



Management Discussion and Analysis

For the three-month period ended March 31, 2023

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1. Key Highlights in Q1/2023

1.1 Promotional activities for NPA customers

BAM organized promotional activities for NPA customers, including the “BAM Sweet Sale for the Month of Love” campaign between February 1-28, 2023, and the “Hot Price Condos for All” campaign between March 10 - April 10, 2023. The Company also participated in the “43rd House and Condo Exhibition” at Queen Sirikit National Convention Center between March 23-26, 2023. For the activities, selected NPAs were put up for sale at special prices, and the free-transfer promotion was offered to customers who completed the transfer of ownership right within 30 days, along with a gift voucher. Additionally, there was an installment program for customers who had limited budget. Moreover, customers who made a purchase offer online at www.bam.co.th would receive a voucher while an offer made via e-commerce platforms such as Shopee, Lazada, Thailandpostmart would receive a discount code and a voucher.

1.2 Announcement of the dividend payment for the year 2022

On February 23, 2023, the Board of Directors deemed it appropriate to propose to the Annual General Meeting of Shareholders for the year 2023 to consider the dividend payment of the Company’s business operation of the year 2022 at the rate of Baht 0.55 per share (before any applicable withholding tax), totaling Baht 1,777,623,265.0, equivalent to 65.24 percent of the net profit after paying corporate income tax at a rate of 20 percent, which will be paid from the net profit. On April 24, 2023, the Annual General Meeting of Shareholders for the year 2023 approved the dividend payment as proposed and set the Record Date on May 3, 2023, and the actual payment on May 23, 2023.

1.3 Corporate credit rating

On March 31, 2023, TRIS Rating affirmed company and senior unsecured debt ratings on the Company at “A-” with “stable” outlook.

2. Sustainability Performance in Q1/2023

The Chief Executive Officer has set out the overall sustainability guideline for the Company stating that: “Sustainability is at the heart of BAM’s business operations. We must ensure that debtors are aware of their environmental, social and governance needs while the business operations of BAM and its stakeholders must also comply with this guideline. All of these processes will allow BAM to move towards sustainability.”

In 2023, the Company continues to develop its business processes in terms of economic, society and environment aspects to lead itself to sustainability and has operational goals in alignment with driving the business towards sustainability as follows:

- **Thailand Sustainability Investment (THSI) Project:** to uplift corporate governance and sustainability assessment of listed companies by the Stock Exchange of Thailand (SET) or THSI in 2023 to be at a level not lower than BBB and have a higher score than the previous year.
- **Care the Wild Project** is a project that the Stock Exchange of Thailand (SET) invites business partners such as the Royal Forest Department and various networks to join the project to cope with climate change and solve the global warming issue and build community engagement for people in the community to have more income and be able to rely on themselves. The Company has participated in this project. The goal is to plant 2,000 trees (10 rai), to measure carbon absorption 18,000 kg carbon per year. The Royal Forest Department is responsible for monitoring, supervising and evaluating the results throughout the 10-year project period.
- **Go Green Together Project:** The Company is committed to the goal of reducing greenhouse gas emissions and be a part of solving the problem of global warming through the projects as follows: 8R Project (Rethink, Recover, Repair, Refuse, Recycle, Reuse, Reduce, Regift) and Green Office. For instance, the Company held a Regift activity accepting donations of trophies and medals to be used as trophies and medals for needy youth, a Reuse activity with the Yuvabadhana Foundation to mobilize leftover items in good condition both first hand and second hand to be a scholarship for youth who lack opportunities, and BAM Happy Earth Hour Activity.
- **Human Rights Awards Project:** The Company is committed to promoting basic human rights in treating employees and all stakeholders with equality by having a preparation process to participate in the Human Rights Awards.

In addition, the Company continues to operate the HOME & HOPE project: residential development in honor of Her Majesty Queen Sirikit The Queen Mother as president, the 4th year, to help the poor or underprivileged in rural societies with deteriorating housing problems to have a stable, safe home and a sustainable good quality of life which is an important basis of life, and to solve the problem and reduce the economic inequality gap of people in society.

- **Good Governance Project** The Company is committed to efficient corporate governance and internal governance while creating a culture of ethical principles.

3. Management Discussion and Analysis for Q1/2023

In Q1/2023, the Company had total collection of Baht 3,230 million (93.2% of the quarter target), increasing by 2.2% yoy, divided into NPL collection of Baht 1,972 million which decreased by 2.5% yoy. The Company has expedited negotiations with debtors to increase the number of TDR debtors. In terms of NPA Collection, the Company collected Baht 1,258 million which increased by 10.4% yoy. The Company has used the pricing strategy and promotions to stimulate sales while the overall real estate market has not fully recovered (selling price is 90.6% of the appraisal value).

The amount of bad debt sold by financial institutions in 2023 is likely to increase and may be higher than that before the COVID-19 virus outbreak. In Q1/2023, financial institutions auctioned out bad debts with the principal balance of Baht 63,964 million. The Company won the auction with the principal balance of Baht 9,334 million at an acquisition cost of Baht 2,650 million and has under due diligence the principal balance of Baht 47,261 million.

The Company reported a net profit in Q1/2023 of Baht 267 million, decreasing by 14.5% yoy, as a result of an increase in total expenses and the recording of expected credit loss.

Increases in total expenses were mainly due to increased interest expenses on debentures issued which were to increase the debt structure with higher fixed interest rate, increased other operating expenses which were due to increased employee expenses based on salary increases and special allowance estimates (bonus), and increased appraisal expenses. In addition, in Q1/2023, the Company had expense to income ratio of 51.2% (as of 2022: 43.2%).

Although expected credit loss decreased yoy which was due to a decrease in interest income – part of accrued as the debtors' repayment ability remains at a good level, the Company recorded it from assessment of debt quality and annual model review of Baht 132 million, increasing 214.3% yoy.

3.1 Selected Financial Position Q1/2023

Significant items in Balance Sheet (for the three-month period ended March 31, 2023)

Assets

As of March 31, 2023, the Company has total assets of Baht 134,965 million, increasing by 1.6% from the year ended 2022.

- The Company has cash of Baht 81 million, decreasing by 5.2% from the year ended 2022, and interbank and money market items – deposits at financial institutions of Baht 6,852 million, increasing by 3.1% from the year ended 2022. This is from the issuance and offering of debentures for acquiring NPLs from financial institutions.
- The Company has loans purchased of receivables and accrued interest receivables – net of Baht 72,836 million, increasing by 0.6% from the year ended 2022. In 2023, the Company acquired NPLs (loans purchased of receivables) from financial institutions of Baht 2,650 million and did not acquire any NPAs (properties for sale) from financial institutions. (As of 2022, the Company acquired NPLs of Baht 8,079 million and NPAs of Baht 174 million)
- As of March 31, 2023, other assets, of Baht 141 million, decreased by 35.1% from the year ended 2022, mainly due to recording dividend receivables of Baht 95 million in Q4/2022. They are dividends from securities held by the Company. Such securities are not considered as investments in subsidiaries or associate companies.

Liabilities

As of March 31, 2023, the Company has total liabilities of Baht 90,821 million, increasing by 1.9% from the year ended 2022, and has the debt-equity ratio or D/E of 2.06 times.

- Most of the Company's liabilities are debts issued and borrowings which are significant sources of funds to acquire NPLs and NPAs. The details are as follows:
 1. Total notes payable of Baht 2,439 million increased by 3.3% and total borrowings of Baht 10,408 million increased by 2.2% from the year ended 2022. This is because of more investment in NPLs / NPAs' acquisition.
 2. Net debentures of Baht 73,010 million slightly changed compared to the year ended 2022. In addition, the Company has 4 debentures due in 2023 of Baht 9,950 million as follows:
 - Debenture No.1/2021, Series 2, amount issued Baht 1,000 million, maturity date April 9, 2023.
 - Debenture No.1/2020, Series 1, amount issued Baht 4,050 million, maturity date May 5, 2023.
 - Debenture No.2/2017, Series 3, amount issued Baht 3,800 million, maturity date September 8, 2023.
 - Debenture No.1/2016, Series 3, amount issued Baht 1,100 million, maturity date December 22, 2023.
- The Company has accrued expenses of Baht 118 million, decreasing by 65.3% from the year ended 2022, mainly due to recording bonus payment of the business performance for the year 2022.
- Financial institutions creditors for loan purchased of Baht 1,955 million increased by 305.7% from the year ended 2022. This was payable for the purchase of NPLs under the asset transfer agreement dated December 21, 2022, and March 27, 2023. The payment will be due within June 2023.
- Other liabilities of Baht 560 million increased by 49.2% from the year ended 2022, mainly due to an increase in deposit and marginal deposit from properties for sale which indicates an upward trend in sales.

Equity

As of March 31, 2023, the Company has total equity of Baht 44,143 million, increasing by 1.0% from the year ended 2022.

Interest Income –net

This table mainly presents items that have significant changes.

Unit: Baht in Million	Q 1/2023	Q 4/2022	qoq % Inc. (Dec.)	Q 1/2022	yoy % Inc. (Dec.)
Interest Income - net	1,452	1,825	(20.4)	1,531	(5.2)
Total Interest Income	2,145	2,519	(14.8)	2,151	(0.3)
Deposit at financial institutions	11	9	22.2	1	1,000.0
Loans purchased of receivables	2,114	2,494	(15.2)	2,128	(0.7)
- Part of amount received	706	776	(9.0)	493	43.2
- Part of accrued	842	746	12.9	1,020	(17.5)
- Gain on loans purchased of receivables	566	972	(41.8)	615	(8.0)
Installment sale receivables	33	30	10.0	30	10.0
Total interest expenses	693	694	(0.1)	620	11.8
Debt issued – debentures	615	603	2.0	514	19.6
Debt issued – promissory notes	17	23	(26.1)	25	(32.0)
Borrowings	61	68	(10.3)	81	(24.7)

- In Q1/2023, the Company has total interest income of Baht 1,452 million, decreasing by 20.4% qoq and 5.2% yoy, mainly due to
 - Interest income on loans purchased of receivables - part of amount received, Baht 706 million in Q1/2023, decreased by 9.0% qoq and increased by 43.2% yoy.
 - Interest income - part of accrued of Baht 842 million in Q1/2023 increased by 12.9% qoq and decreased by 17.5% yoy, In addition, the Company also recorded expected credit loss on the interest income on loan purchased of receivables – part of accrued in accordance with the Company’s performance.
 - Gain on loans purchased of receivables in Q1/2023 of Baht 566 million decreased by 41.8% qoq and 8.0% yoy. This is because the proportions of interest income from debtors’ payments had increased, so less profit was recognized.

- In Q1/2023, the Company has total interest expenses of Baht 693 million, decreasing by 0.1% qoq and increasing by 11.8% yoy. Debt issued – debentures of Baht 615 million increased by 19.6% yoy. Debt issued - promissory notes of Baht 17 million decreased by 32% yoy and borrowings of Baht 61 million decreased by 24.7% yoy, mainly due to the increase in the issuance and offering of debentures and rearrangement of liabilities structure according to cost of funds strategy under rising interest rates. As of March 31, 2023, the Company has fixed interest rate debt of 87.9% and floating interest rate debt of 12.1%. In addition, the Company has an average cost of funds is 3.22% (as of 2022: 3.19%).

Gain on sale of properties for sale and installment sale

For three-month period ended March 31, 2023, the Company has gain on sale of properties for sale (outright sale) of Baht 489 million, decreasing by 37.5% qoq and increasing by 19.0% yoy. In addition, The Company has gain on installment sale of Baht 35 million, decreasing by 32.7% qoq and 55.1% yoy. This is because the sales of properties for sale (outright sale) were higher than installment sales in this quarter.

Other operating income

In Q1/2023, the Company has other operating income of Baht 18 million, decreasing by 84.9% qoq, due to selling cars which are the Company's assets in Q4/2022, and increasing by 157.1 yoy, due to income returned from specific business tax of Baht 4 million and the forfeiture of the marginal deposit for the purchase of properties for sale of Baht 4 million.

Other Operating Expenses

Unit: Baht in Million	Q 1/2023	Q 4/2022	qoq % Inc. (Dec.)	Q 1/2022	yoy % Inc. (Dec.)
Other operating expenses	684	861	(20.6)	598	14.4
Employee expenses	385	484	(20.5)	328	17.4
Directors' remunerations	2	7	(71.4)	2	0.0
Premises and equipment expenses	41	48	(14.6)	42	(2.4)
Taxes and duties	132	161	(18.0)	121	9.1
Impairment loss on properties for sale (reversal)	(5)	25	(120.0)	11	(145.5)
Properties for sale expenses	40	53	(24.5)	53	(24.5)
Other expenses	88	82	7.3	41	114.6

- For three-month period ended March 31, 2023, the Company has other operating expenses of Baht 684 million, decreasing by 20.6% qoq and increasing by 14.4% yoy, mainly due to
 - Employee expenses of Baht 385 million is the main operating expense of the Company in Q1/2023, decreasing by 20.5% qoq and increasing 17.4% yoy. This is because recording bonus payment of the business performance. As of March 31, 2023, the Company has 1,294 employees (As of 2022: 1,285 employees).
 - In Q1/2023, the Company has recorded an additional impairment loss on properties for sale (reversal) of Baht (5) million, decreasing by 120.0% qoq and 145.5% yoy, mainly because of the revision of appraisal value and the sale of properties for sale of which there was the record of impairment loss on properties for sale.
 - In Q1/2023, the Company has properties for sale expenses of Baht 40 million, decreasing by 24.5% qoq and yoy, mainly due to the cost of handling chemical contamination on a property in 2022 of Baht 97 million.
 - In Q1/2023, the Company has other expenses of Baht 88 million, increasing by 7.3% qoq and 114.6% yoy, due to appraisal expenses.

Expected credit loss

For three-month period ended March 31, 2023, the Company recorded the expected credit loss of Baht 987 million, decreasing by 6.7% yoy, mainly because the Company had more collection and interest income on loans purchased of receivables - part of amount received, compared to the preceding year. The expected credit loss for "loans purchased of receivables" of Baht 974 million, divided into loans purchased of receivables - accrued interest receivables of Baht 842 million and additional debt quality and annual model adjustments of Baht 132 million.

3.2 Collection from NPLs and NPAs management businesses

The Company believes that for the NPLs and NPAs management business, collection is a key performance indicator which is applied by other operators in the same business and various investors. Collection is calculated based on key items and so does not include

all collection items from NPLs and NPAs management business. However, collection is not a standard indicator prescribed by TFRS, and so the methods of calculation may differ from methods of calculation used by other companies for similar items.

3.2.1 Collection Received from NPLs Management Business

The following table sets forth the collection received from NPLs management business for the year ended December 31, 2020, 2021, and 2022, and for the three-month period ended March 31, 2021, 2022, and 2023.

Collection received from NPLs management business	Year ended December 31,			Three-month period ended March 31,		
	2020	2021	2022	2021	2022	2023
	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)
Interest income from loans purchased ¹	5,887.9	6,047.2	6,076.7	1,487.8	1,512.4	1,547.6
Gain on loans purchased	3,835.4	3,322.1	3,702.8	594.3	614.4	566.3
Net repayment and adjusted entries	8,319.2	7,907.5	8,925.5	1,877.3	2,049.2	2,078.6
Total	18,042.5	17,276.8	18,705.0	3,959.4	4,176.0	4,192.5
Less the portion of accrued interest receivables and receivables repayment from the debtors by collateral ²	(12,245.0)	(11,234.1)	(12,274.3)	(2,958.6)	(2,983.7)	(3,150.3)
Collection from the debtors during the period³	5,797.5	6,042.7	6,430.7	1,000.8	1,192.3	1,042.2
Collection from the Legal Execution Department during the period ⁴	2,598.8	2,675.9	3,683.8	762.7	829.5	930.1
Total Collection from NPLs management business⁵	8,396.3	8,718.6	10,114.5	1,763.5	2,021.8	1,972.3

- Notes:
- ¹ In Notes to Financial Statements for the three-month period ended March 31, 2023, "interest income from loans purchased" are presented as two separate line items: (i) part of amount received and (ii) part of accrued receivables.
 - ² See "Critical Accounting Policies and Estimates- Recognition of interest income and gain on loans purchased"
 - ³ Collection from the debtors during the period is calculated from (i) gain on interest income of loans purchased; (ii) plus gain on loans purchased; (iii) plus net repayment and adjusted entries; and (iv) less the portion of accrued interest receivables and receivables repayment from the debtors by collateral.
 - ⁴ Collection from the Legal Execution Department is shown as a third-party purchaser won the auction of underlying collateral and the Company has a certainty in receiving and recognizing an income from auction sale.
 - ⁵ Collection from NPLs management business is calculated from the sum of (i) collection from the debtors during the period; and (ii) cash collected from the Legal Execution Department during the period. We believe that, for our NPLs management business, collection is a key performance indicator which is applied by other operators in the same business and various investors for the estimated collection of NPLs management business. Collection from NPLs management business reflects interest income from loans purchased, gain on loans purchased and net repayment and adjusted entries, and is calculated based on key items only, and so does not include collection items from the NPLs management business which we have recognized (such as collection from auction sale pending recognition, suspended account for debt repayment, check pending collection and suspended account for write-off). However, collection is not an indicator of actual cash flow of our NPLs management business nor a standard indicator prescribed by TFRS, and so our methods of calculation may differ from the methods of calculation used by other companies for similar items.

For three-month period ended March 31, 2023, the Company's collection received from NPLs management business was Baht 1,972.3 million which consisted of collection from the debtors during the period of Baht 1,042.2 million and collection from the Legal Execution Department of Baht 930.1 million.

3.2.2 Collection from NPAs Management Business

The following table sets forth the collection from the Company's NPAs management business for the year ended December 31, 2020, 2021, and 2022 and for the three-month period ended March 31, 2021, 2022, and 2023.

Collection received from NPAs management business	Year ended December 31,			Three-month period ended March 31,		
	2020	2021	2022	2021	2022	2023
	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)
Outright sales						
Gain on sale of properties for sale collected in cash	1,997.9	2,963.2	2,535.2	589.0	411.4	489.0
Decreased acquisition or transfer costs of properties for sale – net ¹	1,881.5	3,280.8	3,381.2	488.8	507.0	670.0
Total collection from sale of properties for sale-Outright sales	3,879.4	6,244.0	5,916.4	1,077.8	918.4	1,159.0
Installment sales						
Interest income	95.0	115.0	112.0	31.0	30.0	35.0
Collected debt repayment during the period (in terms of cost and gain)	724.0	917.0	688.6	86.3	187.9	54.8
Total collection from installment sales of properties for sale	819.0	1,032.0	800.6	117.3	217.9	89.8
Total collection received from NPAs Management business²	4,698.4	7,276.0	6,717.0	1,195.1	1,136.3	1,248.8

Notes: ¹ Decreased net acquisition or transfer costs of properties for sale is calculated from (i) the total decreased acquisition, transfer costs of properties for sale and adjustment and (ii) any reversal from revaluation of properties for sale sold during the periods.

² Collection from NPAs management business is calculated from (i) cash collected from outright sales; (ii) plus cash collected from installment sales. We believe that, for our NPAs management business, cash collection is a key performance indicator which is applied by other operators in the same business and various investors for the estimated cash flow from NPAs management business. Collection from NPAs management business is calculated based on key items only, and so does not include all collection from the NPAs management business, such as (i) dividends from our investment in securities; (ii) rent; (iii) gain from foreclosures of installment sales and (iv) other income from the breach of agreements, including asset sale agreements. However, this collection is not an indicator of actual cash flow of our NPAs management business nor a standard indicator prescribed by TFRS, and so our methods of calculation may differ from methods of calculation used by other companies for similar items.

For three-month period ended March 31, 2023, the Company's collection received from NPAs management business is Baht 1,248.8 million which consisted of Baht 1,159.0 million from outright sales and Baht 89.8 million from installment sales, and the Company's other incomes, such as rents and forfeited money of Baht 8.4 million, totaling Baht 1,257.2 million.

3.3 Vintage Analysis

The company maintains a portfolio of loans purchased and properties for sale acquired at various points in time.

3.3.1 Loans purchased and foreclosed collateral properties

The following table sets forth certain details regarding the appraisal value and outstanding balance of our loans purchased and properties for sale that had been converted from collateral (“Foreclosed Collateral Properties”) as of March 31, 2023:

Time since acquisition	Less than	From 1 – less than 2	From 2 – less	From 3 – less	From 4 – less	From 5 – less	From 6 – less	From 7 – less	From 8 – less	From 9 – less	From 10 years	Total
	1 year	years	than 3 years	than 4 years	than 5 years	than 6 years	than 7 years	than 8 years	than 9 years	than 10 years	and above	
(Baht in million, except for ratios)												
Loans purchased:												
Outstanding balance	9,245.3	4,160.3	5,101.0	10,540.6	7,297.0	5,949.0	6,664.7	6,046.7	6,339.0	2,826.9	17,238.6	81,409.1
Appraisal value ¹	18,946.3	8,226.2	12,547.6	18,895.9	13,638.9	13,607.0	12,386.8	12,949.0	12,436.2	6,430.6	49,035.7	179,100.2
Appraisal value/												
Outstanding balance (x)	2.0	2.0	2.5	1.8	1.9	2.3	1.9	2.1	2.0	2.3	2.8	2.2
Foreclosed collateral properties: (Time since transferred to NPAs)												
Outstanding balance ²	5,970.2	4,345.1	3,812.7	3,723.0	2,931.7	2,195.0	1,418.5	844.3	1,235.3	670.9	1,752.0	28,898.7
Appraisal value	10,554.8	7,888.6	7,072.1	7,422.8	5,928.9	4,390.3	3,061.4	1,939.9	2,209.1	777.7	4,521.4	55,767.2
Appraisal value/												
Outstanding balance (x)	1.8	1.8	1.9	2.0	2.0	2.0	2.2	2.3	1.8	1.2	2.6	1.9

Notes: ¹ Collateral value calculated based on the appraised price in accordance with the latest resolution of the committee on the appraise price (notwithstanding that some of the appraisal price may have been appraised not less than 3 years ago) and if collateral has been auctioned and bids have already been received, based on the bid price less estimated expenses. The collateral value is based on appraisal price before taking into account the accrued debt obligation and the mortgage value.

² The actual cost of acquiring the assets before revaluation of properties for sale.

The appraisal value of loans purchased and foreclosed collateral properties is approximately 2.2 and 1.9 times the outstanding balance across different vintages. The Company is diligent in the collection and seeks to maintain levels of collection from both distressed assets and properties for sale. For assets acquired as distressed debt, a portion of the collection is primarily collected through the debt restructuring and sale of properties (both outright and installment sales).

The following table sets forth certain details regarding the company's collection and acquisition cost for portfolios of loans purchased and foreclosed collateral properties with various holding periods as of March 31, 2023:

Time since acquisition	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	Total
<i>(Baht in million, except for ratios)</i>												
Loans purchased and foreclosed collateral properties												
Total collection.....	519.6	1,780.5	3,139.6	7,334.7	6,448.6	7,686.1	8,010.3	9,412.3	9,776.7	7,655.0	184,188.0	245,951.3
Distressed debt asset collection.....	217.3	446.4	1,058.3	3,517.4	3,376.4	4,506.8	5,135.3	6,689.1	6,753.0	6,274.7	149,544.7	187,519.4
Foreclosed collateral properties collection.....	302.3	1,334.0	2,081.3	3,817.3	3,072.12	3,179.3	2,875.0	2,723.3	3,023.7	1,380.3	34,643.3	58,431.9
Acquisition cost.....	9,422.6	4,678.0	6,040.8	14,204.1	11,566.4	11,438.6	13,260.6	14,109.3	14,825.8	10,005.8	138,854.7	248,406.5
Collection/ Acquisition cost (%).....	5.5	38.1	52.0	51.6	55.8	67.2	60.4	66.7	65.9	76.5	132.6	99.0

Collection tends to gradually increase within the first 2-3 years of an asset's acquisition as we carry out preparation, negotiation and restructuring activities, and then accelerates in the recovery period. As of March 31, 2023, total collection for assets acquired from 2 - less than 3 years is 52.0% which is lower than the total collection for assets acquired over 10 years ago of 132.6%

From the portfolios of loans purchase that the Company have acquired in the 1 to 2 years prior to March 31, 2023 of Baht 1,780.4 million (of which Baht 446.4 million was from distressed debt assets and Baht 1,334.0 million was from foreclosed collateral properties) and had a total balance of Baht 8,505.4 million of loans purchased which we had acquired within one to two years before (of which Baht 4,160.3 million is from distressed debt assets and Baht 4,345.1 million is from foreclosed collateral properties), with a total appraisal value of Baht 16,114.8 million (of which Baht 8,226.2 million from distressed assets and Baht 7,888.6 million from foreclosed collateral properties).

3.3.2 Directly Acquired Properties for sale

The following table sets forth certain details regarding the appraisal value and outstanding balance of properties for sale acquired directly (“Directly Acquired Properties for Sale”) as of March 31, 2023.

Time since acquisition	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	Total
Directly Acquired Properties for sale:	<i>(Baht in million, except for ratios)</i>											
Outstanding balance.....	173.1	5.5	45.1	1,139.0	851.7	130.1	180.9	87.3	7.0	42.4	2,013.5	4,675.6
Appraisal value.....	378.1	9.8	110.2	2,350.9	1,548.1	295.3	386.7	161.0	13.2	205.6	7,488.1	12,946.9
Appraisal value/ outstanding balance (x)	2.2	1.8	2.4	2.1	1.8	2.3	2.1	1.8	1.9	4.9	3.7	2.8

As of March 31, 2023, the total appraised value of the assets is 2.8x of the total outstanding balance of Directly Acquired Properties for sale.

The following table sets forth certain details regarding the Company’s collection and acquisition cost of the portfolios of Directly Acquired Properties for sale with various holding periods as of March 31, 2023:

Time since acquisition	Less than 1 year	From 1 – less than 2 years	From 2 – less than 3 years	From 3 – less than 4 years	From 4 – less than 5 years	From 5 – less than 6 years	From 6 – less than 7 years	From 7 – less than 8 years	From 8 – less than 9 years	From 9 – less than 10 years	From 10 years and above	Total
Direct properties for sale:	<i>(Baht in million, except for ratios)</i>											
Collection.....	0.0	0.0	25.1	776.7	214.0	179.2	823.8	114.3	13.7	816.5	45,295.2	48,258.5
Acquisition cost.....	174.0	6.0	62.6	1,861.6	1,198.0	243.0	695.8	168.5	16.3	302.6	23,055.0	27,783.4
Collection/acquisition cost (%)	0.00	0.00	40.2	41.7	17.9	73.7	118.4	67.9	83.9	269.9	196.5	173.7

As of March 31, 2023, collection for Directly Acquired Properties for sale is 40.2% of the acquisition cost of assets acquired from 2 – less than 3 years as compared with 196.5% of that of assets acquired more than 10 years.

We had collected Baht 25.1 million from the properties for sale that we directly acquired 2 to 3 years prior to March 31, 2023. The Company had total outstanding balance of Baht 45.1 million and total appraisal value of Baht 110.2 million.

3.4 NPLs Concentration by Portfolio

The following table sets forth information regarding our individual debtors with the 10 largest remaining acquisition costs of NPLs as of the dates indicated.

Major Debtors ¹	Year ended December 31,			Three-month period ended
	2020	2021	2022	March 31,
	Baht (Million)	Baht (Million)	Baht (Million)	Baht (Million)
Debtor 1	3,035	3,035	3,035	3,035
Debtor 2	589	589	589	589
Debtor 3	558	558	558	558
Debtor 4	389	389	389	389
Debtor 5	334	334	323	324
Debtor 6	324	323	291	291
Debtor 7	290	290	287	288
Debtor 8	287	287	260	260
Debtor 9	261	261	223	255
Debtor 10	224	224	204	224
Sub-total	6,291	6,291	6,160	6,212
Total NPLs	77,726	73,406	72,384	72,836

Notes: ¹ Represents our top 10 debtors by remaining acquisition of NPLs as of the dates indicated. Our top 10 debtors may vary from year to year.

3.5 NPAs Concentration by Region and by Type

Our NPAs are located throughout Thailand. As of March 31, 2023, 38.5% of net value of our NPAs are located in Bangkok and its vicinity and 56.1% of net value of our NPAs are residential properties.

The following table sets forth certain details of our NPAs by region as of the date indicated.

	As of December 31,			As of March 31,
	2020	2021	2022	2023
	Net value	Net value	Net value	Net value
Value of NPAs by Geography of Real estate	<i>(Baht in million)</i>			
Immovable assets				
Bangkok and its vicinity	12,255	11,976	12,225	12,705
Central and Eastern Thailand	6,582	6,893	7,532	7,712
Northern Thailand	3,742	4,089	4,360	4,424
Northeast Thailand	2,698	3,034	3,553	3,693
Southern Thailand	2,587	3,450	4,245	4,395
Moveable assets	214	224	111	109
Total	28,078	29,666	32,026	33,038

The following table sets forth a breakdown of the value of our NPAs by type as of the date indicated

	As of December 31,			As of March 31,
	2020	2021	2022	2023
	Net value	Net value	Net value	Net value
Value of NPAs by Type of Real estate	<i>(Baht in million)</i>			
Immovable assets				
Vacant land	6,023	5,415	5,168	5,123
Hotels	591	697	636	698
Commercial properties	7,186	7,720	8,362	8,585
Residential properties	14,065	15,610	17,749	18,523
Moveable assets	214	224	111	109
Total	28,078	29,666	32,026	33,038

As of March 31, 2023, the Company has net NPAs value of Baht 33,038 million and the appraisal NPAs value of Baht 68,714 million (of which Baht 68,558 million for immovable assets and Baht 156 million for movable assets).