

CIMB THAI BANK PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

30 JUNE 2020

Independent Auditor's Report

To the shareholders of CIMB Thai Bank Public Company Limited

My opinion

In my opinion, the interim consolidated financial statements and the interim separate financial statements present fairly, in all material respects, the interim consolidated financial position of CIMB Thai Bank Public Company Limited (the Bank) and its subsidiaries (the Group) and the interim separate financial position of the Bank as at 30 June 2020, and its interim consolidated and separate financial performance and its interim consolidated and separate cash flows for the six-month period then ended in accordance with Thai Financial Reporting Standards (TFRS) and the Bank of Thailand notifications in relation to the preparation and presentation of financial reporting as described in the notes to the interim consolidated and separate financial statements no. 2 and no. 3.

What I have audited

The interim consolidated financial statements and the interim separate financial statements comprise:

- the interim consolidated and separate statements of financial position as at 30 June 2020;
- the interim consolidated and separate statements of comprehensive income for the six-month period then ended;
- the interim consolidated and separate statements of changes in equity for the six-month period then ended;
- the interim consolidated and separate statements of cash flows for the six-month period then ended; and
- the interim notes to the consolidated and separate financial statements, which include a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the interim consolidated and separate financial statements section of my report. I am independent of the Group and the Bank in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the interim consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the interim consolidated and separate financial statements of the current period. I determine one key audit matter: Allowances for expected credit losses on loans to customers, loan commitments and financial guarantee contracts. The matter was addressed in the context of my audit of the interim consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><i>Allowances for expected credit losses on loans to customers, loan commitments and financial guarantee contracts</i></p> <p>Refer to Notes to the interim consolidated and separate financial statements no. 3.3.1 for financial reporting standards related to financial instruments, no. 12 for disclosures relating to loans to customers, and no. 25 for disclosures relating to provisions.</p> <p>Loans to customers are a significant item constituting 56.52% of total assets. As at 30 June 2020 the total loans portfolio of the Group comprises of loans of commercial banking business which constitutes 82.23%, and hire-purchase receivables generated from the operations of the Group's subsidiaries 17.77%. Management made complex estimate on the allowances for expected credit losses on certain loans, portfolio of loans to customers, loan commitments and financial guarantee contracts by applying both quantitative data and qualitative factors which are complex, so I focused on this area.</p> <p>In addition, the allowances for expected credit loss ("ECL") under TFRS 9 "Financial Instruments" require the use of complex models and significant assumptions about future economic conditions and ability to pay.</p> <p>The significant judgements in applying the accounting requirements for measuring ECL include the following:</p> <ul style="list-style-type: none"> - Building the appropriate collective assessment models used to calculate ECL. The models are inherently complex, and judgement is applied in determining the appropriate model construct; - Identifying loans to customers that have experienced a significant increase in credit risk; - Assumptions used in the ECL models such as expected future cash flows, forward-looking macroeconomic factors, probability weighted scenarios and management overlay during the COVID-19 pandemic; and - Assumptions used for the significant exposure on individual assessment approach such as expected future cash flows and the appraisal value of collaterals. 	<p>I evaluated the design and implementation of controls, and tested the operating effectiveness of key controls over input data and the calculation of allowances for expected credit losses in the system as follows:</p> <ul style="list-style-type: none"> - I tested management's controls over data accuracy, assessed the application of appropriate methodologies and appropriateness of systems, processes and internal controls in assessing the reliability of results for setting up allowances for expected credit losses. - I tested the key controls (both automated and manual). I involved my information technology specialists to test access controls to the system and controls over the computation of allowances for expected credit losses, including the accuracy of customers' account balances used in the computation. I also tested controls over accuracy of data input into the system that used to determine the allowances for expected credit losses, collateral amounts and data transfer. - I tested governance controls for the ECL model development and refinements, including model approval, monitoring and validation. - I tested management's controls over the review and approval of setting up allowances for expected credit losses by reading minutes of key committee meetings such as the audit committee, risk committee, management committees and Board of Directors of the Group. <p>I didn't find any exception from my testing, with the result that I relied on controls of the Group in my audit. In addition, I also performed the following further procedures.</p> <ul style="list-style-type: none"> - Where allowances for expected credit losses were individually calculated, I assessed their adequacy of allowances for expected credit losses by challenging the basic of cash flow projections prepared by management and assessed the appropriateness of projections by examining them against the relevant supporting evidence. I had a detailed discussion with management on the future cash flows expected from customers. I also used professional judgement and external evidence, if any, to assess those projections, and re-performed the calculations of the discounted cash flows.

Key audit matter	How my audit addressed the key audit matter
<p>Besides, management applied additional aid measures for debtors during the COVID-19 pandemic by changing repayment conditions such as extending the repayment period, reducing interest rate or debt restructuring as appropriate and keeping debtors in the same stage following the Bank of Thailand COVID-19 relief program which affects to the stage classification and allowances for ECL.</p>	<ul style="list-style-type: none"> - I involved our financial risk modelling experts and information technology specialists in areas such as testing the appropriateness of the ECL models and data reliability. Assessed and tested the methodologies, as well as the significant modelling assumptions inherent within the ECL models applied against the requirements of TFRS 9. I also considered appropriateness of forward-looking forecasts assumptions. - I examined a sample of loans to customers and formed my judgement on whether there was a significant increase in credit risk or any objective evidence of impairment. I independently performed a credit analysis where I selected loans based on risk exposures. I tested the internal credit rating of those loans with the Bank's internal credit rating policy. - I checked the accuracy and completeness of data for the stage classification following the Bank of Thailand's COVID-19 relief programme, the calculation of the ECL amount, on a sample basis and performed reconciliations of allowances for expected credit losses between the loans source systems to the general ledger. - For collateral valuations performed by the professional valuers, I checked their qualifications. Then, I sampled those valuations to check that management used the latest valuations in the computation of allowances for expected credit losses. I assessed the appropriateness of the valuation methodologies by considering that the valuers used the methodology allowed by the regulators. I also checked the accuracy of the collateral value in the ECL models. - I tested management's review and approval process for management overlay. I assessed the appropriateness of management overlay by using my banking industry experience and knowledge, in the light of current economic conditions. <p>Based on the work I performed, I didn't find any material differences from allowances for expected credit losses which had been identified by management.</p>

Emphasis of matter

I draw attention to note 2 and 3 of the interim consolidated and separate financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter.

Responsibilities of the directors for the interim consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the interim consolidated and separate financial statements in accordance with TFRSs and the Bank of Thailand notifications, and for such internal control as the directors determine is necessary to enable the preparation of interim consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the interim consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the interim consolidated and separate 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 TSAs 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 interim consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the interim consolidated and separate 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 the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the interim consolidated and separate 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 the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the interim consolidated and separate financial statements, including the disclosures, and whether the interim consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the interim consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the interim consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe the matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Review report

I have reviewed the interim consolidated and separate statements of comprehensive income for the three-month period ended 30 June 2020 of CIMB Thai Bank Public Company Limited and its subsidiaries, and of CIMB Thai Bank Public Company Limited, respectively. Management is responsible for the preparation and presentation of the interim consolidated and separate statements of comprehensive income in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" and the Bank of Thailand notifications in relation to the preparation and presentation of financial reporting. My responsibility is to express a conclusion on the interim consolidated and separate statements of comprehensive income based on my review.

Scope of review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the interim consolidated and separate statements of comprehensive income for the three-month period ended 30 June 2020 are not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" and the Bank of Thailand notifications in relation to the preparation and presentation of financial reporting.

PricewaterhouseCoopers ABAS Ltd.

Boonlert Kamolchanokkul

Certified Public Accountant (Thailand) No. 5339

Bangkok

26 August 2020

	Notes	Consolidated			Separate		
		(Restated)		(Restated)	(Restated)		(Restated)
		30 June	31 December	1 January	30 June	31 December	1 January
		2020	2019	2019	2020	2019	2019
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Cash		1,153,672,018	1,351,567,764	1,749,088,328	1,152,228,705	1,350,614,011	1,745,984,494
Interbank and money market items, net	7	5,550,946,562	6,421,713,044	6,790,160,122	5,372,478,390	6,205,670,653	6,684,224,569
Financial assets measured at fair value through profit or loss	8	35,954,828,303	-	-	35,954,828,303	-	-
Derivative assets	9	55,885,111,178	43,459,245,755	23,395,513,202	55,885,111,178	43,459,245,755	23,395,513,202
Investments, net	10	60,033,131,061	86,798,230,526	92,172,323,106	60,031,131,061	86,796,230,526	92,172,323,107
Investments in subsidiaries, net	11	-	-	-	2,933,315,115	2,208,315,115	2,208,315,115
Loans and accrued interest receivables, net	12, 13, 14	233,362,196,868	232,025,109,288	217,667,030,649	228,898,911,932	224,522,047,873	211,061,910,374
Customers' liability under acceptance		-	83,360,105	77,698,965	-	83,360,105	77,698,965
Properties for sale, net	15	1,058,634,618	1,123,900,062	1,016,509,206	895,177,343	894,230,172	831,149,160
Premises and equipment, net	16	3,387,771,023	3,428,635,255	3,536,093,184	3,294,382,021	3,339,032,032	3,471,101,060
Right of use assets, net	17	272,638,411	-	-	204,982,553	-	-
Intangible assets, net	18	1,150,680,009	1,061,691,787	488,639,652	1,096,967,806	1,015,531,376	480,958,226
Deferred tax assets	19	545,570,109	693,659,148	1,043,963,387	-	219,181,210	589,374,978
Credit support assets on derivatives		12,910,353,074	14,967,549,671	6,052,943,866	12,910,353,074	14,967,549,671	6,052,943,866
Other assets, net	20	1,637,607,513	2,258,703,848	3,077,857,230	1,431,616,901	1,843,161,859	2,825,287,492
Total assets		412,903,140,747	393,673,366,253	357,067,820,897	410,061,484,382	386,904,170,358	351,596,784,608

Director _____ Director _____

	Notes	Consolidated			Separate		
			(Restated)	(Restated)		(Restated)	(Restated)
		30 June	31 December	1 January	30 June	31 December	1 January
		2020	2019	2019	2020	2019	2019
		Baht	Baht	Baht	Baht	Baht	Baht
Liabilities and equity							
Liabilities							
Deposits	21	199,465,833,019	199,034,749,069	185,100,505,109	199,805,169,421	199,132,082,337	185,215,037,339
Interbank and money market items	22	49,062,262,641	43,393,672,214	44,533,942,327	49,062,262,641	43,393,672,214	44,533,942,327
Liability payable on demand		366,820,980	268,816,305	378,991,448	366,820,980	268,816,305	378,991,448
Financial liabilities measured at fair value							
through profit or loss	23	28,321,340,560	24,422,519,906	35,512,717,532	28,321,340,560	24,422,519,906	35,512,717,532
Derivative liabilities	9	53,388,648,103	44,659,756,168	24,318,002,735	53,388,648,103	44,659,756,168	24,318,002,735
Debt issued and borrowings	24	23,928,208,728	25,818,667,017	18,968,347,710	23,928,208,728	23,818,667,017	16,968,347,710
Bank's liability under acceptance		-	83,360,105	77,698,965	-	83,360,105	77,698,965
Lease liabilities		274,339,293	-	-	206,473,703	-	-
Provisions	25	2,559,908,445	2,298,834,098	1,987,605,894	2,398,692,650	2,140,697,917	1,892,940,782
Deferred tax liabilities	19	17,703,993	-	-	10,074,359	-	-
Credit support liabilities on derivatives		10,459,590,607	9,158,264,057	3,910,494,022	10,459,590,607	9,158,264,057	3,910,494,022
Other liabilities	26	3,389,242,441	4,102,518,536	3,962,352,358	2,848,771,633	3,001,524,762	3,012,897,170
Total liabilities		371,233,898,810	353,241,157,475	318,750,658,100	370,796,053,385	350,079,360,788	315,821,070,030
Equity							
Share capital	28						
Registered							
34,822,261,748 ordinary shares							
of Baht 0.50 each		17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874
Issued and paid-up share capital							
34,822,261,748 ordinary shares							
of Baht 0.50 each		17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874	17,411,130,874
Premium on share capital		10,145,965,854	10,145,965,854	10,145,965,854	10,145,965,854	10,145,965,854	10,145,965,854
Other reserves		1,607,668,617	1,468,042,132	1,400,797,437	1,652,201,152	1,512,574,667	1,422,487,528
Accretion of equity interests in subsidiary		(42,753,751)	(42,753,751)	(42,753,751)	-	-	-
Retained earnings							
Appropriated - statutory reserve	30	424,900,000	403,980,000	403,600,000	424,900,000	403,980,000	403,600,000
Unappropriated		12,122,330,343	11,045,843,669	8,998,422,383	9,631,233,117	7,351,158,175	6,392,530,322
Total equity		41,669,241,937	40,432,208,778	38,317,162,797	39,265,430,997	36,824,809,570	35,775,714,578
Total liabilities and equity		412,903,140,747	393,673,366,253	357,067,820,897	410,061,484,382	386,904,170,358	351,596,784,608

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2020

	Notes	Consolidated		Separate	
		(Restated)		(Restated)	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income	34	3,992,999,998	4,271,716,878	2,898,579,032	3,438,127,416
Interest expenses	35	(1,068,978,851)	(1,407,978,936)	(1,064,088,099)	(1,396,109,049)
Net interest income		2,924,021,147	2,863,737,942	1,834,490,933	2,042,018,367
Fees and service income		385,542,195	553,849,059	298,565,011	326,600,001
Fees and service expenses		(91,109,922)	(87,579,490)	(88,081,503)	(83,941,014)
Net fees and service income	36	294,432,273	466,269,569	210,483,508	242,658,987
Gains (losses) on financial instruments measured at fair value through profit or loss	37	80,641,416	(38,690,244)	80,641,416	(38,690,244)
Gains on investments	38	69,284,562	106,803,893	69,284,562	106,803,893
Gains on sale of non-performing loans		-	2,915,188	-	-
Other operating income	39	318,059,468	139,906,693	954,350,859	37,478,560
Total operating income		3,686,438,866	3,540,943,041	3,149,251,278	2,390,269,563
Other operating expenses					
Employee expenses		1,227,732,024	1,368,264,841	1,033,191,229	1,182,796,329
Directors' remuneration		2,786,700	2,853,400	2,712,900	2,773,400
Premises and equipment expenses		210,011,931	295,162,479	162,787,654	255,950,860
Taxes and duties		73,092,361	106,365,463	69,736,798	98,020,515
Others		738,481,460	639,266,188	396,117,019	288,729,995
Total other operating expenses		2,252,104,476	2,411,912,371	1,664,545,600	1,828,271,099
Expected credit losses	40	1,025,995,246	-	213,075,202	-
Bad and doubtful debts	41	-	751,692,783	-	385,949,184
Profit before income tax expenses		408,339,144	377,337,887	1,271,630,476	176,049,280
Income tax expenses	42	(102,299,612)	(176,573,115)	(130,037,764)	(140,101,775)
Net profit for the period		306,039,532	200,764,772	1,141,592,712	35,947,505

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2020

	Consolidated		Separate	
		(Restated)		(Restated)
Note	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Other comprehensive income				
Items that will be reclassified				
subsequently to profit or loss				
Gains on remeasuring				
available-for-sale investments	-	205,143,696	-	205,143,696
Gains on investments in debt instruments				
measured at fair value through other				
comprehensive income	93,648,231	-	93,648,231	-
Losses on fair value of hedging instruments for				
cash flow hedges	(52,706,746)	(10,079,209)	(52,706,746)	(10,079,209)
Losses arising from translating				
the financial statement of a foreign operation	(9,270,549)	(6,850,656)	(9,270,549)	(6,850,656)
Income tax relating to items that will be				
reclassified subsequently to profit or loss	(8,172,614)	(29,731,232)	(8,172,614)	(29,731,232)
Total items that will be reclassified				
subsequently to profit or loss	23,498,322	158,482,599	23,498,322	158,482,599
Items that will not be reclassified				
subsequently to profit or loss				
Gains on investment in equity instruments				
designated at fair value through other				
comprehensive income	(499,716)	-	(499,716)	-
Gainss on financial liabilities designated at				
fair value relating to own credit risk	143,589,430	-	143,589,430	-
Income tax relating to items that will not be				
reclassified subsequently to profit or loss	(7,787)	-	(7,787)	-
Total items that will not be reclassified				
subsequently to profit or loss	143,081,927	-	143,081,927	-
Total other comprehensive income	166,580,249	158,482,599	166,580,249	158,482,599
Total comprehensive income				
for the period	472,619,781	359,247,371	1,308,172,961	194,430,104

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2020

	Note	Consolidated		Separate	
		(Restated)		(Restated)	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Net profit attributable to:					
Shareholders of the Bank		306,039,532	200,764,772	1,141,592,712	35,947,505
Non-controlling interests		-	-	-	-
		<u>306,039,532</u>	<u>200,764,772</u>	<u>1,141,592,712</u>	<u>35,947,505</u>
Total comprehensive income attributable to:					
Shareholders of the Bank		472,619,781	359,247,371	1,308,172,961	194,430,104
Non-controlling interests		-	-	-	-
		<u>472,619,781</u>	<u>359,247,371</u>	<u>1,308,172,961</u>	<u>194,430,104</u>
Earnings per share for profit attributable to the shareholders of the Bank	44				
Basic earnings per share (Baht per share)		<u>0.01</u>	<u>0.01</u>	<u>0.03</u>	<u>0.00</u>
Weighted average number of ordinary shares (shares)		<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>34,822,261,748</u>

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income
For the six-month period ended 30 June 2020

	Notes	Consolidated		Separate	
		(Restated)		(Restated)	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Interest income	34	8,057,855,140	8,477,801,029	6,004,724,301	6,848,425,969
Interest expenses	35	(2,303,413,649)	(2,781,987,089)	(2,286,212,390)	(2,758,188,349)
Net interest income		5,754,441,491	5,695,813,940	3,718,511,911	4,090,237,620
Fees and service income		874,836,911	1,090,611,772	600,020,879	646,963,528
Fees and service expenses		(182,410,008)	(171,731,762)	(174,747,713)	(163,660,672)
Net fees and service income	36	692,426,903	918,880,010	425,273,166	483,302,856
Gains (losses) on financial instruments measured at fair value through profit or loss	37	626,769,902	(40,993,677)	626,769,902	(40,993,677)
Gains on investments	38	215,138,009	149,148,878	215,138,009	149,148,878
Gains on sale of non-performing loans		-	172,362,039	-	-
Other operating income	39	639,586,508	276,551,855	1,170,035,899	66,584,960
Total operating income		7,928,362,813	7,171,763,045	6,155,728,887	4,748,280,637
Other operating expenses					
Employee expenses		2,421,883,099	2,578,242,052	2,036,670,437	2,225,017,132
Directors' remuneration		5,744,200	5,994,000	5,599,600	5,830,000
Premises and equipment expenses		429,419,510	602,235,161	340,711,156	524,178,845
Taxes and duties		178,503,455	216,237,381	165,799,416	198,956,131
Others		1,677,684,951	1,052,285,354	794,165,332	365,095,244
Total other operating expenses		4,713,235,215	4,454,993,948	3,342,945,941	3,319,077,352
Expected credit losses	40	1,642,150,658	-	372,640,285	-
Bad and doubtful debts	41	-	1,757,960,168	-	990,262,718
Profit before income tax expenses		1,572,976,940	958,808,929	2,440,142,661	438,940,567
Income tax expenses	42	(187,103,232)	(315,956,053)	(214,853,389)	(218,593,822)
Net profit for the period		1,385,873,708	642,852,876	2,225,289,272	220,346,745

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the six-month period ended 30 June 2020

	Note	Consolidated		Separate	
		(Restated)		(Restated)	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gains on remeasuring available-for-sale investments		-	315,423,174	-	315,423,174
Gains on investments in debt instruments measured at fair value through other comprehensive income		112,021,572	-	112,021,572	-
Gains (losses) on fair value of hedging instruments for cash flow hedges		327,693,885	(3,619,052)	327,693,885	(3,619,052)
Gains (losses) arising from translating the financial statement of a foreign operation		1,305,073	(10,601,761)	1,305,073	(10,601,761)
Income tax relating to items that will be reclassified subsequently to profit or loss		(87,910,204)	(31,023,264)	(87,910,204)	(31,023,264)
Total items that will be reclassified subsequently to profit or loss		353,110,326	270,179,097	353,110,326	270,179,097
Items that will not be reclassified subsequently to profit or loss					
Losses on investment in equity instruments designated at fair value through other comprehensive income		(5,635,188)	-	(5,635,188)	-
Gains on financial liabilities designated at fair value relating to own credit risk		9,793,355	-	9,793,355	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		(1,791,687)	-	(1,791,687)	-
Total items that will not be reclassified subsequently to profit or loss		2,366,480	-	2,366,480	-
Total other comprehensive income		355,476,806	270,179,097	355,476,806	270,179,097
Total comprehensive income for the period		1,741,350,514	913,031,973	2,580,766,078	490,525,842

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the six-month period ended 30 June 2020

	Note	Consolidated		Separate	
		(Restated)		(Restated)	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Net profit attributable to:					
Shareholders of the Bank		1,385,873,708	642,852,876	2,225,289,272	220,346,745
Non-controlling interests		-	-	-	-
		<u>1,385,873,708</u>	<u>642,852,876</u>	<u>2,225,289,272</u>	<u>220,346,745</u>
Total comprehensive income attributable to:					
Shareholders of the Bank		1,741,350,514	913,031,973	2,580,766,078	490,525,842
Non-controlling interests		-	-	-	-
		<u>1,741,350,514</u>	<u>913,031,973</u>	<u>2,580,766,078</u>	<u>490,525,842</u>
Earnings per share for profit attributable to the shareholders of the Bank	44				
Basic earnings per share (Baht per share)		<u>0.04</u>	<u>0.02</u>	<u>0.06</u>	<u>0.01</u>
Weighted average number of ordinary shares (shares)		<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>34,822,261,748</u>	<u>34,822,261,748</u>

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of changes in equity
For the six-month period ended 30 June 2020

Consolidated																
Attributable to owners of the Bank																
Other reserves																
Notes	Issued and paid-up share capital	Share premium	Revaluation surplus on assets	Revaluation surplus (deficit) on change in value of investments	Gains on investments in debt instruments measured at fair value through other comprehensive income	Gains (losses) on fair value of hedging instruments for cash flow hedges	(Losses) gains arising from translating the financial statement of a foreign operation	Losses (gains) on investment in equity instruments designated at fair value through other comprehensive income	Gains on financial liabilities designated at fair value relating to own credit risk	Remeasurements of post-employment benefit obligations	Income tax relating to components of other comprehensive (expense) income	Total other reserves	Accretion of equity interests in subsidiary	Legal reserve	Retained earnings	Total Equity
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2020	17,411,130,874	10,145,965,854	1,934,638,711	312,929,615	-	27,321,227	(16,536,925)	-	-	(361,163,810)	(429,146,686)	1,468,042,132	(42,753,751)	403,980,000	11,045,843,669	40,432,208,778
Impact of the adoption of TFRS9																
Financial instruments	3	-	-	-	(312,929,615)	315,910,975	-	(229,079,722)	24,511,191	-	-	(201,587,171)	-	-	(128,618,845)	(330,206,016)
Restated balance	17,411,130,874	10,145,965,854	1,934,638,711	-	315,910,975	27,321,227	(16,536,925)	(229,079,722)	24,511,191	(361,163,810)	(429,146,686)	1,266,454,961	(42,753,751)	403,980,000	10,917,224,824	40,102,002,762
Dividend paid	29	-	-	-	-	-	-	-	-	-	-	-	-	-	(174,111,339)	(174,111,339)
Total comprehensive income (expenses) for the period		-	-	-	112,021,572	327,693,885	1,305,073	(5,635,188)	9,793,355	-	(89,701,891)	355,476,806	-	-	1,385,873,708	1,741,350,514
Appropriated - statutory reserve		-	-	-	-	-	-	-	-	-	-	-	-	20,920,000	(20,920,000)	-
Transfer to retained earnings		-	-	(39,511,625)	-	-	-	17,346,150	-	-	7,902,325	(14,263,150)	-	-	14,263,150	-
Balance as at 30 June 2020	17,411,130,874	10,145,965,854	1,895,127,086	-	427,932,547	355,015,112	(15,231,852)	(217,368,760)	34,304,546	(361,163,810)	(510,946,252)	1,607,668,617	(42,753,751)	424,900,000	12,122,330,343	41,669,241,937
Balance as at 1 January 2019	17,411,130,874	10,145,965,854	1,972,128,971	(159,568,993)	-	82,057,659	(298,396)	-	-	(103,355,596)	(390,166,208)	1,400,797,437	(42,753,751)	403,600,000	7,603,085,488	36,921,825,902
Impact of the adoption of TFRS9																
Financial instruments	3	-	-	-	-	-	-	-	-	-	-	-	-	-	1,395,336,895	1,395,336,895
Restated balance	17,411,130,874	10,145,965,854	1,972,128,971	(159,568,993)	-	82,057,659	(298,396)	-	-	(103,355,596)	(390,166,208)	1,400,797,437	(42,753,751)	403,600,000	8,998,422,383	38,317,162,797
Total comprehensive income (expenses) for the period		-	-	315,423,174	-	(3,619,052)	(10,601,761)	-	-	-	(31,023,264)	270,179,097	-	-	642,852,876	913,031,973
Transfer to retained earnings		-	-	(9,300,786)	-	-	-	-	-	-	1,860,157	(7,440,629)	-	-	7,440,629	-
Balance as at 30 June 2019	17,411,130,874	10,145,965,854	1,962,828,185	155,854,181	-	78,438,607	(10,900,157)	-	-	(103,355,596)	(419,329,315)	1,663,535,905	(42,753,751)	403,600,000	9,648,715,888	39,230,194,770

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of changes in equity (Cont'd)
For the six-month period ended 30 June 2020

Separate																
Other reserves																
Notes	Issued and paid-up share capital	Share premium	Revaluation surplus on assets	Revaluation surplus (deficit) on change in value of investments	Gains on investments in debt instruments measured at fair value through other comprehensive income	Gains (losses) on fair value of hedging instruments for cash flow hedges	(Losses) gains arising from translating the financial statement of a foreign operation	(Losses) gains on investment in equity instruments designated at fair value through other comprehensive income	Gains (losses) on financial liabilities designated at fair value relating to own credit risk	Remeasurements of post-employment benefit obligations	Income tax relating to components of other comprehensive (expense) income	Total other reserves	Legal reserve	Retained earnings	Total Equity	
															Baht	Baht
Balance as at 1 January 2020	17,411,130,874	10,145,965,854	1,934,638,711	312,929,615	-	27,321,227	(16,536,925)	-	-	(305,498,141)	(440,279,820)	1,512,574,667	403,980,000	7,351,158,175	36,824,809,570	
Impact of the adoption of TFRS9																
Financial instruments	3	-	-	-	(312,929,615)	315,910,975	-	-	(229,079,722)	24,511,191	-	(201,587,171)	-	235,553,629	33,966,658	
Restated balance	17,411,130,874	10,145,965,854	1,934,638,711	-	315,910,975	27,321,227	(16,536,925)	(229,079,722)	24,511,191	(305,498,141)	(440,279,820)	1,310,987,496	403,980,000	7,586,712,004	36,858,776,228	
Dividend paid	29	-	-	-	-	-	-	-	-	-	-	-	-	(174,111,309)	(174,111,309)	
Total comprehensive income																
(expenses) for the period		-	-	-	112,021,572	327,693,885	1,305,073	(5,635,188)	9,793,355	-	(89,701,891)	355,476,806	-	2,225,289,272	2,580,766,078	
Appropriated - statutory reserve		-	-	-	-	-	-	-	-	-	-	-	20,920,000	(20,920,000)	-	
Transfer to retained earnings		-	-	(39,511,625)	-	-	-	17,346,150	-	-	7,902,325	(14,263,150)	-	14,263,150	-	
Balance as at 30 June 2020	17,411,130,874	10,145,965,854	1,895,127,086	-	427,932,547	355,015,112	(15,231,852)	(217,368,760)	34,304,546	(305,498,141)	(522,079,386)	1,652,201,152	424,900,000	9,631,233,117	39,265,430,997	
Balance as at 1 January 2019	17,411,130,874	10,145,965,854	1,972,128,971	(159,568,993)	-	82,057,659	(298,396)	-	-	(76,242,983)	(395,588,730)	1,422,487,528	403,600,000	4,997,193,427	34,380,377,683	
Impact of the adoption of TFRS9																
Financial instruments	3	-	-	-	-	-	-	-	-	-	-	-	-	1,395,336,895	1,395,336,895	
Restated balance	17,411,130,874	10,145,965,854	1,972,128,971	(159,568,993)	-	82,057,659	(298,396)	-	-	(76,242,983)	(395,588,730)	1,422,487,528	403,600,000	6,392,530,322	35,775,714,578	
Total comprehensive income																
(expenses) for the period		-	-	315,423,174	-	(3,619,052)	(10,601,761)	-	-	-	(31,023,264)	270,179,097	-	220,346,745	490,525,842	
Transfer to retained earnings		-	-	(9,300,786)	-	-	-	-	-	-	1,860,157	(7,440,629)	-	7,440,629	-	
Balance as at 30 June 2019	17,411,130,874	10,145,965,854	1,962,828,185	155,854,181	-	78,438,607	(10,900,157)	-	-	(76,242,983)	(424,751,837)	1,685,225,996	403,600,000	6,620,317,696	36,266,240,420	

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Cash flows
For the six-month period ended 30 June 2020

	Notes	Consolidated		Separate	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expenses		1,572,976,940	958,808,929	2,440,142,661	438,940,567
Adjustments to reconcile net incomes before income tax to cash in (out) flows from operating activities:					
Depreciation and amortisation		324,069,748	209,771,361	283,331,075	199,182,093
Expected credit losses	40	1,642,150,658	-	372,640,285	-
Bad debts and doubtful accounts	41		1,757,960,168	-	990,262,718
Share-based payment	32	16,181,058	18,975,545	16,181,057	18,975,545
Provision for liabilities		71,931,913	228,123,023	63,605,073	199,142,621
Reversal of provision for off-statements of financial position items			(108,483,972)	-	(108,483,972)
Losses on impairment of properties for sale		641,991,452	452,390,973	-	-
Unrealised gains on exchange rate and derivatives		(3,366,396,750)	(1,606,076,571)	(3,366,396,750)	(1,606,076,571)
Losses (gains) on properties for sale		2,626,154	(31,548,367)	(23,375,337)	(8,400,438)
Unrealised gains on revaluation of investments		(37,085,838)	(631,881,983)	(37,085,838)	(631,881,983)
Gains on sale of investments		(286,812,734)	(1,060,554,187)	(286,812,734)	(1,060,554,187)
Gains on disposal of premises and equipment		(1,115,157)	(6,291,952)	(518,329)	(4,530,716)
Losses from write off premises and equipment		3,624,897	6,972,641	3,615,961	6,972,641
Reversal of allowance for impairment of premises and equipment		(2,936,179)	-	(2,936,179)	-
Losses from write off intangible assets		7,880,046	-	7,880,046	-
Gains on modification and termination of leases		(338,105)	-	(338,105)	-
Losses on financial liabilities designated at fair value through profit or loss		1,594,313,334	1,646,268,738	1,594,313,334	1,646,268,738
Interest income	34	(8,057,855,141)	(8,477,801,029)	(6,004,724,301)	(6,848,425,969)
Dividend income		(6,412,136)	(6,466,714)	(731,421,415)	(6,466,714)
Interest expenses	35	2,303,488,773	2,781,987,089	2,286,287,514	2,758,188,349
Losses from operations before changes in operating assets and liabilities					
		(3,577,717,067)	(3,867,846,308)	(3,385,611,982)	(4,016,887,278)
(Increase) decrease in operating assets					
Interbank and money market items		879,753,433	102,345,870	842,179,215	134,388,646
Financial assets measured at fair value through profit or loss / Investments held for trading		(3,856,879,635)	(3,363,019,165)	(3,856,879,635)	(3,363,019,165)
Loans		(4,325,638,618)	(9,998,832,929)	(3,666,161,889)	(7,588,616,780)
Properties for sale		1,441,293,437	719,934,625	62,993,857	20,498,134
Credit support assets on derivatives		2,057,196,597	(8,034,921,104)	2,057,196,597	(8,034,921,104)
Other assets		601,984,388	87,307,886	446,714,754	130,845,020
Increase (decrease) in operating liabilities					
Deposits		431,083,951	2,136,123,919	673,087,084	2,126,896,544
Interbank and money market items		5,668,590,427	(5,450,777,066)	5,668,590,427	(5,450,777,066)
Liability payable on demand		98,004,675	78,131,313	98,004,675	78,131,313
Short-term borrowings		258,197,447	(59,929,671)	258,197,447	(59,929,671)
Provisions		(87,173,992)	(60,520,890)	(81,926,768)	(60,520,890)
Credit support liabilities on derivatives		1,301,326,550	7,224,621,995	1,301,326,550	7,224,621,995
Other liabilities		(397,571,226)	199,180,217	132,809,305	89,561,814
Cash flows provided by (used in) operating activities					
		492,450,367	(20,288,201,308)	550,519,637	(18,769,728,488)
Cash received from interest income		6,986,387,242	6,843,984,799	4,853,680,213	5,146,277,986
Cash paid for interest expenses		(2,984,142,969)	(3,356,602,049)	(2,960,244,364)	(3,356,932,743)
Cash paid for income tax		(25,828,252)	(80,643,586)	(27,435,523)	62,892,365
Net cash flows provided by (used in) operating activities					
		4,468,866,388	(16,881,462,144)	2,416,519,963	(16,917,490,880)

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Statement of Cash flows (Cont'd)
For the six-month period ended 30 June 2020

	Consolidated		Separate	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Cash flows from investing activities				
Cash paid for purchases of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	(23,124,751,736)	(9,831,873,872)	(23,124,751,736)	(9,831,873,872)
Proceeds from disposals of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	16,940,054,695	25,985,070,816	16,940,054,695	25,985,070,816
Proceeds from maturity of investments in debt instruments measured at fair value through other comprehensive income / available-for-sale securities	2,880,200,000	1,247,300,000	2,880,200,000	1,247,300,000
Cash paid for purchases of investments in debt instruments measured at amortised cost / held-to-maturity securities	(2,602,229,148)	(4,186,989,233)	(2,602,229,148)	(4,184,989,233)
Proceeds from maturity of investments in debt instruments measured at amortised cost / held-to-maturity securities	151,800,000	3,726,000,000	151,800,000	3,726,000,000
Proceeds from repayment of investment in receivable		298,000	-	298,000
Proceeds from maturity of investments in equity instruments designated at fair value through profit and loss	4,557,600	-	4,557,600	-
Cash paid for investment in subsidiaries	-	-	(725,000,000)	-
Cash paid for purchases of premises and equipment	(120,469,039)	(65,067,842)	(103,858,069)	(54,332,831)
Proceeds from disposals of premises and equipment	1,153,870	5,791,638	553,819	4,034,177
Cash paid for purchases of intangible assets	(220,987,512)	(184,395,128)	(204,531,643)	(183,441,974)
Dividend received	6,412,136	6,466,714	731,421,415	6,466,714
Interest received	577,588,199	1,262,457,683	577,566,891	1,262,451,199
Net cash flows (used in) provided by investing activities	(5,506,670,935)	17,965,058,776	(5,474,216,176)	17,976,982,996
Cash flows from financing activities				
Cash paid for interest expenses	-	(24,199,452)	-	-
Proceeds from issuance of borrowings	3,148,292,642	1,888,933,569	3,148,292,642	1,888,933,569
Cash paid for redemption of borrowings	(2,080,727,115)	(3,061,500,000)	(80,727,115)	(3,061,500,000)
Cash paid for dividend	(174,111,309)	-	(174,111,309)	-
Cash paid for lease	(54,844,244)	-	(35,442,138)	-
Net cash flows provided by (used in) financing activities	838,609,974	(1,196,765,883)	2,858,012,080	(1,172,566,431)
Losses (gains) from foreign currency translation differences	1,298,827	(10,377,897)	1,298,827	(10,377,897)
Net decrease in cash and cash equivalents	(197,895,746)	(123,547,148)	(198,385,306)	(123,452,212)
Cash and cash equivalents at beginning of the period	1,351,567,764	1,749,088,328	1,350,614,011	1,745,984,494
Cash and cash equivalents at the end of the period	1,153,672,018	1,625,541,180	1,152,228,705	1,622,532,282
Supplemental disclosure of cash flows information				
Non-cash transaction:				
Properties for sale received from premises and equipment	11,781,462	35,180,755	11,781,462	35,180,755
Interest amortisation from premium or discount	164,725,652	34,795,982	164,725,652	34,795,982

The accompanying notes to the consolidated and bank financial statements from page 18 to 117 are an integral part of these financial statements.

CIMB Thai Bank Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the six-month period ended 30 June 2020

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52	Event occurring after the reporting date	117

1 General information

CIMB Thai Bank Public Company Limited ("the Bank") is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The Bank has operated as a commercial bank in Thailand since 8 March 1949. The address of the Bank's registered office is 44 Langsuan Road, Lumpini, Patumwan, Bangkok.

The Bank is listed on the Stock Exchange of Thailand. For reporting purposes, the Bank and its subsidiaries are referred to as the Group. Its parent company is CIMB Bank Berhad. CIMB Group Holdings Berhad is the parent company of the CIMB Group. Those companies are incorporated in Malaysia.

All subsidiaries were incorporated as limited companies under Thai laws, and all operate in Thailand, engaging mainly in the hire-purchase, leasing business and debt collection business.

The consolidated and separate financial statements were authorised by the Board of Directors on 26 August 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation of consolidated and separate financial statements

The consolidated and separate financial statements ("the financial statements") have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. The presentation of financial statements and disclosures in the notes to financial statements have been prepared in the format as required by the Notification of the Bank of Thailand (BOT) no. SorNorSor 21/2561, "The Preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group" dated on 31 October 2018.

The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

The Bank has prepared the separate financial statements for the benefit of the public, which presents its investment in subsidiaries under the cost method.

An English version of the financial statements has been prepared from the statutory financial statements that are in Thai-language version. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

The accounting policies used in the preparation of the financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2019 except for the following:

- 1) The adoption of the new financial reporting standards together with the application of the relevant relief measures as described in Note 3; and
- 2) The following application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by the Federation of Accounting Professions (TFAC) for the reporting periods ending between 1 January 2020 and 31 December 2020.

Reversal of deferred tax assets

The Group has chosen to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences. As at 30 June 2020, the Group has no reversal of deferred tax assets.

Impairment of assets

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets.

For intangible assets that are not ready for intended use that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the assets' impairment testing.

2.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 3.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 3.

c) Amendment to TAS 12, Income tax

clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

d) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement)

clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

e) Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures)

clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. The Group must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

- f) **TFRIC 23, Uncertainty over income tax treatments** explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:
- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
 - that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
 - that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

2.3 Revenue recognition

(a) Interest and discount on loans

Interest income will be recognised at effective interest rate. The recognition interest income on loan when its principal or interest payment has become over three months past due or stage 3 loan account follow definition of TFRS 9 will be recognise at effective interest rate of the carrying amount after impairment.

(b) Interest and dividends on investments

Interest income from investments is recognised on a time-proportion basis using the effective interest method. Dividend income from investments is recognised when the right-to-receive payment is established.

Interest income from investments in receivables is recognised using the effective interest method for receivables from which loan repayment was received during the year. The effective interest rate was determined on assumptions as to the amount and the timing of future collections on such loans. Such assumptions concern events that have not yet taken place and accordingly may vary if unforeseen circumstances arise.

(c) Fees and services income

The Group recognises fees and services income when diverse range of services have been rendered to its customers.

Fee and services income is generally recognised on the completion of a transaction. Such fees include insurance brokerage income, underwriting fees, collection fees, and other fees related to the completion of corporate finance transactions.

For a service that is provided over a period of time, fee and services income is recognised over the period during which the related service is provided or credit risk is undertaken. Such fees include the income from issuance of acceptances, avals and guarantees and management fees.

(d) Gains (losses) on sale of investments

Gains (losses) on sale of investments are recognised as income/expenses on the settlement date.

(e) Gains (losses) on sale of properties for sale

Gains (losses) on sale of properties for sale are recognised as income or expenses in statements of comprehensive income when the significant risks and rewards of ownership of properties for sale have been transferred to the buyer.

(f) Income from hire-purchase contracts

The subsidiaries calculate hire-purchase income using the effective interest rate method over the period of contracts.

The subsidiaries recognise hire-purchase income on the same basis used for interest income on loans.

(g) Other income

Other income is recognised as income on an accrual basis.

2.4 Expense recognition

(a) Interest expenses

Interests on borrowings and deposits are recognised as expenses on an accrual basis.

(b) Commission fee under hire-purchase agreements

The commission fee under hire-purchase agreements is recognised over the installment period, using the effective interest rate method.

(c) Fees and service expenses and other expenses

Fee and service expenses and other expenses are recognised as expense on an accrual basis.

2.5 Cash

Cash includes cash on hand according to the BOT's Notification.

2.6 Investments in subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.7 Properties for sale

Properties for sale consisting of immovable and movable assets are stated at the lower of cost or net realisable value less estimated selling expenses of the acquisition assets. Where the carrying value of properties for sale incurred impairment, the Group will recognise the provision for impairment of properties for sale in total.

The Group will recognise gain (loss) on sales of properties for sale as income or expenses in the whole amount in accordance with the notifications of the Bank of Thailand.

2.8 Premises, equipment and depreciation

Land and buildings comprise mainly office buildings and are shown at fair value based on every 5 years valuations by external independent valuers, less subsequent depreciation for buildings. All other equipment is stated at cost less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and building are credited to statement of comprehensive income and shown as gain on asset revaluation in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against gain on asset revaluation directly in equity; all other decreases are charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from 'gain on asset revaluation' to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to their residual values over their estimated useful lives, as follows:

Buildings	20 years and 40 years
Vehicle and equipment	5 years

At the end of each reporting period, the assets' residual values and useful lives are reviewed, and adjusted if appropriate.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statements of comprehensive income.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

2.9 Intangible assets

(a) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years and 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use or sale;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

(b) Other intangible assets

Expenditures on acquired licences are capitalised and amortised using the straight-line basis over their useful lives, generally over 5 years. Intangible assets are not revalued.

2.10 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.12 Financial derivatives

The Group regards its obligations under financial derivatives contracts as off-statements of financial position items. The accounting treatments for financial derivatives transactions depend on the purpose of the transactions as follows:

(a) Trading transactions

The Group records its obligations under financial derivatives contracts originated for trading purposes at fair value. Gains or losses arising from changes in value are included in the statements of comprehensive income.

(b) Hedging transactions

The Group measures derivatives classified as hedging transactions according to the natures of items being hedged. The Bank designates certain derivatives as either:

(1) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statements of comprehensive income, together with any changes in the fair value of the hedged assets or liabilities that are attributable to the hedged risk.

(2) Cash flow hedge

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statements of comprehensive income. Amount accumulated in equity are recycled to the statements of comprehensive income in the periods in which the hedged item will affect the statements of comprehensive income.

When a hedged forecast transaction occurs and results in the recognition of a financial asset or financial liability, the gain or loss recognised in other comprehensive income does not adjust the initial carrying amount of the asset or liability but remains in equity and is reclassified from equity to profit or loss consistently with the recognition of gains and losses on the asset or liability as a reclassification adjustment.

For hedges of forecast transactions that result in the recognition of a non-financial asset or non-financial liability, the gains and losses previously deferred in equity are reclassified from equity and included in the initial measurement of the cost of the asset.

(3) Net investment in foreign operations hedge

Hedges of net investment in foreign operations are accounted for similarly to cash flow hedges.

At the inception of the hedge, the Group documents the relationship between hedging instruments and hedged items, as well as their risk management objective. The Group also assesses the hedge effectiveness in offsetting changes in fair values or cash flows of hedged items on an ongoing basis both at the hedge inception and every financial reporting date.

Disclosures about derivative financial instruments to which the Group is a party are provided in Note 46 to the financial statements.

2.13 Embedded derivatives

The Group records embedded derivatives in compliance with the Bank of Thailand's Notification as follows:

- (a) If the economic characteristics and risks of an embedded derivative are not closely related to the economic characteristic and risk of host contract, the Group will separately account the embedded derivative from the host contract and measure the embedded derivative at fair value including a gain/loss in the statements of comprehensive income. The host contract will be accounted for under the related accounting standards. In case of the Group is unable to measure the embedded derivative separately, the Group will designate the entire hybrid contract as at fair value (based on arranger's price) included in the statements of comprehensive income.
- (b) If the economic characteristics and risks of an embedded derivative are closely related to the economic characteristics and risks of the host contract, the Group will not separately account the embedded derivative from the host contract and classify the host contract under the related accounting standards.

2.14 Financial liabilities measured at fair value

Financial liabilities at fair value are recognised at fair value and derecognised when extinguished.

Measurement is initially at fair value, Day 1 Profit from fair value will be amortised as income using straight-line method until maturity or at early termination. Changes in the fair value of financial liabilities, measured at fair value through profit or loss, are recognised in the statements of comprehensive income as gain or loss on financial liabilities measured at fair value through profit loss.

2.15 Borrowings

Borrowings are initially recognised at the fair value, net of transaction costs incurred.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.16 Employee benefits and pension fund

Defined contribution plan

The Group operates a provident fund that is a defined contribution plan, the assets of which are held in a separate trust fund managed by external fund manager. The provident fund is funded by payments from employees and by the Group. Contributions to the provident fund are charged to the statements of comprehensive income in the period to which they relate.

Defined benefit plan

The Group has a policy to pay post-employment benefits to employees under the labour law applicable in Thailand.

The Group set provisions for employee benefits which comprises post-employment benefits under the labour law applicable in Thailand and pension fund.

The liability in respect of employee's benefits is measured, using the projected unit credit method which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yield on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and others. Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. Actuarial gains and losses are charged or credited to equity in other comprehensive income in the year in which they arise. They are included in retained earnings in the statements of changes in equity / presented as a separate item in statements of changes in equity.

2.17 Provisions

The Group recognises provisions when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is highly likely.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.19 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.20 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Bank's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Share-based payment

In March 2011, the Group established an Equity Ownership Plan (EOP). At the grant date, the Group records prepayment for the whole amount with fair value refers to market price on the same day of the ordinary shares of CIMB Group Holdings Berhad, which is the parent company of CIMB Group, and registers in the stock market in Malaysia multiplies with the number of shares granted to the employees. The Bank paid the amount to the related company in Malaysia which will purchase, own the shares until the transfer date on behalf of the Bank and other companies in the Group.

At the end of each reporting period, the Group sets up payment reserve as the proportion of time of the vesting period. The reserve presents as other liabilities.

The Bank reverses prepayment againsts share-based payment reserve with the preset amount when the related company in Malaysia transfers those ordinary shares to the employees at the end of vesting period.

2.22 Dividend distribution

Dividend distribution to the Bank's shareholders is recognised as a liability in the Bank's financial statements in the period in which the dividends are approved by the Bank's shareholders.

2.23 Segment reporting

Operating segments are presented in respect of the Group's business segments and reported to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Management Committee as its chief operating decision-maker.

3 Adoption of new financial reporting standards and changes in accounting policies

The Group has adopted the financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) by applying a full retrospective approach for changing interest recognition to effective interest rate from beginning of the contract. For other items, the Group applied a modified retrospective approach in the opening statement of financial position on 1 January 2020.

For the financial reporting standards relating to leases (TFRS 16), the Group has adopted this standard by recognising liabilities under lease agreements in accordance with the obligations and discounting to present values with incremental borrowing rates of the lessees, and right-of-use assets are recognised equal to the present value of liabilities under the lease agreements on the first time adoption in the opening statement of financial position on 1 January 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):

CIMB Thai Bank Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the six-month period ended 30 June 2020

	Consolidated						As at 1 January 2020 Restated Million Baht
	Thai Accounting Standard 32 and Thai Financial Reporting Standard 9					Thai Financial Reporting Standard 16	
	As at 31 December 2019 Restated ⁽¹⁾ Million Baht	Adjustments from reclassification of financial instrument Million Baht	Adjustments from remeasurement Million Baht	Allowance for expected credit losses Million Baht	Total adjustments of financial instruments Million Baht	Adjustments from remeasurement Million Baht	
Assets							
Interbank and money market items, net	6,422	-	-	1	1	-	6,423
Financial assets measured at fair value through profit or loss	-	32,768	-	-	32,768	-	32,768
Investments, net	86,798	(32,806)	-	-	(32,806)	-	53,992
Loans to customers and accrued interest receivable, net	232,025	38	-	(154)	(116)	-	231,909
Right-of-use assets	-	-	-	-	-	303	303
Deferred tax assets	694	-	63	-	63	-	757
Other assets, net	2,259	-	-	(24)	(24)	-	2,235
Total assets	328,198	-	63	(177)	(114)	303	328,387
Liabilities							
Lease liabilities	-	-	-	-	-	303	303
Provisions	2,299	-	-	217	217	-	2,516
Other liabilities	4,103	-	-	-	-	-	4,103
Total liabilities	6,402	-	-	217	217	303	6,922

⁽¹⁾ Details of full retrospective restatement as at 31 December 2019, are described in note 3.1 to the financial statement.

CIMB Thai Bank Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the six-month period ended 30 June 2020

	Consolidated						As at 1 January 2020 Restated Million Baht
	As at 31 December 2019 Restated ⁽¹⁾ Million Baht	Thai Accounting Standard 32 and Thai Financial Reporting Standard 9 Adjustments from reclassification of financial instrument Million Baht	Adjustments from remeasurement Million Baht	Allowance for expected credit losses Million Baht	Total adjustments of financial instruments Million Baht	Thai Financial Reporting Standard 16 Adjustments from remeasurement Million Baht	
Equity							
Other reserves	1,468	-	(202)	-	(202)	-	1,266
Retained earnings							
Unappropriated	11,046	-	265	(394)	(129)	-	10,917
Total equity	12,514	-	63	(394)	(331)	-	12,183
Total liabilities and equity	18,916	-	63	(177)	(114)	303	19,105

⁽¹⁾ Details of full retrospective restatement as at 31 December 2019, are described in note 3.1 to the financial statement..

CIMB Thai Bank Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the six-month period ended 30 June 2020

	Separate						As at 1 January 2020 Restated Million Baht
	As at 31 December 2019 Restated ⁽¹⁾ Million Baht	Thai Accounting Standard 32 and Thai Financial Reporting Standard 9 Adjustments from reclassification of financial instrument Million Baht	Adjustments from remeasurement Million Baht	Allowance for expected credit losses Million Baht	Total adjustments of financial instruments Million Baht	Thai Financial Reporting Standard 16 Adjustments from remeasurement Million Baht	
Assets							
Interbank and money market items, net	6,206	-	-	1	1	-	6,207
Financial assets measured at fair value through profit or loss	-	32,768	-	-	32,768	-	32,768
Investments, net	86,796	(32,806)	-	-	(32,806)	-	53,990
Loans to customers and accrued interest receivable, net	224,522	38	-	218	256	-	224,778
Right-of-use assets	-	-	-	-	-	240	240
Deferred tax assets	219	-	58	-	58	-	277
Other assets, net	1,843	-	-	(24)	(24)	-	1,819
Total assets	319,586	-	58	195	253	240	320,079
Liabilities							
Lease liabilities	-	-	-	-	-	240	240
Provisions	2,141	-	-	219	219	-	2,360
Other liabilities	3,002	-	-	-	-	-	3,002
Total liabilities	5,143	-	-	219	219	240	5,602

⁽¹⁾ Details of full retrospective restatement as at 31 December 2019, are described in note 3.1 to the financial statement.

	Separate						
	Thai Accounting Standard 32 and Thai Financial Reporting Standard 9					Thai Financial Reporting Standard 16	
	As at 31 December 2019 Restated ⁽¹⁾ Million Baht	Adjustments from reclassification of financial instrument Million Baht	Adjustments from remeasurement Million Baht	Allowance for expected credit losses Million Baht	Total adjustments of financial instruments Million Baht	Adjustments from remeasurement Million Baht	As at 1 January 2020 Restated Million Baht
Equity							
Other reserves	1,513	-	(202)	-	(202)	-	1,311
Retained earnings							
Unappropriated	7,351	-	260	(24)	236	-	7,587
Total equity	8,864	-	58	(24)	34	-	8,898
Total liabilities and equity	14,007	-	58	195	253	240	14,500

⁽¹⁾ Details of full retrospective restatement as at 31 December 2019, are described in note 3.1 to the financial information.

3.1 Financial reporting standards relating to financial instruments

3.1.1 Full retrospective approach

On 1 January 2020, the Group applied full retrospective approach for changing interest recognition to effective interest rate from beginning of the contract.

The following tables show the adjustments made to the amounts recognised in each financial statement line item.

Statement of financial position	Consolidated					
	As at 31 December 2019			As at 1 January 2019		
	Previously reported	Adjustments	Restated	Previously reported	Adjustments	Restated
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Loans to customers and accrued interest receivable, net	229,911	2,114	232,025	216,201	1,466	217,667
Deferred tax assets	1,172	(478)	694	1,393	(349)	1,044
Other assets, net	2,129	130	2,259	2,975	103	3,078
Other liabilities	4,248	(145)	4,103	4,138	(176)	3,962
Retained earnings - Unappropriated	9,134	1,912	11,046	7,603	1,395	8,998

Statement of financial position	Separate					
	As at 31 December 2019			As at 1 January 2019		
	Previously reported	Adjustments	Restated	Previously reported	Adjustments	Restated
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Loans to customers and accrued interest receivable, net	222,422	2,100	224,522	209,596	1,466	211,062
Deferred tax assets	694	(475)	219	938	(349)	589
Other assets, net	1,713	130	1,843	2,723	103	2,826
Other liabilities	3,147	(145)	3,002	3,189	(176)	3,013
Retained earnings - Unappropriated	5,451	1,900	7,351	4,997	1,395	6,392

Statement of comprehensive income	Consolidated		
	For the three-month ended 30 June 2019		
	Previously reported	Adjustments	Restated
	Million Baht	Million Baht	Million Baht
Interest income	4,135	137	4,272
Fees and service income	568	(14)	554
Employee expenses	1,373	(5)	1,368
Other operating expenses	698	(59)	639
Bad and doubtful debts and impairment losses	685	67	752
Income tax expenses	(153)	(24)	(177)

Statement of comprehensive income	Consolidated		
	For the six-month ended 30 June 2019		
	Previously reported	Adjustments	Restated
	Million Baht	Million Baht	Million Baht
Interest income	8,216	262	8,478
Fees and service income	1,119	(28)	1,091
Employee expenses	2,579	(1)	2,578
Other operating expenses	1,185	(133)	1,052
Bad and doubtful debts and impairment losses	1,656	102	1,758
Income tax expenses	(263)	(53)	(316)

	Separate		
	For the three-month ended 30 June 2019		
	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht
Statement of comprehensive income			
Interest income	3,301	137	3,438
Fees and service income	341	(14)	327
Employee expenses	1,188	(5)	1,183
Other operating expenses	347	(58)	289
Bad and doubtful debts and impairment losses	319	67	386
Income tax expenses	(116)	(24)	(140)
	Separate		
	For the six-month ended 30 June 2019		
	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht
Statement of comprehensive income			
Interest income	6,586	262	6,848
Fees and service income	675	(28)	647
Employee expenses	2,226	(1)	2,225
Other operating expenses	498	(133)	365
Bad and doubtful debts and impairment losses	888	102	990
Income tax expenses	(166)	(53)	(219)

3.1.2 Modified retrospective approach

Impact to retained earnings as at 1 January 2020 as the followings:

	Consolidated Million Baht	Separate Million Baht
Retained earnings as at 31 December 2019 (restated)	11,046	7,351
Fair values adjustment through other comprehensive income of previous general investments	226	226
Decrease from allowance for expected credit losses on advance insurance	(24)	(24)
Decrease from changes in fair values of financial liabilities designated at fair value through profit or loss due to a change in credit risk	(24)	(24)
Decrease from allowance for expected credit losses on loan to customers	(57)	-
Decrease from elimination for consolidated financial statements	(313)	-
Increase in deferred tax	63	58
Total impact of the adoption TFRS 9 as at 1 January 2020	(129)	236
Unappropriated retained earnings as at 1 January 2020 - Impact of the adoption of TFRS 9	10,917	7,587

3.2 Financial reporting standards relating to leases

On 1 January 2020, the Group has adopted TFRS 16, Leases and recognised liabilities under lease agreements in accordance with the obligations and discounting to present values with incremental borrowing rates of the lessees and right-of-use assets are recognised equal to the present value of liabilities under the lease agreements on the first time adoption. The weighted average lessee's incremental borrowing rate applied to the lease liabilities between 1.55% - 2.13% per annum.

	Consolidated Million Baht	Separate Million Baht
Operating lease commitments disclosed as at 31 December 2019	280	170
<u>Less:</u> Discounted using the lessee's incremental borrowing rate of at the date of initial application	(2)	(2)
<u>Less:</u> Short-term leases recognised on a straight-line basis as expense	(5)	(5)
<u>Less:</u> Contracts reassessed as service agreements / service portion included in leases	(117)	(71)
<u>Add:</u> Adjustments as a result of a different treatment of extension and termination options	147	148
Lease liabilities recognised as at 1 January 2020	303	240

3.3 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases

3.3.1 Changes in accounting policies relating to financial instruments

Investments and other financial assets

Classification and measurements

From 1 January 2020, the Group classifies its financial assets as follows:

- those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)
- those to be measured at amortised cost

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.
- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in other gains/(losses). Impairment losses are presented as separate line item. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss in other gains/(losses).
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

The Group reclassifies debt instruments only when its business model for managing those assets changes.

Equity instruments

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such investment continue to be recognised in profit or loss as other income.

Loans of commercial banking business

Loans are generally stated at the outstanding principal less the allowance for expected credit losses. Loans held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

Hire-purchase receivables

Hire-purchase receivables are stated at net realisable value from the contractual amounts net of unearned hire-purchase income.

Allowance for expected credit losses

From 1 January 2020, the Group assesses expected credit loss on a forward looking basis for its financial assets carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables, contract assets, and lease receivables which the Group applies the simplified approach in determining its expected credit loss.

Allowance for expected credit losses involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses which will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

The Group measures the surplus reserve on the date of adoption for new financial reporting standards related to financial instruments by comparing the difference between allowance for expected credit losses according to requirement under new financial reporting standards related to financial instruments and total reserves that the Group had on 31 December 2019. In which, the Group will amortise the surplus reserve using the straight-line method over 5 years in accordance with notification to utilise surplus reserve from Bank of Thailand dated on 6 November 2019.

For the reporting periods ending between 1 January 2020 and 31 December 2021, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 as announced by TFAC and considering weight from forward-looking information which includes temporary crisis, less than weight from historical repayment ability data of debtor in assessing the expected credit loss of loan to customers. The Group changed weight on the worst case scenario together with the management's judgment in estimating the expected credit loss.

Financial guarantee

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of a) the amount of expected credit loss determined; and b) the amount initially recognised less the cumulative amount of income recognised.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to other gains (losses).

3.3.2 Changes in accounting policies relating to leases

The Group has leases which the rental contract are typically made for fixed periods of 1 to 15 years but may have extension options. Before 2020 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a lease liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right of use assets and lease liabilities are initially measured on a present value of rental payment which consist of:

- fixed payments, less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of ATM, sign board, and money exchange office.

The Group received discounts in the lease payments from lessors due to the COVID-19 situation. The Group has chosen not to account for all discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities. The differences between the reduction of the lease liabilities and the reversal of the expenses are recognised in other gains (losses) instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification which do not have a material impact on the Group for the six-month period ended 30 June 2020.

4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Risk management is carried out under policies approved by the Board of Directors. The Group's Treasury identifies, evaluates and hedges financial risks in close co-operation with its operating units. The Risk Management Committee provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

4.1.1 Market risk

Market risk is the risk that the Group may suffer loss as a result of changes in the value of positions taken, both on and off statements of financial position, due to movements in interest rates, foreign exchange rates, equity prices and commodity prices.

The Group has a Market Risk Management Unit, which is responsible for assessment of market risk, and uses tools and/ or systems that are widely accepted as efficient to help measure, monitor and manage market risk. This supports the Bank in ensuring that market risk is monitored and managed effectively, preventing the occurrence of unacceptable levels of market risk, and enabling the Group to take action to adjust market risk to appropriate levels in a timely manner.

4.1.1.1 Foreign exchange risk

Foreign exchange risk is the risk that changes in foreign exchange rates may result in changes in the value of financial instruments, and fluctuations in revenues or the value of financial assets and liabilities.

The Group's Treasury and Trading Division is responsible for managing foreign currency positions within risk limits set by the Risk Management Committee of the Group.

The following table sets out the analysis of the exposure to assess the impact of a 1 % change in exchange rate to the profit after taxation:

	Consolidated	Separate
	30 June 2020	30 June 2020
	Million Baht	Million Baht
+ 1%		
US Dollar	12	12
Others	9	9
	21	21
-1%		
US Dollar	(12)	(12)
Others	(9)	(9)
	(21)	(21)

4.1.1.2 Interest rate risk

Interest rate risk is the risk that changes in market interest rates which may lead to changes in the value of financial debt instruments measure at fair value and derivatives, which lead to fluctuations in revenue or the values of financial assets and liabilities.

Interest rate risk arises from interest rate structure, the characteristics and structure of the Bank's assets, liabilities and capital. The Bank has set risk limits for interest rate risk under the trading and banking accounts, with consent from the Board, in order to manage risk at an appropriate level.

The table below shows the interest/profit sensitivity for the financial assets and financial liabilities held as at reporting date:

	Consolidated and Separate	
	30 June 2020	
	+1 basis point Million Baht	+1 basis point Million Baht
Impact on profit after taxation	(4)	4
Impact on equity	(12)	12
	(16)	16

4.1.1.3 Equity position risk

Equity position risk is the risk that changes in the market prices of equity securities may result in changes in the value of investments, and fluctuations in revenues and the value of financial assets. Equity position risk is not material to the Group.

4.1.2 Credit risk

Credit risk is the risk that the Group will incur a loss because its customers, clients or counter parties failed to discharge their contractual obligations.

The Group's credit risk management processes are implemented under a credit risk management policy, and have been structured in order to maintain checks and balances and clear segregation of responsibilities between the marketing, credit approval, inspection and risk management functions. The Group manages credit risk at the customer standalone risk level and the portfolio level, developing different and appropriate credit risk rating tools to measure the risk at each level. For corporate customers and small-medium enterprise customers, risk grading tools and an SME rating, respectively, have been developed to grade customer credit risk levels. For individual retail customers, with multi-purpose credit, whether uncollateralised (personal cash) or collateralised (mortgage loan), including home loans, the Group has developed a credit scoring system for use in risk evaluation.

In respect of the credit review and approval process, the Group has appointed a Credit Committee to consider the granting of credit facilities at different levels, based on the credit limit, focusing on borrowers' ability to make repayment, the type of credit, the financial status of the borrower, the economic situation and the status of the borrowers' industry. Furthermore, the Group has established an independent Credit Review Unit to ensure that the credit approval process is transparent and effective.

The maximum credit risk exposure is the carrying value of the financial assets after deducting allowance for expected credit losses as stated in the statements of financial position, and the risk of off-statements of financial position commitments, e.g., loan guarantees and other guarantees.

Investment in debt securities and interbank and money market items

Investment in debt securities is considered from credit rating of bond issuers or guarantors which has to pass the minimum requirement set by the Bank Committee.

Before entering into a transaction with other banks, the Bank is required to assess the counterparty's credit rating which is normally referred to the external rating agency. The Bank also takes into consideration the credit rating of the counterparty's country.

Credit Rating

The risk rating for the Group's financial assets is classified as the following table, and corresponds to the Standard & Poor's rating.

Loan to customers and Loan commitments and financial guarantee contracts

Rating classification	Internal rating
Good	1 to 10b
Satisfactory	11a - 13e
Impaired	14

Other financial assets

Rating classification	Internal rating	External rating
Investment Grade (IG)	1 to 6	AAA ~ BBB-
Non-Investment Grade	7 - 13e	BB+ and below

Maximum exposure to credit risk

The maximum credit risk exposure of the Group in the event of other parties failing to perform their obligation is detailed below. No account taken of any collateral held and the maximum exposure to loss is considered to be the statement of financial position carrying amount or, for non-derivative off-statement of financial position transaction and financial guarantee, their contractual nominal amounts. The exposure to credit risk of the Group equals their carrying amount in the statement of financial position as at reporting date, except for the followings:

	Consolidated 30 June 2020 Maximum exposure Million Baht	Separate 30 June 2020 Maximum exposure Million Baht
Credit risk exposures of on-statement of financial position assets:		
Financial assets measured at fair value through profit or loss	31,040	31,040
Investments	59,566	59,564
	90,606	90,604
Credit risk exposure of off-statement of financial position items:		
Financial guarantees	14,646	14,646
Loan commitments	34,705	34,705
	49,351	49,351

Collateral

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The Group prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The main collateral type accepted and given value by the Group are:

- Mortgage over residential;
- Commercial real estate or vehicles financed;
- Business assets such as properties, equipment, fixed deposit, debentures, personal guarantees and corporate guarantees;
- Financial instruments such as marketable securities; and
- Others

The following table shown loan to customers classified as Commercial lending, Retail lending and collateral held to mitigate potential losses:

	Consolidated 30 June 2020			
	Gross carrying amount Million Baht	Expected credit losses Million Baht	Net carrying amount Million Baht	Fair value of collateral held Million Baht
Non-retail lending	101,213	(5,295)	95,918	28,530
Retail lending	143,210	(3,353)	139,767	86,980
Total	244,333	(8,648)	235,685	115,510

	Separate			
	30 June 2020			
	Gross carrying amount	Expected credit losses	Net carrying amount	Fair value of collateral held
	Million Baht	Million Baht	Million Baht	Million Baht
Non-retail lending	138,245	(5,333)	132,912	28,530
Retail lending	100,349	(2,177)	98,172	86,980
Total	238,594	(7,510)	231,084	115,510

Credit related commitments

Commitment to extend credit represents unutilised portion of approved credit in the form of loans financing, financial guarantees or letters of credit. In terms of credit risk, the Group has potentially exposed to loss in an amount equal to the total unutilised commitments. However, the potential amount of loss is less than the total unutilised commitments, as the rate of utilised commitments are low. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than short-term commitments.

Credit quality of loans to customers

Loan to customers can be classified as past due not over 30 days, past due between 31 and 90 days and past due more than 90 days

Loan to customers classified by credit quality are as following table:

	Consolidated				
	30 June 2020				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired financial assets	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Past due not over 30 days	202,565	10,335	1,495	-	214,395
Past due between 31 and 90 days	-	5,152	1,976	-	7,128
Past due more than 90 days	-	-	22,752	58	22,810
Gross carrying amount	202,565	15,487	26,223	58	244,333
<u>Less</u> Allowance for expected credit losses	(1,405)	(966)	(6,257)	(20)	(8,648)
Net carrying amount	201,160	14,521	19,966	38	235,685
	Separate				
	30 June 2020				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired financial assets	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Past due not over 30 days	202,162	8,323	1,493	-	211,978
Past due between 31 and 90 days	-	2,256	1,972	-	4,228
Past due more than 90 days	-	-	22,330	58	22,388
Gross carrying amount	202,162	10,579	25,795	58	238,594
<u>Less</u> Allowance for expected credit losses	(902)	(498)	(6,089)	(20)	(7,509)
Net carrying amount	201,260	10,081	19,706	38	231,085

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The table below presents the Interbank asset items, investments, Loans and accrued interest receivables, Credit support assets on derivatives, other assets and loans commitments and financial guarantees classified by rating:

	Consolidated				
	30 June 2020				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased or originated credit-impaired financial assets	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Interbank asset items					
Sovereign	436	-	-	-	436
Investment grade	4,915	-	-	-	4,915
Non-investment grade	-	-	-	-	-
No rating	200	-	-	-	200
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	5,551	-	-	-	5,551
Investments					
Sovereign	52,653	-	-	-	52,653
Investment grade	7,297	-	-	-	7,297
Non-investment grade	-	-	-	-	-
No rating	-	-	1	-	1
Gross carrying amount	59,950	-	1	-	59,951
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	59,950	-	-	-	59,950
Loans and accrued interest receivables					
Good	71,935	2,804	-	-	74,739
Satisfactory	3,396	5,742	-	-	9,138
Impaired	-	-	9,302	58	9,360
No rating	127,234	6,941	16,921	-	151,096
Gross carrying amount	202,565	15,487	26,223	58	244,333
<u>Less</u> Allowance for expected credit losses	(1,405)	(966)	(6,257)	(20)	(8,648)
Net carrying amount before excess provision	201,160	14,521	19,966	38	235,685
Credit support assets on derivatives					
Sovereign	51	-	-	-	51
Investment grade	10,226	-	-	-	10,226
Non-investment grade	921	-	-	-	921
No rating	1,712	-	-	-	1,712
Carrying amount	12,910	-	-	-	12,910
Other assets					
Sovereign	304	-	-	-	304
Investment grade	286	-	-	-	286
Non-investment grade	-	-	-	-	-
No rating	215	-	-	-	215
Gross carrying amount	805	-	-	-	805
<u>Less</u> Allowance for expected credit losses	(48)	-	-	-	(48)
Net carrying amount	757	-	-	-	757
Loans commitments and financial guarantees					
Good	11,875	398	-	-	12,273
Satisfactory	415	147	4	-	566
Impaired	-	-	153	-	153
No rating	2,637	6	237	-	2,880
Gross carrying amount	14,927	551	394	-	15,872
<u>Less</u> Allowance for expected credit losses	(28)	(9)	(590)	-	(627)
Net carrying amount	14,899	542	196	-	15,245

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	Separate				
	30 June 2020				
	12-month ECL Million Baht	Lifetime ECL not credit- impaired Million Baht	Lifetime ECL credit- impaired Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Total Million Baht
Interbank asset items					
Sovereign	436	-	-	-	436
Investment grade	4,736	-	-	-	4,736
Non-investment grade	-	-	-	-	-
No rating	200	-	-	-	200
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	5,372	-	-	-	5,372
Investments					
Sovereign	52,651	-	-	-	52,651
Investment grade	7,297	-	-	-	7,297
Non-investment grade	-	-	-	-	-
No rating	-	-	1	-	-
Gross carrying amount	59,948	-	1	-	59,949
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	59,948	-	-	-	59,948
Loans and accrued interest receivables					
Good	108,968	2,804	-	-	111,772
Satisfactory	3,396	5,742	-	-	9,138
Impaired	-	-	9,302	58	9,360
No rating	89,798	2,033	16,493	-	108,324
Gross carrying amount	202,612	10,579	25,795	58	238,594
<u>Less</u> Allowance for expected credit losses	(902)	(498)	(6,089)	(20)	(7,509)
Net carrying amount before excess provision	201,260	10,081	19,706	38	231,085
Credit support assets on derivatives					
Sovereign	51	-	-	-	51
Investment grade	10,226	-	-	-	10,226
Non-investment grade	921	-	-	-	921
No rating	1,712	-	-	-	1,712
Carrying amount	12,910	-	-	-	12,910
Other assets					
Sovereign	304	-	-	-	304
Investment grade	300	-	-	-	300
Non-investment grade	-	-	-	-	-
No rating	195	-	-	-	195
Gross carrying amount	799	-	-	-	799
<u>Less</u> Allowance for expected credit losses	(48)	-	-	-	(48)
Net carrying amount	751	-	-	-	751
Loans commitments and financial guarantees					
Good	11,875	398	-	-	12,273
Satisfactory	415	147	4	-	566
Impaired	-	-	153	-	153
No rating	2,637	6	237	-	2,880
Gross carrying amount	14,927	551	394	-	15,872
<u>Less</u> Allowance for expected credit losses	(28)	(9)	(590)	-	(627)
Net carrying amount	14,899	542	196	-	15,245

4.1.3 Liquidity risk

Liquidity risk is the risk that the Group will be unable to pay its debts and obligations when due because of an inability to convert assets into cash, or because of its failure to procure enough funds.

The Treasury group of the Bank is responsible for liquidity management, including procurement of both short and long-term sources of funds, and debt security investment management. The overall liquidity risk management is under the responsibility of the Asset and Liability Management Committee, who monitor and control risk, using tools to manage liquidity risk, such as minimum liquidity asset requirements, liquidity gap, liquidity ratio and liquidity risk limits.

5 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Allowance for expected credit losses

The Group assesses expected credit loss on a forward-looking basis for its financial assets classified as debt instrument carried at FVOCI and at amortised cost, loan commitments, and financial guarantee contracts.

Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument. A cash shortfall is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive discounted at the original effective interest rate for the financial assets that are not purchased or originated credit-impaired financial assets or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument. The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial instrument can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial instrument, the Group uses the remaining contractual term of the financial instrument.

For loan commitments, a credit loss is the present value of the difference between the contractual cash flows that are due to the entity if the holder of the loan commitment draws down the loan and the cash flows that the entity expects to receive if the loan is drawn down. The Group's estimate of expected credit losses on loan commitments shall be consistent with its expectations of drawdowns on that loan commitment and the expected portion of the loan commitment that will be drawn down over the expected life of the loan commitment when estimating lifetime expected credit losses.

For a financial guarantee contract, the entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the entity expects to receive from the holder, the debtor or any other party. If the asset is fully guaranteed, the estimation of cash shortfalls for a financial guarantee contract would be consistent with the estimations of cash shortfalls for the asset subject to the guarantee.

For a financial asset that is credit-impaired at the reporting date, but that is not a purchased or originated credit impaired financial asset, the Group measures the expected credit losses as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

The Group measures expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group measures expected credit losses using the following approaches:

A. General approach

At each reporting date, The Group applies general approach to measure expected credit losses on debt instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income, loan commitments, and financial guarantee contracts except for those that are under simplified approach. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under each stage expected credit loss impairment model except for significant exposures in loans to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The impairment of some significant exposures in loans to customer will be assessed by using individual assessment approach.

Significant increase in credit risk

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available increases in credit risk since initial recognition.

B. Simplified approach

The Group applies simplified approach to measure expected credit losses which uses a lifetime expected credit loss for other receivables.

Purchased or originated credit-impaired financial asset.

The Group measures expected credit losses from the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive discounted at credit adjusted effective interest rate. The Group an entity shall recognise in profit or loss the amount of the change in lifetime expected credit losses as an impairment gain or loss. An entity shall recognise favourable changes in lifetime expected credit losses as an impairment gain, even if the lifetime expected credit losses are less than the amount of expected credit losses that were included in the estimated cash flows on initial recognition.

(b) Fair value of financial derivative instruments

In determining the fair value of financial derivative instruments, the management has made judgment by using a variety of acceptable valuation techniques. The input parameter to the models used is taken from observable markets, and includes consideration of maturity, interest rate, correlation and volatility, etc.

(c) Impairment of investments

Investments are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In determining the impairment losses, management believed that estimations are reasonable.

(d) Allowance for impairment of property for sale

The Group assesses allowance for impairment of property for sale when net realisable value falls below the carrying value. The management uses judgment to estimate impairment losses, taking into consideration the latest appraised value of assets, the type and nature of the assets. However, the use of different estimates and assumptions could affect the amounts of the allowance for impairment. Therefore, allowance for impairment may be adjusted in the future.

(e) Building, equipment and intangible assets

Management determines the estimated useful lives and residual values for the Group' building, equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different than previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

(f) Provision for post retirement benefits and pension fund

The Group has a commitment on provision of post-retirement benefits and pension funds for employees. The present value of employee benefit liabilities recognised in the statement of financial position is determined on the present value of estimated future cash outflows for staff. The assumptions used in determining the net year cost for employee benefits includes the salary and years of services of respective employees which are payable in the future and discount rate. Any changes in these assumptions will impact the net year cost recorded for employee benefits.

6 Capital risk management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

Moreover, the Bank is required to manage its capital funds in accordance with the Act on Undertaking of Banking Business B.E. 2551. The Bank's capital fund is presented in Note 30 to the financial statements.

7 Interbank and money market items, net (assets)

		Consolidated	
		30 June 2020 Million Baht	31 December 2019 Million Baht
Domestic:			
Bank of Thailand and Financial Institutions Development Fund		58	1,645
Commercial banks		541	485
Specialised financial institutions		6	11
Other financial institutions		1,281	2,860
Total domestic items		1,886	5,001
<u>Add</u> Accrued interest receivable		4	5
<u>Less</u> Allowance for expected credit losses		-	-
<u>Less</u> Allowance for doubtful debts Domestic items		-	(1)
Domestic items, net		1,890	5,005
Foreign:			
USD		2,639	565
JPY		18	81
EURO		12	30
Other currencies		984	741
Total foreign items		3,653	1,417
<u>Add</u> Accrued interest receivable		8	-
Foreign items		3,661	1,417
Domestic and foreign items, net		5,551	6,422
		Separate	
		30 June 2020 Million Baht	31 December 2019 Million Baht
Domestic:			
Bank of Thailand and Financial Institutions Development Fund		58	1,645
Commercial banks		368	280
Other financial institutions		1,281	2,860
Total domestic items		1,707	4,785
<u>Add</u> Accrued interest receivable		4	5
<u>Less</u> Allowance for expected credit losses		-	-
<u>Less</u> Allowance for doubtful debts		-	(1)
Domestic items, net		1,711	4,789
Foreign:			
USD		2,639	565
JPY		18	81
EURO		12	30
Other currencies		984	741
Total foreign items		3,653	1,417
<u>Add</u> Accrued interest receivable		8	-
Foreign items		3,661	1,417
Domestic and foreign items, net		5,372	6,206

8 Financial assets measured at fair value through profit or loss

8.1 Financial assets for trading

	Consolidated and Separate 30 June 2020 Fair value Million Baht
Government and state enterprise securities	19,170
Private enterprise debt securities	5,645
Total	24,815

8.2 Financial assets designated at fair value through profit or loss

	Consolidated and Separate 30 June 2020 Fair value Million Baht
Government and state enterprise securities	11,140

9 Derivatives

9.1 Trading derivatives

Fair value and notional amount classified by type of risk

	Consolidated and Separate					
	30 June 2020			31 December 2019		
	Fair value			Fair value		
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Asset Million Baht	Liability Million Baht	Notional amount Million Baht
Exchange rate	22,822	22,007	1,516,411	22,439	22,751	1,451,120
Interest rate	32,269	26,685	2,208,442	20,357	16,164	2,151,761
Others	420	3,128	48,854	301	4,012	48,998
Total	55,511	51,820	3,773,707	43,097	42,927	3,651,879

9.2 Derivative for hedging

9.2.1 Cash flow hedge

	Consolidated and Separate					
	30 June 2020			31 December 2019		
	Fair value			Fair value		
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Asset Million Baht	Liability Million Baht	Notional amount Million Baht
Exchange rate	299	1,569	30,284	321	1,733	30,287
Interest rate	75	-	2,450	41	-	2,450
Total	374	1,569	32,734	362	1,733	32,737

Cash flow hedges are used to protect against exposure to variability in future cash flows attributable to movements in foreign exchange rates and interest rates of financial assets and financial liabilities. The Bank hedges cash flows from loan, structure bill of exchange, credit linked note and subordinated debentures against foreign exchange rates risk and interest rates risk using Cross Currency and Interest Rate Swap contract, and Interest Rate Swap contract with CIMB Bank Berhad and other parties.

10 Investments, net

10.1 Classified by type of investment

	Consolidated	Separate
	30 June 2020	30 June 2020
	Amortised cost Million Baht	Amortised cost Million Baht
Investments in debt instruments measured at amortized cost		
Government and state enterprise securities	21,880	21,880
Private debt securities	96	96
Others	2	-
Total	21,978	21,976
<u>Less</u> Allowance for expected credit losses	(1)	(1)
Total	21,977	21,975
	Fair value Million Baht	Fair value Million Baht
Investments in debt instruments measured at fair value through other comprehensive income		
Government and state enterprise securities	30,771	30,771
Private debt securities	7,203	7,203
Total	37,974	37,974

	Consolidated		Separate	
	30 June 2020		30 June 2020	
	Fair value Million Baht	Dividend receives Million Baht	Fair value Million Baht	Dividend receives Million Baht
Investments in equity instruments designated at fair value through other comprehensive income				
Domestic marketable equity securities	53	1	53	1
Domestic non-marketable equity securities	29	5	29	5
Total	82	6	82	6
Investments, net	60,033	6	60,031	6

	Consolidated	Separate
	31 December 2019	31 December 2019
	Fair value Million Baht	Fair value Million Baht
Securities held for trading		
Government and state enterprises securities	17,491	17,491
Private sector debt securities	3,859	3,859
Total securities held for trading	21,350	21,350
Securities designated at fair value through profit or loss		
Government and state enterprises securities	11,418	11,418
Total securities designated at fair value through profit or loss	11,418	11,418
Available-for-sale securities		
Government and state enterprises securities	29,926	29,926
Private sector debt securities	4,456	4,456
Domestic marketable equity securities	64	64
Total available-for-sales securities	34,446	34,446
Held-to-maturity debt securities		
Government and state enterprises securities	19,422	19,420
Private sector debt securities	95	95
Investments in receivables (Note 10.5)	58	58
Total	19,575	19,573
<u>Less</u> Allowance for impairment (Note 10.5)	(20)	(20)
Total held-to-maturity debt securities	19,555	19,553
General investments		
Domestic non-marketable equity securities	255	255
<u>Less</u> Allowance for impairment	(226)	(226)
Total general investments	29	29
Investments, net	86,798	86,796

The Bank classifies investments which have specific intention to manage the risk in trading derivatives portfolio as investment designated at fair value through profit or loss (Fair Value Option) to help the Bank reduces the accounting mismatch on measurement or recognition between investments and trading derivatives transactions. However, investments as at 30 June 2020 are presented in financial assets measured at fair value through profit or loss.

As at 30 June 2020 and 31 December 2019, the Bank had investments pledged as collateral, as mentioned in Note 45 to the financial statements.

10.2 Investments representing shareholdings in which the Group holds more than 10%

The following are investments in equity instrument designated at fair value through profit or loss in which the Group holds more than 10% of the paid-up share capital of the investee companies, but those companies were not classified as subsidiaries and associated companies. The investments classified by industry are as follows:

	Consolidated and Separate	
	30 June 2020	31 December 2019
	Million Baht	Million Baht
Property development	1	1
Public utilities and services	17	17
Bank and finance	4	4
Total	22	22
Less Allowance for impairment	(20)	(20)
Investments representing shareholdings in which the Group hold more than 10%, net	2	2

10.3 Investments in investment units in which the Group hold more than 10%

Investments in investment units in which the Group holds more than 10% of the paid-up fund which are not treated as subsidiaries and associated companies. The investments classified by type of fund are as follows:

	Consolidated and Separate	
	31 December 2019	
	Cost	Fair value
	Million Baht	Million Baht
General investments		
Investment in property funds	66	49
Less Allowance for revaluation	(17)	-
General investments, net	49	49

10.4 Investments in companies having problems relating to financial position and operating results

As at 30 June 2020 and 31 December 2019, the Group had the following investments in companies, having problems relating to financial positions and operating results:

	Consolidated and Separate							
	30 June 2020				31 December 2019			
	Number of companies	Cost Million Baht	Allowance for revaluation/impairment Million Baht	Book value Million Baht	Number of companies	Cost Million Baht	Allowance for revaluation/impairment Million Baht	Book value Million Baht
Business continuity and/or weak financial status and operating performance	49	42	(42)	-	49	42	(42)	-
Defaulted debt securities	18	1	(1)	-	18	1	(1)	-
	67	43	(43)	-	67	43	(43)	-

10.5 Investments in receivables

	Consolidated and Separate
	31 December
	2019
	Million Baht
Investments in receivables	58
<u>Less</u> Allowance for impairment	<u>(20)</u>
Investments in receivables, net	38

As at 31 December 2019, the outstanding balances of loan receivables can be summarised as follows:

	Consolidated and Separate			
	31 December 2019			
	Number of debtors	Principal Million Baht	Purchase price Million Baht	Estimated rate of return (yield) %
Total accumulated investments in receivables	5,857	22,948	6,996	19.00
Outstanding investments in receivables as at the statements of financial position date	33	964	58	1.29

11 Investments in subsidiaries, net

Company name	Nature of business	Type of securities	Percentage of holding		Separate Cost method	
			30 June 2020	31 December 2019	30 June 2020	31 December 2019
			%	%	Million Baht	Million Baht
Subsidiaries - included in consolidated financial statements						
CIMB Thai Auto Co., Ltd.	Leasing/hire-Purchase of automobile	Common stock	100	100	2,328	1,703
World Lease Co., Ltd.	Hire-purchase and motorcycles					
CT Coll Co., Ltd.	motorcycle trading	Common stock	100	100	567	467
	Debt collection	Common stock	100	100	38	38
Investments in subsidiaries, net					2,933	2,208

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. There are no other type of shares issued by subsidiaries other than ordinary shares.

On 13 May 2020, World Lease Company Limited has increase registered its capital of Baht 400 million from the current amount of Baht 600 million to Baht 1,000 million according to the Annual General Meeting of Shareholders approval on 30 April 2020.

On 30 June 2020, CIMB Thai Auto Company Limited has increase registered its capital of Baht 2,500 million from the current amount of Baht 5,500 million to Baht 8,000 million according to the Board of Director approval on 29 April 2020.

12 Loans and accrued interest receivables, net

12.1 Classified by loan type

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Bank overdrafts	5,646	6,048	5,646	6,115
Loans	169,469	168,735	172,287	172,445
Bills	22,315	22,295	56,445	52,560
Hire-purchase receivables	42,823	42,665	-	-
Others	228	207	208	207
Total loans	240,481	239,950	234,586	231,327
<u>Less</u> Modification losses	(142)	-	(58)	-
Total loans to customers	240,339	239,950	234,528	231,327
<u>Add</u> Accrued interest receivable and undue interest receivable	3,994	3,256	4,066	3,248
Total loans to customers and accrued interest receivable	244,333	243,206	238,594	234,575
<u>Less</u> Allowance for expected credit losses (Note 13)	(10,971)	-	(9,695)	-
<u>Less</u> Allowance for doubtful debts (Note 14)				
Minimum allowance for doubtful accounts required based on BOT's guidelines - Individual approach	-	(6,187)	-	(5,967)
General provision for further losses	-	(4,962)	-	(4,054)
<u>Less</u> Revaluation allowance for debt	-	(32)	-	(32)
Loans and accrued interest receivables, net	233,362	232,025	228,899	224,522

12.2 Classified by location of receivables

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Domestic	238,708	238,256	232,897	229,633
Foreign	1,631	1,694	1,631	1,694
Total	240,339	239,950	234,528	231,327

12.3 Classified by business type and classification

The Group classified loans by business type and classification as summarised below:

	Consolidated	Separate
	30 June 2020	30 June 2020
	Loans and accrued interest receivable	Loans and accrued interest receivable
	Million Baht	Million Baht
Financial assets with an insignificant increase in credit risk	213,031	212,627
Financial assets with a significant increase in credit risk	16,177	11,269
Credit-impaired financial assets	15,067	14,640
Purchased or originated credit-impaired financial assets	58	58
Total	244,333	238,594

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	Consolidated				Separate			
	31 December 2019				31 December 2019			
	Loans and accrued interest receivables Million Baht	Net amount used for set allowance for doubtful account Million Baht	Minimum percentage %	Allowance provided in the accounts Million Baht	Loans and accrued interest receivables Million Baht	Net amount used for set allowance for doubtful account Million Baht	Minimum Percentage %	Allowance provided in the accounts Million Baht
Minimum allowance for doubtful accounts based on BOT guidelines								
- Pass	218,548	77,362	1	751	215,743	104,467	1	1,027
- Special mention	12,245	2,348	2	46	6,981	1,296	2	26
- Sub-standard	3,641	1,432	100	1,361	3,088	947	100	892
- Doubtful	1,686	750	100	698	1,683	746	100	695
- Doubtful of loss	7,086	3,462	100	3,331	7,080	3,455	100	3,327
Surplus allowance								
- General provision				4,962				4,054
Total	243,206	85,354		11,149	234,575	110,911		10,021

12.4 Credit-impaired financial assets/ Non-performing loans

As at 30 June 2020 and 31 December 2019, the Group had the following credit-impaired financial assets and non-performing loans, according to Thai Financial Reporting Standard 9 and the criteria set up by the Bank of Thailand as summarised below:

	Consolidated		Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht	30 June 2020 Million Baht	31 December 2019 Million Baht
Credit-impaired financial assets before allowance for expected credit losses	13,859	-	13,467	-
Non-performing loans before allowance for doubtful accounts	-	11,296	-	10,746

12.5 Hire purchase and finance lease receivables

As at 30 June 2020, subsidiaries had receivables under hire purchase agreements and financial leases amount to Baht 41,429 million (31 December 2019 : Baht 41,196 million), mostly comprising hire purchase agreements and financial leases for cars and motorcycles. The term of the agreements are generally between three and six years and interest is mostly charged at a fixed rate.

	Consolidated			
	30 June 2020			
	Amounts due under lease agreement			
	Less than 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht
Gross investment in the lease	16,220	35,569	2,299	54,088
<u>Less</u> Unearned finance income	(4,916)	(6,308)	(125)	(11,349)
Present value of minimum lease payments receivable	11,304	29,261	2,174	42,739
<u>Less</u> Allowance for expected credit losses				(1,314)
Net receivables under hire-purchase agreements and financial leases				41,425

	Consolidated				
	31 December 2019				
	Amounts due under lease agreement				
	Less than 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Non - performing loans Million Baht	Total Million Baht
Gross investment in the lease	15,792	34,541	2,423	726	53,482
<u>Less</u> Unearned finance income	(4,435)	(6,081)	(124)	(177)	(10,817)
Present value of minimum lease payments receivable	11,357	28,460	2,299	549	42,665
<u>Less</u> Allowance for doubtful accounts					(1,469)
Net receivables under hire-purchase agreements and financial leases					41,196

13 Allowance for expected credit losses

	Consolidated					
	30 June 2020					
	Performing financial assets Million Baht	Under performing financial assets Million Baht	Non- performing financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Surplus allowance Million Baht	Total Million Baht
Balance as at 1 January 2020 (Restated)	1,080	1,272	5,648	20	3,335	11,355
Change due to reclassification	218	(510)	292	-	-	-
Change due to new estimation of credit loss	168	269	1,200	-	(731)	906
Newly acquired or purchased financial assets	(12)	(26)	383	-	-	345
Derecognized financial assets	(49)	(35)	(27)	-	-	(111)
Write-offs	-	(3)	(1,240)	-	-	(1,243)
Surplus allowance amortisation	-	-	-	-	(281)	(281)
Balance as at 30 June 2020	1,405	967	6,256	20	2,323	10,971

	Separate					
	30 June 2020					
	Performing financial assets Million Baht	Under performing financial assets Million Baht	Non- performing financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Surplus allowance Million Baht	Total Million Baht
Balance as at 1 January 2020 (Restated)	719	504	5,430	20	3,182	9,855
Change due to reclassification	162	(291)	129	-	-	-
Change due to new estimation of credit loss	(47)	296	959	-	(731)	477
Newly acquired or purchased financial assets	117	27	4	-	-	148
Derecognized financial assets	(48)	(35)	(26)	-	-	(109)
Write-offs	-	(3)	(407)	-	-	(410)
Surplus allowance amortisation	-	-	-	-	(266)	(266)
Balance as at 30 June 2020	903	498	6,089	20	2,185	9,695

The Group will amortise the surplus allowance to profit or loss using straight-line method by 5-year consecutively from 1 January 2020. However, the Group may utilise more the surplus allowance if there are situations that will impact to set a side allowance for expected credit loss according to letter to the Bank of Thailand.

14 Allowance for doubtful debts

Consolidated							
31 December 2019							
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	Surplus allowance Million Baht	Total Million Baht
Balance as at 1 January 2019 (Restated)	769	57	1,154	1,115	2,767	5,005	10,867
<u>Add</u> (Deduction) addition during the year	(18)	(11)	1,301	(413)	2,712	(780)	2,791
Transfer from revaluations allowance for debt restructuring	-	-	-	-	-	25	25
Bad debt recoveries	-	-	-	-	-	722	722
<u>Less</u> Bad debts written off	-	-	(1,094)	(4)	(1,416)	(5)	(2,519)
Reduction from sale of NPL	-	-	-	-	(732)	-	(732)
Transfer to revaluations allowance for debt restructuring	-	-	-	-	-	(5)	(5)
Balance as at 31 December 2019 (Restated)	751	46	1,361	698	3,331	4,962	11,149
Separate							
31 December 2019							
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	Surplus allowance Million Baht	Total Million Baht
Balance as at 1 January 2019 (Restated)	975	39	843	1,113	2,765	4,295	10,030
<u>Add</u> Addition (deduction) during the year	52	(13)	50	(416)	2,709	(977)	1,405
Transfer from revaluations allowance for debt restructuring	-	-	-	-	-	25	25
Bad debt recoveries	-	-	-	-	-	722	722
<u>Less</u> Bad debts written off	-	-	(1)	(2)	(1,415)	(6)	(1,424)
Reduction from sale of NPL	-	-	-	-	(732)	-	(732)
Transfer to revaluations allowance for debt restructuring	-	-	-	-	-	(5)	(5)
Balance as at 31 December 2019 (Restated)	1,027	26	892	695	3,327	4,054	10,021

15 Properties for sale, net

Properties for sale represent properties from debtors as a result of debt restructuring, properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction, or unused assets transferred as a result of a merger and awaiting disposal.

Consolidated				
	As at 1 January 2020 Million Baht	Additions Million Baht	Disposals Million Baht	As at 30 June 2020 Million Baht
Asset from debt repayment				
Immovable - Assessed by external appraiser	767	36	(24)	779
Movable	385	1,510	(1,597)	298
Total	1,152	1,546	(1,621)	1,077
Others	196	12	(37)	171
Total properties for sale	1,348	1,558	(1,658)	1,248
<u>Less</u> Allowance for impairment	(224)	(642)	677	(189)
Properties for sale, net	1,124	916	(981)	1,059

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	Consolidated			
	As at 1 January 2019 Million Baht	Additions Million Baht	Disposals Million Baht	As at 31 December 2019 Million Baht
Asset from debt repayment				
Immovable - Assessed by external appraiser	771	25	(29)	767
Movable	315	2,474	(2,404)	385
Total	1,086	2,499	(2,433)	1,152
Others	129	90	(23)	196
Total properties for sale	1,215	2,589	(2,456)	1,348
<u>Less</u> Allowance for impairment	(198)	(1,018)	992	(224)
Properties for sale, net	1,017	1,571	(1,464)	1,124
Separate				
	As at 1 January 2020 Million Baht	Additions Million Baht	Disposals Million Baht	As at 30 June 2020 Million Baht
Asset from debt repayment				
Immovable - Assessed by external appraiser	767	36	(24)	779
Total	767	36	(24)	779
Others	196	12	(37)	171
Total properties for sale	963	48	(61)	950
<u>Less</u> Allowance for impairment	(69)	-	14	(55)
Properties for sale, net	894	48	(47)	895
Separate				
	As at 1 January 2019 Million Baht	Additions Million Baht	Disposals Million Baht	As at 31 December 2019 Million Baht
Asset from debt repayment				
Immovable - Assessed by external appraiser	771	25	(29)	767
Total	771	25	(29)	767
Others	129	90	(23)	196
Total properties for sale	900	115	(52)	963
<u>Less</u> Allowance for impairment	(69)	-	-	(69)
Properties for sale, net	831	115	(52)	894

The Bank provides allowance for impairment of properties for sale by reference to appraisal value. The Bank appraises or reviews the fair value of properties for sale annually in accordance with the Notification of the Bank of Thailand. However, the actual selling price may differ from the appraisal value. In addition, the Bank is subjected to restrictions on the allowable periods it may hold such properties, as stipulated by the Bank of Thailand. If the Bank is unable to dispose of the properties within allowable periods, the Bank has to set aside additional provision in accordance with the Bank of Thailand guidelines. The Bank's management believes that the carrying value of such properties is suitable to the current situation and the current disposal plan of its properties for sale.

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16 Premises and equipment, net

	Consolidated											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2020		Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 30 June 2020	As at 1 January 2020		Transfer to properties for sale	Disposals/ written off	As at 30 June 2020	Net book value
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Land												
Cost	417	-	-	(4)	-	413	-	-	-	-	-	413
Revaluation surplus (revaluation in 2016)	1,603	-	-	(9)	-	1,594	-	-	-	-	-	1,594
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings												
Cost	1,837	6	3	(19)	-	1,827	(1,216)	(28)	19	-	(1,225)	602
Revaluation surplus (revaluation in 2016)	1,109	-	-	-	-	1,109	(920)	(8)	-	-	(928)	181
Devaluation of asset (revaluation in 2016)	(18)	-	-	3	-	(15)	11	-	(2)	-	9	(6)
Vehicle	160	9	-	-	(1)	168	(102)	(13)	-	2	(113)	55
Equipment	2,432	87	21	-	(257)	2,283	(1,872)	(97)	-	252	(1,717)	566
Assets under installation and/or construction	6	19	(24)	-	-	1	-	-	-	-	-	1
Exchange differences	(3)	-	-	-	-	(3)	3	-	-	-	3	-
Total	7,525	121	-	(29)	(258)	7,359	(4,096)	(146)	17	254	(3,971)	3,388

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	Consolidated											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2019		Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 31 December 2019	As at 1 January 2019		Transfer to properties for sale	Disposals/ written off	As at 31 December 2019	Net book value
	Million Baht	Additions Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Additions Million Baht	Million Baht	Million Baht	Million Baht	
Land												
Cost	444	-	-	(27)	-	417	-	-	-	-	-	417
Revaluation surplus (revaluation in 2016)	1,660	-	-	(57)	-	1,603	-	-	-	-	-	1,603
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings												
Cost	1,857	4	19	(43)	-	1,837	(1,197)	(59)	40	-	(1,216)	621
Revaluation surplus (revaluation in 2016)	1,130	-	-	(21)	-	1,109	(918)	(18)	16	-	(920)	189
Devaluation of asset (revaluation in 2016)	(22)	-	-	4	-	(18)	12	1	(2)	-	11	(7)
Vehicle	192	2	-	-	(34)	160	(106)	(28)	-	32	(102)	58
Equipment	2,413	258	15	-	(254)	2,432	(1,914)	(194)	-	236	(1,872)	560
Assets under installation and/or construction	8	32	(34)	-	-	6	-	-	-	-	-	6
Exchange differences	-	(3)	-	-	-	(3)	-	3	-	-	3	-
Total	7,664	293	-	(144)	(288)	7,525	(4,123)	(295)	54	268	(4,096)	3,429

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	Separate											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2020 Million Baht	Additions Million Baht	Transfer In/(out) Million Baht	Transfer to properties for sale Million Baht	Disposals/ written off Million Baht	As at 30 June 2020 Million Baht	As at 1 January 2020 Million Baht	Additions Million Baht	Transfer to properties for sale Million Baht	Disposals/ written off Million Baht	As at 30 June 2020 Million Baht	Net book value Million Baht
Land												
Cost	417	-	-	(4)	-	413	-	-	-	-	-	413
Revaluation surplus (revaluation in 2016)	1,603	-	-	(9)	-	1,594	-	-	-	-	-	1,594
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings												
Cost	1,837	6	3	(19)	-	1,827	(1,216)	(28)	19	-	(1,225)	602
Revaluation surplus (revaluation in 2016)	1,109	-	-	-	-	1,109	(920)	(8)	-	-	(928)	181
Devaluation of asset (revaluation in 2016)	(18)	-	-	3	-	(15)	11	-	(2)	-	9	(6)
Vehicle	134	9	-	-	-	143	(84)	(12)	-	-	(96)	47
Equipment	2,206	70	21	-	(254)	2,043	(1,728)	(85)	-	250	(1,563)	480
Assets under installation and/or construction	6	19	(24)	-	-	1	-	-	-	-	-	1
Exchange differences	(3)	-	-	-	-	(3)	3	-	-	-	3	-
Total	7,273	104	-	(29)	(254)	7,094	(3,934)	(133)	17	250	(3,800)	3,294

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	Separate											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2019 Million Baht	Additions Million Baht	Transfer In/(out) Million Baht	Transfer to properties for sale Million Baht	Disposals/ written off Million Baht	As at 31 December 2019 Million Baht	As at 1 January 2019 Million Baht	Additions Million Baht	Transfer to properties for sale Million Baht	Disposals/ written off Million Baht	As at 31 December 2019 Million Baht	Net book value Million Baht
Land												
Cost	444	-	-	(27)	-	417	-	-	-	-	-	417
Revaluation surplus (revaluation in 2016)	1,660	-	-	(57)	-	1,603	-	-	-	-	-	1,603
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings												
Cost	1,857	4	19	(43)	-	1,837	(1,197)	(59)	40	-	(1,216)	621
Revaluation surplus (revaluation in 2016)	1,130	-	-	(21)	-	1,109	(918)	(18)	16	-	(920)	189
Devaluation of asset (revaluation in 2016)	(22)	-	-	4	-	(18)	12	1	(2)	-	11	(7)
Vehicle	161	2	-	-	(29)	134	(87)	(24)	-	27	(84)	50
Equipment	2,227	213	15	-	(249)	2,206	(1,781)	(177)	-	230	(1,728)	478
Assets under installation and/or construction	8	32	(34)	-	-	6	-	-	-	-	-	6
Exchange differences	-	(3)	-	-	-	(3)	-	3	-	-	3	-
Total	7,447	248	-	(144)	(278)	7,273	(3,971)	(274)	54	257	(3,934)	3,339

17 Right-of-use assets, net

	Consolidated	Separate
	30 June	30 June
	2020	2020
	Million Baht	Million Baht
Properties	266	205
Vehicles	7	-
Total right-of-use assets, net	273	205

During the six-month period ended 30 June 2020, additions to the right-of-use assets of the Group and the Bank consist of properties and vehicles were Baht 28 million and Baht 5 million, respectively.

The statement of comprehensive income included following transactions related to leases.

	Consolidated	Separate
	For the three-month period ended	For the three-month period ended
	30 June 2020	30 June 2020
	Million Baht	Million Baht
Depreciation charge of right-of-use assets	27	17
Finance cost relating to leases	1	1

	Consolidated	Separate
	For the six-month period ended	For the six-month period ended
	30 June 2020	30 June 2020
	Million Baht	Million Baht
Depreciation charge of right-of-use assets	54	35
Finance cost relating to leases	3	2

The total cash outflow for leases for the three-month and six-month periods ended 30 June 2020 were Baht 27 million and Baht 55 million for the Group and Baht 18 million and Baht 35 million for the Bank, respectively.

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18 Intangible assets, net

		Consolidated					As at 30 June 2020 Million Baht
Amortising period	As at 1 January 2020 Million Baht	Increase Million Baht	Transfer in/(out) Million Baht	Write off Million Baht	Amortisation Million Baht		
Expenditures in connection with development and improvement of computer systems - under development	-	185	146	(253)	-	-	78
Expenditures in connection with development and improvement of process - under development	-	311	(311)	-	-	-	-
Computer software	5 - 10 years	566	75	564	(8)	(124)	1,073
Net intangible assets		1,062	221	-	(8)	(124)	1,151
		Consolidated					As at 31 December 2019 Million Baht
Amortising period	As at 1 January 2019 Million Baht	Increase Million Baht	Transfer in/(out) Million Baht	Write off Million Baht	Amortisation Million Baht		
Expenditures in connection with development and improvement of computer systems - under development	-	160	(266)	-	-	-	185
Expenditures in connection with development and improvement of process - under development	-	-	311	-	-	-	311
Computer software	5 - 10 years	329	105	266	-	(134)	566
Net intangible assets		489	707	-	-	(134)	1,062
		Separate					As at 30 June 2020 Million Baht
Amortising period	As at 1 January 2020 Million Baht	Increase Million Baht	Transfer In/(out) Million Baht	Write off Million Baht	Amortisation Million Baht		
Expenditures in connection with development and improvement of computer systems - under development	-	166	(234)	-	-	-	78
Expenditures in connection with development and improvement of process - under development	-	300	(300)	-	-	-	-
Computer software	5 - 10 years	550	58	534	(8)	(115)	1,019
Net intangible assets		1,016	204	-	(8)	(115)	1,097
		Separate					As at 31 December 2019 Million Baht
Amortising period	As at 1 January 2019 Million Baht	Increase Million Baht	Transfer In/(out) Million Baht	Write off Million Baht	Amortisation Million Baht		
Expenditures in connection with development and improvement of computer systems - under development	-	159	(266)	-	-	-	166
Expenditures in connection with development and improvement of process - under development	-	-	300	-	-	-	300
Computer software	5 - 10 years	322	93	266	-	(131)	550
Net intangible assets		481	666	-	-	(131)	1,016

19 Deferred income taxes

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Deferred tax assets	546	694	-	219
Deferred tax liabilities	(18)	-	(10)	-
Net	528	694	(10)	219

The movement in deferred tax assets and liabilities during the period/year is as follows:

	Consolidated						
	Provision Million Baht	Tax losses Million Baht	Interest in Suspense account Million Baht	Allowance for impairment of properties foreclosed Million Baht	Allowance for expected credit loss/ Allowance for doubtful accounts Million Baht	Deferred income Million Baht	Others Million Baht
Deferred tax assets							
At 1 January 2020 (Restated)	410	139	13	45	971	59	117
(Credited) charged to profit or loss	(4)	(139)	4	(7)	(183)	11	71
At 30 June 2020	406	-	17	38	788	70	188
Deferred tax assets							
At 1 January 2019 (Restated)	296	-	50	40	887	80	187
Charged (credited) to profit or loss	75	92	(29)	5	98	(21)	(71)
Tax charged relation to components of the comprehensive income	6	-	-	-	-	-	-
At 31 December 2019	377	92	21	45	985	59	116

	Consolidated		
	Fair value gain from investment Million Baht	Gain from revaluation of assets Million Baht	Temporary difference Million Baht
Deferred tax liabilities			
At 1 January 2020 (restated)	570	387	40
(Credited) charged to profit or loss	(113)	(8)	13
Tax charged relation to components of the comprehensive income	24	-	66
At 30 June 2020	481	379	119
Deferred tax liabilities			
At 1 January 2019 (restated)	79	394	24
Charged (credited) to profit or loss	428	(7)	31
Tax charged (credited) relation to components of the comprehensive income	63	-	(11)
At 31 December 2019	570	387	44

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	Separate							Total Million Baht
	Provision Million Baht	Tax losses Million Baht	Interest in Suspense account Million Baht	Allowance for impairment of properties foreclosed Million Baht	Allowance for expected credit loss/ Allowance for doubtful accounts Million Baht	Deferred income Million Baht	Others Million Baht	
Deferred tax assets								
At 1 January 2020 (Restated)	379	139	-	14	636	59	17	1,244
(Credited) charged to profit or loss	(5)	(139)	-	(3)	(178)	12	(5)	(318)
At 30 June 2020	374	-	-	11	458	71	12	926
Deferred tax assets								
At 1 January 2019 (Restated)	277	-	39	14	656	80	19	1,085
Charged (credited) to profit or loss	68	92	(31)	-	-	(21)	(2)	106
At 31 December 2019	345	92	8	14	656	59	17	1,191

	Separate			Total Million Baht
	Fair value gain from investment Million Baht	Gain from revaluation of assets Million Baht	Temporary difference Million Baht	
Deferred tax liabilities				
At 1 January 2020 (restated)	570	387	10	967
Credited to profit or loss	(113)	(8)	-	(121)
Tax charged relation to components of the comprehensive income	24	-	66	90
At 30 June 2020	481	379	76	936
Deferred tax liabilities				
At 1 January 2019 (restated)	79	394	22	495
Charged (credit) to profit or loss	428	(7)	4	425
Tax charged (credited) relation to components of the comprehensive income	63	-	(11)	52
At 31 December 2019	570	387	15	972

As at 30 June 2020 and 31 December 2019, the Group had temporary tax difference that the Group did not recognise as deferred tax assets in the statement of financial position as follows:

	Consolidated and Separate	
	30 June 2020 Million baht	31 December 2019 Million baht
Provision	506	445
Tax loss carry forward	-	722
Allowance for doubtful accounts	-	302
Fair value loss from investment	-	3
Interest in suspense	-	176
Others	175	82
Total	681	1,730

20 Other assets, net

	Consolidated		Separate	
	30 June 2020 Million baht	31 December 2019 Million baht	30 June 2020 Million baht	31 December 2019 Million baht
Accrued interest and dividend receivables	359	295	359	294
Advances	46	33	45	33
Others assets awaiting account transfer	78	79	78	79
Commission receivables	59	201	56	161
Withholding tax	172	198	166	198
Marginal deposits	76	107	71	94
Prepaid expenses	386	538	351	531
Accounts receivable from sale of non-performing loans	191	438	191	282
Others	319	398	163	199
Total	1,686	2,287	1,480	1,871
Less Allowance for expected credit losses	(48)	(28)	(48)	(28)
Other assets, net	1,638	2,259	1,432	1,843

21 Deposits

21.1 Classified by type of deposits

	Consolidated		Separate	
	30 June 2020 Million baht	31 December 2019 Million baht	30 June 2020 Million baht	31 December 2019 Million baht
Demand	6,686	2,912	6,726	2,912
Savings	77,069	60,450	77,351	60,531
Fixed	115,272	134,829	115,289	134,845
Negotiable certificate of deposit	439	844	439	844
Total deposits	199,466	199,035	199,805	199,132

21.2 Classified by currency and residency of depositors

	Consolidated					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	194,453	1,642	196,095	194,043	1,697	195,740
US dollar	2,275	465	2,740	2,351	309	2,660
Other currencies	570	61	631	574	61	635
Total	197,298	2,168	199,466	196,968	2,067	199,035

	Separate					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	194,792	1,642	196,434	194,140	1,697	195,837
US dollar	2,275	465	2,740	2,351	309	2,660
Other currencies	570	61	631	574	61	635
Total	197,637	2,168	199,805	197,065	2,067	199,132

22 Interbank and money market items (liabilities)

	Consolidated and Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht
Domestic:		
The Bank of Thailand	2,494	-
Commercial banks	14,737	30,822
Specialised financial institutions	1,378	2,540
Finance, finance and securities, securities, and credit foncier companies	14,235	5,044
Other financial institutions	12,886	3,134
Total domestic items	45,730	41,540
Foreign:		
US dollar	711	65
Other currencies	2,621	1,789
Total foreign items	3,332	1,854
Total domestic and foreign items	49,062	43,394

23 Financial liabilities designated at fair value through profit or loss

	Consolidated and Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht
Debentures	2,230	11
Bills of Exchange	26,091	24,412
Total	28,321	24,423
	Consolidated and Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht
Cumulative change in fair values due to a change in credit risk of liabilities recognised in other comprehensive income	34	-
Difference between book values and notional amounts to be settled as the contracts mature	5,412	4,671

As at 30 June 2020 and 31 December 2019, financial liabilities designated at fair value through profit or loss consisted of:

- The Bank issued structured debentures with reference interest rate of THBFX 3 month (callable range accrual note), which will mature in 5 years. The Bank will pay interest every six months according to the condition of agreement.
- The Bank issued accreting structured bills of exchange embedded interest rate swap with predetermined return rate and conditions. The maturity date is between 3 - 23 years (31 December 2019 : 3 - 23 years). They bear interest rate at 1.78% - 5.18% per annum (31 December 2019 : 1.78% - 5.18% per annum) with a payment of interest at maturity date. The Bank entered into interest rate swaps with other parties for hedging interest rate risk.

24 Debt issued and borrowings

	Consolidated					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Debentures						
Debentures maturing in 2020, coupon rate of 2.44% per annum	-	-	-	2,000	-	2,000
Subordinated debentures						
Subordinated debentures of RM 570 million, maturing in 2026, coupon rate of 5.35% per annum	-	4,112	4,112	-	4,174	4,174
Subordinated debentures of RM 390 million, maturing in 2028, coupon rate of 5.20% per annum	-	2,813	2,813	-	2,856	2,856
Subordinated debentures of RM 550 million, maturing in 2029, coupon rate of 4.15% per annum	-	3,967	3,967	-	4,027	4,027
Structured debentures						
Structured debentures	6,330	1,539	7,869	6,112	1,563	7,675
	6,330	12,431	18,761	8,112	12,620	20,732
Structured bills of exchange						
Structured bills of exchange	1,800	3,367	5,167	1,800	3,287	5,087
	1,800	3,367	5,167	1,800	3,287	5,087
Total	8,130	15,798	23,928	9,912	15,907	25,819
	Separate					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Subordinated debentures						
Subordinated debentures of RM 570 million, maturing in 2026, coupon rate of 5.35% per annum	-	4,112	4,112	-	4,174	4,174
Subordinated debentures of RM 390 million, maturing in 2028, coupon rate of 5.20% per annum	-	2,813	2,813	-	2,856	2,856
Subordinated debentures of RM 550 million, maturing in 2029, coupon rate of 4.15% per annum	-	3,967	3,967	-	4,027	4,027
Structured debentures						
Structured debentures	6,330	1,539	7,869	6,112	1,563	7,675
	6,330	12,431	18,761	6,112	12,620	18,732
Structured bills of exchange						
Structured bills of exchange	1,800	3,367	5,167	1,800	3,287	5,087
	1,800	3,367	5,167	1,800	3,287	5,087
Total	8,130	15,798	23,928	7,912	15,907	23,819

- (a) On 8 May 2017, CIMB Thai Auto Co., Ltd which is the Bank's subsidiary, issued debentures. The subscription unit is at 2,000,000 units at Baht 1,000 each and issued price of Baht 1,000 each for an aggregate amount of Baht 2,000 million carrying constant interest rate of 2.44% per annum with a payment of interest every six months. The debenture has a tenor of 3 years and is due on 8 May 2020.

- (b) On 8 July 2019, the Bank exercised its option to early redeem all subordinated debentures amounting to MYR 400 million, maturing in 2024, which the Bank was able to early redeem (under the specified conditions). This early redemption was approved by BOT notification For Kor Kor. 292/2562 The approval of redemption of subordinated debentures.

On the same day, the Bank issued MYR 550 million of subordinated debentures pursuant to tier II subordinated debenture programme to overseas investors, 5,500,000 units of MYR 100 each, interest rate of 4.15% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2029. The Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand.

The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital according to the correspondence For Kor Kor. 527/2562.

- (c) On 11 July 2016, the Bank issued MYR 570 million of subordinated debentures pursuant to tier II subordinated debenture programme to overseas investors, 5,700,000 units of MYR 100 each, interest rate of 5.35% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2026. The Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand.

The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital according to the correspondence For Kor Kor. (02) 414/2559.

- (d) On 29 March 2018, the Bank issued MYR 390 million of subordinated debentures pursuant to tier II subordinated debenture programme to overseas investors, 3,900,000 units of MYR 100 each, interest rate of 5.20% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2028. The Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand.

The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital according to the correspondence For Kor Kor. 221/ 2561.

- (e) As at 30 June 2020, the Bank has structured debentures of Baht 7,869 million (31 December 2019: Baht 7,675 million) as follows:

- The Bank issued structured debentures (Maxi X-Change Single Barrier Bullish) of Baht 45 million (31 December 2019 : Baht 59 million) with 6 months to 1 year from respective issuance dates. The Bank will pay interest at maturity date according to the movement of the underlying.
- The Bank issued structured debentures (Fund Link Note) in foreign currency of USD 9 million which equivalent to Baht 303 million and in Baht 6,285 million (31 December 2019 : foreign currency of USD 12 million which equivalent to Baht 357 million and in Baht 6,053 million) which will mature in 1 year, the return is based on movement of the price of mutual fund.
- The Bank issued credit linked notes (CLN) of USD 40 million which equivalent to Baht 1,236 million (31 December 2019 : USD 40 million which equivalent to Baht 1,206 million) which will mature in 3 years. The holder will receive all coupon amounts and the redemption amount on the maturity date according to the conditions of agreement, subject to no credit event determination occurring with respect to the reference entity.

(f) As at 30 June 2020, the Bank had credit linked bill of exchange (CLN) of Baht 5,167 million (31 December 2019 : Baht 5,087 million) as follows:

- The Bank issued CLN of Baht 1,800 million (31 December 2019: Baht 1,800 million) which will mature in 10 years. The holder will receive all coupon amounts on respective coupon payment date and the redemption amount on the maturity date, subject to no credit event determination occurring with respect to the reference entity. The credit linked bills of exchange bear interest rate at 3.75% - 4.01% per annum (31 December 2019 : 3.75% - 4.01% per annum) with a payment of interest every six months.
- The Bank issued CLN of USD 109 million or equivalence Baht 3,367 million (31 December 2019: USD 109 million or equivalence Baht 3,287 million) which will mature in 8 - 15 years (31 December 2019 : 8 - 15 years). The holder will receive all coupon amounts and the redemption amount on the maturity date according to the conditions of agreement, subject to no credit event determination occurring with respect to the reference entity. The credit linked note bills of exchange bear interest rate at 6M LIBOR + 1.6597% to 6M LIBOR + 2.3925% per annum (31 December 2019 : 6M LIBOR + 1.6597% to 6M LIBOR + 2.3925% per annum) with a payment of interest every six-months.

25 Provisions

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Allowance for expected credit losses of loan commitments and financial guarantee contracts	627	-	627	-
Reserve for off-statements of financial position items	-	351	-	351
Provision for contingent loss from legal cases	49	73	49	73
Provision for employee benefits	1,862	1,852	1,701	1,694
Provision for restoration	22	23	22	23
Total provisions	2,560	2,299	2,399	2,141

Provision for employee benefits

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Present value of post-employment benefit obligations	1,862	1,852	1,701	1,694
Provision for employee benefits	1,862	1,852	1,701	1,694

Movements of provision for pension funds are as follows:

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Beginning balance	1,852	1,427	1,694	1,332
Current service costs	84	141	76	128
Past service costs	-	139	-	117
Gains on settlement	-	(8)	-	(8)
Interest costs	13	39	12	36
Remeasurements:				
(Gains) losses from changes of:				
Demographic assumptions	-	(66)	-	(55)
Financial assumptions	-	324	-	289
Experience	-	(1)	-	(5)
<u>Less</u> Pension benefits paid for the period/ year	<u>(87)</u>	<u>(143)</u>	<u>(81)</u>	<u>(140)</u>
Ending balance	1,862	1,852	1,701	1,694

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Expenses for employee benefits were recognised in the statements of comprehensive income as follows:

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Current service costs	42	35	38	32
Past service costs	-	138	-	117
Interest costs	6	10	6	9
Total	48	183	44	158

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Current service costs	84	70	76	64
Past service costs	-	138	-	117
Interest costs	13	20	12	18
Total	97	228	88	199

Significant assumptions used in the actuarial calculation are summarised as follows:

Consolidated and Separate	
30 June 2020 and 31 December 2019	
Discount rate	1.50%
Salary increase rate	6.00%
Pre-retirement mortality rate	75.00% of Thai Mortality Ordinary Table 2017
Disability rate	10.00% of pre-retirement mortality rate
Pre-retirement withdrawal rate	Employees who are eligible for pension benefit: Flat 2.865% of Thai Withdrawal Table, Other employees: 75% of Thai Withdrawal Table
Retirement age	60 years old

Sensitivity analysis for each significant assumptions:

	Consolidated					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Weighted average discount rate	0.5%	0.5%	Decrease by 0.01%	Decrease by 3.86%	Increase by 9.24%	Increase by 4.91%
Weighted average rate of salary increase	1.0%	1.0%	Increase by 14.94%	Increase by 10.23%	Decrease by 4.81%	Decrease by 8.35%

	Separate					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Weighted average discount rate	0.5%	0.5%	Increase by 0.22%	Decrease by 3.70%	Increase by 9.19%	Increase by 4.79%
Weighted average rate of salary increase	1.0%	1.0%	Increase by 14.74%	Increase by 9.96%	Decrease by 4.47%	Decrease by 8.09%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee benefit obligations recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

As at 30 June 2020, the weighted average duration of the defined benefit obligation is 8.3 years (31 December 2019: 8.3 years).

Expected maturity analysis of undiscounted benefits:

	Consolidated			
	30 June 2020 and 31 December 2019			
	Less than a year Million Baht	Between 1 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht
Retirement benefits	181	350	1,600	2,131

	Separate			
	30 June 2020 and 31 December 2019			
	Less than a year Million Baht	Between 1 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht
Retirement benefits	163	338	1,440	1,941

26 Other liabilities

	Consolidated		Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht	30 June 2020 Million Baht	31 December 2019 Million Baht
Amount due to Department of Alternative Energy Development and Efficiency	12	18	12	18
Other liabilities awaiting accounts transfer	1,207	640	1,145	558
Accrued interest	582	680	582	673
Deferred commission	20	16	20	24
Accrued expense	1,028	2,094	904	1,533
Corporate income tax payable	156	108	18	-
Others	384	547	167	196
Total	3,389	4,103	2,848	3,002

27 Offsetting of financial assets and financial liabilities

	Consolidated and Separate					
	30 June 2020					
	Amount that cannot be offset on the statement of financial position					Net amount
	Gross amount	Amount to be offset on the statement of financial position	Net amount on the statement of financial position	Offsetting amount according to the contracts that do not meet the criteria according to accounting standards	Value of related collateral	
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Financial assets						
Purchase of securities with resale agreement transactions	303	-	303	-	(201)	102
Derivative assets	55,885	-	55,885	(36,485)	(10,072)	9,328
Total	56,188	-	56,188	(36,485)	(10,273)	9,430
Financial liabilities						
Sales of securities with resale agreement transactions	(15,574)	-	(15,574)	15,173	-	(401)
Derivative liabilities	(53,389)	-	(53,389)	36,485	11,606	(5,298)
Total	(68,963)	-	(68,963)	51,658	11,606	(5,699)

28 Share capital

	Consolidated and Separate			
	30 June 2020		31 December 2019	
	Number	Amount	Number	Amount
	Million shares	Million Baht	Million shares	Million Baht
Registered				
Beginning of the period/year				
- Ordinary shares	34,822	17,411	34,822	17,411
Issue of shares	-	-	-	-
End of the period/year	34,822	17,411	34,822	17,411
Issued and paid up				
Beginning of the period/year				
- Ordinary shares	34,822	17,411	34,822	17,411
Issue of shares	-	-	-	-
End of the period/year	34,822	17,411	34,822	17,411

29 Dividend payments

On 24 April 2020, the Bank paid an interim dividend from the operating results of 2019 at the rate of Baht 0.005 per share, totaling Baht 174 million according to the Board of Directors meeting approval on 26 March 2020.

On 7 May 2020, World Lease Company Limited paid a dividend from the operating results of 2019 at the rate of Baht 3.03 per its paid-up share, totaling Baht 100 million according to the Annual General Meeting of Shareholders approval on 30 April 2020.

On 25 June 2020, CIMB Thai Auto Company Limited paid an interim dividend from the operating results of 2019 at the rate of Baht 4.10 per its paid-up share, totaling Baht 625 million according to the Board of Directors meeting approval on 29 April 2020.

30 Statutory reserve

Under the Public Company Limited Act B.E. 2535, the Bank is required to set aside a statutory reserve of at least 5% of its net profit for the year, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. This reserve cannot be used to pay dividend.

As at 30 June 2020, the Bank had total statutory reserve of Baht 424.90 million (31 December 2019: Baht 403.98 million).

31 Capital funds

The primary objectives of the Group's capital management are to maintain the Bank's ability to continue as a going concern and to maintain a capital adequacy ratio in accordance with the Act on Undertaking of Banking business B.E. 2551. The capital funds comprise:

Capital fund (Full consolidate supervision)	30 June 2020 Million Baht	Total capital to risk assets %	31 December 2019 Million Baht	Total capital to risk assets %
<u>Tier I</u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	425		404	
Unappropriated surplus	8,939		7,618	
Other reserves	1,769		1,646	
Deduction on Tier I capital fund	(2,349)		(2,590)	
Total Tier I capital fund	36,341	13.46	34,635	13.05
<u>Tier II</u>				
Long-term subordinated debentures	12,262		12,262	
Reserve for loan classified as pass	2,590		748	
Total Tier II capital fund	14,852	5.50	13,010	4.90
Total capital funds	51,193	18.96	47,645	17.95

	30 June 2020 Million Baht	Total capital to risk assets %	31 December 2019 Million Baht	Total capital to risk assets %
Capital funds (Separate)				
<u>Tier I</u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	425		404	
Unappropriated surplus	5,256		5,012	
Other reserves	1,812		1,689	
Deduction on Tier I capital fund	(1,706)		(2,022)	
Total Tier I capital fund	33,344	12.38	32,640	12.38
<u>Tier II</u>				
Long-term subordinated debentures	12,262		12,262	
Reserve for loan classified as pass	2,682		1,027	
Total Tier II capital fund	14,944	5.54	13,289	5.04
Total capital funds	48,288	17.92	45,929	17.42

As at 30 June 2020, the Bank's regulatory capital after deducting capital add-on arising from single lending was Baht 48,288 million (31 December 2019 : Baht 45,929 million).

The Bank has maintained capital fund and liquidity coverage ratio under BOT notification of international capital requirement standards under the Basel III regulatory framework and will disclose capital maintenance information as at 30 June 2020 in accordance with the Notification of the Bank of Thailand Re: Public Disclosure of Capital Maintenance Information for Commercial Banks and Consolidated Supervision and Liquidity coverage ratio disclosure standards on its website at www.cimbthai.com within four months after the statements of financial position date.

32 Share-based payments

Equity Ownership Plan (EOP)

The EOP was introduced in March 2011 where the Bank will grant ordinary shares of CIMB Group Holdings Berhad to eligible employees.

The eligibility of participation in the EOP shall be at the discretion of the Group Nomination and Remuneration Committee of CIMB Group Holdings Berhad, and the granted shares will be released in stages at predetermined dates subject to continued employment.

Upon termination of employment other than retirement, disability or death, any unreleased shares will be disposed at market price, and the proceeds from disposal will be returned to the Bank. In the event of retirement, disability or death of the eligible employee, the shares will be assigned to the employee or designated beneficiary on the date of retirement, disability or death.

The weighted average fair value of shares granted in this financial period, which were purchased over a specified year before awarding to the eligible employees of the Bank, was MYR 3.52 per share (31 December 2019 : MYR 5.19 per share).

Movement in the number of ordinary shares granted under the EOP are as follows:

	Number of ordinary shares under the EOP as at	
	30 June 2020 units '000	31 December 2019 units '000
Beginning of financial period/year	1,249	1,241
Awarded during financial period/year	1,191	1,095
Released during financial period/year	(475)	(1,087)
End of financial period/year	1,965	1,249

For the six-month ended 30 June 2020, the Bank has expenses for share-based payments amounting to Baht 16 million (30 June 2019 : Baht 19 million) and the Bank has share-based payment reserves amounting to Baht 27 million (31 December 2019 : Baht 35 million).

33 Important positions and performance classified by type of domestic or foreign transactions

33.1 Position classified by type of transaction

	Consolidated					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Total assets	412,520	383	412,903	393,281	392	393,673
Interbank and money market items, net (assets)	5,172	379	5,551	6,195	227	6,422
Financial assets measured at fair value through profit or loss	35,955	-	35,955	-	-	-
Derivative assets	55,885	-	55,885	43,459	-	43,459
Investments, net	60,033	-	60,033	86,696	102	86,798
Loans to customers and accrued interest receivables, net	233,362	-	233,362	231,974	51	232,025
Deposits	199,460	6	199,466	199,024	11	199,035
Interbank and money market items (liabilities)	49,062	-	49,062	43,394	-	43,394
Financial liabilities measured at fair value through profit or loss	28,321	-	28,321	24,423	-	24,423
Derivative liabilities	53,389	-	53,389	44,660	-	44,660
Debt issued and borrowings	23,928	-	23,928	25,819	-	25,819

	Separate					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Total assets	409,678	383	410,061	386,512	392	386,904
Interbank and money market items, net (assets)	4,993	379	5,372	5,979	227	6,206
Financial assets measured at fair value through profit or loss	35,955	-	35,955	-	-	-
Derivative assets	55,885	-	55,885	43,459	-	43,459
Investments, net	60,031	-	60,031	86,694	102	86,796
Investments in subsidiaries, net	2,933	-	2,933	2,208	-	2,208
Loans to customers and accrued interest receivables, net	228,899	-	228,899	224,471	51	224,522
Deposits	199,799	6	199,805	199,121	11	199,132
Interbank and money market items (liabilities)	49,062	-	49,062	43,394	-	43,394
Financial liabilities measured at fair value through profit or loss	28,321	-	28,321	24,423	-	24,423
Derivative liabilities	53,389	-	53,389	44,660	-	44,660
Debt issued and borrowings	23,928	-	23,928	23,819	-	23,819

33.2 Performance classified by type of transaction

	Consolidated					
	For the three-month period ended 30 June 2020			For the three-month period ended 30 June 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	3,993	-	3,993	4,270	2	4,272
Interest expenses	(1,069)	-	(1,069)	(1,408)	-	(1,408)
Net interest income	2,924	-	2,924	2,862	2	2,864
Net fee and services income	294	-	294	466	-	466
Other operating income	468	-	468	211	-	211
Other operating expenses	(2,249)	(3)	(2,252)	(2,406)	(6)	(2,412)
Expected credit losses	(1,026)	-	(1,026)	-	-	-
Bad and doubtful debts and impairment losses	-	-	-	(752)	-	(752)
Profit (losses) before income tax expenses	411	(3)	408	381	(4)	377

	Separate					
	For the three-month period ended 30 June 2020			For the three-month period ended 30 June 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	2,899	-	2,899	3,436	2	3,438
Interest expenses	(1,064)	-	(1,064)	(1,396)	-	(1,396)
Net interest income	1,835	-	1,835	2,040	2	2,042
Net fee and services income	210	-	210	243	-	243
Other operating income	1,104	-	1,104	106	-	106
Other operating expenses	(1,661)	(3)	(1,664)	(1,823)	(6)	(1,829)
Expected credit losses	(213)	-	(213)	-	-	-
Bad and doubtful debts and impairment losses	-	-	-	(386)	-	(386)
Profit (losses) before income tax expenses	1,275	(3)	1,272	180	(4)	176

	Consolidated					
	For the six-month period ended 30 June 2020			For the six-month period ended 30 June 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	8,056	2	8,058	8,474	4	8,478
Interest expenses	(2,303)	-	(2,303)	(2,782)	-	(2,782)
Net interest income	5,753	2	5,755	5,692	4	5,696
Net fee and services income	692	-	692	919	-	919
Other operating income	1,481	-	1,481	557	-	557
Other operating expenses	(4,708)	(5)	(4,713)	(4,445)	(10)	(4,455)
Expected credit losses	(1,642)	-	(1,642)	-	-	-
Bad and doubtful debts and impairment losses	-	-	-	(1,758)	-	(1,758)
Profit (losses) before income tax expenses	1,576	(3)	1,573	965	(6)	959

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	Separate					
	For the six-month period ended 30 June 2020			For the six-month period ended 30 June 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	6,003	2	6,005	6,845	3	6,848
Interest expenses	(2,286)	-	(2,286)	(2,758)	-	(2,758)
Net interest income	3,717	2	3,719	4,087	3	4,090
Net fee and services income	425	-	425	483	-	483
Other operating income	2,012	-	2,012	175	-	175
Other operating expenses	(3,337)	(6)	(3,343)	(3,309)	(10)	(3,319)
Expected credit losses	(373)	-	(373)	-	-	-
Bad and doubtful debts and impairment losses	-	-	-	(990)	-	(990)
Profit (losses) before income tax expenses	2,444	(4)	2,440	446	(7)	439

34 Interest income

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Interbank and money market items	40	21	40	22
Investments and trading transactions	98	217	98	217
Investments in debt securities	280	353	280	353
Loans	2,193	2,567	2,465	2,805
Hire purchase and financial lease income	1,366	1,073	-	-
Others	16	41	16	41
Interest income	3,993	4,272	2,899	3,438

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Interbank and money market items	62	46	62	46
Investments and trading transactions	196	422	196	422
Investments in debt securities	560	730	560	730
Loans	4,578	5,105	5,123	5,566
Hire purchase and financial lease income	2,598	2,091	-	-
Others	64	84	64	84
Interest income	8,058	8,478	6,005	6,848

35 Interest expenses

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Deposits	613	683	613	683
Interbank and money market item	97	229	97	229
Contribution fee to the Deposit Protection Agency	6	5	6	5
Contribution fee to FIDF	152	256	152	256
Debt securities issued				
- Subordinated debentures	156	155	156	155
- Others	27	34	22	34
Borrowings	-	12	-	-
Others	18	34	18	34
Interest expenses	1,069	1,408	1,064	1,396

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Deposits	1,342	1,352	1,342	1,352
Interbank and money market item	228	432	228	432
Contribution fee to the Deposit Protection Agency	11	9	11	9
Contribution fee to FIDF	290	518	290	518
Debt securities issued				
- Subordinated debentures	316	305	316	305
- Others	68	64	51	64
Borrowings	-	24	-	-
Others	48	78	48	78
Interest expenses	2,303	2,782	2,286	2,758

36 Net fees and services income

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Fees and service incomes				
Acceptances, aval and guarantees	19	23	21	29
ATM and Debit card fees	4	9	4	9
Insurance brokerage income	184	191	134	191
Management fee	3	17	3	17
Underwriting fees	102	47	102	47
Collection fees	10	49	-	-
Goods and services payment fees	29	183	-	-
Others	34	35	34	33
Fees and service income	385	554	298	326
Fees and service expenses				
Collection fees	(47)	(50)	(47)	(50)
ATM fees	(5)	(6)	(5)	(6)
Brokerage fees	(37)	(24)	(37)	(24)
Others	(2)	(8)	1	(3)
Fees and service expenses	(91)	(88)	(88)	(83)
Net fees and service income	294	466	210	243

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Fees and service incomes				
Acceptances, aval and guarantees	38	45	46	55
ATM and Debit card fees	9	18	9	18
Insurance brokerage income	502	365	321	365
Management fee	7	45	7	45
Underwriting fees	146	108	146	108
Collection fees	26	100	-	-
Goods and services payment fees	77	356	1	1
Others	70	54	70	55
Fees and service income	875	1,091	600	647
Fees and service expenses				
Collection fees	(103)	(98)	(103)	(98)
ATM fees	(11)	(12)	(11)	(12)
Brokerage fees	(43)	(44)	(43)	(44)
Others	(26)	(18)	(18)	(10)
Fees and service expenses	(183)	(172)	(175)	(164)
Net fees and service income	692	919	425	483

37 Gains (losses) on financial instruments measured at fair value through profit or loss

	Consolidated and Separate	
	For the three-month period ended 30 June	
	2020	2019
	Million Baht	Million Baht
Gains (losses) on tradings and foreign exchange transactions		
Foreign currencies and foreign exchange rate derivatives	351	(147)
Interest rate derivatives	(94)	693
Debt instruments	(97)	(373)
Equity instruments	(2)	10
Others	(13)	(6)
Gains on tradings and foreign exchange transactions	145	177
Gains (losses) on financial instruments designated at fair value through profit or loss		
Net changes in fair values		
Investments in debt instrument	217	590
Bills of exchange	(156)	(512)
Debentures	(35)	(227)
Losses from derecognition, including interest receivable and payable only those not included in net changes in fair values	(90)	(67)
Losses on financial instruments designated at fair value through profit or loss	(64)	(216)
Total	81	(39)

	Consolidated and Separate	
	For the six-month period ended 30 June	
	2020	2019
	Million Baht	Million Baht
Gains (losses) on tradings and foreign exchange transactions		
Foreign currencies and foreign exchange rate derivatives	(100)	(381)
Interest rate derivatives	1,202	1,713
Debt instruments	1,106	(383)
Equity instruments	7	17
Others	6	(13)
Gains on tradings and foreign exchange transactions	2,221	953
Gains (losses) on financial instruments designated at fair value through profit or loss		
Net changes in fair values		
Investments in debt instrument	(623)	652
Bills of exchange	(757)	(980)
Debentures	(13)	(349)
Losses from derecognition, including interest receivable and payable only those not included in net changes in fair values	(201)	(317)
Losses on financial instruments designated at fair value through profit or loss	(1,594)	(994)
Total	627	(41)

38 Gains on investments, net

	Consolidated and Separate			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Gains from derecognition				
Investments measured at fair value through other comprehensive income	69	-	215	-
Gains on sale - available for sale	-	107	-	149
Gains on investments	69	107	215	149

39 Other operating income

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Gain on sales of premises and equipment	-	1	-	-
Gain on sales of properties for sales	-	23	23	7
Bad debt recovery	302	89	189	-
Dividend income	7	5	731	5
Entry fee insurance income	-	12	-	12
Other income	9	10	11	13
Other operating income	318	140	954	37

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Gain on sales of premises and equipment	-	6	1	5
Gain on sales of properties for sales	-	32	23	9
Bad debt recovery	613	189	392	-
Dividend income	7	6	731	6
Entry fee insurance income	-	24	-	24
Other income	20	20	23	23
Other operating income	640	277	1,170	67

40 Expected credit losses

	Consolidated	Separate
	For the three-month period ended	For the three-month period ended
	30 June 2020	30 June 2020
	Million Baht	Million Baht
Loans to customers and accrued interest receivable	1,030	219
Credit line commitments and financial guarantees	(4)	(6)
Expected credit losses	1,026	213

	Consolidated	Separate
	For the six-month period ended	For the six-month period ended
	30 June 2020	30 June 2020
	Million Baht	Million Baht
Loans to customers and accrued interest receivable	1,582	315
Credit line commitments and financial guarantees	60	58
Expected credit losses	1,642	373

41 Bad and doubtful debts

	Consolidated	Separate
	For the three-month period ended	For the three-month period ended
	30 June 2019	30 June 2019
	Million Baht	Million Baht
Loans	752	386
Total	752	386

	Consolidated	Separate
	For the six-month period ended	For the six-month period ended
	30 June 2019	30 June 2019
	Million Baht	Million Baht
Interbank and money market	1	1
Loans	1,757	989
Total	1,758	990

42 Corporate income tax

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Current tax:				
Current tax on profits for the period	(129)	68	(87)	-
Total current tax	(129)	68	(87)	-
Deferred tax:				
Decrease (increase) in deferred tax assets	191	(34)	175	4
Increase in deferred tax liabilities	40	143	42	136
Total deferred tax	231	109	217	140
Total tax charge	102	177	130	140

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Current tax:				
Current tax on profits for the period	48	84	18	-
Total current tax	48	84	18	-
Deferred tax:				
Decrease in deferred tax assets	247	92	318	93
(Decrease) increase in deferred tax liabilities	(108)	140	(121)	126
Total deferred tax	139	232	197	219
Total tax charge	187	316	215	219

The tax on the Group's profit before tax differs from the theoretical amount as follows:

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Profit before tax	408	377	1,271	176
Tax calculated at a tax rate of 20%	82	75	255	35
Tax effect of:				
Income not subject to tax	(4)	3	(149)	3
Expenses not deductible for tax purpose	1	3	1	3
Unrecognised deferred tax assets	24	97	24	97
Other adjustments	(1)	2	(1)	2
Allowance for doubtful debts from subsidiaries	-	(3)	-	-
Total tax charge	102	177	130	140
The weighted average applicable tax rate (%)	25.1	46.8	10.2	79.5

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	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Profit before tax	1,573	959	2,440	439
Tax calculated at a tax rate of 20%	315	192	488	88
Tax effect of:				
Income not subject to tax	(23)	(4)	(168)	(4)
Expenses not deductible for tax purpose	2	3	2	3
Unrecognised deferred tax assets	(106)	130	(106)	130
Other adjustments	(1)	2	(1)	2
Allowance for doubtful debts from subsidiaries	-	(7)	-	-
Total tax charge	187	316	215	219
The weighted average applicable tax rate (%)	11.9	33.0	8.8	49.8

The tax (charged) credited relating to component of other comprehensive income is as follows:

	Consolidated					
	For the three-month period ended 30 June 2020			For the three-month period ended 30 June 2019		
	Before tax	Tax	After tax	Before tax	Tax	After tax
	Million Baht	(charge) credit Million Baht	Million Baht	Million Baht	(charge) credit Million Baht	Million Baht
Fair value gains (losses):						
Investments in debt instruments	94	(19)	75	-	-	-
Investments in equity instruments	-	-	-	-	-	-
Available-for-sales investment	-	-	-	159	(32)	127
Cash flow hedges	(53)	11	(42)	(10)	2	(8)
Other comprehensive income (expenses)	41	(8)	33	149	(30)	119
Current tax		(129)			68	
Deferred tax		231			109	
		102			177	

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	Separate					
	For the three-month period ended 30 June 2020			For the three-month period ended 30 June 2019		
	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht
Fair value gains (losses):						
Investments in debt instruments	94	(19)	75	-	-	-
Investments in equity instruments	-	-	-	-	-	-
Available-for-sales investment	-	-	-	159	(32)	127
Cash flow hedges	(53)	11	(42)	(10)	2	(8)
Other comprehensive income (expenses)	41	(8)	33	149	(30)	119
Current tax		(87)			-	
Deferred tax		217			140	
		130			140	
	Consolidated					
	For the six-month period ended 30 June 2020			For the six-month period ended 30 June 2019		
	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht
Fair value gains (losses):						
Investments in debt instruments	112	(22)	90	-	-	-
Investments in equity instruments	(6)	(2)	(8)	-	-	-
Available-for-sales investment	-	-	-	159	(32)	127
Cash flow hedges	328	(66)	262	(4)	1	(3)
Other comprehensive income (expenses)	434	(90)	344	155	(31)	124
Current tax		48			84	
Deferred tax		139			232	
		187			316	

	Separate					
	For the six-month period ended 30 June 2020			For the six-month period ended 30 June 2019		
	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht	Before tax Million Baht	Tax (charge) credit Million Baht	After tax Million Baht
Fair value gains (losses):						
Investments in debt instruments	112	(22)	90	-	-	-
Investments in equity instruments	(6)	(2)	(8)	-	-	-
Available-for-sales investment	-	-	-	159	(32)	127
Cash flow hedges	328	(66)	262	(4)	1	(3)
Other comprehensive income (expenses)	434	(90)	344	155	(31)	124
Current tax		18			-	
Deferred tax		197			219	
		215			219	

In addition, deferred income tax for the three-month and six-month period ended 30 June 2020 is Baht 7 million and Baht 8 million (for the three-month and six-month period ended 30 June 2019 : Baht 1 million and Baht 2 million, respectively) was transferred from other reserves to retained earnings. This represents deferred tax on the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings and revaluation surplus on land.

43 Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees contribute to the fund - managed by Principal Asset Management Company Limited - at rate of 3% - 15% of their basic salaries, and the Bank and its subsidiaries contribute at rate of 5%, and disburse to staff when their employment is terminated under the terms and conditions of the fund. For the six-month period ended 30 June 2020, Baht 73 million and Baht 64 million was contributed to the fund by the Group and the Bank (for the six-month period ended 30 June 2019 : Baht 70 million and Baht 61 million, respectively).

44 Earnings per share

Earnings per share as presented in the consolidated and bank statements of comprehensive income are calculated by dividing net income for the period by the weighted average number of ordinary shares held by outside shareholders in issue during the period (Note 28).

There are no potential dilutive ordinary shares in issue for the six-month periods ended 30 June 2020 and 2019.

45 Encumbrance of assets

Assets used as collateral

The Group placed investments in government and state enterprise bonds as collateral against the following:

	Consolidated	
	30 June 2020 Million Baht	31 December 2019 Million Baht
Securities sold under repurchase	15,396	28,072
Utilities usage	7	7
Others	2	2
Total	15,405	28,081

	Separate	
	30 June 2020 Million Baht	31 December 2019 Million Baht
Securities sold under repurchase	15,396	28,072
Utilities usage	7	7
Total	15,403	28,079

46 Commitments and contingent liabilities

46.1 Commitments

As at 30 June 2020 and 31 December 2019, significant commitments of the Bank consist of:

	Consolidated					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Liability under unmatured import bills:						
Liability under unmatured import bills	-	132	132	-	331	331
Letters of credit:						
Letters of credit	39	1,095	1,134	7	598	605
Bills on domestic letter of credit:						
Bills on domestic letter of credit	123	-	123	-	-	-
Other commitments:						
Forward and spot contracts						
- Bought	-	618,503	618,503	-	538,378	538,378
- Sold	-	472,700	472,700	-	503,131	503,131
Cross currency and interest rate swap contract						
- Bought	-	245,203	245,203	-	240,773	240,773
- Sold	-	207,881	207,881	-	196,525	196,525
Interest rate swap contracts						
- Fixed rate receiver	840,129	182,113	1,022,242	806,222	184,159	990,381
- Floating rate receiver	921,011	290,496	1,211,507	916,197	267,462	1,183,659
Foreign exchange option						
- Call option sales contracts	-	348	348	-	10	10
- Put option sales contracts	-	522	522	-	171	171
- Call option purchase contracts	-	865	865	-	894	894
- Put option purchase contracts	-	674	674	-	1,526	1,526
Commodity						
- Bought	-	-	-	-	87	87
- Sold	-	-	-	-	87	87
Credit derivatives						
- Bought	1,800	4,603	6,403	1,800	4,493	6,293
- Sold	1,800	4,603	6,403	1,800	4,493	6,293
Fund Option						
- Bought	-	7,677	7,677	-	8,430	8,430
- Sold	-	7,677	7,677	-	8,430	8,430
Equity option						
- Bought	-	199	199	-	23	23
- Sold	-	199	199	-	23	23
Bond forward						
- Sold	20,295	-	20,295	19,330	-	19,330
Investments						
- Bought	8,338	-	8,338	5,601	-	5,601
- Sold	6,473	-	6,473	6,404	-	6,404
Undrawn bank overdrafts	15,319	-	15,319	14,558	-	14,558
Undrawn credit line	19,384	2	19,386	17,256	51	17,307
Other guarantees	11,142	2,115	13,257	11,274	1,021	12,295
Other commitments	1,845,691	2,046,380	3,892,071	1,800,442	1,960,167	3,760,609
Total commitments	1,845,853	2,047,607	3,893,460	1,800,449	1,961,096	3,761,545

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	Separate					
	30 June 2020			31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Avals to bills and guarantees of loans:						
Guarantees of loans	-	-	-	2,150	-	2,150
Total avals to bills and guarantees of loans	-	-	-	2,150	-	2,150
Liability under unmatured import bills:						
Liability under unmatured import bills	-	132	132	-	331	331
Letters of credit:						
Letters of credit	39	1,095	1,134	7	598	605
Bills on domestic letter of credit:						
Bills on domestic letter of credit	123	-	123	-	-	-
Other commitments:						
Forward and spot contracts						
- Bought	-	618,503	618,503	-	538,378	538,378
- Sold	-	472,700	472,700	-	503,131	503,131
Cross currency and interest rate swap contract						
- Bought	-	245,203	245,203	-	240,773	240,773
- Sold	-	207,881	207,881	-	196,525	196,525
Interest rate swap contracts						
- Fixed rate receiver	840,129	182,113	1,022,242	806,222	184,159	990,381
- Floating rate receiver	921,011	290,496	1,211,507	916,197	267,462	1,183,659
Foreign exchange option						
- Call option sales contracts	-	348	348	-	10	10
- Put option sales contracts	-	522	522	-	171	171
- Call option purchase contracts	-	865	865	-	894	894
- Put option purchase contracts	-	674	674	-	1,526	1,526
Commodity						
- Bought	-	-	-	-	87	87
- Sold	-	-	-	-	87	87
Credit derivatives						
- Bought	1,800	4,603	6,403	1,800	4,493	6,293
- Sold	1,800	4,603	6,403	1,800	4,493	6,293
Fund Option						
- Bought	-	7,677	7,677	-	8,430	8,430
- Sold	-	7,677	7,677	-	8,430	8,430
Equity option						
- Bought	-	199	199	-	23	23
- Sold	-	199	199	-	23	23
Bond forward						
- Sold	20,295	-	20,295	19,330	-	19,330
Investments						
- Bought	8,338	-	8,338	5,601	-	5,601
- Sold	6,473	-	6,473	6,404	-	6,404
Undrawn bank overdrafts	15,319	-	15,319	14,558	-	14,558
Undrawn credit line	19,384	2	19,386	17,256	51	17,307
Other guarantees	11,142	2,115	13,257	11,274	1,021	12,295
Other commitments	1,845,691	2,046,380	3,892,071	1,800,442	1,960,167	3,760,609
Total commitments	1,845,853	2,047,607	3,893,460	1,802,599	1,961,096	3,763,695

46.2 Contingent liabilities

As at 30 June 2020 and 31 December 2019, the Group had the following contingent liabilities in connection with court cases in which the Group have been sued as defendants in court. The lawsuits were mainly lodged to claim compensation and the management believes that they will have no significant impact on the Group once they are finalised:

	Consolidated and Separate	
	30 June 2020	31 December 2019
	Million Baht	Million Baht
Sum claimed in cases where the Group is sole defendant	306	311
Sum claimed in cases where the Group is co-defendant		
- Sum of claims that can be specifically attributed to the Group	312	312
- Sum of claims that cannot be specifically attributed to the Group	25	22
Total	643	645

As at 30 June 2020, included in the above-mentioned amounts are cases in which the court was judged in favor of the plaintiffs where the Bank is a co-defendant with others with sums claimed totaling Baht 197 million. However, the Bank is in the process of appealing the decisions (31 December 2019 : Baht 197 million). The Bank recognised provisions for contingent loss from legal cases of approximately Baht 49 million (31 December 2019 : Baht 73 million). The management concluded and believed that such provisions were adequate to cover any possible loss from these legal cases.

46.3 Commitments under long-term leases

As at 30 June 2020 and 31 December 2019, the Group has commitments under long-term leases as follows:

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Lease periods	Million Baht	Million Baht	Million Baht	Million Baht
Not over than 3 years	144	275	97	166
3 - 5 years	-	3	-	2
5 - 10 years	-	2	-	2
Total	144	280	97	170

46.4 Other commitments

As at 30 June 2020 and 31 December 2019, the Bank has other commitments in the form of various agreements relating to computer system and software development. The Bank is obligated to pay by currencies as follows:

	Consolidated and Separate	
	30 June 2020	31 December 2019
Currency	Million Baht	Million Baht
Baht	37	112
MYR	1	9
USD	-	3
Total	38	124

47 Related party transactions

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

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

During the period, the Group had significant business transactions with its related parties. These transactions have been conducted based on agreed upon contracts. Below is a summary of those transactions.

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiaries				
Revenue:				
Interest income	-	-	272	188
Fees income	-	-	4	8
Dividend income	-	-	725	-
Expenses:				
Fees expenses	-	-	-	2
Parent company				
Revenue:				
Interest income	-	6	-	6
Expenses:				
Interest expenses	102	72	102	72
Fees expenses	28	16	28	16
Premises and equipment expenses	-	3	-	3
Related companies				
Revenue:				
Fees income	127	88	127	88
Expenses:				
Interest expenses	6	5	6	5
Fees expenses	5	(3)	5	(3)
Premises and equipment expenses	(4)	(3)	(4)	(3)

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	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020	2019	2020	2019
	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiaries				
Revenue:				
Interest income	-	-	545	411
Fees income	-	-	12	16
Dividend income	-	-	725	-
Expenses:				
Interest expenses	-	-	1	-
Parent company				
Revenue:				
Interest income	-	12	-	12
Expenses:				
Interest expenses	215	152	215	152
Fees expenses	70	42	70	42
Premises and equipment expenses	1	10	1	10
Related companies				
Revenue:				
Fees income	237	179	237	179
Expenses:				
Interest expenses	6	6	6	6
Fees expenses	8	3	8	3
Premises and equipment expenses	(5)	(6)	(5)	(6)

The outstanding balances of significant related party transactions as at 30 June 2020 and 31 December 2019 are as follows:

	Consolidated							
	30 June 2020							
	Outstanding loans	Interbank and money market items (asset)	Obligations	Other assets	Deposits	Interbank and money market items (liability)	Borrowings	Other liabilities
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Parent company								
CIMB Bank Berhad	-	2,107	31	9	-	386	9,331	3
	-	2,107	31	9	-	386	9,331	3
Companies under common control								
CIMB Bank Plc, Cambodia	-	-	27	-	-	37	-	-
CIMB Bank (Vietnam) Limited	-	-	-	-	-	309	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	20
PT Bank CIMB Niaga Tbk	-	4	-	-	-	4	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	449	-	-	1
Principal Asset Management Co., Ltd	-	-	-	26	691	-	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	249	-	-	7
	-	4	27	27	1,389	350	-	28
Other related persons or parties	19	-	854	-	356	-	-	1
	19	-	854	-	356	-	-	1

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Consolidated							
31 December 2019							
Outstanding loans	Interbank and money market items (asset)	Obligations	Other assets	Deposits	Interbank and money market items (liability)	Borrowings	Other liabilities
Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Parent company							
CIMB Bank Berhad	-	461	-	7	-	212	9,037
	-	461	-	7	-	212	68
Companies under common control							
CIMB Bank Plc, Cambodia	-	-	141	-	-	52	-
CIMB ISLAMIC Bank Berhad	-	-	-	-	-	94	-
PT Bank CIMB Niaga Tbk	-	-	-	1	-	4	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	1,271	-	-
Principal Asset Management Co., Ltd.	-	-	-	27	639	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	159	-	10
	-	-	141	29	2,069	150	-
	-	-	-	-	-	-	10
Other related persons or parties							
	221	-	876	-	542	-	-
	221	-	876	-	542	-	1
Separate							
30 June 2020							
Outstanding loans	Interbank and money market items (asset)	Obligations	Other assets	Deposits	Interbank and money market items (liability)	Borrowings	Other liabilities
Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiary companies							
CIMB Thai Auto Co., Ltd.	33,402	-	-	13	72	-	-
World Lease Co., Ltd.	3,630	-	-	-	204	-	-
CT Coll Co., Ltd.	-	-	-	-	63	-	-
	37,032	-	-	13	339	-	-
Parent company							
CIMB Bank Berhad	-	2,107	31	9	-	386	9,331
	-	2,107	31	9	-	386	3
Companies under common control							
CIMB Bank Plc, Cambodia	-	-	27	-	-	37	-
CIMB Bank (Vietnam) Limited	-	-	-	-	-	309	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	20
PT Bank CIMB Niaga Tbk	-	4	-	-	-	4	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	449	-	1
Principal Asset Management Co., Ltd.	-	-	-	26	691	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	249	-	7
	-	4	27	27	1,389	350	-
	-	-	-	-	-	-	28
Other related persons or parties							
	11	-	854	-	351	-	-
	11	-	854	-	351	-	1

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		Separate						
		31 December 2019						
	Outstanding loans Million Baht	Interbank and money market items (asset) Million Baht	Obligations Million Baht	Other assets Million Baht	Deposits Million Baht	Interbank and money market items (liability) Million Baht	Borrowings Million Baht	Other liabilities Million Baht
Subsidiary companies								
CIMB Thai Auto Co., Ltd	30,291	-	2,150	1	24	-	-	8
World Lease Co., Ltd.	3,775	-	-	1	10	-	-	-
CT Coll Co., Ltd.	-	-	-	-	63	-	-	-
	34,066	-	2,150	2	97	-	-	8
Parent company								
CIMB Bank Berhad	-	461	-	7	-	212	9,037	68
	-	461	-	7	-	212	9,037	68
Companies under common control								
CIMB Bank Plc, Cambodia	-	-	141	-	-	52	-	-
CIMB ISLAMIC Bank Berhad	-	-	-	-	-	94	-	-
PT Bank CIMB Niaga Tbk	-	-	-	1	-	4	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	1,271	-	-	-
Principal Asset Management Co., Ltd.	-	-	-	27	639	-	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	159	-	-	10
	-	-	141	29	2,069	150	-	10
Other related persons or parties	216	-	876	-	538	-	-	1
	216	-	876	-	538	-	-	1

As at 30 June 2020 and 31 December 2019, the Bank has commitments in financial derivatives with related parties as follows:

		30 June 2020		
		Domestic Million Baht	Foreign Million Baht	Total Million Baht
Parent company				
Interest rate swap contracts				
- Fixed rate receiver		55,385	4,448	59,833
- Floating rate receiver		43,000	13,499	56,499
Forward and spot contracts				
- Bought		-	8,290	8,290
- Sold		-	399	399
Cross currency and interest rate swap contracts				
- Bought		-	11,545	11,545
- Sold		-	445	445
Foreign exchange option				
- Put option sales contracts		-	85	85
Fund Option				
- Bought		-	31	31
Credit derivatives				
- Sold		1,800	4,603	6,403
Company under common control				
Forward and spot contracts				
- Bought		-	1	1
- Sold		-	5	5
Computer system and software development agreement		-	1	1

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	31 December 2019		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Parent company			
Interest rate swap contracts			
- Fixed rate receiver	28,015	5,850	33,865
- Floating rate receiver	41,210	3,085	44,295
Forward and spot contracts			
- Bought	-	14,661	14,661
- Sold	-	95	95
Cross currency and interest rate swap contracts			
- Bought	-	11,694	11,694
- Sold	-	437	437
Commodity			
- Bought	-	45	45
- Sold	-	41	41
Fund option			
- Bought	-	53	53
Credit derivatives			
- Sold	1,800	4,493	6,293

Companies under common control

Forward and spot contracts			
- Bought	-	3	3
- Sold	-	10	10
Computer system and software development agreement	-	1	1

Directors and key management compensations

For the six-month periods ended 30 June 2020 and 2019, compensations paid to directors and key management personnel are as follows:

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Short-term employee benefits	333	357	310	335
Long-term employee benefits	11	12	10	12
Share-based payments	16	19	16	19
Director and management remuneration	360	388	336	366

The details of share based payment are as follows:

	Consolidated and Separate	
	30 June 2020 thousand units	31 December 2019 thousand units
Shares of CIMB Group Holdings Berhad	1,191	1,095

Benefits paid to directors and executives

The Bank has no special benefits given to the directors and executives beyond the general benefits provided such as director's fees, director's bonuses (if any), income tax, executives' salary and bonus (if any) and share based payment.

48 Financial information by segment

Business segment reporting is consisted of:

Consumer banking

Consumer banking provides financial services to individuals and commercial customers. The products include consumer sales & distribution, retail financial services, commercial banking and personal financing.

Wholesale banking

Wholesale banking comprises of investment banking, corporate banking, and treasury and market.

- Investment banking service provides financial advisory, trade securities transactions, and asset management businesses.
- Corporate banking and treasury and market are responsible for corporate lending and deposit taking, transaction banking, treasury and market activities.

Others

Other services comprise of all middle and back office processes, cost centers and nonprofit generating divisions of companies whose results are not material to the Group.

Financial information presented in the consolidated financial statements as at 30 June 2020 and 31 December 2019 are as follows:

Consolidated					
For the three-month period ended 30 June 2020					
	Consumer banking	Wholesale banking	Others	Eliminations	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Net interest income from external	2,237	628	59	-	2,924
Net fees and service income (expense)	192	109	(5)	(2)	294
Other operating income	391	21	783	(727)	468
Other operating expenses	(1,687)	(405)	(162)	2	(2,252)
Expected credit losses	(1,089)	(738)	796	5	(1,026)
Income tax expenses	(14)	13	(101)	-	(102)
Net profit (loss) for the period	30	(372)	1,370	(722)	306

Consolidated					
For the three-month period ended 30 June 2019					
	Consumer banking	Wholesale banking	Others	Eliminations	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Net interest income from external	1,983	666	215	-	2,864
Net fees and service income	416	40	14	(4)	466
Other operating income	181	24	10	(4)	211
Other operating expenses	(1,886)	(414)	(114)	2	(2,412)
Bad and doubtful debts and impairment losses	(494)	(233)	(45)	20	(752)
Income tax expenses	(80)	(54)	(43)	-	(177)
Net profit for the period	120	29	37	14	200

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Consolidated					
For the six-month period ended 30 June 2020					
	Consumer banking Million Baht	Wholesale banking Million Baht	Others Million Baht	Elimina- tions Million Baht	Total Million Baht
Net interest income from external	4,347	1,110	298	-	5,755
Net fees and service income (expense)	536	204	(40)	(8)	692
Other operating income	821	572	817	(729)	1,481
Other operating expenses	(3,574)	(813)	(330)	4	(4,713)
Expected credit losses	(1,902)	(742)	991	11	(1,642)
Income tax expenses	(27)	(39)	(121)	-	(187)
Net profit for the period	201	292	1,615	(722)	1,386

Consolidated					
For the six-month period ended 30 June 2019					
	Consumer banking Million Baht	Wholesale banking Million Baht	Others Million Baht	Elimina- tions Million Baht	Total Million Baht
Net interest income from external	3,963	1,328	405	-	5,696
Net fees and service income	804	113	12	(10)	919
Other operating income (expense)	530	(21)	53	(5)	557
Other operating expenses	(3,575)	(803)	(81)	4	(4,455)
Bad and doubtful debts and impairment losses	(1,344)	(235)	(214)	35	(1,758)
Income tax expenses	(121)	(126)	(69)	-	(316)
Net profit for the period	257	256	106	24	643

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	Bank business		Hire-purchase business		Other businesses		Eliminations		Consolidated	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Total assets	410,061	386,904	43,059	42,745	63	63	(40,280)	(36,039)	412,903	393,673
Interbank and money market Items, net (assets)	5,372	6,206	455	250	63	63	(339)	(97)	5,551	6,422
Financial assets measured at fair value through profit or loss	35,955	-	-	-	-	-	-	-	35,955	-
Investments, net	60,031	86,796	2	2	-	-	-	-	60,033	86,798
Loans and accrued interest receivables, net	228,899	224,522	41,458	41,229	-	-	(36,995)	(33,726)	233,362	232,025
Deposits	199,805	199,132	-	-	-	-	(339)	(97)	199,466	199,035
Interbank and money market Items (liabilities)	49,062	43,394	36,948	34,060	-	-	(36,948)	(34,060)	49,062	43,394
Financial liabilities measured at fair value through profit or loss	28,321	24,423	-	-	-	-	-	-	28,321	24,423
Debt issued and borrowings	23,928	23,819	-	2,000	-	-	-	-	23,928	25,819

49 Financial instruments

The Bank's financial instruments, as defined under Thai Accounting Standard No.107 (previously No.48) "Financial Instruments: Disclosure and Presentation", principally comprise cash, net interbank and money market items, derivative assets, net investments, loans net of deferred revenue, other assets, deposits, liabilities payable on-demand, financial liabilities designated at fair value through profit or loss, derivative liabilities, debt issued and borrowings, and other liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

49.1 Credit risk

As at 30 June 2020 and 31 December 2019, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows:

	Consolidated		Separate	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Million Baht	Million Baht	Million Baht	Million Baht
Agricultural and mining	8,267	8,349	8,267	8,349
Manufacturing and commerce	39,133	41,446	39,133	41,446
Real estate and construction	17,986	16,364	17,986	16,364
Public utilities and services	27,635	24,921	27,635	24,921
Personal cash	9,540	10,519	9,540	10,519
Housing loans	78,733	78,580	78,733	78,580
Hire-purchase receivable and financial lease receivable	42,739	42,665	-	-
Others	16,306	17,106	53,234	51,148
Total loans net of deferred revenue	240,339	239,950	234,528	231,327

As at 30 June 2020 and 31 December 2019, the Bank had the following off-balance statement of financial position. These are calculated according to the period to maturity starting from the contract dates given in the financial statements:

	Consolidated					
	Counting from 30 June 2020			Counting from 31 December 2019		
	Less than 1 year	Over 1 year	Total	Less than 1 year	Over 1 year	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Liabilities under unmatured import bills	132	-	132	331	-	331
Letters of credit	1,134	-	1,134	605	-	605
Bills on domestic letter of credit	123	-	123	-	-	-
Other guarantees	10,705	2,552	13,257	10,464	1,831	12,295
	Separate					
	Counting from 30 June 2020			Counting from 31 December 2019		
	Less than 1 year	Over 1 year	Total	Less than 1 year	Over 1 year	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Guarantees of loans	-	-	-	2,150	-	2,150
Liabilities under unmatured import bills	132	-	132	331	-	331
Letters of credit	1,134	-	1,134	605	-	605
Bills on domestic letter of credit	123	-	123	-	-	-
Other guarantees	10,705	2,552	13,257	10,464	1,831	12,295

49.2 Market risk

(a) Interest rate risk

As at 30 June 2020 and 31 December 2019, financial assets and liabilities classified by type of interest rate were as follows:

Descriptions	Consolidated 30 June 2020			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
Financial assets				
Cash	-	-	1,154	1,154
Interbank and money market items	1,273	2,826	1,440	5,539
Financial assets measured at fair value through profit or loss	-	35,955	-	35,955
Derivative assets	42,476	1,558	11,851	55,885
Investments	-	59,950	84	60,034
Loans to customers	155,690	84,649	-	240,339
Right-of-use assets	-	-	273	273
Credit support assets on derivatives	12,910	-	-	12,910
Other assets	-	102	214	316
Total financial assets	212,349	185,040	15,016	412,405
Financial liabilities				
Deposits	73,405	119,375	6,686	199,466
Interbank and money market items	19,065	28,480	1,517	49,062
Liabilities payable on demand	-	-	367	367
Financial liabilities measured at fair value through profit or loss	28,284	-	37	28,321
Derivative liabilities	35,526	3,416	14,447	53,389
Debt issued and borrowings	8,524	15,404	-	23,928
Lease liabilities	-	274	-	274
Credit support liabilities on derivatives	10,460	-	-	10,460
Total financial liabilities	175,264	166,949	23,054	365,267
Descriptions	Consolidated 31 December 2019			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
Financial assets				
Cash	-	-	1,352	1,352
Interbank and money market items	680	2,861	2,877	6,418
Derivative assets	32,916	2,953	7,590	43,459
Investments	58	86,667	319	87,044
Loans to customers	152,134	87,816	-	239,950
Credit support assets on derivatives	14,968	-	-	14,968
Other assets	-	204	537	741
Total financial assets	200,756	180,501	12,675	393,932
Financial liabilities				
Deposits	56,524	139,599	2,912	199,035
Interbank and money market items	6,959	35,254	1,181	43,394
Liabilities payable on demand	-	-	269	269
Financial liabilities designated at fair value through profit or loss	24,376	-	47	24,423
Derivative liabilities	27,248	6,104	11,308	44,660
Debt issued and borrowings	8,516	17,303	-	25,819
Credit support liabilities on derivatives	9,158	-	-	9,158
Total financial liabilities	132,781	198,260	15,717	346,758

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Descriptions	Separate			
	30 June 2020			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<u>Financial assets</u>				
Cash	-	-	1,152	1,152
Interbank and money market items	1,112	2,826	1,422	5,360
Financial assets measured at fair value through profit or loss	-	35,955	-	35,955
Derivative assets	42,476	1,558	11,851	55,885
Investments	-	59,948	84	60,032
Loans to customers	155,670	78,858	-	234,528
Right-of-use assets	-	-	205	205
Credit support assets on derivatives	12,910	-	-	12,910
Other assets	-	102	214	316
Total financial assets	212,168	179,247	14,928	406,343
<u>Financial liabilities</u>				
Deposits	73,687	119,392	6,726	199,805
Interbank and money market items	19,065	28,480	1,517	49,062
Liabilities payable on demand	-	-	367	367
Financial liabilities measured at fair value through profit or loss	28,284	-	37	28,321
Derivative liabilities	35,526	3,416	14,447	53,389
Debt issued and borrowings	8,524	15,404	-	23,928
Lease liabilities	-	206	-	206
Credit support liabilities on derivatives	10,460	-	-	10,460
Total financial liabilities	175,546	166,898	23,094	365,538

Descriptions	Separate			
	31 December 2019			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<u>Financial assets</u>				
Cash	-	-	1,351	1,351
Interbank and money market items	490	2,861	2,851	6,202
Derivative assets	32,916	2,953	7,590	43,459
Investments	58	86,665	319	87,042
Loans to customers	152,184	79,143	-	231,327
Credit support assets on derivatives	14,968	-	-	14,968
Other assets	-	204	328	532
Total financial assets	200,616	171,826	12,439	384,881
<u>Financial liabilities</u>				
Deposits	56,605	139,615	2,912	199,132
Interbank and money market items	6,959	35,254	1,181	43,394
Liabilities payable on demand	-	-	269	269
Financial liabilities designated at fair value through profit or loss	24,376	-	47	24,423
Derivative liabilities	27,248	6,104	11,308	44,660
Debt issued and borrowings	8,516	15,303	-	23,819
Credit support liabilities on derivatives	9,158	-	-	9,158
Total financial liabilities	132,862	196,276	15,717	344,855

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Consolidated							
30 June 2020							
Transactions	Repricing or maturity date					Non-interest bearing Million Baht	Total Million Baht
	At call Million Baht	0 - 3 months Million Baht	3 - 12 months Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht		
Financial assets							
Cash	-	-	-	-	-	1,154	1,154
Interbank and money market items	1,220	2,579	300	-	-	1,440	5,539
Financial assets measured at fair value through profit or loss	35,955	-	-	-	-	-	35,955
Derivative assets	-	31,621	11,883	320	210	11,851	55,885
Investments	-	2,118	5,780	34,983	17,069	84	60,034
Loans to customers	19,883	18,875	13,168	74,948	113,465	-	240,339
Right-of-use assets	-	-	-	-	-	273	273
Credit support assets on derivatives	12,910	-	-	-	-	-	12,910
Other assets	-	51	51	-	-	214	316
Total financial assets	69,968	55,244	31,182	110,251	130,744	15,016	412,405
Financial liabilities							
Deposits	73,404	51,040	66,812	1,524	-	6,686	199,466
Interbank and money market items	19,065	23,935	4,103	442	-	1,517	49,062
Liabilities payable on demand	-	-	-	-	-	367	367
Financial liabilities measured at fair value through profit or loss	-	14,820	13,441	23	-	37	28,321
Derivative liabilities	-	21,321	16,973	63	584	14,448	53,389
Debt issued and borrowings	-	5,423	7,612	-	10,893	-	23,928
Lease liabilities	-	1	8	254	11	-	274
Credit support liabilities on derivatives	10,460	-	-	-	-	-	10,460
Total financial liabilities	102,929	116,540	108,949	2,306	11,488	23,055	365,267
Consolidated							
31 December 2019							
Transactions	Repricing or maturity date					Non-interest bearing Million Baht	Total Million Baht
	At call Million Baht	0 - 3 months Million Baht	3 - 12 months Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht		
Financial assets							
Cash	-	-	-	-	-	1,352	1,352
Interbank and money market items	528	2,213	800	-	-	2,877	6,418
Derivative assets	-	25,028	10,728	92	21	7,590	43,459
Investments	58	1,780	6,101	36,236	42,550	319	87,044
Loans to customers	5,531	36,455	51,334	88,615	58,015	-	239,950
Credit support assets on derivatives	14,968	-	-	-	-	-	14,968
Other assets	-	51	153	-	-	537	741
Total financial assets	21,085	65,527	69,116	124,943	100,586	12,675	393,932
Financial liabilities							
Deposits	56,524	72,187	57,703	9,709	-	2,912	199,035
Interbank and money market items	6,959	34,863	290	101	-	1,181	43,394
Liabilities payable on demand	-	-	-	-	-	269	269
Financial liabilities designated at fair value through profit or loss	-	11,320	13,056	-	-	47	24,423
Derivative liabilities	-	18,191	14,779	123	259	11,308	44,660
Debt issued and borrowings	-	4,068	10,694	-	11,057	-	25,819
Credit support liabilities on derivatives	9,158	-	-	-	-	-	9,158
Total financial liabilities	72,641	140,629	96,522	9,933	11,316	15,717	346,758

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Separate 30 June 2020							
Transactions	Repricing or maturity date					Non-interest bearing Million Baht	Total Million Baht
	At call Million Baht	0 - 3 months Million Baht	3 - 12 months Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht		
Financial assets							
Cash	-	-	-	-	-	1,152	1,152
Interbank and money market items	1,112	2,526	300	-	-	1,422	5,360
Financial assets measured at fair value through profit or loss	35,955	-	-	-	-	-	35,955
Derivative assets	-	31,621	11,883	320	210	11,851	55,885
Investments	-	2,118	5,780	34,983	17,067	84	60,032
Loans to customers	19,883	29,533	14,818	59,009	111,285	-	234,528
Right-of-use assets	-	-	-	-	-	205	205
Credit support assets on derivatives	12,910	-	-	-	-	-	12,910
Other assets	-	51	51	-	-	214	316
Total financial assets	69,860	65,849	32,832	94,312	128,562	14,928	406,343
Financial liabilities							
Deposits	73,687	51,045	66,823	1,524	-	6,726	199,805
Interbank and money market items	19,065	23,935	4,103	442	-	1,517	49,062
Liabilities payable on demand	-	-	-	-	-	367	367
Financial liabilities measured at fair value through profit or loss	-	14,820	13,441	23	-	37	28,321
Derivative liabilities	-	21,321	16,973	63	584	14,448	53,389
Debt issued and borrowings	-	5,423	7,612	-	10,893	-	23,928
Lease liabilities	-	-	4	191	11	-	206
Credit support liabilities on derivatives	10,460	-	-	-	-	-	10,460
Total financial liabilities	103,212	116,544	108,956	2,243	11,488	23,095	365,538
Separate 31 December 2019							
Transactions	Repricing or maturity date					Non-interest bearing Million Baht	Total Million Baht
	At call Million Baht	0 - 3 months Million Baht	3 - 12 months Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht		
Financial assets							
Cash	-	-	-	-	-	1,351	1,351
Interbank and money market items	490	2,061	800	-	-	2,851	6,202
Derivative assets	-	25,028	10,728	92	21	7,590	43,459
Investments	58	1,780	6,101	36,236	42,548	319	87,042
Loans to customers	5,531	42,009	52,751	75,334	55,702	-	231,327
Credit support assets on derivatives	14,968	-	-	-	-	-	14,968
Other assets	-	51	153	-	-	328	532
Total financial assets	21,047	70,929	70,533	111,662	98,271	12,439	384,881
Financial liabilities							
Deposits	56,605	72,193	57,713	9,709	-	2,912	199,132
Interbank and money market items	6,959	34,863	290	101	-	1,181	43,394
Liabilities payable on demand	-	-	-	-	-	269	269
Financial liabilities designated at fair value through profit or loss	-	11,320	13,056	-	-	47	24,423
Derivative liabilities	-	18,191	14,779	123	259	11,308	44,660
Debt issued and borrowings	-	4,068	8,694	-	11,057	-	23,819
Credit support liabilities on derivatives	9,158	-	-	-	-	-	9,158
Total financial liabilities	72,722	140,635	94,532	9,933	11,316	15,717	344,855

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The outstanding balances of loans which have floating interest rates or fixed interest rates include loans on which interest recognition is discontinued (presented before deducting allowance for doubtful account losses).

The average balances of the financial assets and liabilities of the Bank generating revenues and expenses, calculated based on the average balances outstanding during the period, and the average interest and dividend rate for the six-month period ended 30 June 2020 and for the year ended 31 December 2019, can be summarised as follows:

	Consolidated					
	30 June 2020			31 December 2019		
	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	12,589	62	0.99	3,389	88	2.59
Financial assets measured at fair value through profit or loss	36,673	335	1.83	-	-	-
Investments, net	58,416	566	1.94	91,756	2,079	2.27
Loans to customers	231,928	7,176	6.19	234,430	14,060	6.00
Total performing financial assets	339,606	8,139		329,575	16,227	
<u>Performing financial liabilities</u>						
Deposits	200,524	1,341	1.34	186,321	2,850	1.53
Interbank and money market items	54,561	228	0.83	48,323	719	1.49
Financial liabilities measured at fair value through profit or loss	27,023	311	2.30	32,075	850	2.65
Debt issued and borrowings	25,775	384	2.98	21,174	718	3.39
Total performing financial liabilities	307,883	2,264		287,893	5,137	
	Separate					
	30 June 2020			31 December 2019		
	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	8,975	62	1.38	3,262	87	2.69
Financial assets measured at fair value through profit or loss	36,673	335	1.83	-	-	-
Investments, net	58,415	566	1.94	92,001	2,079	2.26
Loans	235,373	5,123	4.35	226,206	10,618	4.69
Total performing financial assets	339,436	6,086		321,469	12,784	
<u>Performing financial liabilities</u>						
Deposits	200,762	1,342	1.34	186,429	2,851	1.53
Interbank and money market items	53,432	228	0.85	48,323	719	1.49
Financial liabilities measured at fair value through profit or loss	27,023	311	2.30	32,075	850	2.65
Debt issued and borrowings	24,441	367	3.00	19,174	670	3.49
Total performing financial liabilities	305,658	2,248		286,001	5,090	

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(b) Foreign exchange risk

Consolidated							
30 June 2020							
Currency							
Transactions	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Total Million Baht
Financial assets							
Cash	1,121	6	2	5	2	18	1,154
Interbank and money market items	1,890	2,647	18	12	559	425	5,551
Financial assets measured at fair value through profit or loss	35,955	-	-	-	-	-	35,955
Derivative assets	309,659	(216,636)	(25,145)	(1,696)	4,140	(14,437)	55,885
Investments	60,033	-	-	1	-	-	60,034
Loans to customers and Accrued interest receivables	229,482	13,713	6	72	-	1,060	244,333
Right-of-use assets	273	-	-	-	-	-	273
Credit support assets on derivatives	6,090	6,820	-	-	-	-	12,910
Other assets	758	-	-	-	-	-	758
Total financial assets	645,261	(193,450)	(25,119)	(1,606)	4,701	(12,934)	416,853
Financial liabilities							
Deposits	196,095	2,740	10	68	329	224	199,466
Interbank and money market items	47,784	711	-	3	-	564	49,062
Liabilities payable on demand	366	1	-	-	-	-	367
Financial liabilities measured at fair value through profit or loss	28,321	-	-	-	-	-	28,321
Derivative liabilities	311,552	(219,890)	(22,140)	(725)	(8,169)	(7,239)	53,389
Debt issued and borrowings	8,130	4,905	-	-	10,893	-	23,928
Lease liabilities	274	-	-	-	-	-	274
Credit support liabilities on derivatives	4,885	5,575	-	-	-	-	10,460
Other liabilities	649	26	-	-	219	-	894
Total financial liabilities	598,056	(205,932)	(22,130)	(654)	3,272	(6,451)	366,161
Consolidated							
31 December 2019							
Currency							
Transactions	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Total Million Baht
Financial assets							
Cash	1,314	5	2	6	2	23	1,352
Interbank and money market items	5,006	564	82	30	457	284	6,423
Derivative assets	650,728	(626,282)	(3,495)	(1,181)	3,720	19,969	43,459
Investments	86,942	-	-	-	-	102	87,044
Loans to customers and Accrued interest receivables	228,187	13,813	1	100	-	1,105	243,206
Credit support assets on derivatives	10,863	4,105	-	-	-	-	14,968
Other assets	991	5	-	-	-	4	1,000
Total financial assets	984,031	(607,790)	(3,410)	(1,045)	4,179	21,487	397,452
Financial liabilities							
Deposits	195,740	2,660	68	40	325	202	199,035
Interbank and money market items	43,325	65	-	4	-	-	43,394
Liabilities payable on demand	266	2	-	-	-	1	269
Financial liabilities designated at fair value through profit or loss	24,423	-	-	-	-	-	24,423
Derivative liabilities	656,834	(620,402)	(3,513)	(1,033)	(8,130)	20,904	44,660
Debt issued and borrowings	9,912	4,850	-	-	11,057	-	25,819
Credit support liabilities on derivatives	5,330	3,828	-	-	-	-	9,158
Other liabilities	418	36	-	-	225	1	680
Total financial liabilities	936,248	(608,961)	(3,445)	(989)	3,477	21,108	347,438

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Separate							
30 June 2020							
Transactions	Currency						Total Million Baht
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	
Financial assets							
Cash	1,119	6	2	5	2	18	1,152
Interbank and money market items	1,711	2,647	18	12	559	425	5,372
Financial assets measured at fair value through profit or loss	35,955	-	-	-	-	-	35,955
Derivative assets	309,659	(216,636)	(25,145)	(1,696)	4,140	(14,437)	55,885
Investments	60,031	-	-	1	-	-	60,032
Loans to customers and Accrued interest receivables	223,743	13,713	6	72	-	1,060	238,594
Right-of-use assets	205	-	-	-	-	-	205
Credit support assets on derivatives	6,090	6,820	-	-	-	-	12,910
Other assets	751	-	-	-	-	-	751
Total financial assets	639,264	(193,449)	(25,119)	(1,606)	4,701	(12,934)	410,856
Financial liabilities							
Deposits	196,434	2,740	10	68	329	224	199,805
Interbank and money market items	47,784	711	-	3	-	564	49,062
Liabilities payable on demand	366	1	-	-	-	-	367
Financial liabilities measured at fair value through profit or loss	28,321	-	-	-	-	-	28,321
Derivative liabilities	311,552	(219,890)	(22,140)	(725)	(8,169)	(7,239)	53,389
Debt issued and borrowings	8,130	4,905	-	-	10,893	-	23,928
Lease liabilities	206	-	-	-	-	-	206
Credit support liabilities on derivatives	4,885	5,575	-	-	-	-	10,460
Other liabilities	337	26	-	-	219	-	582
Total financial liabilities	598,015	(205,932)	(22,130)	(654)	3,272	(6,451)	366,120

Separate							
31 December 2019							
Transactions	Currency						Total Million Baht
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	
Financial assets							
Cash	1,313	5	2	6	2	23	1,351
Interbank and money market items	4,790	564	82	30	457	284	6,207
Derivative assets	650,728	(626,282)	(3,495)	(1,181)	3,720	19,969	43,459
Investments	86,940	-	-	-	-	102	87,042
Loans to customers and Accrued interest receivables	219,556	13,813	1	100	-	1,105	234,575
Credit support assets on derivatives	10,863	4,105	-	-	-	-	14,968
Other assets	938	5	-	-	-	4	947
Total financial assets	975,128	(607,790)	(3,410)	(1,045)	4,179	21,487	388,549
Financial liabilities							
Deposits	195,837	2,660	68	40	325	202	199,132
Interbank and money market items	43,325	65	-	4	-	-	43,394
Liabilities payable on demand	266	2	-	-	-	1	269
Financial liabilities designated at fair value through profit or loss	24,423	-	-	-	-	-	24,423
Derivative liabilities	656,834	(620,402)	(3,513)	(1,033)	(8,130)	20,904	44,660
Debt issued and borrowings	7,912	4,850	-	-	11,057	-	23,819
Credit support liabilities on derivatives	5,330	3,828	-	-	-	-	9,158
Other liabilities	411	36	-	-	225	1	673
Total financial liabilities	934,338	(608,961)	(3,445)	(989)	3,477	21,108	345,528

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In addition to the financial assets and liabilities denominated in foreign currencies already disclosed in the relevant notes to the financial statements as at 30 June 2020 and 31 December 2019, the Bank has the following net foreign currency positions categorised by major foreign currencies:

	(Unit: Equivalent to million USD)					
	Consolidated and Separate					
	30 June 2020			31 December 2019		
	USD	EURO*	Other currencies*	USD	EURO*	Other currencies*
Spot	318.50	0.39	(350.03)	237.75	3.11	(343.51)
Forward						
- Forward contract	(280.11)	(0.49)	379.72	(231.44)	(4.00)	362.92
Total	38.39	(0.10)	29.69	6.31	(0.89)	19.41

* EURO and other currencies are stated in USD equivalents.

49.3 Liquidity risk

The period to maturity calculated from the statements of financial position date of financial instruments outstanding as at 30 June 2020 and 31 December 2019 were as follows:

Descriptions	Consolidated				
	30 June 2020				
	At call Million Baht	Less than 1 year Million Baht	More than 1 year Million Baht	No maturity Million Baht	Total Million Baht
Financial assets					
Cash	1,154	-	-	-	1,154
Interbank and money market items	2,713	2,838	-	-	5,551
Financial assets measured at fair value through profit or loss	35,955	-	-	-	35,955
Derivative assets	-	16,634	39,251	-	55,885
Investments	-	7,898	52,052	84	60,034
Loans to customers and accrued interest receivables	19,883 ⁽¹⁾	36,072	188,378	-	244,333
Right-of-use assets	-	9	264	-	273
Credit support assets on derivatives	12,910	-	-	-	12,910
Other assets	-	645	29	84	758
Total financial assets	72,615	64,096	279,974	168	416,853
Financial liabilities					
Deposits	83,754	114,188	1,524	-	199,466
Interbank and money market items	21,182	27,438	442	-	49,062
Liabilities payable on demand	367	-	-	-	367
Financial liabilities measured at fair value through profit or loss	-	3,538	24,783	-	28,321
Derivative liabilities	-	15,799	37,590	-	53,389
Debt issued and borrowings	-	5,756	18,172	-	23,928
Lease liabilities	-	8	266	-	274
Credit support liabilities on derivatives	10,460	-	-	-	10,460
Other liabilities	-	666	-	-	666
Total financial liabilities	115,763	167,393	82,777	-	365,933

⁽¹⁾ As at 31 December 2019, portions of loans classified as maturity-at-call in the consolidated financial statements, of Baht 13,467 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Descriptions	Consolidated				
	31 December 2019				
	At call Million Baht	Less than 1 year Million Baht	More than 1 year Million Baht	No maturity Million Baht	Total Million Baht
<u>Financial assets</u>					
Cash	1,352	-	-	-	1,352
Interbank and money market items	3,558	2,865	-	-	6,423
Derivative assets	-	11,642	31,817	-	43,459
Investments	-	7,880	78,787	377	87,044
Loans to customers and accrued interest receivables	18,614 ⁽¹⁾	36,413	188,179	-	243,206
Credit support assets on derivatives	14,968	-	-	-	14,968
Other assets	-	816	77	107	1,000
Total financial assets	38,492	59,616	298,860	484	397,452
<u>Financial liabilities</u>					
Deposits	63,362	125,964	9,709	-	199,035
Interbank and money market items	9,006	34,287	101	-	43,394
Liabilities payable on demand	269	-	-	-	269
Financial liabilities designated at fair value through profit or loss	-	-	24,423	-	24,423
Derivative liabilities	-	13,009	31,651	-	44,660
Debt issued and borrowings	-	6,899	18,920	-	25,819
Credit support liabilities on derivatives	9,158	-	-	-	9,158
Other liabilities	-	680	-	-	680
Total financial liabilities	81,795	180,839	84,804	-	347,438

⁽¹⁾ As at 31 December 2019, portions of loans classified as maturity-at-call in the consolidated financial statements, of Baht 11,296 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Descriptions	Separate 30 June 2020				
	At call Million Baht	Less than 1 year Million Baht	More than 1 year Million Baht	No maturity Million Baht	Total Million Baht
<u>Financial assets</u>					
Cash	1,152	-	-	-	1,152
Interbank and money market items	2,534	2,838	-	-	5,372
Financial assets measured at fair value through profit or loss	35,955	-	-	-	35,955
Derivative assets	-	16,634	39,251	-	55,885
Investments	-	7,898	52,050	84	60,032
Loans to customers and accrued interest receivables	19,883 ⁽¹⁾	48,417	170,295	-	238,595
Right-of-use assets	-	4	201	-	205
Credit support assets on derivatives	12,910	-	-	-	12,910
Other assets	-	651	29	71	751
Total financial assets	72,434	76,442	261,826	155	410,857
<u>Financial liabilities</u>					
Deposits	84,077	114,204	1,524	-	199,805
Interbank and money market items	21,182	27,438	442	-	49,062
Liabilities payable on demand	367	-	-	-	367
Financial liabilities measured at fair value through profit or loss	-	3,538	24,783	-	28,321
Derivative liabilities	-	15,799	37,590	-	53,389
Debt issued and borrowings	-	5,756	18,172	-	23,928
Lease liabilities	-	4	202	-	206
Credit support liabilities on derivatives	10,460	-	-	-	10,460
Other liabilities	-	582	-	-	582
Total financial liabilities	116,086	167,321	82,713	-	366,120

⁽¹⁾ As at 30 June 2020, portions of loans classified as maturity-at-call in the separate financial statements, of Baht 13,467 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Descriptions	Separate				
	31 December 2019				
	At call Million Baht	Less than 1 year Million Baht	More than 1 year Million Baht	No maturity Million Baht	Total Million Baht
<u>Financial assets</u>					
Cash	1,351	-	-	-	1,351
Interbank and money market items	3,342	2,865	-	-	6,207
Derivative assets	-	11,642	31,817	-	43,459
Investments	-	7,880	78,785	377	87,042
Loans to customers and accrued interest receivables	18,682 ⁽¹⁾	43,317	172,576	-	234,575
Credit support assets on derivatives	14,968	-	-	-	14,968
Other assets	-	776	77	94	947
Total financial assets	38,343	66,480	283,255	471	388,549
<u>Financial liabilities</u>					
Deposits	63,443	125,981	9,708	-	199,132
Interbank and money market items	9,006	34,287	101	-	43,394
Liabilities payable on demand	269	-	-	-	269
Financial liabilities designated at fair value through profit or loss	-	-	24,423	-	24,423
Derivative liabilities	-	13,009	31,651	-	44,660
Debt issued and borrowings	-	4,899	18,920	-	23,819
Credit support liabilities on derivatives	9,158	-	-	-	9,158
Other liabilities	-	673	-	-	673
Total financial liabilities	81,876	178,849	84,803	-	345,528

⁽¹⁾ As at 31 December 2019, portions of loans classified as maturity-at-call in the separate financial statements, of Baht 10,747 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.

49.4 Fair value

The Bank has estimated the fair value of financial instruments as follows:

Descriptions	Consolidated			
	30 June 2020		31 December 2019	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
Financial assets				
Cash	1,154	1,154	1,352	1,352
Interbank and money market items, net	5,551	5,551	6,422	6,422
Financial assets measured at fair value through profit or loss	35,955	35,955	-	-
Derivatives assets	55,885	55,885	43,459	43,459
Investments, net	60,033	61,271	86,798	87,788
Loans to customers and accrued interest receivables, net	233,362	231,927	232,025	230,012
Credit support assets on derivatives	12,910	12,910	14,968	14,968
Other assets	710	709	975	972
Total financial assets	405,560	405,362	385,999	384,973
Financial liabilities				
Deposits	199,466	199,494	199,035	199,122
Interbank and money market items	49,062	49,062	43,394	43,394
Liability payable on demand	367	367	269	269
Financial liabilities measured at fair value through profit or loss	28,321	28,321	24,423	24,423
Derivatives liabilities	53,389	53,389	44,660	44,660
Debt issued and borrowings	23,928	24,176	25,819	26,069
Credit support liabilities on derivatives	10,460	10,460	9,158	9,158
Total financial liabilities	364,993	365,269	346,758	347,095
Descriptions	Separate			
	30 June 2020		31 December 2019	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
Financial assets				
Cash	1,152	1,152	1,351	1,351
Interbank and money market items, net	5,372	5,372	6,206	6,206
Financial assets measured at fair value through profit or loss	35,955	35,955	-	-
Derivatives assets	55,885	55,885	43,459	43,459
Investments, net	60,031	61,269	86,796	87,786
Loans to customers and accrued interest receivables, net	228,899	227,748	224,522	222,814
Credit support assets on derivatives	12,910	12,910	14,968	14,968
Other assets	703	701	923	919
Total financial assets	400,907	400,992	378,225	377,503
Financial liabilities				
Deposits	199,805	199,834	199,132	199,219
Interbank and money market items	49,062	49,062	43,394	43,394
Liability payable on demand	367	367	269	269
Financial liabilities measured at fair value through profit or loss	28,321	28,321	24,423	24,423
Derivatives liabilities	53,389	53,389	44,660	44,660
Debt issued and borrowings	23,928	24,176	23,819	24,065
Credit support liabilities on derivatives	10,460	10,460	9,158	9,158
Total financial liabilities	365,332	365,609	344,855	345,188

49.5 Financial derivatives

The Bank engages in financial derivative activities as required in the normal course of business to meet its clients' needs and to manage risks arising from fluctuations in foreign exchange rates and interest rates.

As at 30 June 2020 and 31 December 2019, financial derivatives as classified by their maturities were as follows:

	Consolidated and Separate					
	30 June 2020			31 December 2019		
	Less than 1 year Million Baht	Over 1 year Million Baht	Total Million Baht	Less than 1 year Million Baht	Over 1 year Million Baht	Total Million Baht
Forward and spot contracts						
- Bought	613,975	4,528	618,503	536,799	1,579	538,378
- Sold	464,269	8,431	472,700	490,838	12,293	503,131
Cross-currency and interest rate swap contracts						
- Bought	52,375	192,828	245,203	50,599	190,174	240,773
- Sold	50,034	157,847	207,881	48,818	147,707	196,525
Interest rate swap contracts						
- Fixed-rate receiver	415,669	606,573	1,022,242	418,509	571,872	990,381
- Floating-rate receiver	472,219	739,288	1,211,507	504,446	679,213	1,183,659
Foreign exchange options						
- Call-option sales contract	348	-	348	10	-	10
- Put-option sales contract	522	-	522	171	-	171
- Call-option purchase contract	865	-	865	894	-	894
- Put-option purchase contract	674	-	674	1,526	-	1,526
Commodity						
- Bought	-	-	-	87	-	87
- Sold	-	-	-	87	-	87
Credit derivatives						
- Bought	-	6,403	6,403	-	6,293	6,293
- Sold	-	6,403	6,403	-	6,293	6,293
Fund option						
- Bought	6,835	842	7,677	6,494	1,936	8,430
- Sold	6,835	842	7,677	6,494	1,936	8,430
Equity option						
- Bought	-	199	199	-	23	23
- Sold	-	199	199	-	23	23
Bond forward						
- Sold	5,368	14,927	20,295	5,700	13,630	19,330

The Bank sets up policies and relevant risk limits by which it requires risk reporting and control procedures as a control over financial derivative activities. The Bank realises that financial derivatives involve credit risk and considers credit limits for its customers in general. The same credit approval process used when granting loans to a customer is adopted for financial derivative customers, so that the Bank is able to maintain risk at acceptable levels. However, financial derivatives may cause the Bank to incur gains or losses as they are sensitive to foreign exchange rates or interest rates, which can fluctuate materially as the market situation changes.

50 Fair value

50.1 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the assets and liabilities that are measured at fair value at 30 June 2020 and 31 December 2019.

Consolidated and Separate 30 June 2020				
	Level 1 Million Baht	Level 2 Million Baht	Level 3 Million Baht	Total Million Baht
Assets				
Financial assets measured at fair value through profit or loss	-	35,955	-	35,955
Investments in debt instruments measured at fair value through other comprehensive income	-	37,974	-	37,974
Derivative assets	-	55,885	-	55,885
Total assets	-	129,814	-	129,814
Liabilities				
Financial liabilities measured at fair value through profit or loss	-	28,321	-	28,321
Derivatives liabilities	-	53,389	-	53,389
Total liabilities	-	81,710	-	81,710

Consolidated and Separate 31 December 2019				
	Level 1 Million Baht	Level 2 Million Baht	Level 3 Million Baht	Total Million Baht
Assets				
Securities held for trading	-	21,350	-	21,350
Securities designated at fair value through profit or loss	-	11,418	-	11,418
Available-for-sale securities	64	34,382	-	34,446
Derivative assets	-	43,459	-	43,459
Total assets	64	110,609	-	110,673
Liabilities				
Financial liabilities designated at fair value through profit or loss	-	24,423	-	24,423
Derivatives liabilities	-	44,660	-	44,660
Total liabilities	-	69,083	-	69,083

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The following table presents the Group's financial assets and liabilities that are not measured at fair value which have fair value at 30 June 2020 and 31 December 2019:

Consolidated				
30 June 2020				
	Level 1	Level 2	Level 3	Total
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash	1,154	-	-	1,154
Interbank and money market items, net	2,713	2,838	-	5,551
Investments in debt instruments measured at amortized cost	-	23,215	-	23,215
Loans to customers and accrued interest receivables, net	-	231,927	-	231,927
Credit support assets on derivatives	-	12,910	-	12,910
Other assets	-	709	-	709
Total assets	3,867	271,599	-	275,466
Liabilities				
Deposits	-	199,494	-	199,494
Interbank and money market items	-	49,062	-	49,062
Liability payable on demand	-	367	-	367
Debt issued and borrowings	-	24,176	-	24,176
Credit support liabilities on derivatives	-	10,460	-	10,460
Total liabilities	-	283,559	-	283,559
Consolidated				
31 December 2019				
	Level 1	Level 2	Level 3	Total
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash	1,352	-	-	1,352
Interbank and money market items, net	3,557	2,865	-	6,422
Held-to-maturity debt securities	-	20,545	-	20,545
General investments	-	-	29	29
Loans and accrued interest receivables, net	-	230,012	-	230,012
Credit support assets on derivatives	-	14,968	-	14,968
Other assets	-	972	-	972
Total assets	4,909	269,362	29	274,300
Liabilities				
Deposits	-	199,122	-	199,122
Interbank and money market items	-	43,394	-	43,394
Liability payable on demand	-	269	-	269
Debt issued and borrowings	-	26,069	-	26,069
Credit support liabilities on derivatives	-	9,158	-	9,158
Total liabilities	-	278,012	-	278,012

Separate				
30 June 2020				
	Level 1	Level 2	Level 3	Total
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash	1,152	-	-	1,152
Interbank and money market items, net	2,534	2,838	-	5,372
Investments in debt instruments measured at amortized cost	-	23,213	-	23,213
Loans to customers and accrued interest receivables, net	-	227,748	-	227,748
Credit support assets on derivatives	-	12,910	-	12,910
Other assets	-	701	-	701
Total assets	3,686	267,410	-	271,096
Liabilities				
Deposits	-	199,834	-	199,834
Interbank and money market items	-	49,062	-	49,062
Liability payable on demand	-	367	-	367
Debt issued and borrowings	-	24,176	-	24,176
Credit support liabilities on derivatives	-	10,460	-	10,460
Total liabilities	-	283,899	-	283,899

Separate				
31 December 2019				
	Level 1	Level 2	Level 3	Total
	Million Baht	Million Baht	Million Baht	Million Baht
Assets				
Cash	1,351	-	-	1,351
Interbank and money market items, net	3,341	2,865	-	6,206
Held-to-maturity debt securities	-	20,543	-	20,543
General investments	-	-	29	29
Loans and accrued interest receivables, net	-	222,814	-	222,814
Credit support assets on derivatives	-	14,968	-	14,968
Other assets	-	919	-	919
Total assets	4,692	262,109	29	266,830
Liabilities				
Deposits	-	199,219	-	199,219
Interbank and money market items	-	43,394	-	43,394
Liability payable on demand	-	269	-	269
Debt issued and borrowings	-	24,065	-	24,065
Credit support liabilities on derivatives	-	9,158	-	9,158
Total liabilities	-	276,105	-	276,105

Methods and assumptions used by the Group for fair value estimation of financial instruments as disclosure are as below:

Cash and Interbank and money market items, net (assets)

The carrying amounts of cash and interbank and market items (assets) presented in the statement of financial position approximate fair values.

Investments, net

The determination of fair value for investments, net, is as disclosed in Note 3.3.1 to the financial statements except the estimated fair value for investments in debt instruments measured at amortised cost and investments in equity instruments designated at fair value through other comprehensive income are based on quoted and observable market price. Where there is no ready market in certain securities, the Group are initially recognised at expected future cash flows discounted by the market interest rate that is adjusted by risk free rate of each entity.

Loans and accrued interest receivables, net

For floating rate loans, the fair value is equal to the carrying amount.

For fixed rate loans which are classified as financial assets with an insignificant increase in credit risk or financial assets with a significant increase in credit risk, the fair value is equal to the present value of future cash flows discounted by the prevailing market rates of loans with similar features.

For credit-impaired fixed rate financial assets, the fair value is equal to the carrying amount.

Other assets

Other assets - Accounts receivable - bill of exchange, the fair value is equal to the present value of future cash flows discounted by the effective interest of loans with similar features. Credit support assets on derivatives, the fair value presented in the statement of financial position approximate fair values.

Deposits

For deposits with maturities of less than one year, the carrying amounts are a reasonable estimate of their fair value. For deposit with maturities of one year or more, fair values are estimated using discounted cash flows based on prevailing market rates for similar deposits from customers.

Interbank and money market items, net (liabilities)

The carrying amounts of interbank and money market items (liabilities) presented in the statement of financial position approximate fair values.

Liability payable on demand

The carrying amounts of liability payable on demand presented in the statement of financial position approximate fair values.

Debt issued and borrowings

The fair value of debt issued and borrowings are estimated based on market price or amortised cost.

Other liabilities

Other liabilities - Credit support liabilities on derivatives, the fair value presented in the statement of financial position approximate fair values.

50.2 Valuation techniques used to derive Level 2 fair values

Level 2 financial assets measured at fair value through profit or loss and investments in debt instruments measured at fair value through other comprehensive income are fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

Level 2 trading and hedging derivatives, and financial liabilities designated at fair value through profit or loss comprise of forward foreign exchange contracts, interest rate swaps, structured debentures, and accreting structured bill of exchanged. These forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Interest rate swaps, structured debentures, and accreting structured bill of exchanged are fair valued using forward interest rates extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

50.3 Fair value measurements using significant unobservable inputs (Level 3)

	Consolidated and Separate	
	Investments in equity instruments designated at fair value through other comprehensive income/ General Investments	
	30 June 2020	31 December 2019
	Million Baht	Million Baht
Opening balance	29	30
Disposal of general investments	-	(1)
Closing balance	29	29

Investment classified under Level 3 is general investment which is presented at expected future cash flows discounted by the market interest rate that is adjusted by risk free rate of each company.

51 Significant events during the current period

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 has become severe and pervasive to the business sector, Bank's customers and people. The Bank of Thailand has issued guidelines on how to assist debtors affected by the situation impacting the Thai economy and additional aid measures for debtors during the Covid-19 pandemic to financial Institutions, specialised financial institutions and others financial services. In addition, the Government has declared the State of Emergency to combat the Covid-19 outbreak.

As at 30 June 2020, the Group granted moratorium to debtors for financial aids following the Bank of Thailand measures such as extending repayment period, reducing interest rate or debt restructuring as appropriate. This moratorium is treated as a contract modification, which will result in an increasing expected credit loss in the Group. The Group provided financial assistance to customers totaling approximately 15.75% of the Group total outstanding loans, relief measures provided to retail segment were approximately 8.42% of the Group total outstanding loans while relief measures provided to Commercial Lending segment were approximately 7.33% of the Group total outstanding loans.

52 Event occurring after the reporting date

On 5 August 2020, CT Coll Company Limited paid a dividend from the operating results of 2019 at the rate of Baht 53 per paid share, totalling Baht 20.41 million according to its Extraordinary General Meeting of Shareholders approval on 7 July 2020.

On 26 August 2020, Board of Directors of the Bank approved sale of loans classified as credit-impaired financial assets for the net carrying amount as of 30 June 2020 totalling Baht 983 million. During the period, the Bank reserved allowance for expected credit losses from selling.