

BANGKOK BANK BERHAD
199401014060 (299740-W)
(Incorporated in Malaysia)

Unaudited Interim Condensed Financial Statements
31 March 2020

199401014060 (299740-W)

**Bangkok Bank Berhad
(Incorporated in Malaysia)**

Contents	Page(s)
Performance review and commentary on the prospects	1
Unaudited interim condensed statements of financial position	2 - 3
Unaudited interim condensed income statements	4
Unaudited interim condensed statements of comprehensive income	5
Unaudited interim condensed statements of changes in equity	6
Unaudited interim condensed statements of cash flows	7 - 9
Notes to the unaudited interim condensed financial statements	10 - 35

199401014060 (299740-W)

**Bangkok Bank Berhad
(Incorporated in Malaysia)**

Performance review for the three-month period ended 31 March 2020 and commentary on the prospects

Bangkok Bank Berhad ("BBB") registered a loss before tax ("LBT") of RM15.8 million for the three months of 2020 as compared with a profit of RM13.0 million recorded during the previous corresponding period. The LBT was mainly due to higher expected credit loss ("ECL") allowances amounting to RM28.1 million as compared with RM0.1 million in the previous corresponding period. The increase in ECL allowances was mainly due to changes in macroeconomic factors in 2020 after incorporating COVID-19 impacts. Nonetheless, lower operating expenses incurred amounting to RM13.3 million as compared with RM14.7 million in the previous corresponding period. This is a result of the Bank's disciplined cost management in responding to challenging operating environment. Net interest income decreased slightly by RM1.9 million as compared with previous corresponding period, cascading effect of OPR and FED rate reduction in 2020 which have caused negative impact to the Bank's earning.

Deposits from customers decreased from RM3.0 billion as at 31 December 2019 to RM2.5 billion as at 31 March 2020. The Bank has heightened efforts on gathering customer deposits to maintain prudent liquidity position and to pace with loan drawdown. Liquidity coverage ratio and net stable funding ratio are well above regulatory requirements as at 31 March 2020.

Overall, the Bank is expected to remain sound supported by strong capital base. The Bank will continue to realign product offerings to changing market condition and assess key downside risks stemming from the evolving nature and prolonged impact of the COVID-19 outbreak.

Bangkok Bank Berhad
(Incorporated in Malaysia)
Unaudited interim condensed statements of financial position as at 31 March 2020

	Note	Group		Bank	
		31.3.2020 RM'000	31.12.2019 RM'000	31.3.2020 RM'000	31.12.2019 RM'000
Assets					
Cash and short-term funds		389,633	486,493	389,504	486,366
Deposits and placements with banks and other financial institutions		-	30,047	-	30,047
Financial assets at fair value through other comprehensive income ("FVOCI")	12	1,021,218	1,169,519	1,021,218	1,169,519
Financial assets at amortised costs	13	101,092	102,351	101,092	102,351
Loans, advances and financing	14	2,923,453	3,206,001	2,923,453	3,206,001
Derivative assets		2,832	2,100	2,832	2,100
Tax recoverable		15,575	18,593	15,571	18,590
Other assets	15	6,288	6,538	6,288	6,538
Statutory deposit with Bank Negara Malaysia		49,990	65,479	49,990	65,479
Investment in subsidiary		-	-	10	10
Property and equipment	16	128,032	129,182	128,032	129,182
Intangible assets		641	706	641	706
Right-of-use assets	17	7,325	7,444	7,325	7,444
Deferred tax assets		9,646	5,150	9,646	5,150
Total assets		4,655,725	5,229,603	4,655,602	5,229,483
Liabilities and shareholder's equity					
Deposits from customers	18	2,499,878	2,982,698	2,499,878	2,982,698
Deposits and placements from banks and other financial institutions	19	863,720	939,981	863,720	939,981
Derivative liabilities		4,738	1,398	4,738	1,398
Other liabilities	20	37,440	44,768	37,437	44,766
Total liabilities		3,405,776	3,968,845	3,405,773	3,968,843

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

199401014060 (299740-W)

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed statements of financial position as at 31 March 2020 (cont'd.)

	Note	Group		Bank	
		31.3.2020 RM'000	31.12.2019 RM'000	31.3.2020 RM'000	31.12.2019 RM'000
Liabilities and shareholder's equity (cont'd.)					
Share capital		1,000,000	1,000,000	1,000,000	1,000,000
FVOCI reserve		18,739	16,939	18,739	16,939
Retained profits		231,210	243,819	231,090	243,701
Shareholder's equity		<u>1,249,949</u>	<u>1,260,758</u>	<u>1,249,829</u>	<u>1,260,640</u>
Total liabilities and shareholder's equity		<u>4,655,725</u>	<u>5,229,603</u>	<u>4,655,602</u>	<u>5,229,483</u>
Commitments and contingencies	26	<u>3,096,196</u>	<u>2,866,651</u>	<u>3,096,196</u>	<u>2,866,651</u>

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed income statements
For the financial period ended 31 March 2020

	Note	Group		Bank	
		Current and Cumulative Quarter		Current and Cumulative Quarter	
		3 months ended		3 months ended	
		1.1.2020	1.1.2019	1.1.2020	1.1.2019
		to	to	to	to
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
		RM'000	RM'000	RM'000	RM'000
Interest income	21	50,270	62,748	50,270	62,748
Interest expense	22	(27,682)	(38,226)	(27,682)	(38,226)
Net interest income		22,588	24,522	22,588	24,522
Non-interest income	24	2,986	3,342	2,983	3,339
Net income		25,574	27,864	25,571	27,861
Overhead expenses	25	(13,336)	(14,694)	(13,336)	(14,694)
Operating profit		12,238	13,170	12,235	13,167
Allowance for expected credit losses made	23	(28,050)	(137)	(28,050)	(137)
(Loss)/Profit before taxation		(15,812)	13,033	(15,815)	13,030
Taxation		3,203	(5,372)	3,204	(5,371)
Net (loss)/profit for the financial period		(12,609)	7,661	(12,611)	7,659
(Loss)/Earnings per share (sen)					
- basic		(1.26)	0.77	(1.26)	0.77
- diluted		(1.26)	0.77	(1.26)	0.77

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

199401014060 (299740-W)

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed statements of comprehensive income
For the financial period ended 31 March 2020

	Group		Bank	
	Current and Cumulative Quarter		Current and Cumulative Quarter	
	3 months ended		3 months ended	
	1.1.2020	1.1.2019	1.1.2020	1.1.2019
	to	to	to	to
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit for the period	<u>(12,609)</u>	<u>7,661</u>	<u>(12,611)</u>	<u>7,659</u>
Other comprehensive income that will be reclassified to the income statement subsequently:				
Net gain on financial assets at FVOCI	2,407	1,673	2,407	1,673
Income tax relating to components of other comprehensive income	<u>(607)</u>	<u>(386)</u>	<u>(607)</u>	<u>(386)</u>
Other comprehensive income for the period, net of tax	<u>1,800</u>	<u>1,287</u>	<u>1,800</u>	<u>1,287</u>
Total comprehensive (loss)/income for the period, net of tax	<u>(10,809)</u>	<u>8,948</u>	<u>(10,811)</u>	<u>8,946</u>

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed statements of changes in equity
For the financial period ended 31 March 2020

Group	<--- Non-distributable--->		Distributable	Total RM'000
	Share capital RM'000	FVOCI reserve RM'000	Retained profits RM'000	
At 1 January 2019	1,000,000	17,901	212,361	1,230,262
Total comprehensive income	-	1,287	7,661	8,948
At 31 March 2019	<u>1,000,000</u>	<u>19,188</u>	<u>220,022</u>	<u>1,239,210</u>
At 1 January 2020	1,000,000	16,939	243,819	1,260,758
Total comprehensive (loss)/income	-	1,800	(12,609)	(10,809)
At 31 March 2020	<u>1,000,000</u>	<u>18,739</u>	<u>231,210</u>	<u>1,249,949</u>

Bank	<--- Non-distributable--->		Distributable	Total RM'000
	Share capital RM'000	FVOCI reserve RM'000	Retained profits RM'000	
At 1 January 2019	1,000,000	11,074	245,154	1,256,228
Total comprehensive income	-	1,287	7,659	8,946
At 31 March 2019	<u>1,000,000</u>	<u>12,361</u>	<u>252,813</u>	<u>1,265,174</u>
At 1 January 2020	1,000,000	16,939	243,701	1,260,640
Total comprehensive (loss)/income	-	1,800	(12,611)	(10,811)
At 31 March 2020	<u>1,000,000</u>	<u>18,739</u>	<u>231,090</u>	<u>1,249,829</u>

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

199401014060 (299740-W)

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed statements of cash flows
For the financial period ended 31 March 2020

		Group		Bank	
		1.1.2020	1.1.2019	1.1.2020	1.1.2019
		to	to	to	to
	Note	31.03.2020	31.03.2019	31.03.2020	31.03.2019
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
(Loss)/profit before taxation		(15,812)	13,033	(15,815)	13,030
Adjustments for:					
Depreciation	25	949	1,095	949	1,095
Amortisation of intangible assets	25	316	55	316	55
Amortisation of right-of-use assets	25	292	301	292	301
Interest expense on lease liability	17	70	85	70	85
Interest income from financial assets	21	(11,660)	(7,500)	(11,660)	(7,500)
Allowance for ECL made	23	28,185	10	28,185	10
Unrealised loss on foreign exchange forward	24	2,609	180	2,609	180
Amortisation of premium, net of (accretion of discount)	21	131	(151)	131	(151)
Operating profit before working capital changes		5,080	7,108	5,077	7,105

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

Bangkok Bank Berhad
(Incorporated in Malaysia)

Unaudited interim condensed statements of cash flows
For the financial period ended 31 March 2020 (cont'd.)

	Group		Bank	
	1.1.2020 to 31.03.2020 RM'000	1.1.2019 to 31.03.2019 RM'000	1.1.2020 to 31.03.2020 RM'000	1.1.2019 to 31.03.2019 RM'000
Cash flows from operating activities (cont'd.)				
Balance carried forward	5,080	7,108	5,077	7,105
(Increase)/Decrease in operating assets:				
Loans, advances and financing	255,510	136,242	255,510	136,242
Other assets	250	(8,341)	250	(8,341)
Statutory deposits with Bank Negara Malaysia	15,489	(3,494)	15,489	(3,494)
Increase/(Decrease) in operating liabilities:				
Deposits from customers	(482,820)	108,105	(482,820)	108,105
Deposits and placement from banks and other financial institutions	(76,261)	(174,896)	(76,261)	(174,896)
Other liabilities	(8,520)	3,925	(8,520)	3,921
Cash generated from operating activities	(291,272)	68,649	(291,275)	68,642
Taxes paid	(4,255)	(5,094)	(4,254)	(5,092)
Taxes refunded	5,374	-	5,374	-
Net cash (used in)/generated from operating activities	(290,153)	63,555	(290,155)	63,550
Cash flows from investing activities				
Purchase of financial assets at FVOCI	(530,696)	(291,006)	(530,696)	(291,006)
Proceeds from sale of financial assets at FVOCI	691,764	165,336	691,764	165,336
Proceeds from partial redemption/ interest of financial assets at amortised costs	2,538	2,540	2,538	2,540

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

Bangkok Bank Berhad
(Incorporated in Malaysia)
Unaudited interim condensed statements of cash flows
For the financial period ended 31 March 2020 (cont'd.)

	Note	Group		Bank	
		1.1.2020 to 31.03.2020 RM'000	1.1.2019 to 31.03.2019 RM'000	1.1.2020 to 31.03.2020 RM'000	1.1.2019 to 31.03.2019 RM'000
Cash flows from investing activities (cont'd.)					
Purchase of property and equipment		(50)	(272)	(50)	(272)
Purchase of intangible assets		-	(87)	-	(87)
Net cash generated from/(used in) investing activities		163,556	(123,489)	163,556	(123,489)
Cash flows from financing activities					
Payment of lease liabilities	17	(310)	(282)	(310)	(282)
Net cash used in financing activities		(310)	(282)	(310)	(282)
Net (decrease) in cash and cash equivalents		(126,907)	(60,216)	(126,909)	(60,221)
Cash and cash equivalents at beginning of financial period		516,540	1,070,852	516,413	1,070,735
Cash and cash equivalents at end of financial period		389,633	1,010,636	389,504	1,010,514
Cash and cash equivalents comprise:					
Cash and short-term funds		389,633	655,967	389,504	655,845
Deposits and placements of banks and other financial institutions		-	354,669	-	354,669
		389,633	1,010,636	389,504	1,010,514

These unaudited interim condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to these unaudited interim condensed financial statements.

199401014060 (299740-W)

**Bangkok Bank Berhad
(Incorporated in Malaysia)**

Notes to the unaudited interim condensed financial statements - 31 March 2020

1. Corporate information

Bangkok Bank Berhad ("the Bank") is a public limited liability licensed bank, incorporated and domiciled in Malaysia. The registered office of the Bank is located at 1-45-01, Menara Bangkok Bank, Laman Sentral Berjaya, 105 Jalan Ampang, 50450 Kuala Lumpur.

The principal activities of the Bank are banking and related financial services.

The Bank also controls a wholly-owned subsidiary named BBL Nominees (Tempatan) Sdn. Bhd. The principal activity of its subsidiary is provision of nominees services to local clients of the Bank.

There have been no significant changes in the nature of the principal activities during the financial period.

The holding company of the Bank is Bangkok Bank Public Company Limited, a bank incorporated in Thailand.

2. Basis of preparation of the financial statements

2.1 Basis of preparation and presentation of the unaudited interim condensed financial statements

The unaudited interim condensed financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board ("IASB").

The unaudited interim condensed financial statements have been prepared under the historical cost convention except for the following assets which are stated at fair value: financial assets at FVTPL, financial assets at FVOCI and derivatives. The unaudited interim condensed financial statements are presented in Ringgit Malaysia ("RM"), which is the Bank's functional currency and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

The unaudited interim condensed financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019. These explanatory notes attached to the unaudited interim condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2019.

**Bangkok Bank Berhad
(Incorporated in Malaysia)**

2. Basis of preparation of the financial statements (cont'd.)

2.2 Changes in accounting policies

The accounting policies adopted in the preparation of the unaudited interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended 31 December 2019, except for the adoption of new standard, IC Interpretations and amendments to standards effective as of 1 January 2020 as follows:

Descriptions	Effective for annual periods beginning on or after
Amendment to MFRS 3 <i>Business Combinations: Definition of a Business</i>	1 January 2020
Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i> , MFRS 9 <i>Financial Instruments</i> and MFRS 139 <i>Financial Instruments: Recognition and Measurement</i>	1 January 2020

The initial application of the accounting standards, annual improvements to standards and IC Interpretations are not expected to have any significant impact to the financial statements of the Group and the Bank.

2.3 Standards, amendments to standards, annual improvements to standards and IC Interpretations issued but not yet effective

As at the reporting date, the following are standards, amendments to standards, annual improvements to standards and IC Interpretations issued by the Malaysian Accounting Standards Board ("MASB") but not yet effective.

Descriptions	Effective for annual periods beginning on or after
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 101 <i>Presentation of Financial Statements</i> and MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material</i>	1 January 2020
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Bank plan to adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are expected to have no significant impact to the financial statements of the Group and the Bank upon their initial application.

2. Basis of preparation of the financial statements (cont'd.)

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's and the Bank's financial statements in accordance with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of revenue, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's and the Bank's accounting policies, management has made the following judgements, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting that, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's and the Bank's control and are reflected in the assumptions if and when they occur.

(a) Impairment losses on financial assets

The measurement of impairment losses under MFRS 9 across all categories of financial assets requires judgement, in particular, estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and assessment of significant increase in credit risk. These estimates are driven by a number of factors, changes which can result in different levels of allowances.

The Group and the Bank's Expected Credit Loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's and the Bank's internal credit grading model, which assigns PDs to the individual grades;
- The Group's and the Bank's criteria for assessing if there has been a significant increase in credit risk resulting in impairment losses on financial assets to be measured on a lifetime basis and the qualitative assessment;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic factors and the effect on PDs, LGDs and EADs; and
- Selection of forward-looking macroeconomic scenarios and their probability weightings.

2. Basis of preparation of the financial statements (cont'd.)

2.4 Significant accounting judgements, estimates and assumptions (cont'd.)

(b) Deferred tax and current tax

In determining the Group's and the Bank's tax charge for the year involves estimation and judgement, which includes an interpretation of local tax law and an assessment of whether the tax authority will accept the position taken. The Group and the Bank provide for current tax liabilities at the best estimate based on all available evidence and the amount that is expected to be paid to the tax authority where an outflow is probable.

The recoverability of the Group's and the Bank's deferred tax assets is based on management's judgement of the availability of future taxable profits against which the deferred tax assets will be utilised.

3. Auditors' report on preceding annual financial statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2019 was not subject to any qualification.

4. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group and the Bank during the financial period ended 31 March 2020.

5. Comments about seasonal or cyclical factors

The business operations of the Group and the Bank are not materially affected by any seasonal or cyclical factors.

6. Changes in estimates

There were no significant changes in estimates of amounts reported in prior financial periods except for changes in ECL as the Group and the Bank has weighed in the economic impact of COVID-19 as well as global uncertainties in 2020 into its macroeconomic factors. As a result, ECL has increased significantly by RM28.0 million for the financial period ended 31 March 2020.

**Bangkok Bank Berhad
(Incorporated in Malaysia)**

7. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the three months ended 31 March 2020.

8. Subsequent events

There were no material events subsequent to the end of the current period that require disclosure or adjustments to the interim condensed financial statements.

9. Changes in composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 March 2020.

10. Dividends paid

No dividend was declared or paid during the financial period ended 31 March 2020.

11. Segmental information

As the Group does not have foreign operations, the Group is not required to present separate identifiable geographical segments.

12. Financial assets at fair value through other comprehensive income

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Debt instruments		
Malaysian Government Securities	51,825	20,421
Government Investment Issues	472,433	472,102
Negotiable Instruments of Deposit	382,918	561,966
Corporate bonds	102,429	103,417
	<u>1,009,605</u>	<u>1,157,906</u>
Equity instruments		
Unquoted shares	11,613	11,613
	<u>1,021,218</u>	<u>1,169,519</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

12. Financial assets at fair value through other comprehensive income (cont'd.)

The following ECL for debt instruments at FVOCI are not recognised in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value:

	Stage 1	Stage 2	Stage 3	Total
	ECL	ECL	ECL	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	262	-	-	262
New debt instruments originated	25	-	-	25
Debt instruments derecognised	(69)	-	-	(69)
ECL allowance made	(79)	-	-	(79)
At 31 March 2020	<u>139</u>	<u>-</u>	<u>-</u>	<u>139</u>
Group and Bank				
At 1 January 2019	19	-	731	750
New debt instruments originated	152	-	-	152
ECL allowance charged	97	-	-	97
Debt instruments derecognised	(6)	-	(731)	(737)
At 31 December 2019	<u>262</u>	<u>-</u>	<u>-</u>	<u>262</u>

13. Financial assets at amortised cost

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Debt instruments		
Corporate bonds	101,105	102,374
Unquoted securities:		
Corporate bonds	<u>568</u>	<u>568</u>
	101,673	102,942
Less: allowance for ECL	<u>(581)</u>	<u>(591)</u>
	<u>101,092</u>	<u>102,351</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

13. Financial assets at amortised cost (cont'd.)

Movements in the allowance for ECL on financial assets at amortised cost are as follows:

	Stage 1	Stage 2	Stage 3	Total
	ECL	ECL	ECL	
Group and Bank	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	23	-	568	591
ECL allowance written back	(9)	-	-	(9)
Debt instruments derecognised	-	-	(1)	(1)
At 31 March 2020	<u>14</u>	<u>-</u>	<u>567</u>	<u>581</u>
Group and Bank				
At 1 January 2019	-	-	571	571
ECL allowance charged	23	-	-	23
Debt instruments derecognised	-	-	(3)	(3)
At 31 December 2019	<u>23</u>	<u>-</u>	<u>568</u>	<u>591</u>

14. Loans, advances and financing

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
At amortised cost		
Overdrafts	82,747	105,419
Term loans:		
- Housing loans	2,328	2,361
- Syndicated term loan	161,921	149,644
- Other term loans	868,832	920,145
Revolving credits	1,293,982	1,511,777
Bills receivables	158,040	103,011
Trust receipts	121,043	128,803
Bankers' acceptances	448,840	477,628
Staff loans	437	461
	<u>3,138,170</u>	<u>3,399,249</u>
Unearned interest	(2,450)	(2,992)
Gross loans, advances and financing	<u>3,135,720</u>	<u>3,396,257</u>
Less: allowance for ECL		
- Stage 1	(68,212)	(50,974)
- Stage 2	(36,448)	(27,201)
- Stage 3	(107,607)	(112,081)
Net loans, advances and financing	<u>2,923,453</u>	<u>3,206,001</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

14. Loans, advances and financing (cont'd.)

(i) The maturity structure of loans, advances and financing are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Maturing within one year	2,326,480	2,601,876
One year to three years	185,327	213,145
Three years to five years	419,155	250,711
Over five years	204,758	330,525
	<u>3,135,720</u>	<u>3,396,257</u>

(ii) Loans, advances and financing according to economic sectors are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Primary agriculture	335,697	334,796
Mining and quarrying	11,321	12,072
Manufacturing	939,417	981,219
Electricity, gas and water supply	20,864	6,259
Construction	440,778	421,765
Wholesale and retail trade and restaurants and hotels	351,142	371,422
Transport, storage and communication	75,394	76,657
Finance, insurance, real estate and business activities	892,929	1,116,992
Household	68,178	75,075
	<u>3,135,720</u>	<u>3,396,257</u>

(iii) Loans, advances and financing according to type of customer are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Domestic non-bank financial institutions	537,287	592,610
Domestic business enterprises:		
- Small medium enterprises	313,451	302,759
- Others	2,216,804	2,425,813
Individuals	68,178	75,075
	<u>3,135,720</u>	<u>3,396,257</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

14. Loans, advances and financing (cont'd.)

(iv) Loans, advances and financing according to interest/profit rate sensitivity are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Fixed rate		
- Other fixed rate loan/financing	54,789	58,434
Variable rate		
- Base lending rate plus	197,494	233,280
- Cost-plus	2,013,231	2,232,654
- Other variable rates	870,206	871,889
	<u>3,135,720</u>	<u>3,396,257</u>

(v) Loans, advances and financing according to geographical distribution are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Malaysia	<u>3,135,720</u>	<u>3,396,257</u>

(vi) Movements in impaired loans, advances and financing are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Balance as at 1 January	149,328	97,550
Classified as impaired during the period/year	493	73,665
Amount recovered during the period/year	(4,651)	(20,755)
Amount written off during the period/year	(5,026)	(1,132)
Balance as at 31 March/31 December	<u>140,144</u>	<u>149,328</u>
Allowance for ECL Stage 3	<u>(107,607)</u>	<u>(112,081)</u>
Net impaired loans, advances and financing	<u>32,537</u>	<u>37,247</u>
Ratio of net impaired loans, advances and financing to gross loans, advances and financing less Stage 3 ECL allowance	<u>1.07%</u>	<u>1.13%</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

14. Loans, advances and financing (cont'd.)

(vii) Movements in the allowance for ECL on loans, advances and financing are as follows:

	Stage 1 ECL RM'000	Stage 2 ECL RM'000	Stage 3 ECL RM'000	Total RM'000
Group and Bank				
At 1 January 2020	50,974	27,201	112,081	190,256
New loans, advances and financing originated	569	-	-	569
Loans, advances and financing derecognised (other than write-off)	(3,789)	(968)	-	(4,757)
Transfer to Stage 1	39	(39)	-	-
Transfer to Stage 2	(1,429)	1,429	-	-
Transfer to Stage 3	-	-	-	-
Net measurement due to changes in credit risk	21,848	8,825	553	31,226
Amount written off	-	-	(5,027)	(5,027)
At 31 March 2020	<u>68,212</u>	<u>36,448</u>	<u>107,607</u>	<u>212,267</u>
Group and Bank				
At 1 January 2019	55,571	19,803	65,659	141,033
New loans, advances and financing originated	3,781	-	-	3,781
Loans, advances and financing derecognised (other than write-off)	(5,212)	(1,059)	(1,716)	(7,987)
Transfer to Stage 1	1,165	(1,165)	-	-
Transfer to Stage 2	(4,284)	4,284	-	-
Transfer to Stage 3	(1,591)	(4)	1,595	-
Net measurement due to changes in credit risk	1,544	5,342	47,675	54,561
Amount written off	-	-	(1,132)	(1,132)
At 31 December 2019	<u>50,974</u>	<u>27,201</u>	<u>112,081</u>	<u>190,256</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

14. Loans, advances and financing (cont'd.)

(viii) Impaired loans, advances and financing according to economic sector are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Manufacturing	121,636	124,621
Construction	-	1,421
Wholesale and retail trade and restaurants and hotels	16,921	21,679
Household	1,587	1,607
	<u>140,144</u>	<u>149,328</u>

15. Other assets

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Deposits and prepayments	2,930	2,742
Other receivables	3,358	3,796
	<u>6,288</u>	<u>6,538</u>

16. Property and equipment

During the three months period ended 31 March 2020, the Group and the Bank acquired assets with a cost of RM50,000 (31.12.2019: RM2,176,000).

17. Right-of-use assets and lease liabilities

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Right-of-use assets		
At 1 January 2020	7,444	8,057
Non-cash addition	173	629
Lease termination	-	(61)
Amortisation of right-of-use assets (Note 25)	(292)	(1,181)
At 31 March 2020	<u>7,325</u>	<u>7,444</u>
Lease liabilities		
At 1 January 2020	7,655	8,057
Non-cash addition	173	629
Lease termination	-	(64)
Accretion of interest expense (Note 22)	70	303
Lease payment	(310)	(1,270)
At 31 March 2020 (Note 20)	<u>7,588</u>	<u>7,655</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

18. Deposits from customers

(i) By type of deposit:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Fixed deposits	2,182,126	2,269,367
Current accounts	157,138	313,976
Savings deposits	9,499	8,874
Short term deposits	151,115	390,481
	<u>2,499,878</u>	<u>2,982,698</u>

(ii) The maturity structure of fixed deposits and short term deposits are as follows:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Due within six months	1,829,205	2,281,116
Six months to one year	500,444	369,270
One year to three years	3,079	8,942
Over three years	513	520
	<u>2,333,241</u>	<u>2,659,848</u>

(iii) The deposits are sourced from the following customers:

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Business enterprises	2,133,269	2,433,973
Individuals	366,609	548,725
	<u>2,499,878</u>	<u>2,982,698</u>

19. Deposits and placements from banks and other financial institutions

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Licensed banks	497,111	391,256
Other financial institutions	366,609	548,725
	<u>863,720</u>	<u>939,981</u>

Included in deposits and placements are deposits and placements from the holding company and its branches amounting to RM280,999,000 (31.12.2019: RM582,309,000) as disclosed in Note 29.

Bangkok Bank Berhad
(Incorporated in Malaysia)

20. Other liabilities

	Group		Bank	
	31.3.2020 RM'000	31.12.2019 RM'000	31.3.2020 RM'000	31.12.2019 RM'000
Accruals	4,947	8,901	4,944	8,899
Allowance for ECL on commitments and contingencies	18,347	17,089	18,347	17,089
Lease liability (Note 17)	7,588	7,655	7,588	7,655
Other payables	6,558	11,123	6,558	11,123
	<u>37,440</u>	<u>44,768</u>	<u>37,437</u>	<u>44,766</u>

Movements in the allowance for impairment on loan/financing commitments and financial guarantees are as follows:

	Stage 1 ECL RM'000	Stage 2 ECL RM'000	Stage 3 ECL RM'000	Total RM'000
Group and Bank				
At 1 January 2020	6,384	10,705	-	17,089
New loan/financing commitments, and financing guarantee originated	111	-	-	111
Loan/financing commitments, and financing guarantee derecognised	(13)	(7)	-	(20)
Transfer to Stage 1	16	(16)	-	-
Transfer to Stage 2	107	(107)	-	-
Transfer to Stage 3	-	-	-	-
Net measurement due to changes in credit risk	1,466	(299)	-	1,167
At 31 March 2020	<u>8,071</u>	<u>10,276</u>	<u>-</u>	<u>18,347</u>
Group and Bank				
At 1 January 2019	9,928	4,596	-	14,524
New loan/financing commitments, and financing guarantee originated	1,180	-	-	1,180
Loan/financing commitments, and financing guarantee derecognised	(539)	(52)	(6)	(597)
Transfer to Stage 1	1,414	(1,414)	-	-
Transfer to Stage 2	(7,743)	7,743	-	-
Transfer to Stage 3	-	-	-	-
Net measurement due to changes in credit risk	2,144	(168)	6	1,982
At 31 December 2019	<u>6,384</u>	<u>10,705</u>	<u>-</u>	<u>17,089</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

21. Interest income

	Group and Bank Current and Cumulative Quarter 3 months ended	
	1.1.2020 to 31.3.2020 RM'000	1.1.2019 to 31.3.2019 RM'000
Loans, advances and financing		
- Interest income other than recoveries from impaired loans	35,646	43,733
- Recoveries from impaired loans	-	414
- Interest income on impaired loans	603	458
Deposits and placements with banks and other financial institutions	2,492	10,492
Debt instruments at amortised cost	1,269	6,260
Debt instruments at FVOCI	10,391	1,240
	<u>50,401</u>	<u>62,597</u>
(Amortisation of premium)/accretion of discounts, net		
- Financial assets at FVOCI	(131)	151
	<u>50,270</u>	<u>62,748</u>

22. Interest expense

	Group and Bank Current and Cumulative Quarter 3 months ended	
	1.1.2020 to 31.3.2020 RM'000	1.1.2019 to 31.3.2019 RM'000
Deposits from customers	25,196	32,100
Deposits and placements from banks and other financial institutions	2,416	6,041
Accretion of interest expense (Note 17)	70	85
	<u>27,682</u>	<u>38,226</u>

Included in interest expense on deposits and placements from banks and other financial institutions are interest expense on deposits and placements from the holding company and its branches amounting to RM1,168,000 (31.3.2019: RM4,552,000) as disclosed in Note 29.

Bangkok Bank Berhad
(Incorporated in Malaysia)

23. Allowance for expected credit losses made/(written back),net

	Group and Bank			
	Current and Cumulative Quarter			
	1.1.2020 to 31.3.2020			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for ECL made				
- Loans, advances and financing	22,570	12,273	604	35,447
- Commitment and contingencies	2,562	2,316	-	4,878
	<u>25,132</u>	<u>14,589</u>	<u>604</u>	<u>40,325</u>
Allowance for ECL written back				
- Cash and short term funds	(91)	-	-	(91)
- Deposits and placements with banks and other financial institutions	(10)	-	-	(10)
- Financial assets at FVOCI	(123)	-	-	(123)
- Financial assets at amortised costs	(9)	-	(1)	(10)
- Loans, advances and financing	(5,332)	(3,026)	(51)	(8,409)
- Statutory deposit with Bank Negara Malaysia	(11)	-	-	(11)
- Commitment and contingencies	(875)	(2,745)	-	(3,620)
	<u>(6,451)</u>	<u>(5,771)</u>	<u>(52)</u>	<u>(12,274)</u>
Impaired loans, advances and financing recovered	-	-	(1)	(1)
Total	<u>18,681</u>	<u>8,818</u>	<u>551</u>	<u>28,050</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

23. Allowance for expected credit losses made/(written back),net (cont'd.)

	Group and Bank			
	Current and Cumulative Quarter			
	1.1.2019 to 31.3.2019			
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for ECL made				
- Cash and short term funds	61	-	-	61
- Financial assets at FVOCI	48	-	-	48
- Financial assets at amortised costs	8	-	-	8
- Loans, advances and financing	13,521	1,143	458	15,122
- Statutory deposit with Bank Negara Malaysia	6	-	-	6
- Commitment and contingencies	1,713	820	-	2,533
	<u>15,357</u>	<u>1,963</u>	<u>458</u>	<u>17,778</u>
Allowance for ECL written back				
- Deposits and placements with banks and other financial institutions	(6)	-	-	(6)
- Financial assets at FVOCI	(2)	-	-	(2)
- Loans, advances and financing	(5,176)	(1,870)	(5,083)	(12,129)
- Commitment and contingencies	(2,959)	(2,201)	-	(5,160)
	<u>(8,143)</u>	<u>(4,071)</u>	<u>(5,083)</u>	<u>(17,297)</u>
Impaired loans, advances and financing recovered	-	-	(344)	(344)
Total	<u>7,214</u>	<u>(2,108)</u>	<u>(4,969)</u>	<u>137</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

24. Non-interest income

	Group		Bank	
	Current and Cumulative Quarter 3 months ended		Current and Cumulative Quarter 3 months ended	
	1.1.2020 to 31.3.2020 RM'000	1.1.2019 to 31.3.2019 RM'000	1.1.2020 to 31.3.2020 RM'000	1.1.2019 to 31.3.2019 RM'000
Fee income:				
Commission	867	774	864	771
Service charges and fees	448	821	448	821
Guarantee fees	605	716	605	716
	<u>1,920</u>	<u>2,311</u>	<u>1,917</u>	<u>2,308</u>
Other income:				
Foreign exchange gain	3,415	1,210	3,415	1,210
Unrealised loss on foreign exchange forwards	(2,609)	(180)	(2,609)	(180)
Rental income	257	(2)	257	(2)
Others	3	3	3	3
	<u>1,066</u>	<u>1,031</u>	<u>1,066</u>	<u>1,031</u>
Total	<u>2,986</u>	<u>3,342</u>	<u>2,983</u>	<u>3,339</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

25. Overhead expenses

	Group and Bank	
	Current and	
	Cumulative Quarter	
	3 months ended	
	1.1.2020	1.1.2019
	to	to
	31.3.2020	31.3.2019
	RM'000	RM'000
Personnel costs		
Salaries, allowances and bonuses	6,435	6,606
Defined Contribution Plan		
- Employees Provident Fund	999	936
Others	741	473
	<u>8,175</u>	<u>8,015</u>
Establishment costs		
Depreciation	949	1,095
Amortisation of intangible assets	316	55
Amortisation of right-of-use assets (Note 17)	292	301
Repair and maintenance	642	576
Information technology	313	285
Others	465	522
	<u>2,977</u>	<u>2,834</u>
Marketing costs		
Advertising and publicity	75	101
Others	22	41
	<u>97</u>	<u>142</u>
Administration and general costs		
Communication expenses	325	284
Subscriptions	514	1,684
Professional fees	160	530
Auditors remunerations	146	204
Non-executive directors' remuneration	262	266
Insurance	286	415
Travelling	89	89
Others	305	231
	<u>2,087</u>	<u>3,703</u>
Total	<u>13,336</u>	<u>14,694</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

26. Commitments and contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The Group and the Bank do not enter into over-the-counter ("OTC") derivative transactions, repo-style transactions and credit derivative contracts booked in its trading and banking books other than the involvement in derivatives restricted to foreign forward exchange contracts.

Risk weighted exposures of the Group and the Bank as at the reporting date are as below:

Group and Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000
31 March 2020				
Direct credit substitutes	36,664	-	36,664	36,664
Transaction-related contingent items	335,731	-	167,866	161,167
Short-term self-liquidating trade-related contingencies	51,992	-	10,398	10,398
Forward foreign exchange contracts				
- less than one year	387,067	2,832	6,451	3,820
Other commitments, such as formal standby facilities and credit lines, with an original				
- maturity more than one year	133,289	-	66,645	66,644
- maturity less than one year	2,133,446	-	426,689	426,404
Any commitment that are unconditionally cancelled at any time without prior notice	18,007	-	-	-
Total	3,096,196	2,832	714,713	705,097

Bangkok Bank Berhad
(Incorporated in Malaysia)

26. Commitments and contingencies (cont'd.)

Risk weighted exposures of the Group and the Bank as at the reporting date are as below:

Group and Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000
31 December 2019				
Direct credit substitutes	36,084	-	36,084	36,084
Transaction-related contingent items	340,525	-	170,263	159,060
Short-term self-liquidating trade-related contingencies	42,978	-	8,595	8,259
Forward foreign exchange contracts				
- less than one year	262,749	2,100	4,294	3,755
Other commitments, such as formal standby facilities and credit lines, with an original				
- maturity more than one year	257,484	-	128,742	128,742
- maturity less than one year	1,922,715	-	384,543	384,152
Any commitment that are unconditionally cancelled at any time without prior notice	4,116	-	-	-
Total	2,866,651	2,100	732,521	720,052

The credit equivalent amount and risk-weighted amount are arrived at using the credit conversion factors as defined in Bank Negara Malaysia's revised Risk Weighted Capital Adequacy Framework: Standardised Approach (Basel II).

Bangkok Bank Berhad
(Incorporated in Malaysia)

27. Fair value hierarchy

The Group and the Bank use the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the analysis of financial instruments recorded and disclosed at their fair values by level of hierarchy:

Group and Bank	Level 1	Level 2	Level 3	Total
31 March 2020	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at FVOCI (Note 12)</u>				
Debt instruments				
Malaysian Government				
Securities	-	51,825	-	51,825
Government Investment Issue	-	472,433	-	472,433
Negotiable Instruments of				
Deposit	-	382,918	-	382,918
Corporate bonds	-	102,429	-	102,429
Equity instruments				
Unquoted shares	-	-	11,613	11,613
	-	1,009,605	11,613	1,021,218
<u>Derivatives financial instruments</u>				
Derivative assets	-	2,832	-	2,832
Derivative liabilities	-	(4,738)	-	(4,738)

Bangkok Bank Berhad
(Incorporated in Malaysia)

27. Fair value hierarchy (cont'd.)

Group and Bank 31 December 2019	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>Financial assets at FVOCI (Note 12)</u>				
Debt instruments				
Malaysian Government				
Securities	-	20,421	-	20,421
Government Investment Issue	-	472,102	-	472,102
Negotiable Instruments of				
Deposit	-	561,966	-	561,966
Corporate bonds	-	103,417	-	103,417
Equity instruments:				
Unquoted shares	-	-	11,613	11,613
	-	1,157,906	11,613	1,169,519
<u>Derivatives</u>				
Derivative financial assets				
Unrealised gain on derivatives	-	2,100	-	2,100
Derivative financial liabilities				
Unrealised loss on derivatives	-	(1,398)	-	(1,398)

There have been no transfers between Level 1 and Level 2 during the current period and previous financial year.

Valuation methods and assumptions

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The fair value of quoted securities held for trading, available-for-sale and held-to-maturity are estimated based on broker/dealer price quotations. Unquoted securities were revalued using Cost/Asset Based Approach, specifically the Adjusted Net Assets Method.

Derivative products valued using valuation technique with significant market observable inputs are mainly interest rate swaps, currency swaps and forward exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange and forward rates and interest rate curves.

Bangkok Bank Berhad
(Incorporated in Malaysia)

28. Capital adequacy

- (a) The capital adequacy ratios of the Bank are computed in accordance with BNM's revised Capital Adequacy Frameworks on Capital Components and Basel II - Risk-weighted Assets issued on 2 February 2018. The minimum regulatory capital adequacy ratios before including capital conservation buffer and countercyclical capital buffer ("CCyB") for Common Equity Tier 1 ("CET 1") Capital Ratio, Tier 1 Capital Ratio and Total Capital Ratio are 4.5%, 6.0% and 8.0% respectively.

The total risk-weighted assets of the Bank are computed based on the following approaches:

- (i) Standardised Approach for Credit Risk;
- (ii) Standardised Approach for Market Risk;
- (iii) Basic Indicator Approach for Operational Risk.

For the purpose of consolidation for financial reporting, the Group comprised the consolidated results of Bank and its wholly-owned subsidiary, BBL Nominees (Tempatan) Sdn. Bhd. , which is not involved in banking operations. The subsidiary is fully consolidated in the Group's financial statements.

As the Bank's subsidiary is not involved in banking operations and is of an immaterial size relative to the Bank, the Group does not prepare and submit separate Group's capital adequacy ratios for the purpose of consolidation for regulatory reporting.

- (b) Banking institutions are also required to maintain a capital conservation buffer of up to 2.5% and a CCyB above the minimum regulatory capital adequacy ratios above. Under the transition arrangements, capital conservation buffer will be phased-in as follows:

Calendar Year	Capital Conservation Buffer
2018	1.875%
2019 onwards	2.500%

A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions.

- (c) The capital adequacy ratios of the Bank as at the reporting date, are as follows:

	Bank	
	31.3.2020	31.12.2019
CET 1 Capital Ratio	28.60%	26.75%
Tier 1 Capital Ratio	28.60%	26.75%
Total Capital Ratio	<u>29.79%</u>	<u>27.95%</u>

Bangkok Bank Berhad
(Incorporated in Malaysia)

28. Capital adequacy (cont'd.)

(d) The components of common equity Tier 1 and Tier 2 capital of the Bank are as follows:

	Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
CET 1 Capital		
Paid-up share capital	1,000,000	1,000,000
Unrealised gain on financial assets at FVOCI	18,739	16,939
Retained profits	231,090	243,701
Less: Regulatory adjustments, applied on CET1 Capital:		
Other intangibles	(641)	(706)
Deferred tax assets	(9,646)	(5,150)
55% of unrealised gain on financial assets at at FVOCI	(10,306)	(9,316)
Total CET 1 Capital	<u>1,229,236</u>	<u>1,245,468</u>
Tier 2 Capital		
Stage 1 and 2 ECL *	51,215	55,936
Total Tier 2 Capital	<u>51,215</u>	<u>55,936</u>
Total capital		
CET 1 Capital	1,229,236	1,245,468
Tier 2 Capital	51,215	55,936
Less: Investment in subsidiary	(10)	(10)
Total Capital	<u>1,280,441</u>	<u>1,301,394</u>

* General provisions are subject to a maximum of 1.25% of the total credit RWA determined under the Standardised Approach for credit risk.

Terms and conditions of the main features of all capital instruments are disclosed in the respective notes. The Bank does not have any innovative, non-innovative, complex or hybrid capital instruments.

Bangkok Bank Berhad
(Incorporated in Malaysia)

28. Capital adequacy (cont'd.)

(e) The breakdown of risk-weighted assets (excluding deferred tax assets) of the Bank in the various categories of risk-weights are as follows:

	Principal 31.3.2020 RM'000	Risk- weighted assets 31.3.2020 RM'000	Principal 31.12.2019 RM'000	Risk- weighted assets 31.12.2019 RM'000
0%	742,184	-	810,823	-
20%	395,971	79,194	438,025	87,605
35%	801	280	822	287
50%	482,135	241,068	659,926	329,963
75%	3,679	2,759	2,733	2,050
100%	3,769,506	3,769,506	4,051,956	4,051,956
150%	2,953	4,430	2,010	3,015
Total risk-weighted assets for credit risk		4,097,237		4,474,876
Total risk-weighted assets for market risk		11,026		8,207
Total risk-weighted assets for operational risk		189,443		187,891
Total risk-weighted assets		<u>4,297,706</u>		<u>4,670,974</u>

29. Significant related party transactions and balances

Significant transactions between the Group and the Bank and their related parties are as follows:

(i) Related party transactions

	Group and Bank Cumulative 3 Months Ended	
	1.1.2020 to 31.3.2020 RM'000	1.1.2019 to 31.3.2019 RM'000
Income		
Interest on advances to the holding company and its branches	13	2
Expenditure		
Interest on advances from the holding company and its branches	1,168	4,552
Administrative expenses to holding company	246	121

199401014060 (299740-W)

Bangkok Bank Berhad
(Incorporated in Malaysia)

29. Significant related party transactions and balances (cont'd.)

Significant transactions between the Group and the Bank and their related parties are as follows:

(ii) Related party balances

	Group and Bank	
	31.3.2020	31.12.2019
	RM'000	RM'000
Amount due to		
Deposits and placements from the holding company and its branches	<u>280,999</u>	<u>582,309</u>
Amount due from		
Cash and short-term funds placed with the holding company and its branches	<u>13,278</u>	<u>8,819</u>