

**KIATNAKIN PHATRA BANK PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION**  
**(UNAUDITED)**

**31 MARCH 2021**

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Kiatnakin Phatra Bank Public Company Limited

I have reviewed the interim consolidated financial information of Kiatnakin Phatra Bank Public Company Limited and its subsidiaries, and the interim separate financial information of Kiatnakin Phatra Bank Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2021, the related consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" and Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting. My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" and Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting.

### **Emphasis of matter**

I draw attention to Note 3 to the interim financial information, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 until 31 December 2021. My opinion is not modified in respect to this matter.

PricewaterhouseCoopers ABAS Ltd.

**Sakuna Yamsakul**

Certified Public Accountant (Thailand) No. 4906

Bangkok

13 May 2021

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Statement of Financial Position**  
**As at 31 March 2021**

	Notes	Consolidated		Separate	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>					
Cash		1,176,171	1,490,626	1,175,975	1,490,407
Interbank and money market items, net		39,868,214	32,770,543	38,418,920	30,857,786
Financial assets measured at fair value through profit or loss	8	11,986,491	11,289,598	5,457,613	6,752,638
Derivatives assets		10,361,295	10,276,081	10,396,292	10,251,116
Investments, net	9	22,489,070	23,312,942	18,927,308	20,223,133
Investments in subsidiaries, net	10	-	-	10,314,840	10,628,028
Investments in properties, net		21,697	21,761	-	-
Loans to customers and accrued interest receivables, net	11	263,669,458	258,846,014	267,447,355	262,643,112
Properties foreclosed, net		3,133,826	2,937,160	4,073,419	3,639,337
Land, premises and equipment, net		3,285,664	3,284,464	671,263	706,577
Right-of-use assets		218,046	229,835	880,975	877,100
Other intangible assets, net		1,107,742	1,128,488	1,026,790	1,045,584
Goodwill		3,066,035	3,066,035	-	-
Deferred tax assets		1,428,641	1,338,682	1,254,720	1,091,945
Accounts receivable from clearing house and broker - dealers		6,432,640	1,334,267	-	-
Securities and derivative business receivables		13,602,531	6,837,597	-	-
Other assets, net	13	11,595,867	5,246,923	10,443,893	4,261,535
<b>Total assets</b>		<b>393,443,388</b>	<b>363,411,016</b>	<b>370,489,363</b>	<b>354,468,298</b>

The condensed notes are an integral part of this interim financial information.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**
**Statement of Financial Position (Cont'd)**
**As at 31 March 2021**

	Note	Consolidated		Separate	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Deposits		252,388,371	251,525,874	253,036,793	252,066,562
Interbank and money market items, net		13,771,419	10,263,870	13,966,587	10,230,265
Liabilities payable on demand		756,225	392,712	756,225	392,712
Financial liabilities measured at fair value through profit or loss		1,255,892	896,906	-	-
Derivatives liabilities		9,803,355	8,724,685	9,709,445	8,674,189
Debt issued and borrowings		32,843,920	28,343,500	31,669,287	27,757,881
Lease liabilities		169,463	183,697	823,384	820,206
Provisions		1,109,764	1,066,255	810,649	764,774
Deferred tax liabilities		12,707	13,556	-	-
Accounts payable to clearing house and broker - dealers		291,361	588,026	-	-
Securities and derivative business payables		18,746,085	5,539,391	-	-
Accrued interest expenses		699,254	467,833	699,342	467,833
Other accounts payable		9,479,632	3,923,055	9,308,286	3,803,024
Income tax payable and specific business tax payable		768,256	399,461	537,387	260,420
Other liabilities	14	3,185,446	4,456,474	2,881,407	3,538,122
<b>Total liabilities</b>		<b>345,281,150</b>	<b>316,785,295</b>	<b>324,198,792</b>	<b>308,775,988</b>
<b>Equity</b>					
Share capital					
Authorised share capital					
846,751,109 ordinary shares of Baht 10 each		8,467,511	8,467,511	8,467,511	8,467,511
Issued and paid-up share capital					
846,751,109 ordinary shares of Baht 10 each		8,467,511	8,467,511	8,467,511	8,467,511
Premium on share capital		9,356,233	9,356,233	9,356,233	9,356,233
Other components of equity		32,398	(137,048)	220,821	398,230
Retained earnings					
Appropriated					
Legal reserve		852,337	852,337	852,337	852,337
Unappropriated		29,339,916	27,978,147	27,393,669	26,617,999
Total equity of the Bank		48,048,395	46,517,180	46,290,571	45,692,310
Non-controlling interests		113,843	108,541	-	-
<b>Total equity</b>		<b>48,162,238</b>	<b>46,625,721</b>	<b>46,290,571</b>	<b>45,692,310</b>
<b>Total liabilities and equity</b>		<b>393,443,388</b>	<b>363,411,016</b>	<b>370,489,363</b>	<b>354,468,298</b>

(Mr. Aphinant Klewpatinond)  
Chief Executive Officer

(Mr. Philip Chen Chong Tan)  
President

The condensed notes are an integral part of this interim financial information.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Statement of Profit or Loss and Other Comprehensive Income (Unaudited)**  
**For the three-month period ended 31 March 2021**

	Notes	Consolidated		Separate	
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income	17	4,815,111	4,840,262	4,682,327	4,775,988
Interest expenses	18	984,755	1,301,235	1,003,059	1,296,645
<b>Interest income, net</b>		<b>3,830,356</b>	<b>3,539,027</b>	<b>3,679,268</b>	<b>3,479,343</b>
Fees and services income	19	1,636,231	1,487,963	592,580	605,546
Fees and services expenses	19	202,102	212,386	46,916	53,692
<b>Fees and services income, net</b>		<b>1,434,129</b>	<b>1,275,577</b>	<b>545,664</b>	<b>551,854</b>
Gains on financial instruments measured at fair value through profit or loss	20	170,457	459,381	85,689	137,103
Gain (loss) on investments, net	21	(6,051)	77,696	70,151	740,371
Dividend income		121,918	186,326	13,300	36,411
Other operating income		64,243	56,129	39,915	49,247
<b>Total operating income</b>		<b>5,615,052</b>	<b>5,594,136</b>	<b>4,433,987</b>	<b>4,994,329</b>
<b>Other operating expenses</b>					
Employee's expenses		1,459,714	1,421,741	1,052,216	1,077,735
Directors' remuneration		11,245	6,627	9,769	5,316
Premises and equipment expenses		243,875	303,490	220,789	254,907
Taxes and duties		113,315	139,678	108,497	108,228
(Reversal) loss from revaluation of foreclosed assets		(34,304)	692,720	11,085	694,379
Loss from sale of foreclosed assets		394,930	391,849	501,071	397,777
Other expenses		394,454	398,618	336,517	341,310
<b>Total other operating expenses</b>		<b>2,583,229</b>	<b>3,354,723</b>	<b>2,239,944</b>	<b>2,879,652</b>
Expected credit loss	22	1,234,308	256,160	1,233,777	254,768
<b>Profit from operating before income tax expenses</b>		<b>1,797,515</b>	<b>1,983,253</b>	<b>960,266</b>	<b>1,859,909</b>
Income tax expenses	23	305,228	496,842	184,596	358,863
<b>Net profit</b>		<b>1,492,287</b>	<b>1,486,411</b>	<b>775,670</b>	<b>1,501,046</b>

The condensed notes are an integral part of this interim financial information.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Statement of Profit or Loss and Other Comprehensive Income** (Unaudited) (Cont'd)  
**For the three-month period ended 31 March 2021**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Other comprehensive income</b>				
Items that will be reclassified subsequently to profit or loss				
Loss on debt instruments classified at fair value through other comprehensive income	(221,803)	(90,962)	(221,803)	(90,962)
Income taxes relating to items that will be subsequently reclassified to profit or loss	44,360	18,192	44,360	18,192
Total items that will be reclassified subsequently to profit or loss	(177,443)	(72,770)	(177,443)	(72,770)
Items that will not be reclassified subsequently to profit or loss				
Gain (loss) on equity instruments designated at fair value through other comprehensive income	307,546	(762,223)	42	(34)
Income taxes on items that will not be subsequently reclassified to profit or loss	(61,509)	149,666	(8)	7
Total items that will not be reclassified to profit or loss	246,037	(612,557)	34	(27)
<b>Total other comprehensive income (expense)</b>	<b>68,594</b>	<b>(685,327)</b>	<b>(177,409)</b>	<b>(72,797)</b>
<b>Total comprehensive income</b>	<b>1,560,881</b>	<b>801,084</b>	<b>598,261</b>	<b>1,428,249</b>
Net profit attributable to				
Equity holders of the Bank	1,462,675	1,484,065	775,670	1,501,046
Non-controlling interests	29,612	2,346	-	-
Total comprehensive income attributable to				
Equity holders of the Bank	1,531,215	798,873	598,261	1,428,249
Non-controlling interests	29,666	2,211	-	-
<b>Earnings per share</b>				
Basic earnings per share (Baht)	1.73	1.75	0.92	1.77

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(Mr. Aphinant Klewpatinond)  
Chief Executive Officer

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(Mr. Philip Chen Chong Tan)  
President

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Kiatnakin Phatra Bank Public Company Limited and Subsidiaries  
Statement of Changes in Equity (Unaudited)  
For the three-month period ended 31 March 2021

Consolidated												Unit : Thousand Baht	
Attributable to owners of the parent													
Other components of equity										Appropriated retained earnings			
	Issued and paid-up share capital	Premium on share capital	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses)	Surplus on change in ownership interest in subsidiary	Legal reserve	Others	Unappropriated retained earnings	Total owners of the parent	Non-controlling interests	Total equity	
Note													
Opening balance as at 1 January 2020		8,467,511	9,356,233	170,756	(346,724)	40,746	(158,337)	852,337	380	25,047,190	43,430,092	109,695	43,539,787
Dividend paid	15	-	-	-	-	-	-	-	-	(2,328,565)	(2,328,565)	-	(2,328,565)
Total comprehensive income (expense)		-	-	(90,962)	(762,055)	167,825	-	-	-	1,484,065	798,873	2,211	801,084
Transfer to retained earnings		-	-	-	(102,084)	20,417	-	-	-	81,667	-	-	-
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(9,480)	(9,480)	(9,480)
Closing balances as at 31 March 2020		8,467,511	9,356,233	79,794	(1,210,863)	228,988	(158,337)	852,337	380	24,284,357	41,900,400	102,426	42,002,826
Opening balance as at 1 January 2021		8,467,511	9,356,233	286,124	(261,271)	(3,564)	(158,337)	852,337	-	27,978,147	46,517,180	108,541	46,625,721
Total comprehensive income (expense)		-	-	(221,803)	307,478	(17,135)	-	-	-	1,462,675	1,531,215	29,666	1,560,881
Transfer to retained earnings		-	-	-	129,098	(28,192)	-	-	-	(100,906)	-	-	-
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	(24,364)	(24,364)	(24,364)
Closing balances as at 31 March 2021		8,467,511	9,356,233	64,321	175,305	(48,891)	(158,337)	852,337	-	29,339,916	48,048,395	113,843	48,162,238

\*The condensed notes are an integral part of this interim financial information.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries  
Statement of Changes in Equity (Unaudited) (Cont'd)  
For the three-month period ended 31 March 2021

Separate						Unit : Thousand Baht			
	Note	Issued and paid-up share capital	Premium on share capital	Other components of equity		Appropriated retained earnings		Unappropriated retained earnings	Total equity
				Revaluation surplus (deficit) on investments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses)	Legal reserve		
<b>Opening balance as at 1 January 2020</b>		8,467,511	9,356,233	170,756	205,328	(75,217)	852,337	380	42,652,942
Dividend paid	15	-	-	-	-	-	-	-	(2,328,565)
Total comprehensive income (expense)		-	-	(90,962)	(34)	18,199	-	-	1,428,249
<b>Closing balances as at 31 March 2020</b>		<u>8,467,511</u>	<u>9,356,233</u>	<u>79,794</u>	<u>205,294</u>	<u>(57,018)</u>	<u>852,337</u>	<u>380</u>	<u>41,752,626</u>
<b>Opening balance as at 1 January 2021</b>		8,467,511	9,356,233	286,124	211,663	(99,557)	852,337	-	45,692,310
Total comprehensive income (expense)		-	-	(221,803)	42	44,352	-	-	598,261
<b>Closing balances as at 31 March 2021</b>		<u>8,467,511</u>	<u>9,356,233</u>	<u>64,321</u>	<u>211,705</u>	<u>(55,205)</u>	<u>852,337</u>	<u>-</u>	<u>46,290,571</u>

(Mr. Aphinant Klewpatinond)  
Chief Executive Officer

(Mr. Philip Chen Chong Tan)  
President

The condensed notes are an integral part of this interim financial information.



**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**
**Statement of Cash Flows (Unaudited)**
**For the three-month period ended 31 March 2021**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Cash flows from operating activities</b>				
Profit from operating before income tax expenses	1,797,515	1,983,253	960,266	1,859,909
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities				
Depreciation	126,295	152,934	103,571	109,920
Amortisation	50,634	47,081	42,809	39,360
Amortisation of (discount) premium on investments in securities	25,120	(244,580)	25,315	(243,908)
Expected credit loss	1,000,500	(278,099)	999,969	(279,490)
Unrealised (gain) loss on exchange and derivatives	993,456	(1,153,335)	890,080	(907,510)
(Gain) loss on remeasuring financial instruments measured at fair value through profit or loss	(399,400)	1,170,829	(240,322)	860,959
Reversal of loss on impairment on investments in subsidiaries	-	-	(76,202)	(661,801)
Loss on lease modifications	3,186	-	7,099	-
(Gain) loss on diminution in value of properties foreclosed	(34,304)	692,720	11,085	694,379
Reversal on impairment of other assets	(5,556)	(3,386)	(5,556)	(3,386)
(Gain) loss on disposal of investment in securities	(387,233)	2,423,824	-	-
Gain on disposal of equipment	(23)	(673)	(23)	(467)
Loss on write-off of equipment	15,872	33	15,872	26
Net interest income	(3,855,476)	(3,294,447)	(3,704,583)	(3,235,435)
Dividend income	(121,918)	(186,326)	(13,300)	(36,411)
Proceeds from interest income	4,281,174	4,162,283	4,343,077	4,104,396
Interest paid	(914,323)	(1,531,099)	(932,538)	(1,525,304)
Dividend received	217,548	60,104	13,300	36,411
Cash paid for corporate income tax	(40,979)	(22,225)	(20,693)	(21,117)
Increase in provision expenses	33,515	15,673	36,475	23,486
(Decrease) increase in specific business tax payable	(5,467)	18,564	(5,358)	6,556
Decrease in accrued expenses	(1,147,557)	(1,197,378)	(494,846)	(596,004)
Profit from operating before changes in operating assets and liabilities	1,632,579	2,815,750	1,955,497	224,569
(Increase) decrease in operating assets				
Interbank and money market items	(7,068,607)	(37,070,933)	(7,533,862)	(30,975,282)
Investments measured at fair value through profit or loss	96,278	1,715,327	1,541,884	(598,461)
Loans and receivables	(7,296,618)	(10,897,708)	(7,255,827)	(10,958,778)
Properties foreclosed	1,532,755	1,379,752	1,638,896	1,385,682
Securities and derivative business receivables	(6,764,934)	(4,513,669)	-	-
Accounts receivable from clearing house and broker-dealers	(5,098,373)	3,641,464	-	-
Other assets	(6,119,509)	(3,677,703)	(6,073,256)	(3,761,664)

The condensed notes are an integral part of this interim financial information.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**
**Statement of Cash Flows (Unaudited) (Cont'd)**
**For the three-month period ended 31 March 2021**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Cash flows from operating activities (Cont'd)</b>				
Increase (decrease) in operating liabilities				
Deposits	862,497	51,641,426	970,231	51,498,445
Interbank and money market items	3,507,549	(2,637,524)	3,736,322	(2,164,229)
Liabilities payable on demand	363,513	19,310	363,513	19,310
Accounts payable to clearing house and broker-dealers	(296,665)	(461,846)	-	-
Securities and derivative business payables	13,206,694	4,736,520	-	-
Other payables	5,545,544	(281,274)	5,494,229	(269,945)
Other liabilities	39,416	(125,934)	1,017	(123,775)
Net cash from operating activities	(5,857,881)	6,282,958	(5,161,356)	4,275,872
<b>Cash flows from investing activities</b>				
Cash paid for investments in debt instruments measured at fair value through other comprehensive income	(1,653,732)	(8,087,405)	(1,653,732)	(8,087,405)
Proceeds from investments in debt instruments measured at fair value through other comprehensive income	2,696,034	6,459,638	2,696,034	6,459,638
Cash paid for investments in equity instruments measured at fair value through other comprehensive income	(458,160)	(235,546)	-	-
Proceeds from investments in equity instruments measured at fair value through other comprehensive income	306,862	524,961	-	-
Cash paid for investments in debt instruments measured at amortised cost	(39,956)	(2,049,047)	-	-
Proceeds from investments in debt instruments measured at amortised cost	26,999	2,039,973	-	-
Proceeds from reduction of the capital in subsidiaries	-	-	-	122,237
Cash paid for investment in subsidiaries	-	-	(4)	-
Cash paid for building improvement and equipment	(88,204)	(163,366)	(12,005)	(59,897)
Proceeds from sales of equipment	281	673	281	467
Purchases of intangible assets	(44,653)	(39,567)	(39,549)	(33,555)
Net cash from investing activities	745,471	(1,549,686)	991,025	(1,598,515)
<b>Cash flows from financing activities</b>				
Proceeds from issuance of debentures	10,447,823	11,516,942	9,858,808	8,625,000
Cash paid for redemption of debentures	(5,949,300)	(14,213,983)	(5,949,300)	(11,015,050)
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(1,083,214)	(1,747,958)	-	-
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	1,442,200	-	-	-
Cash paid for lease liabilities	(35,190)	(38,001)	(53,609)	(45,919)
Cash paid for non-controlling interest from change in investment in subsidiary	(24,364)	(9,480)	-	-
Net cash from financing activities	4,797,955	(4,492,480)	3,855,899	(2,435,969)
<b>Net increase (decrease) in cash and cash equivalents</b>	(314,455)	240,792	(314,432)	241,388
Cash and cash equivalents as at 1 January	1,490,626	1,109,658	1,490,407	1,108,781
<b>Cash and cash equivalents as at 31 March</b>	<b>1,176,171</b>	<b>1,350,450</b>	<b>1,175,975</b>	<b>1,350,169</b>

The condensed notes are an integral part of this interim financial information.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Statement of Cash Flows** (Unaudited) (Cont'd)  
**For the three-month period ended 31 March 2021**

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**Supplementary information for cash flows:**

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
(Decrease) increase in account payables from land, premises and equipment purchased	11,033	(440)	11,033	(471)
Transfer of assets for loan settlement	1,695,117	1,452,056	1,694,668	1,441,000
Increase (decrease) in lease liabilities	20,956	-	56,787	-
Increase (decrease) in right-of-use assets	17,770	-	49,688	-
Decrease in fair value reserves on investments in debt instruments measured at fair value through other comprehensive income	(221,803)	(90,962)	(221,803)	(90,962)
Decrease in fair value reserves on investments in equity instruments measured at fair value through other comprehensive income	436,672	(864,329)	42	(34)
Pay-in-kind properties foreclosed for reduction and distribution of the capital of the subsidiaries	-	-	389,394	29,512
Increase in dividend payable	-	2,328,566	-	2,328,566
Transfer of work in progress to land, premises and equipment	4,858	-	-	-
Increase (decrease) in Legal Execution Department debtor	39,223	-	19,860	-

.....  
(Mr. Aphinant Klewpatinond)  
Chief Executive Officer

.....  
(Mr. Philip Chen Chong Tan)  
President

The condensed notes are an integral part of this interim financial information.

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## 1 Authorisation of financial information

This interim consolidated and separate financial information have been approved for issue by the Bank's authorised directors on 13 May 2021.

## 2 Significant events during the current period

With the resurgence of COVID-19 local infections at the end of 1Q21 onwards, the Bank continued to monitor the situation closely while continuing to focus on providing support to customers and at the same time monitoring the status of customers still under financial assistance initiated during 2020. During 1Q21, the Bank has received additional requests for financial assistance but the number of requests so far has been small. For customers requiring financial assistance, the Bank has been assisting such customers in finding appropriate financial solutions on a case by case basis. The Bank will continue to assess the situation closely especially in terms of portfolio quality and will continue to prudently set up provisions to cushion against any possible deteriorations from the COVID-19 situation.

## 3 Basis of preparation

### 3.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act and the Notification of the Bank of Thailand ("BOT"), no. SorNorSor 21/2561. The preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group dated on 31 October 2018 and the circular letter of BOT no. TorPorTor ForNorSor (23) Wor 276/2563 directive dated on 28 February 2020, regarding to "The relief programs for customers affected by Thai economic situations".

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2020.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

### 3.2 Basis for Preparation of the interim Consolidated Financial Information

The consolidated interim financial information includes the accounts of the head office and all branches of the Bank and its subsidiaries (collectively known as "the Group") where the Bank has a controlling interest. Significant related party transactions and balances have been eliminated. All subsidiaries were incorporated in Thailand. The list of subsidiaries is as follows:

	Type of business	Ownership interest(%)	
		As at 31 March 2021	As at 31 December 2020
KKP Capital Public Company Limited	Holding Company	99.98	99.98
Kiatnakin Phatra Securities Public Company Limited	Securities	99.95 <sup>(1)</sup>	99.95 <sup>(1)</sup>
Kiatnakin Phatra Asset Management Co.,Ltd	Fund Management	99.97 <sup>(2)</sup>	99.97 <sup>(2)</sup>
Asia Recovery 1 Fund	Investments	99.95	99.95
Asia Recovery 2 Fund	Investments	99.59	99.59
Asia Recovery 3 Fund	Investments	99.97	99.97
Thai Restructuring Fund	Investments	98.91	98.91
Bangkok Capital Fund	Investments	95.72	95.72
Gamma Capital Fund	Investments	94.03	94.03
KKP Tower Co., Ltd.	Real estate	91.34	91.34

<sup>(1)</sup> Indirectly holding via KKP Capital PCL. of 99.97%

<sup>(2)</sup> Indirectly holding via KKP Capital PCL. of 99.99%

#### **4 Accounting policies**

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2020.

#### **5 New and amended financial reporting standards and changes in accounting policies**

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2022 do not have material impact on the Group and the Bank.

#### **6 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020.

#### **7 Segment information**

The Group discloses operating segments information in accordance with the Thai Financial Reporting Standard No.8 "Operating Segments" and under the same basis as internal management reports presented to the Group's chief operating decision maker for resources allocation to and performance evaluation of various segments. Accordingly, the Group has divided reportable segments in accordance with the structure of the Kiatnakin Phatra Financial Group and characteristics of segments operating in significantly diverse environment. These operating segments are; Commercial Banking Business, Capital Market Business, and the Debt Restructuring Segment under the Commercial Banking Business. Details of each operating segment are as follows:

- Commercial banking business consists of all commercial banking business and KKP Tower Co., Ltd. except for the Debt restructuring segment.
- Capital market business consists of KKP Capital PCL., Kiatnakin Phatra Securities PCL., and Kiatnakin Phatra Asset Management Co., Ltd.,
- The Debt restructuring segment

Assessing the performance of operating segments is measured in accordance with Thai Financial Reporting Standard as adjusted in accordance with internal management accounting rules and practices. Amounts for each business segment are shown after the allocation of certain centralised costs and income between segments. Transactions between segments are eliminated on consolidation.

## 7.1 Operation result

Operation result classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the three-month periods ended 31 March 2021 and 2020 are as follows:

	<b>Consolidated</b>			
	<b>For the three-month period ended 31 March 2021</b>			
	<b>Commerical banking business Million Baht</b>	<b>Capital market business Million Baht</b>	<b>Debt restructuring segment Million Baht</b>	<b>Total Million Baht</b>
Income from external clients				
Interest income, net	3,686	(15)	159	3,830
Fees and services income, net	525	909	-	1,434
Other operating income	38	296	17	351
Total operating income	4,249	1,190	176	5,615
Income between segments	145	97	-	242
Depreciation and amortisation	115	31	1	147
Other expenses	1,986	566	(116)	2,436
Total other operating expenses	2,101	597	(115)	2,583
Expected credit loss	1,236	-	(1)	1,235
Profit from operating before income tax expenses	912	593	292	1,797
Income tax	192	118	(5)	305
Net profit	720	475	297	1,492

	<b>Consolidated</b>			
	<b>For the three-month period ended 31 March 2020</b>			
	<b>Commerical banking business Million Baht</b>	<b>Capital market business Million Baht</b>	<b>Debt restructuring segment Million Baht</b>	<b>Total Million Baht</b>
Income from external clients				
Interest income, net	3,406	(14)	147	3,539
Fees and services income, net	532	744	-	1,276
Other operating income	212	566	1	779
Total operating income	4,150	1,296	148	5,594
Income between segments	142	93	-	235
Depreciation and amortisation	135	28	3	166
Other expenses	2,205	538	446	3,189
Total other operating expenses	2,340	566	449	3,355
Expected credit loss	632	-	(376)	256
Profit from operating before income tax expenses	1,178	730	75	1,983
Income tax	348	143	6	497
Net profit	830	587	69	1,486

Total assets classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment

	<b>Commercial banking business Million Baht</b>	<b>Capital market business Million Baht</b>	<b>Debt restructuring segment Million Baht</b>	<b>Total Million Baht</b>
As at 31 March 2021	358,039	32,735	2,669	393,443
As at 31 December 2020	342,198	18,695	2,518	363,411

## 7.2 Reconciliation operating segments information

Reconciliation between consolidated income from all segments and income and reconciliation between consolidated profit from all segments and profit from operating before income tax expenses for the nine-month periods ended 31 March 2021 and 2020 are as follows:

	<b>Consolidated For the three-month periods ended 31 March</b>	
	<b>2021 Million Baht</b>	<b>2020 Million Baht</b>
Income		
Consolidated income from all segments	5,857	5,829
Elimination of inter-segment income	(242)	(235)
Total income	5,615	5,594
Profit		
Consolidated profit from all segments	1,797	1,983
Elimination of inter-segment profit	-	-
Profit from operating before income tax expenses	1,797	1,983

Reconciliation between consolidated assets from all segments and total assets as at 31 March 2021 and 31 December 2020 are as follows:

	<b>Consolidated</b>	
	<b>31 March 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Assets		
Consolidated assets from all segments	393,443	363,411
Elimination of inter-segment assets	-	-
Total assets	393,443	363,411

During the three-month period ended 31 March 2021 and 2020, there is no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Group's total revenue.

The Bank and its subsidiaries operate in Thailand only. There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.



**8 Financial assets measured at fair value through profit or loss**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Fair value</b>		<b>Fair value</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Government and state enterprise securities	2,386,544	1,137,504	2,386,544	1,137,504
Private sector's debt securities	1,539,692	4,328,564	1,383,764	4,172,635
Domestic marketable equity securities	8,052,372	5,823,336	1,687,305	1,442,498
Foreign marketable equity securities	7,883	194	-	-
<b>Total</b>	<b>11,986,491</b>	<b>11,289,598</b>	<b>5,457,613</b>	<b>6,752,638</b>

**9 Investment, net**

**9.1 Classification of investments**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Amortised cost</b>		<b>Amortised cost</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Investments in debt instruments measured at amortised cost</b>				
Government and state enterprise securities	1,175,543	1,162,647	1,000,651	1,000,896
<b>Total</b>	<b>1,175,543</b>	<b>1,162,647</b>	<b>1,000,651</b>	<b>1,000,896</b>
<u>Less</u> Allowance for expected credit losses	-	-	-	-
<b>Total</b>	<b>1,175,543</b>	<b>1,162,647</b>	<b>1,000,651</b>	<b>1,000,896</b>

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Fair value</b>		<b>Fair value</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Government and state enterprise securities	17,201,767	18,358,842	17,201,767	18,358,842
Private sector's debt securities	488,556	627,103	488,556	627,103
<b>Total</b>	<b>17,690,323</b>	<b>18,985,945</b>	<b>17,690,323</b>	<b>18,985,945</b>
Allowance for expected credit losses	(507)	(600)	(507)	(600)

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2021**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Fair value</b>		<b>Fair value</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>				
Domestic marketable equity securities	621,474	507,567	16,880	16,838
Foreign marketable equity securities	2,066,765	1,721,828	-	-
Domestic non-marketable equity security	690,953	690,943	219,454	219,454
Foreign non-marketable equity security	244,012	244,012	-	-
<b>Total</b>	<b>3,623,204</b>	<b>3,164,350</b>	<b>236,334</b>	<b>236,292</b>
<b>Total investment, net</b>	<b>22,489,070</b>	<b>23,312,942</b>	<b>18,927,308</b>	<b>20,223,133</b>
	<b>Consolidated</b>		<b>Separate</b>	
	<b>Dividend Income</b>		<b>Dividend Income</b>	
	<b>31 March 2021</b>	<b>31 March 2020</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>				
Domestic marketable equity securities	6,310	-	-	-
Domestic non-marketable equity security	4,486	-	-	-
<b>Total</b>	<b>10,796</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the three-month period ended 31 March 2021 and 2020, the Group has derecognised investments in equity instruments designated at fair value through other comprehensive income as following detail:

<b>Consolidated</b>			
<b>31 March 2021</b>			
	<b>Fair value at the date of the derecognition Thousand Baht</b>	<b>Dividends received Thousand Baht</b>	<b>Retained earnings or losses due to the derecognition Thousand Baht</b>
	<b>Explanation for the derecognition</b>		
<b>Investments that are derecognised</b>			
Foreign marketable equity securities	293,682	-	(129,126)
<b>Total</b>	<b>293,682</b>	<b>-</b>	<b>(129,126)</b>
<b>Consolidated</b>			
<b>31 March 2020</b>			
	<b>Fair value at the date of the derecognition Thousand Baht</b>	<b>Dividends received Thousand Baht</b>	<b>Retained earnings or losses due to the derecognition Thousand Baht</b>
	<b>Explanation for the derecognition</b>		
<b>Investments that are derecognised</b>			
Foreign marketable equity securities	396,928	-	102,106
<b>Total</b>	<b>396,928</b>	<b>-</b>	<b>102,106</b>

## 9.2 Investments in securities with holdings of 10% upwards

Investments in securities in which the Group hold 10% upwards of the paid-up capital in each entity, classified by industry are as follows:

		<b>Consolidated</b>			
		<b>31 March 2021</b>		<b>31 December 2020</b>	
		<b>Investment amount at fair value Baht</b>	<b>Holding %</b>	<b>Investment amount at cost Baht</b>	<b>Holding %</b>
<b>Business type</b>					
<u>Other companies</u>					
ICHX TECH PTE. LTD.	Digital Asset				
	Business	244,012,476	12.74	244,012,476	12.74
BOT Lease (Thailand) Co., Ltd.	Leasing	57,265,777	10.00	57,265,777	10.00

  

		<b>Separate</b>			
		<b>31 March 2021</b>		<b>31 December 2020</b>	
		<b>Investment amount at fair value Baht</b>	<b>Holding %</b>	<b>Investment amount at cost Baht</b>	<b>Holding %</b>
<b>Business type</b>					
<u>Other companies</u>					
BOT Lease (Thailand) Co., Ltd.	Leasing	57,265,777	10.00	57,265,777	10.00

## 9.3 Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income

Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income and available-for-sales investments for the three-month periods ended 31 March 2021 and 2020 are as follow:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2021 Thousand Baht</b>	<b>2020 Thousand Baht</b>	<b>2021 Thousand Baht</b>	<b>2020 Thousand Baht</b>
Gain (loss) from changes in value of investments in debt instruments measured at FVOCI	(227,854)	(13,266)	(227,854)	(13,266)
Realised loss (gain) from sale of investments in debt instruments measured at FVOCI	6,051	(77,696)	6,051	(77,696)
	(221,803)	(90,962)	(221,803)	(90,962)

# 10 Investments in subsidiaries, net

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

			Separate				
			31 March 2021				
			Cost method			Dividend received and profit sharing Thousand Baht	
Business type	Securities investment type	Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %		
KKP Capital PCL.	Holding Company	Ordinary shareholder	7,170,621	-	7,170,621	99.98	-
Asia Recovery 1 Fund	Investments*	Unit trust	192,037	-	192,037	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	359,849	-	359,849	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	573,973	-	573,973	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,546,079	(581,945)	964,134	95.72	-
Gamma Capital Fund	Investments*	Unit trust	682,300	-	682,300	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			10,896,785	(581,945)	10,314,840		

\* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Condensed Notes to Interim Financial Information** (Unaudited)  
**For the three-month period ended 31 March 2021**

			Separate				
			31 December 2020				
			Cost method			Dividend received and profit sharing Thousand Baht	
Business type	Securities investment type	Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %		
KKP Capital PCL.	Holding Company	Ordinary shareholder	7,170,617	-	7,170,617	99.98	1,051,319
Asia Recovery 1 Fund	Investments*	Unit trust	192,037	-	192,037	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	359,849	-	359,849	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	579,820	-	579,820	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,546,079	(658,147)	887,032	95.72	-
Gamma Capital Fund	Investments*	Unit trust	1,065,847	-	1,065,847	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			11,286,175	(658,147)	10,628,028		1,051,319

\* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

## The liquidation of the capital of the mutual funds

According to the Notifications of the Capital Market Supervisory Board No. Thor Nor. 21/2552 Thor Nor. 22/2552, and Thor Nor. 23/2552: Rules, Conditions and Procedures for Establishment and Management of Mutual Funds for Solving Financial Institutions Problems, it specified that the maturity date of the scheme to be no later than 31 August 2015. Therefore, Asia Recovery Fund 1, Asia Recovery Fund 2, Asia Recovery Fund 3, Thai Restructuring Fund, Bangkok Capital Fund, and Gamma Capital Fund are required to be liquidated in accordance with these notifications. The funds are in the process of liquidation.

During the three-month period ended 31 March 2021, the Bank has received capital distribution for liquidation from Asia Recovery Fund 3 and Gamma Capital Fund in the amount of Baht 389 million (31 March 2020 : Baht 152 million).

## 11 Loans to customers and accrued interest receivables, net

### 11.1 Classified by product

	Consolidated		Separate	
	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht
<u>Loans</u>				
Overdrafts	1,225,155	1,184,783	1,225,155	1,184,783
Loans	134,872,523	133,671,532	138,374,382	136,581,766
Bills	49,632	49,634	399,632	999,634
Hire-purchase receivables	133,704,176	129,507,904	133,704,176	129,507,904
Finance lease receivables	394,949	359,109	394,949	359,109
Total loans net of deferred revenue	270,246,435	264,772,962	274,098,294	268,633,196
<u>Add</u> Accrued interest receivables and undue interest receivable	7,510,706	7,177,817	7,438,951	7,116,826
Total loans and accrued interest receivables net of deferred revenue	277,757,141	271,950,779	281,537,245	275,750,022
<u>Less</u> Allowance for expected credit losses*	(14,087,683)	(13,104,765)	(14,089,890)	(13,106,910)
Net loans to customers and accrued interest receivables	263,669,458	258,846,014	267,447,355	262,643,112

\* For the three-month period ended 31 March 2021, the management considered to provision the additional expected credit losses as management overlay due to the Bank cautionary measure after assessing the various conditions and economic uncertainties arising from the COVID-19 situation which could result in asset quality deterioration in the coming periods. Furthermore, the relief measures currently in place provided for the temporary suspension of loans staging and therefore limiting complete assessment of the asset quality and expected credit losses.

## 11.2 Classified by business type and loans classification

Loans classification	Consolidated		Separate	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht
Financial assets with an insignificant increase in credit risk (Performing financial assets)	252,564,508	247,488,972	256,843,489	251,771,915
Financial assets with a significant increase in credit risk (Under-performing financial assets)	14,897,427	15,426,193	14,897,427	15,426,193
Credit-impaired financial assets (Non-performing financial assets)	9,505,442	8,255,609	9,505,442	8,255,609
Purchased or originated credit-impaired financial assets	789,764	780,005	290,887	296,305
Total loans and accrued interest receivables	277,757,141	271,950,779	281,537,245	275,750,022

## 12 Allowance for expected credit losses

	Consolidated					
	31 March 2021					
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
<b>Interbank and money market items</b>						
As at 1 January 2021	11,395	-	-	-	-	11,395
Change due to new estimation of credit loss	328	-	-	-	-	328
Newly acquired or purchased financial assets	7,588	-	-	-	-	7,588
Derecognised financial assets	(7,929)	-	-	-	-	(7,929)
Others	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>11,382</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,382</b>
<b>Loans</b>						
As at 1 January 2021	5,468,900	3,023,260	3,080,190	22,815	1,509,600	13,104,765
Change due to reclassification	255,928	(1,111,639)	855,711	-	-	-
Change due to new estimation of credit loss	(444,775)	1,033,583	647,428	641	-	1,236,877
Newly acquired or purchased financial assets	864,319	3,664	28,038	-	-	896,021
Derecognised financial assets	(76,331)	(86,237)	(501,113)	-	-	(663,681)
Write-off	(1,663)	(11,634)	(378,652)	-	-	(391,949)
Amortisation of surplus reserve	-	-	-	-	(94,350)	(94,350)
Others	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>6,066,378</b>	<b>2,850,997</b>	<b>3,731,602</b>	<b>23,456</b>	<b>1,415,250</b>	<b>14,087,683</b>

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2021**

<b>Separate</b>						
<b>31 March 2021</b>						
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus reserve</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Interbank and money market items</b>						
<b>As at 1 January 2021</b>	11,395	-	-	-	-	11,395
Change due to new estimation of credit loss	328	-	-	-	-	328
Newly acquired or purchased financial assets	7,588	-	-	-	-	7,588
Derecognised financial assets	(7,929)	-	-	-	-	(7,929)
Others	-	-	-	-	-	-
<b>As at 31 March 2021</b>	11,382	-	-	-	-	11,382
<b>Loans</b>						
<b>As at 1 January 2021</b>	5,471,840	3,023,260	3,080,190	22,020	1,509,600	13,106,910
Change due to reclassification	255,928	(1,111,639)	855,711	-	-	-
Change due to new estimation of credit loss	(444,713)	1,033,583	647,428	641	-	1,236,939
Newly acquired or purchased financial assets	864,319	3,664	28,038	-	-	896,021
Derecognised financial assets	(76,331)	(86,237)	(501,113)	-	-	(663,681)
Write-off	(1,663)	(11,634)	(378,652)	-	-	(391,949)
Amortisation of surplus reserve	-	-	-	-	(94,350)	(94,350)
Others	-	-	-	-	-	-
<b>As at 31 March 2021</b>	6,069,380	2,850,997	3,731,602	22,661	1,415,250	14,089,890
<b>Consolidated and Separate</b>						
<b>31 March 2021</b>						
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus reserve</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Other assets</b>						
<b>As at 1 January 2021</b>	1,156	4,435	18,922	-	-	24,513
Change due to reclassification	459	(1,085)	626	-	-	-
Change due to new estimation of credit loss	(856)	2,918	2,426	-	-	4,488
Newly acquired or purchased financial assets	1,257	349	13,787	-	-	15,393
Derecognised financial assets	(537)	(1,811)	(10,794)	-	-	(13,142)
<b>As at 31 March 2021</b>	1,479	4,806	24,967	-	-	31,252
<b>Consolidated</b>						
<b>31 December 2020</b>						
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus reserve</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Interbank and money market items</b>						
<b>As at 1 January 2020</b>	5,150	-	-	-	-	5,150
Change due to new estimation of credit loss	(859)	-	-	-	-	(859)
Newly acquired or purchased financial assets	22,830	-	-	-	-	22,830
Derecognised financial assets	(17,248)	-	-	-	-	(17,248)
Others	1,522	-	-	-	-	1,522
<b>As at 31 December 2020</b>	11,395	-	-	-	-	11,395
<b>Loans</b>						
<b>As at 1 January 2020</b>	2,607,958	1,901,560	3,183,003	-	2,552,000	10,244,521
Change due to reclassification	607,730	(1,618,375)	1,010,645	-	-	-
Change due to new estimation of credit loss	147,633	2,896,518	1,379,859	22,815	-	4,446,825
Newly acquired or purchased financial assets	2,386,079	41,773	27,709	-	-	2,455,561
Derecognised financial assets	(277,306)	(185,883)	(1,168,684)	-	-	(1,631,873)
Write-off	(1,672)	(12,333)	(1,352,342)	-	-	(1,366,347)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others	(1,522)	-	-	-	(665,000)	(666,522)
<b>As at 31 December 2020</b>	5,468,900	3,023,260	3,080,190	22,815	1,509,600	13,104,765



**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2021**

	Separate					
	31 December 2020					
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit- impaired financial assets Thousand Baht	Purchased or originated credit- impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2020	5,930	-	-	-	-	5,930
Change due to new estimation of credit loss	(1,639)	-	-	-	-	(1,639)
Newly acquired or purchased financial assets	22,830	-	-	-	-	22,830
Derecognised financial assets	(17,248)	-	-	-	-	(17,248)
Others *	1,522	-	-	-	-	1,522
As at 31 December 2020	11,395	-	-	-	-	11,395
Loans						
As at 1 January 2020	2,610,037	1,901,560	3,183,003	-	2,552,000	10,246,600
Change due to reclassification	607,730	(1,618,375)	1,010,645	-	-	-
Change due to new estimation of credit loss	148,494	2,896,518	1,379,859	22,020	-	4,446,891
Newly acquired or purchased financial assets	2,386,079	41,773	27,709	-	-	2,455,561
Derecognised financial assets	(277,306)	(185,883)	(1,168,684)	-	-	(1,631,873)
Write-off	(1,672)	(12,333)	(1,352,342)	-	-	(1,366,347)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
Others *	(1,522)	-	-	-	(665,000)	(666,523)
As at 31 December 2020	5,471,840	3,023,260	3,080,190	22,020	1,509,600	13,106,910

\* The Bank has partially released as additional provision for the impairment from revaluation of foreclosed assets.

	Consolidated and Separate					
	31 December 2020					
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Other assets						
As at 1 January 2020	1,173	5,129	13,977	-	-	20,279
Change due to reclassification	2,679	(3,738)	1,059	-	-	-
Change due to new estimation of credit loss	(3,317)	6,952	(1,938)	-	-	1,697
Newly acquired or purchased financial assets	2,978	761	39,146	-	-	42,885
Derecognised financial assets	(2,357)	(4,669)	(33,322)	-	-	(40,348)
As at 31 December 2020	1,156	4,435	18,922	-	-	24,513

**13 Other assets, net**

	Consolidated		Separate	
	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht
Interest and dividend income receivables	227,300	44,701	120,780	37,092
Other income receivables	365,055	325,513	138,766	124,294
Prepaid expenses and deferred expenses	112,327	101,713	70,528	69,801
Prepaid output tax for hire-purchase receivables*	59,039	56,194	59,039	56,194
Other receivables, net*	3,007,652	2,875,913	2,888,758	2,751,167
Receivables from trading securities	6,462,900	462,209	6,488,879	462,209
Refundable deposit	90,629	88,104	137,466	134,713
Withholding income tax	26,345	24,288	-	-
Input VAT - pending tax invoice	484,994	521,909	367,063	461,991
Others*	759,626	746,379	172,614	164,074
<b>Total other assets</b>	<b>11,595,867</b>	<b>5,246,923</b>	<b>10,443,893</b>	<b>4,261,535</b>

\* As at 31 March 2021 these transactions are shown net of total allowance for expected credit losses of Baht 31.25 million in the consolidated and the separate financial statements (31 December 2020: Baht 24.51 million).

#### 14 Other liabilities

	Consolidated		Separate	
	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht
Accrued bonus	434,893	1,491,024	204,723	754,000
Accrued expenses	784,420	1,038,732	718,505	826,959
Front-end fees	50,655	44,891	50,655	44,891
Other income received in advance	1,314,872	1,370,060	1,394,818	1,450,007
Deposits	138,365	178,043	137,619	177,248
Value added tax payable	27,109	54,577	924	35,690
Others	435,132	279,147	374,163	249,327
Total other liabilities	3,185,446	4,456,474	2,881,407	3,538,122

#### 15 Dividend paid

On 30 March 2020, the Board of Directors Meeting of the Bank No. 4/2563 approved the resolution regarding the payment of interim dividend from six-month period operating performance at the rate of Baht 2.75 per ordinary share. The dividend was paid on 28 April 2020 amounting to Baht 2,328,521,825.

For the three-month period ended 31 March 2021, the Bank did not pay any dividend to shareholders.

#### 16 Capital fund

The minimum capital requirement under the regulation of the Bank of Thailand shows as follow:

Capital funds	Minimum capital requirement ratio (%)	Capital buffer ratio (%)	Minimum capital requirement and capital buffer ratio (%)
Common equity tier 1 capital to risk-weighted assets	4.50	2.50	7.00
Tier 1 capital to risk-weighted assets	6.00	2.50	8.50
Capital funds to risk-weighted assets	8.50	2.50	11.00

The Bank thus conducts the internal capital adequacy assessment process in accordance with the supervisory review process of the Bank of Thailand and monitors on a regular basis to ensure that the current and future capital requirements are aligned with the risk appetite in the Bank.

**Kiatnakin Phatra Bank Public Company Limited and Subsidiaries**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the three-month period ended 31 March 2021**

The Group and the Bank maintain its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand. As at 31 March 2021 and 31 December 2020, total capital funds can be categorised as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>31 March 2021 Thousand Baht</b>	<b>31 December 2020 Thousand Baht</b>	<b>31 March 2021 Thousand Baht</b>	<b>31 December 2020 Thousand Baht</b>
Tier 1 capital				
Common Equity Tier 1 (CET1)				
Issued and paid-up capital	8,467,511	8,467,511	8,467,511	8,467,511
Share premium	9,356,233	9,356,233	9,356,233	9,356,233
Legal reserve	852,337	852,337	852,337	852,337
General reserve	-	-	-	-
Retained earnings after appropriation	28,292,349	28,383,969	24,448,307	24,448,307
Other reserve and other provisions	30,540	(138,998)	220,314	397,629
Capital deduction items on CET1	(5,626,349)	(5,601,557)	(5,381,117)	(5,281,488)
Total tier 1 capital	41,372,621	41,319,495	37,963,585	38,240,529
Tier 2 capital				
Subordinated debt	8,090,000	8,390,000	8,090,000	8,390,000
Allowance for classified assets of "normal" category	3,097,798	3,004,810	3,146,327	3,060,030
Total tier 2 capital	11,187,798	11,394,810	11,236,327	11,450,030
Total capital fund	52,560,419	52,714,305	49,199,912	49,690,559

As at 31 March 2021 and 31 December 2020, capital adequacy ratios maintained by the Bank in accordance with the Notification of the BOT are as follows:

	<b>Capital funds</b>			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>31 March 2021 (%)</b>	<b>31 December 2020 (%)</b>	<b>31 March 2021 (%)</b>	<b>31 December 2020 (%)</b>
Common equity tier 1 capital to risk-weighted assets	13.99	14.33	12.93	13.38
Tier 1 capital to risk-weighted assets	13.99	14.33	12.93	13.38
Capital funds to risk-weighted assets	17.77	18.28	16.75	17.39

  

	<b>Consolidated</b>		<b>Separate</b>	
	<b>31 March 2021 Thousand Baht</b>	<b>31 December 2020 Thousand Baht</b>	<b>31 March 2021 Thousand Baht</b>	<b>31 December 2020 Thousand Baht</b>
Capital funds less capital add-ons				
Capital funds to risk-weighted assets	52,560,419	52,714,305	49,199,912	49,690,559
Rate of capital funds to risk-weighted assets (%)	17.77	18.28	16.75	17.39

Disclosure of Capital Maintenance information under the Notification of the Bank of Thailand Re: Public Disclosure of Capital Maintenance for Commercial Banks.

Location of disclosure : <https://ir.kkpfpg.com/en/updates/pillar-disclosure>  
Date of disclosure : 27 April 2021  
Information as at : 31 December 2020

Moreover, the Group has disclosed information related to Liquidity Coverage Ratio as at 31 December 2020 under the Notification of Bank of Thailand, no. Sor Nor Sor 2/2561, as the above location and date of disclosure.

## 17 Interest income

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Interbank and money market items	61,412	77,483	58,689	71,623
Investments in debt securities	96,244	122,099	90,223	107,575
Loans	1,854,134	2,099,269	1,900,061	2,144,126
Hire-purchase and financial leases	2,627,935	2,441,688	2,627,935	2,441,688
Purchased or originated credit-impaired loans	173,388	92,946	4,790	6,425
Others	1,998	6,777	629	4,551
<b>Total</b>	<b>4,815,111</b>	<b>4,840,262</b>	<b>4,682,327</b>	<b>4,775,988</b>

## 18 Interest expenses

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Deposits	653,594	798,952	653,594	798,952
Interbank and money market items	25,558	56,863	25,337	58,162
Contributions to Financial Institution Development Fund and Deposit Protection Agency	158,774	138,812	158,774	138,812
Debt issued				
- Senior securities	53,736	192,476	53,736	192,476
- Subordinated bond	79,589	91,212	79,589	91,212
- Others	936	7,641	-	-
Fees and charges on borrowings	3,706	2,037	24,490	13,027
Others	8,862	13,242	7,539	4,004
<b>Total</b>	<b>984,755</b>	<b>1,301,235</b>	<b>1,003,059</b>	<b>1,296,645</b>

## 19 Fees and services income, net

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Fees and services income				
- Brokerage fees	500,981	458,416	-	-
- Bancassurance fees	243,193	260,962	243,193	260,962
- Acceptance, avals and guarantees	47,659	35,789	47,659	35,789
- Others	844,398	732,796	301,728	308,795
Total fees and services income	1,636,231	1,487,963	592,580	605,546
Fees and services expenses				
- Security management fees	(135,922)	(139,629)	-	-
- Others	(66,180)	(72,757)	(46,916)	(53,692)
Total fees and services expenses	(202,102)	(212,386)	(46,916)	(53,692)
Total	1,434,129	1,275,577	545,664	551,854

## 20 Gain on financial instruments measured at fair value through profit or loss, net

Gain (Loss) on financial instruments measured at fair value through profit or loss, net for the three-month periods ended 31 March 2021 and 2020 are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Gain (loss) on trading and foreign exchange transactions</b>				
- Foreign exchange	190,694	305,966	156,297	287,543
- Debt securities	(8,393)	23,450	(12,579)	20,023
- Equity securities	680,927	(3,520,779)	250,271	(844,483)
- Derivatives	(640,730)	2,541,744	(308,300)	674,020
Total	222,498	(649,619)	85,689	137,103
<b>Gain (loss) on financial designated at fair value through profit or loss</b>				
- Changes in fair value	(30,235)	833,066	-	-
- Gain (loss) on redemption and interest expense paid	(21,806)	275,934	-	-
Total	(52,041)	1,109,000	-	-
Grand total	170,457	459,381	85,689	137,103

## 21 Gain on investments, net

Gain (loss) on investments, net for the three-month periods ended 31 March 2021 and 2020 are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Gain (loss) on sale				
- Investment measured at fair value through other comprehensive income	(6,051)	77,696	(6,051)	77,696
- Investments in subsidiaries	-	-	-	874
Total	(6,051)	77,696	(6,051)	78,570
Reversal (loss) on impairment of				
- Investments in subsidiaries	-	-	76,202	661,801
Total	-	-	76,202	661,801
Total gain (loss) on investments, net	(6,051)	77,696	70,151	740,371

The Group recognised loss on impairment due to the carrying value less than the fair value.

## 22 Expected credit losses

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Interbank and money market items	(13)	5,721	(13)	4,941
Loans	1,224,420	390,845	1,224,483	390,478
Investment in debt instrument measured at fair value through other comprehensive income	(93)	2,406	(93)	2,406
Loan commitments and financial guarantees	9,994	(142,812)	9,400	(143,057)
Total	1,234,308	256,160	1,233,777	254,768

During the three-month period ended 31 March 2021, the recoverable amount of receivables which were already written-off for the period are Baht 350 million (31 March 2020: Baht 326 Million).

## 23 Income tax expenses

The weighted average applicable tax rate in the consolidated and separate financial information for the three-month period ended 31 March 2021 was 16.98% and 19.22%, respectively, (31 March 2020: 25.05% and 19.29%, respectively).

## 24 Assets with obligations and restrictions

As at 31 March 2021, the Group and the Bank have investments in government securities which are pledged as collaterals for repurchase agreement with fair value of Baht 2,976.54 million (31 December 2020: Baht 2,996.28 million).

## 25 Commitments and Contingencies

	Consolidated		Separate	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Aval to bills of exchange	942,183	933,533	942,183	933,533
Other contingencies				
Unused overdraft credit facilities	19,063,408	9,992,136	19,963,408	11,492,136
Other guarantee	10,956,193	11,048,064	10,956,193	11,048,064
Total	30,961,784	21,973,733	31,861,784	23,473,733

As at 31 March 2021, the Group has other commitments in the form of various agreements relating to computer system and software development and construction agreement of the office building. The Group is obligated to pay a further Baht 359.70 million. (31 December 2020: Baht 343.17 million).

## 26 Information on quality of assets

The quality of assets classified in accordance with the guidelines of the Securities Exchange Commission as at 31 March 2021 and 31 December 2020 are as follows:

### 26.1 Investments in securities

The Group has investments in debt instruments in companies which were ordered to discontinue their operations and defaulted their debts as at 31 March 2021 and 31 December 2020 as follows:

Consolidated and Separate					
31 March 2021					
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht	
Company which has defaulted on interest payment	Senior securities	1	0.04	-	0.04
Listed company being subject to delisting	Common stocks	2	5.42	16.62	-
		3	5.46	16.62	0.04

Consolidated and Separate					
31 December 2020					
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht	
Company which has defaulted on interest payment	Senior securities	1	0.04	-	0.04
Listed company being subject to delisting	Common stocks	2	5.42	16.62	-
		3	5.46	16.62	0.04

## 26.2 Loans and accrued interest receivables

The Group had granted loans and accrued interest receivables to companies which faced the financial operational difficulties and provided related allowance for expected credit losses in the consolidated and the separate financial information as follows:

<b>Consolidated</b>				
<b>31 March 2021</b>				
	<b>Numbers</b>	<b>Total debts Thousand Baht</b>	<b>Collateral Thousand Baht</b>	<b>Allowance for expected credit losses Thousand Baht</b>
Companies which are under default problem	354	5,976,449	9,709,423	1,759,206
	354	5,976,449	9,709,423	1,759,206

  

<b>Consolidated</b>				
<b>31 December 2020</b>				
	<b>Numbers</b>	<b>Total debts Thousand Baht</b>	<b>Collateral Thousand Baht</b>	<b>Allowance for doubtful accounts Thousand Baht</b>
Companies which are under default problem	303	5,867,411	10,043,321	1,686,271
	303	5,867,411	10,043,321	1,686,271

  

<b>Separate</b>				
<b>31 March 2021</b>				
	<b>Numbers</b>	<b>Total debts Thousand Baht</b>	<b>Collateral Thousand Baht</b>	<b>Allowance for expected credit losses Thousand Baht</b>
Companies which are under default problem	331	5,494,256	7,883,236	1,758,728
	331	5,494,256	7,883,236	1,758,728

  

<b>Separate</b>				
<b>31 December 2020</b>				
	<b>Numbers</b>	<b>Total debts Thousand Baht</b>	<b>Collateral Thousand Baht</b>	<b>Allowance for doubtful accounts Thousand Baht</b>
Companies which are under default problem	280	5,400,698	8,217,134	1,685,792
	280	5,400,698	8,217,134	1,685,792



## **27 Related party transactions**

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Bank. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Bank and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship rather than the legal form.

According to the Bank of Thailand's Notification SorNorSor. 6/2553 regarding the Guideline on Consolidated Supervision dated 18 June 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

### **The Inter-Group Transactions in the Financial Business Group Policy**

The inter-group transactions shall be the same conditions or criteria, including interest rate or service fee charged, as applied when the Bank conducts the transactions with general customers with the same risk.

### **The Risk Management for Inter-Group Transactions in the Financial Business Group Policy**

To manage the operation and consolidated supervision, the Board of Directors assigned the Risk Management Committee to take the policy into action, control and monitor business and supporting unit to conform with the Financial Business Group Policy. Moreover, the Board of Directors shall be informed of the significant risk of the Financial Business Group on a regularly basis.

Furthermore, the Risk Management Committee of each company in the Financial Business Group is responsible to perform the risk assessment according to its policy, and report the results to the Bank's Risk Management Committee on a regularly basis. In case there is any significant change or any circumstance that will impact the current business operation, the Risk Management Committee shall report such matters immediately.

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The following transactions were carried out with related parties.

**27.1 Income**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Interest and dividend income</b>				
Subsidiaries				
KKP Capital PCL.	-	-	21	22
KKP Tower Co., Ltd.	-	-	26	23
	-	-	47	45
<b>Fees and services income</b>				
Subsidiaries				
KKP Capital PCL.	-	-	1	1
Kiatnakin Phatra Securities PCL.	-	-	35	25
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	14	8
Asia Recovery Fund 3	-	-	1	1
Thai Restructuring Fund	-	-	1	1
Bangkok Capital Fund	-	-	1	1
Gamma Capital Fund	-	-	2	2
Directors and management at the position of department head and above including their related persons who have control or significant influences	3	3	-	-
	3	3	55	39
<b>Other operating income</b>				
Subsidiaries				
KKP Capital PCL.	-	-	54	73
Kiatnakin Phatra Securities PCL.	-	-	18	6
Bangkok Capital Fund	-	-	-	1
	-	-	72	80

**27.2 Expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Interest and discounts on borrowings</b>				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	-	1
KKP Tower Co., Ltd.	-	-	4	2
Directors and management at the position of department head and above including their related persons who have control or significant influences	8	8	8	8
	8	8	12	11
<b>Other operating expenses</b>				
Subsidiaries				
KKP Capital PCL.	-	-	(1)	53
Kiatnakin Phatra Securities PCL.	-	-	98	39
KKP Tower Co., Ltd.	-	-	57	49
Other related parties	19	36	19	36
	19	36	173	177

**27.3 Outstanding balances**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>31 March 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>	<b>31 March 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
<b>Loans to financial institutions / Loans</b>				
Subsidiaries				
KKP Capital PCL.	-	-	1,950	1,950
KKP Tower Co., Ltd.	-	-	2,330	2,339
<u>Less</u> Allowance for expected credit loss	-	-	(3)	(3)
Directors and management at the position of department head and above including their related persons who have control or significant influences	10	8	10	8
	10	8	4,287	4,294
<b>Accrued interest receivables</b>				
Subsidiaries				
KKP Capital PCL.	-	-	1	(4)
KKP Tower Co., Ltd.	-	-	(2)	(2)
	-	-	(1)	(6)
<b>Other accounts receivables</b>				
Subsidiaries				
KKP Capital PCL.	-	-	-	4
Kiatnakin Phatra Securities PCL.	-	-	110	62
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	7	6
	-	-	117	72
<b>Derivative assets</b>				
Subsidiaries				
KKP Capital PCL.	-	-	59	-
Phatra Securities Co., Ltd.	-	-	6	2
	-	-	65	2
<b>Other assets</b>				
Subsidiaries				
KKP Tower Co., Ltd.	-	-	694	700
	-	-	694	700
<b>Deposits</b>				
Subsidiaries				
KKP Capital PCL.	-	-	72	44
Kiatnakin Phatra Securities PCL.	-	-	275	320
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	22	18
Bangkok Capital Fund	-	-	146	60
Gamma Capital Fund	-	-	384	331
KKP Tower Co., Ltd.	-	-	46	106
Directors and management at the position of department head and above including their related persons who have control or significant influences	1,299	1,165	1,299	1,165
	1,299	1,165	2,244	2,044

	<b>Consolidated</b>		<b>Separate</b>	
	<b>31 March 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>	<b>31 March 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
<b>Borrowings</b>				
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	400	400	400	400
	400	400	400	400
<b>Accrued interest expenses</b>				
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	4	3	4	3
	4	3	4	3
<b>Derivatives liabilities</b>				
Subsidiaries				
KKP Capital PCL	-	-	-	37
	-	-	-	37
<b>Other liabilities</b>				
Subsidiaries				
KKP Capital PCL	-	-	107	135
Kiatnakin Phatra Securities PCL.	-	-	189	102
KKP Tower Co., Ltd.	-	-	680	645
Other related parties	4	3	4	3
	4	3	960	885

## 27.4 Directors and key management compensations

For the three-month periods ended 31 March 2021 and 2020, compensations paid to directors and key management personnel are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month periods ended 31 March</b>		<b>For the three-month periods ended 31 March</b>	
	<b>2021 Thousand Baht</b>	<b>2020 Thousand Baht</b>	<b>2021 Thousand Baht</b>	<b>2020 Thousand Baht</b>
Short-term employee benefits	86,678	91,259	66,019	69,876
Post-employment benefits	2,775	2,632	1,688	1,407
Total	89,453	93,891	67,707	71,283

## 28 Benefits paid to directors and executives

The Group has no special benefits given to the directors and executives beyond the general benefits provided such as directors' remuneration, executives' salary and bonus (if any) included ESOP warrants.

## 29 Fair value

### 29.1 Fair value estimation

The following table presents the Group's financial assets and liabilities that are measured and recognised at fair value at 31 March 2021 and 31 December 2020.

	<b>Consolidated</b>				
	<b>31 March 2021</b>				
	<b>Carrying amount Thousand Baht</b>	<b>Level 1 Thousand Baht</b>	<b>Level 2 Thousand Baht</b>	<b>Level 3 Thousand Baht</b>	<b>Total Thousand Baht</b>
<b>Assets</b>					
Derivatives assets	10,361,295	-	10,361,295	-	10,361,295
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	2,386,544	-	2,386,544	-	2,386,544
Private sector's debt securities	1,539,692	-	1,383,764	155,928	1,539,692
Domestic marketable equity securities	8,052,372	8,052,372	-	-	8,052,372
Foreign marketable equity security	7,883	7,883	-	-	7,883
Investment, net					
Government and state enterprise securities	17,201,767	-	17,201,767	-	17,201,767
Private sector's debt securities	488,556	-	488,556	-	488,556
Domestic marketable equity securities	621,474	621,474	-	-	621,474
Foreign marketable equity security	2,066,765	2,066,765	-	-	2,066,765
Domestic non-marketable equity security	690,953	-	11,091	679,862	690,953
Foreign non-marketable equity security	244,012	-	-	244,012	244,012
<b>Total assets</b>	<b>43,661,313</b>	<b>10,748,494</b>	<b>31,833,017</b>	<b>1,079,802</b>	<b>43,661,313</b>
<b>Liabilities</b>					
Financial liabilities designated at fair value through profit or loss	1,255,892	-	1,255,892	-	1,255,892
Derivatives liabilities	9,803,355	-	9,803,355	-	9,803,355
<b>Total liabilities</b>	<b>11,059,247</b>	<b>-</b>	<b>11,059,247</b>	<b>-</b>	<b>11,059,247</b>

  

	<b>Consolidated</b>				
	<b>31 December 2020</b>				
	<b>Carrying amount Thousand Baht</b>	<b>Level 1 Thousand Baht</b>	<b>Level 2 Thousand Baht</b>	<b>Level 3 Thousand Baht</b>	<b>Total Thousand Baht</b>
<b>Assets</b>					
Derivatives assets	10,276,081	-	10,276,081	-	10,276,081
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	1,137,504	-	1,137,504	-	1,137,504
Private sector's debt securities	4,328,564	-	4,172,636	155,928	4,328,564
Domestic marketable equity securities	5,823,336	5,823,336	-	-	5,823,336
Foreign marketable equity securities	194	194	-	-	194
Investment, net					
Government and state enterprise securities	18,358,842	-	18,358,842	-	18,358,842
Private sector's debt securities	627,103	-	627,103	-	627,103
Domestic marketable equity securities	507,567	507,567	-	-	507,567
Foreign marketable equity security	1,721,828	1,721,828	-	-	1,721,828
Domestic non-marketable equity security	690,943	-	11,091	679,852	690,943
Foreign non-marketable equity security	244,012	-	-	244,012	244,012
<b>Total assets</b>	<b>43,715,974</b>	<b>8,052,925</b>	<b>34,583,257</b>	<b>1,079,792</b>	<b>43,715,974</b>
<b>Liabilities</b>					
Financial liabilities designated at fair value through profit or loss	896,906	-	896,906	-	896,906
Derivatives liabilities	8,724,685	-	8,724,685	-	8,724,685
<b>Total liabilities</b>	<b>9,621,591</b>	<b>-</b>	<b>9,621,591</b>	<b>-</b>	<b>9,621,591</b>

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During the three-month periods ended 31 March 2021 and for the year ended 31 December 2020, there was no transfers between Level 1 and 2.

<b>Separate</b>					
<b>31 March 2021</b>					
	<b>Carrying amount Thousand Baht</b>	<b>Fair value</b>			<b>Total Thousand Baht</b>
		<b>Level 1 Thousand Baht</b>	<b>Level 2 Thousand Baht</b>	<b>Level 3 Thousand Baht</b>	
<b>Assets</b>					
Derivatives assets	10,396,292	-	10,396,292	-	10,396,292
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	2,386,544	-	2,386,544	-	2,386,544
Private sector's debt securities	1,383,764	-	1,383,764	-	1,383,764
Domestic marketable equity securities	1,687,305	1,687,305	-	-	1,687,305
Investment, net					
Government and state enterprise securities	17,201,767	-	17,201,767	-	17,201,767
Private sector's debt securities	488,556	-	488,556	-	488,556
Domestic marketable equity securities	16,880	16,880	-	-	16,880
Domestic non-marketable equity security	219,454	-	-	219,454	219,454
<b>Total assets</b>	<b>33,780,562</b>	<b>1,704,185</b>	<b>31,856,923</b>	<b>219,454</b>	<b>33,780,562</b>
<b>Liabilities</b>					
Derivatives liabilities	9,709,445	-	9,709,445	-	9,709,445
<b>Total liabilities</b>	<b>9,709,445</b>	<b>-</b>	<b>9,709,445</b>	<b>-</b>	<b>9,709,445</b>
<b>Separate</b>					
<b>31 December 2020</b>					
	<b>Carrying amount Thousand Baht</b>	<b>Fair value</b>			<b>Total Thousand Baht</b>
		<b>Level 1 Thousand Baht</b>	<b>Level 2 Thousand Baht</b>	<b>Level 3 Thousand Baht</b>	
<b>Assets</b>					
Derivatives assets	10,251,116	-	10,251,116	-	10,251,116
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	1,137,504	-	1,137,504	-	1,137,504
Private sector's debt securities	4,172,635	-	4,172,635	-	4,172,635
Domestic marketable equity securities	1,442,498	1,442,498	-	-	1,442,498
Investments, net					
Government and state enterprise securities	18,358,842	-	18,358,842	-	18,358,842
Private sector's debt securities	627,103	-	627,103	-	627,103
Domestic marketable equity securities	16,838	16,838	-	-	16,838
Domestic non-marketable equity	219,454	-	-	219,454	219,454
<b>Total assets</b>	<b>36,225,990</b>	<b>1,459,336</b>	<b>34,547,200</b>	<b>219,454</b>	<b>36,225,990</b>
<b>Liabilities</b>					
Derivatives liabilities	8,674,189	-	8,674,189	-	8,674,189
<b>Total liabilities</b>	<b>8,674,189</b>	<b>-</b>	<b>8,674,189</b>	<b>-</b>	<b>8,674,189</b>

During the three-month periods ended 31 March 2021 and for the year ended 31 December 2020, there was no transfers between Level 1 and 2.

## 29.2 Valuation techniques used to derive Level 2 fair values

Level 2 trading and hedging derivatives comprise of ;

- Forward foreign exchange contracts and foreign exchange swaps which are fair valued based on forward rate of foreign currency against Thai Baht and discounted with Thai Baht interest rate.
- Interest rate swap and cross currency swap are fair valued based on the cash flows from contract rate (for fixed interest rate) or forward rate (for floating rate) and discounted with interest rate in each currency which can be obtained from observable market.
- Equity linked swap is fair valued based on each component in contracts. For equity component, the fair value is measured by using the last bid price quoted by the Stock Exchange of Thailand. For accrued dividend payable or receivable, the fair value is measured based on the expected cash inflow or outflow. For interest component, the fair value measurement is calculated the same method with interest rate swap contracts.
- The fair value of the option that is embedded with the structured note is calculated by using internal valuation model which valuation inputs are mainly observable.

The counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the fair value is known as the credit value adjustment ('CVA').

Level 2 debt investments of marketable securities are fair valued based on the average bidding yields or mark-to-market yield of the Thai Bond Market Association under discounted cash flow model.

Level 2 investments in mutual funds are fair valued based on unit prices published by asset management companies.

## 29.3 Fair value measurements using significant unobservable inputs (Level 3)

### Non-marketable equity securities

	Non-marketable equity securities			
	Consolidated		Separate	
	31 March 2021 Thousand Baht	31 December 2021 Thousand Baht	31 March 2021 Thousand Baht	31 December 2021 Thousand Baht
Opening balance	923,864	412,471	219,454	224,342
Purchased	10	522,226	-	-
Gain (loss) recognised in other comprehensive income	-	(10,833)	-	(4,888)
Closing balance	923,874	923,864	219,454	219,454

There was no changes in fair value basis and estimation during the period/year.

### Convertible Bond

	Consolidated	
	31 March 2021 Thousand Baht	31 December 2020 Thousand Baht
Opening balance	155,928	-
Purchased	-	150,000
Gain (loss) recognised in profit and loss	-	5,928
Closing balance	155,928	155,928



## 29.4 Group's valuation processes

### Non-marketable equity securities

The Group using 2 methods to measure the fair value of non-marketable equities security as follows:

- Dividend Discount Model for non-marketable equity securities and the Group expects to receive a return from the investment.
- Reference price from net asset value for non-marketable equity securities and the Group does not expect to receive a return from the investment.

The recoverable amount of this equity investment is determined by the Dividend Discount Model. This calculation used the dividend received projection based on financial budgets covering a ten-year period which are referred from the future business plan of the company together with the estimated growth rates of market and the company which management believes that it can reflect their business plan. For the dividend and cash flow forecast beyond 10 years, the Group estimates the terminal growth rate of 1 - 2 percent per year and the discount rate of 12.5 – 14 percent per year.

The change in dividend discount rate and dividend growth rate increased by 1% or decreased by 1% can affect on profit or loss in the interim consolidated and the separate financial information as follows:

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>31 March 2021</b>		<b>31 December 2021</b>	
	<b>Discount Rate</b>	<b>Dividend</b>	<b>Discount Rate</b>	<b>Dividend</b>
	<b>Million Baht</b>	<b>Discount Rate</b>	<b>Million Baht</b>	<b>Discount Rate</b>
		<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Rate increased 1%	(76.29)	38.02	(76.29)	38.02
Rate decreased 1%	91.05	(32.00)	91.05	(32.00)

### Convertible Bond

Convertible bond value is equivalent to the higher value of bond component (bond floor) or conversion value. The valuation concept of bond floor and conversion value could be summarised as follows:

- Bond Floor is calculated by discounting all cash flows received which consist of coupon and principal at the end of maturity. Discount rate, which could not be observed from the market, would be calculated by using the combination of credit spread on issued date and government bond yield. For each valuation date, government bond yield component would be varied based on market while credit spread would be the same on issued date. Bond floor value is Baht 152.21 million.
- Conversion Value: is calculated by multiplying convertible shares with price per share which determined by the Discounted Cash Flows Model. This calculation used the projection based on financial budgets covering a ten-year period which are referred from the future business plan of the company together with the estimated growth rates of market and the company which management believes that ten years period can reflect their business plan. The discount rate uses are 12.5% and cash flows beyond the ten-year extrapolation uses the estimated growth rate of 1.0%. The conversion value is Baht 155.93 million.

Convertible bond value is Baht 155.93 million which is the higher of conversion value (Baht 155.93 million) and bond floor (Baht 152.21 million)

The sensitivity analysis of fair value based on the increase and decrease by 1 percent in cash flow growth rate beyond 10 years and discount rate to profit and loss which recognised in statement of profit or loss and other comprehensive incomes is as follows;

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>31 March 2021</b>		<b>31 December 2021</b>	
	<b>Discount Rate</b>	<b>Cash Flow Rate</b>	<b>Discount Rate</b>	<b>Cash Flow Rate</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Rate increased 1%	(3.72)	9.81	(3.72)	9.81
Rate decreased 1%	21.42	(3.72)	21.42	(3.72)

Convertible bond sensitivity would be determined by sensitivity of conversion value and bond floor. The above table shows sensitivity of convertible bond value, which is determined by conversion value in this case, with respect to change in discount rate and terminal growth rate. Any value less than bond floor would be floored at Baht 152.21 million.

The following table presents the summary of quantitative information that significant unobservable in Level 3.

		<b>Consolidated</b>		<b>Unobservable information</b>
		<b>Fair value</b>	<b>Fair value</b>	
		<b>31 March 2021</b>	<b>31 December 2021</b>	
<b>Measurement</b>		<b>Thousand Baht</b>	<b>Thousand Baht</b>	
Financial assets measurement at fair value through profit or loss				
- Debt securities	The higher value of bond component (bond floor) or conversion value	155,928	155,928	Discount rate and cash flow growth rate
Investment in security				
- Non-marketable equity securities	Dividend Discount Model	244,012	244,012	Dividend discount rate and dividend growth rate
	Reference price from net asset value	690,953	690,934	No significant unobservable information
		1,090,893	1,090,883	
		<b>Separate</b>		<b>Unobservable information</b>
		<b>Fair value</b>	<b>Fair value</b>	
		<b>31 March 2021</b>	<b>31 December 2021</b>	
<b>Measurement</b>		<b>Thousand Baht</b>	<b>Thousand Baht</b>	
Investment in security				
- Non-marketable equity securities	Reference price from net asset value	219,454	219,454	No significant unobservable information
		219,454	219,454	

### 30 Event after the reporting period

On 22 April 2021, the Annual General Meeting of the Bank's shareholders for the year 2020 approved the resolution regarding the payment of dividend for the year 2020 at the rate of Baht 2.25 per ordinary share, totaling Baht 1,905,189,996 which the dividend payment would be made on 20 May 2021.