Lives
Rights to use computer software	5 - 10 years
Computer system	5 - 6 years

3.14 Leaseholds rights

Leasehold rights comprising buildings leasehold rights in which stated at cost less accumulated amortization. The amortization is based on a straight-line basis according to the term of lease agreement and is recognized as expenses in profit or loss from operating in the statements of profit or loss and other comprehensive income.

3.15 Impairment

The carrying amounts of the Bank's assets are reviewed at each the end of reporting period to determine whether or not there is any indicator that they may be impaired except that intangible assets with indefinite useful lives must be tested for impairment at least once a year or when there is an indicator of impairment. If any such indicator exists, the assets' recoverable amounts are estimated. An impairment loss is recognized as expense in profit or loss of the statements of profit or loss and other comprehensive income whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Reversals of impairment

If there has been a change in the expected recoverable amount, the Bank reverses an impairment loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

3.15 Impairment (Continued)

Calculation of recoverable amount

The recoverable amount of asset is the greater of its net selling price or its value in use. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate to reflect current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3.16 Provisions

The Bank sets provisions for off-statements of financial position obligation in the extent of high credit risk transaction as BOT's guidelines for maintenance an adequate level of capital using credit conversion factor equal to 1.0 such as guarantees of financing, avals to bills or irrevocable obligation by the Bank. Provisions are recognized when the transactions relating to off-statements of financial position of debtors that are classified as sub-standard, doubtful and doubtful of loss. The provision has been specifically determined by using the same rate as the allowance for doubtful accounts on each of those debtors in conformity to Thai Accounting Standard No.37 (Revised 2019) regarding Provisions, Contingent Liabilities and Contingent Assets. The Bank is required to set provisions for off-the statements of financial position obligation when satisfied all of the following criteria:

3.16.1 A present obligation resulting from past events that may be a legal or a constructive obligation.

3.16.2 It is probable that there will be a future outflow of resources embodying economic benefit to settle such obligation.

3.16.3 A reliable estimation of the value of the obligation.

Apart from stated above, the Bank has considered to establish the estimation of provision by estimated from unavoidable uncertainty and inconsistency that connected to the atmosphere around such incidents and situations by using conservatism assumption to consider possible results that will arise from such information such as news from media, prosecution between debtor and beneficiary, and the duration of litigation in the case that the Bank got accused to disclose provision of commitment and reliable of such debtor possible damage that may arise in the future which the Bank will consider and review from provision of commitment regularly every year.

3.17 Deferred income

Deferred income is a government grant in which the grants are intended to compensate and assist specifically relating to the operating activities and is presented as liabilities under deferred income and periodically recognized in revenue over the period.

3.18 Employee benefits

3.18.1 Provident Fund and Retirement Pay

The Bank and staff or employees agreed to establish a Provident Fund which registered under the Provident Fund Act B.E. 2530. The provident fund is managed by an external fund manager. All staff and employees are entitled to apply for membership according to the registered Islamic Bank of Thailand Provident Fund's regulations. Employee's benefits are recognized by the Bank's supplemental contribution as employee expenses in the statement of profit or loss and other comprehensive income. Salary deduction rates and contributions payment are as follows:

Working years	The Bank's contribution rates
Pass probation - 2 years	3 %
Over 2 years - 5 years	5 %
Over 5 years - 9 years	7 %
Over 9 years - 15 years	8 %
Over 15 years - 20 years	9 %
Over 20 years	10 %

3.18.2 Defined benefit plan

Long-term benefit

The Bank provides the defined benefit plan for their employees under the employment agreements. The employee benefit obligation is assessed by an actuary using the actuarial techniques called Projected Unit Credit Method. Under this method, the determination is based on statistical data to determine the present value of cash flows of employee benefits expected to be paid in the future and discount by using yields on Thai government bonds with the approximate maturity of those periods of employee benefit obligations at the valuation date. Calculation average expected period of employee benefits obligations weighted by expenditure of estimated benefits is recognized to a part of the provisions. Increasing or decreasing of the difference from actuarial's estimation in each period will be recognized as expenses or income to other comprehensive income for the period.

Short-term benefit

The Bank provides the accumulated leave entitlement which is still be paid in the form of salary. The employee benefits obligation is calculated using the expected costs of leave entitlement. The Bank expects to pay due to unused entitlement at the end of the reporting period.

3.19 Income tax

The Bank is exempted from income tax since it is not the juristic person as specified in the Section 39 of the Revenue Code. Therefore, income tax and deferred income tax in the financial statements derived from the Bank's subsidiaries.

Income tax expense consists of current tax and deferred income tax.

1) Current tax is the amount of income taxes payable base on the taxable profit for a period by Revenue Code.

2) Deferred income tax is recognized on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (loss) (tax base). Deferred tax assets of subsidiaries are generally recognized for temporary differences to the extent that it is probable that taxable profits will available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of the reporting date. Deferred tax asset shall be reduced to the extent that utilized tax will be used.

The subsidiaries recognize deferred income tax directly in equity, if they related to transaction in equity.

Deferred tax assets and liabilities of subsidiaries are measured at the enacted tax rates or expected effective at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and income tax levied by the same taxation authority.

3.20 Basic earnings per share

Basic earnings per share is calculated by dividing net profit or loss for the year attributable to equity by the weighted average number of ordinary shares in issue and paid up.

3.21 Foreign currency transactions

Assets and liabilities transaction in foreign currencies

3.21.1 Functional currency and presentation currency in Baht.

3.21.2 Transactions in foreign currencies are translated into Baht at the foreign exchange rates prevailing at the transaction date or the date when the transaction is remeasured. Gains or losses from generates receipt and expends on foreign currency and on translation of monetary assets and liabilities denominated in foreign currencies by using the exchange rate on the reporting date are recognized in profit or loss.

3.21.3 Gains or losses on foreign currency exchange and foreign currency translation are presented in the statements of profit or loss and other comprehensive income as gains (losses) on trading and foreign exchange transaction, net.

3.22 Operating segment

The Bank has operated under the Shariah principles in which the Bank provides services within a domestic geographical area then the Bank subject to only one geographic area.

4. Risk Management

Risk management is an essential management process and plays such an important role in leading the business to achieve the goals. Therefore, the Islamic Bank of Thailand prioritize the risk management by adopting a standardized guideline for operations such as the BOT and the Ministry of Finance's guidelines in order to cover the major risks of the Bank.

4.1 Shariah Risk is the risk that result from the operations and the Bank's products and services offering process which may not comply with Shariah principles according to Shariah Advisory Council established and/or not comply with Islamic Bank of Thailand Act B.E. 2545. This may impact to the status, reputation, liquidity, income and capital fund which is the specific risk of the Bank that the Bank prioritize and consider as part of operational risk according to the definition of risk categories defined in the Bank's audit guideline.

To ensure that the Bank's operations and all operational processes are complied with Shariah principles, the Bank set the Shariah risk management policy and approach to be a framework on Shariah risk management, which are approved by the Bank's Board of Directors and to ensure that the Bank's operations and operational processes are all complied with Shariah principles, the Bank control Shariah risk by analyzing, monitoring and reporting the information related to Shariah risk such as, Shariah risk status report, Damage which may cause by non-compliance of Shariah principles report to related committees to support Shariah risk management strategy determination.

4.2 Strategic Risk is the risk that results from inappropriate defining and implementing the strategic and operational plans or inconsistent between the plans and the internal factors and external environment; hence they have unfavorable effects on income, capital requirements and existence of the business.

The Bank's strategic management action is to prepare strategic risk management policy and annual risk management plan which is consistent with strategic plan and business plan for the year of 2021 - 2025, Memorandum of Bank's performance evaluation and the Notification of BOT which brings good risk management principles to be a framework of corporate integrative risk management structure according to the approach from Committee of Sponsoring Organizations of the Tread way Commission ("COSO 2017") in order to analyze risk factors from internal and external environment which might affect the Bank in the present and in the future. In addition, the Bank's strategic risk management is under Board of Directors and related Sub-Committee. Moreover, the Bank had provided risk map for specify risk factor which affected to the Bank, KRIs for risk appetite, risk tolerance, and risk clause to monitor the risk management if it is in the level of the Bank risk

4.2 Strategic Risk (Continued)

tolerance and straight to the target and provide strategic risk and strategic risk ceiling status report, included, defined to treatment plan in order to follow the project. Risk management is responsible for monitoring, assessing, and reporting the result of risk management to Risk Management Sub-Committee and related Sub-Committee continuously.

The Bank also organized annually seminar as well as sharing knowledge about how to manage uncertainty in order to enhancing Boards of Directors, management and employee knowledge about risk management and involvement in the Bank's risks management, this will make organization be able to achieve its own objective efficiently and effectively. At the same time organization also has to manage under the regulation of corporative governance along with great management strategy, this will help the Bank grown consistency and sustainably.

4.3 Credit Risk is the risk that counterparties or borrowers fail to fulfil their obligations under contractual agreements or the deterioration of assets' quality resulting in non-repayment debts as set out in the contract in which an adverse effect over the Bank's income and capital adequacy.

The Bank has credit risk from the general financing, PSA (Public Service Account), and Non - PSA (Non - Public Service Account) i.e. the project according to the government policies corresponding with the Bank's mission and objectives. The credit risk is considered from Non Performing Financing (NPF) which is a significant risk of the Bank. As at December 31, 2021, the Bank had NPF including the general financing and PSA (excluding accrued financial income) according to the Bank's financial statements amounting to Baht 12,919.77 million in which decreased from 2020 amounting to Baht 597.31 million (NPF amount in 2020 of Baht 13,517.08 million). NPF per total financing is 22.69 percent (2020: NPF per total financing is 23.79 percent).

The Bank also has default risks that counterparties fail to fulfil their obligations under contractual agreements arising from contingencies, such as aval to bills, liability under unmatured import bills, letters of credit, and other commitments, etc. The Bank has established the credit monitoring process in accordance with the regulatory guidelines to ensure that the Bank has complied with comprehensive credit underwriting processes and/or troubled financing restructurings processes.

In addition, the Bank focuses on developing the process of credit risk management systemically with effective practical standard, updating the process of credit management, and developing credit managerial tools to support growth of credit and investment with quality. Furthermore, the Bank also monitors and controls credit risk to remain on the acceptable level, which is stated as follows:

4.3 Credit Risk (Continued)

1. Reviewing the Bank internal policy such as reviewing credit policy framework in each type of business. Credit risk rating tools and guides, Credit policy, Bank regulations related to credit granting including guidelines for considering credit.

2. Monitoring and controlling credit risk such as,

- Determining the single lending limit ratio for risk management to prevent giving company or a group of companies over credit limit or over investment.
- Determining and reviewing industry limit for diversification, which prevent investment in only one bunch, one industry.
- Reviewing loan appropriately in accordance with the guideline of regulator.

Developing plan to increase efficiency of credit acceptance in long-term by establishing Risk Management team including Credit Risk management, Business Credit Risk management, and Retail Credit Risk management in order to appropriately manage each type of risk in accordance with the Bank's business operation.

4.4 Market Risk is the financial risk that arises from the fluctuation of rates of return (rate of return risk), foreign exchange rates, and security prices in money markets and capital markets which may have an adverse effect on the Bank's income and capital adequacy.

The Bank has regulated policy in managing market risk according to the regulation of the Bank of Thailand under the consensual of the Risk Management Sub-Committees and approval of the Board of Directors in order to use as a boundary of market risk management.

The Bank focuses on market risk management to be in line with risk appetite and consistent with policy in managing market risk of the Bank along with monitoring and reporting market risk to Asset and Liability Management Sub-Committee ("ALCO"), the Risk Management Sub-Committee and Board of Directors to ensure that strategic decisions will be made in appropriate circumstances and timely manner, which the summary is as follows:

1) Rate of Return Risk

Rate of return risk arises from the possibility that change in rate of return will have adverse effect on the net financial income and capital adequacy of the Bank. The Bank is exposed to rate of return risk as a result of structure, characteristic and mismatches or GAP in the amount of assets and liabilities and off-statements of financial position instruments that mature or re-price in a given period, or mismatches of sensitivity

4.4 Market Risk (Continued)

to the rate of return which may have adverse effect to net profit income and trading account of the Bank, including Bank, including other income and expenses in relation to the rate of return. The Bank manages rate of return risks by risk assessment through Repricing GAP tools in order to assess the impact on changes in rate of return to the Bank's net profit income.

2) Foreign Exchange Risk

Foreign exchange rate risk refers to the loss affecting net financial income and capital adequacy arising from foreign exchange rate fluctuations as a result of the Bank deals in foreign currency transactions or structure and position of the Bank's assets and liabilities. The Bank may incur declination of carrying value or gains on foreign exchange rates and incur losses on foreign exchange rates as a result of foreign currency translation from foreign currency positions into Thai Baht. All this, the Bank enters into foreign currency transaction without speculation policy in respect to services provided to the Bank's customers basis and comply with Shariah principle.

3) Price Risk

Price risk refers to loss affecting net financial income and capital adequacy from movement in securities price. The Bank may incur declination of value on trading and available-for-sale investment portfolios. Thus, the Bank monitors and controls its price risk by comparative approach on established risk level under the specified Risk limits such as the Value-at-Risk Limit.

In addition, in order to effectively and efficiently manage the risks under various scenarios, the Bank regularly review tools and policies of market risk management including risk limit to make efficient management and consistent with any situations.

4.5 Liquidity Risk means risk resulting from the Bank's failure to pay debts and obligations when they fall due because of its inability to convert assets into cash, or its failure to procure sufficient funds, or, use of funds with the excess of the limit of acceptable cost of capital that may adversely affect present and future net financial income and capital adequacy of the Bank. Besides, liquidity risk may arise from failure to unwind or offset the risk from its assets resulting to liquidation of assets below their acquisition costs since the assets has low liquidity or no active market at that time.

The Bank has liquidity risk management by applying regulation of maintaining current assets according to Bank of Thailand and Ministry of Finance or any other related regulations. The Bank has assigned to ALCO to establish the liquidity risk management strategy and has monitored and managed overall liquidity position to ensure that the Bank has adequate liquidity for its business operations, is able to support its growth in business-as-usual situations and has readiness of funds or assets which can be liquidated or realized as needed under crisis situations.

4.5 Liquidity Risk (Continued)

The Bank has established the liquidity management policy according to the regulation the regulation of the Bank of Thailand under the consensual of the Risk Management Sub-Committees and approval of the Board of Directors in order to use as a boundary of liquidity risk management in which are assigned to monitor key risk indicators for evaluation of prospected risk position and risk level that in line with the risk trigger, risk limit and risk appetite. Besides, the tools which are used to measure and evaluate the liquidity risk such as liquidity gap report to assess liquidity in each period by preparing both contractual liquidity gap report and behavioral liquidity gap report, assessment liquidity to total deposit ratio such as evaluation of concentration ratio on major depositors, liquidity assets maintenance, scenarios analysis i.e. continuously withdrawing deposits from major customers by conducting stress test.

Moreover, for the efficiency of liquidity risk and compliance with the current changing situation, the Bank reviews tools, policies, and liquidity risk management including Risk Limit of the Bank regularly.

Sources and uses of funds as at December 31, 2021 and 2020 as follows:

Sources and uses of funds	Unit : Million Baht			
	December 31, 2021		December 31, 2020	
	Book Value	Proportion (Percentage)	Book Value	Proportion (Percentage)
Sources of funds				
Deposits	70,992.60	99.47	75,168.52	100.43
Interbank and money market items, net (liabilities)	3,752.81	5.26	3,166.17	4.23
Equity	(3,372.86)	(4.73)	(3,491.64)	(4.66)
Total	71,372.55	100.00	74,843.05	100.00
Uses of funds				
Financing to customers	56,941.87	73.31	56,816.58	68.83
Interbank and money market items, net (assets)	5,260.24	6.77	5,521.27	6.69
Investments, net	4,086.43	5.26	4,826.96	5.85
Promissory note from transferring non-performing assets	11,381.07	14.66	15,381.07	18.63
Total	77,669.61	100.00	82,545.88	100.00

4.5 Liquidity Risk (Continued)

Financial assets and liabilities as at December 31, 2021 and 2020 analyzed by maturity periods as follows:

Unit : Million Baht

December 31, 2021

	At call	0 - 3 months	3 - 12 months	Over 1 year	No maturity	Stop Accrued	Total
Financial assets							
Interbank and money market items, net	5,233.39	-	26.85	-	-	-	5,260.24
Investment, net	-	1,299.28	2,761.61	-	25.54	-	4,086.43
Financing to customers	-	6,258.06	2,834.90	34,929.14	-	12,919.77	56,941.87
Promissory note from transferring non-performing asset	-	-	2,500.00	8,881.07	-	-	11,381.07
Total Financial assets	5,233.39	7,557.34	8,123.36	43,810.21	25.54	12,919.77	77,669.61
Financial liabilities							
Deposit	29,573.54	13,477.47	19,172.12	8,769.47	-	-	70,992.60
Interbank and money market items, net	1,248.65	282.14	992.21	1,229.81	-	-	3,752.81
Total Financial liabilities	30,822.19	13,759.61	20,164.33	9,999.28	-	-	74,745.41

Unit : Million Baht

December 31, 2020

	At call	0 - 3 months	3 - 12 months	Over 1 year	No maturity	Stop Accrued	Total
Financial assets							
Interbank and money market items, net	5,493.03	28.24	-	-	-	-	5,521.27
Investment, net	-	2,657.09	2,147.71	-	22.16	-	4,826.96
Financing to customers	-	8,600.94	1,915.88	32,782.68	-	13,517.08	56,816.58
Promissory note from transferring non-performing asset	-	-	-	15,381.07	-	-	15,381.07
Total Financial assets	5,493.03	11,286.27	4,063.59	48,163.75	22.16	13,517.08	82,545.88
Financial liabilities							
Deposit	25,941.92	18,612.77	23,792.88	6,820.95	-	-	75,168.52
Interbank and money market items, net	1,685.02	255.01	926.97	299.17	-	-	3,166.17
Total Financial liabilities	27,626.94	18,867.78	24,719.85	7,120.12	-	-	78,334.69

4.6 Fair value of financial instruments is the amounts which the buyer and seller agree for an asset can be exchanged, or liability settled, between knowledgeable and willing parties in an arm's length transaction. In terms of determining the fair value of financial assets and financial liabilities, the Bank determines current conditions on the cost of exchange, or liability settled under the financial instruments.

Following data is summary of outstanding balances as shown in the financial statements and estimated fair value of financial assets and liabilities as at December 31, 2021 and 2020.

4.6 Fair value of financial instruments (Continued)

Unit : Million Baht

Types of financial instruments	December 31, 2021		December 31, 2020	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Cash	1,336.57	1,336.57	1,352.36	1,352.36
Interbank and money market items, net	5,260.24	5,260.24	5,521.27	5,521.27
Derivatives	0.07	0.07	0.01	0.01
Investment, net	4,086.43	4,086.43	4,826.96	4,826.96
Financing to customers, net	47,399.66	47,399.66	47,298.23	47,298.23
Permissory note from transferring non-performing asset	11,381.07	11,381.07	15,381.07	15,381.07
Total	69,464.04	69,464.04	74,379.90	74,379.90

Unit : Million Baht

Types of financial instruments	December 31, 2021		December 31, 2020	
	Book Value	Fair Value	Book Value	Fair Value
Financial liabilities				
Deposits	70,992.60	70,992.60	75,168.52	75,168.52
Interbank and money market items, net	3,752.81	3,752.81	3,166.17	3,166.17
Liabilities payable on demand	75.46	75.46	54.59	54.59
Compensation payable on deposit	148.30	148.30	243.68	243.68
Total	74,969.17	74,969.17	78,632.96	78,632.96

5. Capital Fund

The Bank calculated its capital fund in accordance with the ministerial regulations, Ministry of Finance, regarding the Capital Maintenance and Maintenance of Cash Reserve and Liquid Assets for Islamic Bank of Thailand B.E. 2563 which effective since November 26, 2020 onwards. The Bank maintains its capital fund in accordance with BOT's requirement which is consistent with the notification of BOT No. Sor Gor Sor. 16/2562 regarding Composition of Capital Funds for Specialized Financial Institutions which requires to maintain total capital to risk assets and contingencies ratio of not less than 8.5 percent under the condition that Common Equity Tier 1 must not be less than 4.25 percent of such assets and contingencies.

5. Capital Fund (Continued)

As at December 31, 2021 and 2020, the Bank maintained capital fund and assets and contingencies ratio as follows:

Unit : Million Baht		
<u>The Bank's Financial Statements</u>		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Tier 1 capital		
Paid-up share capital	18,202.77	18,202.77
Legal reserve	121.70	109.68
Unappropriated retained losses	(21,698.02)	(21,806.22)
Total tier 1 capital	<u>(3,373.55)</u>	<u>(3,493.77)</u>
Total capital fund before deficit	(3,373.55)	(3,493.77)
Less Deficit on revaluation of available-for-sale equity securities	-	-
Total capital fund	<u><u>(3,373.55)</u></u>	<u><u>(3,493.77)</u></u>

<u>The Bank's Financial Statements</u>		
<u>Percentage</u>		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Total capital fund	(5.99)	(6.51)
Tier 1 Capital	(5.99)	(6.51)

However, the Bank maintained its liquidity assets as at December 31, 2021 of 14.07 percent which is higher than the requirement of the ministerial regulations, Ministry of Finance, regarding the Capital Maintenance and Maintenance of Cash Reserve and Liquid Assets for Islamic Bank of Thailand B.E. 2563 which effective since November 26, 2020 onwards. The Bank maintains its capital fund in accordance with BOT's requirement which is consistent with the notification of BOT No. Sor Gor Sor. 21/2562 regarding Regulations for maintaining liquid assets for Specialized Financial Institutions which requires to maintain current assets as at the last day of the month not less than 6 percent of all types of deposits at the end of the day.

6. Estimates and judgements

The preparation of financial statements in conformity with Thai Financial Reporting Standards also requires management to make estimates and judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Accordingly, actual results may differ from these estimates.

The estimates and judgements are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and foreseeable impact in the future.

7. Going Concern

At the beginning of 2021, the Bank operates the business in compliance with the strategic plan and business plan for the year 2021 - 2025. The Bank focuses on the customers first and improve the efficiency of performance product and service in which the Bank will mainly focus on customer demand and adhere to the iBank Core Value to support the strong corporate culture. However, as the new wave of COVID-19 outbreak is getting worse in Thailand, the economic recession is more prolonged than the Bank's estimation. In this regard, the Bank has reviewed the financial forecast for the year 2021 and prepared the strategic plan and business plan for the year 2021 to sustainably revive the Bank's business. The Bank has operated in compliance with the plan as follows:

1. Focus on fulfilling the mission by using Accessibility Arms to be a channel for Muslims to access more thoroughly financial services and able to enhance the financial strength of the Muslim community at the foundation level through Accessibility Arms for selecting Good Behavior of the community who the Bank should provide financial support. Implementation of project will be integrated through 3 major projects are as follows:

1. Honest Community Product Project
2. Good Behavior Project
3. Takaful Project

In addition, the Bank has also introduced an approach to integrating the allocation of Zakat into the community that is a good network for the Bank.

2. Establish 7 operational plans to revive the organization as follows:

- 1) Operation plan
- 2) Non-Performing Financing (NPF) management plan
- 3) Cost reduction plan
- 4) Financing expansion plan
- 5) Branch optimization plan
- 6) Human resource management plan
- 7) Organization development plan

The Bureau of Financial Policy and Financial Institution, Fiscal Policy Office (FPO) has considered the principal of the plan has no objections to the principal that prepared the strategic plan. The plan is in line with the Islamic Bank of Thailand's operational policies that approved by the Minister of Finance and is updated to be in accordance with the opinions of the FPO.

7. Going Concern (Continued)

In the fourth quarter of 2021, the Bank has accelerated the implementation of the restorative strategic plan. However, the new wave of the COVID-19 outbreak which was not previously estimated, affecting the severe and long-term economic conditions and affecting the Bank's key operations. The Bank has assessed the impact to prepare guidelines and strategic plans to improve operation efficiency in order to achieve or close to operational target as possible under economic environment vulnerability. As a result, the operation of the Bank's mission was successful. This is mainly due to the increasing in management efficiency in order to control financial expenses and operating expenses. As a result, financial expenses decreased and other operating income increased from the previous year. The Bank has recognized a general reserve to cover TFRS 9 at 60 percent of net profit, which is better than the forecast according to the provisioning plan to support TFRS 9 that was originally estimated.

For the year 2022, the Bank will continue to focus on helping the business and retail customers. As well as supporting the business sector towards sustainable recovery after the COVID-19 outbreak focusing on continuous development and improvement the Bank's processes to the Bank can perform both short-term and long-term strategic plan in accordance with the government's missions and policies in reviving the banking business and carrying out the mission of being an Islamic bank in accordance with the situation including the changing environment for the year of Digital Transformation by developing financial innovations, responding to the services throughout the customer's lifetime, connecting the products and services channels to reach a variety of stakeholders and increasing the competitiveness through technology and innovation to create a BCG Economy that grows while reducing inequality, building a strong community and friendly environment that leading to a sustainable financial business.

8. Supplementary information

8.1 Supplementary disclosures of cash flow information

Significant non-cash items for the years ended December 31, 2021 and 2020 were as follows:

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Account payable from purchasing properties	0.03	0.24	0.03	0.24
Account payable from purchasing intangible assets	0.04	2.68	0.04	2.68
Change from revaluation of available-for-sale securities	(1.43)	152.71	(1.43)	152.71
Receive transferred properties for sale for repayment	1,796.31	427.66	1,517.39	178.63
Transfer lease receivables and loan receivable for				
purchasing goods to other non-current assets	4.76	15.08	-	-
Transfer equity from share-based payment	0.27	0.19	-	-
Actuarial gains (losses) on defined employee benefit plans	(2.50)	(1.32)	-	-
Right-of-use assets	9.94	-	-	-

8.2 Interbank and money market items, net (assets)

Unit : Million Baht

	<u>Consolidated Financial Statements</u>					
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	<u>At call</u>	<u>Time</u>	<u>Total</u>	<u>At call</u>	<u>Time</u>	<u>Total</u>
Domestic items						
Bank of Thailand	5,185.48	-	5,185.48	5,427.29	-	5,427.29
Commercial banks and money markets	195.95	-	195.95	129.63	-	129.63
Specialized financial institutions	8.10	-	8.10	4.17	-	4.17
Other financial institutions	-	31.38	31.38	-	30.11	30.11
Total	5,389.53	31.38	5,420.91	5,561.09	30.11	5,591.20
<u>Less</u> Deferred revenues	-	(4.41)	(4.41)	-	(1.79)	(1.79)
<u>Less</u> Allowance for doubtful accounts	-	(0.12)	(0.12)	-	(0.08)	(0.08)
Total domestic items	5,389.53	26.85	5,416.38	5,561.09	28.24	5,589.33
Foreign items						
USD	1.77	-	1.77	26.52	-	26.52
JPY	0.01	-	0.01	-	-	-
EUR	0.99	-	0.99	1.14	-	1.14
Others	0.26	-	0.26	1.68	-	1.68
Total foreign items	3.03	-	3.03	29.34	-	29.34
Total domestic and foreign items	5,392.56	26.85	5,419.41	5,590.43	28.24	5,618.67

8.2 Interbank and money market items, net (assets) (Continued)

Unit : Million Baht

The Bank's Financial Statements						
	December 31, 2021			December 31, 2020		
	At call	Time	Total	At call	Time	Total
Domestic items						
Bank of Thailand	5,185.48	-	5,185.48	5,427.29	-	5,427.29
Commercial banks and money markets	42.34	-	42.34	33.96	-	33.96
Specialized financial institutions	2.54	-	2.54	2.44	-	2.44
Other financial institutions	-	31.38	31.38	-	30.11	30.11
Total	5,230.36	31.38	5,261.74	5,463.69	30.11	5,493.80
Less Deferred revenues	-	(4.41)	(4.41)	-	(1.79)	(1.79)
Less Allowance for doubtful accounts	-	(0.12)	(0.12)	-	(0.08)	(0.08)
Total domestic items	5,230.36	26.85	5,257.21	5,463.69	28.24	5,491.93
Foreign items						
USD	1.77	-	1.77	26.52	-	26.52
JPY	0.01	-	0.01	-	-	-
EUR	0.99	-	0.99	1.14	-	1.14
Others	0.26	-	0.26	1.68	-	1.68
Total foreign items	3.03	-	3.03	29.34	-	29.34
Total domestic and foreign items	5,233.39	26.85	5,260.24	5,493.03	28.24	5,521.27

8.3 Derivatives assets and liabilities

The fair values and the notional amounts classified by type of risks were as follows:

Unit : Million Baht

Consolidated and the Bank's Financial Statements						
Type of risk	December 31, 2021			December 31, 2020		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Foreign exchange rate						
Derivative held for trading	0.07	-	27.59	-	-	1.00
Derivative held for hedging	-	-	9.29	0.01	-	10.05
Total	0.07	-	36.88	0.01	-	11.05

The proportions of derivatives transactions classified by type of counterparty based on notional amount were as follows:

8.3 Derivatives assets and liabilities (Continued)

		Unit : Million Baht	
		<u>Consolidated and the Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
		<u>Proportion</u>	<u>Proportion</u>
		<u>(Percentage)</u>	<u>(Percentage)</u>
Financial institution		62.68	95.48
External parties		37.32	4.52
Total		<u>100.00</u>	<u>100.00</u>

8.4 Investments, net**8.4.1 Available-for-sale securities**

		Unit : Million Baht	
		<u>Consolidated and the Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
		<u>Fair value</u>	<u>Fair value</u>
Government securities		4,060.89	4,804.80
Domestic marketable equity securities		-	-
Total		<u>4,060.89</u>	<u>4,804.80</u>

As at August 3, 2021 the Bank pledged the rights under the government and state enterprise securities amounting to Baht 400 million, collateral amounting to Baht 4,500 million and signed the credit agreement with Krung Thai Bank Public Company Limited, which was pledged on December 28, 2017 (Memorandum of Understanding for 16th loan agreement).

8.4.2 General investments

		Unit : Million Baht	
		<u>Consolidated and the Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
		<u>Cost</u>	<u>Cost</u>
Domestic non-marketable unit trusts		25.63	25.00
<u>Less</u> Allowance for impairment		<u>(0.09)</u>	<u>(2.84)</u>
Total		<u>25.54</u>	<u>22.16</u>
Total investment, net		<u>4,086.43</u>	<u>4,826.96</u>

8.4.3 Surplus (Deficit) on revaluation of investments

Unit : Million Baht

	<u>Consolidated and the Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Equity securities	-	-
Debt securities	0.69	2.13
Total	0.69	2.13

8.4.4 Time to maturity of debt securities

Unit : Million Baht

<u>Consolidated and the Bank's Financial Statements</u>								
<u>December 31, 2021</u>					<u>December 31, 2020</u>			
	<u>Maturity</u>					<u>Maturity</u>		
	<u>1 Year</u>	<u>Years</u>	<u>Over 5</u>	<u>Total</u>	<u>1 Year</u>	<u>Years</u>	<u>Over 5</u>	<u>Total</u>
			<u>Years</u>				<u>Years</u>	
<u>Available-for-sale securities</u>								
Government and state								
enterprise securities	4,060.20	-	-	4,060.20	4,802.67	-	-	4,802.67
<u>Add Allowance for</u>								
revaluation	0.69	-	-	0.69	2.13	-	-	2.13
Total	4,060.89	-	-	4,060.89	4,804.80	-	-	4,804.80

8.5 Investments in subsidiaries, net

The Bank's Financial StatementDecember 31, 2021

	<u>Type of business</u>	<u>Type of investment</u>	<u>Paid-up capital</u>	<u>Share holding</u>	<u>Investment Cost Method</u>
<u>Subsidiaries</u>			(Million Baht)	(Percentage)	(Million Baht)
Amanah Leasing Public Company Limited	Hire-purchase-vehicle	Common share	1,036.11	48.27	560.35
Amanah Haj and Umrah Company Limited	Provides and operates The Haj and Umrah tour	Common share	10.00	49.00	4.90
Total					565.25
Less Allowance for impairment					(4.90)
Investment in subsidiaries, net					560.35

8.5 Investments in subsidiaries, net (Continued)

The Bank's Financial StatementDecember 31, 2020

	<u>Type of business</u>	<u>Type of investment</u>	<u>Paid-up capital</u>	<u>Share holding</u>	<u>Investment</u> <u>Cost Method</u>
<u>Subsidiaries</u>			<u>(Million Baht)</u>	<u>(Percentage)</u>	<u>(Million Baht)</u>
Amanah Leasing Public Company Limited	Hire-purchase-vehicle	Common share	1,031.99	48.46	560.35
Amanah Haj and Umrah Company Limited	Provides and operates The Haj and Umrah tour	Common share	10.00	49.00	4.90
Total					565.25
<u>Less</u> Allowance for impairment					(4.90)
Investment in subsidiaries, net					560.35

Amanah Haj and Umrah Company Limited have loss on operation. Consequently, it was recorded the allowance for impairment of investment by the Bank in the full amount. The subsidiary has ceased their operation and deregistered on May 14, 2013. Subsequently, on February 15, 2021, the Revenue Department has delisted Amanah Haj and Umrah Company Limited from the VAT registration. The company is currently in the process of liquidation.

On April 7, 2021, according to the resolution of the Annual Ordinary Shareholder's Meeting of Amanah Leasing Public Company Limited approved dividend payment for the year 2020, consisting cash dividend of Baht 0.13 per share, totaling amount of Baht 65.01 million. During the period, Amanah Leasing Public Company Limited increased its issued and paid-up ordinary share capital for totaling amount of Baht 4.12 million from the exercise of warrants, resulting in a decrease in the proportion of the Bank's investment in a subsidiary by 0.19 percent.

8.6 Financing to customers and financial accrued income, net

8.6.1 Classified by type of financing

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statement</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Contracts receivables				
- Cash withdrawal	593.30	557.32	593.30	557.32
- General	34,899.76	35,719.05	36,479.79	37,692.54
Financing receivables	26.16	29.87	-	-
Receivables from factoring contracts	1,355.54	1,414.71	1,355.54	1,414.71
Hire-purchase receivables	5,118.54	5,109.82	19.61	20.06
Financial lease receivables	0.16	0.26	-	-
Debt restructuring receivables	18,116.13	16,730.29	18,116.13	16,730.29
Others	36.56	16.13	36.56	16.13
<u>Less</u> Deferred revenue	<u>(1,725.10)</u>	<u>(1,697.80)</u>	<u>(3.73)</u>	<u>(4.67)</u>
Total financing net of deferred revenue	58,421.05	57,879.65	56,597.20	56,426.38
<u>Add</u> Financial accrued income	<u>332.60</u>	<u>395.74</u>	<u>204.40</u>	<u>230.27</u>
Total financing net of deferred revenue plus financial accrued income	58,753.65	58,275.39	56,801.60	56,656.65
<u>Less</u> Allowance for doubtful accounts				
1. Minimum provision according to the BOT's requirement	(5,647.17)	(7,840.33)	(5,497.96)	(7,697.47)
2. Surplus reserve from minimum requirement	(639.66)	(705.96)	(639.66)	(705.96)
3. General provision	(2,898.17)	(1,301.44)	(2,892.17)	(1,237.44)
<u>Less</u> Revaluation allowance for debt restructuring	<u>(628.02)</u>	<u>-</u>	<u>(628.02)</u>	<u>-</u>
Total financing to customers and financial accrued income, net	<u>48,940.63</u>	<u>48,427.66</u>	<u>47,143.79</u>	<u>47,015.78</u>

As at December 31, 2021 and 2020, the Bank had suspended income recognition credits amounting to Baht 674.85 million and Baht 511.71 million, respectively. The Bank has fully recognized the allowance for doubtful accounts to cover the impact of financial accrued income for the high-risk debtors amounting to Baht 49.09 million and Baht 99.64 million, and partially recognized the allowance for doubtful accounts for normal-risk debtors amounting to Baht 6.48 million and Baht 8.66 million, respectively.

The Bank of Thailand Circular No. BOT. For Kor Chor. (72) Wor. 277/2563 dated February 28, 2020, on guidelines for providing assistance to debtors affected by situations that affect the Thailand's economy. The Bank has measures to assist debtors who have been affected by the situation affecting the economy in 2020 during April 17, 2020 to December 31, 2021 by easing the repayment terms for existing debtors who are not inferior or non-performing debtor since January 1, 2019, which has been affected by the economy. The Bank has implemented pre-emptive debt restructuring for non-NPL and are classified as normal immediately. If the Bank analyzes the debtor's status and their business that the debtor can fulfill the debt restructuring agreement without waiting to follow up on the performance of the debt restructuring conditions. For non-performing debtors,

8.6.1 Classified by type of financing (Continued)

since January 1, 2019, the Bank has restructured troubled debts by classifying receivables as normal if the debtors are able to make payments under the debt restructuring agreement at least 3 consecutive months, or 3 payment installments whichever is longer.

The notification of the Bank of Thailand No. Sor Gor Sor. 1/2563 dated April 22, 2020, regarding guideline for providing the additional assistance to enterprise entrepreneurs during the COVID-19 outbreak. The Bank has launched a credit program to support the soft loan measure without principal payment for 6 - 12 months to alleviate the impact of the COVID-19 outbreak especially the SMEs, that have a source of funds which has a low cost for existing the Bank's customers who have the purpose of requesting credit for additional liquidity in order to operate a business to reduce the impact on employment. There is a total limit of the group as at December 31, 2019 not more than Baht 500 million.

The Bank of Thailand Circular No. BOT. For Nor Sor. (01)Wor. 912/2563 dated August 27, 2020, regarding guidelines for debt restructuring for retail debtors through debt consolidation. The Bank has launched a measure to provide assistance to retail debtors affected by the COVID-19 outbreak, trade war or natural disaster, which there is a home loan facility and a multi-purpose unsecured credit facility together within the same financial institution to utilize the remaining collateral value for the remaining home loan to restructure debt by adjusting profit margins and installment periods for unsecured multi-purpose loans to provide the debtors with sufficient liquidity for a living. During the year, there were no debtors participating in this program.

The Notification of the Islamic Bank of Thailand regarding measures to delay the debt repayment, Debt Holiday Phase 2, the Bank has issued additional measures between October 5, 2020 to December 31, 2020 to provide assistance to the debtor in line with the business conditions and the declining income of the debtor. Under the conditions set by the Bank, for debtors who have been suspended in accordance with the Emergency Decree on financial assistance for enterprise entrepreneurs affected by the COVID-19 in 2020 which ended the period on October 23, 2020.

The Bank of Thailand Circular No. BOT. For Nor Sor. (01)Wor. 380/2563 dated March 26, 2020, on guideline for providing the additional assistance to debtors during the COVID-19 outbreak. The Bank provides the additional assistance to debtors during the COVID-19 outbreak for the period April 1, 2020 to June 30, 2020 for the good debtors of the personal loan, business loan and hire-purchase loan that is not the non-performing receivables by reducing the burden of installment for the short-term installments up to 3 months which the Bank does not constitute a cause of breach of the contractual payment conditions and does not constitute a debt restructuring, as well as exempting penalty from default by maintaining debt classification as a debt class before entering the measure.

8.6.1 Classified by type of financing (Continued)

The Bank of Thailand Circular No. BOT. For Nor Chor. (01)Wor. 648/2563 dated June 19, 2020, regarding the measures to provide additional assistance to retail debtors during the COVID-19 outbreak Phase 2, the Bank has issued additional measures for Phase 2 during July 1, 2020 to December 31, 2020 to assist debtors according to the minimum measures issued by the BOT on March 26, 2020 that gradually ended from the end of June 2020. This will cover both former debtors and those who have not previously participated in the measures including debtors with multiple types of loans to maintain cash flows for necessary living expenses and continue working.

The Bank of Thailand Circular No. BOT. Kor Por Nor Wor. 20/2564 dated January 12, 2021, regarding the measures to provide assistance to debtors from the new wave of COVID-19 outbreak, specified the extension period for debtors to request for the assistance from December 31, 2020 to June 30, 2021, under the same condition of the minimum assistance as the original guideline. The Bank has issued the additional measures to assist the retail debtors Phase 2 (extended period) during January 22, 2021 to June 30, 2021 for the personal loan debtors and hire-purchase loan debtors affected from the COVID-19 outbreak which in line with the guideline of minimum assistance of the Bank of Thailand.

The Bank of Thailand Circular No. BOT. Kor Por Nor Wor. 480/2564 dated May 14, 2021, regarding the measures to provide assistance to retail debtors from the COVID-19 outbreak Phase 3. The Bank has issued the additional measures Phase 3 during May 17, 2021 to December 31, 2021 for assistance the personal loan debtors and hire purchase loan debtors affected from the COVID-19 outbreak which in line with the guideline of minimum assistance of the Bank of Thailand.

The Bank of Thailand Circular No. Sor Gor Sor1. 1/2564 dated April 19, 2021, regarding the measure to support credit providing to entrepreneurs under the Emergency Decree on financial assistance and business rehabilitation for enterprise entrepreneurs affected by the COVID-19 in 2021. The Bank has launched a soft loan credit program to increase the liquidity in business operation, reduce the impact on employment and rehabilitate the business operation.

The Bank of Thailand Circular No. Sor Gor Sor.1. 3/2564 dated August 30, 2021, regarding the measure to support credit providing to entrepreneurs under in the Emergency Decree on financial assistance and business rehabilitation for enterprise entrepreneurs affected by the COVID-19 in 2021 (No. 2). The Bank has launched a soft loan credit program (Amendment No. 1) starting from August 31, 2021 until end of credit term or credit limit from BOT's soft loan measures to expand the credit limit per person, increase the opportunity for debtors to obtain sufficient credit facility, and to exempt on conditional guarantees with Thai Credit Guarantee Corporation (TCG) to reduce cost for debtors with high collateral value.

8.6.1 Classified by type of financing (Continued)

The Bank of Thailand Circular No. BOT.For Nor Sor.(01)Wor. 1052/2563 dated September 28, 2020, regarding to debt restructuring guideline for multi-creditors during September 1, 2020 to December 31, 2021. In order to continually resolve debt in the business sector, the BOT has discussed with both financial institutions and specialized financial institutions creditors to specify additional measures to assist multi-creditors. The creditors have jointly signed a Memorandum of Understanding (MOU) on DR BIZ Program on August 21, 2020, to expedite debt restructuring through common debt work out practice.

As at December 31, 2021, there are debtors that the Bank provides assistance according to the above criteria as follows:

			Unit : Million Baht		
No.	The Bank's measures	Project period	Number of transaction	Number of account	Outstanding loans
1	Measure to assist debtors who are effected from the situations that affected Thailand's economy	Feb 6, 2020 - Dec 31, 2021	2,650	4,274	5,504.24
2	Credit program to support the soft loan measure	Apr 24, 2020 - Depend on credit limit and credit term from BOT's soft loan measure	61	61	84.34
3	Measure to delay debt repayment, Debt Holiday - Phase 2	Oct 5, 2020 - Dec 31, 2020	3	3	0.29
4	Measure to assist retail debtors - Phase 3	May 17, 2021 - Dec 31, 2021	420	598	561.66
5	Soft loan measure for business rehabilitation	Aug 31, 2021 - Depend on credit limit and credit term from BOT's soft loan measure	52	54	230.70
			3,186	4,990	6,381.23

This data is prepared to report outstanding balance of receivables for each measure by reporting of 1 account / 1 measure only. In case, the debtor receives assistance during the same period, the measures with the longest length of assistance will be considered.

8.6.2 Classified by currency and residence of the debtors

Unit : Million Baht

<u>Consolidated Financial Statements</u>						
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Thai Baht	<u>58,421.05</u>	<u>-</u>	<u>58,421.05</u>	<u>57,879.65</u>	<u>-</u>	<u>57,879.65</u>
Total	<u>58,421.05</u>	<u>-</u>	<u>58,421.05</u>	<u>57,879.65</u>	<u>-</u>	<u>57,879.65</u>

Unit : Million Baht

<u>The Bank's Financial Statements</u>							
	<u>December 31, 2021</u>				<u>December 31, 2020</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>		<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Thai Baht	56,597.20	-	56,597.20		56,426.38	-	56,426.38
Total	56,597.20	-	56,597.20		56,426.38	-	56,426.38

8.6.3 Classified by business type and classification

Unit : Million Baht

<u>Consolidated Financial Statements</u>						
<u>December 31, 2021</u>						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	379.29	6.30	3.19	0.23	1,706.72	2,095.73
Manufacturing and commerce	2,321.05	3,143.52	13.59	42.24	698.11	6,218.51
Property development and construction	3,522.43	355.05	750.47	137.38	2,800.57	7,565.90
Public utility and services	10,964.30	1,812.68	1,417.84	370.36	3,828.61	18,393.79
House financing	8,864.02	309.34	59.96	121.49	353.55	9,708.36
Others	12,935.91	866.59	127.91	148.25	360.10	14,438.76
Total	38,987.00	6,493.48	2,372.96	819.95	9,747.66	58,421.05

Unit : Million Baht

<u>Consolidated Financial Statements</u>						
<u>December 31, 2020</u>						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	221.15	4.63	0.09	2.40	1,712.65	1,940.92
Manufacturing and commerce	2,691.87	3,118.09	29.24	227.80	1,017.82	7,084.82
Property development and construction	4,417.12	625.09	832.48	776.77	2,056.43	8,707.89
Public utility and services	10,425.79	3,682.03	100.77	2,696.26	3,024.57	19,929.42
House financing	7,616.81	341.68	51.04	66.12	350.04	8,425.69
Others	10,445.07	760.89	117.52	101.23	366.20	11,790.91
Total	35,817.81	8,532.41	1,131.14	3,870.58	8,527.71	57,879.65

8.6.3 Classified by business type and classification (Continued)

Unit : Million Baht

The Bank's Financial Statements						
December 31, 2021						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	379.29	6.30	3.19	0.23	1,706.72	2,095.73
Manufacturing and commerce	2,321.05	3,143.52	13.59	42.24	698.11	6,218.51
Property development and construction	3,522.43	355.05	750.47	137.38	2,800.57	7,565.90
Public utility and services	10,964.30	1,812.68	1,417.84	370.36	3,828.61	18,393.79
House financing	8,864.02	309.34	59.96	121.49	353.55	9,708.36
Others	11,864.86	226.46	64.95	117.96	340.68	12,614.91
Total	37,915.95	5,853.35	2,310.00	789.66	9,728.24	56,597.20

Unit : Million Baht

The Bank's Financial Statements						
December 31, 2020						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	221.15	4.63	0.09	2.40	1,712.65	1,940.92
Manufacturing and commerce	2,691.87	3,118.09	29.24	227.80	1,017.82	7,084.82
Property development and construction	4,417.12	625.09	832.48	776.77	2,056.43	8,707.89
Public utility and services	10,425.79	3,682.03	100.77	2,696.26	3,024.57	19,929.42
House financing	7,616.81	341.68	51.04	66.12	350.04	8,425.69
Others	9,612.03	264.07	49.14	73.44	338.96	10,337.64
Total	34,984.77	8,035.59	1,062.76	3,842.79	8,500.47	56,426.38

8.6.4 Classified by type of classification

Unit : Million Baht

Consolidated Financial Statements				
December 31, 2021				
	Financing and financial accrued income**	Outstanding balance (Net of collateral)*	Percentage of allowances for doubtful accounts (%)	Allowances for doubtful accounts
1. Minimum allowance per BOT's regulations				
Normal	39,255.43	10,757.77	1	136.48
Special Mention	6,548.73	2,464.25	2	108.41
Sub-Standard	2,378.82	1,037.79	100	1,028.71
Doubtful	822.14	257.06	100	241.88
Doubtful of loss	9,748.53	4,131.69	100	4,131.69
2. Surplus Reserve				
- Surplus reserve from minimum requirement	-	-		639.66
- General reserve	-	-		2,898.17
Total	58,753.65	18,648.56		9,185.00

8.6.4 Classified by type of classification (Continued)

Unit : Million Baht

<u>Consolidated Financial Statements</u>				
<u>December 31, 2020</u>				
	Financing and financial <u>accrued income**</u>	Outstanding balance <u>(Net of collateral)*</u>	Percentage of allowances for doubtful accounts (%)	Allowances for doubtful accounts
1. Minimum allowance per BOT's regulations				
Normal	36,129.09	14,436.01	1	171.41
Special Mention	8,605.17	2,352.74	2	91.43
Sub-Standard	1,139.46	548.88	100	537.12
Doubtful	3,872.80	2,771.67	100	2,760.07
Doubtful of loss	8,528.87	4,280.30	100	4,280.30
2. Surplus Reserve				
- Surplus reserve from minimum requirement	-	-		705.96
- General reserve	-	-		1,301.44
Total	<u>58,275.39</u>	<u>24,389.60</u>		<u>9,847.73</u>

* Subsidiary use outstanding balance before deduction of collateral in calculation of allowance of account for hire-purchase receivable classified as doubtful and doubtful of loss.

** Total financing to customers and financial accrued income net of deferred revenue in Note 8.6.1.

Unit : Million Baht

<u>The Bank's Financial Statements</u>				
<u>December 31, 2021</u>				
	Financing and financial <u>accrued income**</u>	Outstanding balance <u>(Net of collateral)*</u>	Percentage of allowances for doubtful accounts (%)	Allowances for doubtful accounts
1. Minimum allowance per BOT's regulations				
Normal	38,107.41	10,120.18	1	101.20
Special Mention	5,865.72	2,270.46	2	45.41
Sub-Standard	2,310.26	1,015.54	100	1,015.54
Doubtful	789.72	224.64	100	224.64
Doubtful of loss	9,728.49	4,111.17	100	4,111.17
2. Surplus Reserve				
- Surplus reserve from minimum requirement	-	-		639.66
- General reserve	-	-		2,892.17
Total	<u>56,801.60</u>	<u>17,741.99</u>		<u>9,029.79</u>

8.6.4 Classified by type of classification (Continued)

Unit : Million Baht

<u>The Bank's Financial Statements</u>				
<u>December 31, 2020</u>				
	Financing and financial <u>accrued income**</u>	Outstanding balance <u>(Net of collateral)*</u>	Percentage of allowances for doubtful accounts (%)	Allowance for doubtful accounts
1. Minimum allowance per BOT's regulations				
Normal	35,181.49	13,718.40	1	137.18
Special Mention	8,067.96	2,192.91	2	43.86
Sub-Standard	1,063.93	523.33	100	523.33
Doubtful	3,842.80	2,741.68	100	2,741.68
Doubtful of loss	8,500.47	4,251.42	100	4,251.42
2. Surplus Reserve				
- Surplus reserve from minimum requirement	-	-		705.96
- General reserve	-	-		1,237.44
Total	<u>56,656.65</u>	<u>23,427.74</u>		<u>9,640.87</u>

** Total financing to customers and financial accrued income net of deferred revenue in Note 8.6.1.

As at December 31, 2021 and 2020, the Bank had Non-Performing Financing (NPF) in the amount of Baht 12,828.47 million and Baht 13,407.20 million, respectively, accounting for 22.58 and 23.66 percent of the financing to customers and financial accrued income respectively.

8.6.5 Hire-purchase receivables and finance lease receivables, net

Unit : Million Baht

<u>Consolidated Financial Statements</u>				
<u>December 31, 2021</u>				
<u>Amounts due under lease agreements</u>				
	<u>Less than 1 year</u>	<u>Over 1-5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Gross investment in the hire-purchase and finance lease agreements	1,553.30	3,537.57	27.83	5,118.70
<u>Less</u> Unearned finance income	<u>(730.63)</u>	<u>(987.50)</u>	<u>(3.28)</u>	<u>(1,721.41)</u>
Present value of minimum lease payment under hire-purchase and finance lease agreements	822.67	2,550.07	24.55	3,397.29
<u>Less</u> Allowance for doubtful accounts	<u>(83.40)</u>	<u>(86.12)</u>	<u>(5.25)</u>	<u>(174.77)</u>
Hire-purchase and finance lease receivables, net	<u>739.27</u>	<u>2,463.95</u>	<u>19.30</u>	<u>3,222.52</u>

8.6.5 Hire-purchase receivables and finance lease receivables, net (Continued)

Unit : Million Baht

<u>Consolidated Financial Statements</u>				
<u>December 31, 2020</u>				
<u>Amounts due under lease agreements</u>				
	<u>Less than 1 year</u>	<u>Over 1-5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Gross investment in the hire-purchase and finance lease agreements	1,775.67	3,327.19	7.22	5,110.08
<u>Less</u> Unearned finance income	(765.43)	(927.46)	(0.34)	(1,693.23)
Present value of minimum lease payment under hire-purchase				
and finance lease agreements	1,010.24	2,399.73	6.88	3,416.85
<u>Less</u> Allowance for doubtful accounts	(144.69)	(81.61)	(0.14)	(226.44)
Hire-purchase and finance lease receivables, net	<u>865.55</u>	<u>2,318.12</u>	<u>6.74</u>	<u>3,190.41</u>

Unit : Million Baht

<u>The Bank's Financial Statements</u>				
<u>December 31, 2021</u>				
<u>Amounts due under lease agreements</u>				
	<u>Less than 1 year</u>	<u>Over 1-5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Gross investment in the hire-purchase and finance lease agreements	19.61	-	-	19.61
<u>Less</u> Unearned finance income	(0.05)	-	-	(0.05)
Present value of minimum lease payment under hire-purchase				
and finance lease agreements	19.56	-	-	19.56
<u>Less</u> Allowance for doubtful accounts	(19.56)	-	-	(19.56)
Hire-purchase and finance lease receivables, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Unit : Million Baht

<u>The Bank's Financial Statements</u>				
<u>December 31, 2020</u>				
<u>Amounts due under lease agreements</u>				
	<u>Less than 1 year</u>	<u>Over 1-5 years</u>	<u>Over 5 years</u>	<u>Total</u>
Gross investment in the hire-purchase and finance lease agreements	20.06	-	-	20.06
<u>Less</u> Unearned finance income	(0.09)	-	-	(0.09)
Present value of minimum lease payment under hire-purchase				
and finance lease agreements	19.97	-	-	19.97
<u>Less</u> Allowance for doubtful accounts	(19.59)	-	-	(19.59)
Hire-purchase and finance lease receivables, net	<u>0.38</u>	<u>-</u>	<u>-</u>	<u>0.38</u>

8.7 Allowance for doubtful accounts

The movements in the allowances for doubtful accounts during the period were as follows:

Unit : Million Baht

Consolidated Financial Statements							
December 31, 2021							
	Normal	Special Mention	Sub- Standard	Doubtful	Doubtful of loss	Surplus reserve from minimum requirement/ General reserve	Total
Beginning balance	171.41	91.43	537.12	2,760.07	4,280.30	2,007.40	9,847.73
Doubtful accounts	(34.93)	16.98	491.59	(2,518.19)	(148.61)	-	(2,193.16)
Surplus reserve from minimum requirement	-	-	-	-	-	(66.30)	(66.30)
General reserve	-	-	-	-	-	1,596.73	1,596.73
Ending balance	136.48	108.41	1,028.71	241.88	4,131.69	3,537.83	9,185.00

Unit : Million Baht

Consolidated Financial Statements							
December 31, 2020							
	Normal	Special Mention	Sub- Standard	Doubtful	Doubtful of loss	Surplus reserve from minimum requirement/ General reserve	Total
Beginning balance	162.86	40.62	627.94	746.94	3,527.97	2,156.17	7,262.50
Doubtful accounts	8.55	50.81	(90.82)	2,013.13	752.33	-	2,734.00
Surplus reserve from the minimum requirement	-	-	-	-	-	(305.23)	(305.23)
General reserve	-	-	-	-	-	156.46	156.46
Ending balance	171.41	91.43	537.12	2,760.07	4,280.30	2,007.40	9,847.73

8.7 Allowance for doubtful accounts (Continued)

Unit : Million Baht

The Bank's Financial Statements

December 31, 2021

	Surplus reserve from the minimum requirement/					Total
	Normal	Special Mention	Sub- Standard	Doubtful	of loss General reserve	
Beginning balance	137.18	43.86	523.33	2,741.68	4,251.42	9,640.87
Doubtful accounts	(35.98)	1.55	492.21	(2,517.04)	(140.25)	(2,199.51)
Surplus reserve from the minimum requirement	-	-	-	-	-	(66.30)
General reserve	-	-	-	-	-	1,654.73
Ending balance	101.20	45.41	1,015.54	224.64	4,111.17	9,029.79

Unit : Million Baht

The Bank's Financial Statements

December 31, 2020

	Surplus reserve from the minimum requirement/					Total
	Normal	Special Mention	Sub- Standard	Doubtful	of loss General reserve	
Beginning balance	157.21	37.73	605.19	674.95	3,498.10	7,036.13
Doubtful accounts	(20.03)	6.13	(81.86)	2,066.73	753.32	2,724.29
Surplus reserve from the minimum requirement	-	-	-	-	-	(305.23)
General reserve	-	-	-	-	-	185.68
Ending balance	137.18	43.86	523.33	2,741.68	4,251.42	9,640.87

8.8 Revaluation of allowance for debt restructuring

The movements in the revaluation of allowances for debt restructuring during the period were as follows:

Unit : Million Baht

Consolidated and the Bank's Financial Statements

December 31, 2021

December 31, 2020

Beginning balance	-	5.10
Addition	630.91	-
Decrease from change in PV loss	(2.89)	(5.10)
Ending balance	628.02	-

8.9 Troubled debt restructuring

The Bank and its subsidiaries engaged in debt restructuring contracts that incurred losses during the year ended December 31, 2021 and 2020 as follows:

Unit : Million Baht

Consolidated and the Bank's Financial Statements								
Types of restructuring	Number of debtors		Outstanding Debt				Transferred assets	
			Before debt restructuring		After debt restructuring		Type	Fair value
	2021	2020	2021	2020	2021	2020	2021	2020
Changes in repayment terms	18	-	569.76	-	569.76	-	-	-
Debt restructuring in various forms	1	-	2,500.00	-	2,500.00	-	-	-
Total debtor under TDR	19	-	3,069.76	-	3,069.76	-	-	-

The Bank and its subsidiaries measured the expected recoverable amount of the restructured loans. In the case of change in repayment term, the present value of the expected future cash flows is discounted by the financial cost rate. In case that the financial cost is lower than the profit margin rate under the debt restructuring conditions, the profit margin rate under the restructuring conditions will be use as a discount rate.

The terms of debt restructuring agreements which were restructured by changing the repayment conditions and restructuring in various other forms and which resulted in losses on debt restructuring during the year ended December 31, 2021 are as follows:

Unit : Million Baht

Consolidated and the Bank's Financial Statements								
Terms of debt restructuring			Outstanding Debt					
agreements	Number of debtors		Before debt restructuring		After debt restructuring		As at December 31,	
	2021	2020	2021	2020	2021	2020	2021	2020
Less than 5 years	1	-	194.99	-	194.99	-	194.99	-
5 - 10 years	14	-	349.49	-	349.49	-	356.85	-
Over 10 years	4	-	2,525.28	-	2,525.28	-	2,525.75	-
Total	19	-	3,069.76	-	3,069.76	-	3,077.59	-

As at December 31, 2021 and 2020, the Bank and its subsidiaries had troubled debt restructuring as follows:

Unit : Million Baht

Consolidated and the Bank's Financial Statements		
	December 31, 2021	December 31, 2020
Debt restructuring contracts which were not classified as NPL	3,077.26	-
Debt restructuring contracts which were classified as NPL	0.33	-
Total	3,077.59	-

8.9 Troubled debt restructuring (Continued)

As at December 31, 2021 and 2020, the Bank and its subsidiaries recognized losses from debt restructuring and income from debt restructuring as follows:

	Unit : Million Baht	
	<u>Consolidated and the Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Losses from debt restructuring	628.02	-
Income from debt restructuring	4.90	-

8.10 Properties for sale, net

	Unit : Million Baht			
	<u>Consolidated Financial Statements</u>			
	<u>December 31, 2021</u>			
	<u>Beginning</u>		<u>Disposals/</u>	<u>Ending</u>
	<u>balance</u>	<u>Additions</u>	<u>Decrease</u>	<u>balance</u>
Assets from debts repayment				
Immovable assets				
- External appraiser	274.48	1,559.90	(3.80)	1,830.58
Total immovable assets	274.48	1,559.90	(3.80)	1,830.58
Movable assets				
- External appraiser	45.92	253.96	(266.67)	33.21
Total movable assets	45.92	253.96	(266.67)	33.21
Total properties for sale	320.40	1,813.86	(270.47)	1,863.79
Less Allowance for impairment*	(10.49)	(53.20)	24.76	(38.93)
Total properties for sale, net	309.91	1,760.66	(245.71)	1,824.86

8.10 Properties for sale, net (Continued)

Unit : Million Baht

Consolidated Financial Statements				
December 31, 2020				
	Beginning balance	Additions	Disposals/ Decrease	Ending balance
Assets from debts repayment				
Immovable assets				
- External appraiser	89.55	188.90	(3.97)	274.48
Total immovable assets	89.55	188.90	(3.97)	274.48
Movable assets				
- External appraiser	33.11	251.75	(238.94)	45.92
Total movable assets	33.11	251.75	(238.94)	45.92
Total properties for sale	122.66	440.65	(242.91)	320.40
Less Allowance for impairment*	(11.71)	(51.33)	52.55	(10.49)
Total properties for sale, net	110.95	389.32	(190.36)	309.91

*As at December 31, 2021 and 2020, the Bank and its subsidiaries had allowance for impairment of properties for sale amounting to Baht 35.38 million and Baht 4.91 million, respectively.

8.10 Properties for sale, net (Continued)

Unit : Million Baht

The Bank's Financial Statements				
December 31, 2021				
	Beginning balance	Additions	Disposals/ Decrease	Ending balance
Assets from debts repayment				
Immovable assets				
- External appraiser	245.43	1,527.47	(3.80)	1,769.10
Total immovable assets	245.43	1,527.47	(3.80)	1,769.10
Movable assets				
- External appraiser	-	-	-	-
Total movable assets	-	-	-	-
Total properties for sale	245.43	1,527.47	(3.80)	1,769.10
<u>Less</u> Allowance for impairment*	(4.91)	(30.47)	-	(35.38)
Total properties for sale, net	240.52	1,497.00	(3.80)	1,733.72

Unit : Million Baht

The Bank's Financial Statements				
December 31, 2020				
	Beginning balance	Additions	Disposals/ Decrease	Ending balance
Assets from debts repayment				
Immovable assets				
- External appraiser	60.50	188.90	(3.97)	245.43
Total immovable assets	60.50	188.90	(3.97)	245.43
Movable assets				
- External appraiser	-	-	-	-
Total movable assets	-	-	-	-
Total properties for sale	60.50	188.90	(3.97)	245.43
<u>Less</u> Allowance for impairment*	(6.04)	(15.68)	16.81	(4.91)
Total properties for sale, net	54.46	173.22	12.84	240.52

* As at December 31, 2021 and 2020, the Bank had allowance for impairment of properties for sale amounting to Baht 35.38 million and Baht 4.91 million, respectively.

8.11 Premises and equipment, net

Unit : Million Baht

Consolidated Financial Statements										
December 31, 2021										
	Cost				Accumulated depreciation				Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals	Ending balance	Beginning balance	Depreciation	Disposals	Ending balance		
Land										
- Cost	154.55	-	-	154.55	-	-	-	-	-	154.55
Land improvement on leased land										
- Cost	3.49	-	-	3.49	3.49	-	-	3.49	-	-
Building										
- Cost	97.95	-	-	97.95	80.00	3.12	-	83.12	-	14.83
Building and leasehold improvement										
- Cost	614.44	3.09	(22.75)	594.78	525.34	33.87	(21.94)	537.27	-	57.51
Furniture, fixture and equipment										
- Cost	964.14	8.21	(52.24)	920.11	933.82	9.72	(52.14)	891.40	-	28.71
Vehicles										
- Cost	41.91	-	-	41.91	26.36	2.37	-	28.73	-	13.18
Assets for service	-	0.06	-	0.06	-	0.01	-	0.01	-	0.05
Construction in progress	-	13.77	(0.29)	13.48	-	-	-	-	-	13.48
Total	1,876.48	25.13	(75.28)	1,826.33	1,569.01	49.09	(74.08)	1,544.02	-	282.31

Unit : Million Baht

Consolidated Financial Statements										
December 31, 2020										
	Cost				Accumulated depreciation				Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals	Ending balance	Beginning balance	Depreciation	Disposals	Ending balance		
Land										
- Cost	154.55	-	-	154.55	-	-	-	-	-	154.55
Land improvement on leased land										
- Cost	3.49	-	-	3.49	3.49	-	-	3.49	-	-
Building										
- Cost	97.95	-	-	97.95	76.88	3.12	-	80.00	-	17.95
Building and leasehold improvement										
- Cost	662.23	6.98	(54.77)	614.44	501.24	51.75	(27.65)	525.34	-	89.10
Furniture, fixture and equipment										
- Cost	982.75	15.07	(33.68)	964.14	956.38	11.09	(33.65)	933.82	-	30.32
Vehicles										
- Cost	42.56	7.18	(7.83)	41.91	28.66	2.74	(5.04)	26.36	-	15.55
Construction in progress	3.64	3.87	(7.51)	-	-	-	-	-	-	-
Total	1,947.17	33.10	(103.79)	1,876.48	1,566.65	68.70	(66.34)	1,569.01	-	307.47

As at December 31, 2021 and 2020, the Bank and its subsidiaries has premises and equipment where were fully depreciated but still in-use, with the original cost totaling approximately Baht 1,300.04 million and Baht 1,143.68 million, respectively.

8.11 Premises and equipment, net (Continued)

Unit : Million Baht

The Bank's Financial Statements										
December 31, 2021										
	Cost			Ending balance	Accumulated depreciation			Ending balance	Allowance for Impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Depreciation	Disposals			
Land										
- Cost	154.55	-	-	154.55	-	-	-	-	-	154.55
Building										
- Cost	97.95	-	-	97.95	80.00	3.12	-	83.12	-	14.83
Building and leasehold improvement										
- Cost	589.67	0.82	(21.49)	569.00	507.01	33.08	(20.68)	519.41	-	49.59
Furniture, fixture and equipment										
- Cost	932.35	6.22	(51.97)	886.60	906.89	7.85	(51.93)	862.81	-	23.79
Vehicles										
- Cost	12.49	-	-	12.49	12.49	-	-	12.49	-	-
Construction in progress	-	13.48	-	13.48	-	-	-	-	-	13.48
Total	1,787.01	20.52	(73.46)	1,734.07	1,506.39	44.05	(72.61)	1,477.83	-	256.24

Unit : Million Baht

The Bank's Financial Statements										
December 31, 2020										
	Cost			Ending balance	Accumulated depreciation			Ending balance	Allowance for Impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Depreciation	Disposals			
Land										
- Cost	154.55	-	-	154.55	-	-	-	-	-	154.55
Building										
- Cost	97.95	-	-	97.95	76.88	3.12	-	80.00	-	17.95
Building and leasehold improvement										
- Cost	637.78	3.89	(52.00)	589.67	481.84	50.07	(24.90)	507.01	-	82.66
Furniture, fixture and equipment										
- Cost	950.10	13.29	(31.04)	932.35	930.10	7.81	(31.02)	906.89	-	25.46
Vehicles										
- Cost	12.49	-	-	12.49	12.49	-	-	12.49	-	-
Construction in progress	3.64	1.83	(5.47)	-	-	-	-	-	-	-
Total	1,836.51	19.01	(88.51)	1,787.01	1,501.31	61.00	(55.92)	1,506.39	-	280.62

As at December 31, 2021 and 2020, the Bank has premises and equipment where were fully depreciated but still in-use, with the original cost totaling approximately Baht 1,244.71 million and Baht 1,090.43 million, respectively.

8.12 Right-of-use assets, net

Unit : Million Baht

Consolidated Financial Statements

December 31, 2021

	Cost				Accumulated depreciation				Net
	Beginning			Ending	Beginning			Ending	
	balance	Additions	Disposals	balance	balance	Depreciation	Disposals	balance	
Right-of-use assets - building	254.85	76.02	(64.69)	266.18	88.38	98.54	(48.20)	138.72	127.46
Right-of-use assets - equipment	4.05	-	(1.86)	2.19	1.73	1.57	(1.86)	1.44	0.75
Right-of-use assets - vehicle	102.23	-	(2.77)	99.46	20.13	23.23	(0.98)	42.38	57.08
Right-of-use assets - building									
- Provision for dismantling and removal cost	71.26	25.60	(30.17)	66.69	41.38	35.49	(24.47)	52.40	14.29
	432.39	101.62	(99.49)	434.52	151.62	158.83	(75.51)	234.94	199.58

Unit : Million Baht

Consolidated Financial Statements

December 31, 2020

	Cost				Accumulated depreciation				Net
	Beginning			Ending	Beginning			Ending	
	balance	Additions	Disposals	balance	balance	Depreciation	Disposals	balance	
Right-of-use assets - building	201.56	65.29	(12.00)	254.85	-	93.59	(5.21)	88.38	166.47
Right-of-use assets - equipment	1.86	2.19	-	4.05	-	1.73	-	1.73	2.32
Right-of-use assets - vehicle	80.15	22.66	(0.58)	102.23	-	20.26	(0.13)	20.13	82.10
Right-of-use assets - building									
- Provision for dismantling and removal cost	53.42	18.26	(0.42)	71.26	24.90	16.61	(0.13)	41.38	29.88
	336.99	108.40	(13.00)	432.39	24.90	132.19	(5.47)	151.62	280.77

8.12 Right-of-use assets, net (Continued)

Unit : Million Baht

The Bank's Financial StatementsDecember 31, 2021

	Cost				Accumulated depreciation				Net
	Beginning			Ending	Beginning			Ending	
	balance	Additions	Disposals	balance	balance	Depreciation	Disposals	balance	
Right-of-use assets - building	222.94	66.06	(59.78)	229.22	79.82	87.41	(43.30)	123.93	105.29
Right-of-use assets - equipment	4.05	-	(1.86)	2.19	1.73	1.57	(1.86)	1.44	0.75
Right-of-use assets - vehicle	102.23	-	(2.77)	99.46	20.13	23.23	(0.98)	42.38	57.08
Right-of-use assets - building									
- Provision for dismantling and removal cost	71.26	25.60	(30.17)	66.69	41.38	35.49	(24.47)	52.40	14.29
	400.48	91.66	(94.58)	397.56	143.06	147.70	(70.61)	220.15	177.41

Unit : Million Baht

The Bank's Financial StatementsDecember 31, 2020

	Cost				Accumulated depreciation				Net
	Beginning			Ending	Beginning			Ending	
	balance	Additions	Disposals	balance	balance	Depreciation	Disposals	balance	
Right-of-use assets - building	177.09	55.01	(9.16)	222.94	-	82.42	(2.60)	79.82	143.12
Right-of-use assets - equipment	1.86	2.19	-	4.05	-	1.73	-	1.73	2.32
Right-of-use assets - vehicle	80.15	22.66	(0.58)	102.23	-	20.26	(0.13)	20.13	82.10
Right-of-use assets - building									
- Provision for dismantling and removal cost	53.42	18.26	(0.42)	71.26	24.90	16.61	(0.13)	41.38	29.88
	312.52	98.12	(10.16)	400.48	24.90	121.02	(2.86)	143.06	257.42

8.13 Goodwill and other intangible assets, net

Unit : Million Baht

Consolidated Financial Statements										
December 31, 2021										
	Cost			Ending balance	Accumulated Amortization			Ending balance	Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Amortization	Disposals			
Right to use										
computer software										
- Cost	348.80	0.81	(0.63)	348.98	343.15	1.48	(0.64)	343.99	-	4.99
Computer systems										
- Cost	740.44	8.14	(0.53)	748.05	714.00	5.27	(0.47)	718.80	-	29.25
Goodwill										
- Cost	90.00	-	-	90.00	19.50	-	-	19.50	(70.50)	-
Computer systems										
in progress	131.86	53.95	-	185.81	-	-	-	-	(1.59)	184.22
Total	1,311.10	62.90	(1.16)	1,372.84	1,076.65	6.75	(1.11)	1,082.29	(72.09)	218.46

Unit : Million Baht

Consolidated Financial Statements										
December 31, 2020										
	Cost			Ending balance	Accumulated Amortization			Ending balance	Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Amortization	Disposals			
Right to use										
computer software										
- Cost	348.39	0.47	(0.06)	348.80	340.61	2.60	(0.06)	343.15	-	5.65
Computer systems										
- Cost	740.63	0.19	(0.38)	740.44	708.22	6.04	(0.26)	714.00	-	26.44
Goodwill										
- Cost	90.00	-	-	90.00	19.50	-	-	19.50	(70.50)	-
Computer systems										
in progress	11.83	120.22	(0.19)	131.86	-	-	-	-	(1.59)	130.27
Total	1,190.85	120.88	(0.63)	1,311.10	1,068.33	8.64	(0.32)	1,076.65	(72.09)	162.36

Unit : Million Baht

The Bank's Financial Statements										
December 31, 2021										
	Cost			Ending balance	Accumulated Amortization			Ending balance	Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Amortization	Disposals			
Right to use										
computer software										
- Cost	314.91	0.34	(0.64)	314.61	314.16	0.24	(0.64)	313.76	-	0.85
Computer systems										
- Cost	740.44	8.14	(0.53)	748.05	714.00	5.27	(0.47)	718.80	-	29.25
Goodwill										
- Cost	90.00	-	-	90.00	19.50	-	-	19.50	(70.50)	-
Computer systems										
in progress	130.27	53.95	-	184.22	-	-	-	-	-	184.22
Total	1,275.62	62.43	(1.17)	1,336.88	1,047.66	5.51	(1.11)	1,052.06	(70.50)	214.32

8.13 Goodwill and other intangible assets, net (Continued)

Unit : Million Baht

The Bank's Financial Statements										
December 31, 2020										
	Cost			Ending balance	Accumulated Amortization			Ending balance	Allowance for impairment	Net Balance
	Beginning balance	Additions	Disposals		Beginning balance	Amortization	Disposals			
Right to use										
computer software										
- Cost	314.83	0.14	(0.06)	314.91	313.84	0.38	(0.06)	314.16	-	0.75
Computer systems										
- Cost	740.63	0.19	(0.38)	740.44	708.22	6.04	(0.26)	714.00	-	26.44
Goodwill										
- Cost	90.00	-	-	90.00	19.50	-	-	19.50	(70.50)	-
Computer systems										
in progress	10.24	120.22	(0.19)	130.27	-	-	-	-	-	130.27
Total	1,155.70	120.55	(0.63)	1,275.62	1,041.56	6.42	(0.32)	1,047.66	(70.50)	157.46

8.14 Deferred tax assets and liabilities

The detail of recognition of deferred tax assets and liabilities as income/ expenses in the statements of profit or loss and other comprehensive income for the years 2021 and 2020 is as follows:

Unit : Million Baht

Consolidated Financial Statements				
	January 1, 2021	Gains (losses)	Other comprehensive income	
			Income	December 31, 2021
Deferred tax assets				
Allowance for doubtful accounts	49.00	(15.25)	-	33.75
Provision for long-term employee benefit reserve	4.46	0.51	0.63	5.60
Estimated losses on properties for sale	1.12	(0.41)	-	0.71
Allowance for impairment loss on intangible assets	0.32	-	-	0.32
Right-of-use assets and lease liabilities	0.06	0.04	-	0.10
Deferred tax assets	54.96	(15.11)	0.63	40.48
Deferred tax liabilities				
Deferred commission expense	(3.78)	(0.02)	-	(3.80)
Revenue from financial lease	(0.02)	0.01	-	(0.01)
Deferred tax liabilities	(3.80)	(0.01)	-	(3.81)
Deferred tax assets, net	51.16	(15.12)	0.63	36.67

8.14 Deferred tax assets and liabilities (Continued)

Unit : Million Baht

	Consolidated Financial Statements			December 31, 2020
	January 1, 2020	Gains (losses)	Other comprehensive income	
Deferred tax assets				
Allowance for doubtful accounts	36.02	12.98	-	49.00
Provision for long-term employee benefit reserve	3.73	0.73	-	4.46
Estimated losses on properties for sale	0.76	0.36	-	1.12
Allowance for impairment loss on intangible assets	0.32	-	-	0.32
Right-of-use assets and lease liabilities	-	0.06	-	0.06
Deferred tax assets	40.83	14.13	-	54.96
Deferred tax liabilities				
Deferred commission expense	(3.77)	(0.01)	-	(3.78)
Revenue from financial lease	(0.07)	0.05	-	(0.02)
Deferred tax liabilities	(3.84)	0.04	-	(3.80)
Deferred tax assets, net	36.99	14.17	-	51.16

8.15 Receivables from transferring non-performing assets

On June 29, 2017, the Bank made an asset transfer agreement with Islamic Bank Asset Management Company Limited. The transferred assets are non-performing assets and non-Muslim assets at the Cut-off Date are excluded from welfare employee financing and a financing program to assist independent retailers affected by the flood and storm in 2010 (PSA). Asset transfer is scheduled on December 31, 2016. The transfer date is June 30, 2017, using the outstanding balance as at June 29, 2017. The detail of transferring after increase in transferring-asset improvement were as follows:

Unit : Million Baht

Accounts	Outstanding balance / Cost	Accrued income	Collateral value	Allowance for		Net book value
		within 3 months for normal receivables	used in calculation of allowance / Appraised value	doubtful account	Allowance for impairment	
Financing to bank transaction	48,876.13	0.72	22,125.47	26,750.66	-	22,126.19
Financing to Public Service Account	173.74	-	0.01	173.73	-	0.01
Investment in Finansia's account receivable	13.50	-	-	-	13.50	-
Properties for sale - immovable	253.55	-	446.38	-	0.26	253.29
Properties for sale - movable	1.73	-	1.93	-	0.15	1.58
Total	49,318.65	0.72	22,573.79	26,924.39	13.91	22,381.07

8.15 Receivables from transferring non-performing assets (Continued)

As at June 30, 2017 (the transfer date), the Bank received payment for the assets transferred to Islamic Bank Asset Management Company Limited (IAM) as a promissory note for 5 issues totaling Baht 22,605.66 million. The amounts due for such promissory notes may be adjusted as agreed by the parties (within six months). IAM has adjusted promissory note from No.5/2560 amounting to Baht 4,605.66 million to promissory note No.1/2561, amounting to Baht 4,381.07 million, promissory notes totaling Baht 22,381.07 million.

As at December 28, 2017, the Bank has signed a credit facility agreement with Krung Thai Bank PCL credit line of Baht 10,000 million. The Bank pledged the rights under the promissory note of Islamic Bank Asset Management Company Limited (IAM) issued 4 promissory notes totaling Baht 18,000 million, No. 1/2560, amounting to Baht 4,500 million, No. 2/2560, amounting to Baht 4,500 million, No. 3/2560, amounting to Baht 4,500 million, and No. 4/2560 amounting to Baht 4,500 million.

As at April 17, 2019, the Bank made an agreement with Islamic Bank Asset Management Company Limited (IAM), which IAM had to pay for the assets transferred of promissory note No. 1 dated June 30, 2017 amounting to Baht 4,500 million and its maturity date on June 30, 2020 amounting to Baht 2,000 million along with the return of promissory note. The Bank received some of payment for the assets transferred and return of promissory note as mentioned, therefore the Bank has returned promissory note No. 1/2560 with maturity date on June 30, 2020 amounting to Baht 4,500 million to IAM, and IAM has transferred promissory note No. 1/2562 for the remaining amount according to promissory note No. 1/2560 amounting to Baht 2,500 million to the Bank.

As at April 22, 2019, the Bank has decreased credit limit by Baht 5,500 million, available balance amounting to Baht 4,500 million and redeemed collateral from rights under the promissory note issued 3 promissory notes, No. 1/2560, amounting to Baht 4,500 million, No. 3/2560, amounting to Baht 4,500 million, and No. 4/2560 amounting to Baht 4,500 million, amounting totaling Baht 13,500 million.

As at October 15, 2019, the Bank received some payment for the assets transferred from promissory note No. 1/2562 amounting to Baht 500 million along with the return of promissory note. The Bank has returned promissory note No. 1/2562 to Islamic Bank Asset Management Company Limited (IAM) and IAM has transferred a promissory note No. 2/2562 for the remaining amounting to Baht 2,000 million.

As at December 26, 2019, the Bank received some payment for the assets transferred from promissory note No. 2/2562 amounting to Baht 1,000 million. The Bank has returned promissory note No. 2/2562 to Islamic Bank Asset Management Company Limited (IAM) and IAM has transferred a promissory note No. 3/2562 for the remaining amounting to Baht 1,000 million.

8.15 Receivables from transferring non-performing assets (Continued)

As at April 30, 2020, the Bank received some payment for the assets transferred from IAM in the amounting to Baht 2,000 million which the Bank received a remaining payment according to the promissory note No. 3/2562, with the partial return amounting to Baht 1,000 million and received a principle payment with the partial return of the promissory note No. 2/2560 amounting to Baht 1,000 million. The Bank returned promissory note No. 3/2562 and changed promissory note No. 2/2560 to promissory note No. 1/2563 for the remaining amounting to Baht 3,500 million.

As at June 26, 2020, the Bank received a partial payment according to the promissory note No. 1/2563 amounting to Baht 1,000 million along with some rate of returns. The Bank also received the deficit rate of return according to the promissory note No. 3/2562, the Bank has transferred the promissory note No. 1/2563 and IAM has transferred a promissory note No. 2/2563 for the remaining amounting to Baht 2,500 million.

As at August 17, 2020, the Bank redeemed the collateral for the promissory note No. 2/2560 amounting to Baht 4,500 million and the Bank has signed a credit agreement with Krung Thai Bank Plc. with credit facilities amounting to Baht 4,500 million. The Bank has pledged the rights under of IAM's promissory notes which issue according to the promissory note No. 3/2560 amounting to Baht 4,500 million.

As at December 21, 2020, the Bank received a partial payment according to the promissory note No. 2/2563 amounting to Baht 500 million along with some rate of returns from January - November 2020 in the amount of Baht 197.77 million. The Bank has returned the promissory note No. 2/2563 and IAM has transferred a promissory note No. 3/2563 for the remaining amounting to Baht 2,000 million.

As at January 29, 2021, the Bank received some rate of return for December 2020 amounting to Baht 15.20 million.

As at March 31, 2021, the Bank received a remaining payment according to the promissory note No. 3/2563 amounting to Baht 2,000 million with the full return amounting to Baht 3.48 million. The Bank returned promissory note No. 3/2563 to IAM.

As at April 16, 2021, the Bank received some rate of return for March 2021 amounting to Baht 1.68 million.

As at July 2, 2021, the Bank received a payment according to the promissory note No. 3/2560 amounting to Baht 280.18 million along with some rate of returns from January - May 2021 amounting to Baht 19.25 million.

As at August 18, 2021, the Bank received some rate of returns from June - July 1, 2021 amounting to Baht 3.70 million. The Bank has returned the promissory note No. 3/2560 and IAM has transferred a promissory note No. 1/2564 for the remaining amounting to Baht 4,219.82 million.

8.15 Receivables from transferring non-performing assets (Continued)

As at October 28, 2021, the Bank received a payment according to the promissory note No. 1/2564 amounting to Baht 1,719.82 million along with some rate of returns from July - September 2021 amounting to Baht 9.85 million. The Bank has returned the promissory note No. 1/2564 and IAM has transferred a promissory note No. 2/2564 for the remaining amounting to Baht 2,500.00 million.

As at November 10, 2021, the Bank received some rate of returns according to the promissory note No. 1/2564 from October 1 to October 27, 2021 amounting to Baht 2.78 million.

As at December 22, 2021, the Bank received some rate of returns from January - November, 2021 according to the promissory note No. 4/2560 amounting to Baht 40.04 million, the promissory note No. 1/2561 amounting to Baht 38.99 million, and the promissory note No. 2/2564 from October 28 - November 30, 2021 amounting to Baht 2.01 million, total 3 promissory notes amounting to Baht 81.04 million.

The details of outstanding balance of the promissory notes which IAM issued due to transferring assets from the Bank as at December 31, 2021 and 2020 are as follows

			Unit : Million Baht	
			<u>Consolidated and the Bank's Financial Statements</u>	
			<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>No.</u>	<u>Date of Issuance</u>	<u>Due date</u>	<u>Amount</u>	<u>Amount</u>
3/2560	June 30, 2017	June 30, 2022	-	4,500.00
4/2560	June 30, 2017	June 30, 2023	4,500.00	4,500.00
1/2561	June 30, 2017	June 30, 2024	4,381.07	4,381.07
3/2563	December 21, 2020	June 30, 2021	-	2,000.00
2/2564	October 28, 2021	June 30, 2022	2,500.00	-
Total			<u>11,381.07</u>	<u>15,381.07</u>

As at December 31, 2021 and 2020, the Bank has recognized accrued income from the promissory notes of Baht 8.22 million and Baht 15.20 million, respectively.

8.16 Other assets, net

	Consolidated Financial Statements		The Bank's Financial Statements	
	Unit : Million Baht			
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Revenue Department receivable	0.71	0.72	0.71	0.72
Deposits	60.44	65.29	57.52	62.40
<u>Less</u> Allowance for impairment - deposits	(0.66)	(0.66)	(0.66)	(0.66)
Non-accrual receivable and judgment debtors	156.78	305.14	-	-
<u>Less</u> Allowance for doubtful accounts	(144.39)	(254.29)	-	-
Other accrued income	9.88	9.21	9.88	9.21
Account receivables under investigation	12.48	12.48	12.48	12.48
<u>Less</u> Allowance for doubtful accounts	(12.48)	(12.48)	(12.48)	(12.48)
Advance payment to receivables	207.42	204.98	207.42	204.98
<u>Less</u> Allowance for impairment - advance payment to receivables	(180.33)	(179.04)	(180.33)	(179.04)
Debtors of the Legal Execution Department	41.83	64.78	41.83	64.78
<u>Less</u> Account receivables debtors of the Legal Execution Department	(2.43)	(3.47)	(2.43)	(3.47)
Other receivables of IAM	243.75	273.86	243.75	273.86
Others	69.63	43.78	63.84	36.49
<u>Less</u> Allowance for impairment - other assets	(1.62)	(1.62)	(1.62)	(1.62)
Total	461.01	528.68	439.91	467.65

As at December 31, 2021, the Bank had other receivables of Islamic Bank Asset Management of Baht 243.75 million from advance payment and paid obligations in respect of transfer of non-performing assets for Islamic Bank Asset Management amounting to Baht 5.58 million and Baht 238.17 million, respectively.

8.17 Deposits

8.17.1 Classified by product type

	Consolidated Financial Statements		The Bank's Financial Statements	
	Unit : Million Baht			
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
At call	725.47	890.42	740.62	904.37
Savings	28,805.69	25,007.23	28,832.92	25,037.55
Term deposits				
Less than 6 months	1,951.62	6,933.48	1,951.62	6,933.48
6 months - 1 year	3,848.58	4,025.44	3,848.58	4,025.44
More than 1 year	35,618.86	38,267.68	35,618.86	38,267.68
Total	70,950.22	75,124.25	70,992.60	75,168.52

8.17.2 Classified by remaining maturity of deposits

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Less than 1 year	62,180.75	68,303.30	62,223.13	68,347.57
More than 1 year	8,769.47	6,820.95	8,769.47	6,820.95
Total	<u>70,950.22</u>	<u>75,124.25</u>	<u>70,992.60</u>	<u>75,168.52</u>

8.17.3 Classified by currency and residence of depositors

Unit : Million Baht

	<u>Consolidated Financial Statements</u>			<u>The Bank's Financial Statements</u>		
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Thai Baht	70,948.77	1.45	70,950.22	75,122.38	1.87	75,124.25
Total	<u>70,948.77</u>	<u>1.45</u>	<u>70,950.22</u>	<u>75,122.38</u>	<u>1.87</u>	<u>75,124.25</u>

Unit : Million Baht

	<u>The Bank's Financial Statements</u>			<u>The Bank's Financial Statements</u>		
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Thai Baht	70,991.15	1.45	70,992.60	75,166.65	1.87	75,168.52
Total	<u>70,991.15</u>	<u>1.45</u>	<u>70,992.60</u>	<u>75,166.65</u>	<u>1.87</u>	<u>75,168.52</u>

8.18 Interbank and money market items, net (liabilities)

Unit : Million Baht

	<u>Consolidated Financial Statements</u>			<u>Consolidated Financial Statements</u>		
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	<u>At call</u>	<u>Term</u>	<u>Total</u>	<u>At call</u>	<u>Term</u>	<u>Total</u>
Domestic items						
Bank of Thailand	-	1,274.67	1,274.67	-	198.19	198.19
Specialized financial institutions	-	1,458.04	1,458.04	-	1,222.30	1,222.30
Other financial institutions	1,248.65	93.45	1,342.10	1,685.02	160.66	1,845.68
Total	<u>1,248.65</u>	<u>2,826.16</u>	<u>4,074.81</u>	<u>1,685.02</u>	<u>1,581.15</u>	<u>3,266.17</u>

8.18 Interbank and money market items, net (liabilities) (Continued)

Unit : Million Baht

	The Bank's Financial Statements					
	December 31, 2021			December 31, 2020		
	At call	Term	Total	At call	Term	Total
Domestic items						
Bank of Thailand	-	1,274.67	1,274.67	-	198.19	198.19
Specialized financial institutions	-	1,136.04	1,136.04	-	1,122.30	1,122.30
Other financial institutions	1,248.65	93.45	1,342.10	1,685.02	160.66	1,845.68
Total	1,248.65	2,504.16	3,752.81	1,685.02	1,481.15	3,166.17

8.19 Lease liabilities, net

Unit : Million Baht

	Consolidated Financial Statements	The Bank's Financial Statements
Beginning balance as at January 1, 2021	334.67	309.65
Additions	121.82	99.23
Repayment	(135.91)	(112.03)
Disposal	(52.98)	(52.98)
Ending balance as at December 31, 2021	267.60	243.87
<u>Less</u> Deferred lease payment	(5.46)	(4.43)
Lease liabilities, net	262.14	239.44

Unit : Million Baht

	Consolidated Financial Statements	The Bank's Financial Statements
Lease liabilities recognized under new financial reporting standard at January 1, 2020	347.66	321.43
Additions	111.93	101.09
Repayment	(117.26)	(105.21)
Disposal	(7.66)	(7.66)
Ending balance as at December 31, 2020	334.67	309.65
<u>Less</u> Deferred lease payment	(8.26)	(6.89)
Lease liabilities, net	326.41	302.76

8.20 Provisions

	Unit : Million Baht			
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Provision for post-employment benefit contingent	388.98	336.43	360.97	314.11
Provision for short-term employee benefit contingent	22.82	17.87	22.82	17.87
Provision for lawsuit files	1.34	11.72	1.34	11.72
Provision caused by non-performing assets	166.45	162.60	166.45	162.60
Other provisions	22.50	-	22.50	-
Total	<u>602.09</u>	<u>528.62</u>	<u>574.08</u>	<u>506.30</u>

The Bank has established post-employment benefit plans in accordance with the State Enterprise Labor Relations Act, B.E. 2543 while subsidiaries have post-employment benefit plans in accordance with the Labor Protection Act B.E. 2541 in which being presented as a part of provisions under the statements of financial position.

As at December 31, 2021 and 2020, the Bank had provision caused by a lawsuit filed and provision caused by non-performing assets amounting to Baht 167.79 million and Baht 174.32 million, respectively. This included contingent liabilities caused by provision from bank guarantee totaling Baht 142.51 million and Baht 142.51 million, respectively as stated in Note 8.26.1. In this period, the Bank has made an estimation of the contingent liabilities from the risks and uncertainties. Conservatism assumptions has been used in order to determine the possibilities, from news appears by the media, from litigation between debtors and beneficiary and litigation period. The bank will recognize other provisions reversal when the Bank pays its litigation.

As at December 31, 2021, the Bank has a contingent liability in respect of transfer of non-performing assets to Islamic Bank Asset Management. The Bank expects to pay its obligations under the transferred assets for more than 2 years from the date of transfer of assets amounting to Baht 166.45 million, such amount is included penalty charges and court fees of Baht 23.94 million.

8.20 Provisions (Continued)

Change in present value of post-employment benefit obligations for the year ended December 31, 2021 and 2020 were as follows:

	Unit : Million Baht			
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Beginning provision according to post-employment benefit obligations	336.43	296.24	314.11	277.59
Current service cost	49.49	46.55	47.19	44.62
Financial cost	5.19	4.56	4.88	4.28
(Gains) losses caused by employee benefit paid	(0.72)	-	(0.72)	-
Other long-term employee benefit	-	0.31	-	-
Recognized in other comprehensive income :				
Losses (gains) from using actuarial calculation estimation				
Caused by benefit paid	1.25	-	-	-
Caused by change in demographic assumptions	1.76	(0.67)	-	-
Caused by change in financial assumptions	(0.55)	1.90	-	-
Caused by improvement from experience	0.86	0.41	-	-
Benefit paid	(4.73)	(12.87)	(4.49)	(12.38)
Ending provision according to post-employment benefit obligations	<u>388.98</u>	<u>336.43</u>	<u>360.97</u>	<u>314.11</u>

Amounts recognized in the statements of profit or loss and other comprehensive income in respect of the post-employment benefit plans for the year ended December 31, 2021 and 2020 were as follows:

	Unit : Million Baht			
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current service costs	49.49	46.55	47.19	44.62
Finance costs	5.19	4.56	4.88	4.28
(Gains) losses caused by employee benefit paid	(0.72)	-	(0.72)	-
Other long-term employee benefit	-	0.31	-	-

Principal actuarial assumptions used to calculate the defined benefit obligations as at December 31, 2021 and 2020 were as follows:

	<u>Consolidated and the Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Discount rate	1.31% - 2.85%	1.36% - 1.56%
Salary increase rate	3.96% - 4.50%	4.00% - 4.50%
Turnover average rate	0% - 17.00%	0% - 22.92%

8.20 Provisions (Continued)

Sensitivity analysis of principal actuarial assumptions as at December 31, 2021 and 2020 were as follows:

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Change in post-employment benefits</u>				
Increase in discount rate by 0.50 - 1.00	(36.55)	(33.84)	(35.83)	(32.98)
Decrease in discount rate by 0.50 - 1.00	42.64	39.64	41.86	38.72
Increase in salary average rate by 0.50 - 1.00	49.51	42.97	48.86	41.36
Decrease in salary average rate by 0.50 - 1.00	(42.79)	(37.20)	(42.17)	(35.77)
Increase in turnover average rate by 0.50 - 20.00	(38.39)	(38.01)	(37.73)	(34.76)
Decrease in turnover average rate by 0.50 - 20.00	27.82	28.41	27.18	25.70

Maturity analysis of Defined Benefit Plan

The following table provides information on the weighted average duration of the defined benefit plan and the maturity analysis of benefit payments calculated based on the defined benefit plan expected to be paid in the future in the undiscounted form.

Unit : Year

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Weighted average duration of the defined benefit plan	5 - 18	10 - 13	12.69	12.69

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Maturity analysis of benefit expected to be paid</u>				
Amount expected to be paid within 12 months	20.62	7.22	15.26	5.02
Amount expected to be paid between 1 to 5 years	111.15	80.06	91.18	74.00
Amount expected to be paid between 5 to 10 years	253.81	220.39	245.40	212.43
Amount expected to be paid between 10 to 15 years	286.17	301.48	278.19	296.95
Amount expected to be paid between 15 to 25 years	759.16	719.24	743.16	715.16
Amount expected to be paid over 25 years	180.01	252.09	176.99	251.64

8.21 Other liabilities

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
The Revenue Department payable	45.56	46.67	9.91	9.37
Suspense account creditors	27.74	36.88	27.74	36.88
Suspense cheque clearing	22.59	37.12	22.59	37.12
Others	94.14	70.77	78.90	57.05
Total	<u>190.03</u>	<u>191.44</u>	<u>139.14</u>	<u>140.42</u>

8.22 Share capital

The Bank had registered share capital in accordance with the Islamic Bank of Thailand Act B.E. 2545 of 100 million shares with par value of Baht 10 each, totaling Baht 1,000 million; and may offer shares to no more than 35 major of shareholders.

During 2007 - 2013, the Bank's capital has been raised for several times in which the Bank has 10,276.83 million shares with par value of Baht 10 each, totaling Baht 102,768.25 million. In 2018, the Bank has decreased its share value from Baht 10 to Baht 0.01, resulting totaling Baht 102.76 million and increased capital for 2 times of 1,810,000 million shares totaling Baht 18,100 million. As at December 31, 2018, the Bank has issued and paid-up share capital of 1,820,276.83 million shares in amounting of Baht 18,202.76 million.

On July 17, 2018 the Government Gazette has announced revised the Islamic Bank of Thailand Act (No.2) B.E. 2561 section 3 which is effective on July 18, 2018. The Act assigned Ministry of Finance holding the Bank's shares with appropriate number, but not exceed 49 percent of total issued shares, unless there is necessity for benefit in status or operation revision of the Bank. Ministry of Finance might hold share exceeding 49 percent of total issued shares temporarily with appropriate proportion and timing based on ministry's opinion. As at December 31, 2021, Ministry of Finance and State Enterprises under Ministry of Finance held by 99.87 percent of the Bank's share capital.

8.22 Share capital (Continued)

Movements of share capital amounts and value from share capital increased and decreased until December 31, 2021 were as follows:

	Ordinary shares (Million Shares)	Par value (Baht)	Amount at par value (Million Baht)	Offering price (Baht)	Amount at offering price (Million Baht)	Premium (discount) on share capital (Million Baht)
Issued and paid-up share capital						
Increase in share capital accordance with the Islamic Bank of Thailand Act, B.E.2545						
No. 1 (2002)	8.00	10.00	80.00	10.00	80.00	-
No. 2 (2003)	61.69	10.00	616.86	10.00	616.86	-
No. 3 (2006)	0.76	10.00	7.59	4.82	3.66	(3.93)
No. 4 (2007)	1.59	10.00	15.89	2.50	3.97	(11.92)
No. 5 (2007)	27.96	10.00	279.66	1.08	30.20	(249.46)
Total	100.00		1,000.00		734.69	(265.31)
Increase in share capital from the resolution of the shareholders' meeting for the year 2007						
No. 1 (2007)	835.50	10.00	8,355.02	1.08	902.34	(7,452.68)
No. 2 (2007)	2,187.50	10.00	21,874.98	1.08	2,362.50	(19,512.48)
Total	3,023.00		30,230.00		3,264.84	(26,965.16)
Increase in share capital from the resolution of the shareholders' meeting for the year 2009						
No. 1 (2010)	60.20	10.00	601.98	1.08	65.01	(536.97)
No. 2 (2010)	5,495.35	10.00	54,953.52	1.08	5,934.98	(49,018.54)
Total	5,555.55		55,555.50		5,999.99	(49,555.51)
Increase in share capital from the resolution of the shareholders' meeting for the year 2013						
No. 1 (2013)	1,598.28	10.00	15,982.75	0.58	927.00	(15,055.75)
Total	10,276.83		102,768.25		10,926.52	(91,841.73)
Reduction in capital according to resolution at extraordinary general meeting No. 1/2560 The Ministers agreed to reduce capital August 2, 2018						
	-	(9.99)	(102,665.49)		-	102,665.49
Reduction of discount and retained earnings						
	-		-		-	(10,823.76)
Total	10,276.83		102.76		-	-
Increase in share capital						
No. 1 (2018)	880,670.32	0.01	8,806.70	0.01	8,806.70	-
No. 2 (2018)	929,329.68	0.01	9,293.30	0.01	9,293.30	-
Total	1,810,000.00		18,100.00		18,100.00	-
As at December 31, 2021	1,820,276.83		18,202.76		18,100.00	-

8.23 Warrants/ Capital reserve for share-based payment transaction

As at November 14, 2016, the Extraordinary General Meeting (EGM) of Amanah Leasing Public Company Limited (“the Company”) No. 1/2559 had a resolution to approve warrant-issuing project of Amanah Leasing Public Company Limited for the Company’s directors and employees (AMANAHA-WA) at no cost. Detail of the warrants were as follows:

Date of issuance	Determined by Board of Directors
Given amount (unit)	20,000,000 (maximum)
Contract period	5 years (maximum), started from the date of warrant issued
Conversion date	Last working day of June and December in each year through the warrant period
Exercise price (Baht) per 1 common stock	1 st year = Baht 1.00 2 nd year = Baht 1.09 3 rd year = Baht 1.12 4 th year = Baht 1.21 5 th year = Baht 1.30
Conversion ratio (warrant)	1.00 : 1.08

Estimated fair value of each warrant equals to Baht 0.07 which calculated by Black-Scholes Merton pricing model. The input used in model are such as share price at the pricing date which is Baht 0.67, exercise price is Baht 1.20, expected variance is 37.85%, expected dividend ratio is 0.00%, contract period is 5 years, and risk-free rate is 2.01%.

As at December 31, 2021, warrants issued by the Company was as follows:

Warrant type	Issued for	Date of issuance	Given amount	Offering price	Contract period
AMANAHA-WA	Directors and employees	January 4, 2017	20,000,000	-	5 years

Number of warrants to purchase the Company’s ordinary shares. During the year, the following changes were made:

Warrant type	Number of warrants as at January 1, 2021	Number of warrants claimed during the year	Number of warrants that Out of dated/ Canceled during the year	Remaining warrants as at December 31, 2021
AMANAHA-WA	4,499,515	(3,809,923)	(689,592)	-

8.23 Warrants/ Capital reserve for share-based payment transaction (Continued)

Amanah Leasing Public Company Limited has canceled the issuance of warrants to purchase the Company's ordinary shares that allocated to directors and employees of the Company (AMANAHA-WA). As at December 31, 2021, there were 5,779,696 units of accumulated warrants since the employees resign which is not follow the conditions for receiving the warrants.

During the year ended December 31, 2021 and 2020, Amanah Leasing Public Company Limited recorded expenses for the AMANAHA-WA project of Baht 0.03 million and Baht 0.09 million, respectively, which included in employee expenses.

8.24 The appropriation of net income for the year

8.24.1 Legal reserve

	Unit : Million Baht	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Beginning balance	109.68	109.68
Profit appropriation of year	12.02	-
Ending balance	<u>121.70</u>	<u>109.68</u>

Under the Islamic Bank of Thailand Act, B.E. 2545, Section 38, the Bank is required to allocate net income for the year to reserve fund at least 10 percent of its net income until the reserve fund is equal to or greater than the paid-up share capital, then the Bank may cease or reduce such appropriation.

8.24.2 Dividend payment

Under the Islamic Bank of Thailand Act, B.E. 2545, Section 11, after the Bank has subscribers and The Board of Directors shall be elected by the meeting of shareholders under the provisions of this Act, the Bank has to follow the Public Limited Companies Act, and apply mutatis mutandis as not contrary to or inconsistent with this Act.

Under Pursuant the Public Limited Companies Act B.E. 2535, Section 115 the Bank had to pay dividend payment from profit only. According to overall operation had ongoing capital deficiency, the Bank are not allowed to pay dividend.

On June 25, 2021, the Annual General Meeting of Shareholders for the year 2021 approved the resolution regarding no dividend payment for the year 2020 as a results of accumulated losses of the Bank.

8.25 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the period attributable to the Bank's ordinary shareholders (excluding other comprehensive income) with the weighted average number of ordinary shares issued during the period.

	For the years ended December 31,			
	Consolidated Financial Statements		The Bank's Financial Statements	
	2021	2020	2021	2020
Net income (loss) attributable to equity holders of the bank (Million Baht)	203.64	(2,681.29)	120.22	(2,766.71)
Ordinary shares weighted average (Million share)	1,820,277	1,820,277	1,820,277	1,820,277
Basis earnings (loss) per share (Baht per share)	0.00011	(0.00147)	0.00007	(0.00152)

8.26 Contingent liabilities and other obligations

8.26.1 Contingent liabilities

Unit : Million Baht

	Consolidated Financial Statements					
	December 31, 2021			December 31, 2020		
	Foreign			Foreign		
	Baht	currency	Total	Baht	currency	Total
Aval to bills	231.66	-	231.66	267.32	-	267.32
Liability under bill of exchange letters of credit	-	4.84	4.84	-	4.77	4.77
Other contingencies						
Other guarantees	1,755.46	-	1,755.46	1,748.55	-	1,748.55
Unused credit facilities	2,025.55	-	2,025.55	1,577.36	-	1,577.36
Unused overdrafts limit	645.09	-	645.09	519.05	-	519.05
Others	140.12	36.88	177.00	141.01	11.05	152.06
Total other contingencies	4,566.22	36.88	4,603.10	3,985.97	11.05	3,997.02
Total	4,797.88	41.72	4,839.60	4,253.29	15.82	4,269.11

8.26.1 Contingent liabilities (Continued)

Unit : Million Baht

<u>The Bank's Financial Statements</u>						
	<u>December 31, 2021</u>			<u>December 31, 2020</u>		
	Foreign		Total	Foreign		Total
	Baht	currency		Baht	currency	
Aval to bills	231.66	-	231.66	267.32	-	267.32
Liability under bill of exchange letters of credit	-	4.84	4.84	-	4.77	4.77
Other contingencies						
Other guarantees	1,755.46	-	1,755.46	1,748.55	-	1,748.55
Unused credit facilities	2,025.55	-	2,025.55	1,577.36	-	1,577.36
Unused overdrafts limit	645.09	-	645.09	519.05	-	519.05
Others	0.12	36.88	37.00	1.01	11.05	12.06
Total other contingencies	4,426.22	36.88	4,463.10	3,845.97	11.05	3,857.02
Total	4,657.88	41.72	4,699.60	4,113.29	15.82	4,129.11

As at December 31, 2021 and 2020, the Bank has a contingent liability from other guarantee amounting to Baht 1,755.46 million and Baht 1,748.55 million, respectively. The amount included the reserved for the disruption caused by non-performing assets by recognizing as a provision for liability amounting to Baht 142.51 million is the same as the amount in the previous periods, stated in Note 8.20.

8.26.2 Other contingent liabilities

As at December 31, 2021 and 2020, the Bank has a contingent liability from numbers of lawsuit filed in the amount in dispute of Baht 4.00 million is the same as the amount in the pervious periods. The cases are under the court's judicial proceeding.

8.26.3 Long-term leases

Unit : Million Baht

Consolidated Financial Statements

	<u>December 31, 2021</u>				<u>December 31, 2020</u>			
	Not over	Over	Over	Total	Not over	Over	Over	Total
	1 year	1-5 years	5 years		1 year	1-5 years	5 years	
Building	1.28	0.49	-	1.77	1.61	0.86	-	2.47
Equipment	17.50	29.55	-	47.05	15.40	39.58	-	54.98
Service	142.37	94.16	-	236.53	133.60	127.18	-	260.78
Total	161.15	124.20	-	285.35	150.61	167.62	-	318.23

Unit : Million Baht

The Bank's Financial Statements

	<u>December 31, 2021</u>				<u>December 31, 2020</u>			
	Not over	Over	Over	Total	Not over	Over	Over	Total
	1 year	1-5 years	5 years		1 year	1-5 years	5 years	
Building	1.28	0.49	-	1.77	1.61	0.86	-	2.47
Equipment	17.50	29.55	-	47.05	15.40	39.58	-	54.98
Service	140.21	91.11	-	231.32	130.73	126.81	-	257.54
Total	158.99	121.15	-	280.14	147.74	167.25	-	314.99

8.27 Disclosure of related party transactions

Significant transactions between the Bank and related parties were transacted under normal business practices on the arm's length basis under price and condition similar to normal customers including policy regarding to allowances for doubtful accounts the Bank complies with the BOT's guidelines to related parties similar to financing to normal debtors.

8.27 Disclosure of related party transactions (Continued)

As at December 31, 2021 and 2020, the details of outstanding balance between the Bank and its subsidiaries or related parties were as follows:

		Unit : Million Baht	
		<u>The Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
Statements of Financial Position			
Financing and accrued income			
Amanah Leasing Public Company Limited	Subsidiary	1,581.10	1,975.10
Deposits			
Amanah Leasing Public Company Limited	Subsidiary	42.38	44.26

		Unit : Million Baht	
		<u>The Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
Statement of Comprehensive Income			
Financial income			
Amanah Leasing Public Company Limited	Subsidiary	67.05	82.75
Fees and service income			
Amanah Leasing Public Company Limited	Subsidiary	-	0.04
Other income (Dividend)			
Amanah Leasing Public Company Limited	Subsidiary	65.01	55.56
Building and equipment expenses			
Amanah Leasing Public Company Limited	Subsidiary	0.01	0.02

As at December 31, 2021 and 2020, outstanding balances with key management personnel from Vice President level or the above were as follows:

		Unit : Million Baht	
		<u>The Bank's Financial Statements</u>	
		<u>December 31, 2021</u>	<u>December 31, 2020</u>
Executive from the Vice President level and above			
Financing		29.91	23.67
Allowance for doubtful accounts		0.06	0.05
Deposits		23.76	22.77
Family members inclose contact with persons specified			
Financing		1.16	1.43
Deposits		4.22	5.13

8.28 Other benefits paid to directors and persons with managing authority

As at December 31, 2021, the Bank gained compensations or benefits as paid for executive level from Vice President level or above which the compensation would rely on engagement contract, short-term benefit of Baht 1.91 million and post-employment benefit of Baht 30.24 million.

8.29 Financial information by segments

Unit : Million Baht

December 31, 2021				
	The Bank's Financial Statements	Subsidiary	Elimination of inter- segment	Consolidated Financial Statements
	Bank	Hire Purchase		Total
<u>Assets</u>				
Interbank and money market items	5,260.24	201.55	(42.38)	5,419.41
Financing to customers and financial accrued income, net	47,399.66	3,377.95	(1,581.10)	49,196.51
Other assets, net	20,197.03	201.63	(560.35)	19,838.31
Total	72,856.93	3,781.13	(2,183.83)	74,454.23
<u>Liabilities</u>				
Deposits	70,992.60	-	(42.38)	70,950.22
Interbank and money market items	3,752.81	1,902.03	(1,580.03)	4,074.81
Other liabilities	1,484.38	155.55	(1.07)	1,638.86
Total	76,229.79	2,057.58	(1,623.48)	76,663.89

Unit : Million Baht

December 31, 2020				
	The Bank's Financial Statements	Subsidiary	Elimination of inter- segment	Consolidated Financial Statements
	Bank	Hire Purchase		Total
<u>Assets</u>				
Interbank and money market items	5,521.27	141.66	(44.26)	5,618.67
Financing to customers and financial accrued income, net	47,298.23	3,386.97	(1,975.10)	48,710.10
Other assets, net	23,541.22	236.85	(560.35)	23,217.72
Total	76,360.72	3,765.48	(2,579.71)	77,546.49
<u>Liabilities</u>				
Deposits	75,168.52	-	(44.26)	75,124.26
Interbank and money market items	3,166.17	2,073.49	(1,973.49)	3,266.17
Other liabilities	1,517.67	144.03	(1.61)	1,660.09
Total	79,852.36	2,217.52	(2,019.36)	80,050.52

8.29 Financial information by segments (Continued)

Unit : Million Baht

	For the year ended December 31, 2021			
	The Bank's	Subsidiary	Elimination of	Consolidated
	Financial Statements		inter-segment	Financial Statements
	Bank	Hire Purchase		Total
Financial income	2,168.70	638.54	(67.05)	2,740.19
Financial expenses	695.43	74.20	(67.05)	702.58
Financial income, net	1,473.27	564.34	-	2,037.61
Fees and service income	199.54	43.59	(0.01)	243.12
Fees and service expenses	28.51	-	-	28.51
Fees and service income, net	171.03	43.59	(0.01)	214.61
Other operating income	270.53	109.01	(65.01)	314.53
Total operating income	1,914.83	716.94	(65.02)	2,566.75
Other operating expenses	1,684.55	280.73	(0.01)	1,965.27
Bad debt and doubtful accounts	110.06	83.19	-	193.25
Profit (loss) from operating before income tax expenses	120.22	353.02	(65.01)	408.23
Income tax expenses	-	45.86	-	45.86
Net profit (loss)	120.22	307.16	(65.01)	362.37

Unit : Million Baht

	For the year ended December 31, 2020			
	The Bank's	Subsidiary	Elimination of	Consolidated
	Financial Statements		inter-segment	Financial Statements
	Bank	Hire Purchase		Total
Financial income	2,175.10	629.90	(82.75)	2,722.25
Financial expenses	1,036.59	84.13	(82.75)	1,037.97
Financial income, net	1,138.51	545.77	-	1,684.28
Fees and service income	176.50	43.00	(0.06)	219.44
Fees and service expenses	33.40	0.04	(0.04)	33.40
Fees and service income, net	143.10	42.96	(0.02)	186.04
Other operating income	204.55	104.60	(55.56)	253.59
Total operating income	1,486.16	693.33	(55.58)	2,123.91
Other operating expenses	1,652.31	278.56	(0.02)	1,930.85
Bad debt and doubtful accounts	2,600.56	98.83	-	2,699.39
Profit (loss) from operating before income tax expenses	(2,766.71)	315.94	(55.56)	(2,506.33)
Income tax expenses	-	25.24	-	25.24
Net profit (loss)	(2,766.71)	290.70	(55.56)	(2,531.57)

8.30 Financial income

Unit : Million Baht				
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Financing to customers	2,071.24	2,030.05	2,134.65	2,109.35
Interbank and money market items	14.89	24.58	14.79	24.44
Hire-purchases and finance leases	634.83	626.49	0.02	0.18
Investment and others	19.23	41.13	19.23	41.13
Total financial income	<u>2,740.19</u>	<u>2,722.25</u>	<u>2,168.69</u>	<u>2,175.10</u>

8.31 Financial expenses

Unit : Million Baht				
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Compensations on deposit	594.70	930.02	594.70	930.02
Interbank and money market items	5.83	6.88	5.83	6.84
Remittance to SFIs Development Fund	91.08	94.87	91.08	94.87
Lease payment	4.74	5.80	3.82	4.86
Borrowing fees	6.23	0.41	-	-
Total financial expenses	<u>702.58</u>	<u>1,037.98</u>	<u>695.43</u>	<u>1,036.59</u>

As at December 31, 2021, The Bank estimated the remittance to specialized financial institutions fund according to the Specialized Financial Institutions Act B.E. 2558 for the period July 1, 2021 to December 31, 2021 amounting to Baht 44.69 million.

8.32 Fees and service income, net

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Fees and service income				
Front end fees	15.79	13.06	15.79	13.06
Penalty charges *	18.85	18.94	18.85	18.94
Others	208.48	187.44	164.90	144.50
Total fees and service income	243.12	219.44	199.54	176.50
Fees and service expenses	(28.51)	(33.40)	(28.51)	(33.40)
Fees and service income, net	214.61	186.04	171.03	143.10

* Income from penalty charges, the Bank recognized as an income in accordance with the accounting standard that the Federation of Accounting Professions prescribed and the response letter of the Federation of Accounting Professions No. Sor Vor Bor Chor. 2625/2556 dated December 18, 2013 regarding the accounting treatment of compensation for damage or penalty charges from default or contract breach that the Federation of Accounting Professions had an opinion that "The Bank should recognize the total amount of receipt of cash as an income and recognize as an expense when the Bank donate the cash." which in line with the determination from the Revenue Department. However, according to Shariah principle, the Bank cannot recognize this transaction as an income. Therefore, the Bank brought with the opportunity cost and losses from financing. The remaining of proceedings should be donated for the public. This approach is concurred by according to the Shariah Advisory Council.

Shariah Advisory Council consider the income which are contrary to Shariah principle that cannot recognize as income of the Bank after deduct the opportunity cost and losses from financing of the Bank for the year 2021 and 2020, regarding the resolution of the meeting No. 2/2565 dated Thursday, February 17, 2022 and No. 2/2564 dated Wednesday, February 10, 2021 respectively.

8.32 Fees and service income, net (Continued)

Unit : Million Baht		
The Bank's Financial Statements		
	December 31, 2021	December 31, 2020
Shariah-noncompliant income		
Penalty fees from ordinary transaction	18.85	18.94
Penalty fees from Public Service Account transaction	0.03	0.03
Income from cash management transactions	33.27	64.96
Total Shariah-noncompliant income	52.15	83.93
Opportunity cost		
Less Average cost of deposit	(0.18)	(0.26)
Damage from credit		
Less Expenses related to debt collection, net	(57.04)	(89.76)
Expenses related to cash management transactions	(1.10)	(2.14)
Total opportunity cost and damage from credit	(58.32)	(92.16)
Opportunity cost and damage are higher than Shariah-noncompliant income	(6.17)	(8.23)

On March 26, 2019, the Shariah Advisory Council No. 3/2562 passed a resolution approving the carry forward of bad debt written off. Such bad debt balance as at December 31, 2021 and 2020 were as follows:

Unit : Million Baht		
	December 31, 2021	December 31, 2020
Net bad debt brought forward	447.76	1,055.32
Add Bad debt during the year	112.31	-
Less Bad debt recoveries during the year	(40.24)	(35.66)
Less Income contrary to Shariah principle and damages caused*	-	(571.90)
Net bad debt carried forward	519.83	447.76

* On February 10, 2021, the Shariah Advisory Council No. 2/2564 passed a resolution to donate the income contrary to Shariah principle and damages caused during 2003 - 2014 amounting to Baht 571.90 million deducting from bad debt in 2020.

8.33 Gains on trading and foreign exchange transactions, net

Unit : Million Baht

Consolidated and The Bank's Financial Statements

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Gains on foreign exchange rate, net	2.67	3.32
Total	<u>2.67</u>	<u>3.32</u>

8.34 Gains (losses) on investment, net

Unit : Million Baht

Consolidated and The Bank's Financial Statements

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Losses from sale		
- Available for sale	-	(3.07)
Gains (losses) from impairment of investment		
- Available for sale	-	(167.14)
- General investment	2.75	(2.38)
Total	<u>2.75</u>	<u>(172.59)</u>

8.35 Other operating income

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Other income - from hire-purchase financing	49.72	65.46	0.89	1.63
Dividend income	-	-	65.01	55.56
Gains on disposal of properties for sale	2.33	1.39	2.33	1.39
Gains on disposal of assets	0.06	0.08	0.04	0.02
Other income	22.32	11.62	10.96	11.62
Total	<u>74.43</u>	<u>78.55</u>	<u>79.23</u>	<u>70.22</u>

8.36 Other expenses

Unit : Million Baht

	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Sales promotion expenses	12.19	14.62	9.40	11.66
Professional service fees	39.04	40.42	35.85	37.51
Losses on impairment of other assets	1.33	2.11	1.33	2.11
Losses on reserve account receivables				
under investigation (reversal)	-	(0.02)	-	(0.02)
Losses on provision (reversal)	15.97	(8.39)	15.97	(8.39)
Losses on discontinued, disposal of assets and				
other losses on properties for sale	52.18	35.18	31.36	(1.02)
Security guard service fees	7.33	8.14	7.33	8.14
Transportation expenses	14.76	17.04	14.76	17.04
Office supplies	17.48	19.55	15.35	17.43
Rights amortization	6.62	8.41	5.39	6.19
Labor costs	11.74	11.49	11.74	11.49
Entertainment expenses and public charity	3.65	4.12	3.62	4.03
Training and membership fees	2.39	5.94	2.25	4.07
Cash shipping fees	12.72	12.89	12.72	12.89
Compensation for non-compliance	9.39	7.02	9.39	7.02
Others	46.40	47.10	3.47	17.78
<u>Less</u> Cost allocation from				
Public Service Account	(2.79)	(4.01)	(2.79)	(4.01)
Total	<u>250.40</u>	<u>221.61</u>	<u>177.14</u>	<u>143.92</u>

8.37 Bad debt and doubtful accounts

Unit : Million Baht				
	<u>Consolidated Financial Statements</u>		<u>The Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Financing to customers (reversal)	(2,193.16)	2,734.00	(2,199.51)	2,724.29
Reversal financing to				
Public Service Account	(19.37)	(0.68)	(19.37)	(0.68)
Interbank and money market items	0.04	0.09	0.04	0.09
General reserve	1,596.73	156.46	1,654.73	185.68
Reversal surplus reserve from				
minimum requirement	(66.30)	(305.23)	(66.30)	(305.23)
Bad debt	92.66	-	92.66	-
Bad debt from Public Service Account	19.64	-	19.64	-
Losses on troubled debt restructuring (reversal)	628.02	(5.10)	628.02	(5.10)
Others	134.99	119.85	0.15	1.51
Total	<u>193.25</u>	<u>2,699.39</u>	<u>110.06</u>	<u>2,600.56</u>

8.38 Public Service Account

8.38.1 Summary of Public Service Account

Unit : Million Baht			
<u>Assets and liabilities</u>	<u>Consolidated and the Bank's Financial Statements</u>		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	
<u>Assets</u>			
Financing to customers from Public Service Account			
and financial accrued income, net	255.88	282.45	
Total assets	<u>255.88</u>	<u>282.45</u>	
<u>Liabilities</u>			
Public Service Account payable	-	-	
Total liabilities	<u>-</u>	<u>-</u>	

Unit : Million Baht			
<u>Income and expenses</u>	<u>Consolidated and the Bank's Financial Statements</u>		
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	
Income from Public Service Account	32.11	35.74	
<u>Less</u> Expenses from Public Service Account	42.12	64.71	
<u>Less</u> Bad debt, doubtful accounts and losses on			
impairment of Public Service Account	0.28	(0.68)	64.03
Net losses	<u>(10.29)</u>	<u>(28.29)</u>	

8.38.2 Financing to Public Service Account

			Unit : Million Baht	
			<u>Consolidated and the Bank's</u>	
			<u>Financial Statements</u>	
Project	Project Summary	Duration	December 31,	December 31,
			2021	2020
Financing for promoting entrepreneurs providing public transportation in 5 southern provinces project (Cabinet's resolution June 29, 2010)	Financing for promoting entrepreneurs providing public transportation in 5 southern provinces project which the government pass a Cabinet resolution to compensate the margin variance.	2010 - 2022	76.99	78.43
Enhancing people' well-being plan within 2012-2016 in 5 southern provinces projects	Enhancing people' well-being plan within 2012-2016 in 5 southern provinces projects which contain 12 projects.	2010 - 2020	178.34	204.02
Financing for the self-employed individual who have been affected by the flood or wind damage in 2010 project (Cabinet Solution December 14, 2010 and May 3, 2011)	Financing for the self-employed individual who have been affected by the flood or storm 2010	2011 - 2015	0.96	4.87
Financing for the Emergency Muslims (Cabinet Solution November 28, 2017)	Enhancing people' income and enlarging credit line for retail customers	2018 - 2024	5.49	11.14
Financing for housing in southern provinces (Cabinet Solution November 28, 2017)	Enhancing people' residence, regarding providing or maintenance and enlarge, in southern provinces with under BOT's criteria and condition		82.89	91.74
Total			344.67	390.20

Financing to Public Service Account as at December 31, 2021 and 2020 amounting to Baht 344.67 million and Baht 390.20 million excluded deferred revenue amounting to Baht 0.40 million and Baht 0.44 million, respectively.

8.38.3 Asset classification and provision for Public Service Account

Unit : Million Baht

Consolidated and the Bank's Financial Statements as at December 31, 2021

	Number of			Percentage of	Allowances for
	debtors	Financing	Collateral	allowances for	doubtful
				doubtful	doubtful
				accounts (%)	accounts
Normal	465	123.14	104.42	1	0.19
Special mention	103	129.66	127.49	2	0.04
Sub-standard	43	0.94	-	100	0.94
Doubtful	92	1.48	-	100	1.48
Doubtful of loss	277	89.45	2.76	100	86.69
Total *	980	344.67	234.67		89.34

Unit : Million Baht

Consolidated and the Bank's Financial Statements as at December 31, 2020

	Number of			Percentage of	Allowances for
	debtors	Financing	Collateral	allowances for	doubtful
				doubtful	doubtful
				accounts (%)	accounts
Normal	811	153.72	123.52	1	0.30
Special mention	217	125.42	120.86	2	0.09
Sub-standard	116	2.89	-	100	2.90
Doubtful	100	4.80	1.99	100	2.82
Doubtful of loss	876	103.37	0.78	100	102.60
Total *	2,120	390.20	247.15		108.71

* Total financing net of deferred revenue.

8.38.4 Income from Service Public Account

Unit : Million Baht

<u>Items</u>	<u>Consolidated and the Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Income from Public Service Account		
Financial income from Public Service Account	8.67	8.85
Fees and service income from Public Service Account	4.67	6.53
Other income from Public Service Account	16.50	16.21
Compensation for Public Service Account		
Compensation for operation expenses or management expenses for Public Service Account	2.27	4.15
Total	<u>32.11</u>	<u>35.74</u>

8.38.5 Expenses from Public Service Account

Unit : Million Baht

<u>Items</u>	<u>Consolidated and the Bank's Financial Statements</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Financial expenses from Public Service Account	3.40	5.14
Operating expenses from Public Service Account	34.31	53.39
Other expenses from Public Service Account	4.41	6.18
Total	<u>42.12</u>	<u>64.71</u>

9. Approval of the financial statements

The Board of Directors approved the financial statements on March 30, 2022.



ISLAMIC BANK OF THAILAND

ธนาคารอิสลามแห่งประเทศไทย • البنك الإسلامي بتايلاند



Islamic Bank of Thailand-ibank



@ibank



www.ibank.co.th



1302

66 Q.House Asoke Building,
M, 11th, 12th, 14th, 15th, 18th, 20th-23rd Floor
Sukhumvit 21 Road, Khlong Toei Nuea, Vadhana, Bangkok 10110
Tel : 0-2650-6999

