



**"WE DON'T HAVE PLAN B
BECAUSE THERE IS NO PLANET B"**

Ban Ki-Moon



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2022 ThaiBMA Sustainability Activities



Environmental

1 REDUCTION OF CO₂

- ✔ Hybrid working policy
- ✔ 100% E-tax invoice, an E-receipt

2 DRIVING ESG BOND

- ✔ ESG Bond Information Platform : facilitate investors' access to the information on green, social, sustainability and sustainability-linked bonds.
- ✔ 7 ESG Seminars through collaboration with national, regional, and global agencies: to promote understanding of the sustainable bond market and development.

3 ACADEMIC BOOST

35 seminars organized

- ✔ Public Seminar
- ✔ Professional Training
- ✔ Bond Academy
- ✔ e-Learning Platform for 500 university students in Thailand.

4 HAPPY EMPLOYMENT

- ✔ Distributed masks, alcohol gel and antigen test to all employees
- ✔ Prepared employee development plans at all levels in line with business development directions through online and offline learning channels
- ✔ Strengthened good relationship among employees through team building and outing.



Social



5 REDUCING INEQUALITY IN THE COMMUNITY

- ✔ Donated IT equipments and items in need to Farther Ray Foundation.
- ✔ Granted scholarships to students in 8 provincial universities.



Governance

6 GOVERNANCE

- ✔ Code of conduct training for employees
- ✔ Risk management: BCP (Business Continuity Plan), PDPA implemented

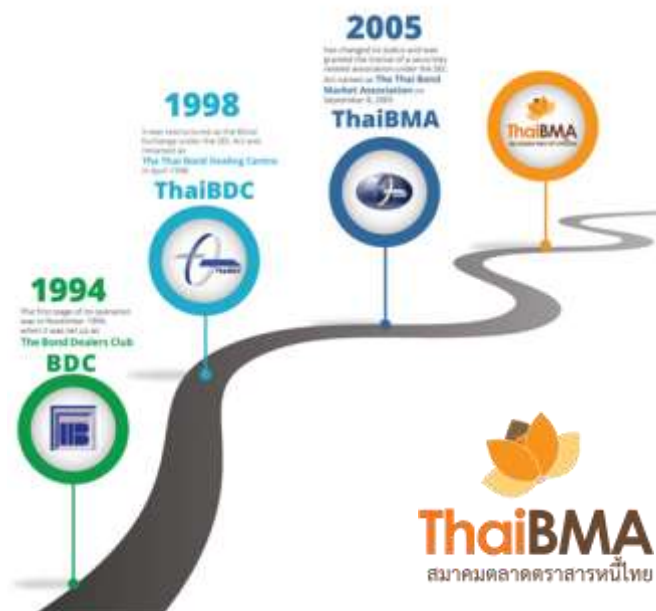
About ThaiBMA

About ThaiBMA

The Thai Bond Market Association (ThaiBMA) is a securities business related association under the Securities and Exchange Commission Act B.E. 2535 (SEC Act). Its main purposes are to be a self regulatory organization (SRO) for a fair and efficient operation of the bond market and to be an information center for the Thai bond market. It also plays functional roles on market development, market convention and standards and being bond pricing agency for the industry. In addition, ThaiBMA provides a forum through which industry professionals can discuss and respond to current issues and play a role in shaping the future of the Thai bond market.

Background

Although ThaiBMA was registered as a securities business related association with the SEC in September 2005, its origin dated back to 1994. In November 1994, the **Bond Dealers Club (BDC)** was formed under the structure of the Association of Securities Companies (ASCO). Main role of the BDC then was a facilitator of infrastructure for bond trading by introducing an electronic bond trading system, called "Bondnet", the first bond trading platform in the history of the Thai bond market.

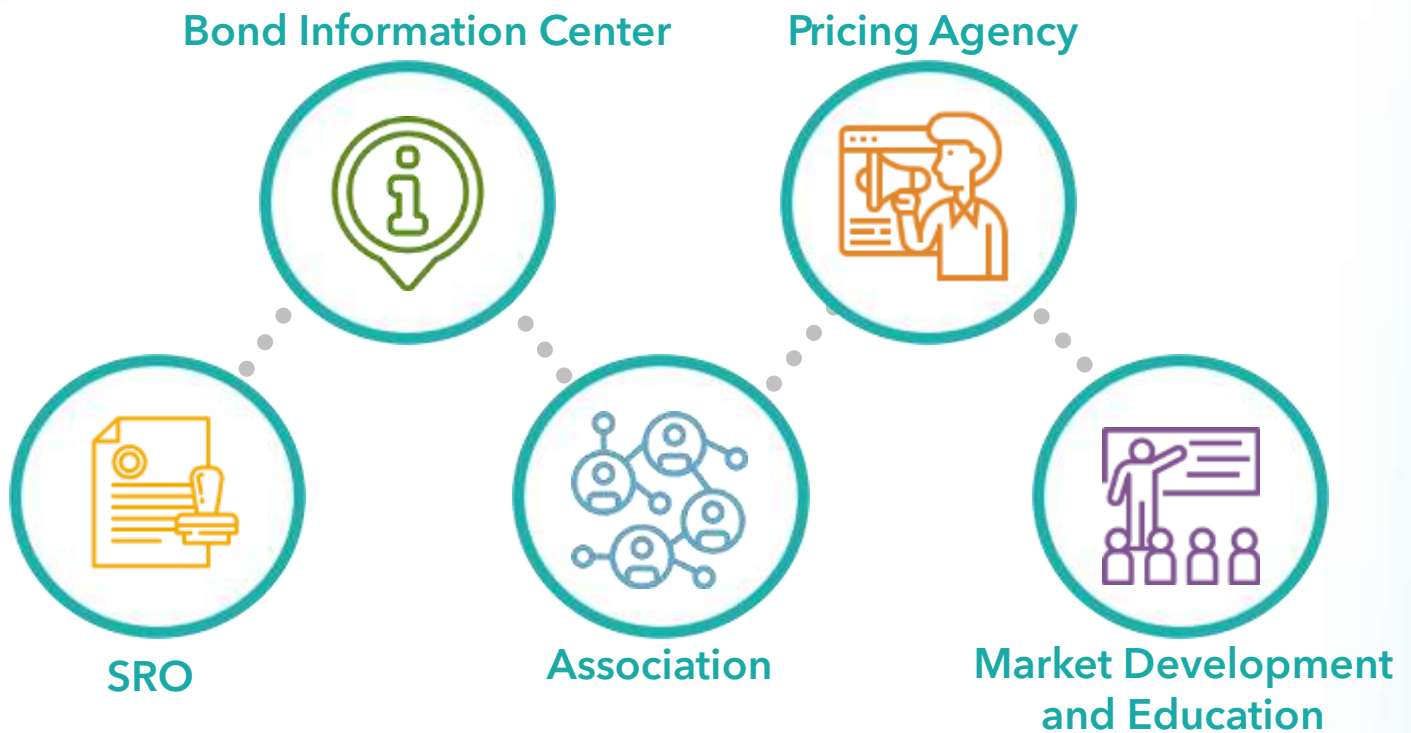


After 3 years of its operation, BDC changed its legal status to be in line with its membership structure and to support a more expansive bond market. So, it was restructured as the Bond Exchange under the SEC Act and renamed "**The Thai Bond Dealing Centre**" (**Thai BDC**) in April 1998. The primary roles of the Thai BDC were to facilitate the operation of the secondary market for bond trading and perform active roles in many areas with regards to bond market development. One of its missions was to move forward towards being efficient self-regulatory organization (SRO) to oversee the orderly function of the bond market.

ThaiBDC continually expanded its functions and played active roles in various areas of bond market development. In December 2004, Bond Market Development Committee chaired by the Minister of Finance initiated bond market reform in Thailand. One of the measures was to centralize securities trading platform by migrating electronic trading platform owned by ThaiBDC to the Stock Exchange of Thailand (SET) while ThaiBDC would expand its full functions as the SRO and information center for Thai bond market.

To reiterate its focus on SRO and information center function, ThaiBDC, with the support from the SEC, was granted the license of a securities related association under the SEC Act and was renamed "**The Thai Bond Market Association**" (**ThaiBMA**) on September 8th, 2005.

Roles and Functions of ThaiBMA



1. Self-Regulatory Organization (SRO)

ThaiBMA oversees and monitors the conduct of its members in order to ensure fairness and efficiency in debt securities trading industry. It is committed to retaining the confidence of its members, regulators and investors. SRO tasks comprise the following:

- ◆ Act as the front-line regulator to detect any fraud or unfair trading practices by performing intraday market monitoring and post-trade surveillance.
- ◆ Executing onsite and offsite inspection to ensure that members comply with relevant laws and regulations.
- ◆ Issuing rules and guidelines regarding debt securities trading and good market practice.
- ◆ Responsible for bond trader examination and registration and provide traders with ongoing education to enhance their professionalism.

2. Bond Information Center

Mandated as the sole information center for the Thai bond market, ThaiBMA collects, integrates and processes the data from both the primary and secondary bond markets. It also develops financial tools and information essential for the bond market and disseminates those information through its website www.thaibma.or.th, and www.ibond.thaibma.or.th. Examples are;

- ◆ **Yield curve:** ThaiBMA publishes various types of government bond yield curves and corporate yield curve on a daily basis.
- ◆ **Bond information:** ThaiBMA provides trading data, bond features, reference yields and relevant market news and regulatory updates.
- ◆ **Financial data:** ThaiBMA develops a wide range of financial and quantitative tools such as Bond indices, Zero coupon yield curve, credit spread curve, key rate duration, bond portfolio analysis, Value-at-Risk (VaR) to be used for bond investment and portfolio management.

Roles and Functions of ThaiBMA

3. Association

As an association of members, ThaiBMA represents collective voices of members and promote dialogues among market participants to address issues affecting the bond market. ThaiBMA works actively with bond market stakeholders on a comprehensive range of market practices and convention to set standards within the marketplace. Examples of standard issued by ThaiBMA are bond symbols and standard formula for price/yield calculation for various types of bonds which have become common standard in the market.

4. Pricing Agency

In the role of “Bond Pricing Agency”, ThaiBMA provides daily mark-to-market prices for investors. For actively-traded bonds, the mark-to-market prices are based on trading and quotation information. For illiquid debts securities and structured bonds, ThaiBMA develops model yield to be used as fair prices and references for investors.

5. Market Development and Education

ThaiBMA is committed to enhancing market development and market education. It advocates for efficient bond market and initiates a number of studies to the benefits of the whole industry. To expand investor understanding of the bond market, ThaiBMA provides extensive seminars and training programs for market participants and the general public. It also produces a comprehensive range of publications for the benefits of those involved in the bond market.



ThaiBMA's Board of Directors 2022

	Name	Position	Organization
1.	Mr. Sommai Phasee	Chairman of the Board	The Thai Bond Market Association
2.	Ms. Watana Tiranuchit	Vice Chairperson of the Board	The Thai Bond Market Association
3.	Mr. Charnchai Kongthongluck	Vice Chairman of the Board; Director and President	Trinity Securities Company Limited
4.	Mr. Apichart Tungkiatsilp	Managing Director of Fixed Income Department	KGI Securities (Thailand) Public Company Limited
5.	Ms. Narumon Chivangkur	Managing Director, Thailand Head of Global Markets and Securities Service	CITIBANK, N.A.
6.	Mr. Rawin Boonyanusasna	Senior Executive Vice President, Head of Global Markets Group	Krungthai Bank Public Company Limited
7.	Mr. Tanik Tarawisid	First Executive Vice President, Investment Banking and Capital Markets Function	Siam Commercial Bank Public Company Limited
8.	Ms. Jamjun Siriganjanavong	Head of Debt Capital Markets	Bank of Ayudhya Public Company Limited
9.	Ms. Doungporn Prasertsomsuk	Counsel	Allen & Overy (Thailand) Co.Ltd.
10.	Dr. Bhume Bhumiratana	Security Policy, Community Defense Lead	META
11.	Dr. Somjin Sornpaisarn	President	The Thai Bond Market Association
Advisors to the Board of Directors			
1.	Ms. Pimpan Charoenkwan	Senior Director, Financial Markets Department	Bank of Thailand
2.	Ms. Chanunporn Phisitvanich	Senior Expert on Bond Market Development, Bond Market Development Bureau	Public Debt Management Office, Ministry of Finance

ThaiBMA Members

Pursuant to the regulation of the SEC, a financial institution having debt securities dealing license is required to be a member of ThaiBMA. Membership of ThaiBMA is divided into 3 categories:



- **Ordinary Member** is a financial institution having debt securities dealing license (dealer).
- **Extraordinary Member** is a securities company that has inter-dealer brokerage license (IDB).
- **Associate Member** is a financial institution that has debt securities dealing license but remain to have average monthly trading value in the past one year less than 100 million baht.

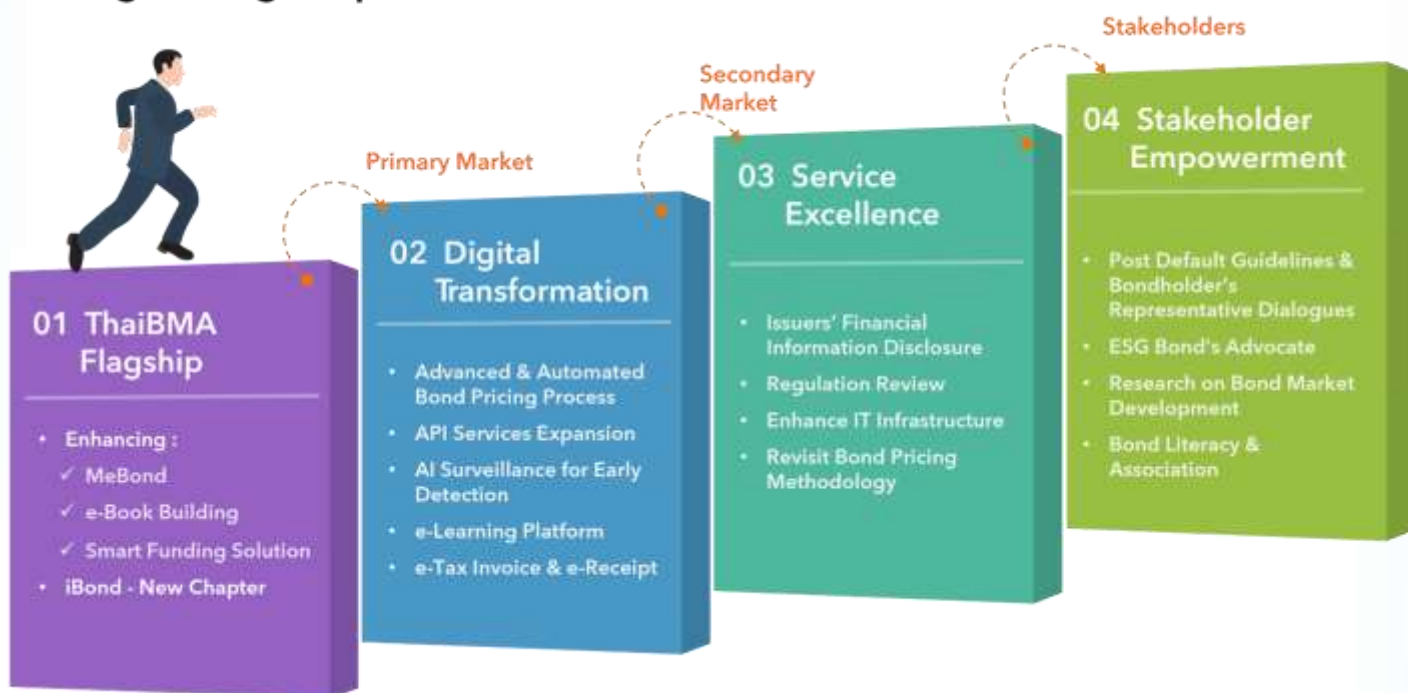
As of 31 December 2022, membership of ThaiBMA consists of 55 financial institutions, including banks and securities firms.

ThaiBMA's Highlights of Activities 2022

- 01 ThaiBMA Flagship
- 02 Digital Transformation
- 03 Service Excellence
- 04 Stakeholder Empowerment

ThaiBMA's Highlights of Activities 2022

Strengthening Corporate Bond Market in the Next Normal



1. ThaiBMA Flagship

1.1 Enhancing MeBond Mobile Application

MeBond Mobile Application has been continuously developed to further facilitate retail bond investors. New features were added to the application to accommodate the increasing number of users in 2022. These included a new bond calendar for tracking the upcoming bond issues in the primary market by subscription date and offering date. Also, an alternative tax option is available for the user to select to view the interest income net of the 15% withholding tax. Furthermore, the application can now easily transfer bond portfolio information from one device to another. Currently, it is a widely used application among retail investors with over 35,000 downloads.



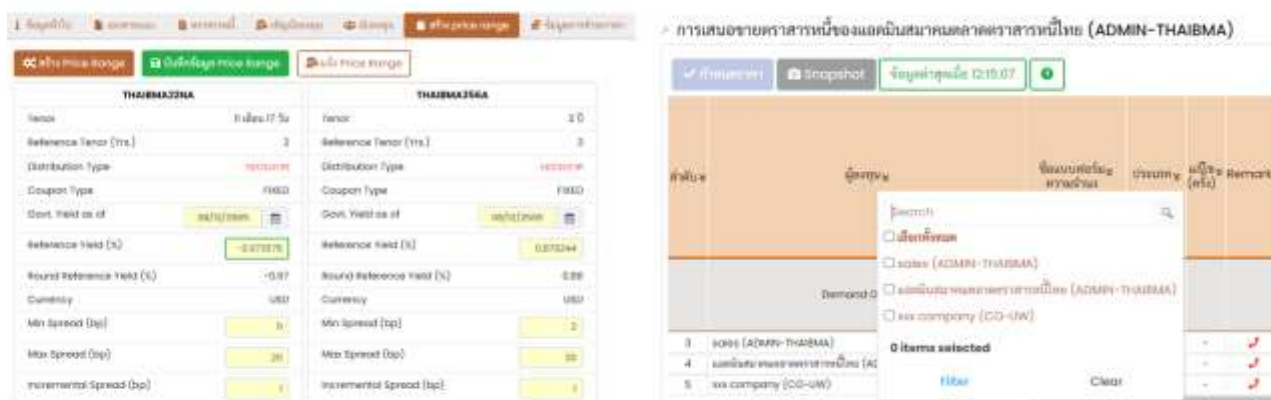
35,000+
downloaded
as of Dec 2022

ThaiBMA's Highlights of Activities 2022

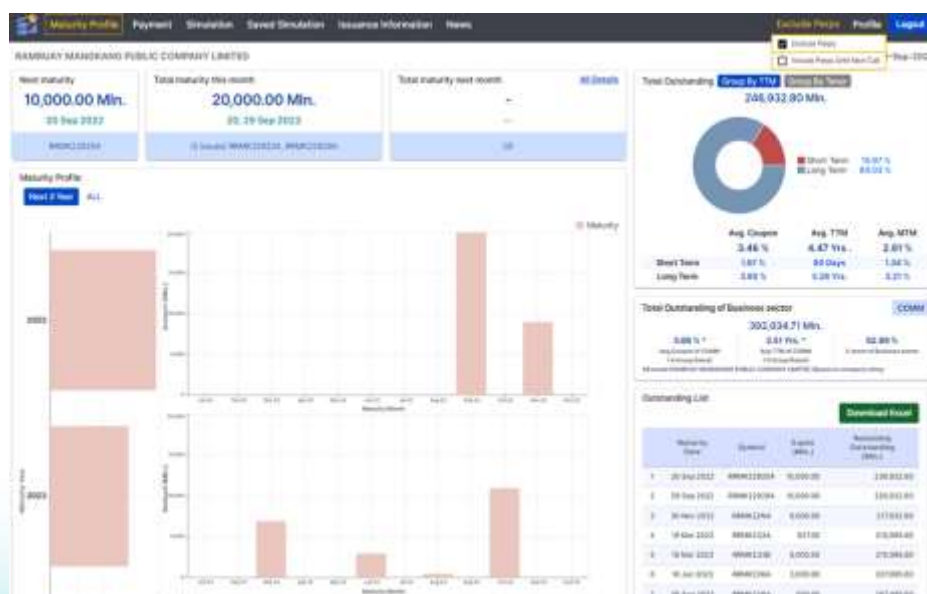
1. ThaiBMA Flagship

1.2 Enhancing Smart Funding Solution and E-Book Building Platform

Smart Funding Solution (SMF) and E-Book Building Platform have been constantly developed to enhance the efficiency in monitoring issuers' cash flows under ongoing obligations and corporate bond book building process. For E-book building platform, additional features have been implemented, including exporting data for further analysis requirements and enhancing the performance of the platforms. Moreover, foreign currency bonds and bonds with negative coupons are allowed to undergo book building process via the platform. Also, the platform has added the 'investor search and sort' tool in the bidding and allocation pages to facilitate underwriters during the e-book building process. The number of e-book building users has increased by 44% to 72 firms, with 12 deals and a total issue value of THB 52,050 million. For SMF, there are currently 118 bond issuers using the platform, an increase of 51 firms over the past year.



E-Book Building Platform



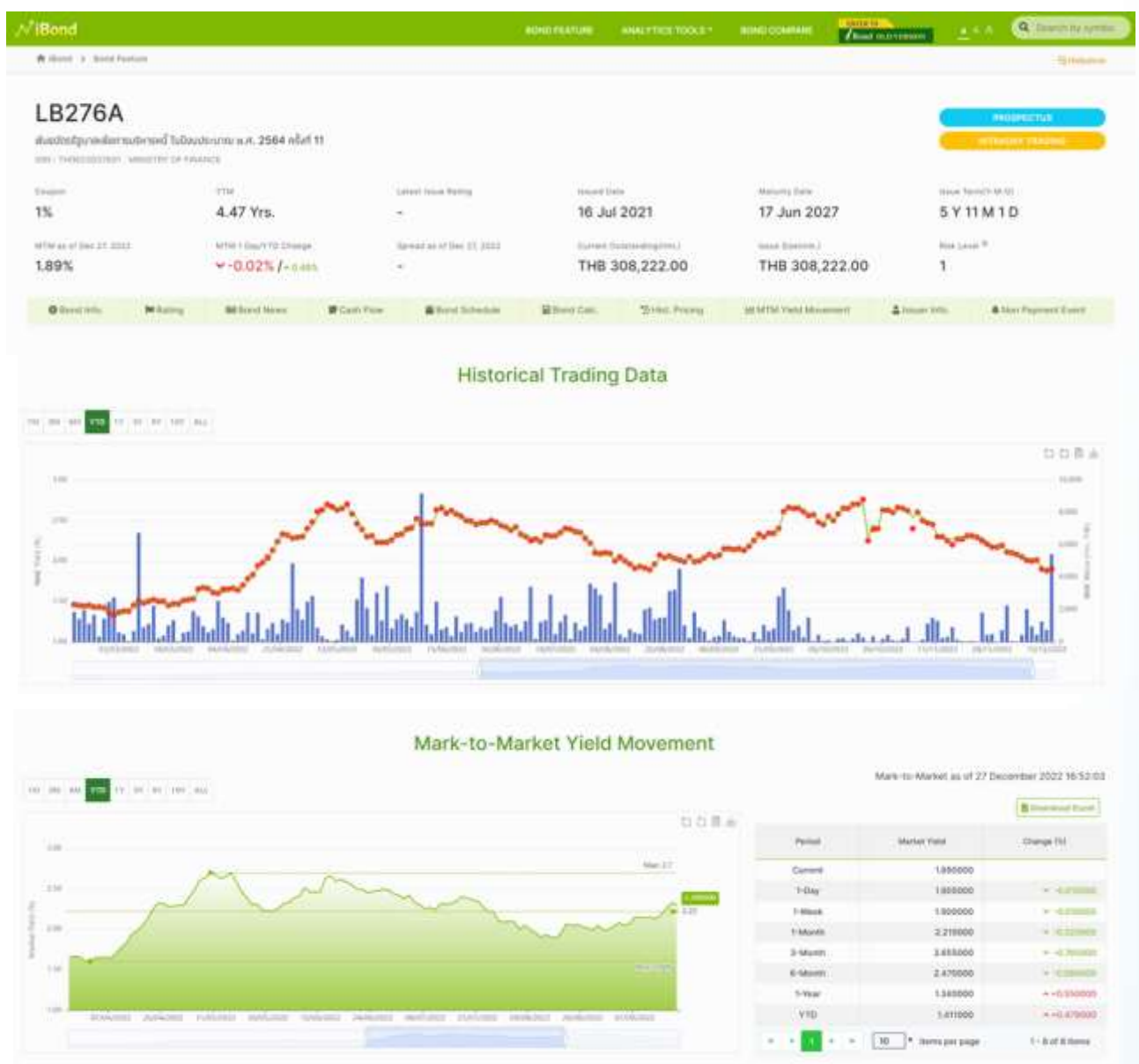
Smart Funding Solution (SMF)

ThaiBMA's Highlights of Activities 2022

1. ThaiBMA Flagship

1.3 iBond - New Chapter

This year, ThaiBMA took pride to launch iBond-New Chapter, which was an upgrade of the existing iBond website. The enhancement consists of smarter analytical tools, more user-friendly interfaces and modern design improvement. The modern bond information page summary was successfully deployed in 2022 and the full iBond-New Chapter platform is set to be launched through its website by 2023.



iBond - New Chapter

ThaiBMA's Highlights of Activities 2022

2. Digital Transformation

2.1 Advanced and Automated Bond Pricing Process

Database information management is critical for any business in the age of rapid digital transformation. In 2022, ThaiBMA initiated the data management platform that helps automate bond pricing process when detecting significant trading transactions and market alert. The line notification (i.e., pre-issue alert, average spread alert) and database dashboard from big data analytics will automatically detect and alert the bond pricing team for further attention. The processes were continually developed to closely monitor market movement and process data quickly and efficiently.



2.2 API Service Expansion

(1) RS-API (Reporting Service - API)

According to the regulations of the SEC, dealers who are members of ThaiBMA are required to report their debt securities trading transactions through various channels provided by ThaiBMA, including an auto-reporting service. This year, ThaiBMA has developed a reporting service with API (RS-API) gateway to provide for more efficient and convenient way of trade reporting to ThaiBMA.



ThaiBMA's Highlights of Activities 2022

2. Digital Transformation

2.2 API Service Expansion

(2) RS-API (Reporting Service - API)

An API is an useful interface for business to link data, applications and back-end systems with secure connection. An open API with current bond data on iBond's website has been developed to serve iBond's users for easy access to bond database. It includes bond calculation, yield curve, credit rating, bond feature etc. and has expanded to cover historical bond data at any time interval. iBond's users will experience a faster system, greater information, and a better solution.

(3) Respond to digital ecosystem in primary market

- To improve efficiency in the government bond registration process, ThaiBMA collaborated with the Bank of Thailand (BOT) to develop an API connection in order to receive related information of the bonds for which BOT serves as a registrar. It includes bond features, bond symbols, re-open bonds, and the International Securities Identification Number (ISIN), which helps improve access to bond information and shorten processing time.
- For corporate bonds, ThaiBMA has participated in the "Digital Infrastructure for Capital Markets" (DIF) initiative, which has been carried on by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Thai Bankers' Association (TBA), the Association of Thai Securities Company (ASCO), and the Thai Bond Market Association (ThaiBMA). ThaiBMA has developed the "ThaiBMA-DIF" system to connect data from the DIF web portal via API. The DIF web portal provided a process-driven interaction hub among more than 20 ecosystem participants serving various roles, including the ThaiBMA. Discussions and workshops have been ongoing throughout the year, with the aim of a technical go-live in April 2023.

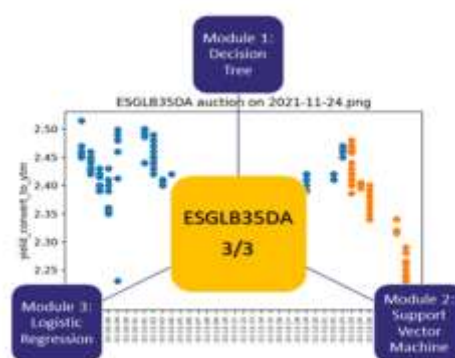


ThaiBMA's Highlights of Activities 2022

2. Digital Transformation

2.3 AI Surveillance for Early Detection

ThaiBMA has developed a model for detecting illegal trading behaviors in the secondary market with the concept of early detection in order to predict illegal behavior in advance and prevent the incident before it causes damage. ThaiBMA has applied the machine learning (ML) approach to determine hidden correlations and possible fraudulent trading transactions such as volume manipulation, price/yield manipulation, and series trading price manipulation.



2.4 e-Learning Platform

ThaiBMA has developed a series of e-learning courses on fixed income investment to provide knowledge and understanding both in primary and secondary bond markets. Fundamental and comprehensive knowledge are included such as overview of fixed income market, legal consideration of bond investment, process after bond default and etc. The courses are available on the ThaiBMA website from December 2022.



ThaiBMA's Highlights of Activities 2022

3. Service Excellence

3.2 Regulation Review

ThaiBMA has updated and issued ThaiBMA's rules and regulations governing the conduct of its members and bond traders to be aligned with the market development and to ensure efficient and fair market. The foregoing rules and regulations comprise the following:

- 1) Notification of the ThaiBMA's Board of Directors re: Practices of the Compliance Officer.
- 2) Notification of the ThaiBMA's Board of Directors re: Terms, Conditions and Procedures concerning Reporting of Debt Instrument Trading.
- 3) Guidelines on code of conduct concerning trading for personal account of the bond traders.
- 4) Criteria, methods, and procedures for ThaiBMA's membership application.
- 5) Criteria for registering debt instrument in case of force majeure circumstances resulting in the debt instrument being unable to be registered via electronic mean.
- 6) Criteria for applying for Bond Mark to Market Services in case of force majeure circumstances resulting in bond mark to market services being unable to be applied via electronic mean.

3.3 Enhance IT Infrastructure

To accommodate both increasing IT system utilization and the effectiveness of IT services, the IT infrastructure has been improved by:

- 1) Transferring all servers for crucial business operations to the data center of the Secured Co-Location Provider.
- 2) Moving to a new data recovery facility with a 99.9% assurance for upcoming hybrid cloud support.



ThaiBMA's Highlights of Activities 2022

3. Service Excellence

3.4 Revisit Bond Pricing Methodology

Due to uncertain circumstances such as global economic recession, COVID-19 pandemic, and inflation challenges, ThaiBMA, as the pricing agency, has revisited bond pricing methodology to support pricing bonds under constrained market conditions such as an event of default, downgrades, or restructures. The model will generate a reference price that will be used for internal purposes. It includes four sub-group pricing model as follows:

- **Stressed bond pricing:** The liquidation value concept is applied for this pricing methodology.
- **Sub-investment grade bond pricing:** When bonds are downgraded to sub-investment grade level or rated below BBB-, the probability of default (PD), recovery rate (RR), and expected credit loss (ECL) conceptual frameworks are fully applied for this pricing methodology.
- **Restructured company bond pricing:** Although ThaiBMA will not provide mark-to-market price for restructured bonds, it is our responsibility to provide mark-to-market price for the remaining bonds of the restructured company. To account for the restructured company's impact on the remaining bonds, the probability of default (PD), recovery rate (RR), and backward induction of discounted cash flow are the main methodologies used to calculate the yield to maturity of the restructured company's remaining bonds.
- **Arbitrage bond pricing:** The comparison between pure model yield and mark-to-market traded yield is the main conceptual framework for this analysis. The probability of default (PD), recovery rate (RR), and backward induction of discounted cash flow are key factors to solve for the arbitrage model yield. The evidence suggests that the arbitrage model yield is always below the market-to-market traded yield. This phenomenon is well explained by the credit risk factor. Since the arbitrage model yield contains only the credit risk spectrum while mark-to-market traded yield includes additional risk factors such as liquidity risk, market risk, etc., therefore, the arbitrage model yield is the reference for the lower bound yield.

METHODOLOGIES

LIQUIDATION VALUE

Liquidation Assets/Total Liabilities

RECOVERY'S RATES

- Moody's Recovery Rates on Defaulted Corporate Bonds and Preferred Stocks, 1982 - 2003
- Moody's Default Report

CREDIT DEFAULT SWAP

Bloomberg

Overview Model Spread (PD)



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

4.1 Post Default Guidelines & Bondholders' Representative Dialogues

As part of ThaiBMA's ongoing mandate of promoting stakeholder empowerment, ThaiBMA has organized several activities to strengthen the roles of bondholders' representatives (BHR), resolve challenges, and ensure best practices in the bond market, as follows:

- ThaiBMA has organized a bondholders' representative forum to gather feedback from the BHR on the challenges and suggestions regarding the BHR's roles. A guest speaker from Allen & Overy also shared hands-on experience and insightful information on international practices and guidelines on bond trustee roles with market participants in the forum.
- ThaiBMA, in cooperation with the Bank of Thailand (BOT) and the Securities and Exchange Commission (SEC), has developed a proposal to enhance the roles of BHR, covering the following:
 - ◇ The standard BHR appointment agreement.
 - ◇ The guidelines on the roles of bondholders' representatives concerning the safeguarding and monitoring of the security for a secured bond and the roles of BHR after the issuer entered insolvency or rehabilitation proceedings.
 - ◇ Proposed amendments to the Securities and Exchange Act and the SEC regulations regarding the practical timeframe for registering collateral with the BHR.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

4.2 ESG Bond Advocate

ThaiBMA in collaboration with its partners organized various educational seminars and conferences among market participants to promote bond market stakeholders' understanding in the sustainable bond market and development. ESG bond seminars held in 2022 were as follows:

- **"Blue Bond: Sustainability and Opportunities"** on March 8, 2022: ThaiBMA organized the first blue bond online seminar in Thailand in collaboration with the Asian Development Bank (ADB), the United Nations Global Compact, Cicero Shades of Green, and Nomura Asset Management (Japan).
- **"ESG Bond: What and How?"** on July 21, 2022: An executive from ThaiBMA was invited to speak in a virtual seminar on the topic of ESG development in Thailand organized by the Investment Banking Club.
- **"The Green Finance Seminar"** on August 22, 2022: ThaiBMA held an online seminar in collaboration with the Committee on Finance, Fiscal, Financial Institutions and Financial Markets of the House of Representatives to drive the Thai economy through innovation and technology with the concept of green finance, green growth and green investment.
- **"The Rise of ESG: The Megatrend and Sustainability Challenges"**, Bangkok Post ESG Conference 2022, on November 18, 2022: An executive from ThaiBMA, together with the Secretary-General of Government Pension Fund, was invited to join a panel discussion on "Why ESG matters to the future of investing". The conference was held at the World Ballroom, Centara Grand at Central World.
- **"Sustainability-Linked Bond Conference"** on November 23, 2022: ThaiBMA was invited to speak on the topic of ESG bond market development in the conference which was organized by BTS Group Holdings Public Company Limited together with Bangkok Bank, CIMB Thai Bank, Kasikorn Bank, Krung Thai Bank and Siam Commercial Bank.
- **The 13th Annual Thailand Roundtable "Pensions and Investment: The New Dynamics"** on November 24, 2022: An executive from ThaiBMA was invited to speak on "ESG, Sustainability, and Impact Investing Panel" organized by Asia Asset Management at the Athenee Hotel, Bangkok.
- **TLCA CFO Professional Development Program No. 8/2022: "ESG Bonds in Corporate Financing"** on December 9, 2022: An executive from ThaiBMA was invited to speak in a virtual seminar organized by the Thai Listed Companies Association.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

4.3 Research on Bond Market Development

ThaiBMA has conducted various research on corporate bond market development and presented its findings to related institutions and stakeholders to promote bond market development.

The research topics for 2022 are as follows:

- Investment vehicles and high-yield bond funds in Thailand
- Characteristics of the China bond market
- Forecasting 10-Year Thai bond yield
- The situation of Lao PDR's Baht bonds
- Determination of corporate bond coupons during rising interest rates
- Risks and returns on yield farming compared to Fixed income investment
- Roles of banks and securities companies in the expansion of bond market
- Literature review on Asian bond market development
- The evolution and distinctions between traditional bonds, digital bonds, and debt-like instruments.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

4.4 Bond Literacy and Association

ThaiBMA recognized the importance of promoting professional competency, financial literacy and developing human capital in the bond market. Various trainings, seminars and academic activities were held for both professional and non-professional investors throughout the year.

(1) Public Seminars

- An investment strategy to overcome the inflation challenges:** A virtual public seminar co-hosted by ThaiBMA and Federation of Thai Capital Market Organization (FETCO), which was broadcasted via Facebook Live, on August 3, 2022.
- Wealth Forum: How to invest to get rich? :** An executive from ThaiBMA was invited to speak on the topic of "Alternative investment in corporate bond" in the forum organized by Bangkok Biz News on November 21st, 2022, at Conrad Bangkok Hotel.
- Risk Management Guidelines for Savings Cooperatives Workshop 2022:** An executive from ThaiBMA was invited to speak in a virtual seminar held by Bangkok Member Cooperative Area 1 in collaboration with the Federation of Savings and Credit Cooperatives of Thailand Limited and the Bangkok Cooperative Promotion Office of Area 1 on November 11, 2022.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

- **The Role of the Bond Market in Thailand's Economic Development:** An executive from ThaiBMA as the representative of the Sub-Committee on Capital Markets and Insurance Business presented a report to the Senator meeting on May 30, 2022.



- **Academic Training:** ThaiBMA held an online training session on “Overview of Fixed Income in Thailand”, on July 9 and August 15, 2022 for students and instructors from Maejo University and Naresuan University, respectively.



(2) Promoting Bond Literacy through Press and Media:

ThaiBMA continued to promote bond market literacy through press and media both online and offline. During 2022, more than 40 articles and infographics were disseminated on the Bond website and social media. ThaiBMA facebook has more than 52,000 followers at the end of 2022.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

- Training session on Bond Basics through Facebook Live:** ThaiBMA organized a training session “Bond Basic: All about Corporate Bonds” on Facebook Live to provide fundamental knowledge of fixed-income securities market in Thailand for investors and anyone interested in enhancing knowledge about the bond market.
- Bond Academy:** ThaiBMA organized “Bond Academy”, an online training program focusing on bond market for university students with the objective to enhance their practical knowledge about the bond market and expand their career opportunities through virtual classroom and workshop activities which provide simulation on auction in primary market and trading bonds in secondary market. Over 500 students from various universities across the country attended the program.
- Professional trainings courses:** ThaiBMA organized a series of professional training courses to strengthen competency and professionalism of personnel involved in the bond market. In 2022, a new training course on bond portfolio strategies and product design and e-learning on fixed income fundamental courses were introduced.
- WealthMagik Animation Awards Season 7:** ThaiBMA co-sponsored the animation and short VDO contest held by Software Park, WealthMagik, National Science and Technology Development Agency (NSTDA), Thai Animation and Computer Graphics Association and the Capital Market Development Fund (CMDf) to promote public understanding on saving for retirement.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

(3) Association Activities

ThaiBMA held a number of events that brought together bond market stakeholders throughout the year 2022, providing opportunities for networking among all participants. Important events planned for 2022 include:

- **Press Conferences:** ThaiBMA organized press conferences on a quarterly basis to communicate and distribute Thai bond market information to the press and media.



- **Best Bond Awards 2021:** Best Bond Awards was first organized in 2002 to promote professional standards and reward excellent conducts in the Thai bond market. This event has become one of the most influential awards for bond market professionals. In 2022, the virtual award ceremony was held on March 30, 2022.



- **CSR Activities:** ThaiBMA donated IT equipment and essential items to Farther Ray Foundation for distribution to underprivileged children.



- **Scholarships:** ThaiBMA granted scholarships to students of 8 provincial universities that had signed MoU with ThaiBMA, i.e., Khon Kaen University, Prince of Songkla University, Ubon Ratchathani University, Chiang Mai University, Burapha University, Kasetsart University Chalermphrakiat Sakon Nakhon province campus, Maejo University and Naresuan University.



ThaiBMA's Highlights of Activities 2022

4. Stakeholder Empowerment

- **Hosting International Visits:** ThaiBMA hosted a number of international visits from both public and private sectors. The purpose was to discuss and share knowledge and experiences about bond market development. Visitors in 2022 included:

⇒ Asian Development Bank (ADB), ASEAN+3 Macroeconomic Research Office (AMRO), BNP Paribas Singapore, Credit Guarantee and Investment Facility (CGIF), International Capital Market Association (ICMA), International Finance Corporation (IFC), Ministry of Economy and Finance (MEF) of Cambodia, SEC of Cambodia, Cambodia Securities Exchange, S&P Global Ratings, Sustainalytics and TRIS Ratings



- **Market Dialogues and Knowledge Sharing:** ThaiBMA serves as an industry association to promote a fair and efficient bond market. We represent dealer members and bond market stakeholders to organize a forum for policy discussions concerning various areas of market development as follows:

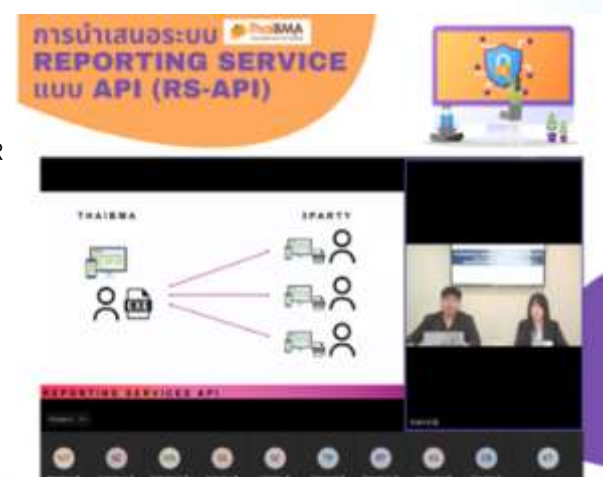
⇒ **Monoline Insurance and Learning Experience from Credit Guarantee & Investment Facility (CGIF):** ThaiBMA organized an online seminar on April 28, 2022 to learn from CGIF and to introduce the concept of monoline insurance.



⇒ **Bondholders' Representative Forum:** on June 23, 2022, ThaiBMA organized a bondholder representative forum to discuss legal issues on international bond trustee roles shared by a speaker from Allen & Overy and to gather feedback from the BHR on the challenges regarding the BHR's roles in Thailand.

⇒ **Knowledge sharing:** on policy interest rate prediction by yield curve and SWAP curve by a guest speaker from Krung Thai Bank on July 18, 2022.

⇒ **Focus group on Reporting service API:** to demonstrate the Reporting Service API system to interested dealer-members on July 20, 2022,



⇒ **Issuer dialogue: Market updates & ThaiBMA supporting tools:** On September 7, 2022, ThaiBMA organized a meeting with issuers to discuss on Thai bond market updates and ThaiBMA's supporting tools and products for issuers such as SMF, e-book building, and MeBond app.

ThaiBMA's Highlights of Activities 2022



Blue bond seminar: ThaiBMA in cooperation with United Nations Global Compact (UNGC), Asian Development Bank (ADB), Nomura Asset Management of Japan, and CICERO Shades of Green held an online seminar on the advantages of blue bonds on March 8, 2022.



Knowledge sharing: A guest speaker from Krung Thai Bank (KTB) participated in the Knowledge Sharing session on the topic of "Policy interest rate prediction by yield curve and SWAP curve" which was held on July 18, 2022.



Monoline Insurance seminar: ThaiBMA and the Credit Guarantee & Investment Facility (CGIF) jointly organized an online seminar on "Monoline Insurance and Learning Experience from CGIF" on April 28, 2022.



Issuer Dialogue: ThaiBMA organized an online seminar for bond issuers to provide them with an update on Thai bond market and encourage use of ThaiBMA's products and tools on Oct 7, 2022.



Best Bond Awards 2021: The virtual award ceremony was held on March 30, 2022 to promote professional standards and reward excellent conducts in the Thai bond market.



ThaiBMA's Highlights of Activities 2022



Fintech works in the Thai secondary bond market: ThaiBMA organized a meeting with the International Capital Market Association (ICMA) together with Krung Thai Bank (KTB) on September 27, 2022.



Annual consultation visit: ASEAN+3 Macroeconomic Research Office (AMRO) visited ThaiBMA to discuss on the current situation of bond market in Thailand on Aug 19, 2022.



Public seminar: A virtual public seminar co-hosted by ThaiBMA and Federation of Thai Capital Market Organization (FETCO), which was broadcasted via Facebook Live, on August 3, 2022.



Focus group: A focus group was held on July 20, 2022 to give an explanation on Reporting Service-API system and further discuss on how to implement it among bond dealers to enhance data security and accuracy.



Courtesy visit: Global Markets BNP Paribas Singapore visited ThaiBMA to discuss views on Thai bond market liquidity and the conditions for Thai government bonds.



Speaker dinner: ThaiBMA organized thank you dinner for professional training speakers on December 2, 2022.

2022

Thai Bond Market Review

2022 Bond Market Highlights



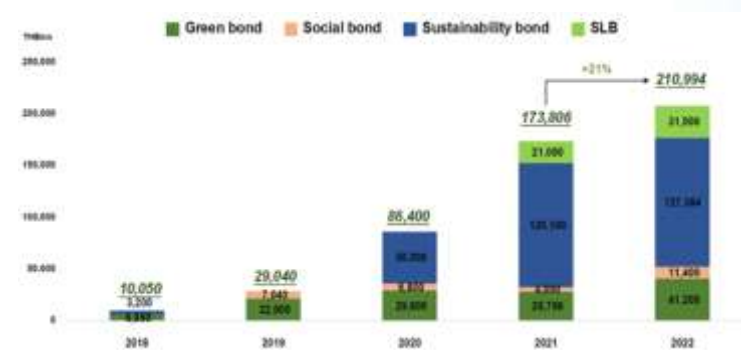
1. Long-Term corporate bond

Long-Term corporate bond issuance reached an all-time high at THB 1.27 trillion, making the third consecutive year that the issuance amount exceeded THB 1 trillion.



2. ESG bonds

ESG Bonds (Environmental, Social and Governance) outstanding at the end of 2022 rose 66% from the end of last year to THB 501,990 million. A total value of THB 210,994 million ESG bonds was offered in 2022.



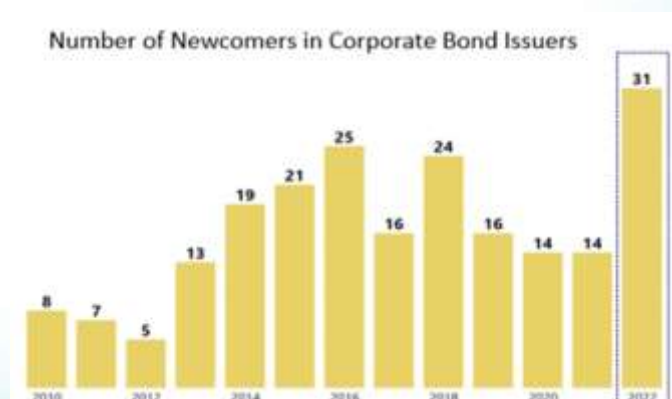
3. Digital bond

Digital bond offerings totaled 11 issues worth THB 29 billion in 2022, up from only 1 issue last year. Digital bonds are decentralized token using blockchain technology and offered through the government "Pao Tang" mobile application. It provides greater accessibility for retail investors with a minimum investment of THB 1,000 and can be traded 24 hours in real time.

ThaiBMA Symbol	Offering Size (THB Million)	Issue Term	Issue Date
SIRI247A	2,000	2.50	21/01/2022
MINT267A	2,000	4.34	24/03/2022
IRPC275A	1,000	5.00	20/05/2022
CPALL275B	8,000	5.00	27/05/2022
SIRI267B	2,000	4.00	22/07/2022
SCGP256A	5,000	2.84	01/08/2022
GULF268A	2,200	4.00	18/08/2022
GULF298A	800	7.00	18/08/2022
SIRI269A	2,095	4.00	26/09/2022
BCP260A	3,000	4.00	21/10/2022
STA26NB	979	4.00	04/11/2022
Total	29,074		

4. Newcomers

Newcomers of corporate bond issuers recorded a new high at 31 companies from 15 business sectors, the highest number since 2010. The top 3 sectors came from energy, property, finance and information technology.



2022 Thai Bond Market Review

Outstanding Value

Total outstanding value of Thai bond market at the end of 2022 increased by 5.3% to THB 15.78 trillion.

The largest portion came from government bonds, which accounted for 49% of the total outstanding. Corporate bond and Bank of Thailand (BOT) bond accounted for 28% and 15% respectively. The remaining were State Owned Enterprise (SOE) bond and foreign bond, which accounted for 7% and 1% respectively. (See Figure 1)

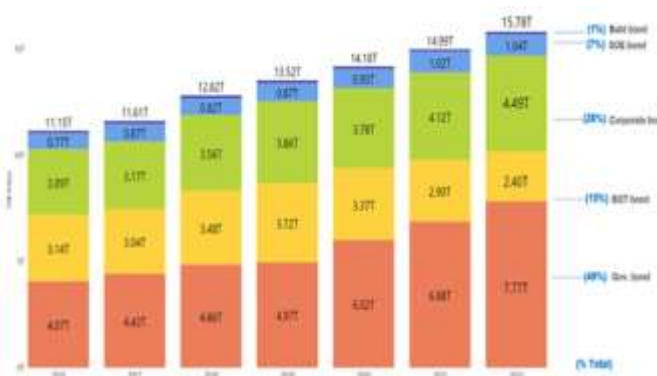


Figure 1: Outstanding Value of Thai Bond Market (Unit: THB billion)

Type	2021	2022	Growth(%)
Government Bond	6,344,024	7,236,440	↑ 14.07%
Treasury Bill	540,000	535,276	↓ -0.87%
State Owned Enterprise Bond	1,016,305	1,037,771	↑ 2.11%
Bank of Thailand Bond	2,897,665	2,403,266	↓ -17.06%
Long Term Corporate Bond	3,875,482	4,245,162	↑ 9.54%
Commercial Paper	245,575	242,940	↓ -1.07%
Foreign Bond (Baht Bond)	70,504	82,266	↑ 16.68%
Total	14,989,555	15,783,121	↑ 5.29%

Figure 2: Outstanding Value by Types of Bonds (Unit: THB million)

Classified by types of bonds, government bond outstanding grew 14.07% while Treasury bill and BOT bond declined 0.87% and 17.60% respectively due to lessening auction amount. Long-term corporate bond continued to grow by 9.54% from last year to the outstanding value of 4.25 trillion (See Figure 2)

Classified by sector, outstanding value of the largest 6 business sectors of long-term corporate bond contributed 67.75% of the total. The 6 sectors were energy, property, finance (non-bank), food, commerce, and banking sectors. (See Figure 3)

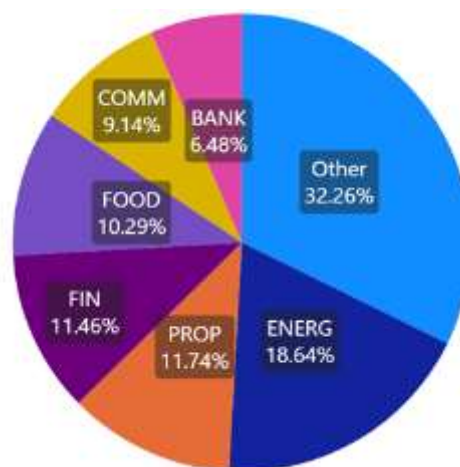


Figure 3: Long-Term Corporate Bond Outstanding Value Classified by Sector

2022 Thai Bond Market Review

Trading Value

Daily average trading value in 2022 was THB 59 billion, down 10.60% from THB 66 billion in the previous year. This was mainly due to declining trading activity in BOT bonds, of which primary market auctions were reduced this year. However, BOT bond remained the most traded bond with a daily average trading value of THB 31 billion. The second most traded bond was government bond with daily average trading at THB 22 billion. BOT and government bonds accounted for 90% of daily trading activity. (See Figure 4) The average daily trading value of corporate bonds was 4.8 billion, slightly higher than last year due to rising issuance value. (See Figure 5)

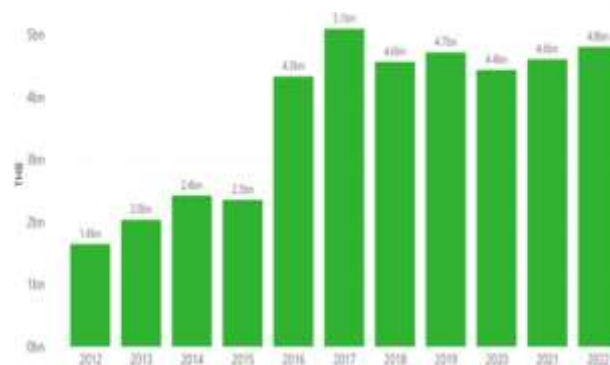
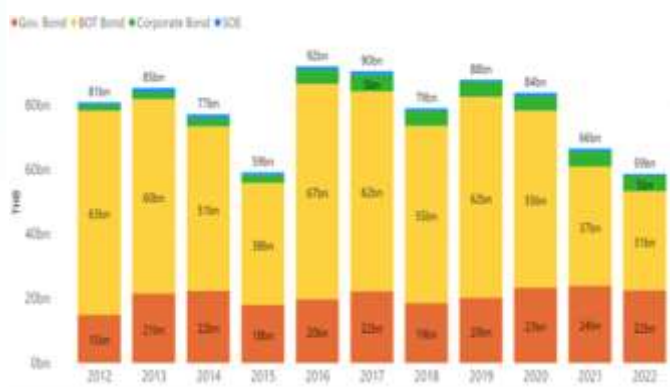


Figure 4: Average Daily Turnover in Thai bond market

Figure 5: Average Daily Turnover of Corporate Bond

Bond Issuance

Long-term corporate bond issuance rose by 22% in 2022, reaching an all-time high at THB 1.27 trillion. This growth was driven by both investment grade and high yield bonds as the corporate sector prepared funding for the reopening activities and expansion. The top 5 sectors that issued corporate bonds were Energy & Utilities, Property Development, Finance & Securities, Petrochemicals & Chemicals, and Information & Communication Technology.

Government bond issuance slightly increased by 2% while issuance of BOT bond and State-Owned Enterprise bond declined by -7.02% and -19.25% respectively.

Type	2021	2022	Growth(%)
Bank of Thailand Bond	4,464,438	4,151,161	↓ -7.02%
Government Bond	1,260,001	1,287,898	↑ 2.21%
State Owned Enterprise Bond	197,658	159,600	↓ -19.25%
Treasury Bill	1,060,000	1,055,276	↓ -0.45%
Long-Term Corporate Bond	1,029,287	1,256,274	↑ 22.05%
Commercial Paper	699,109	862,747	↑ 23.41%
Foreign Bond (Baht Bond)	5,627	15,867	↑ 181.98%
Total	8,716,120	8,788,823	↑ 0.83%

Figure 6: Bond Issuance
(Unit: THB million)

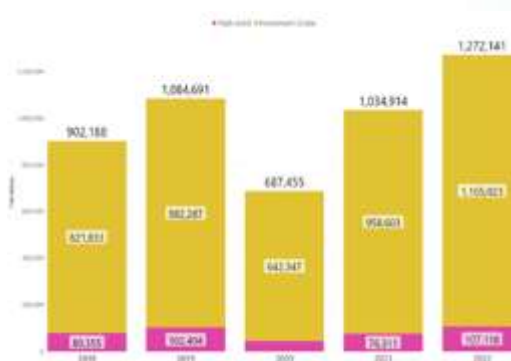


Figure 7: Long-Term Bond Issuance
(Unit: THB million)

2022 Thai Bond Market Review

In 2022, there was a total issuance of THB 15,867 million of foreign bond (**BAHT bond**), which is BAHT denominated bonds offered in Thailand by foreign entities. Most of foreign bond issuers were from Lao PDR, consisting of 3 issuers from both public and private sectors (Ministry of Finance of Lao PDR, EDL generation and Xayaburi Power) with total issue size of THB 14,367 million. There was one issuer of BAHT bond from Cambodia, Hattha Bank Plc, a leading bank in Cambodia. (See Figure 8)

Total **Foreign currency denominated bonds (FX bond)** issuance in 2022 was THB 29,449 million. The bonds were denominated in EUR, JPY and USD currencies. The issuers were Kiatnakin Phatra Bank (KKP) and Kasikorn Bank (KBANK) which offered the bonds to institutional investors (II) only. (See Figure 9)

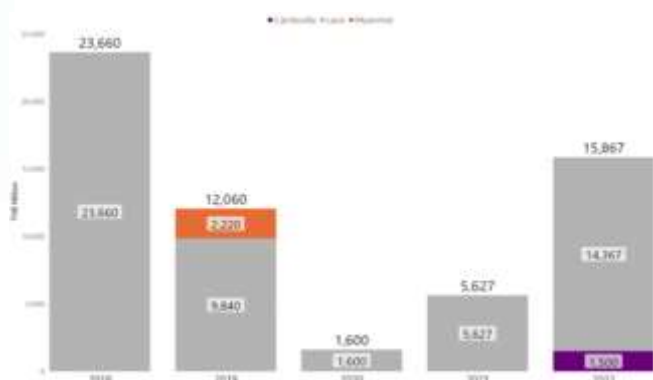


Figure 8: Foreign Bond Issuance (Unit: THB million)



Figure 9: FX Bond Issuance (Unit: THB million)

ESG bond

2022 was another record year for ESG bond issuance with a total value of THB 210,994 million. The Ministry of Finance (MOF) remains the main issuer of ESG government bonds, contributing over half of the total issuance (THB 120,000 million).

Two new issuers from the government sector were Government Savings Bank (GSB) and Export and Import Bank of Thailand (EXIM), which issued social bond and green bonds respectively. The proceeds from GSB's social bond were used to finance low-interest rate loans made to grassroots economy projects to improve liquidity and living conditions and address informal debt issues. The proceeds from EXIM's green bonds were used to finance eligible green projects.

	Green	Social	Sustainability	SLB
Government sector	EXIM 5,000	GSB 10,000	MOF 120,000	-
Corporate sector	GPSC 12,000 XPCL 8,395 TTB 5,464 BGRIM 3,300 TLT 2,000 WHAUP 1,800 STGT 1,500 CPN 1,000 IRPC 750	TFG 1,400	BEM 4,500 KBANK 2,884	BTSG 31,000
Total	41,209	11,400	127,384	31,000
Grand total				210,994

Figure 10: ESG Bond Issuers in 2022 (Unit: THB million)

2022 Thai Bond Market Review

In the private sector, BTS group was the largest issuer of ESG bond in 2022. BTS issued sustainable-linked bond (SLB) valued THB 31,000 million of which 18,000 million were offered to Institutional and High Net Worth investors (II/HNW) and another 13,000 million were Public Offering (PO). It was the first time for SLB that offered through public offering, adding product variety in ESG bonds for retail investors. The BTSG's SLB bonds set KPIs and Sustainability Performance Targets (SPTs) on a reduction of electricity consumption for green line network and production or procurement of renewable energy.

The historic increase in ESG bond issuance had resulted in a 66% rise in the total outstanding value of ESG bonds to THB 501,990 million, dominated by sustainability bonds. Out of the total ESG outstanding, 61.73% was issued by the government sector and 38.26% was issued by the corporate issuers. Although the government remains the largest issuer of ESG bonds, corporate issuers have outnumbered that of the government sector. There were 22 corporate issuers in comparison with 5 organizations from the government sector. It is expected that ESG bond issuance would continue to grow driven by strong determination of large corporates that have increasingly integrated ESG issues into their operation and funding strategies.

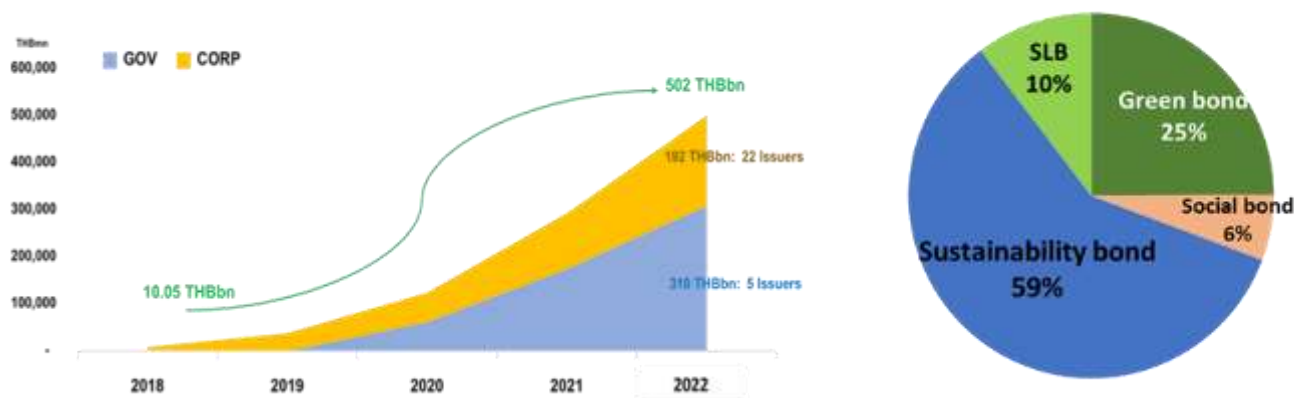


Figure 11: ESG Bond Outstanding as of 31 Dec 2022

Composition of Bond Holders

Holders of government bonds and Bank of Thailand bonds (as of end-2022)

Holders of government bonds were mainly institutional investors. The top three holders were long-term contractual funds (25.99%), insurance companies (22.33%) and banks (22% of total). Although not in the top three, foreign Investors held a significant portion at 12.65% of total government bond outstanding whereas retail investors shared only 6.32% of total. (See Figure 12)

The largest holder of BOT bond was banks, accounting for 49.90% of BOT bond outstanding. The second and third largest holders were mutual funds and long-term contractual funds, which accounted for 28.59% and 14.34% respectively. (See Figure 13)

2022 Thai Bond Market Review

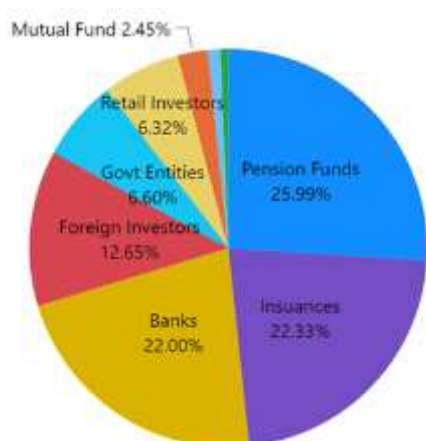


Figure 12: Holders of Government Bond

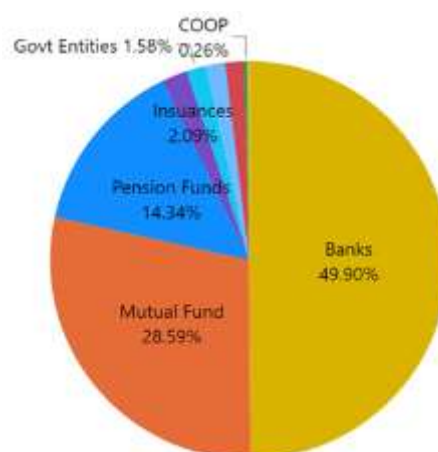


Figure 13: Holders of Bank of Thailand (BOT) Bond

Holders of corporate bonds (as of end-2022)

The main holder of corporate bond was individual Investors, accounting for 37.22%. Insurance companies and long-term contractual funds ranked second and third with 17.22% and 12.47% respectively. (See Figure 14)

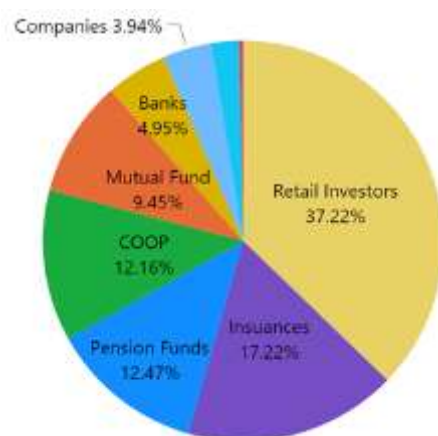


Figure 14: Holders of Corporate Bond

Fund Flows of non-resident investors (NR)

Non-resident investors recorded net purchase of THB 46 billion for the year 2022. Capital flows had shown high volatility during the year due to several global circumstances. In the beginning of the year, there were continuing momentum of foreign investment in Thai bonds with the net purchase of THB 140 billion during January to February 23, 2022. However, a significant outflow was seen after Russia invaded Ukraine on February 24th and net fund flows had turned negative.

During the second and third quarters of 2022, the Federal Reserve raised its policy rate four times while the Bank of Thailand raised it once, resulting in a widening yield gap between Thailand and the US, particularly in the short end. This, along with a dramatic appreciation of the US dollar, led to net outflows from the Thai bond market totaling THB 56 billion in Q2 and Q3.

In the last quarter, market sentiment had turned to a more dovish view due to concerns about potential recession in the US and other developed markets. This had led to a return of capital flows to the Thai bond market with a net inflow of THB 79 billion in Q4.

The year 2022 ended with net inflows of THB 46 billion of which THB 64 billion were inflows from long-term bonds and 17 billion net outflows from short-term bonds.

2022 Thai Bond Market Review



Figure 15: Daily Fund Flow of Thai Bond Market in 2022

NR Holding in Thai bonds

NR holding of Thai bond at the end of 2022 was at THB 1.069 trillion, increased from 1.013 trillion at the end of 2021. The largest portion of holding was in government bonds with a maturity range of 5 to 10 years, accounting for 30% of the total holdings, followed by government bonds with over 10-year maturity. Despite an increase in short-term bond holdings (time to maturity of 0-1 year) to THB 180 billion from 129 billion in last year, a majority (83%) of the nonresident investors' holdings were in long-term bonds, reflecting their long-term investment outlook in the Thai bond market. The average time to maturity of bonds held by nonresident investors was at 7.96 years, slightly lower from 8.80 years at the end of last year.



Figure 16: Monthly NR Holding of Thai Bond in 2022

2022 Thai Bond Market Review

Government Bond Yield Movements

To combat rising inflation, the Fed raised its policy rate aggressively throughout the year 2022 to the highest level in 15 years. US 10-year bond yields rose dramatically from 1.5% at the end of 2021 to peak more than 4% in October 2022. As a result, Thailand’s government bond yields moved up in correlation to rising US government bond yields. However, Thailand’s short-term bond yields (1-month to 1-year) remained stable during Q1 as the Bank of Thailand kept its policy rate unchanged. They began to rise in March following an increase in inflation driven by high energy prices and commodity costs.

Throughout the second and third quarters of 2022, both the Fed and the Bank of Thailand raised their policy rates multiple times, leading to a continued rise in Thai yields. It levelled off in Q4 due to concern over potential economic recession. In addition, there were signs that inflation in the US had peaked, and the FED may raise policy rate less aggressively. 10-year Thailand’s government bond yield finished the year at 2.64%, 74 bps higher than at the start of the year.

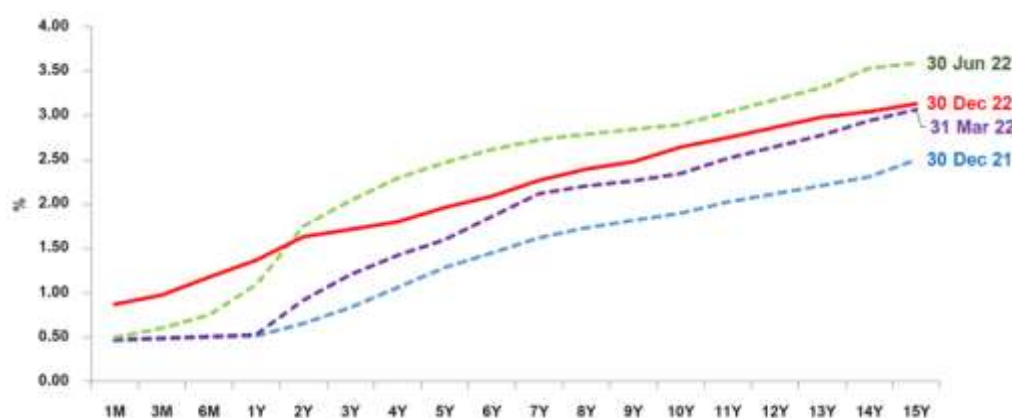


Figure 17: Thai Government Bond Yield Curve Movement in 2022

Corporate Bond Yields

In 2022, Corporate bond yields, which represent the cost of debt funding for corporates, had risen in tandem with surging government bond yields. 5-year corporate bond yields for AAA-AA rated increased 87 - 97 bps to 2.72% and 3.07%. The yield peaked around 3.40% - 3.80% in the last quarter and softened near the year end as inflation expectation was on an easing trend. Nevertheless, yields for AAA-rated five-year bond increased on average by 87 bps YOY from 1.85% to 2.72%. Yields for A-rated five-year bond increased on average by 63 bps YOY from 2.62% to 3.25%. Yields for BBB-rated five-year bond increased on average by 50 bps YOY from 4.53% to 5.03%. Increasing corporate bond yields reflected higher funding cost for corporates, but on the other hand, provided investors opportunities to invest in high quality bonds with more attractive yields.

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Figure 18: 5-year Corporate Bond Yield Movement in 2022

Summary

In 2022, the Thai bond market went through a volatile year due to increasing interest rates cycle. While Thailand's policy rate was raised gradually (from 0.5% to 1.25%), inflation has accelerated to the highest level since 1980s. Rising bond yields have resulted in negative returns on bond trading in the secondary market. However, in the primary market, the year 2022 was a record-breaking year for corporate bond issuance, reaching an all-time high of THB 1.27 trillion. In addition, ESG bond issuance saw promising growth and expected to continue rising. Overall Thai bond market remains sound and resilient thanks to ample liquidity in the financial market and strong investor appetite. Given its solid fundamental, the Thai bond market will continue to serve as a significant source of funding for both the government and corporations and provide a reliable source of income for bond investors.

Audit Committee Report for 2022

To Member and Stakeholders,

The Audit Committee of the Thai Bond Market Association (“the Association”) consisted of three members of the Board of Directors as followed; Miss Watana Tiranuchit as Chairman, Mr. Sukkawat Prasurtying (until 18th May, 2022) Miss Doungporn Prasertsomsuk (from 19th May, 2022) Mr. Thitawat Asaves (until 18th May, 2022) Miss Jamjun Siriganjanavong (from 19th May, 2022) as member. Mr. Santiporn Wongpanchalert, Internal Auditor, served as the Committee Secretary.

The Audit Committee was appointed by and accountable to the Board of Directors. The Committee performed its duties as set forth in the Audit Committee Charter.

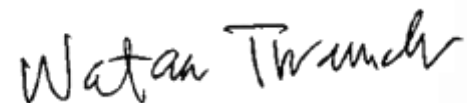
The Committee met four times in 2022. The issues discussed and reviewed in the meetings can be summarized as followed:

- Reviewed the annual financial statements for the year 2021 for the submission to the Board of Directors and the Annual General Meeting (AGM);
- Selected the external auditor for the year 2022 and considered the fee for the submission to the Board of Directors and the Annual General Meeting (AGM);
- Reviewed and approved the 2023 internal audit plan. The Audit Committee also reviewed the audit results and provided recommendations for more efficient operations and proper control system;
- The Audit Committee also followed up on the progress and results of the risk management activities and provided recommendations for effective risk management procedure.

Based on information provided by the management, the Committee is confident that the Association’s internal control and risk management are adequate and proper.

The Committee has exercised independent discretion and expressed its opinions in the best interest of the Association.

The Committee also provided necessary advice and recommendations so that the Association followed good corporate governance practices. This will certainly lay a strong foundation for the Association to achieve stable and sustainable growth and trust of members and stakeholders, in line with the spirit of the SRO, as well as the Information Center of the Thai bond market.



(Miss Watana Tiranuchit)
Chairman of the Audit Committee
March 10, 2023

Good Corporate Governance

ThaiBMA realizes the importance of adherence to the good corporate governance principles. It is fully confident that good corporate governance is an essential factor that promotes the efficiency and effectiveness of the Association's operations in achieving its goals and missions. Solid foundation of ThaiBMA has been laid to attain sustainable growth by pursuing its operation with ethical standards and complying with relevant laws and regulations. ThaiBMA believes that good corporate governance will further enhance the creditability and trustworthiness of the Association among stakeholders.

Corporate governance policy

Board of Directors of the ThaiBMA has set forth good corporate governance policy which corresponds with the vision and mission of the Association. The policy covers principles of corporate governance including the Structure and Responsibilities of the Board of Directors, the Roles and Responsibilities of ThaiBMA, Risk Management and Internal Control, Relationships with Stakeholders, Business Ethics, and Prevention of Conflicts of Interest.

ThaiBMA has publicly disclosed the corporate governance principles to its stakeholders. The principle has also been communicated to all directors, executives and staffs to ensure understanding and compliance. Proper overseeing and monitoring activities have been undertaken to ensure compliance with the policy. The policy has been reviewed and amended from time to time in order to keep pace with the trend of development in this area.

Board of Directors and Committees

1. Board of Directors of the ThaiBMA

According to the ThaiBMA's Articles of Association, the structure and composition of the Board of Directors are as follows:

(1) Structure of the Board of Directors

The Board of Directors shall comprise a maximum of 11 members, one of whom is the President who is a director by position and the other directors are elected by the ordinary and extra-ordinary members of the ThaiBMA. The directors was nominated and elected by the members representative of members and the stakeholders in the Thai bond market in conformation with the role of the ThaiBMA as an SRO. At least three of the eleven members of the Board of directors must be independent directors who are not executive directors, president, persons who have authorities in the management, staff, employees or major stakeholders of the ordinary and extra-ordinary members. The independent directors shall hold office for the term of 3 years.

(2) Roles and responsibilities of the Board of Directors

Board of Directors has the responsibilities to establish policies and strategies of the ThaiBMA in accordance with the Association's objectives, Articles of Association, and the resolution of the General Meeting of Members; to supervise the President and executives of the Association to ensure compliance with the Board of Directors' policy guidelines; to determine and approve the rules, regulations, notifications, orders, as well as the Code of Conduct of the Association; to consider the acceptance or revocation of membership; to consider the punishment of members or related persons who violate the rules, regulations, notifications, orders, as well as the Code of Conduct of the Association; and to consider the appointments of committees and advisors of the Association.

(3) Board meetings and meeting quorum

ThaiBMA officially arranges the Board meetings once a month which are prescheduled throughout the year. An extra-ordinary meeting may be held occasionally if it is deemed appropriate. To ensure that proper consideration be to be issued the agenda, ThaiBMA is required to send a meeting notices, agenda, and related documents to each Board member in advance prior to the meeting in order to allow sufficient time for each director to study the matters prior to the meeting. In case of emergency, related documents may be sent less than in advance of the meeting.

Good Corporate Governance

Board of Directors

	Name	Position	Term of office	Meeting attended
1.	Mr. Sommai Phasee	Chairman of the Board and Independent Director	May 20 – Apr 23	12/12
2.	Ms. Wattana Tiranuchit	Vice Chairperson of the Board and Independent	May 21 – Apr 24	12/12
3.	Mr. Charnchai Kongthongluck ⁽¹⁾	Vice Chairman of the Board and Director	24 Jan 22 – Apr 23	9/11
4.	Mr. Apichart Tungkiatsilp	Director	May 20 – Apr 23	11/12
5.	Mr. Rawin Boonyanusasna ⁽²⁾	Director	May 22 – Apr 25	11/12
6.	Mr. Tanik Tarawisid	Director	May 21 – Apr 24	10/12
7.	Ms. Jamjun Siriganjanavong ⁽³⁾	Director	May 22 – Apr 25	7/8
8.	Ms. Narumon Chivangkur	Director	May 21 – Apr 24	10/12
9.	Ms. Doungporn Prasertsomsuk ⁽³⁾	Independent Director	May 22 – Apr 25	8/8
10.	Dr. Bhume Bhumiratana	Independent Director	May 20 – Apr 23	8/12
11.	Dr. Somjin Sornpaisarn ⁽⁴⁾	President and Director	17 May 22 – 16 May 26	8/8
12.	Ms. Pimpan Charoenkwan ⁽⁵⁾	Advisor to the Board	1 Oct 22 – May 23	3/3
13.	Ms. Chanunporn Phisitvanich ⁽⁶⁾	Advisor to the Board	June 21 – May 23	11/12

Retired committee

	Name	Position	Term of office	Meeting attended
1.	Mr. Thitawat Asaves	Director	May 19 – Apr 22	4/4
2.	Mr. Sukkawat Prasurtying	Independent Director	May 19 – Apr 22	4/4
3.	Mr. Tada Phutthitada	President and Director	17 May 18 – 16 May 22	4/4
4.	Ms. Daranee Saeju	Advisor to the Board	June 21 – May 22	9/9

Remarks:

- (1) Mr. Charnchai Kongthongluck was appointed as the new director in January 2022 to replace Mrs. Pattera Dilokrunghirapop, who resigned from the Board of Directors and was appointed to vice chairman in February 2022 by the Resolution of the Board of Directors meeting.
- (2) Mr. Rawin Boonyanusasna was re-elected as the director by the Annual General Meeting of Members on 7 April, 2022.
- (3) Ms. Jamjun Siriganjanavong and Ms. Doungporn Prasertsomsuk were elected as the new directors to replace Mr. Thitawat Asaves and Mr. Sukkawat Prasurtying who completed their terms by the Annual General Meeting of Members on 7 April, 2022.
- (4) Dr. Somjin Sornpaisarn was appointed as the new president and director to replace Mr. Tada Phutthitad who completed his term.
- (5) Ms. Pimpan Charoenkwan was appointed an advisor to replace Ms. Daranee Saeju who retired from the position.
- (6) Ms. Chanunporn Phisitvanich was re-appointed an advisor by the Resolution of the Board of Directors Meeting in June 2022.

Good Corporate Governance

2. The Audit Committee

ThaiBMA strictly adheres to good corporate governance practices and has accordingly appointed an Audit Committee to monitor and supervise the operations of the Management to ensure that the Association is operated in accordance with rules and code of ethics under an efficient and effective internal control system. The Audit Committee shall consist of at least 2 independent directors and shall be in office for the same term as director.

(1) Roles, duties and responsibilities

The Audit Committee has the tasks and responsibilities to review financial statements of the Association to ascertain that the statements are accurate and disclose sufficient information; to review the Association's operation to ensure that there are appropriate internal control and audit systems; to request information, comments and explanations from the Association's executives, external auditors, and related persons as well as performing any other tasks as assigned by The Board of Directors.

The Audit Committee shall prepare the Audit Committee's report containing opinions about the accuracy, completeness, and reliability of the annual financial statements; the adequacy of internal control system; the appointment of external auditor; the compliance with related laws and regulations; as well as the opinion pertaining to any reports that should be disclosed to the members under the scope of responsibilities assigned by the Board of Directors.

(2) Meeting of the Audit Committee

For the Audit Committee's meeting, the agenda is set in advance and related documents are circulated to members of the Audit Committee and other participants in advance to allow sufficient time to study to study the matters or request for supporting information. The Audit Committee's meetings are normally held at least 4 times in each calendar year. The Chairman of Audit Committee may call a special meeting upon request of the members of the committee, the external auditors, or the Chairman of Board of Directors to jointly consider essential matters.

Members of Audit Committee

	Name	Position	Term of office	Meeting attended
1.	Ms. Wattana Tiranuchit ⁽¹⁾	Chairperson	19 May 22 – May 25	4/4
2.	Ms. Doungporn Prasertsomsuk ⁽²⁾	Committee	19 May 22 – May 25	3/3
3.	Ms. Jamjun Siriganjanavong ⁽²⁾	Committee	19 May 22 – May 25	2/3

Retired committee

	Name	Position	Term of office	Meeting attended
1.	Mr. Sukkawat Prasurtying	Committee	1 June 19 – 27 April 22	1/1
2.	Mr. Thitawat Asaves	Committee	1 June 19 – 27 April 22	1/1

Remarks: By the Resolution of the Board of Directors Meeting on 19 May 2022:

(1) Ms. Wattana Tiranuchit was appointed as the Chairperson.

(2) Ms. Jamjun Siriganjanavong and Ms. Doungporn Prasertsomsuk were appointed as the committees to replace Mr. Thitawat Asaves and Mr. Sukkawat Prasurtying who completed their terms.

Good Corporate Governance

3. Subcommittees

According to the ThaiBMA's Article, Board of Directors are to appoint various subcommittees to consider and provide recommendation involving activities of the Association.

3.1 The Nominating and Remuneration Subcommittee

Scope and responsibilities: to consider and provide recommendations on the compensation policy and the remuneration for the Board of Directors, the Managing Director and the Senior Executive Vice President. This includes advices on human resources management policy of the Association.

Members of Nomination and Remuneration Subcommittee

	Name	Position	Term of office	Meeting attended
1.	Ms. Wattana Tiranuchit	Chairperson	19 May 22 - May 25	3/3
2.	Mr. Apichat Tungkiatsilp	Committee	19 May 22 - May 25	3/3
3.	Mr. Tanik Tarawisid	Committee	19 May 22 - May 25	3/3

3.2 The Deposit Consideration Subcommittee

The Deposit Consideration Subcommittee was appointed by the Resolution of the Board of Directors Meeting on 20 May 2021

Scope and responsibilities: to consider and select financial institutions in order to deposit ThaiBMA's excess liquidity, to set framework and guidelines on deposits to reduce concentration risk as well as giving advice on the management of ThaiBMA's excess liquidity.

Members of Deposit Consideration Subcommittee

	Name	Position	Term of office	Meeting attended
1.	Mr. Charnchai Kongthongluck	Chairman	11 Feb 22 - April 24	3/3
2.	Mr. Apichat Tungkiatsilp	Committee	20 May 21 - April 24	3/3
3.	Dr. Somjin Sornpaisarn	Committee	19 May 22 - April 24	2/2
4.	Ms. Jamjun Siriganjanavong	Committee	15 Sep 22 - April 24	1/1

Selection and Remunerations of the Committee and Subcommittees

The selection and screening of members of the Board of Directors and top management as well as the selection and appointment of members of the Subcommittees and the President of the ThaiBMA shall be in accordance with the resolution of the Board of Directors. In addition, the Board of Directors has the tasks to review the remuneration structure of top management as well as to consider and provide recommendations or opinions pertaining to the policy regarding remunerations and other benefits of the Association. The remunerations for members of the Board of Directors, the Audit Committee and Subcommittees are as follows:

(1) Remunerations for Board of Directors

The remuneration of the Board of Directors is in accordance with the resolutions of the Annual General Meeting of the members. The monthly remuneration for the Chairperson of the Board and each member of the Board are set at Baht 50,000 and Baht 10,000 respectively. In addition, both the Chairperson of the Board and each member of the Board are entitled to Baht 10,000 per each attendance.

(2) Remunerations for the Audit Committee

According to the resolution of the Board of Directors, the Audit Committee shall be remunerated for attendance at each meeting. The Chairperson of the Audit Committee is entitled to Baht 12,000 per attendance and each member of the Audit Committee is entitled to Baht 8,000 per attendance.

(3) Remunerations for the Nomination and Remunerations Subcommittee and the Investment Subcommittee

According to the resolution of the Board of Directors, the Chairperson of the Nomination and Subcommittee is entitled to Baht 12,000 and Baht 8,000 respectively per each attendance.

(4) Remunerations for other Subcommittees

Other subcommittees of the Association are Market Practice Subcommittee, Market Regulation Subcommittee, Market Information Subcommittee, Disciplinary Subcommittee, and Appeal Subcommittee. The Board of Directors has resolved to pay the remunerations to each member of each Subcommittee in the form of meeting fee. The Chairperson of each Subcommittee is entitled to a fee of Baht 4,000 per meeting whereas each member of each committee is entitled to a fee of Baht 3,000 per attendance.

Relationship with stakeholders

The Board of Directors of the ThaiBMA realizes importance of relationships with stakeholders and places emphasis on the rights of all stakeholders based on fair and equal treatment as follows:

(1) Regulatory bodies and supporting government agencies

ThaiBMA acts in compliance with relevant laws and regulations promulgated by the regulators, and is ready for inspection at every process of its operations. The Association gives due regard to administration with integrity, transparency, and efficiency in order to attain the mandated mission; facilitating the nation's economic development; and preventing any possible conflicts of interest.

(2) Members

Members of ThaiBMA are supervised and equally treated on a fair basis. Besides, the arbitration process is arranged to settle any disputes which may arise as a result of trading activities between members and their counterparties to ascertain that the disputes are resolved with fairness.

(3) Bond issuers

The ThaiBMA promotes fund mobilization through issuance of debt instruments which is deemed as an alternative for lower cost of financing. Fundraising via bond issuance will enable issuers to manage their financial positions more efficiently. In this regards, ThaiBMA regularly and consistently organizes seminars and trainings for prospective issuers to enhance their understanding about the method and process of bond issuance as well as related rules and regulations

(4) Information users

The ThaiBMA realizes the importance of those who use data and information for analysis and supporting investment decision making. Accordingly, the Association has consistently developed and upgraded the efficiency in rendering information services in terms of format, content quality and dissemination channels. ThaiBMA's website which serves as the main channel for information dissemination has been well recognized by international circles and cited as the most comprehensive website for domestic bond information.

(5) Employees

The ThaiBMA places emphasis on the quality of life of its employees and is committed to create a favorable and pleasant working environment in order to maintain high quality staffs with the organization. Moreover, the Association provides its employees with strong supports and opportunities for knowledge and skills development to ensure their maximum work efficiency.

(6) The Society

The Association bears in mind its role and responsibility to the society, hence contributing to charitable activities. In particular, it acts as a major organization in disseminating information and knowledge related to the Thai bond market.

ThaiBMA also puts emphasis on educational activities to promote knowledge and pays due regard to information disclosure to ensure that all stakeholders, including its members, investors, non-member securities companies, students and academics, as well as the general public are provided with accurate, sufficient, and timely information for decision making. The efforts of ThaiBMA in this regard are as follows:

- Providing bond market information via websites www.thaibma.or.th and ThaiBMA Facebook
- Collecting voices of stakeholders via meetings, market dialogue, and stakeholder visit
- Organizing annual “Best Bond Awards” ceremony to promote development of the Thai bond markets on various aspects as well as to enhance quality and professionalism of institutions involving in market transactions which is essential for the consistent and vigorous development of domestic bond market

Risk management and internal control

The Association recognizes the importance of risk management and internal control systems, thus establishing the Association’s risk management policy and framework which is in accordance with international enterprise risk management (ERM) principles. The association has also implemented the risk management structure within the organization by setting up a Risk Management Working Group. Operational systems and internal management processes of the Association have been developed to ensure that the risk management process is implemented efficiently and covers all key risk factors.

With regard to internal control, annual internal audit, covering all main departments, is under taken and the internal audit report after such audit is submitted to the audit committee for consideration. This procedure helps ascertaining that there are efficient operations and sufficient internal control systems.

In addition, not only does the Association issue policies and regulations relating to internal control such as Chinese wall policy in order to prevent confidential information leakage and misuse, but it also places great emphasis on a security of information technology system, bond information database, and backup data as well as a security of computer system to ensure the efficiency and accuracy of data processing. Information technology policy and guideline are drafted and implemented in accordance with the rules and regulation applicable to the Association.

Works process has been established for employees and those who work for the Association to verify the identity of the persons accessing and using the information.

The Association also establishes Disaster Recovery Plan and Alternate Site in case of emergency, including Business Continuity Plan to ascertain that the operation systems especially in the part of services for the third party can be continued without interruption.

Business ethics

ThaiBMA is fully confident that the adoption of code of conduct and business ethics is fundamental factor for the promotion and upgrading of good corporate governance. Board of Directors has approved the Association’s code of conduct which sets out the operational guidelines for directors, executives and staffs in carrying out their duties based on good corporate governance principles.

Printed format of the code of conduct is distributed to each of the directors, executives and employees. Every employee is required to acknowledge the code of conduct and shall be committed to comply with the rules prescribed in the code, where the framework for the ThaiBMA’s standard of practice is prescribed. The Association also assigns a responsible person to continually monitor results of operations and update the code of conduct from time to time.



Conflicts of interest prevention

The Association realizes the importance of avoiding any potential bias or event that would lead to a conflict of interests. The policy of conflict of interest prevention is clearly stated in the code of conduct such that the directors, executives and employees are forbidden from entering into any transactions that might lead to conflict of interests with the Association. In case there is a conflict of interest, due regard should be paid to the benefit of the Association and the conflict must be disclosed to the Board of Directors, the President or the superior of that person (as the case may be) and immediately reported to Regulations and Inspection Department.

In addition, ThaiBMA has issued a number of notifications and regulations in an attempt to prevent conflict of interest; for instance, ThaiBMA’s Notification re: investment in or holding of securities by its executives and staffs, re: maintaining confidential and internal information, and ThaiBMA’s Regulation on guidelines for secondment and transfer of employees between departments, etc.

Directory of Members

Ordinary Member/ สมาชิกสามัญ

	Companies	บริษัท
1.	AIRA Securities Public Company Limited	บริษัทหลักทรัพย์ ไอรา จำกัด (มหาชน)
2.	Asia Plus Securities Company Limited	บริษัทหลักทรัพย์ เอเชีย พลัส จำกัด
3.	Bangkok Bank Public Company Limited	ธนาคารกรุงเทพ จำกัด (มหาชน)
4.	Bank of America National Association	ธนาคารแห่งอเมริกาเนชั่นแนลแอสโซซิเอชั่น
5.	Bank of Ayudhya Public Company Limited	ธนาคารกรุงศรีอยุธยา จำกัด (มหาชน)
6.	Beyond Securities Public Company Limited	บริษัทหลักทรัพย์ บีeyond จำกัด (มหาชน)
7.	BNP Paribas, Bangkok Branch	ธนาคารบีเอ็นพี พารีบาส
8.	Bualuang Securities Public Company Limited	บริษัทหลักทรัพย์ บัวหลวง จำกัด (มหาชน)
9.	Capital Nomura Securities Public Company Limited	บริษัทหลักทรัพย์ โนมูระ พัฒนสิน จำกัด (มหาชน)
10.	CGS-CIMB Securities (Thailand) Company Limited	บริษัทหลักทรัพย์ ซีจีเอส-ซีไอเอ็มบี (ประเทศไทย) จำกัด
11.	CIMB Thai Public Company Limited	ธนาคารซีไอเอ็มบีไทย จำกัด (มหาชน)
12.	Citibank, N.A.	ธนาคารซิตีแบงก์ เอ็น.เอ.
13.	Citicorp Securities (Thailand) Limited	บริษัทหลักทรัพย์ ซิตีคอร์ป (ประเทศไทย) จำกัด
14.	DAOLS Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ ดาโอ (ประเทศไทย) จำกัด (มหาชน)
15.	DBS Vickers Securities (Thailand) Company Limited	บริษัทหลักทรัพย์ ดีบีเอส วิคเคอร์ส (ประเทศไทย) จำกัด
16.	Deutsche Bank AG	ธนาคารดอยช์แบงก์
17.	Finansa Securities Limited	บริษัทหลักทรัพย์ ฟินันซ่า จำกัด
18.	Finansia Syrus Securities Public Company Limited	บริษัทหลักทรัพย์ ฟินันเซีย ไชรัส จำกัด (มหาชน)
19.	Globlex Securities Company Limited	บริษัทหลักทรัพย์ โกลเบล็ก จำกัด
20.	Government Savings Bank	ธนาคารออมสิน
21.	InnovestX Securities Company Limited	บริษัทหลักทรัพย์ อินโนเวสต์ เอกซ์ จำกัด
22.	IV Global Securities Public Company Limited	บริษัทหลักทรัพย์ ไอ วี โกลบอล จำกัด (มหาชน)
23.	JPMorgan Chase Bank, N.A.	ธนาคาร เจพี มอร์แกน เชส
24.	Kasikorn Bank Public Company Limited	บริษัท ธนาคาร กสิกรไทย จำกัด (มหาชน)
25.	Kasikorn Securities Public Company Limited	บริษัทหลักทรัพย์ กสิกรไทย จำกัด (มหาชน)
26.	KGI Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ เคจีไอ (ประเทศไทย) จำกัด (มหาชน)
27.	Kiatnakin Phatra Bank Public Company Limited	ธนาคาร เกียรตินาคินภัทร จำกัด (มหาชน)
28.	Kiatnakin Phatra Securities Public Company Limited	บริษัทหลักทรัพย์ เกียรตินาคินภัทร จำกัด (มหาชน)
29.	Kingsford Securities Public Company Limited	บริษัทหลักทรัพย์ คิงส์ฟอร์ด จำกัด (มหาชน)
30.	Krung Thai Bank Public Company Limited	ธนาคาร กรุงไทย จำกัด (มหาชน)

Directory of Members

Ordinary Member/ สมาชิกสามัญ

	Companies	บริษัท
31.	Krungthai XSpring Securities Company Limited	บริษัทหลักทรัพย์ กรุงไทย เอ็กซ์สปริง จำกัด
32.	Krungsri Securities Public Company Limited	บริษัทหลักทรัพย์ กรุงศรี จำกัด (มหาชน)
33.	Maybank Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ เมย์แบงก์ (ประเทศไทย) จำกัด (มหาชน)
34.	PI Securities Public Company Limited	บริษัทหลักทรัพย์ พาย จำกัด (มหาชน)
35.	RHB Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ อาร์เอชบี (ประเทศไทย) จำกัด (มหาชน)
36.	Siam Commercial Bank Public Company Limited	ธนาคาร ไทยพาณิชย์ จำกัด (มหาชน)
37.	Standard Chartered Bank (Thai) Public Company Limited	ธนาคาร สแตนดาร์ดชาร์เตอร์ด (ไทย) จำกัด (มหาชน)
38.	The Hongkong and Shanghai Banking Corporation Limited	ธนาคาร ฮั่งกวงและเซี่ยงไฮ้แบงกิงคอร์ปอเรชั่น จำกัด
39.	TISCO Bank Public Company Limited	ธนาคาร ทีสโก้ จำกัด (มหาชน)
40.	TMBThanachart Bank Public Company Limited	ธนาคาร ทหารไทยธนชาติ จำกัด (มหาชน)
41.	Trinity Securities Company Limited	บริษัทหลักทรัพย์ ทรีนีตี จำกัด
42.	UBS Securities (Thailand) Limited	บริษัทหลักทรัพย์ ยูบีเอส (ประเทศไทย) จำกัด
43.	United Overseas Bank (Thai) Public Company Limited	ธนาคาร ยูโอบี จำกัด (มหาชน)
44.	UOB Kay Hian Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ ยูโอบี เคย์เฮียน (ประเทศไทย) จำกัด
45.	Yuanta Securities (Thailand) Company Limited	บริษัทหลักทรัพย์ หยวนต้า (ประเทศไทย) จำกัด

Extraordinary Member/ สมาชิกวิสามัญ

	Companies	บริษัท
46.	AFS Securities (Thailand) Limited	บริษัทหลักทรัพย์ เอเอฟเอส (ประเทศไทย) จำกัด
47.	Elite Securities Company Limited	บริษัทหลักทรัพย์ อีลิท จำกัด
48.	ICAP Securities Company Limited	บริษัทหลักทรัพย์ ไอซีเอพี จำกัด
49.	Wall Street Tullett Prebon Securities Limited	บริษัทหลักทรัพย์ วอลล์สตรีท ทัลเลทท์ พร็อบอนน์ จำกัด
50.	Tradition Fixed Income Securities Company Limited	บริษัทหลักทรัพย์ เทรดิชัน ฟิกซ์ อินคัม จำกัด

Associate Member/ สมาชิกสมทบ

	Companies	บริษัท
51.	KPM Securities Company Limited	บริษัทหลักทรัพย์ เคพีเอ็ม จำกัด
52.	Land and Houses Securities Public Company Limited	บริษัทหลักทรัพย์ แลนด์ แอนด์ เฮ้าส์ จำกัด (มหาชน)
53.	Phillip Securities (Thailand) Public Company Limited	บริษัทหลักทรัพย์ ฟิลลิป (ประเทศไทย) จำกัด (มหาชน)
54.	Siam Wealth Securities Company Limited	บริษัทหลักทรัพย์ สยามเวลธ์ จำกัด
55.	Wealth Magik Securities Company Limited	บริษัทหลักทรัพย์ เว็ลธ์ แมจิก จำกัด

THE THAI BOND MARKET ASSOCIATION

FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

THE THAI BOND MARKET ASSOCIATION

FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2022

REPORT OF THE AUDITOR

To The Board of Directors and Members of
The Thai Bond Market Association

Opinion

I have audited the financial statements of The Thai Bond Market Association, (Association) which comprise the statement of financial position as at December 31, 2022, and the statement of income and expenditure, statement of changes in capital fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Thai Bond Market Association as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing Association financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

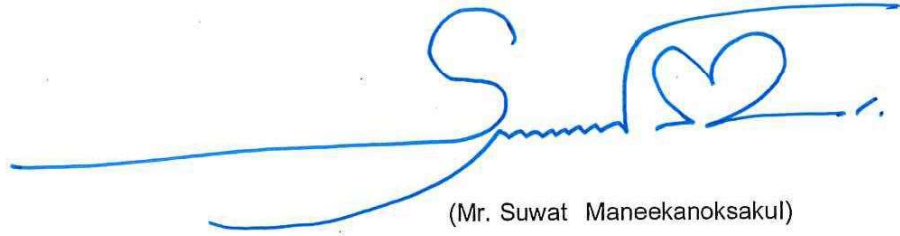
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is Mr. Suwat Maneekanoksakul



(Mr. Suwat Maneekanoksakul)

Certified Public Accountant

Registration No. 8134

Dharmniti Auditing Company Limited

Bangkok, Thailand

March 16, 2023

THE THAI BOND MARKET ASSOCIATION
THE STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

	Note	Baht	
		2022	2021
ASSETS			
Current assets			
Cash and cash equivalents	3	82,148,728.58	76,340,204.11
Current investments	4	1,050,010,541.10	950,004,280.81
Account receivable		21,618.47	355,332.29
Other current assets		4,542,667.82	4,562,413.05
Total Current Assets		1,136,723,555.97	1,031,262,230.26
Non-current assets			
Long-term investment	5, 15	10,614,367.78	21,861,400.59
Equipment	6	8,452,381.60	11,560,590.18
Intangible assets	7	354,820.65	924,430.52
Other non-current assets	8	2,562,284.96	2,482,089.96
Total Non-Current Assets		21,983,854.99	36,828,511.25
TOTAL ASSETS		1,158,707,410.96	1,068,090,741.51

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2022

LIABILITIES AND CAPITAL FUND

	Note	Baht	
		2022	2021
Current liabilities			
Other payable	9	1,188,967.46	3,497,441.23
Deferred income	10	35,170,486.32	30,641,018.04
Current portion of deferred annual fee of registered debt securities	11	46,964,266.57	41,284,586.93
Other current liabilities	12	10,305,849.90	7,757,296.18
Total Current Liabilities		<u>93,629,570.25</u>	<u>83,180,342.38</u>
Non-current liabilities			
Deferred annual fee of registered debt securities	11	80,468,640.68	70,581,805.63
Provisions for employee benefit	13	26,379,422.18	23,999,314.11
Demolition provisions		3,676,225.44	3,604,147.71
Total Non-Current Liabilities		<u>110,524,288.30</u>	<u>98,185,267.45</u>
TOTAL LIABILITIES		<u>204,153,858.55</u>	<u>181,365,609.83</u>
Capital fund			
Donated fund		185,529,785.29	185,529,785.29
Initial capital fund from members		33,580,000.00	33,130,000.00
Accumulated fund		738,550,458.67	671,776,419.26
Other components of capital fund		(3,106,691.55)	(3,711,072.87)
TOTAL CAPITAL FUND		<u>954,553,552.41</u>	<u>886,725,131.68</u>
TOTAL LIABILITIES AND CAPITAL FUND		<u>1,158,707,410.96</u>	<u>1,068,090,741.51</u>

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
STATEMENTS OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	Baht	
		2022	2021
INCOME			
Membership annual fees		6,985,906.71	7,220,476.44
Admission fees for registered debt instruments		90,307,959.16	74,386,211.88
Annual fees for registered debt instruments		59,077,715.33	47,179,578.61
Service fees for data provision		52,595,732.72	52,455,902.71
Training fees and book support		2,717,290.00	1,920,640.00
Examination fees, training fees and registration fees for registered traders		1,459,950.00	1,856,550.00
Earnings from investment in Unit trust	4	-	60,505.22
Gain (loss) on sales from investment in securities	5	(751,414.13)	10,680,615.46
Interest income		6,681,887.61	3,497,756.58
Other income		231,931.54	229,823.83
Total income		<u>219,306,958.94</u>	<u>199,488,060.73</u>
EXPENDITURE			
Data system expenses		4,883,023.58	4,115,931.63
Staff costs		119,865,517.35	113,413,020.31
Business development expenses		8,961,584.41	5,850,108.12
Administrative expenses		13,955,217.72	16,449,491.33
Depreciation equipment		3,675,166.17	5,491,942.32
Amortization of computer software		569,609.87	723,293.83
Finance costs		622,800.43	693,678.80
Total expenditure		<u>152,532,919.53</u>	<u>146,737,466.34</u>
Income over (under) expenditure for the year		<u>66,774,039.41</u>	<u>52,750,594.39</u>

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
STATEMENTS OF CHANGES IN CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

		Baht				
		Donated fund	Initial capital fund	Accumulated	Other components	Total
Note			from members	Fund		
	Balance as at December 31, 2020	185,529,785.29	32,530,000.00	619,025,824.87	(104,769.74)	836,980,840.42
	Initial capital fund from associate member	-	600,000.00	-	-	600,000.00
	Unrealized gain (loss)	5	-	-	(3,606,303.13)	(3,606,303.13)
	Income over (under) expenditure					
	for the year 2021	-	-	52,750,594.39	-	52,750,594.39
	Balance as at December 31, 2021	185,529,785.29	33,130,000.00	671,776,419.26	(3,711,072.87)	886,725,131.68
	Initial capital fund from associate member	-	450,000.00	-	-	450,000.00
	Unrealized gain (loss)	5	-	-	604,381.32	604,381.32
	Income over (under) expenditure					
	for the year 2022	-	-	66,774,039.41	-	66,774,039.41
	Balance as at December 31, 2022	185,529,785.29	33,580,000.00	738,550,458.67	(3,106,691.55)	954,553,552.41

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Baht	
	2022	2021
<u>Cash flows from operating activities :</u>		
Income over(under) expenditure for the year	66,774,039.41	52,750,594.39
Adjustment for :		
Depreciation equipment	3,675,166.17	5,491,942.32
Amortization of computer software	569,609.87	723,293.83
(Gain) loss from disposal of fixed assets	116.00	-
(Gain) loss from sales of fix assets	43,074.36	-
Expenses (income) for employee benefits	2,257,832.22	1,905,374.06
Gain (loss) from the estimation of actuarial principle	-	2,182,862.14
Earnings from investment in mutual fund	-	(60,505.22)
(Gain) loss on sales from investments in securities	751,414.13	(10,680,615.46)
Interest income	(6,681,887.61)	(3,497,756.58)
Finance cost	622,800.43	693,678.80
Net profit from operating assets and liabilities	68,012,164.98	49,508,868.28
Account receivable	333,713.82	178,228.04
Current assets	(190,033.35)	(3,281,631.68)
Other non-current assets	(80,195.00)	6,560.76
Other payable	(2,308,473.77)	(2,218,130.92)
Deferred income	4,529,468.28	(6,738,056.01)
Deferred annual fees of registered debt securities	15,566,514.69	9,304,158.95
Other current liabilities	2,548,553.72	1,865,152.48
Cash provided by (used in) operating activities	88,411,713.37	48,625,149.90
Employee benefits paid	(428,446.85)	-
Net cash provided by (used in) operating activities	87,983,266.52	48,625,149.90

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2022

	Baht	
	2022	2021
<u>Cash flows from investing activities :</u>		
Purchases of mutual investments	-	(12,000,000.00)
(Increase) in current investments	(1,586,666,979.47)	(950,000,000.00)
Decrease in current investments	1,486,660,719.18	70,110,697.46
Cash received from the sale of long-term investment	11,100,000.00	899,936,321.81
Cash received from sale of fixed assets	1,006,576.64	-
Purchases of equipment	(1,616,724.59)	(326,457.01)
Purchases of intangible assets	-	(34,500.00)
Interest received	6,891,666.19	3,497,742.21
Net cash provided by (used in) investing activities	<u>(82,624,742.05)</u>	<u>11,183,804.47</u>
<u>Cash flows from financing activities :</u>		
Initial capital fund from member	450,000.00	600,000.00
Net cash provided by (used in) financing activities	<u>450,000.00</u>	<u>600,000.00</u>
Increase (decrease) in cash and cash equivalents, net	5,808,524.47	60,408,954.37
Cash and cash equivalents, beginning balance	<u>76,340,204.11</u>	<u>15,931,249.74</u>
Cash and cash equivalents, ending balance	<u><u>82,148,728.58</u></u>	<u><u>76,340,204.11</u></u>

Notes to the financial statements form an integral part of these statements.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. GENERAL INFORMATION

(A) Legal status and address

The Thai Bond Market Association was established as a juristic entity on September 8, 2005, and granted the license by the SEC, registration number 4/2548, according to Articles 231 and 232 of the Securities and Exchange Commission Act B.E. (2535).

The address of its registered office is its 900 Tomson Tower Building, 10th Floor, Ploenchit Rd., Lumpini, Pathumwan, Bangkok.

(B) Nature of the Operation

The Association had received the licensed to operate as an association related to securities business under Section 230 of the Securities and Exchange Act B.E. 2535 with the main function of being a member regulator (Self-Regulatory Organization /SRO) and was a center for information on the bond market including promoting and developing the bond market.

Objectives of the Association are as follows :

(1) To be center of information on the debt securities market and to provide services related to such information;

(2) To promote and develop debt securities market and businesses;

(3) To promote, develop and prescribe standard of practices for debt securities businesses;

(4) To supervise Members to ensure compliance with the rules, regulations, ethics, code of conducts and standard of practices in the debt securities market;

(5) To promote and foster the research and education regarding debt securities including providing professional views of the related subjects as well as to publicize and disseminate the information concerning the debt securities market to the public;

(6) To promote the relationship and cooperation among Members;

(7) To provide forum for resolution of dispute arising from debt securities dealing business between a Member and another Member or a third party;

(8) To carry out any other activities or work for public benefits with on aim to achieve the Association's foregoing objectives, which are all non-political related.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

(C) Data of membership

As at December 31, 2022 and 2021 membership of the Association consists of:

Type of member	Number of members	
	2022	2021
Ordinary Member	45	46
Extraordinary Member	5	4
Associate Member	5	4
Total	55	54

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards as required by the Accounting Profession Act B.E.2547 in compliance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, regarding the financial statement's presentation for association, issued under the Accounting Act B.E.2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Association. The financial statements in English language have been translated from the financial statements in the Thai language version.

2.2 New Financial Reporting Standards that will become effective in the future

The Federation of Accounting Professions has announced to adopt the revised financial reporting standards for Non-Publicly Accountable Entities and has announced in the Royal Gazette which will become effective for the financial statements with the accounting period beginning on or after January 1, 2023. Such financial reporting standard has been revised for more completeness with existing accounting practice and add an alternative for accounting practice including adding accounting practice for various transactions.

The Management of the Company has assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

2.3 Recognition of initial capital fund

Revenue from the membership admission fees is recognized in full as initial capital fund upon membership application.

2.4 Recognition of revenue and expenditure

Revenue from annual membership fees is recognized based on the membership period.

Revenue from initial registration fee of debt securities is recognized in full upon its registration.

Revenue from annual fees of registered debt securities is recognized based on the maturity and not exceeding seven years.

Revenue from data provision is recognized based on the service period.

Revenue from providing services is recognized when the services are completely rendered.

Interest income is recognized on an accrual basis.

Other revenues and expenses are recognized on an accrual basis

2.5 Cash and cash equivalents

Cash and cash equivalents consist of cash and deposits at financial institutions with an original maturity of 3 months or less, excluding cash at banks which are used for guarantee.

2.6 Current investments

The temporary investments in fixed deposits were stated at cost and recognized the interest at the rate announced by that financial institution in the income statement.

2.7 Long-term Investment

Long-term investment in debt securities to be held to maturity is accounted at amortized cost by the effective rate method.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

2.8 Equipment/Depreciation

Equipment is stated at cost accumulated depreciation and allowance on decline in value (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation of equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Furniture and fixtures	5 years
Office equipment	5 years
Computer and equipment	5 years
Vehicles	5 years

The Association has reviewed the residual value and useful life of the assets regularly.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided in relation to the equipment under installation.

Equipment is written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of income and expenditure

2.9 Intangible assets

Intangible assets are stated at cost less accumulated amortization and allowance on decline in value (if any). Intangible assets are amortized in the statement of income and expenditure on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are 5 years.

2.10 Deferred income

Deferred income is realized to income by the straight-line method throughout the period of the agreement.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

2.11 Deferred annual fee of registered debt securities

Deferred annual fee of registered debt securities will be recorded as debt securities fee income according to the maturity of the debt securities but not exceeding 7 years.

2.12 Employee benefits

Short-term employment benefits

The Association recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Association and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Association. The fund's assets are held in a separate trust fund and the Association's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Association has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Association treats these severance payment obligations as a defined benefit plan.

The obligation under the defined plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumption, including discount rate, future salary increases rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized in the statement of income and expenditure.

2.13 Income tax

The Thai Bond Market Association has been registered as a securities business related association with the office of Securities and Exchange Commission to be a juristic person under Section 233 of the Securities and Exchange Commission Act B.E. 2535 whose legal status is not interpreted as "juristic company or partnership" as defined under Article 39 of the Revenue Code. The Association is thus not enforced to pay corporate income tax.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

2.14 Provisions

Provisions are recognized in the statement of financial position when the Association has outstanding liabilities arising from legal disputes or obligations as a result of past event and it is probable that the economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

2.15 Using of Accounting Estimation

Preparation of financial statements in conformity with generally accepted accounting principles in Thailand requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

2.16 Other components of equity

Other components of the equity are the adjust transaction in the value of long-term investments in available-for-sale securities in order to be in accordance with the current market price.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of :

	Baht	
	2022	2021
Cash on hand	26,729.75	35,291.00
Cash at banks - Savings accounts	75,968,219.25	68,814,293.11
Cash at banks - Current accounts	6,153,779.58	7,490,620.00
Total	82,148,728.58	76,340,204.11

As at December 31, 2022 and 2021 saving accounts bear interest at floating rates which are set by banks.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

4. CURRENT INVESTMENTS

	Baht				
	Balance per book	Increase (decrease) during the period			Balance per book
	as at	Addition	Deduction		as at
	Dec. 31, 2021				Dec. 31, 2022
<u>Investment (at cost value)</u>					
Fixed Deposit Account	950,004,280.81	1,586,666,979.47	(1,486,660,719.18)	1,050,010,541.10	
Total	<u>950,004,280.81</u>	<u>1,586,666,979.47</u>	<u>(1,486,660,719.18)</u>	<u>1,050,010,541.10</u>	

	Baht				
	Balance per book	Increase (decrease) during the period			Balance per book
	as at	Addition	Deduction		as at
	Dec. 31, 2020				Dec. 31, 2021
<u>Investment (at cost value)</u>					
Fixed Deposit Account	4,265.97	950,000,014.84	-	950,004,280.81	
Mutual fund T-CASH	58,050,192.24	12,060,505.22	(70,110,697.46)	-	
Total	<u>58,054,458.21</u>	<u>962,060,520.06</u>	<u>(70,110,697.46)</u>	<u>950,004,280.81</u>	

At December 31, 2022 and 2021 the current investments as investments in fixed deposits for not more than 12 months, with interest rates of 0.45% - 1.00% and 0.32% - 0.90% respective.

During the year 2021, the Association received a letter from the SEC to review the Association's investment policy in accordance with the interpretation of the provisions of Section 22 of the Trade Association Act B.E. 2509 of the Office of the Decree which interpreted that the Associations cannot invest in bonds. The Board of Directors of the Association therefore resolved to allow the Association to sell its investments in debt instruments.

The Association had taken the proceeds from the sale of investments in securities held in private funds managed by SCB Asset Management Company Limited and One Asset Management Company Limited in the total amount of Baht 920 million and the excess liquidity from operations in the amount of Baht 30 million to be deposited into a fixed deposit account with the bank for a period of not more than 12 months.

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

5. LONG-TERM INVESTMENT

Long-term investment consisted of :

	Baht	
	2022	2021
Investments in securities	10,614,367.78	21,861,400.59
Total	10,614,367.78	21,861,400.59

Investments in securities

	Baht				Balance per book as at Dec. 31, 2022
	Balance per book as at Dec. 31, 2021	Increase (decrease) during the period			
		Addition	Deduction	Transfer in (out)	
<u>Investment (at cost value)</u>					
Available-for-sale securities	25,572,473.46	-	(11,851,414.13)	-	13,721,059.33
Total	25,572,473.46	-	(11,851,414.13)	-	13,721,059.33
Adjustment of the fair value of investments	(3,711,072.87)				(3,106,691.55)
Total fair value	21,861,400.59				10,614,367.78
Gain (loss) on sales and value adjustment from investment in securities					751,414.13

	Baht				Balance per book as at Dec. 31, 2021
	Balance per book as at Dec. 31, 2020	Increase (decrease) during the period			
		Addition	Deduction	Transfer in (out)	
Investment (at cost value)					
Available-for-sale securities	322,424,399.91	-	(296,851,926.45)	-	25,572,473.46
Securities held until maturity	592,403,779.90	-	(592,403,779.90)	-	-
Total	914,828,179.81	-	(889,255,706.35)	-	25,572,473.46
Adjustment of the fair value of investments	(104,769.74)				(3,711,072.87)
Total fair value	914,723,410.07				21,861,400.59
Gain (loss) on sales and value adjustment from investment in securities					10,680,615.46

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

From July 1, 2020, the Association has changed the method of recognizing unrealized gain (loss) from long-term investment into income statement and expenses by the new method recorded in another component of the equity.

During the year 2021, the Association received a letter from the SEC to review the Association's investment policy in accordance with the interpretation of the provisions of Section 22 of the Trade Association Act B.E. 2509 of the Office of the Decree which interpreted that the Associations cannot invest in bonds. The Board of Directors of the Association therefore resolved the Association to sell its investment in securities held.

As of December 31, 2022, the association has investments in debt securities with a balance of 10.61 million baht.

6. EQUIPMENT

Equipment consisted of :

	Baht				Balance per book as at Dec. 31, 2022
	Balance per book as at Dec. 31, 2021	Addition	Deduction	Transfer in (out)	
<u>At cost</u>					
Office equipment	5,477,344.90	39,734.59	(178,219.67)	-	5,338,859.82
Furniture and fixtures	19,272,927.98	-	-	-	19,272,927.98
Computer equipment	29,960,097.11	1,576,990.00	(8,389,757.45)	-	23,147,329.66
Vehicles	4,429,000.00	-	(2,999,000.00)	-	1,430,000.00
Total	<u>59,139,369.99</u>	<u>1,616,724.59</u>	<u>(11,566,977.12)</u>	-	<u>49,189,117.46</u>
<u>(Less) Accumulated depreciation</u>					
Office equipment	5,007,571.23	180,536.18	(178,208.67)	-	5,009,898.74
Furniture and fixtures	19,082,265.05	154,958.22	-	-	19,237,223.27
Computer equipment	21,015,539.14	3,139,378.48	(8,389,652.45)	-	15,765,265.17
Vehicles	2,473,404.39	200,293.29	(1,949,349.00)	-	724,348.68
Total	<u>47,578,779.81</u>	<u>3,675,166.17</u>	<u>(10,517,210.12)</u>	-	<u>40,736,735.86</u>
Equipment - net	<u>11,560,590.18</u>				<u>8,452,381.60</u>

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

	Baht				Balance per book as at Dec. 31, 2021
	Balance per book	Addition	Deduction	Transfer	
	as at Dec. 31, 2020			in (out)	
<u>At cost</u>					
Office equipment	5,403,287.89	74,057.01	-	-	5,477,344.90
Furniture and fixtures	19,272,927.98	-	-	-	19,272,927.98
Computer equipment	29,707,697.11	252,400.00	-	-	29,960,097.11
Vehicles	4,429,000.00	-	-	-	4,429,000.00
Total	58,812,912.98	326,457.01	-	-	59,139,369.99
<u>(Less) Accumulated depreciation</u>					
Office equipment	4,652,106.57	355,464.66	-	-	5,007,571.23
Furniture and fixtures	17,727,588.57	1,354,676.48	-	-	19,082,265.05
Computer equipment	17,794,749.66	3,220,789.48	-	-	21,015,539.14
Vehicles	1,912,392.69	561,011.70	-	-	2,473,404.39
Total	42,086,837.49	5,491,942.32	-	-	47,578,779.81
Equipment - net	16,726,075.49				11,560,590.18

As at December 31, 2022 and 2021, equipment of the Association was fully depreciated but still in use, amounting to a total cost of Baht 30.47 million and Baht 37.95 million, respectively.

As at December 31, 2022 and 2021, the Association has presented the list of purchased equipment and the equipment funded by the Ministry of financial to be included as the same item.

7. INTANGIBLE ASSETS

Intangible assets consisted of :

	Baht				Balance per book as at Dec. 31, 2022
	Balance per book	Addition	Deduction	Transfer	
	as at Dec. 31, 2021			in (out)	
<u>At cost</u>					
Computer software	66,392,648.88	-	-	-	66,392,648.88
Total	66,392,648.88	-	-	-	66,392,648.88
<u>(Less) Accumulated amortization</u>					
Computer software	65,468,218.36	569,609.87	-	-	66,037,828.23
Computer software - net	924,430.52				354,820.65

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

	Baht				Balance per book as at Dec. 31, 2021
	Balance per book as at Dec. 31, 2020	Addition	Deduction	Transfer In (out)	
	<u>At cost</u>				
Computer software	66,358,148.88	34,500.00	-	-	66,392,648.88
Total	66,358,148.88	34,500.00	-	-	66,392,648.88
<u>(Less) Accumulated amortization</u>					
Computer software	64,744,924.53	723,293.83	-	-	65,468,218.36
Computer software - net	1,613,224.35				924,430.52

As at December 31, 2022 and 2021, intangible assets of the Association were fully amortized but still in use, amounting to a total cost of Baht 65.04 million and Baht 62.47 million, respectively.

As at December 31, 2022 and 2021, the Association has presented the list of purchased intangible assets and the intangible assets funded by the Ministry of Finance to be included as the same item.

8. OTHER NON-CURRENT ASSETS

Other non-current assets consisted of:

	Baht	
	2022	2021
Building deposit	1,470,096.00	1,470,096.00
Office equipment deposit	980,064.00	980,064.00
Others	112,124.96	31,929.96
Total	2,562,284.96	2,482,089.96

9. OTHER PAYABLE

Other payables consisted of:

	Baht	
	2022	2021
Other payables	198,393.11	1,302,271.64
Accrued expenses	939,274.35	2,105,169.59
Others	51,300.00	90,000.00
Total	1,188,967.46	3,497,441.23

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

10. DEFERRED INCOME

Deferred income consisted of :

	Baht	
	2022	2021
Membership annual fees	3,200,000.00	2,501,429.00
Membership fees of data system - iBond	25,704,760.28	21,077,863.01
Membership fees of data system - iRisk	798,520.55	1,218,520.55
Service fees - MTM	5,467,205.49	5,843,205.48
Total	35,170,486.32	30,641,018.04

11. DEFERRED ANNUAL FEE OF REGISTERED DEBT SECURITIES

Deferred annual fee of registered debt securities of :

	Baht	
	2022	2021
Deferred annual fee of registered debt securities	127,432,907.25	111,866,392.56
(Less) Current portion	(46,964,266.57)	(41,284,586.93)
Total deferred annual fee of registered debt securities - net	80,468,640.68	70,581,805.63

Deferred annual fee of registered debt securities will be recorded the income fee in the statement of income and expenditure according to the aging of the debt securities but not exceeding for 7 years.

12. OTHER CURRENT LIABILITIES

Other current liabilities consisted of:

	Baht	
	2022	2021
Withholding tax	8,655,438.85	6,414,610.24
Output tax - pending	1,414.29	16,281.48
Revenue department payable	1,648,996.76	1,326,404.46
Total	10,305,849.90	7,757,296.18

THE THAI BOND MARKET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2022

13. PROVISIONS FOR EMPLOYEE BENEFIT

The details of provisions for employee benefit for the year ended December 31, 2022 and 2021 are shown as follows:

	Baht	
	2022	2021
Provisions for employee benefit as at January 1,	23,999,314.11	19,288,073.15
(Gain) loss on remeasurement of defined employee benefits	-	2,182,862.14
Current service costs	2,257,832.22	1,905,374.06
Financial costs	550,722.70	623,004.76
<u>(Less) Employee benefit paid</u>	<u>(428,446.85)</u>	<u>-</u>
Provisions for employee benefit as at December 31,	<u>26,379,422.18</u>	<u>23,999,314.11</u>

The expenditure recognized in the statement of income and expenditure for the year ended December 31, 2022 and 2021 amounted to Baht 2,808,554.92 and Baht 4,711,240.96 respectively.

14. COMMITMENTS OF LEASE AGREEMENT

As at December 31, 2022 the Association has commitments of lease agreement as follows:-

The Thai Bond Market Association has entered into a memorandum of renewal the Office rental agreement on 10st Floor of Tonson Tower Building with BB TV EQUITY Co., Ltd. lease agreement dated February 28, 2022 period of 3 years from April 1, 2022 to March 31, 2025. The space rental fee, rental fee of building equipment and central service fees and charged in first year of Baht 6.86 million per annum, and Baht 7.45 million per year from the second and third year

The Thai Bond Market Association has entered into a memorandum of renewal the Operating Leases agreement with Q.C. Leasing Co.,Ltd. agreement dated May 19, 2022 period of 4 years from May 19, 2022 to May 18, 2026 Operating Leases and charged in the amount of Baht 0.76 million per annum.

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As at December 31, 2022, the Association has an obligation to pay the rental fee, building equipment rental fee and common service fee under such agreement and operating leases as follows:

Pay within	Amount (Million Baht)
Within 1 year	11.19
More than 1 year to 3 years	15.07
	26.26

15. AGREEMENTS OF PRIVATE FUND MANAGEMENT

- 15.1 The Association entered into a private fund management agreement with SCB Asset Management Company Limited on June 1, 2019. This agreement is effective from the date of the agreement to May 31, 2022. The term is 3 years and the agreement can be automatically extended by 1 year each. Such company has rights, duties and responsibilities in managing private funds as stipulated in the agreement and receives the fund management fees at the rate stipulated in the agreement. Subsequently, on July 15, 2021, the Association issued a letter to inform the closure of private funds under the held-to-maturity securities fund management agreement. The letter of notice of private fund reduction according to the available-for-sale securities fund management agreement is to transfer all the sold amount to the Association's bank account and accepting transfer of securities from One Asset Management Company Limited.
- 15.2 The Association entered into a private fund management agreement with One Asset Management Company Limited on May 24, 2019. This agreement is effective from June 1, 2019 to May 31, 2022. It is valid for 3 years and the term of the agreement is automatically renewed for 1 year each. Such company has rights, duties and responsibilities in managing private funds as stipulated in the agreement and receives the fund management fees at the rate stipulated in the agreement. Subsequently, on July 15, 2021, the Association issued a letter to inform the closure of the private fund by allowing all the proceeds from the sale to be deposited into the Association's bank account and transfer unsold securities to SCB Asset Management Company Limited.

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16. PROVIDENT FUND

The Association has established a provident fund for its employees. Such fund is monthly contributed by both the employees and the Association at the rates specified in the provident fund regulations.

The fund is managed by Krungsri Asset Management Co., Ltd.

During the year 2022 and 2021, Baht 6.70 million and Baht 6.92 million, respectively has been contributed to the fund by the Association.

17. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Board of Directors on March 16, 2023.