

**CIMB THAI BANK PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**30 JUNE 2023**

## **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 2023, 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.

### **What I have audited**

The interim consolidated and the separate financial statements comprise:

- the interim consolidated and separate statements of financial position as at 30 June 2023;
- 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 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 including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) 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 the TFAC Code. 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 judgement, 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. This 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><b><i>Allowances for expected credit losses on loans to customers, loan commitments and financial guarantee contracts</i></b></p> <p>Refer to Notes to the interim consolidated and separate financial statements no. 2 for accounting policies, no. 11 for disclosures relating to loans to customers, and no. 23 for disclosures relating to provisions.</p> <p>Loans to customers are a significant item constituting 48.19% of total assets. As at 30 June 2023 the total loans portfolio of the Group comprises of loans of commercial banking business which constitutes 85.81%, and hire-purchase receivables generated from the operations of the subsidiaries 14.19%. Management made an 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.</p> <p>I focused on auditing this area because 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>In addition, the significant judgements in applying the accounting requirements for measuring ECL include the following:</p> <ul style="list-style-type: none"> <li>- 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;</li> <li>- Identifying loans to customers that have experienced a significant increase in credit risk;</li> <li>- 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</li> <li>- Data and assumptions used for ECL for the significant exposure on individual assessment approach such as expected future cash flows and the appraisal value of collaterals.</li> </ul>	<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"> <li>• 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.</li> <li>• 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.</li> <li>• I tested governance controls for the ECL model development and refinements, including model approval, monitoring and validation.</li> <li>• 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.</li> </ul>

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>	<p>I didn't find any exceptions 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"> <li>• I involved my financial risk modelling experts and information technology specialists in areas such as testing the appropriateness of the ECL models for collective assessment and the scripts used to compute the ECL figures. Moreover, I assessed and tested the methodologies, as well as the significant modelling assumptions and data reliability inherent within the ECL models applied. I also considered appropriateness of forward-looking forecasts assumptions compared with available information in the market.</li> <li>• I examined a sample of loans to customers and gathered relevant information to form my judgement on whether there was a significant increase in credit risk or any objective evidence of impairment on these customers, and then considered the appropriateness of the stage classification. 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• Where allowances for expected credit losses were individually calculated, I assessed their adequacy of allowances for expected credit losses by challenging the basis 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.</li> </ul>

Key audit matter	How my audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>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.</li> </ul> <p>Based on the work I performed, I didn't find any material differences from allowances for expected credit losses which had been assessed by management.</p>

### Emphasis of matter

I draw attention to note 2 of the interim consolidated and separate financial statements, which describes the accounting policies in relation to adopting the accounting guidance announced by the Federation of Accounting Professions to temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic for the reporting periods ending between 1 January 2022 and 31 December 2023. My opinion is not modified in respect to this matter.

### Responsibilities of the directors for the 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 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 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 these matters 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 2023 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 2023 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

23 August 2023

**CIMB Thai Bank Public Company Limited**  
**Statement of Financial Position**  
**As at 30 June 2023**

	Notes	Consolidated		Separate	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Assets</b>					
Cash		877,198,836	920,304,924	876,793,836	919,879,924
Interbank and money market items, net	6	15,940,903,733	20,715,248,115	15,606,401,896	20,411,313,521
Financial assets measured at fair value					
through profit or loss	7	28,417,270,866	22,363,069,421	28,417,270,866	22,363,069,421
Derivative assets	8	82,304,962,255	80,283,644,431	82,304,962,255	80,283,644,431
Investments, net	9	88,760,357,649	105,075,841,500	88,558,977,450	105,073,841,500
Investments in subsidiaries, net	10	-	-	2,895,420,707	2,895,420,707
Loans and accrued interest receivables, net	11, 12	239,420,398,908	231,840,361,269	234,121,237,830	226,407,600,200
Properties for sale, net	13	1,342,184,476	1,253,001,347	995,850,551	1,004,700,844
Premises and equipment, net	14	3,499,414,019	3,602,925,089	3,338,852,801	3,511,562,092
Right of use assets, net	15	168,673,375	187,033,692	124,647,082	142,205,872
Intangible assets, net	16	1,004,885,693	957,002,269	971,658,586	920,664,739
Deferred tax assets	17	1,781,575,374	1,700,763,949	1,149,686,341	1,092,531,008
Credit support assets on derivatives		21,451,497,740	16,240,924,437	21,451,497,740	16,240,924,437
Accounts receivable from sell of financial assets					
measured at fair value through profit or loss					
and investments		8,853,096,903	9,039,871,049	8,853,096,903	9,039,871,049
Other assets, net	18	1,690,442,481	1,605,401,102	1,480,158,909	1,421,820,189
<b>Total assets</b>		<b>495,512,862,308</b>	<b>495,785,392,594</b>	<b>491,146,513,753</b>	<b>491,729,049,934</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.



**CIMB Thai Bank Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 30 June 2023**

	Notes	Consolidated		Separate	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Deposits	19	235,209,621,470	236,693,732,406	235,657,283,567	237,433,715,361
Interbank and money market items	20	55,658,510,889	46,907,042,477	55,658,510,889	46,907,042,477
Liability payable on demand		441,864,132	172,177,259	441,864,132	172,177,259
Financial liabilities measured at fair value					
through profit or loss	21	19,731,656,290	21,161,403,733	19,731,656,290	21,161,403,733
Derivative liabilities	8	82,230,673,199	76,846,974,935	82,230,673,199	76,846,974,935
Debt issued and borrowings	22	22,579,957,554	20,819,956,588	22,579,957,554	20,819,956,588
Lease liabilities		173,103,292	191,430,503	128,543,129	146,095,324
Provisions	23	2,321,977,289	2,284,782,524	2,196,460,552	2,154,657,807
Credit support liabilities on derivatives		20,198,797,747	29,708,018,029	20,198,797,747	29,708,018,029
Accounts payable from purchase of financial					
assets measured at fair value through profit or loss					
and investments		6,419,487,752	10,567,031,279	6,419,487,752	10,567,031,279
Other liabilities	24	3,550,814,469	4,582,922,967	2,868,051,187	3,902,073,072
<b>Total liabilities</b>		<b>448,516,464,083</b>	<b>449,935,472,700</b>	<b>448,111,285,998</b>	<b>449,819,145,864</b>
<b>Equity</b>					
Share capital	26				
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
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
Premium on share capital		10,145,965,854	10,145,965,854	10,145,965,854	10,145,965,854
Other reserves		1,062,617,502	923,238,382	1,079,215,613	939,836,493
Accretion of equity interests in subsidiary		(42,753,751)	(42,753,751)	-	-
Retained earnings					
Appropriated - statutory reserve	28	724,201,000	684,201,000	724,201,000	684,201,000
Unappropriated		17,695,236,746	16,728,137,535	13,674,714,414	12,728,769,849
<b>Total equity</b>		<b>46,996,398,225</b>	<b>45,849,919,894</b>	<b>43,035,227,755</b>	<b>41,909,904,070</b>
<b>Total liabilities and equity</b>		<b>495,512,862,308</b>	<b>495,785,392,594</b>	<b>491,146,513,753</b>	<b>491,729,049,934</b>

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 June 2023**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Interest income	4,073,900,825	3,030,165,385	3,465,492,096	2,329,732,415
Interest expenses	(1,541,019,929)	(676,664,833)	(1,540,807,733)	(676,484,765)
<b>Net interest income</b>	<b>2,532,880,896</b>	<b>2,353,500,552</b>	<b>1,924,684,363</b>	<b>1,653,247,650</b>
Fees and service income	494,340,922	583,674,265	300,922,455	291,818,674
Fees and service expenses	(154,604,388)	(117,710,251)	(90,606,216)	(68,472,754)
<b>Net fees and service income</b>	<b>339,736,534</b>	<b>465,964,014</b>	<b>210,316,239</b>	<b>223,345,920</b>
Gains on financial instruments measured at fair value through profit or loss	71,591,579	1,195,560,418	71,591,579	1,195,560,418
Gains (losses) on investments	34,858,104	(779,955,231)	34,858,104	(779,955,231)
Gains on sale of non-performing loans	60,644,550	20,593,015	-	20,593,015
Other operating income	289,947,609	365,930,823	228,671,753	276,356,334
<b>Total operating income</b>	<b>3,329,659,272</b>	<b>3,621,593,591</b>	<b>2,470,122,038</b>	<b>2,589,148,106</b>
<b>Other operating expenses</b>				
Employee expenses	1,063,458,258	1,149,021,046	914,735,202	962,992,118
Directors' remuneration	4,098,400	4,794,000	4,098,400	4,730,000
Premises and equipment expenses	226,816,580	230,929,132	181,548,461	185,918,892
Taxes and duties	105,977,730	75,426,492	105,432,997	74,905,131
Others	692,129,338	504,654,397	328,124,222	293,273,284
<b>Total other operating expenses</b>	<b>2,092,480,306</b>	<b>1,964,825,067</b>	<b>1,533,939,282</b>	<b>1,521,819,425</b>
Expected credit losses	547,161,009	345,122,937	106,177,539	122,916,216
<b>Profit before income tax expenses</b>	<b>690,017,957</b>	<b>1,311,645,587</b>	<b>830,005,217</b>	<b>944,412,465</b>
Income tax expenses	(151,268,969)	(257,181,183)	(178,891,454)	(184,096,079)
<b>Net profit for the period</b>	<b>538,748,988</b>	<b>1,054,464,404</b>	<b>651,113,763</b>	<b>760,316,386</b>

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income (Unaudited) (Cont'd)**  
**For the three-month period ended 30 June 2023**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Other comprehensive income (expenses)</b>				
<b>Items that will be reclassified</b>				
<b>subsequently to profit or loss</b>				
Losses on investments in debt instruments measured at fair value through other comprehensive income	(281,704,321)	(726,137,469)	(281,704,321)	(726,137,469)
Gains on fair value of hedging instruments for cash flow hedges	177,685,217	64,441,434	177,685,217	64,441,434
Losses arising from translating the financial statement of a foreign operation	(409,222)	(14,440,941)	(409,222)	(14,440,941)
Reclassification exchange differences on translation of discontinued operation to profit or loss	55,213,146	-	55,213,146	-
Income tax relating to items that will be reclassified subsequently to profit or loss	21,007,414	192,904,865	21,007,414	192,904,865
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>(28,207,766)</b>	<b>(483,232,111)</b>	<b>(28,207,766)</b>	<b>(483,232,111)</b>
<b>Items that will not be reclassified</b>				
<b>subsequently to profit or loss</b>				
(Losses) gains on investment in equity instruments designated at fair value through other comprehensive income	(6,676,348)	2,204,671	(6,676,348)	2,204,671
Gains (losses) on financial liabilities designated at fair value relating to own credit risk	69,280,485	(14,939,570)	69,280,485	(14,939,570)
Remeasurements of post-employment benefit obligations	(414,005)	-	(414,005)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	(13,773,296)	(317,351)	(13,773,296)	(317,351)
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>48,416,836</b>	<b>(13,052,250)</b>	<b>48,416,836</b>	<b>(13,052,250)</b>
<b>Total other comprehensive income (expenses)</b>	<b>20,209,070</b>	<b>(496,284,361)</b>	<b>20,209,070</b>	<b>(496,284,361)</b>
<b>Total comprehensive income for the period</b>	<b>558,958,058</b>	<b>558,180,043</b>	<b>671,322,833</b>	<b>264,032,025</b>

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income (Unaudited) (Cont'd)**  
**For the three-month period ended 30 June 2023**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Net profit attributable to:</b>				
Shareholders of the Bank	538,748,988	1,054,464,404	651,113,763	760,316,386
Non-controlling interests	-	-	-	-
	<u>538,748,988</u>	<u>1,054,464,404</u>	<u>651,113,763</u>	<u>760,316,386</u>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Bank	558,958,058	558,180,043	671,322,833	264,032,025
Non-controlling interests	-	-	-	-
	<u>558,958,058</u>	<u>558,180,043</u>	<u>671,322,833</u>	<u>264,032,025</u>
<b>Earnings per share for profit attributable to the shareholders of the Bank</b>				
Basic earnings per share (Baht per share)	<u>0.02</u>	<u>0.03</u>	<u>0.02</u>	<u>0.02</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 interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income**  
**For the six-month period ended 30 June 2023**

	Notes	Consolidated		Separate	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income	32	7,839,490,588	5,929,882,797	6,632,268,918	4,499,546,087
Interest expenses	33	(2,960,394,567)	(1,265,210,357)	(2,959,967,328)	(1,264,821,524)
<b>Net interest income</b>		<b>4,879,096,021</b>	<b>4,664,672,440</b>	<b>3,672,301,590</b>	<b>3,234,724,563</b>
Fees and service income		965,796,552	1,144,357,044	626,736,832	603,347,135
Fees and service expenses		(300,283,864)	(294,940,003)	(172,171,199)	(192,377,776)
<b>Net fees and service income</b>	34	<b>665,512,688</b>	<b>849,417,041</b>	<b>454,565,633</b>	<b>410,969,359</b>
Gains on financial instruments measured at fair value through profit or loss	35	409,366,674	1,649,118,514	409,366,674	1,649,118,514
Gains (losses) on investments	36	271,898,646	(873,142,216)	271,898,646	(873,142,216)
Gains on sale of non-performing loans		332,771,017	20,593,015	-	20,593,015
Other operating income	37	598,027,113	795,042,092	463,454,533	587,835,558
<b>Total operating income</b>		<b>7,156,672,159</b>	<b>7,105,700,886</b>	<b>5,271,587,076</b>	<b>5,030,098,793</b>
<b>Other operating expenses</b>					
Employee expenses		2,122,170,443	2,250,120,583	1,831,976,433	1,900,835,298
Directors' remuneration		8,778,400	9,696,000	8,778,400	9,560,000
Premises and equipment expenses		463,567,597	439,142,202	372,628,144	350,986,011
Taxes and duties		202,592,380	148,999,707	200,247,216	147,011,495
Others		1,253,961,177	906,139,338	587,359,903	501,744,004
<b>Total other operating expenses</b>		<b>4,051,069,997</b>	<b>3,754,097,830</b>	<b>3,000,990,096</b>	<b>2,910,136,808</b>
Expected credit losses	38	1,377,431,145	709,240,683	569,006,985	214,379,641
<b>Profit before income tax expenses</b>		<b>1,728,171,017</b>	<b>2,642,362,373</b>	<b>1,701,589,995</b>	<b>1,905,582,344</b>
Income tax expenses	39	(359,289,862)	(526,856,908)	(353,863,486)	(379,845,807)
<b>Net profit for the period</b>		<b>1,368,881,155</b>	<b>2,115,505,465</b>	<b>1,347,726,509</b>	<b>1,525,736,537</b>

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the six-month period ended 30 June 2023**

	Consolidated		Separate	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
<b>Other comprehensive income (expenses)</b>				
<b>Items that will be reclassified subsequently to profit or loss</b>				
Losses on investments in debt instruments measured at fair value through other comprehensive income	(166,187,869)	(1,316,267,119)	(166,187,869)	(1,316,267,119)
Gains on fair value of hedging instruments for cash flow hedges	140,632,059	15,888,118	140,632,059	15,888,118
Gains (losses) arising from translating the financial statement of a foreign operation	47,156	(19,168,167)	47,156	(19,168,167)
Reclassification exchange differences on translation of discontinued operation to profit or loss	55,213,146	-	55,213,146	-
Income tax relating to items that will be reclassified subsequently to profit or loss	5,249,085	375,931,854	5,249,085	375,931,854
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>34,953,577</b>	<b>(943,615,314)</b>	<b>34,953,577</b>	<b>(943,615,314)</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Losses on investment in equity instruments designated at fair value through other comprehensive income	(4,546,189)	(5,774,593)	(4,546,189)	(5,774,593)
Gains (losses) on financial liabilities designated at fair value relating to own credit risk	24,981,249	(28,517,600)	24,981,249	(28,517,600)
Remeasurements of post-employment benefit obligations	(414,005)	-	(414,005)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	123,078,554	371,725	123,078,554	371,725
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>143,099,609</b>	<b>(33,920,468)</b>	<b>143,099,609</b>	<b>(33,920,468)</b>
<b>Total other comprehensive income (expenses)</b>	<b>178,053,186</b>	<b>(977,535,782)</b>	<b>178,053,186</b>	<b>(977,535,782)</b>
<b>Total comprehensive income for the period</b>	<b>1,546,934,341</b>	<b>1,137,969,683</b>	<b>1,525,779,695</b>	<b>548,200,755</b>

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Comprehensive Income (Cont'd)**  
**For the six-month period ended 30 June 2023**

	Note	Consolidated		Separate	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Net profit attributable to:</b>					
Shareholders of the Bank		1,368,881,155	2,115,505,465	1,347,726,509	1,525,736,537
Non-controlling interests		-	-	-	-
		<u>1,368,881,155</u>	<u>2,115,505,465</u>	<u>1,347,726,509</u>	<u>1,525,736,537</u>
<b>Total comprehensive income attributable to:</b>					
Shareholders of the Bank		1,546,934,341	1,137,969,683	1,525,779,695	548,200,755
Non-controlling interests		-	-	-	-
		<u>1,546,934,341</u>	<u>1,137,969,683</u>	<u>1,525,779,695</u>	<u>548,200,755</u>
<b>Earnings per share for profit attributable to the shareholders of the Bank</b>	41				
Basic earnings per share (Baht per share)		<u>0.04</u>	<u>0.06</u>	<u>0.04</u>	<u>0.04</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 interim consolidated and bank financial statements are an integral part of these interim financial statements.

Consolidated																
Attributable to owners of the Bank																
Other reserves																
</																

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.



The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Cash flows**  
**For the six-month period ended 30 June 2023**

	Notes	Consolidated		Separate	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax expenses		1,728,171,017	2,642,362,373	1,701,589,995	1,905,582,344
Adjustments to reconcile net incomes before income tax to cash in (out) flows from operating activities:					
Depreciation and amortisation		359,050,837	340,461,328	320,502,451	295,725,944
Expected credit losses	38	1,377,431,145	709,240,683	569,006,985	214,379,641
Share-based payment	30	23,401,779	25,750,806	23,401,779	25,750,806
Provision for liabilities		101,067,676	70,668,528	92,643,444	61,096,054
Losses on impairment of properties for sale and other assets		533,247,334	299,468,093	2,999,626	1,124,076
Losses (gains) on exchange rate of debt issued and borrowing and derivatives		3,524,579,543	(4,234,711,918)	3,524,579,543	(4,234,711,918)
Unrealised (gains) losses on revaluation of financial assets measured at fair value through profit or loss		(723,258,823)	2,802,644,299	(723,258,823)	2,802,644,299
(Gains) losses on sale of investments	36	(271,898,646)	873,142,216	(271,898,646)	873,142,216
Gains on disposal of premises and equipment		(2,004,332)	(13,045,072)	(2,004,332)	(13,045,072)
Losses from write off premises, equipment and intangible assets		3,019,345	851,611	1,010,363	478,981
Gains on modification and termination of leases		(235,950)	(562,519)	(218,993)	(572,663)
Gains on financial liabilities designated at fair value through profit or loss		(335,340,104)	(1,085,670,990)	(335,340,104)	(1,085,670,990)
Interest income	32	(7,839,490,588)	(5,929,882,797)	(6,632,268,918)	(4,499,546,087)
Dividend income	37	(12,087,161)	(9,694,251)	(12,087,161)	(9,694,251)
Interest expenses	33	2,960,394,567	1,265,210,357	2,959,967,328	1,264,821,524
<b>Gains (losses) from operations before changes in operating assets and liabilities</b>		1,426,047,639	(2,243,767,253)	1,218,624,537	(2,398,495,096)
<b>(Increase) decrease in operating assets</b>					
Interbank and money market items		4,734,936,589	(6,026,623,632)	4,765,503,832	(6,029,248,803)
Financial assets measured at fair value through profit or loss		(7,005,681,825)	4,967,427,101	(7,005,681,825)	4,967,427,101
Loans		(10,425,207,140)	(11,051,392,421)	(7,851,279,788)	(9,097,486,669)
Properties for sale		1,271,090,567	1,092,260,878	31,870,811	204,779,676
Credit support assets on derivatives		(5,210,573,303)	(4,462,973,831)	(5,210,573,303)	(4,462,973,831)
Other assets		(134,923,411)	(576,695,040)	(68,628,947)	(416,229,107)
<b>Increase (decrease) in operating liabilities</b>					
Deposits		(1,484,110,936)	29,978,961,447	(1,776,431,794)	30,183,219,637
Interbank and money market items		8,751,468,412	(4,340,327,762)	8,751,468,412	(4,340,327,762)
Liability payable on demand		269,686,873	48,437,510	269,686,873	48,437,510
Provisions		(70,662,985)	(59,122,411)	(56,402,688)	(55,560,781)
Credit support liabilities on derivatives		(9,509,220,282)	17,934,410,210	(9,509,220,282)	17,934,410,210
Other liabilities		(1,454,560,248)	(817,506,037)	(1,506,974,047)	(782,773,864)
<b>Cash flows (used in) provided by operating activities</b>		(18,841,710,050)	24,443,088,759	(17,948,038,209)	25,755,178,221
Cash received from interest income		6,706,819,060	5,277,679,852	5,501,482,552	3,806,082,882
Cash paid for interest expenses		(2,548,552,954)	(1,054,689,626)	(2,548,552,953)	(1,054,675,063)
Cash paid for income tax		(127,887,160)	(527,576,934)	(48,082,836)	(410,986,058)
<b>Net cash flows (used in) provided by operating activities</b>		(14,811,331,104)	28,138,502,051	(15,043,191,446)	28,095,599,982

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Statement of Cash flows (Cont'd)**  
**For the six-month period ended 30 June 2023**

		Consolidated		Separate	
		2023	2022	2023	2022
Notes		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Cash paid for purchases of investments in debt instruments measured at fair value through other comprehensive income		(25,102,831,585)	(52,221,723,246)	(25,102,831,585)	(52,221,723,246)
Proceeds from disposals and maturity of investments in debt instruments measured at fair value through other comprehensive income		40,419,988,434	27,950,474,946	40,419,988,434	27,950,474,946
Cash paid for purchases of investments in debt instruments measured at amortised cost		(6,301,889,984)	(12,724,797,412)	(6,102,509,785)	(12,724,797,412)
Proceeds from maturity of investments in debt instruments measured at amortised cost		5,005,617,871	2,151,000,000	5,005,617,871	2,151,000,000
Cash paid for investments in equity instruments designated at fair value through other comprehensive income		(43,222)	-	(43,222)	-
Proceeds from maturity of investments in equity instruments designated at fair value through other comprehensive income		-	46,406,250	-	46,406,250
Cash paid for purchases of premises and equipment		(94,205,152)	(67,161,589)	(81,253,184)	(45,766,532)
Proceeds from disposals of premises and equipment		2,781,010	13,701,560	2,029,412	13,508,969
Cash paid for purchases of intangible assets		(227,897,584)	(144,965,612)	(221,829,785)	(142,053,288)
Dividend received		12,087,161	9,694,251	12,087,161	9,694,251
Interest received		907,414,337	805,404,403	907,214,208	805,383,212
<b>Net cash flows provided by (used in) investing activities</b>		<b>14,621,021,286</b>	<b>(34,181,966,449)</b>	<b>14,838,469,525</b>	<b>(34,157,872,850)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issuance of financial liabilities measured at fair value through profit or loss and borrowings		21,034,716,077	23,008,046,491	21,034,716,077	23,008,046,491
Cash paid for redemption of financial liabilities measured at fair value through profit or loss and borrowings		(20,490,142,110)	(16,437,655,258)	(20,490,142,110)	(16,437,655,258)
Cash paid for dividend	27	(400,456,010)	(348,222,618)	(400,456,010)	(348,222,618)
Cash paid for lease liabilities	15	(52,174,529)	(56,658,658)	(37,742,426)	(37,913,287)
<b>Net cash flows provided by financing activities</b>		<b>91,943,428</b>	<b>6,165,509,957</b>	<b>106,375,531</b>	<b>6,184,255,328</b>
Losses (gains) from foreign currency translation differences		55,260,302	(19,171,888)	55,260,302	(19,171,888)
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(43,106,088)</b>	<b>102,873,671</b>	<b>(43,086,088)</b>	<b>102,810,572</b>
Cash and cash equivalents at beginning of the period		920,304,924	818,440,867	919,879,924	817,779,386
<b>Cash and cash equivalents at the end of the period</b>		<b>877,198,836</b>	<b>921,314,538</b>	<b>876,793,836</b>	<b>920,589,958</b>
<b>Supplemental disclosure of cash flows information</b>					
Non-cash transaction:					
Interest amortisation from premium or discount		51,533,296	204,046,450	51,533,296	204,046,450
Accounts receivable from sell of investments		354,670,636	120,357,197	354,670,636	120,357,197
Accounts payable from purchase of investments		40,080,654	-	40,080,654	-

The accompanying notes to the interim consolidated and bank financial statements are an integral part of these interim financial statements.

**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

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## **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 and leasing business.

The interim consolidated and separate financial statements were authorised by the Board of Directors on 23 August 2023.

## **2 Accounting policies**

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

### **2.1 Basis of preparation of interim consolidated and separate financial statements**

The interim consolidated and separate financial statements (“the interim 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 interim financial statements and disclosures in the notes to interim 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 Interim financial statements of Commercial Bank and Holding Parent Company of Financial Group” dated on 31 October 2018.

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

The preparation of interim 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 interim financial statements, are disclosed in note 4 to the interim financial statements.

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

An English version of the interim financial statements has been prepared from the statutory interim 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 interim financial statements shall prevail.

## **2.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and have impacts to the Group**

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

## **2.3 Effect of IBOR reform**

In 2022, the Group established an IBOR transition plan to amend existing contracts and agreements that reference USD LIBOR and THBFX with maturity after 30 June 2023 to SOFR and THOR, or include fallback provisions. There have been general communications with swap and debt counterparties, but specific changes required by the IBOR reform haven't been agreed on yet. Transition risks mainly relate to the potential impact of rate differences if debt and hedging swaps don't transition to the new benchmark interest rate at the same time and/or the rates move by different amounts. This could result in hedge ineffectiveness and a net cash expense for the Group. The Group plans to complete the transition before the USD LIBOR and THBFX cessation date.

The following table contains details of all the financial instruments the Group holds as at 30 June 2023 which reference USD LIBOR and THBFX.

	<b>Consolidated and Separate</b>			
	<b>30 June 2023</b>		<b>31 December 2022</b>	
	<b>USD LIBOR</b>	<b>THBFX</b>	<b>USD LIBOR</b>	<b>THBFX</b>
	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Non-derivative financial assets				
- Loans to customers	10,673	115	11,402	144
Non-derivative financial liabilities				
- Debt issued and borrowings	3,879	1,800	3,767	1,800
	14,552	1,915	15,169	1,944
Derivatives				
- Interest rate swap	194,551	233,393	330,353	388,217
- Cross currency interest rate swap	18,261	147,036	252,116	147,187
<b>Total</b>	<b>212,812</b>	<b>380,429</b>	<b>582,469</b>	<b>535,404</b>

As of 30 June 2023, the Group completed the transition of all financial instruments that reference USD LIBOR and THBFX to fallback provisions. This excluded USD 896 million loans to customers referencing USD LIBOR, which are under negotiation for an amendment. These changes have no significant impact on the Group.

### **Hedge accounting**

#### **Hedge relationships**

The Phase 1 amendments provided temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by the IBOR reform. The reliefs had the effect that IBOR reform should not generally cause hedge accounting to terminate prior to contracts being amended. However, any hedge ineffectiveness continued to be recorded in the income statement. Furthermore, the amendments set out triggers for when the reliefs would end, which included the uncertainty arising from interest rate benchmark reform no longer being present. Phase 2 amendments provided relief measures for issues that could affect financial reporting during the reform, including changes to contractual cash flows or hedging relationships arising from the replacement of one benchmark with an alternative benchmark.

Interest rate risk on variable-rate borrowings (cash flow hedge)

The following table only contains details of hedging instruments used in the Group's hedging strategies which reference USD LIBOR, THBFIX and haven't transitioned to an alternative interest rate benchmark yet, such that Phase 1 relief have been applied to the hedging relationship:

<b>Consolidated and Separate</b>						
<b>30 June 2023</b>						
	<b>Notional Million Baht</b>	<b>Carrying amount</b>		<b>Balance sheet line item</b>	<b>Changes in fair value used for calculating hedge ineffectiveness Million Baht</b>	<b>Notional amount directly impacted by IBOR reform Million Baht</b>
		<b>Assets Million Baht</b>	<b>Liabilities Million Baht</b>			
<b>Cash flow hedges</b>						
Exchange rate						
- Cross currency interest rate swap	25,656	1,912	1,781	Financial derivatives	29	25,656
<b>Consolidated and Separate</b>						
<b>31 December 2022</b>						
	<b>Notional Million Baht</b>	<b>Carrying amount</b>		<b>Balance sheet line item</b>	<b>Changes in fair value used for calculating hedge ineffectiveness Million Baht</b>	<b>Notional amount directly impacted by IBOR reform Million Baht</b>
		<b>Assets Million Baht</b>	<b>Liabilities Million Baht</b>			
<b>Cash flow hedges</b>						
Exchange rate						
- Cross currency interest rate swap	32,362	1,697	1,621	Financial derivatives	55	25,828

The notional amount of Cross currency interest rate swap above of Baht 25,656 million (31 December 2022: Baht 32,362 million) will not mature before the anticipated IBOR replacement (31 December 2022: Baht 6,534 million).

For the year ended 30 June 2023, the Group adopted the following hedge accounting relief provided under Phase 2 of the amendments:

- Hedge designation: When Phase 1 amendments cease to apply, the Group will amend its hedge designation to reflect changes required by the IBOR reform. One or more of the following changes will be made:
  - Designating an alternative benchmark rate (contractually or non-contractually specified) as a hedged risk
  - Amending the hedged item's description, including the description of the designated portion of the cash flows or fair value being hedged; or
  - Amending the description of the hedging instrument.

The Group will update its hedge documentation by the end of the reporting period in which changes are made. These amendments don't require hedge relationships to be discontinued. The Group made amendments to its hedge documentation by adding amendment referencing to fallback provision in the reporting period relating to IBOR reform.

- Amounts accumulated in the cash flow hedge reserve: When the Group amends its hedge designation, the accumulated outstanding amount in the cash flow hedge reserve is deemed to be based on the alternative benchmark rate (for example, THOR, when that rate replaces THBFIX or SOFR, when that rate replaces USD LIBOR). As for discontinued hedging relationships, when the interest rate benchmark changed as required by IBOR reform, the amount accumulated in the cash flow hedge reserve is also deemed to be based on the alternative benchmark rate (for the purpose of assessing whether the hedged future cash flows are still expected to occur.)

## 2.4 Revenue recognition

### (a) Interest and discount on loans

Interest income will be recognised at effective interest rate by applying the effective interest rate to the gross carrying amount of loan to calculate the interest income except for 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 dividend payment is announced.

**(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 transaction date.

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

Gains (losses) on sale of properties for sale are recognised as income or expenses when control of the properties for sale have been transferred to the buyer, being when the ownership transferred, and there is no unfulfilled obligation that could affect the buyer acceptance of the properties for sale.

**(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.

**2.5 Expense recognition**

**(a) Interest expenses**

Interests on borrowings and deposits are recognised as expenses using the effective interest rate method.

**(b) Fees and service expenses and other expenses**

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

**2.6 Cash**

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



## **2.7 Financial instruments**

### **Classification and measurements**

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, the date on which the Group commits to purchase or sell the asset, 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 business model for managing the financial asset and the contractual 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 interest income using the effective interest method. Any gain or loss on derecognition is presented in gains on investments, net and foreign exchange gains and losses is presented in gains on financial instruments measured at fair value through profit or loss. 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 are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss and recognised in gains on investments, net. Interest income is included in interest income. Impairment expenses are presented separately in the statement of comprehensive income.
- 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 gains and losses is presented in gains on financial instruments measured at fair value through profit or loss.

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 measurement at fair value through other comprehensive income without subsequent recycling to profit or loss. Dividends from such investment continue to be recognised in statement of comprehensive income as other operating 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

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 lease receivables and other 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 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.

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 number TorPorTor ForNorSor (23) Wor 1603/2562 to utilise surplus reserve from Bank of Thailand dated on 6 November 2019.

Since 1 January 2022, the Group did not amortise the surplus reserve in order to reserve for possible losses that may be occurred from the COVID-19 pandemic in accordance with the Notification of the Bank of Thailand (BOT) no. SorNorSor 23/2561 on guidelines for loan staging and the setting of allowance for financial institutions, dated 31 October 2018 no. 5.8, which stated that the financial institutions may apply any guidelines that are more stringent than BOT's statements to classify loan stages or reserve an allowance on assets and financial commitment, or to derecognise assets.

The Group presents bad debt recoveries of loan to customers written-off as part of other income.

#### Modification

The Group sometimes renegotiates or otherwise modifies the contractual cashflow. When this happens, the Group assesses whether the new terms are substantially different to the original terms or not. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not financial difficulty.
- Significant change in the interest rate
- Change in the currency the loan is denominated in.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial assets and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group will monitor debt restructuring without derecognition if the debtors can to repay in accordance with the debt restructuring contract for three consecutive months or three installment payment periods, whichever period is longer. In which, it reflects that the status of debtors does not meet criteria for significant increase in credit risk. Eventually, the Group will consider reclassifying debtors' staging to 1 stage better. For example, the stage will be reclassified from Stage 2 to Stage 1.

However, regarding the debt restructuring for debtors in Stage 3; the monitoring repayment period will increase to be at least 9 months consecutively with no remaining principal and accrued interest due. After debtors have met the repayment criteria, it reflects the status of debtors does not meet criteria for significant increase in credit risk and can be reclassified as Stage 1 immediately.

For the reporting periods ending between 1 January 2022 and 31 December 2023, the Group has chosen to apply accounting guidance announced by TFAC based on BOT circular For. Nor. Sor 2. Wor. 802/2564 on temporary relief measures for entities assisting debtors affected by the COVID-19 pandemic (Sustainable Debt Relief Measures) dated 3 September 2021. In case the Group has debt restructuring for loans to customers which makes the original EIR no longer reflect the estimated cash flow which will be received from the loan, the Group will use the revised EIR to calculate the present value of the restructured loan. In addition, the Group also complies with the guidance for debt staging in accordance with the aforementioned accounting guidance.

If the terms are substantially different, the Group derecognises the original financial assets and recognises a new financial asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Difference in the carrying amount are also recognised in profit or loss as gain or loss on derecognition.

#### Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either

- The Group transfers substantially all the risks and rewards of ownership, or
- The Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

The Group enters into transactions where it retains the contractual rights to receive cash flow from assets and assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

- Has no obligation to make payments unless it collects equivalent amounts from assets;
- Is prohibited from selling or pledging the assets; or
- Has an obligation to remit any cash it collections from the assets without material delay.

#### **Classification and measurement of financial liabilities and equity**

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measures financial liabilities at fair value. The Group reclassifies all financial liabilities as subsequently measured at amortised cost, except for: Financial liabilities at fair value through profit or loss.

This classification is applied to derivatives, financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Financial liabilities designated at fair value through profit or loss when and only the Group demonstrates that it falls within one (or more) of following three criteria;

- a) When such designation eliminates or significantly reduces a measurement or recognition inconsistency ("accounting mismatch") that would otherwise arise,
- b) When a group of financial liabilities or both is managed and its performance is evaluated on fair value basis, in accordance with a documented risk management or investment strategy, and
- c) When an instrument contains an embedded derivative that meets particular conditions.

Gain or losses on financial liabilities designated at fair value through profit or loss are presented gain (losses) on financial instruments measured at fair value through profit or loss.

#### Derecognition of financial liabilities

Financial liabilities (or part of financial liabilities) are derecognised when they are extinguished or when the obligation specified in the contract is discharged, cancelled, or expired.

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new term including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any cost or fees incurred are recognised as part of gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjusted the carrying amount of the liability and are amortised over remaining term of modified liability.

#### **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.

#### **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.

### **2.8 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.

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-measured 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 recognise 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.

## **2.9 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.

## **2.10 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 allocate their cost (and the revalued amount) to their residual values over their estimated useful lives, as follows:

Buildings	20 - 50 years
Buildings Improvement	5 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 2.13 to the interim financial statements).

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.

## **2.11 Right-of-use assets**

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 space for board and money exchange office.

## **2.12 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.

## **2.13 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.

## **2.14 Investment property**

Investment properties, principally freehold office buildings, are held for long-term rental yields and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

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

Buildings	40 years
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## **2.15 Foreign currency translation**

### **(a) Functional and presentation currency**

Items included in the interim 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 interim 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 gains on financial instruments measured at fair value through 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.

## **2.16 Derivatives and hedging activities**

### **(a) Embedded derivative and derivatives that do not qualify for hedge accounting**

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in gains or losses on financial instruments measured at fair value through profit or loss.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

### **(b) Hedge accounting**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either:

- hedges of the fair value of i) recognised assets or liabilities or ii) unrecognised firm commitments (fair value hedges)
- hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).



At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in hedge relationships and movements in the hedging reserve in shareholders' equity are shown in note 8.

#### *Hedge effectiveness*

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the derivative counterparty.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency purchases. It may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

#### *Cash flow hedges that qualify for hedge accounting*

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the gains on fair value of hedging instruments for cash flow hedges within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within gains on financial instruments measured at fair value through profit or loss.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the gains on fair value of hedging instruments for cash flow hedges within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity.

In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the gains on fair value of hedging instruments for cash flow hedges within equity.

The Group reclassified particular accumulated hedge amounts in equity to profit or loss in the same periods as the hedged item affects profit or loss. The gain or loss relating to the effective portion of the interest rate swaps hedging floating rate loan, credit link debentures, credit link notes, and subordinated debentures is recognised in profit or loss within interest income or interest expense at the same time as the interest income or interest expense on the hedged item.



### **Net investment hedges**

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

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains/(losses). Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is fully or partially disposed of or sold.

### **2.17 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.

### **2.18 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. Except the portion of the fair value change due to own credit would be recognised in other comprehensive income. When matured, the fair value changes due to own credit are transferred to retained earnings.

### **2.19 Borrowings**

Borrowings are initially recognised at the fair value, less 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.

### **2.20 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 provision 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.

## **2.21 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.

## **2.22 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.

## **2.23 Current and deferred income taxes**

The tax expense for the year 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 interim 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 (loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially 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.

## **2.24 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.

## 2.25 Dividend payment

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

## 2.26 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 Financial risk management

The Group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
<ul style="list-style-type: none"> <li>Market risk - interest rate</li> </ul>	<ul style="list-style-type: none"> <li>Financial assets and liabilities with value based on interest rate movement</li> </ul>	<ul style="list-style-type: none"> <li>Interest rate risk sensitivity analysis</li> </ul>	<ul style="list-style-type: none"> <li>Interest rate products including derivatives</li> </ul>
<ul style="list-style-type: none"> <li>Market risk - foreign exchange</li> </ul>	<ul style="list-style-type: none"> <li>Financial assets and liabilities with value based on foreign exchange rate movement</li> </ul>	<ul style="list-style-type: none"> <li>Foreign exchange rate risk sensitivity analysis</li> </ul>	<ul style="list-style-type: none"> <li>Foreign exchange product including derivatives</li> </ul>
<ul style="list-style-type: none"> <li>Credit risk</li> </ul>	<ul style="list-style-type: none"> <li>Interbank and money market items</li> <li>Financial assets measured at fair value through profit or loss</li> <li>Loan to customer</li> <li>Investment in debt securities</li> </ul>	<ul style="list-style-type: none"> <li>Aging analysis</li> <li>Credit ratings</li> <li>Credit risk assessment specifically on customer's length of direct experience and knowledge, business viability (strong ground and lengthy business relationship with buyer and supplier, feasible financial position and other important financial ratio)</li> </ul>	<ul style="list-style-type: none"> <li>Letter of guarantee,</li> <li>Early Warning trigger</li> <li>Credit risk control and preemptive monitoring</li> <li>Credit annual review and/or quarterly financial assessment on listed company or specific required customer</li> </ul>
<ul style="list-style-type: none"> <li>Liquidity risk</li> </ul>	<ul style="list-style-type: none"> <li>Placement, Investment, Deposits, borrowings and other liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Rolling cash flow forecasts</li> <li>Revenue, profitability, cash flow and financial liquidity, financial liabilities, debt level (Debt : EBITDA), primary and secondary source of funds</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity Risk Management are operated in collaboration between 3 parties, namely (1) Asset and Liability Management, (2) Funding and Money Markets and (3) Capital &amp; Balance Sheet Management with the liquidity ratios to manage the daily liquidity; including a monthly forward-looking projection of its liquidity position risk.</li> </ul>

The Group's risk management is controlled by a central treasury department under policies approved by the Board of Directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The Risk Management Committee provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment to efficiently manage Group's liquidity.

### 3.1 Financial risk

#### 3.1.1 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.

##### 3.1.1.1 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.

As at 30 June 2023 and 31 December 2022, financial assets and liabilities classified by type of interest rate were as follows:

Transaction	Consolidated 30 June 2023			Total Million Baht
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	
<b>Financial assets</b>				
Cash	-	-	877	877
Interbank and money market items	596	7,735	7,606	15,937
Financial assets measured at fair value through profit or loss	-	28,417	-	28,417
Derivative assets	45,611	2,180	34,514	82,305
Investments	-	88,714	47	88,761
Loans to customers	165,415	77,449	-	242,864
Credit support assets on derivatives	21,451	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	8,853	8,853
Other assets	121	-	470	591
<b>Total financial assets</b>	<b>233,194</b>	<b>204,495</b>	<b>52,367</b>	<b>490,056</b>
<b>Financial liabilities</b>				
Deposits	109,167	121,337	4,706	235,210
Interbank and money market items	24,787	30,071	801	55,659
Liabilities payable on demand	-	-	442	442
Financial liabilities measured at fair value through profit or loss	19,727	-	5	19,732
Derivative liabilities	42,190	3,489	36,552	82,231
Debt issued and borrowings	6,545	16,035	-	22,580
Lease liabilities	-	173	-	173
Credit support liabilities on derivatives	20,199	-	-	20,199
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	6,419	6,419
<b>Total financial liabilities</b>	<b>222,615</b>	<b>171,105</b>	<b>48,925</b>	<b>442,645</b>

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Transaction	Consolidated			
	31 December 2022			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<b>Financial assets</b>				
Cash	-	-	920	920
Interbank and money market items	3,961	13,139	3,572	20,672
Financial assets measured at fair value through profit or loss	-	22,363	-	22,363
Derivative assets	41,238	1,559	37,487	80,284
Investments	-	105,026	51	105,077
Loans to customers	152,445	82,812	-	235,257
Credit support assets on derivatives	16,241	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	9,040	9,040
Other assets	162	-	360	522
Total financial assets	214,047	224,899	51,430	490,376
<b>Financial liabilities</b>				
Deposits	109,681	122,107	4,906	236,694
Interbank and money market items	24,086	22,292	529	46,907
Liabilities payable on demand	-	-	172	172
Financial liabilities measured at fair value through profit or loss	21,156	-	5	21,161
Derivative liabilities	36,917	4,076	35,854	76,847
Debt issued and borrowings	6,447	14,373	-	20,820
Lease liabilities	-	191	-	191
Credit support liabilities on derivatives	29,708	-	-	29,708
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	10,567	10,567
Total financial liabilities	227,995	163,039	52,033	443,067

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Transaction	Separate 30 June 2023			Total Million Baht
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	
<b><u>Financial assets</u></b>				
Cash	-	-	877	877
Interbank and money market items	380	7,735	7,487	15,602
Financial assets measured at fair value through profit or loss	-	28,417	-	28,417
Derivative assets	45,611	2,180	34,514	82,305
Investments	-	88,513	47	88,560
Loans to customers	165,405	70,276	-	235,681
Credit support assets on derivatives	21,451	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	8,853	8,853
Other assets	121	-	212	333
<b>Total financial assets</b>	<b>232,968</b>	<b>197,121</b>	<b>51,990</b>	<b>482,079</b>
<b><u>Financial liabilities</u></b>				
Deposits	109,602	121,337	4,718	235,657
Interbank and money market items	24,787	30,071	801	55,659
Liabilities payable on demand	-	-	442	442
Financial liabilities measured at fair value through profit or loss	19,727	-	5	19,732
Derivative liabilities	42,190	3,489	36,552	82,231
Debt issued and borrowings	6,545	16,035	-	22,580
Lease liabilities	-	129	-	129
Credit support liabilities on derivatives	20,199	-	-	20,199
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	6,419	6,419
<b>Total financial liabilities</b>	<b>223,050</b>	<b>171,061</b>	<b>48,937</b>	<b>443,048</b>

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Transaction	Separate			
	31 December 2022			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<b><u>Financial assets</u></b>				
Cash	-	-	920	920
Interbank and money market items	3,702	13,139	3,527	20,368
Financial assets measured at fair value through profit or loss	-	22,363	-	22,363
Derivative assets	41,238	1,559	37,487	80,284
Investments	-	105,024	51	105,075
Loans to customers	152,423	75,669	-	228,092
Credit support assets on derivatives	16,241	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	9,040	9,040
Other assets	162	-	203	365
Total financial assets	213,766	217,754	51,228	482,748
<b><u>Financial liabilities</u></b>				
Deposits	110,320	122,107	5,007	237,434
Interbank and money market items	24,086	22,292	529	46,907
Liabilities payable on demand	-	-	172	172
Financial liabilities measured at fair value through profit or loss	21,156	-	5	21,161
Derivative liabilities	36,917	4,076	35,854	76,847
Debt issued and borrowings	6,447	14,373	-	20,820
Lease liabilities	-	146	-	146
Credit support liabilities on derivatives	29,708	-	-	29,708
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	10,567	10,567
Total financial liabilities	228,634	162,994	52,134	443,762

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Transactions	Consolidated						Total Million Baht
	30 June 2023						
	Repricing or maturity date					Non-interest bearing 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		
<b>Financial assets</b>							
Cash	-	-	-	-	-	877	877
Interbank and money market items	259	8,006	66	-	-	7,606	15,937
Financial assets measured at fair value through profit or loss	-	16	836	4,430	23,135	-	28,417
Derivative assets	-	30,806	15,092	1,227	666	34,514	82,305
Investments	1	199	6,595	43,150	38,769	47	88,761
Loans to customers	7,747	29,798	48,194	107,910	49,215	-	242,864
Credit support assets on derivatives	21,451	-	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	8,853	8,853
Other assets	-	20	61	40	-	470	591
Total financial assets	29,458	68,845	70,844	156,757	111,785	52,367	490,056
<b>Financial liabilities</b>							
Deposits	109,167	58,469	39,656	23,212	-	4,706	235,210
Interbank and money market items	24,788	29,389	368	313	-	801	55,659
Liabilities payable on demand	-	-	-	-	-	442	442
Financial liabilities measured at fair value through profit or loss	-	-	19,727	-	-	5	19,732
Derivative liabilities	-	33,035	12,521	123	-	36,552	82,231
Debt issued and borrowings	-	3,750	6,449	9	12,372	-	22,580
Lease liabilities	-	17	44	111	1	-	173
Credit support liabilities on derivatives	20,199	-	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	6,419	6,419
Total financial liabilities	154,154	124,660	78,765	23,768	12,373	48,925	442,645



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Transactions	Consolidated						Total Million Baht
	31 December 2022						
	Repricing or maturity date					Non-interest bearing 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		
<b>Financial assets</b>							
Cash	-	-	-	-	-	920	920
Interbank and money market items	3,660	13,440	-	-	-	3,572	20,672
Financial assets measured at fair value through profit or loss	-	10	845	2,211	19,297	-	22,363
Derivative assets	-	24,784	15,638	850	1,525	37,487	80,284
Investments	1	5,223	15,659	41,021	43,122	51	105,077
Loans to customers	7,635	28,163	45,176	104,828	49,455	-	235,257
Credit support assets on derivatives	16,241	-	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	9,040	9,040
Other assets	-	20	61	81	-	360	522
Total financial assets	27,537	71,640	77,379	148,991	113,399	51,430	490,376
<b>Financial liabilities</b>							
Deposits	109,681	69,189	33,464	19,454	-	4,906	236,694
Interbank and money market items	24,086	21,470	509	313	-	529	46,907
Liabilities payable on demand	-	-	-	-	-	172	172
Financial liabilities measured at fair value through profit or loss	-	-	21,156	-	-	5	21,161
Derivative liabilities	-	31,299	9,514	104	76	35,854	76,847
Debt issued and borrowings	-	3,807	4,475	9	12,529	-	20,820
Lease liabilities	-	18	46	117	10	-	191
Credit support liabilities on derivatives	29,708	-	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	10,567	10,567
Total financial liabilities	163,475	125,783	69,164	19,997	12,615	52,033	443,067

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Transactions	Separate						
	30 June 2023						
	Repricing or maturity date					Non-interest bearing	Total
	At call	0 - 3	3 - 12	1 - 5	Over 5		
	Million	months	months	years	years	Million	Million
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Financial assets</b>							
Cash	-	-	-	-	-	877	877
Interbank and money market items	380	7,669	66	-	-	7,487	15,602
Financial assets measured at fair value through profit or loss	-	16	836	4,430	23,135	-	28,417
Derivative assets	-	30,806	15,092	1,227	666	34,514	82,305
Investments	1	-	6,595	43,148	38,769	47	88,560
Loans to customers	7,747	36,928	43,409	101,382	46,215	-	235,681
Credit support assets on derivatives	21,451	-	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	8,853	8,853
Other assets	-	20	61	40	-	212	333
Total financial assets	29,579	75,439	66,059	150,227	108,785	51,990	482,079
<b>Financial liabilities</b>							
Deposits	109,602	58,469	39,656	23,212	-	4,718	235,657
Interbank and money market items	24,788	29,389	368	313	-	801	55,659
Liabilities payable on demand	-	-	-	-	-	442	442
Financial liabilities measured at fair value through profit or loss	-	-	19,727	-	-	5	19,732
Derivative liabilities	-	33,035	12,521	123	-	36,552	82,231
Debt issued and borrowings	-	3,750	6,449	9	12,372	-	22,580
Lease liabilities	-	17	43	68	1	-	129
Credit support liabilities on derivatives	20,199	-	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	6,419	6,419
Total financial liabilities	154,589	124,660	78,764	23,725	12,373	48,937	443,048

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Transactions	Separate						Total Million Baht
	31 December 2022						
	Repricing or maturity date					Non-interest bearing 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		
<b>Financial assets</b>							
Cash	-	-	-	-	-	920	920
Interbank and money market items	3,702	13,139	-	-	-	3,527	20,368
Financial assets measured at fair value through profit or loss	-	10	845	2,211	19,297	-	22,363
Derivative assets	-	24,784	15,638	850	1,525	37,487	80,284
Investments	1	5,223	15,659	41,019	43,122	51	105,075
Loans to customers	7,635	29,167	45,053	99,208	47,029	-	228,092
Credit support assets on derivatives	16,241	-	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	9,040	9,040
Other assets	-	20	61	81	-	203	365
Total financial assets	27,579	72,343	77,256	143,369	110,973	51,228	482,748
<b>Financial liabilities</b>							
Deposits	110,320	69,189	33,464	19,454	-	5,007	237,434
Interbank and money market items	24,086	21,470	509	313	-	529	46,907
Liabilities payable on demand	-	-	-	-	-	172	172
Financial liabilities measured at fair value through profit or loss	-	-	21,156	-	-	5	21,161
Derivative liabilities	-	31,299	9,514	104	76	35,854	76,847
Debt issued and borrowings	-	3,807	4,475	9	12,529	-	20,820
Lease liabilities	-	18	45	82	1	-	146
Credit support liabilities on derivatives	29,708	-	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	10,567	10,567
Total financial liabilities	164,114	125,783	69,163	19,962	12,606	52,134	443,762

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The Bank has average balances of the financial assets and liabilities that generating revenues and expenses, and the average interest and dividend rate for the period ended 30 June 2023 and for the year ended 31 December 2022, can be summarised as follows:

	Consolidated					
	30 June 2023			31 December 2022		
	Average balances Million Baht	Interest Million Baht	Average rate (%)	Average balances Million Baht	Interest Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	11,199	172	3.07	12,614	192	1.52
Financial assets measured at fair value through profit or loss	29,262	231	1.58	26,786	421	1.57
Investments, net	89,893	895	1.99	97,267	1,624	1.67
Loans to customers	231,464	6,302	5.45	212,864	10,357	4.87
Credit support assets on derivatives	17,390	222	2.55	16,748	240	1.43
<b>Total performing financial assets</b>	<b>379,208</b>	<b>7,822</b>		<b>366,279</b>	<b>12,834</b>	
<u>Performing financial liabilities</u>						
Deposits	219,339	1,342	1.22	200,049	1,402	0.70
Interbank and money market items	53,100	298	1.12	54,532	286	0.53
Financial liabilities measured at fair value through profit or loss	20,821	194	1.86	17,199	183	1.06
Debt issued and borrowings	27,912	352	2.52	32,094	624	1.94
Credit support liabilities on derivatives	22,181	333	3.00	27,833	336	1.21
<b>Total performing financial liabilities</b>	<b>343,353</b>	<b>2,519</b>		<b>331,707</b>	<b>2,831</b>	
<b>Separate</b>						
	30 June 2023			31 December 2022		
	Average balances Million Baht	Interest Million Baht	Average rate (%)	Average balances Million Baht	Interest Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	10,973	171	3.12	12,393	191	1.54
Financial assets measured at fair value through profit or loss	29,262	231	1.58	26,786	421	1.57
Investments, net	89,692	895	2.00	97,265	1,624	1.67
Loans to customers	232,822	5,110	4.39	213,938	7,630	3.57
Credit support assets on derivatives	17,390	222	2.55	16,748	240	1.43
<b>Total performing financial assets</b>	<b>380,139</b>	<b>6,629</b>		<b>367,130</b>	<b>10,106</b>	
<u>Performing financial liabilities</u>						
Deposits	220,106	1,342	1.22	200,679	1,402	0.70
Interbank and money market items	53,100	298	1.12	54,532	286	0.53
Financial liabilities measured at fair value through profit or loss	20,821	194	1.86	17,199	183	1.06
Debt issued and borrowings	27,912	352	2.52	32,093	624	1.94
Credit support liabilities on derivatives	22,181	333	3.00	27,833	336	1.21
<b>Total performing financial liabilities</b>	<b>344,120</b>	<b>2,519</b>		<b>332,336</b>	<b>2,831</b>	

**Sensitivity analysis of interest rate to net profit and equity**

Profit or loss is sensitive to higher or lower interest income from financial asset, and higher or lower interest expenses from financial liabilities as a result of changes in interest rates. Other components of equity change as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings and the fair value of debt investments at fair value through other comprehensive income.

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	
	<b>+1 basis point</b>	<b>-1 basis point</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Impact on net profit	(36)	36
Impact on equity	(15)	15
	(51)	51
	<b>Consolidated and Separate</b>	
	<b>31 December 2022</b>	
	<b>+1 basis point</b>	<b>-1 basis point</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Impact on net profit	(27)	27
Impact on equity	(38)	38
	(65)	65

### 3.1.1.2 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 Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

Transactions	Consolidated						
	30 June 2023						
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Total Million Baht
<b>Financial assets</b>							
Cash	877	-	-	-	-	-	877
Interbank and money market items	14,778	871	152	8	93	39	15,941
Financial assets measured at fair value through profit or loss	28,391	26	-	-	-	-	28,417
Derivative assets	(791,207)	908,461	(28,375)	(7,654)	8	1,072	82,305
Investments	88,760	-	-	1	-	-	88,761
Loans to customers and Accrued interest receivables	234,465	11,916	-	1,105	-	615	248,101
Credit support assets on derivatives	10,027	11,424	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	8,853	-	-	-	-	-	8,853
Other assets	973	36	-	-	-	-	1,009
Total financial assets	(404,083)	932,734	(28,223)	(6,540)	101	1,726	495,715
<b>Financial liabilities</b>							
Deposits	222,503	12,363	64	166	67	47	235,210
Interbank and money market items	54,421	1,237	-	-	-	1	55,659
Liabilities payable on demand	441	1	-	-	-	-	442
Financial liabilities measured at fair value through profit or loss	19,732	-	-	-	-	-	19,732
Derivative liabilities	(776,218)	904,924	(28,375)	(6,726)	(13,051)	1,677	82,231
Debt issued and borrowings	6,225	3,983	-	-	12,372	-	22,580
Lease liabilities	173	-	-	-	-	-	173
Credit support liabilities on derivatives	11,131	9,068	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	6,419	-	-	-	-	-	6,419
Other liabilities	259	100	-	-	212	-	571
Total financial liabilities	(454,914)	931,676	(28,311)	(6,560)	(400)	1,725	443,216

**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

Transactions	Consolidated						
	31 December 2022						
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Total Million Baht
<b>Financial assets</b>							
Cash	917	-	-	-	-	3	920
Interbank and money market items	9,229	11,028	64	13	58	323	20,715
Financial assets measured at fair value through profit or loss	22,363	-	-	-	-	-	22,363
Derivative assets	627,505	(534,037)	2,496	(12,510)	(8)	(3,162)	80,284
Investments	102,337	-	-	1	2,739	-	105,077
Loans to customers and accrued interest receivables	226,830	12,566	-	639	-	2	240,037
Credit support assets on derivatives	8,855	7,386	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	9,040	-	-	-	-	-	9,040
Other assets	873	25	-	-	-	-	898
<b>Total financial assets</b>	<b>1,007,949</b>	<b>(503,032)</b>	<b>2,560</b>	<b>(11,857)</b>	<b>2,789</b>	<b>(2,834)</b>	<b>495,575</b>
<b>Financial liabilities</b>							
Deposits	220,889	15,436	33	159	46	131	236,694
Interbank and money market items	46,468	438	-	-	-	1	46,907
Liabilities payable on demand	171	1	-	-	-	-	172
Financial liabilities measured at fair value through profit or loss	21,161	-	-	-	-	-	21,161
Derivative liabilities	637,254	(537,563)	2,644	(12,007)	(10,197)	(3,284)	76,847
Debt issued and borrowings	4,486	3,805	-	-	12,529	-	20,820
Lease liabilities	191	-	-	-	-	-	191
Credit support liabilities on derivatives	16,995	12,713	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	10,567	-	-	-	-	-	10,567
Other liabilities	206	77	-	-	223	-	506
<b>Total financial liabilities</b>	<b>958,388</b>	<b>(505,093)</b>	<b>2,677</b>	<b>(11,848)</b>	<b>2,601</b>	<b>(3,152)</b>	<b>443,573</b>

**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

Transactions	Separate						Total
	30 June 2023						
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Million Baht
<b>Financial assets</b>							
Cash	877	-	-	-	-	-	877
Interbank and money market items	14,443	871	152	8	93	39	15,606
Financial assets measured at fair value through profit or loss	28,391	26	-	-	-	-	28,417
Derivative assets	(791,207)	908,461	(28,375)	(7,654)	8	1,072	82,305
Investments	88,559	-	-	1	-	-	88,560
Loans to customers and Accrued interest receivables	227,274	11,916	-	1,105	-	615	240,910
Credit support assets on derivatives	10,027	11,424	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	8,853	-	-	-	-	-	8,853
Other assets	716	36	-	-	-	-	752
Total financial assets	(412,067)	932,734	(28,223)	(6,540)	101	1,726	487,731
<b>Financial liabilities</b>							
Deposits	222,951	12,363	64	166	66	47	235,657
Interbank and money market items	54,421	1,237	-	-	-	1	55,659
Liabilities payable on demand	441	1	-	-	-	-	442
Financial liabilities measured at fair value through profit or loss	19,732	-	-	-	-	-	19,732
Derivative liabilities	(776,218)	904,924	(28,375)	(6,726)	(13,051)	1,677	82,231
Debt issued and borrowings	6,225	3,983	-	-	12,372	-	22,580
Lease liabilities	129	-	-	-	-	-	129
Credit support liabilities on derivatives	11,131	9,068	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	6,419	-	-	-	-	-	6,419
Other liabilities	259	100	-	-	212	-	571
Total financial liabilities	(454,510)	931,676	(28,311)	(6,560)	(401)	1,725	443,619



**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

Transactions	Separate						
	31 December 2022						
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	Total Million Baht
<b>Financial assets</b>							
Cash	917	-	-	-	-	3	920
Interbank and money market items	8,925	11,028	64	13	58	323	20,411
Financial assets measured at fair value through profit or loss	22,363	-	-	-	-	-	22,363
Derivative assets	627,505	(534,037)	2,496	(12,510)	(8)	(3,162)	80,284
Investments	102,335	-	-	1	2,739	-	105,075
Loans to customers and Accrued interest receivables	219,659	12,566	-	639	-	2	232,866
Credit support assets on derivatives	8,855	7,386	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	9,040	-	-	-	-	-	9,040
Other assets	727	25	-	-	-	-	752
<b>Total financial assets</b>	<b>1,000,326</b>	<b>(503,032)</b>	<b>2,560</b>	<b>(11,857)</b>	<b>2,789</b>	<b>(2,834)</b>	<b>487,952</b>
<b>Financial liabilities</b>							
Deposits	221,629	15,436	33	159	46	131	237,434
Interbank and money market items	46,468	438	-	-	-	1	46,907
Liabilities payable on demand	171	1	-	-	-	-	172
Financial liabilities measured at fair value through profit or loss	21,161	-	-	-	-	-	21,161
Derivative liabilities	637,254	(537,563)	2,644	(12,007)	(10,197)	(3,284)	76,847
Debt issued and borrowings	4,486	3,805	-	-	12,529	-	20,820
Lease liabilities	146	-	-	-	-	-	146
Credit support liabilities on derivatives	16,995	12,713	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	10,567	-	-	-	-	-	10,567
Other liabilities	206	77	-	-	223	-	506
<b>Total financial liabilities</b>	<b>959,083</b>	<b>(505,093)</b>	<b>2,677</b>	<b>(11,848)</b>	<b>2,601</b>	<b>(3,152)</b>	<b>444,268</b>

In addition to the financial assets and liabilities denominated in foreign currencies already disclosed in the relevant notes to the interim financial statements as at 30 June 2023 and 31 December 2022, the Bank has the following net foreign currency positions categorised by major foreign currencies:

	(Unit: Equivalent to million USD)					
	Consolidated and Separate					
	30 June 2023			31 December 2022		
	USD	EURO*	Other currencies*	USD	EURO*	Other currencies*
Spot	(71.62)	26.57	(333.37)	(34.53)	14.79	(370.17)
Forward						
- Forward contract	(90.74)	(27.49)	328.14	(107.84)	(14.73)	281.29
<b>Total</b>	<b>(162.36)</b>	<b>(0.92)</b>	<b>(5.23)</b>	<b>(142.37)</b>	<b>0.06</b>	<b>(88.88)</b>

\* EURO and other currencies are stated in USD equivalents.

### Foreign exchange risk sensitivity analysis

The following table sets out the analysis of the exposure to assess the impact of a 1% change in exchange rate to the net profit and share's holder equity:

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
<b>+ 1%</b>		
US Dollar	(5)	3
Others	5	(26)
	-	(23)
<b>-1%</b>		
US Dollar	5	(3)
Others	(5)	26
	-	23

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 2023 and 31 December 2022, financial derivatives as classified by their maturities were as follows:

	<b>Consolidated and Separate</b>					
	<b>30 June 2023</b>			<b>31 December 2022</b>		
	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>
Forward and spot contracts						
- Bought	897,106	33,937	931,043	912,015	29,936	941,951
- Sold	864,483	14,048	878,531	841,925	17,588	859,513
Cross-currency and interest rate swap contracts						
- Bought	133,100	226,228	359,328	83,770	212,420	296,190
- Sold	89,349	213,508	302,857	75,721	202,708	278,429
Interest rate swap contracts						
- Fixed-rate receiver	1,164,676	688,326	1,853,002	747,560	627,806	1,375,366
- Floating-rate receiver	1,275,884	796,041	2,071,925	875,765	764,176	1,639,941
Interest rate option						
- Bought	-	1,300	1,300	800	-	800
Foreign exchange options						
- Call-option purchase contract	1	-	1	-	-	-
- Call-option sales contract	71	-	71	-	-	-
- Put-option sales contract	142	-	142	-	-	-
- Put-option purchase contract	250	-	250	270	-	270
Commodity derivatives						
- Bought	160	-	160	-	-	-
- Sold	160	-	160	-	-	-
Credit derivatives						
- Bought	-	5,679	5,679	-	5,567	5,567
- Sold	-	5,679	5,679	-	5,567	5,567
Fund option						
- Bought	265	184	449	482	402	884
- Sold	265	184	449	482	402	884
Equity option						
- Bought	170	378	548	170	367	537
- Sold	170	378	548	170	367	537
Bond forward						
- Sold	8,521	14,645	23,166	6,937	14,931	21,868

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.

### 3.1.1.3 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 equity instruments, fluctuations in revenues and the value of other financial assets. Equity position risk is not material to the Group.

### 3.1.2 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.

### Forward-looking macroeconomic factors

The Group applies three economic scenarios to reflect an unbiased probability-weighted range of possible future outcome in estimating ECL:

Base case: This represents 'most likely outcome' of future economic conditions which is aligned with information used by the Group for other purposes such as budgeting and stress testing.

Best and Worst cases: These represent the 'upside' and 'downside' outcome of future economic conditions which determined by a combination of statistical analysis and expert credit judgement.

### Loan portfolio

As at 30 June 2023 and 31 December 2022, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows:

	Consolidated		Separate	
	30 June 2023 Million Baht	31 December 2022 Million Baht	30 June 2023 Million Baht	31 December 2022 Million Baht
Agricultural and mining	4,414	4,811	4,414	4,811
Manufacturing and commerce	33,800	36,762	33,800	36,762
Real estate and construction	15,316	13,016	15,316	13,016
Public utilities and services	30,340	28,234	30,340	28,234
Personal cash	6,035	6,041	6,035	6,041
Housing loans	97,322	92,318	97,322	92,318
Hire-purchase receivable and financial lease receivable	36,320	34,730	-	-
Others	19,317	19,345	48,454	46,910
Total loans net of deferred revenue	242,864	235,257	235,681	228,092

As at 30 June 2023 and 31 December 2022, the Group had the following off-balance statement of financial position. These are calculated according to the period to maturity in the contract dates from the date of statement of the financial position:

	<b>Consolidated and Separate</b>					
	<b>Counting from 30 June 2023</b>			<b>Counting from 31 December 2022</b>		
	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>
Guarantees of loans	39	-	39	-	-	-
Avals of bills	250	-	250	250	-	250
Liabilities under unmatured import bills	221	-	221	208	-	208
Letters of credit	770	-	770	417	-	417
Other guarantees	6,490	809	7,299	6,126	882	7,008

#### **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

<b>Rating classification</b>	<b>Internal rating</b>
Good	1 - 17
Satisfactory	18 - 25
Impaired	26

Other financial assets

<b>Rating classification</b>	<b>Internal rating</b>	<b>External rating</b>
Investment Grade (IG)	1 - 10	AAA ~ BBB-
Non-Investment Grade	11 - 25	BB+ and below

#### **Credit quality description can be summarised as follows:**

Good - There is a high likelihood of the asset being recovered in full and therefore, of no cause for concern to the Group and the Bank.

Satisfactory - There is concern over the counterparty's ability to make payments when due. However, these have not yet converted to actual delinquency and the counterparty is continuing to make payments when due and is expected to settle all outstanding amounts of principal and interest.

Impaired - The asset is being impaired.

Investment Grade - It refers to the credit quality of the financial asset where there is a relatively low risk of credit default as the issuer of the financial asset has a high likelihood to meet payment obligations.

Non-investment Grade - There is concern over the credit quality of the financial asset due to the risk that the issuer is unable to repay its obligation when due.

No rating - This includes exposures under the Simplified Approach or those where ratings are not available or portfolio average were applied.

### Maximum exposure to credit risk

The Group has the maximum credit risk exposure in the event of other parties failing to perform their obligation. No account is taken of any collateral held and the maximum exposure to loss is considered to be the statement of financial position carrying amount or, off-statement of financial position transaction and financial guarantee but not including derivative instruments.

The exposure to the credit risk of the Group which not equals their carrying amount in the statement of financial position as at reporting date, as follows:

		<b>Consolidated</b>	
		<b>30 June 2023</b>	<b>31 December 2022</b>
		<b>Maximum exposure to credit risk Million Baht</b>	<b>Maximum exposure to credit risk Million Baht</b>
<b>Credit risk exposures of on-statement of financial position assets:</b>			
Financial assets measured at fair value through profit or loss		29,652	24,321
Investments		89,300	105,386
		118,952	129,707
<b>Credit risk exposure of off-statement of financial position items:</b>			
Financial guarantees		8,579	7,884
Loan commitments		33,176	35,895
		41,755	43,779
		<b>Separate</b>	
		<b>30 June 2023</b>	<b>31 December 2022</b>
		<b>Maximum exposure to credit risk Million Baht</b>	<b>Maximum exposure to credit risk Million Baht</b>
<b>Credit risk exposures of on-statement of financial position assets:</b>			
Financial assets measured at fair value through profit or loss		29,652	24,321
Investments		89,098	105,384
		118,750	129,705
<b>Credit risk exposure of off-statement of financial position items:</b>			
Financial guarantees		8,579	7,884
Loan commitments		33,176	35,895
		41,755	43,779

### 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 movable property;
- 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:

<b>Consolidated</b>				
<b>30 June 2023</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	95,085	(2,635)	92,450	16,481
Retail lending	153,016	(4,497)	148,519	108,489
<b>Total</b>	<b>248,101</b>	<b>(7,132)</b>	<b>240,969</b>	<b>124,970</b>
<b>Consolidated</b>				
<b>31 December 2022</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	94,029	(2,612)	91,417	21,357
Retail lending	146,008	(4,036)	141,972	103,459
<b>Total</b>	<b>240,037</b>	<b>(6,648)</b>	<b>233,389</b>	<b>124,816</b>
<b>Separate</b>				
<b>30 June 2023</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	124,237	(2,736)	121,501	16,481
Retail lending	116,673	(2,596)	114,077	108,489
<b>Total</b>	<b>240,910</b>	<b>(5,332)</b>	<b>235,578</b>	<b>124,970</b>
<b>Separate</b>				
<b>31 December 2022</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	121,623	(2,710)	118,913	21,357
Retail lending	111,243	(2,291)	108,952	103,459
<b>Total</b>	<b>232,866</b>	<b>(5,001)</b>	<b>227,865</b>	<b>124,816</b>

### **Impairment of financial assets**

The Group and the Bank has 2 types of financial assets that are subject to the expected credit loss model:

- Investment in debt instruments measured at amortised cost and FVOCI
- Loan to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

### *Investment in debt instrument*

The Group and the Bank considers that all investment in debt instrument measured at amortised cost and FVOCI have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations.

### *Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

The reconciliation of allowance for expected credit loss to related parties for the period ended 30 June 2023 and for the year ended 31 December 2022 are as follows:

	<b>Separate</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
Opening allowance for expected credit loss - calculated under TFRS 9	98	84
Increase in allowance for expected credit loss recognised in profit or loss during the period/year	3	14
Ending allowance for expected credit loss	101	98

### **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:

<b>Consolidated</b>					
<b>30 June 2023</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Not past due and past due not over 30 days	223,607	9,439	861	-	233,907
Past due between 31 and 90 days	-	6,757	205	-	6,962
Past due more than 90 days	-	-	7,186	46	7,232
Gross carrying amount	223,607	16,196	8,252	46	248,101
<u>Less</u> Allowance for expected credit losses	(1,678)	(2,542)	(2,898)	(14)	(7,132)
Net carrying amount before excess provision	221,929	13,654	5,354	32	240,969
<b>Consolidated</b>					
<b>31 December 2022</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Not past due and past due not over 30 days	215,064	10,974	1,393	-	227,431
Past due between 31 and 90 days	-	5,703	385	-	6,088
Past due more than 90 days	-	-	6,471	47	6,518
Gross carrying amount	215,064	16,677	8,249	47	240,037
<u>Less</u> Allowance for expected credit losses	(1,445)	(2,131)	(3,058)	(14)	(6,648)
Net carrying amount before excess provision	213,619	14,546	5,191	33	233,389
<b>Separate</b>					
<b>30 June 2023</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Not past due and past due not over 30 days	222,544	8,529	846	-	231,919
Past due between 31 and 90 days	-	2,094	199	-	2,293
Past due more than 90 days	-	-	6,652	46	6,698
Gross carrying amount	222,544	10,623	7,697	46	240,910
<u>Less</u> Allowance for expected credit losses	(1,129)	(1,509)	(2,680)	(14)	(5,332)
Net carrying amount before excess provision	221,415	9,114	5,017	32	235,578



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	<b>Separate</b>				
	<b>31 December 2022</b>				
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Not past due and past due not over 30 days	213,514	9,999	1,390	-	224,903
Past due between 31 and 90 days	-	1,564	383	-	1,947
Past due more than 90 days	-	-	5,969	47	6,016
Gross carrying amount	213,514	11,563	7,742	47	232,866
<u>Less</u> Allowance for expected credit losses	(932)	(1,195)	(2,860)	(14)	(5,001)
Net carrying amount before excess provision	212,582	10,368	4,882	33	227,865

The table below presents credit quality of the interbank and money market items (asset), investments, loans and accrued interest receivables, credit support assets on derivatives, accounts receivables from sell of financial assets measured at fair value through profit or loss and investments, other assets and loans commitments and financial guarantees classified by rating:

	<b>Consolidated</b>				
	<b>30 June 2023</b>				
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Interbank and money market (Asset)</b>					
Sovereign	7,055	-	-	-	7,055
Investment grade	8,086	-	-	-	8,086
Non-investment grade	800	-	-	-	800
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	15,941	-	-	-	15,941
<b>Investments</b>					
Sovereign	73,592	-	-	-	73,592
Investment grade	10,308	-	-	-	10,308
Non-investment grade	4,814 <sup>(1)</sup>	-	-	-	4,814
No rating	-	-	1	-	1
Gross carrying amount	88,714	-	1	-	88,715
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	88,714	-	-	-	88,714

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	<b>Consolidated</b>				
	<b>30 June 2023</b>				
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Loans and accrued interest receivables</b>					
Good	77,886	3,916	-	-	81,802
Satisfactory	310	4,378	18	-	4,706
Impaired	-	-	3,554	46	3,600
No rating	145,411	7,902	4,680	-	157,993
Gross carrying amount	223,607	16,196	8,252	46	248,101
<u>Less</u> Allowance for expected credit losses	(1,678)	(2,542)	(2,898)	(14)	(7,132)
Net carrying amount before excess provision	221,929	13,654	5,354	32	240,969
<b>Credit support assets on derivatives</b>					
Sovereign	7,408	-	-	-	7,408
Investment grade	14,043	-	-	-	14,043
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	21,451	-	-	-	21,451
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	8,458	-	-	-	8,458
Investment grade	321	-	-	-	321
Non-investment grade	74	-	-	-	74
No rating	-	-	-	-	-
Carrying amount	8,853	-	-	-	8,853
<b>Other assets</b>					
Sovereign	234	-	-	-	234
Investment grade	124	-	-	-	124
Non-investment grade	189	-	-	-	189
No rating	463	-	-	-	463
Gross carrying amount	1,010	-	-	-	1,010
<u>Less</u> Allowance for expected credit losses	(9)	-	-	-	(9)
Net carrying amount	1,001	-	-	-	1,001
<b>Loans commitments and financial guarantees</b>					
Good	9,099	68	-	-	9,167
Satisfactory	37	94	-	-	131
Impaired	-	-	131	-	131
No rating	2,295	3	72	-	2,370
Gross carrying amount	11,431	165	203	-	11,799
<u>Less</u> Allowance for expected credit losses	(144)	(26)	(579)	-	(749)
Net carrying amount	11,287	139	(376)	-	11,050

(1) As of 30 June 2023, investments rated as non-investment grade under the internal credit rating of Baht 4,814 million will be classified as investment grade according to the credit rating from external credit rating agency.

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<b>Consolidated</b>					
<b>31 December 2022</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Interbank and money market (Asset)</b>					
Sovereign	3,318	-	-	-	3,318
Investment grade	17,247	-	-	-	17,247
Non-investment grade	150	-	-	-	150
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	20,715	-	-	-	20,715
<b>Investments</b>					
Sovereign	92,937	-	-	-	92,937
Investment grade	7,902	-	-	-	7,902
Non-investment grade	4,186 <sup>(1)</sup>	-	-	-	4,186
No rating	-	-	1	-	1
Gross carrying amount	105,025	-	1	-	105,026
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	105,025	-	-	-	105,025

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<b>Consolidated</b>					
<b>31 December 2022</b>					
	<b>Financial assets with insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Loans and accrued interest receivables</b>					
Good	73,460	3,944	-	-	77,404
Satisfactory	1,137	5,198	14	-	6,349
Impaired	-	-	3,871	47	3,918
No rating	140,467	7,535	4,364	-	152,366
Gross carrying amount	215,064	16,677	8,249	47	240,037
<u>Less</u> Allowance for expected credit losses	(1,445)	(2,131)	(3,058)	(14)	(6,648)
Net carrying amount before excess provision	213,619	14,546	5,191	33	233,389
<b>Credit support assets on derivatives</b>					
Sovereign	-	-	-	-	-
Investment grade	16,241	-	-	-	16,241
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	16,241	-	-	-	16,241
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	8,990	-	-	-	8,990
Investment grade	50	-	-	-	50
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	9,040	-	-	-	9,040
<b>Other assets</b>					
Sovereign	242	-	-	-	242
Investment grade	95	-	-	-	95
Non-investment grade	214	-	-	-	214
No rating	353	-	-	-	353
Gross carrying amount	904	-	-	-	904
<u>Less</u> Allowance for expected credit losses	(18)	-	-	-	(18)
Net carrying amount	886	-	-	-	886
<b>Loans commitments and financial guarantees</b>					
Good	8,420	105	-	-	8,525
Satisfactory	38	168	-	-	206
Impaired	-	-	133	-	133
No rating	2,077	2	72	-	2,151
Gross carrying amount	10,535	275	205	-	11,015
<u>Less</u> Allowance for expected credit losses	(139)	(28)	(576)	-	(743)
Net carrying amount	10,396	247	(371)	-	10,272

<sup>(1)</sup> As of 31 December 2022, investments rated as non-investment grade under the internal credit rating of Baht 4,186 million will be classified as investment grade according to the credit rating from external credit rating agency.

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	Separate 30 June 2023				
	Financial assets with an insignificant increase in credit risk Million Baht	Financial assets with a significant increase in credit risk Million Baht	Credit- impaired financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Total Million Baht
<b>Interbank and money market (Asset)</b>					
Sovereign	7,031	-	-	-	7,031
Investment grade	7,775	-	-	-	7,775
Non-investment grade	800	-	-	-	800
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	15,606	-	-	-	15,606
<b>Investments</b>					
Sovereign	73,390	-	-	-	73,390
Investment grade	10,308	-	-	-	10,308
Non-investment grade	4,814 <sup>(1)</sup>	-	-	-	4,814
No rating	-	-	1	-	1
Gross carrying amount	88,512	-	1	-	88,513
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	88,512	-	-	-	88,512
<b>Loans and accrued interest receivables</b>					
Good	107,038	3,917	-	-	110,955
Satisfactory	310	4,378	18	-	4,706
Impaired	-	-	2,999	46	3,045
No rating	115,196	2,328	4,680	-	122,204
Gross carrying amount	222,544	10,623	7,697	46	240,910
<u>Less</u> Allowance for expected credit losses	(1,129)	(1,509)	(2,680)	(14)	(5,332)
Net carrying amount before excess provision	221,415	9,114	5,017	32	235,578
<b>Credit support assets on derivatives</b>					
Sovereign	7,408	-	-	-	7,408
Investment grade	14,043	-	-	-	14,043
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	21,451	-	-	-	21,451
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	8,458	-	-	-	8,458
Investment grade	321	-	-	-	321
Non-investment grade	74	-	-	-	74
No rating	-	-	-	-	-
Carrying amount	8,853	-	-	-	8,853
<b>Other assets</b>					
Sovereign	234	-	-	-	234
Investment grade	124	-	-	-	124
Non-investment grade	189	-	-	-	189
No rating	205	-	-	-	205
Gross carrying amount	752	-	-	-	752
<u>Less</u> Allowance for expected credit losses	(9)	-	-	-	(9)
Net carrying amount	743	-	-	-	743

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Separate 30 June 2023					
	Financial assets with insignificant increase in credit risk Million Baht	Financial assets with a significant increase in credit risk Million Baht	Credit-impaired financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Total Million Baht
<b>Loans commitments and financial guarantees</b>					
Good	10,269	68	-	-	10,337
Satisfactory	37	94	-	-	131
Impaired	-	-	131	-	131
No rating	2,295	3	72	-	2,370
Gross carrying amount	12,601	165	203	-	12,969
<u>Less</u> Allowance for expected credit losses	(148)	(26)	(579)	-	(753)
Net carrying amount	12,453	139	(376)	-	12,216

<sup>(1)</sup> As of 30 June 2023, investments rated as non-investment grade under the internal credit rating of Baht 4,814 million will be classified as investment grade according to the credit rating from external credit rating agency.

Separate 31 December 2022					
	Financial assets with insignificant increase in credit risk Million Baht	Financial assets with a significant increase in credit risk Million Baht	Credit-impaired financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Total Million Baht
<b>Interbank and money market (Asset)</b>					
Sovereign	3,295	-	-	-	3,295
Investment grade	16,966	-	-	-	16,966
Non-investment grade	150	-	-	-	150
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	20,411	-	-	-	20,411
<b>Investments</b>					
Sovereign	92,935	-	-	-	92,935
Investment grade	7,902	-	-	-	7,902
Non-investment grade	4,186 <sup>(1)</sup>	-	-	-	4,186
No rating	-	-	1	-	1
Gross carrying amount	105,023	-	1	-	105,024
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	105,023	-	-	-	105,023
<b>Loans and accrued interest receivables</b>					
Good	101,054	3,944	-	-	104,998
Satisfactory	1,137	5,198	15	-	6,350
Impaired	-	-	3,363	47	3,410
No rating	111,323	2,421	4,364	-	118,108
Gross carrying amount	213,514	11,563	7,742	47	232,866
<u>Less</u> Allowance for expected credit losses	(932)	(1,195)	(2,860)	(14)	(5,001)
Net carrying amount before excess provision	212,582	10,368	4,882	33	227,865

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Separate					
31 December 2022					
	Financial assets with insignificant increase in credit risk Million Baht	Financial assets with a significant increase in credit risk Million Baht	Credit-impaired financial assets Million Baht	Purchased or originated credit-impaired financial assets Million Baht	Total Million Baht
<b>Credit support assets on derivatives</b>					
Sovereign	-	-	-	-	-
Investment grade	16,241	-	-	-	16,241
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	16,241	-	-	-	16,241
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	8,990	-	-	-	8,990
Investment grade	50	-	-	-	50
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	9,040	-	-	-	9,040
<b>Other assets</b>					
Sovereign	242	-	-	-	242
Investment grade	95	-	-	-	95
Non-investment grade	214	-	-	-	214
No rating	201	-	-	-	201
Gross carrying amount	752	-	-	-	752
<u>Less</u> Allowance for expected credit losses	(18)	-	-	-	(18)
Net carrying amount	734	-	-	-	734
<b>Loans commitments and financial guarantees</b>					
Good	9,910	105	-	-	10,015
Satisfactory	38	168	-	-	206
Impaired	-	-	133	-	133
No rating	2,077	2	72	-	2,151
Gross carrying amount	12,025	275	205	-	12,505
<u>Less</u> Allowance for expected credit losses	(144)	(28)	(576)	-	(748)
Net carrying amount	11,881	247	(371)	-	11,757

(1) As of 31 December 2022, investments rated as non-investment grade under the internal credit rating of Baht 4,186 million will be classified as investment grade according to the credit rating from external credit rating agency.

### 3.1.3 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.

The period to maturity calculated from the statements of financial position date of financial instruments outstanding as at 30 June 2023 and 31 December 2022 were as follows:

Transaction	Consolidated 30 June 2023					Total Million Baht
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	
<b>Financial assets</b>						
Cash	877	-	-	-	-	877
Interbank and money market items	8,202	7,739	-	-	-	15,941
Financial assets measured at fair value through profit or loss	-	852	4,430	23,135	-	28,417
Derivative assets	-	45,546	23,376	13,383	-	82,305
Investments	-	6,794	43,150	38,769	48	88,761
Loans to customers and accrued interest receivables	8,334 <sup>(1)</sup>	34,715	74,399	130,653	-	248,101
Credit support assets on derivatives	21,451	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	8,853	-	-	-	8,853
Other assets	-	866	44	-	99	1,009
<b>Total financial assets</b>	<b>38,864</b>	<b>105,365</b>	<b>145,399</b>	<b>205,940</b>	<b>147</b>	<b>495,715</b>
<b>Financial liabilities</b>						
Deposits	116,509	95,489	23,212	-	-	235,210
Interbank and money market items	25,588	29,758	313	-	-	55,659
Liabilities payable on demand	442	-	-	-	-	442
Financial liabilities measured at fair value through profit or loss	-	1,612	8,349	9,771	-	19,732
Derivative liabilities	-	47,394	21,980	12,857	-	82,231
Debt issued and borrowings	-	3,663	5,655	13,262	-	22,580
Lease liabilities	-	61	111	1	-	173
Credit support liabilities on derivatives	20,199	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	6,419	-	-	-	6,419
Other liabilities	-	571	-	-	-	571
<b>Total financial liabilities</b>	<b>162,738</b>	<b>184,967</b>	<b>59,620</b>	<b>35,891</b>	<b>-</b>	<b>443,216</b>

<sup>(1)</sup> As at 30 June 2023, portions of loans classified as maturity-at-call in the interim consolidated financial statements, of Baht 4,417 million, are outstanding balances of defaulted loans classified as credit-impaired financial assets. However, repayment schedules of these loans are dependent upon new restructuring conditions.



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Transaction	Consolidated					Total Million Baht
	31 December 2022					
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	
<b>Financial assets</b>						
Cash	920	-	-	-	-	920
Interbank and money market items	7,383	13,332	-	-	-	20,715
Financial assets measured at fair value through profit or loss	-	855	2,211	19,297	-	22,363
Derivative assets	-	42,459	23,348	14,477	-	80,284
Investments	-	20,882	41,021	43,122	52	105,077
Loans to customers and accrued interest receivables	8,047 <sup>(1)</sup>	38,286	71,154	122,550	-	240,037
Credit support assets on derivatives	16,241	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	9,040	-	-	-	9,040
Other assets	-	715	110	-	73	898
Total financial assets	32,591	125,569	137,844	199,446	125	495,575
<b>Financial liabilities</b>						
Deposits	122,423	94,817	19,454	-	-	236,694
Interbank and money market items	24,615	21,979	313	-	-	46,907
Liabilities payable on demand	172	-	-	-	-	172
Financial liabilities measured at fair value through profit or loss	-	1,825	9,502	9,834	-	21,161
Derivative liabilities	-	41,634	21,638	13,575	-	76,847
Debt issued and borrowings	-	1,845	5,479	13,496	-	20,820
Lease liabilities	-	64	117	10	-	191
Credit support liabilities on derivatives	29,708	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	10,567	-	-	-	10,567
Other liabilities	-	506	-	-	-	506
Total financial liabilities	176,918	173,237	56,503	36,915	-	443,573

<sup>(1)</sup> As at 31 December 2022, portions of loans classified as maturity-at-call in the interim consolidated financial statements, of Baht 3,372 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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Transaction	Separate 30 June 2023					Total Million Baht
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	
<b><u>Financial assets</u></b>						
Cash	877	-	-	-	-	877
Interbank and money market items	7,868	7,738	-	-	-	15,606
Financial assets measured at fair value through profit or loss	-	852	4,430	23,135	-	28,417
Derivative assets	-	45,546	23,376	13,383	-	82,305
Investments	-	6,595	43,148	38,769	48	88,560
Loans to customers and accrued interest receivables	8,334 <sup>(1)</sup>	37,060	67,864	127,652	-	240,910
Credit support assets on derivatives	21,451	-	-	-	-	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	8,853	-	-	-	8,853
Other assets	-	609	44	-	99	752
<b>Total financial assets</b>	<b>38,530</b>	<b>107,253</b>	<b>138,862</b>	<b>202,939</b>	<b>147</b>	<b>487,731</b>
<b><u>Financial liabilities</u></b>						
Deposits	116,956	95,489	23,212	-	-	235,657
Interbank and money market items	25,588	29,758	313	-	-	55,659
Liabilities payable on demand	442	-	-	-	-	442
Financial liabilities measured at fair value through profit or loss	-	1,612	8,349	9,771	-	19,732
Derivative liabilities	-	47,394	21,980	12,857	-	82,231
Debt issued and borrowings	-	3,663	5,655	13,262	-	22,580
Lease liabilities	-	60	68	1	-	129
Credit support liabilities on derivatives	20,199	-	-	-	-	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	6,419	-	-	-	6,419
Other liabilities	-	571	-	-	-	571
<b>Total financial liabilities</b>	<b>163,185</b>	<b>184,966</b>	<b>59,577</b>	<b>35,891</b>	<b>-</b>	<b>443,619</b>

<sup>(1)</sup> As at 30 June 2023, portions of loans classified as maturity-at-call in the interim separate financial statements, of Baht 4,417 million, are outstanding balances of defaulted loans classified as credit-impaired financial assets. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Transaction	Separate 31 December 2022					Total Million Baht
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	
<b><u>Financial assets</u></b>						
Cash	920	-	-	-	-	920
Interbank and money market items	7,079	13,332	-	-	-	20,411
Financial assets measured at fair value through profit or loss	-	855	2,211	19,297	-	22,363
Derivative assets	-	42,459	23,348	14,477	-	80,284
Investments	-	20,882	41,019	43,122	52	105,075
Loans to customers and accrued interest receivables	8,048 <sup>(1)</sup>	39,167	65,527	120,124	-	232,866
Credit support assets on derivatives	16,241	-	-	-	-	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	9,040	-	-	-	9,040
Other assets	-	568	110	-	74	752
<b>Total financial assets</b>	<b>32,288</b>	<b>126,303</b>	<b>132,215</b>	<b>197,020</b>	<b>126</b>	<b>487,952</b>
<b><u>Financial liabilities</u></b>						
Deposits	123,163	94,817	19,454	-	-	237,434
Interbank and money market items	24,615	21,979	313	-	-	46,907
Liabilities payable on demand	172	-	-	-	-	172
Financial liabilities measured at fair value through profit or loss	-	1,825	9,502	9,834	-	21,161
Derivative liabilities	-	41,634	21,638	13,575	-	76,847
Debt issued and borrowings	-	1,845	5,479	13,496	-	20,820
Lease liabilities	-	63	82	1	-	146
Credit support liabilities on derivatives	29,708	-	-	-	-	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	10,567	-	-	-	10,567
Other liabilities	-	506	-	-	-	506
<b>Total financial liabilities</b>	<b>177,658</b>	<b>173,236</b>	<b>56,468</b>	<b>36,906</b>	<b>-</b>	<b>444,268</b>

<sup>(1)</sup> As at 31 December 2022, portions of loans classified as maturity-at-call in the interim consolidated financial statements, of Baht 3,372 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.

### 3.1.4 Fair value risk

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

Transaction	Consolidated			
	30 June 2023		31 December 2022	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
<b>Financial assets</b>				
Cash	877	877	920	920
Interbank and money market items, net	15,941	15,941	20,715	20,715
Financial assets measured at fair value through profit or loss	28,417	28,417	22,363	22,363
Derivatives assets	82,305	82,305	80,284	80,284
Investments, net	88,760	88,619	105,076	105,282
Loans to customers and accrued interest receivables, net	239,420	237,887	231,840	230,244
Credit support assets on derivatives	21,451	21,451	16,241	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	8,853	8,853	9,040	9,040
Other assets	1,009	1,009	841	836
<b>Total financial assets</b>	<b>487,033</b>	<b>485,359</b>	<b>487,320</b>	<b>485,925</b>
<b>Financial liabilities</b>				
Deposits	235,210	235,343	236,694	236,963
Interbank and money market items	55,659	55,659	46,907	46,907
Liability payable on demand	442	442	172	172
Financial liabilities measured at fair value through profit or loss	19,732	19,732	21,161	21,161
Derivatives liabilities	82,231	82,231	76,847	76,847
Debt issued and borrowings	22,580	22,505	20,820	20,613
Lease liabilities	173	173	191	191
Credit support liabilities on derivatives	20,199	20,199	29,708	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	6,419	6,419	10,567	10,567
Other liabilities	571	571	506	506
<b>Total financial liabilities</b>	<b>443,216</b>	<b>443,274</b>	<b>443,573</b>	<b>443,635</b>

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Transaction	Separate			
	30 June 2023		31 December 2022	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
<b>Financial assets</b>				
Cash	877	877	920	920
Interbank and money market items, net	15,606	15,606	20,411	20,411
Financial assets measured at fair value through profit or loss	28,417	28,417	22,363	22,363
Derivatives assets	82,305	82,305	80,284	80,284
Investments, net	88,559	88,417	105,074	105,280
Loans to customers and accrued interest receivables, net	234,121	232,727	226,408	225,115
Credit support assets on derivatives	21,451	21,451	16,241	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	8,853	8,853	9,040	9,040
Other assets	752	752	752	747
Total financial assets	480,941	479,405	481,493	480,401
<b>Financial liabilities</b>				
Deposits	235,657	235,790	237,434	237,703
Interbank and money market items	55,659	55,659	46,907	46,907
Liability payable on demand	442	442	172	172
Financial liabilities measured at fair value through profit or loss	19,732	19,732	21,161	21,161
Derivatives liabilities	82,231	82,231	76,847	76,847
Debt issued and borrowings	22,580	22,505	20,820	20,613
Lease liabilities	129	129	146	146
Credit support liabilities on derivatives	20,199	20,199	29,708	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	6,419	6,419	10,567	10,567
Other liabilities	571	571	506	506
Total financial liabilities	443,619	443,677	444,268	444,330

### 3.2 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 29 to the interim financial statements.

#### **4 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, undrawn credit line commitments, and financial guarantee contracts.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. present value of a cash shortfall) 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, an expected credit losses 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's 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 cost recorded for employee benefits.



## 5 Classification of financial assets and financial liabilities

The following table analyses the carrying amounts of the financial assets and liabilities by category and by statement of financial position heading.

Transaction	Consolidated					
	30 June 2023					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	-	-	-	-	877	877
Interbank and money market items, net	-	-	-	-	15,941	15,941
Financial assets measured at fair value through profit or loss	15,062	13,355	-	-	-	28,417
Derivative assets	82,305	-	-	-	-	82,305
Investments, net	-	-	51,120	47	37,593	88,760
Loans to customers and accrued interest receivables, net	-	-	-	-	239,420	239,420
Credit support assets on derivatives	-	-	-	-	21,451	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	8,853	8,853
Other assets	-	-	-	-	949	949
<b>Total financial assets</b>	<b>97,367</b>	<b>13,355</b>	<b>51,120</b>	<b>47</b>	<b>325,084</b>	<b>486,973</b>
<b>Financial liabilities</b>						
Deposits	-	-	-	-	235,210	235,210
Interbank and money market items	-	-	-	-	55,659	55,659
Liabilities payable on demand	-	-	-	-	442	442
Financial liabilities measured at fair value through profit or loss	-	19,732	-	-	-	19,732
Derivative liabilities	82,231	-	-	-	-	82,231
Debt issued and borrowings	-	-	-	-	22,580	22,580
Lease liabilities	-	-	-	-	173	173
Credit support liabilities on derivatives	-	-	-	-	20,199	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	6,419	6,419
Other liabilities	-	-	-	-	571	571
<b>Total financial liabilities</b>	<b>82,231</b>	<b>19,732</b>	<b>-</b>	<b>-</b>	<b>341,253</b>	<b>443,216</b>

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Transaction	Consolidated					
	31 December 2022					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	-	-	-	-	920	920
Interbank and money market items, net	-	-	-	-	20,715	20,715
Financial assets measured at fair value through profit or loss	12,471	9,892	-	-	-	22,363
Derivative assets	80,284	-	-	-	-	80,284
Investments, net	-	-	68,724	51	36,301	105,076
Loans to customers and accrued interest receivables, net	-	-	-	-	231,840	231,840
Credit support assets on derivatives	-	-	-	-	16,241	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	9,040	9,040
Other assets	-	-	-	-	910	910
Total financial assets	92,755	9,892	68,724	51	315,967	487,389
<b>Financial liabilities</b>						
Deposits	-	-	-	-	236,694	236,694
Interbank and money market items	-	-	-	-	46,907	46,907
Liabilities payable on demand	-	-	-	-	172	172
Financial liabilities measured at fair value through profit or loss	-	21,161	-	-	-	21,161
Derivative liabilities	76,847	-	-	-	-	76,847
Debt issued and borrowings	-	-	-	-	20,820	20,820
Lease liabilities	-	-	-	-	191	191
Credit support liabilities on derivatives	-	-	-	-	29,708	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	10,567	10,567
Other liabilities	-	-	-	-	506	506
Total financial liabilities	76,847	21,161	-	-	345,565	443,573

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Transaction	Separate 30 June 2023				Amortized Cost Million Baht	Total Million Baht
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht		
<b>Financial assets</b>						
Cash	-	-	-	-	877	877
Interbank and money market items, net	-	-	-	-	15,606	15,606
Financial assets measured at fair value through profit or loss	15,062	13,355	-	-	-	28,417
Derivative assets	82,305	-	-	-	-	82,305
Investments, net	-	-	51,120	47	37,392	88,559
Loans to customers and accrued interest receivables, net	-	-	-	-	234,121	234,121
Credit support assets on derivatives	-	-	-	-	21,451	21,451
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	8,853	8,853
Other assets	-	-	-	-	752	752
Total financial assets	97,367	13,355	51,120	47	319,052	480,941
<b>Financial liabilities</b>						
Deposits	-	-	-	-	235,657	235,657
Interbank and money market items	-	-	-	-	55,659	55,659
Liabilities payable on demand	-	-	-	-	442	442
Financial liabilities measured at fair value through profit or loss	-	19,732	-	-	-	19,732
Derivative liabilities	82,231	-	-	-	-	82,231
Debt issued and borrowings	-	-	-	-	22,580	22,580
Lease liabilities	-	-	-	-	129	129
Credit support liabilities on derivatives	-	-	-	-	20,199	20,199
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	6,419	6,419
Other liabilities	-	-	-	-	571	571
Total financial liabilities	82,231	19,732	-	-	341,656	443,619

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Transaction	Separate					Total Million Baht
	31 December 2022					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	
<b>Financial assets</b>						
Cash	-	-	-	-	920	920
Interbank and money market items, net	-	-	-	-	20,411	20,411
Financial assets measured at fair value through profit or loss	12,471	9,892	-	-	-	22,363
Derivative assets	80,284	-	-	-	-	80,284
Investments, net	-	-	68,724	51	36,299	105,074
Loans to customers and accrued interest receivables, net	-	-	-	-	226,408	226,408
Credit support assets on derivatives	-	-	-	-	16,241	16,241
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	9,040	9,040
Other assets	-	-	-	-	752	752
Total financial assets	92,755	9,892	68,724	51	310,071	481,493
<b>Financial liabilities</b>						
Deposits	-	-	-	-	237,434	237,434
Interbank and money market items	-	-	-	-	46,907	46,907
Liabilities payable on demand	-	-	-	-	172	172
Financial liabilities measured at fair value through profit or loss	-	21,161	-	-	-	21,161
Derivative liabilities	76,847	-	-	-	-	76,847
Debt issued and borrowings	-	-	-	-	20,820	20,820
Lease liabilities	-	-	-	-	146	146
Credit support liabilities on derivatives	-	-	-	-	29,708	29,708
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	10,567	10,567
Other liabilities	-	-	-	-	506	506
Total financial liabilities	76,847	21,161	-	-	346,260	444,268

**6 Interbank and money market items, net (assets)**

	<b>Consolidated</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
<b>Domestic:</b>		
Bank of Thailand	7,031	3,011
Commercial banks	693	1,249
Specialised financial institutions	24	23
Other financial institutions	7,026	5,912
Total domestic items	14,774	10,195
<u>Add</u> Accrued interest receivable	2	2
<u>Less</u> Allowance for expected credit losses	-	-
Domestic items, net	14,776	10,197
<b>Foreign:</b>		
USD	871	10,019
JPY	152	64
EURO	8	13
Other currencies	132	381
Total foreign items	1,163	10,477
<u>Add</u> Accrued interest receivable	2	41
<u>Less</u> Allowance for expected credit losses	-	-
Foreign items, net	1,165	10,518
Domestic and foreign items, net	15,941	20,715
	<b>Separate</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
<b>Domestic:</b>		
Bank of Thailand	7,031	3,011
Commercial banks	382	968
Other financial institutions	7,026	5,912
Total domestic items	14,439	9,891
<u>Add</u> Accrued interest receivable	2	2
<u>Less</u> Allowance for expected credit losses	-	-
Domestic items, net	14,441	9,893
<b>Foreign:</b>		
USD	871	10,019
JPY	152	64
EURO	8	13
Other currencies	132	381
Total foreign items	1,163	10,477
<u>Add</u> Accrued interest receivable	2	41
<u>Less</u> Allowance for expected credit losses	-	-
Foreign items, net	1,165	10,518
Domestic and foreign items, net	15,606	20,411

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

**7.1 Financial assets for trading**

	<b>Consolidated and Separate</b>	
	<b>30 June 2023 Fair value Million Baht</b>	<b>31 December 2022 Fair value Million Baht</b>
Government and state enterprise securities	10,298	9,049
Private enterprise debt securities - Domestic	4,737	3,422
Private enterprise debt securities - Foreign	27	-
<b>Total</b>	<b>15,062</b>	<b>12,471</b>

**7.2 Financial assets designated at fair value through profit or loss**

	<b>Consolidated and Separate</b>	
	<b>30 June 2023 Fair value Million Baht</b>	<b>31 December 2022 Fair value Million Baht</b>
Government and state enterprise securities	13,355	9,892

## 8 Derivatives

### 8.1 Trading derivatives

Fair value and notional amount classified by type of risk

	Consolidated and Separate					
	30 June 2023			31 December 2022		
	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	54,664	59,201	2,440,070	52,540	55,454	2,343,991
Interest rate	23,990	20,196	3,891,378	23,312	19,282	2,956,830
Others	1,252	648	36,837	2,442	329	35,843
Total	79,906	80,045	6,368,285	78,294	75,065	5,336,664

### 8.2 Derivative for hedging

#### 8.2.1 Fair value hedge

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

	Consolidated and Separate				
	30 June 2023				
	Fair value				
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Hedge ineffectiveness recognised in profit or loss Million Baht
Interest rate	232	134	14,926	(108)	(309)
Total	232	134	14,926	(108)	(309)

  

	Consolidated and Separate				
	31 December 2022				
	Fair value				
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Hedge ineffectiveness recognised in profit or loss Million Baht
Interest rate	215	161	19,170	(1)	(85)
Total	215	161	19,170	(1)	(85)

The amounts relating to items designated as hedged items are as follows:

	Consolidated and Separate					
	30 June 2023					
	Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item		Line item in the statements of financial position in which the hedged item is included	Change in fair value used for calculating hedge ineffectiveness
	Asset Million Baht	Liability Million Baht	Asset Million Baht	Liability Million Baht	Million Baht	Million Baht
<b>Hedged items</b>						
THB fixed rate bonds	12,762	-	(134)	-	Investment, net	(195)
THB fixed rate loan	1,500	-	(9)	-	Loans and accrued interest receivables, net	(9)
THB fixed rate deposit	-	1,250	-	3	Deposits	3
<b>Total</b>	14,262	1,250	(143)	3		(201)

Consolidated and Separate						
31 December 2022						
Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item		Line item in the statements of financial position in which the hedged item is included	Change in fair value used for calculating hedge ineffectiveness	
Asset	Liability	Asset	Liability			
Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
<b>Hedged items</b>						
THB fixed rate bonds	19,897	-	62	-	Investment, net	69
<b>Total</b>	<b>19,897</b>	<b>-</b>	<b>62</b>	<b>-</b>		<b>69</b>

Fair value hedges are used to hedge the exposure to changes in fair value of financial assets and financial liabilities due to movements in market interest rates. The Bank enters into interest rate swaps to hedge against interest rate risk of bond, loans and deposits. The Bank recognises gains (losses) from changes in fair value of derivatives, derivative from hedging and hedged items in the statements of comprehensive income.

### 8.2.2 Cash flow hedge

Consolidated and Separate						
30 June 2023						
	Fair Value		Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Cash flow hedge reserve Million Baht	Cost of hedging reserve Million Baht
	Asset Million Baht	Liability Million Baht				
Exchange rate	2,167	2,049	32,153	(165)	292	(84)
Interest rate	-	3	1,795	(25)	11	-
Total	2,167	2,052	33,948	(190)	303	(84)
Consolidated and Separate						
31 December 2022						
	Fair Value		Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Cash flow hedge reserve Million Baht	Cost of hedging reserve Million Baht
	Asset Million Baht	Liability Million Baht				
Exchange rate	1,697	1,621	32,362	55	317	(274)
Interest rate	78	-	21,200	(19)	50	-
Total	1,775	1,621	53,562	36	367	(274)

The following table shows a reconciliation of the components of equity that relate to cash flow hedge relationships:

Consolidated and Separate		
Cash flow hedge reserve		
	30 June 2023	31 December 2022
	Million Baht	Million Baht
Beginning balance	93	132
Effective portion of changes in fair value	(64)	178
Cost of hedging reserve	189	(217)
<b>Ending balances</b>	<b>218</b>	<b>93</b>

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, bonds, 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.



9 Investments, net

9.1 Classified by type of investment

		Consolidated	
		30 June 2023	31 December 2022
		Amortised cost Million Baht	Amortised cost Million Baht
<b>Investments in debt instruments measured at amortized cost</b>			
Government and state enterprise securities		37,593	36,301
Private debt securities		1	1
Total		37,594	36,302
<u>Less</u> Allowance for expected credit losses		(1)	(1)
Total		37,593	36,301
		Consolidated	
		30 June 2023	31 December 2022
		Fair value Million Baht	Fair value Million Baht
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>			
Government and state enterprise securities		39,297	56,636
Private debt securities - Domestic		11,823	9,349
Private debt securities - Foreign		-	2,739
Total		51,120	68,724
<u>Less</u> Allowance for expected credit losses		-	-
Total		51,120	68,724

Consolidated			
30 June 2023		31 December 2022	
Fair value Million Baht	Dividend receives Million Baht	Fair value Million Baht	Dividend receives Million Baht
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>			
Domestic marketable equity securities	13	-	14
Foreign marketable equity securities	1	-	-
Domestic non-marketable equity securities	33	12	37
Total	47	51	13
Investments, net	88,760	12	105,076

Separate	
30 June 2023	31 December 2022
Amortised cost Million Baht	Amortised cost Million Baht
<b>Investments in debt instruments measured at amortized cost</b>	
Government and state enterprise securities	37,392
Private debt securities	1
Total	37,393
<u>Less</u> Allowance for expected credit losses	(1)
Total	37,392

	<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Fair value Million Baht</b>	<b>Fair value Million Baht</b>
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>		
Government and state enterprise securities	39,297	56,636
Private debt securities - Domestic	11,823	9,349
Private debt securities - Foreign	-	2,739
<b>Total</b>	<b>51,120</b>	<b>68,724</b>
<b>Less</b> Allowance for expected credit losses	-	-
<b>Total</b>	<b>51,120</b>	<b>68,724</b>

	<b>Separate</b>			
	<b>30 June 2023</b>		<b>31 December 2022</b>	
	<b>Fair value Million Baht</b>	<b>Dividend receives Million Baht</b>	<b>Fair value Million Baht</b>	<b>Dividend receives Million Baht</b>
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>				
Domestic marketable equity securities	13	-	14	1
Foreign marketable equity securities	1	-	-	-
Domestic non-marketable equity securities	33	12	37	12
<b>Total</b>	<b>47</b>	<b>12</b>	<b>51</b>	<b>13</b>
<b>Investments, net</b>	<b>88,559</b>	<b>12</b>	<b>105,074</b>	<b>13</b>

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

The following are investments in equity instrument designated at fair value through other comprehensive income 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:

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Property development	1	1
Public utilities and services	17	17
Bank and finance	4	4
<b>Total</b>	<b>22</b>	<b>22</b>
<b>Less</b> Allowance for revaluation	<b>(22)</b>	<b>(22)</b>
<b>Investments representing shareholdings in which the Group hold more than 10%, net</b>	<b>-</b>	<b>-</b>

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

As at 30 June 2023 and 31 December 2022, the Group had the following investments in companies, having problems relating to financial positions and operating results:

	Consolidated and Separate							
	30 June 2023				31 December 2022			
	Number of companies	Cost Million Baht	Allowance for revaluation Million Baht	Book value Million Baht	Number of companies	Cost Million Baht	Allowance for revaluation Million Baht	Book value Million Baht
Business continuity and/or weak financial status and operating performance	49	35	(33)	2	49	35	(33)	2
Defaulted debt securities	18	1	(1)	-	18	1	(1)	-
	67	36	(34)	2	67	36	(34)	2

## 10 Investments in subsidiaries, net

Company name	Nature of business	Type of securities	Percentage of holding		Separate Cost method	
			30 June 2023	31 December 2022	30 June 2023	31 December 2022
			%	%	Million Baht	Million Baht
Subsidiaries - included in the interim consolidated financial statements						
CIMB Thai Auto Co., Ltd.	Leasing/hire-Purchase of automobile	Common stock	99.99	99.99	2,328	2,328
Worldlease Co., Ltd.	Hire-purchase and motorcycles motorcycle trading	Common stock	99.99	99.99	567	567
Investments in subsidiaries, net					2,895	2,895

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.

## 11 Loans and accrued interest receivables, net

### 11.1 Classified by loan type

	Consolidated		Separate	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	Million Baht	Million Baht	Million Baht	Million Baht
Bank overdrafts	3,298	3,816	3,298	3,816
Loans	183,055	175,469	183,042	175,444
Bills	20,162	21,213	49,312	48,803
Hire-purchase receivables	36,320	34,730	-	-
Others	29	29	29	29
Total loans to customers	242,864	235,257	235,681	228,092
<u>Add</u> Accrued interest receivable and undue interest receivable	5,237	4,780	5,229	4,774
Total loans to customers and accrued interest receivable	248,101	240,037	240,910	232,866
<u>Less</u> Allowance for expected credit losses (Note 12)	(8,681)	(8,197)	(6,789)	(6,458)
Loans to customer and accrued interest receivables, net	239,420	231,840	234,121	226,408

## 11.2 Classified by location of receivables

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Domestic	241,088	234,475	233,905	227,310
Foreign	1,776	782	1,776	782
<b>Total</b>	<b>242,864</b>	<b>235,257</b>	<b>235,681</b>	<b>228,092</b>

## 11.3 Classified by classification

The Group classified loans by classification as summarised below:

	<b>Consolidated</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Financial assets with an insignificant increase in credit risk	223,607	215,064
Financial assets with a significant increase in credit risk	16,196	16,677
Credit-impaired financial assets	8,252	8,249
Purchased or originated credit-impaired financial assets	46	47
<b>Total</b>	<b>248,101</b>	<b>240,037</b>

  

	<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Financial assets with an insignificant increase in credit risk	222,544	213,514
Financial assets with a significant increase in credit risk	10,623	11,563
Credit-impaired financial assets	7,697	7,742
Purchased or originated credit-impaired financial assets	46	47
<b>Total</b>	<b>240,910</b>	<b>232,866</b>

## 11.4 Credit-impaired financial assets

As at 30 June 2023 and 31 December 2022, the Group had the following credit-impaired financial according to Thai Financial Reporting Standard 9 excluded accrued interest receivables as summarised below:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Credit-impaired financial assets before allowance for expected credit losses	7,725	7,803	7,193	7,321

### 11.5 Hire purchase and finance lease receivables

Subsidiaries had receivables under hire purchase agreements and financial leases, mostly comprising hire purchase agreements and financial leases for cars and motorcycles. The term of the agreements are generally between 3 - 7 years and interest is mostly charged at a fixed rate.

<b>Consolidated</b>				
<b>30 June 2023</b>				
<b>Amounts due under lease agreement</b>				
	<b>Less than 1 year Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>	<b>Total Million Baht</b>
Gross investment in the lease	11,734	29,733	3,172	44,639
<u>Less</u> Unearned finance income	(3,053)	(5,093)	(173)	(8,319)
Present value of minimum lease payments receivable	8,681	24,640	2,999	36,320
<u>Less</u> Allowance for expected credit losses				(1,993)
Net receivables under hire-purchase agreements and financial leases				34,327

  

<b>Consolidated</b>				
<b>31 December 2022</b>				
<b>Amounts due under lease agreement</b>				
	<b>Less than 1 year Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>	<b>Total Million Baht</b>
Gross investment in the lease	11,514	28,361	2,563	42,438
<u>Less</u> Unearned finance income	(2,891)	(4,674)	(143)	(7,708)
Present value of minimum lease payments receivable	8,623	23,687	2,420	34,730
<u>Less</u> Allowance for expected credit losses				(1,837)
Net receivables under hire-purchase agreements and financial leases				32,893

**11.6 Movement in gross carrying amount of loans to customers**

	<b>Consolidated</b>				
	<b>30 June 2023</b>				
	<b>Financial assets with an insignificant increase in credit risk Million Baht</b>	<b>Financial assets with a significant increase in credit risk Million Baht</b>	<b>Credit-impaired financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2023	215,064	16,677	8,249	47	240,037
Change due to reclassification	(3,477)	1,783	1,694	-	-
Newly acquired or purchased financial assets	64,656	5,746	-	-	70,402
Derecognised financial assets	(41,303)	(6,918)	(833)	-	(49,054)
Write-offs	-	(2)	(883)	-	(885)
Change due to collection and modification	(11,333)	(1,090)	25	(1)	(12,399)
Balance as at 30 June 2023	223,607	16,196	8,252	46	248,101

  

	<b>Consolidated</b>				
	<b>31 December 2022</b>				
	<b>Financial assets with an insignificant increase in credit risk Million Baht</b>	<b>Financial assets with a significant increase in credit risk Million Baht</b>	<b>Credit-impaired financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2022	188,770	19,000	8,361	58	216,189
Change due to reclassification	(7,250)	2,923	4,327	-	-
Newly acquired or purchased financial assets	124,184	6,764	13	-	130,961
Derecognised financial assets	(62,031)	(8,931)	(609)	-	(71,571)
Write-offs	-	(5)	(1,626)	(10)	(1,641)
Change due to collection and modification	(28,609)	(3,074)	(938)	(1)	(32,622)
NPLs sale	-	-	(1,279)	-	(1,279)
Balance as at 31 December 2022	215,064	16,677	8,249	47	240,037

  

	<b>Separate</b>				
	<b>30 June 2023</b>				
	<b>Financial assets with an insignificant increase in credit risk Million Baht</b>	<b>Financial assets with a significant increase in credit risk Million Baht</b>	<b>Credit-impaired financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2023	213,514	11,563	7,742	47	232,866
Change due to reclassification	(336)	(462)	798	-	-
Newly acquired or purchased financial assets	57,344	5,695	-	-	63,039
Derecognised financial assets	(40,263)	(5,727)	(678)	-	(46,668)
Write-offs	-	(2)	(231)	-	(233)
Change due to collection and modification	(7,715)	(444)	66	(1)	(8,094)
Balance as at 30 June 2023	222,544	10,623	7,697	46	240,910

**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

	<b>Separate</b>				
	<b>31 December 2022</b>				
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2022	187,124	14,278	8,030	58	209,490
Change due to reclassification	(2,482)	(352)	2,834	-	-
Newly acquired or purchased financial assets	109,850	6,675	13	-	116,538
Derecognised financial assets	(60,096)	(7,164)	(354)	-	(67,614)
Write-offs	-	(5)	(662)	(10)	(677)
Change due to collection and modification	(20,882)	(1,869)	(840)	(1)	(23,592)
NPLs sale	-	-	(1,279)	-	(1,279)
Balance as at 31 December 2022	213,514	11,563	7,742	47	232,866

**12 Allowance for expected credit losses**

	<b>Consolidated</b>					
	<b>30 June 2023</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2023	1,445	2,131	3,058	14	1,549	8,197
Change due to reclassification	37	(355)	318	-	-	-
Change due to new estimation of credit loss	17	983	722	-	-	1,722
Newly acquired or purchased financial assets	269	66	-	-	-	335
Derecognised financial assets	(90)	(281)	(318)	-	-	(689)
Write-offs	-	(2)	(882)	-	-	(884)
Balance as at 30 June 2023	1,678	2,542	2,898	14	1,549	8,681

  

	<b>Consolidated</b>					
	<b>31 December 2022</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2022	1,488	1,890	3,389	24	1,549	8,340
Change due to reclassification	111	(728)	617	-	-	-
Change due to new estimation of credit loss	(558)	1,290	1,993	-	-	2,725
Newly acquired or purchased financial assets	569	55	5	-	-	629
Derecognised financial assets	(165)	(371)	(437)	-	-	(973)
Write-offs	-	(5)	(1,626)	(10)	-	(1,641)
NPLs sale	-	-	(883)	-	-	(883)
Balance as at 31 December 2022	1,445	2,131	3,058	14	1,549	8,197

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	<b>Separate</b>					
	<b>30 June 2023</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2023	932	1,195	2,860	14	1,457	6,458
Change due to reclassification	44	(178)	134	-	-	-
Change due to new estimation of credit loss	56	492	(34)	-	-	514
Newly acquired or purchased financial assets	171	59	-	-	-	230
Derecognised financial assets	(74)	(57)	(49)	-	-	(180)
Write-offs	-	(2)	(231)	-	-	(233)
Balance as at 30 June 2023	1,129	1,509	2,680	14	1,457	6,789

  

	<b>Separate</b>					
	<b>31 December 2022</b>					
	<b>Financial assets with an insignificant increase in credit risk</b>	<b>Financial assets with a significant increase in credit risk</b>	<b>Credit-impaired financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2022	928	1,115	3,257	24	1,457	6,781
Change due to reclassification	71	(419)	346	-	-	(2)
Change due to new estimation of credit loss	(336)	512	852	-	-	1,028
Newly acquired or purchased financial assets	407	44	5	-	-	456
Derecognised financial assets	(138)	(52)	(55)	-	-	(245)
Write-offs	-	(5)	(662)	(10)	-	(677)
NPLs sale	-	-	(883)	-	-	(883)
Balance as at 31 December 2022	932	1,195	2,860	14	1,457	6,458

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.

Since 1 January 2022, the Group did not amortise the surplus reserve in order to reserve for possible losses that may be occurred from the COVID-19 pandemic in accordance with the Notification of the Bank of Thailand (BOT) no. SorNorSor 23/2561 on guidelines for loan staging and the setting of allowance for financial institutions, dated 31 October 2018 no. 5.8, which stated that the financial institutions may apply any guidelines that are more stringent than BOT's statements to classify loan stages or reserve an allowance on assets and financial commitment, or to derecognise assets.



### 13 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.

<b>Consolidated</b>				
	<b>As at 1 January 2023 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 30 June 2023 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	999	34	(2)	1,031
Movable	381	1,475	(1,307)	549
Total	1,380	1,509	(1,309)	1,580
Others	130	-	(41)	89
Total properties for sale	1,510	1,509	(1,350)	1,669
<u>Less</u> Allowance for impairment	(257)	(567)	497	(327)
Properties for sale, net	1,253	942	(853)	1,342
<b>Consolidated</b>				
	<b>As at 1 January 2022 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 31 December 2022 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	871	327	(199)	999
Movable	227	2,293	(2,139)	381
Total	1,098	2,620	(2,338)	1,380
Others	206	-	(76)	130
Total properties for sale	1,304	2,620	(2,414)	1,510
<u>Less</u> Allowance for impairment	(146)	(776)	665	(257)
Properties for sale, net	1,158	1,844	(1,749)	1,253
<b>Separate</b>				
	<b>As at 1 January 2023 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 30 June 2023 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	999	34	(2)	1,031
Total	999	34	(2)	1,031
Others	130	-	(41)	89
Total properties for sale	1,129	34	(43)	1,120
<u>Less</u> Allowance for impairment	(124)	(3)	3	(124)
Properties for sale, net	1,005	31	(40)	996

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	Separate			
	As at 1 January 2022 Million Baht	Additions Million Baht	Disposals Million Baht	As at 31 December 2022 Million Baht
Asset from debt repayment				
Immovable - Assessed by external appraiser	871	327	(199)	999
Total	871	327	(199)	999
Others	206	-	(76)	130
Total properties for sale	1,077	327	(275)	1,129
<u>Less</u> Allowance for impairment	(73)	(59)	8	(124)
Properties for sale, net	1,004	268	(267)	1,005

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.

#### 14 Premises and equipment, net

	Consolidated												
	Cost/appraisal value					Accumulated depreciation							
	As at 1 January 2023	Additions	Transfer In/(out)	Transfer to other assets	Disposals/ written off	As at 30 June 2023	As at 1 January 2023	Additions	Transfer In/(out)	Transfer to other assets	Disposals/ written off	As at 30 June 2023	Net book value
	Million Baht					Million Baht	Million Baht					Million Baht	
Land													
Cost	368	-	-	(8)	-	360	-	-	-	-	-	-	360
Revaluation surplus (latest revaluation in 2021)	2,120	-	-	(42)	-	2,078	-	-	-	-	-	-	2,078
Buildings and Building Improvement													
Cost	2,026	5	(2)	(30)	(23)	1,976	(1,498)	(30)	6	17	22	(1,483)	493
Revaluation surplus (latest revaluation in 2021)	750	-	-	(6)	-	744	(565)	(8)	-	3	-	(570)	174
Vehicle	113	6	-	-	(4)	115	(69)	(8)	-	-	4	(73)	42
Equipment	1,740	49	49	-	(272)	1,566	(1,414)	(80)	5	-	270	(1,219)	347
Assets under installation and/or construction	32	34	(61)	-	-	5	-	-	-	-	-	-	5
Exchange differences	(11)	-	11	-	-	-	11	-	(11)	-	-	-	-
Total	7,138	94	(3)	(86)	(299)	6,844	(3,535)	(126)	-	20	296	(3,345)	3,499

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	Consolidated												
	Cost/appraisal value						Accumulated depreciation						
	As at 1 January 2022	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ 31 December written off	As at 2022	As at 1 January 2022	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ 31 December written off	As at 2022	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	Million Baht
Land													
Cost	368	-	-	-	-	368	-	-	-	-	-	-	368
Revaluation surplus (latest revaluation in 2021)	2,120	-	-	-	-	2,120	-	-	-	-	-	-	2,120
Buildings and Building Improvement													
Cost	2,034	7	11	-	(26)	2,026	(1,452)	(70)	-	-	24	(1,498)	528
Revaluation surplus (latest revaluation in 2021)	750	-	-	-	-	750	(548)	(17)	-	-	-	(565)	185
Vehicle	140	27	-	-	(54)	113	(107)	(16)	-	-	54	(69)	44
Equipment	1,858	77	12	-	(207)	1,740	(1,441)	(167)	-	-	194	(1,414)	326
Assets under installation and/or construction	5	46	(19)	-	-	32	-	-	-	-	-	-	32
Exchange differences	(5)	(6)	-	-	-	(11)	5	6	-	-	-	11	-
Total	7,270	151	4	-	(287)	7,138	(3,543)	(264)	-	-	272	(3,535)	3,603

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	Separate												
	Cost/appraisal value					Accumulated depreciation							
	As at 1 January 2023		Transfer In/(out)	Transfer to other assets	Disposals/ written off	As at 30 June 2023	As at 1 January 2023		Transfer In/(out)	Transfer to other assets	Disposals/ written off	As at 30 June 2023	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	Million Baht
Land													
Cost	368	-	-	(17)	-	351	-	-	-	-	-	-	351
Revaluation surplus (latest revaluation in 2021)	2,120	-	-	(90)	-	2,030	-	-	-	-	-	-	2,030
Buildings and Building Improvement													
Cost	2,026	5	(2)	(64)	(23)	1,942	(1,498)	(30)	6	37	22	(1,463)	479
Revaluation surplus (latest revaluation in 2021)	750	-	-	(13)	-	737	(565)	(8)	-	7	-	(566)	171
Vehicle	95	6	-	-	(4)	97	(57)	(6)	-	-	4	(59)	38
Equipment	1,480	36	49	-	(224)	1,341	(1,239)	(66)	5	-	224	(1,076)	265
Assets under installation and/or construction	32	34	(61)	-	-	5	-	-	-	-	-	-	5
Exchange differences	(11)	-	11	-	-	-	11	-	(11)	-	-	-	-
Total	6,860	81	(3)	(184)	(251)	6,503	(3,348)	(110)	-	44	250	(3,164)	3,339

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	Separate												
	Cost/appraisal value					Accumulated depreciation							
	As at 1 January 2021	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ 31 December written off	As at 31 December 2021	As at 1 January 2021	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ 31 December written off	As at 31 December 2021	Net book value
	2022					2022	2022						
	Million Baht	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	368	-	-	-	-	368	-	-	-	-	-	-	368
Revaluation surplus (latest revaluation in 2021)	2,120	-	-	-	-	2,120	-	-	-	-	-	-	2,120
Buildings and Building Improvement													
Cost	2,034	7	11	-	(26)	2,026	(1,452)	(70)	-	-	24	(1,498)	528
Revaluation surplus (latest revaluation in 2021)	750	-	-	-	-	750	(548)	(17)	-	-	-	(565)	185
Vehicle	119	22	-	-	(46)	95	(87)	(14)	-	-	44	(57)	38
Equipment	1,629	28	12	-	(189)	1,480	(1,283)	(135)	-	-	179	(1,239)	241
Assets under installation and/or construction	5	46	(19)	-	-	32	-	-	-	-	-	-	32
Exchange differences	(5)	(6)	-	-	-	(11)	5	6	-	-	-	11	-
Total	7,020	97	4	-	(261)	6,860	(3,365)	(230)	-	-	247	(3,348)	3,512

## 15 Right-of-use assets, net

As at 30 June 2023 and 31 December 2022, right-of-use asset balance are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Properties	102	113	65	72
IT Equipment	60	70	60	70
Vehicles	7	4	-	-
<b>Total</b>	<b>169</b>	<b>187</b>	<b>125</b>	<b>142</b>
	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Depreciation charge of right-of-use assets</b>				
Properties	38	47	26	30
IT Equipment	11	7	11	7
Vehicles	1	1	-	-
<b>Total</b>	<b>50</b>	<b>55</b>	<b>37</b>	<b>37</b>
Addition to the right-of-use assets during the period	28	31	21	14
<b>Total cash outflow for leases</b>	<b>(52)</b>	<b>(57)</b>	<b>(38)</b>	<b>(38)</b>

**16 Intangible assets, net**

	<b>Consolidated</b>		
	<b>Expenditures in connection with development and improvement of process and computer systems - under development Million Baht</b>	<b>Process, computer systems and computer software Million Baht</b>	<b>Total Million Baht</b>
<b>At 1 January 2022</b>			
Cost	124	2,510	2,634
<u>Less</u> Accumulated amortisation	-	(1,664)	(1,664)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	124	841	965
<b>For the year ended 31 December 2022</b>			
Opening net book amount	124	841	965
Additions	228	87	315
Transfer (out)/ in	(282)	278	(4)
Write off	-	(9)	(9)
Amortisation charge	-	(310)	(310)
Closing net book amount	70	887	957
<b>At 31 December 2022</b>			
Cost	70	2,850	2,920
<u>Less</u> Accumulated amortisation	-	(1,958)	(1,958)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	70	887	957
<b>For the six-month period ended 30 June 2023</b>			
Opening net book amount	70	887	957
Additions	163	65	228
Transfer (out)/ in	(149)	152	3
Amortisation charge	-	(183)	(183)
Closing net book amount	84	921	1,005
<b>At 30 June 2023</b>			
Cost	84	3,067	3,151
<u>Less</u> Accumulated amortisation	-	(2,141)	(2,141)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	84	921	1,005



	<b>Separate</b>		
	<b>Expenditures in connection with development and improvement of process and computer systems - under development</b>	<b>Process, computer systems and computer software</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>At 1 January 2022</b>			
Cost	124	2,405	2,529
<u>Less</u> Accumulated amortisation	-	(1,606)	(1,606)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	124	794	918
<b>For the year ended 31 December 2022</b>			
Opening net book amount	124	794	918
Additions	228	80	308
Transfer (out)/ in	(282)	278	(4)
Write off	-	(9)	(9)
Amortisation charge	-	(292)	(292)
Closing net book amount	70	851	921
<b>At 31 December 2022</b>			
Cost	70	2,738	2,808
<u>Less</u> Accumulated amortisation	-	(1,882)	(1,882)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	70	851	921
<b>For the six-month period ended 30 June 2023</b>			
Opening net book amount	70	851	921
Additions	163	59	222
Transfer (out)/ in	(149)	152	3
Amortisation charge	-	(174)	(174)
Closing net book amount	84	888	972
<b>At 30 June 2023</b>			
Cost	84	2,948	3,032
<u>Less</u> Accumulated amortisation	-	(2,055)	(2,055)
<u>Less</u> Accumulated impairment	-	(5)	(5)
Net book amount	84	888	972

## 17 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Deferred tax assets:	2,368	2,319	1,696	1,673
Deferred tax liabilities:	(586)	(618)	(546)	(580)
Deferred tax assets (net)	1,782	1,701	1,150	1,093

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

	<b>Consolidated</b>				
	<b>Provision Million Baht</b>	<b>Allowance for impairment of properties foreclosed Million Baht</b>	<b>Allowance for expected credit loss Million Baht</b>	<b>Deferred income Million Baht</b>	<b>Others Million Baht</b>
<b>Deferred tax assets</b>					
At 1 January 2023	457	56	982	75	749
Tax charged (credited) to profit or loss	8	14	104	(7)	(226)
Tax charged relation to components of the other comprehensive income	-	-	-	-	156
At 30 June 2023	465	70	1,086	68	679
<b>Deferred tax assets</b>					
At 1 January 2022	528	33	883	92	395
Tax (credited) charged to profit or loss	(39)	23	99	(17)	359
Tax (credited) charged relation to components of the other comprehensive income	(32)	-	-	-	(5)
At 31 December 2022	457	56	982	75	749

  

	<b>Consolidated</b>			<b>Total Million Baht</b>
	<b>Fair value gain from investment Million Baht</b>	<b>Gain from revaluation of assets Million Baht</b>	<b>Temporary difference Million Baht</b>	
<b>Deferred tax liabilities</b>				
At 1 January 2023	61	477	80	618
Tax charged to profit or loss	(44)	(9)	(7)	(60)
Tax credited relation to components of the other comprehensive income	-	-	28	28
At 30 June 2023	17	468	101	586
<b>Deferred tax liabilities</b>				
At 1 January 2022	16	492	67	575
Tax charged (credited) to profit or loss	45	(15)	21	51
Tax charged relation to components of the other comprehensive income	-	-	(8)	(8)
At 31 December 2022	61	477	80	618

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	Separate					
	Provision Million Baht	Allowance for impairment of properties foreclosed Million Baht	Allowance for expected credit loss Million Baht	Deferred income Million Baht	Others Million Baht	Total Million Baht
Deferred tax assets						
At 1 January 2023	431	29	567	75	571	1,673
Tax charged (credited) to profit or loss	8	-	58	(7)	(192)	(133)
Tax charged relation to components of the other comprehensive income	-	-	-	-	156	156
At 30 June 2023	439	29	625	68	535	1,696
Deferred tax assets						
At 1 January 2022	498	19	491	91	213	1,312
(Credited) charged to profit or loss	(37)	10	76	(16)	363	396
Tax (credited) charged relation to components of the other comprehensive income	(30)	-	-	-	(5)	(35)
At 31 December 2022	431	29	567	75	571	1,673

	<b>Separate</b>			
	<b>Fair value gain from investment Million Baht</b>	<b>Gain from revaluation of assets Million Baht</b>	<b>Temporary difference Million Baht</b>	<b>Total Million Baht</b>
<b>Deferred tax liabilities</b>				
At 1 January 2023	61	477	42	580
Tax charged to profit or loss	(44)	(9)	(9)	(62)
Tax credited relation to components of the other comprehensive income	-	-	28	28
At 30 June 2023	17	468	61	546
<b>Deferred tax liabilities</b>				
At 1 January 2022	16	492	35	543
Tax credited (charged) to profit or loss	45	(15)	15	45
Tax charged relation to components of the other comprehensive income	-	-	(8)	(8)
At 31 December 2022	61	477	42	580

**18 Other assets, net**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023 Million baht</b>	<b>31 December 2022 Million baht</b>	<b>30 June 2023 Million baht</b>	<b>31 December 2022 Million baht</b>
Accrued interest and dividend receivables	395	365	395	365
Others assets awaiting account transfer	204	246	256	260
Commission receivables	166	142	27	14
Withholding tax	37	40	37	40
Deposits	117	96	99	73
Prepaid expenses	214	210	197	194
Accounts receivable from sale of non-performing loans	163	238	163	238
Deferred expense from staff loan	119	113	119	113
Advance payment for customer	37	34	37	34
Investment properties	65	-	140	-
Others	182	139	19	109
<b>Total</b>	<b>1,699</b>	<b>1,623</b>	<b>1,489</b>	<b>1,440</b>
<b>Less</b> Allowance for expected credit losses	<b>(9)</b>	<b>(18)</b>	<b>(9)</b>	<b>(18)</b>
<b>Other assets, net</b>	<b>1,690</b>	<b>1,605</b>	<b>1,480</b>	<b>1,422</b>

## 19 Deposits

### 19.1 Classified by type of deposits

	Consolidated		Separate	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	Million baht	Million baht	Million baht	Million baht
Demand	4,706	4,906	4,717	5,007
Savings	111,802	117,518	112,238	118,157
Fixed	118,423	113,850	118,423	113,850
Negotiable certificate of deposit	279	420	279	420
Total deposits	235,210	236,694	235,657	237,434

### 19.2 Classified by currency and residency of depositors

	Consolidated					
	30 June 2023			31 December 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	220,829	1,675	222,504	219,264	1,625	220,889
US dollar	12,050	312	12,362	15,135	301	15,436
Other currencies	310	34	344	363	6	369
Total	233,189	2,021	235,210	234,762	1,932	236,694

  

	Separate					
	30 June 2023			31 December 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	221,276	1,675	222,951	220,004	1,625	221,629
US dollar	12,050	312	12,362	15,135	301	15,436
Other currencies	310	34	344	363	6	369
Total	233,636	2,021	235,657	235,502	1,932	237,434

## 20 Interbank and money market items (liabilities)

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
<b>Domestic:</b>		
The Bank of Thailand	313	313
Commercial banks	29,126	19,512
Specialised financial institutions	-	11
Finance, finance and securities, and securities	19,498	21,470
Other financial institutions	3,720	4,508
<b>Total domestic items</b>	<b>52,657</b>	<b>45,814</b>
<b>Foreign:</b>		
US dollar	1,130	438
Other currencies	1,872	655
<b>Total foreign items</b>	<b>3,002</b>	<b>1,093</b>
<b>Total domestic and foreign items</b>	<b>55,659</b>	<b>46,907</b>

## 21 Financial liabilities designated at fair value through profit or loss

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Debenture	5,059	5,151
Bills of Exchange	14,673	16,010
<b>Total</b>	<b>19,732</b>	<b>21,161</b>

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Cumulative change in fair values due to a change in credit risk of liabilities recognised in other comprehensive income	614	639
Difference between book values and notional amounts to be settled as the contracts mature	1,497	2,278

As at 30 June 2023 and 31 December 2022, financial liabilities designated at fair value through profit or loss consisted of:

- The Bank issued structured debentures (Maxi V-Plus THOR Inverse Floater Structured Debenture) with a maturity of 2 years, which the returns that are inversely to the underlying index level (Interest rate Thai Overnight Repurchase Rate - THOR). The bank will pay interest 4 times per year and will repay full amount of the principal at maturity date.
- The Bank issued accreting structured bills of exchange embedded interest rate swap with predetermined return rate and conditions. The maturity date is between 10 - 15 years (31 December 2022: 10 - 23 years). They bear interest rate at 1.78 - 5.18% per annum (31 December 2022: 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.

**22 Debt issued and borrowings**

	<b>Consolidated and Separate</b>					
	<b>30 June 2023</b>			<b>31 December 2022</b>		
	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
<b>Debentures</b>						
Short term debentures maturing in 2023, coupon rate of 2.05% per annum	2,000	-	2,000	-	-	-
Short term debentures maturing in 2024, coupon rate of 2.05% per annum	1,000	-	1,000	-	-	-
Short term debentures maturing in 2023, coupon rate of 0.90% - 1.15% per annum	-	-	-	1,135	-	1,135
<b>Subordinated debentures</b>						
Subordinated debentures of RM 390 million, maturing in 2028, coupon rate of 5.20% per annum	-	-	-	-	3,054	3,054
Subordinated debentures of RM 550 million, maturing in 2029, coupon rate of 4.15% per annum	-	4,187	4,187	-	4,307	4,307
Subordinated debentures of RM 660 million, maturing in 2031, coupon rate of 3.95% per annum	-	5,025	5,025	-	5,168	5,168
Subordinated debentures of RM 415 million, maturing in 2033, coupon rate of 4.70% per annum	-	3,160	3,160	-	-	-
<b>Structured debentures</b>						
Structured debentures	1,425	104	1,529	1,551	38	1,589
	4,425	12,476	16,901	2,686	12,567	15,253
<b>Structured bills of exchange</b>						
Structured bills of exchange	1,800	3,879	5,679	1,800	3,767	5,567
	1,800	3,879	5,679	1,800	3,767	5,567
<b>Total</b>	<b>6,225</b>	<b>16,355</b>	<b>22,580</b>	<b>4,486</b>	<b>16,334</b>	<b>20,820</b>

- (a) On 30 June 2022, the bank issued short-term debentures of Baht 3,000 million (31 December 2022: Baht 1,135 million), interest rate of 2.05% per annum (31 December 2022: 0.90% - 1.15% per annum) with a payment of interest at maturity. The debenture has a tenor 6 - 9 months (31 December 2022: 3 - 8 months) and will mature during December 2023 to March 2024 (31 December 2022: January 2023 to May 2023).
- (b) As at 30 June 2023, the Bank has Subordinated debentures of Baht 12,372 million (31 December:2022: Baht 12,529 million) as follows:
- 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. 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.

- On 29 March 2023, the Bank exercised its option to early redeem all subordinated debentures amounting to MYR 390 million, maturing in 2028, which the Bank was able to early redeem (under the specified conditions). This early redemption was approved by BOT notification For Nor Sor1. 2/2566 The approval of early redemption of subordinated debentures that counted as tier II.

At the same time, the Bank issued MYR 415 million of subordinated debentures pursuant to tier II subordinated debenture programme to overseas investors, 4,150,000 units of MYR 100 each, interest rate of 4.70% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2033. The Bank may exercise its right to early redeem the debenture after 5 years. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital.

- On 8 July 2019, 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. 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.
- On 12 July 2021, the Bank issued MYR 660 million of subordinated debentures pursuant to tier II subordinated debenture programme, 6,600,000 units of MYR 100 each, interest rate of 3.90% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2031. The Bank may exercise its right to early redeem the debenture after 5 years. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital according to the correspondence For Nor Sor1. 81/2564.

(c) As at 30 June 2023, the Bank has structured debentures of Baht 1,529 million (31 December 2022: Baht 1,589 million) as follows:

- The Bank has structured debentures (Maxi X-Change) of Baht 306 million (31 December 2022: Baht 356 million) with 1 - 6 months (31 December 2022: 1 - 4 months) from respective issuance dates. The Bank will pay interest at maturity date according to the movement of the underlying.
- The Bank has structured debentures (Fund Link Note) of USD 1 million which equivalent to Baht 39 million and Baht 827 million (31 December 2022: Baht 38 million and Baht 841 million) which will mature in 3 years (31 December 2022: 3 years), the return is based on movement of the price of mutual fund.
- The Bank has structured debentures (The Equity Shark Fin Bull Structured Debenture) of Baht 357 million (31 December 2022: Baht 354 million). The holder will receive a repayment upon scheduled maturity date subject to a movement of the level of the underlying equity index.

(d) As at 30 June 2023, the Bank had credit linked bill of exchange (CLN) of Baht 5,679 million ((31 December 2022: Baht 5,567 million) as follows:

- The Bank issued CLN of Baht 1,800 million (31 December 2022: 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 2022: 3.75% - 4.01% per annum) with a payment of interest every 6 months.
- The Bank issued CLN of USD 109 million or equivalence Baht 3,879 million (31 December 2022: USD 109 million or equivalence Baht 3,767 million) which will mature in 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 with a payment of interest every 6 months.

## 23 Provisions

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Allowance for expected credit losses of loan commitments and financial guarantee contracts	749	743	753	748
Provision for contingent loss from legal cases	31	21	25	16
Provision for employee benefits	1,530	1,505	1,406	1,379
Provision for restoration	12	16	12	12
<b>Total provisions</b>	<b>2,322</b>	<b>2,285</b>	<b>2,196</b>	<b>2,155</b>

### Provision for employee benefits

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Present value of post-employment benefit obligations	1,530	1,505	1,406	1,379

Movements of provision for pension funds are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Beginning balance	1,505	1,628	1,379	1,475
Current service costs	60	128	54	113
Difference on settlement pension benefits	7	(20)	7	-
Interest costs	24	34	22	31
Others adjustment	-	(5)	-	3
Remeasurements:				
(Gains) losses from changes of;				
- Financial assumptions	-	(126)	-	(112)
- Experience	-	(36)	-	(38)
<u>Less</u> Pension benefits paid during the period/ year	(66)	(98)	(56)	(93)
<b>Ending balance</b>	<b>1,530</b>	<b>1,505</b>	<b>1,406</b>	<b>1,379</b>

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current service costs	60	67	54	59
Difference on settlement pension benefits	7	-	7	-
Interest costs	24	18	22	16
<b>Total</b>	<b>91</b>	<b>85</b>	<b>83</b>	<b>75</b>



**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate financial statements**  
**For the six-month period ended 30 June 2023**

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

		<b>Consolidated and Separate</b>	
		<b>30 June 2023 and 31 December 2022</b>	
Discount rate			3.60%
Salary increase rate			5.00%
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:

		<b>Consolidated</b>					
		<b>Impact on defined benefit obligation</b>					
		<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
		<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
Weighted average discount rate	0.5%	0.5%		Decrease by 3.26%	Decrease by 3.21%	Increase by 3.42%	Increase by 3.42%
Weighted average rate of salary increase	1.0%	1.0%		Increase by 7.49%	Increase by 7.47%	Decrease by 6.77%	Decrease by 6.71%

  

		<b>Separate</b>					
		<b>Impact on defined benefit obligation</b>					
		<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
		<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
Weighted average discount rate	0.5%	0.5%		Decrease by 3.17%	Decrease by 3.11%	Increase by 3.31	Increase by 3.31
Weighted average rate of salary increase	1.0%	1.0%		Increase by 7.27%	Increase by 7.25%	Decrease by 6.60%	Decrease by 6.53%

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 period.

As at 30 June 2023, the weighted average duration of the defined benefit obligation is 8.31 years (31 December 2022: 8.31 years).

Expected maturity analysis of undiscounted benefits:

	<b>Consolidated</b>			
	<b>30 June 2023 and 31 December 2022</b>			
	<b>Less than a year Million Baht</b>	<b>Between 1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>	<b>Total Million Baht</b>
Retirement benefits	160	485	1,318	1,963

  

	<b>Separate</b>			
	<b>30 June 2023 and 31 December 2022</b>			
	<b>Less than a year Million Baht</b>	<b>Between 1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>	<b>Total Million Baht</b>
Retirement benefits	147	457	1,179	1,783

## 24 Other liabilities

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
Other liabilities awaiting accounts transfer	442	1,695	442	1,695
Accrued interest	571	506	571	506
Accrued expense	1,533	1,600	1,441	1,461
Corporate income tax payable	290	109	269	38
Withholding tax payable	65	61	59	56
Output VAT payable	50	77	6	14
Defer income from insurance contracts	102	116	31	62
Others	498	419	49	70
<b>Total</b>	<b>3,551</b>	<b>4,583</b>	<b>2,868</b>	<b>3,902</b>

Advance received from electronic payment

In accordance with the BoT notification number Sor Nor Chor 7/2561 dated 16 April 2018, regarding to Regulations on Service Business relating to Electronic Money (E-Money) and Sor Nor Chor 2/2562 dated 20 December 2019 regarding to Regulations on Service Business relating to Electronic Fund Transfer (EFT), the Bank had advances received from electronic transactions as at 30 June 2023, presented as liabilities in the amount of Baht 657,661 (31 December 2022 : Baht 657,661).

25 Offsetting of financial assets and financial liabilities

Consolidated and Separate						
30 June 2023						
Effects of offsetting on the statement of financial position			Related amounts not offset			
Gross amount Million Baht	Amount to be offset on the statement of financial position Million Baht	Net amount on the statement of interim financial statement Million Baht	Amounts subject to master netting arrangements Million Baht	Financial instrument collateral Million Baht	Net amount Million Baht	
<b>Financial assets</b>						
Purchase of securities with resale agreement transactions	7,028	-	7,028	(120)	(6,838)	70
Derivative assets	82,305	-	82,305	(53,417)	(19,244)	9,644
<b>Total</b>	<b>89,333</b>	<b>-</b>	<b>89,333</b>	<b>(53,537)</b>	<b>(26,082)</b>	<b>9,714</b>
<b>Financial liabilities</b>						
Sales of securities with resale agreement transactions	(29,146)	-	(29,146)	28,694	-	(452)
Derivative liabilities	(82,231)	-	(82,231)	53,419	18,912	(9,900)
<b>Total</b>	<b>(111,377)</b>	<b>-</b>	<b>(111,377)</b>	<b>82,113</b>	<b>18,912</b>	<b>(10,352)</b>
Consolidated and Separate						
31 December 2022						
Effects of offsetting on the statement of financial position			Related amounts not offset			
Gross amount Million Baht	Amount to be offset on the statement of financial position Million Baht	Net amount on the statement of interim financial statement Million Baht	Amounts subject to master netting arrangements Million Baht	Financial instrument collateral Million Baht	Net amount Million Baht	
<b>Financial assets</b>						
Purchase of securities with resale agreement transactions	5,764	-	5,764	-	(5,463)	301
Derivative assets	80,284	-	80,284	(48,017)	(23,930)	8,337
<b>Total</b>	<b>86,048</b>	<b>-</b>	<b>86,048</b>	<b>(48,017)</b>	<b>(29,393)</b>	<b>8,638</b>
<b>Financial liabilities</b>						
Sales of securities with resale agreement transactions	(19,612)	-	(19,612)	19,605	-	(7)
Derivative liabilities	(76,847)	-	(76,847)	48,018	14,290	(14,539)
<b>Total</b>	<b>(96,459)</b>	<b>-</b>	<b>(96,459)</b>	<b>67,623</b>	<b>14,290</b>	<b>(14,546)</b>

Master netting arrangements - not currently offset in interim financial statements

- Derivative

Agreements with derivative counterparties are based on ISDA agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/ receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Group does not presently have a legally enforceable right of set-off, these amounts have not been offset in the statement of financial position.

- Repurchase agreement

The Bank entered into a securities sales and purchase agreement with its counterparties. This involved a TBMA/ISMA resales and repurchase agreement. The GMRA requires the borrower to transfer ownership of the collateral to the lender at the contract's inception. This way, if the borrower defaults on a payment, the lender doesn't have to force the borrower to return the collateral but can seize it directly. However, since this item concerns a collateral loan, the Bank showed this item separately in the interim financial statements.

## 26 Share capital

	Consolidated and Separate			
	30 June 2023		31 December 2022	
	Number Million shares	Amount Million Baht	Number Million shares	Amount Million Baht
<b>Registered</b>				
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
<b>Issued and paid up</b>				
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

## 27 Dividend payments

On 12 April 2023, the Annual General Meeting of Shareholders approved a resolution to pay dividends for the year 2022 at the rate of Baht 0.0115 per share for 34,822,261,748 shares, totaling Baht 400 million. The bank has already paid the dividends to shareholders on 10 May 2023.

On 12 April 2022, the Annual General Meeting of Shareholders approved a resolution to pay dividends for the year 2021 at the rate of Baht 0.01 per share for 34,822,261,748 shares, totaling Baht 348 million. The bank has already paid the dividends to shareholders on 10 May 2022.

## 28 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 2023, the Bank had total statutory reserve of Baht 724 million (31 December 2022: Baht 684 million).

## 29 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:

<b>Capital fund (Full consolidate supervision)</b>	<b>30 June 2023 Million Baht</b>	<b>Total capital to risk assets %</b>	<b>31 December 2022 Million Baht</b>	<b>Total capital to risk assets %</b>
<u>Tier I</u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	724		684	
Unappropriated surplus	16,332		15,911	
Other reserves	906		770	
Deduction on Tier I capital fund	(2,481)		(2,092)	
<b>Total Tier I capital fund</b>	<b>43,038</b>	<b>15.69</b>	<b>42,830</b>	<b>16.19</b>
<u>Tier II</u>				
Long-term subordinated debentures	12,462		12,388	
Reserve for loan classified as pass	2,591		2,524	
<b>Total Tier II capital fund</b>	<b>15,053</b>	<b>5.49</b>	<b>14,912</b>	<b>5.64</b>
<b>Total capital funds</b>	<b>58,091</b>	<b>21.17</b>	<b>57,742</b>	<b>21.83</b>
<b>Capital funds (Separate)</b>	<b>30 June 2023 Million Baht</b>	<b>Total capital to risk assets %</b>	<b>31 December 2022 Million Baht</b>	<b>Total capital to risk assets %</b>
<u>Tier I</u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	724		684	
Unappropriated surplus	12,350		11,908	
Other reserves	909		813	
Deduction on Tier I capital fund	(1,818)		(1,448)	
<b>Total Tier I capital fund</b>	<b>39,722</b>	<b>14.62</b>	<b>39,514</b>	<b>15.07</b>
<u>Tier II</u>				
Long-term subordinated debentures	12,462		12,388	
Reserve for loan classified as pass	2,656		2,591	
<b>Total Tier II capital fund</b>	<b>15,118</b>	<b>5.56</b>	<b>14,979</b>	<b>5.71</b>
<b>Total capital funds</b>	<b>54,840</b>	<b>20.18</b>	<b>54,493</b>	<b>20.78</b>

As at 30 June 2023, the Bank's regulatory capital after deducting capital add-on arising from single lending was Baht 54,840 million (31 December 2022: Baht 54,493 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 in accordance with the Notification of the Bank of Thailand.

### 30 Share-based payments

#### Long Term Incentive Plan (LTIP)

The LTIP was implemented by CIMB Group Holdings Berhad in June 2021. The LTIP awards ordinary shares and share options to eligible employees of CIMB Group Holdings Berhad and its subsidiaries, which includes eligible employees of the Bank. The eligibility of participation in the LTIP shall be at the discretion of the LTIP Committee of CIMB Group Holdings Berhad, and the awarded shares and share options will be vested in stages at predetermined dates subject to continued employment and performance conditions.

The weighted average fair value of shares and share options granted during the period was MYR 5.36 per share and MYR 5.66 per share option (31 December 2022: MYR 5.36 per share and MYR 0.75 share option)

#### 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 year, which were purchased over a specified year before awarding to the eligible employees of the Bank was MYR 5.02 per share (31 December 2022: MYR 5.07 per share).

Movement in the number of share options granted under the LTIP and their related weighted average exercise prices are as follows:

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Number of share options thousand units</b>	<b>Number of share options thousand units</b>
Beginning of financial period/ year	18,500	17,803
Awarded during financial period/ year	-	697
Expired or Forfeited during financial period/ year	(609)	-
End of financial period/ year	17,891	18,500
The weighted exercise price (MYR/share)	5.66	5.63

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

	<b>Consolidated and Separate</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Number of ordinary shares thousand units</b>	<b>Number of ordinary shares thousand units</b>
Beginning of financial period/ year	1,864	2,054
Awarded during financial period/ year	326	368
Released during financial period/ year	(218)	(558)
End of financial period/ year	1,972	1,864

For the six-month period ended 30 June 2023, the Bank has expenses for share-based payments amounting to Baht 23 million (30 June 2023: Baht 26 million) and the Bank has share-based payment reserves amounting to Baht 90 million (31 December 2022: Baht 73 million).

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

**31.1 Position classified by type of transaction**

	<b>Consolidated</b>					
	<b>30 June 2023</b>			<b>31 December 2022</b>		
	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
Total assets	495,513	-	495,513	495,498	287	495,785
Interbank and money market items, net (assets)	15,941	-	15,941	20,431	284	20,715
Financial assets measured at fair value through profit or loss	28,417	-	28,417	22,363	-	22,363
Derivative assets	82,305	-	82,305	80,284	-	80,284
Investments, net	88,760	-	88,760	105,076	-	105,076
Loans to customers and accrued interest receivables, net	239,420	-	239,420	231,840	-	231,840
Deposits	235,210	-	235,210	236,694	-	236,694
Interbank and money market items (liabilities)	55,659	-	55,659	46,907	-	46,907
Financial liabilities measured at fair value through profit or loss	19,732	-	19,732	21,161	-	21,161
Derivative liabilities	82,231	-	82,231	76,847	-	76,847
Debt issued and borrowings	22,580	-	22,580	20,820	-	20,820

  

	<b>Separate</b>					
	<b>30 June 2023</b>			<b>31 December 2022</b>		
	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
Total assets	491,147	-	491,147	491,442	287	491,729
Interbank and money market items, net (assets)	15,606	-	15,606	20,127	284	20,411
Financial assets measured at fair value through profit or loss	28,417	-	28,417	22,363	-	22,363
Derivative assets	82,305	-	82,305	80,284	-	80,284
Investments, net	88,559	-	88,559	105,074	-	105,074
Investments in subsidiaries, net	2,895	-	2,895	2,895	-	2,895
Loans to customers and accrued interest receivables, net	234,121	-	234,121	226,408	-	226,408
Deposits	235,657	-	235,657	237,434	-	237,434
Interbank and money market items (liabilities)	55,659	-	55,659	46,907	-	46,907
Financial liabilities measured at fair value through profit or loss	19,732	-	19,732	21,161	-	21,161
Derivative liabilities	82,231	-	82,231	76,847	-	76,847
Debt issued and borrowings	22,580	-	22,580	20,820	-	20,820

### 31.2 Performance classified by type of transaction

	Consolidated					
	For the six-month period ended 30 June 2023			For the six-month period ended 30 June 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	7,839	-	7,839	5,930	-	5,930
Interest expenses	(2,960)	-	(2,960)	(1,265)	-	(1,265)
Net interest income	4,879	-	4,879	4,665	-	4,665
Net fee and services income	666	-	666	849	-	849
Other operating income	1,611	-	1,611	1,591	-	1,591
Other operating expenses	(4,051)	-	(4,051)	(3,749)	(5)	(3,754)
Expected credit losses	(1,377)	-	(1,377)	(709)	-	(709)
Profit (losses) before income tax expenses	1,728	-	1,728	2,647	(5)	2,642

  

	Separate					
	For the six-month period ended 30 June 2023			For the six-month period ended 30 June 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	6,632	-	6,632	4,500	-	4,500
Interest expenses	(2,960)	-	(2,960)	(1,265)	-	(1,265)
Net interest income	3,672	-	3,672	3,235	-	3,235
Net fee and services income	455	-	455	411	-	411
Other operating income	1,145	-	1,145	1,384	-	1,384
Other operating expenses	(3,001)	-	(3,001)	(2,905)	(5)	(2,910)
Expected credit losses	(569)	-	(569)	(214)	-	(214)
Profit (losses) before income tax expenses	1,702	-	1,702	1,911	(5)	1,906

## 32 Interest income

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Interbank and money market items	172	26	171	26
Investments and trading transactions	231	202	231	202
Investments in debt instruments	895	696	895	696
Loans	4,728	3,251	5,110	3,549
Hire purchase and financial lease income	1,574	1,720	-	-
Others	239	35	225	27
Interest income	7,839	5,930	6,632	4,500



### 33 Interest expenses

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Deposits	1,342	520	1,342	520
Interbank and money market item	298	103	298	103
Contribution fee to the Deposit Protection Agency	12	10	12	10
Contribution fee to FIDF	622	280	622	280
Debt securities issued				
- Subordinated debentures	217	218	217	218
- Structured bills of exchange	61	31	61	31
- Structured debentures	14	22	14	22
- Debentures	60	33	60	33
Others	334	48	334	48
Interest expenses	2,960	1,265	2,960	1,265

### 34 Net fees and services income

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Fees and service incomes				
Acceptances, aval and guarantees	25	27	25	27
ATM fees	6	5	6	5
Insurance brokerage income	632	793	351	312
Underwriting fees	152	171	152	171
Collection fees	22	21	-	-
Goods and services payment fees	30	32	12	10
Others	99	95	81	78
Fees and service income	966	1,144	627	603
Fees and service expenses				
Collection fees	(220)	(205)	(94)	(105)
ATM fees	(11)	(11)	(11)	(11)
Brokerage fees	(33)	(48)	(33)	(48)
Others	(36)	(31)	(34)	(28)
Fees and service expenses	(300)	(295)	(172)	(192)
Net fees and service income	666	849	455	411

**35 Gains on financial instruments measured at fair value through profit or loss**

	<b>Consolidated and Separate</b>	
	<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
(Losses) gains on tradings and foreign exchange transactions		
Foreign currencies and foreign exchange rate derivatives	(202)	(562)
Interest rate derivatives	960	1,300
Debt instruments	(1,040)	2,330
Equity instruments	(12)	13
Others	8	14
(Losses) gains on tradings and foreign exchange transactions	(556)	3,095
Gains (losses) on financial instruments designated at fair value through profit or loss		
Net changes in fair values		
Investments in debt instrument	1,019	(2,602)
Bills of exchange	672	1,224
Debentures	97	-
Losses from derecognition, including interest receivable and payable only those not included in net changes in fair values	(707)	(178)
Gains (losses) on financial instruments designated at fair value through profit or loss	1,081	(1,556)
(Losses) gains from hedge accounting	(116)	110
Total	409	1,649

**36 Gains (losses) on investments, net**

	<b>Consolidated and Separate</b>	
	<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Gains (losses) from derecognition		
Investments measured at fair value through other comprehensive income	267	(873)
Investments measured at amortised cost	5	-
Gains (losses) on investments, net	272	(873)

### 37 Other operating income

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Gain on sales of premises and equipment and properties for sales	-	102	1	55
Bad debt recovery	554	573	322	368
Dividend income	12	10	12	10
Other income	32	110	128	155
Other operating income	598	795	463	588

### 38 Expected credit losses

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Modification loss (gain) of loan	2	(64)	(1)	(64)
Loans to customers and accrued interest receivable	1,368	972	564	477
Credit line commitments and financial guarantees	6	(200)	5	(200)
Others	1	1	1	1
Expected credit losses	1,377	709	569	214

### 39 Corporate income tax

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current tax:				
Current tax on profits for the period	298	1,038	269	896
Prior period adjustments	14	7	14	4
Total current tax	312	1,045	283	900
Deferred tax:				
Decrease (increase) in deferred tax assets	107	(514)	133	(514)
Decrease in deferred tax liabilities	(60)	(4)	(62)	(6)
Total deferred tax	47	(518)	71	(520)
Total tax charge	359	527	354	380

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Profit before tax	1,728	2,642	1,702	1,906
Tax calculated at a tax rate of 20%	346	528	340	381
Tax effect of:				
Income not subject to tax	(2)	(2)	(2)	(2)
Expenses not deductible for tax purpose	2	(3)	2	(3)
Other adjustments	13	4	14	4
Total tax charge	359	527	354	380
The weighted average applicable tax rate (%)	20.79	19.9	20.80	19.9

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	<b>Consolidated</b>					
	<b>For the six-month period ended 30 June 2023</b>			<b>For the six-month period ended 30 June 2022</b>		
	<b>Before tax</b>	<b>Tax credit</b>	<b>After tax</b>	<b>Before tax</b>	<b>Tax (charge) credit</b>	<b>After tax</b>
	<b>Million Baht</b>	<b>(charge) Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Fair value (losses) gains:						
Investments in debt instruments	(166)	33	(133)	(1,316)	379	(937)
Investments in equity instruments	(5)	-	(5)	(6)	-	(6)
Cash flow hedges	141	(28)	113	16	(3)	13
Financial liabilities designated at fair value relating to own credit risk	25	123	148	-	-	-
Other comprehensive (expenses) income	(5)	128	123	(1,306)	376	(930)
Current tax		312			1,045	
Deferred tax		47			(518)	
		359			527	

	Separate					
	For the six-month period ended 30 June 2023			For the six-month period ended 30 June 2022		
	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 (losses) gains:						
Investments in debt instruments	(166)	33	(133)	(1,316)	379	(937)
Investments in equity instruments	(5)	-	(5)	(6)	-	(6)
Cash flow hedges	141	(28)	113	16	(3)	13
Financial liabilities designated at fair value relating to own credit risk	25	123	148	-	-	-
Other comprehensive (expenses) income	(5)	128	123	(1,306)	376	(930)
Current tax		283			900	
Deferred tax		71			(520)	
		354			380	

In addition, deferred income tax for the six-month period ended 30 June 2023 is Baht 10 million (for the six-month period ended 30 June 2022 : Baht 10 million) 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.

#### 40 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 2023, Baht 62 million and Baht 56 million was contributed to the fund by the Group and the Bank (for the six-month period ended 30 June 2022 : Baht 63 million and Baht 54 million, respectively).

#### 41 Earnings per share

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2023	2022	2023	2022
<b>Basic earnings per share</b>				
From continuing operations attributable to the ordinary equity holders of the Bank (Million Baht)	1,369	2,116	1,348	1,526
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share (Million shares)	34,822	34,822	34,822	34,822
Total basic earnings per share attributable to the ordinary equity holders of the Bank (Baht per share)	0.04	0.06	0.04	0.04

There are no potential dilutive ordinary shares in issue for the six-month period ended 30 June 2023 and 2022.

## 42 Encumbrance of assets

### Assets used as collateral

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

	<b>Consolidated</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
Securities sold under repurchase	29,270	19,731
Utilities usage	6	6
Insurance broker business	2	2
<b>Total</b>	<b>29,278</b>	<b>19,739</b>

  

	<b>Separate</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
Securities sold under repurchase	29,270	19,731
Utilities usage	6	6
<b>Total</b>	<b>29,276</b>	<b>19,737</b>

#### 43 Commitments and contingent liabilities

##### 43.1 Commitments

As at 30 June 2023 and 31 December 2022, significant commitments of the Bank consist of:

	Consolidated					
	30 June 2023			31 December 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Avals to bills and guarantees of loans:</b>						
Avals to bills and guarantees of loans	250	39	289	250	-	250
<b>Liability under unmatured import bills:</b>						
Liability under unmatured import bills	-	221	221	-	208	208
<b>Letters of credit:</b>						
Letters of credit	-	770	770	-	417	417
<b>Other commitments:</b>						
Forward and spot contracts						
- Bought	-	931,043	931,043	-	941,951	941,951
- Sold	-	878,531	878,531	-	859,513	859,513
Cross currency and interest rate swap contract						
- Bought	-	359,328	359,328	-	295,639	295,639
- Sold	-	302,857	302,857	-	278,980	278,980
Interest rate swap contracts						
- Fixed rate receiver	1,236,498	616,504	1,853,002	963,168	412,198	1,375,366
- Floating rate receiver	1,355,589	716,336	2,071,925	1,062,060	577,881	1,639,941
Interest rate option						
- Bought	1,300	-	1,300	800	-	800
Foreign exchange option						
- Put option purchase contracts	-	1	1	-	-	-
- Put option sales contracts	-	71	71	-	-	-
- Call option purchase contracts	-	142	142	-	-	-
- Call option sales contracts	-	250	250	-	270	270
Commodity derivatives						
- Bought	-	160	160	-	-	-
- Sold	-	160	160	-	-	-
Credit derivatives						
- Bought	1,800	3,879	5,679	1,800	3,767	5,567
- Sold	1,800	3,879	5,679	1,800	3,767	5,567
Fund Option						
- Bought	-	449	449	-	884	884
- Sold	-	449	449	-	884	884
Equity option						
- Bought	170	378	548	170	367	537
- Sold	170	378	548	170	367	537
Bond forward						
- Sold	23,166	-	23,166	21,868	-	21,868
Undrawn bank overdrafts	11,004	-	11,004	11,973	-	11,973
Undrawn credit line	15,633	308	15,941	13,351	565	13,916
Other guarantees	7,159	140	7,299	6,861	147	7,008
Other commitments	2,654,289	3,815,243	6,469,532	2,084,021	3,377,180	5,461,201
Total commitments	2,654,539	3,816,273	6,470,812	2,084,271	3,377,805	5,462,076

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	Separate					
	30 June 2023			31 December 2022		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Avals to bills and guarantees of loans:</b>						
Avals to bills and guarantees of loans	250	39	289	250	-	250
<b>Liability under unmatured import bills:</b>						
Liability under unmatured import bills	-	221	221	-	208	208
<b>Letters of credit:</b>						
Letters of credit	-	770	770	-	417	417
<b>Other commitments:</b>						
Forward and spot contracts						
- Bought	-	931,043	931,043	-	941,951	941,951
- Sold	-	878,531	878,531	-	859,513	859,513
Cross currency and interest rate swap contract						
- Bought	-	359,328	359,328	-	295,639	295,639
- Sold	-	302,857	302,857	-	278,980	278,980
Interest rate swap contracts						
- Fixed rate receiver	1,236,498	616,504	1,853,002	963,168	412,198	1,375,366
- Floating rate receiver	1,355,589	716,336	2,071,925	1,062,060	577,881	1,639,941
Interest rate option						
- Bought	1,300	-	1,300	800	-	800
Foreign exchange option						
- Put option purchase contracts	-	1	1	-	-	-
- Put option sales contracts	-	71	71	-	-	-
- Call option purchase contracts	-	142	142	-	-	-
- Put option purchase contracts	-	250	250	-	270	270
Commodity derivatives						
- Bought	-	160	160	-	-	-
- Sold	-	160	160	-	-	-
Credit derivatives						
- Bought	1,800	3,879	5,679	1,800	3,767	5,567
- Sold	1,800	3,879	5,679	1,800	3,767	5,567
Fund Option						
- Bought	-	449	449	-	884	884
- Sold	-	449	449	-	884	884
Equity option						
- Bought	170	378	548	170	367	537
- Sold	170	378	548	170	367	537
Bond forward						
- Sold	23,166	-	23,166	21,868	-	21,868
Undrawn bank overdrafts	11,004	-	11,004	11,973	-	11,973
Undrawn credit line	21,863	308	22,171	23,356	565	23,921
Other guarantees	7,159	140	7,299	6,861	147	7,008
Other commitments	2,660,519	3,815,243	6,475,762	2,094,026	3,377,180	5,471,206
Total commitments	2,660,769	3,816,273	6,477,042	2,094,276	3,377,805	5,472,081

#### 43.2 Contingent liabilities

As at 30 June 2023, the Group and the Bank had contingent liabilities in connection with court cases in which they were being sued as defendants in court with the sum of claims amounting to Baht 194 million and Baht 185 million, respectively (31 December 2022: Baht 230 million and Baht 221 million, respectively) in the ordinary course of business. Management of the Group and the Bank has appropriately recorded the provision for possible losses and of the view that, when resolved, will not materially affect the Group and the Bank.

#### 43.3 Commitments under long-term leases

As at 30 June 2023 and 31 December 2022, the Group has commitments under long-term leases as follows:

Lease periods	Consolidated		Separate	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	Million Baht	Million Baht	Million Baht	Million Baht
Not over than 3 years	81	83	60	57
Total	81	83	60	57



#### 43.4 Other commitments

As at 30 June 2023 and 31 December 2022, the Group and the Bank has other commitments in the form of various agreements relating to computer system and software development. The Group and the Bank is obligated to pay Baht 49 million and Baht 44 million, respectively.

#### 44 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/ year, 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.

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Subsidiaries</b>				
Revenue:				
Interest income	-	-	198	149
Fees income	-	-	54	22
Expenses:				
Premises and equipment expenses	-	-	(3)	-
<b>Parent company</b>				
Revenue:				
Interest income	14	1	14	1
Fees income	31	2	31	2
Expenses:				
Interest expenses	90	98	90	98
Fees expenses	45	44	45	44
Other expenses	4	4	4	4
Dividend payment	380	330	380	330
<b>Companies under common control</b>				
Revenue:				
Interest income	-	1	-	1
Fees income	3	2	3	2
Expenses:				
Interest expenses	1	1	1	1
Fees expenses	4	1	4	1
<b>Joint venture of the group parent company</b>				
Revenue:				
Fees income	45	69	45	69
Expenses:				
Interest expenses	2	1	2	1
Other expenses	(2)	(2)	(2)	(2)

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	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Subsidiaries</b>				
Revenue:				
Interest income	-	-	383	299
Fees income	-	-	100	45
Expenses:				
Premises and equipment expenses	-	-	(5)	-
<b>Parent company</b>				
Revenue:				
Interest income	83	1	83	1
Fees income	84	2	84	2
Expenses:				
Interest expenses	185	195	185	195
Fees expenses	66	80	66	80
Other expenses	8	6	8	6
Dividend payment	380	330	380	330
<b>Companies under common control</b>				
Revenue:				
Interest income	-	1	-	1
Fees income	6	5	6	5
Expenses:				
Interest expenses	1	1	1	1
Fees expenses	5	2	5	2
<b>Joint venture of the group parent company</b>				
Revenue:				
Fees income	80	136	80	136
Expenses:				
Interest expenses	2	1	2	1
Other expenses	(5)	(5)	(5)	(5)

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As at 30 June 2023 and 31 December 2022, the outstanding balances of significant related party transactions are as follows:

<b>Consolidated</b>								
<b>30 June 2023</b>								
	<b>Outstanding loans</b>	<b>Interbank and money market items (asset)</b>	<b>Obligations</b>	<b>Other assets</b>	<b>Deposits</b>	<b>Interbank and money market items (liability)</b>	<b>Borrowings</b>	<b>Other liabilities</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Parent company</b>								
CIMB Bank Berhad	-	229	3	4,117	-	8,841	-	258
	-	229	3	4,117	-	8,841	-	258
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	202	-	-	-	83	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	2	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	1	-	-	-	31
PT Bank CIMB Niaga Tbk	-	5	-	-	-	8	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	3	1,007	-	-	2
	-	207	-	4	1,007	93	-	33
<b>Joint venture of the group parent company</b>								
CGS-CIMB Securities(Thailand) Co., Ltd.	-	-	-	-	-	425	-	-
Principal Asset Management Co., Ltd	-	-	-	12	-	738	-	2
	-	-	-	12	-	1,163	-	2
<b>Other related persons or parties</b>	30	-	-	-	236	500	-	3
	30	-	-	-	236	500	-	3
<b>Consolidated</b>								
<b>31 December 2022</b>								
	<b>Outstanding loans</b>	<b>Interbank and money market items (asset)</b>	<b>Obligations</b>	<b>Other assets</b>	<b>Deposits</b>	<b>Interbank and money market items (liability)</b>	<b>Borrowings</b>	<b>Other liabilities</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Parent company</b>								
CIMB Bank Berhad	-	5,077	3	2,539	-	9,225	-	663
	-	5,077	3	2,539	-	9,225	-	663
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	189	-	-	-	65	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	1	-	-
CIMB Niaga	-	-	-	7	-	-	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	66
PT Bank CIMB Niaga Tbk	-	3	-	-	-	13	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	975	-	-	4
	-	192	-	8	975	79	-	70
<b>Joint venture of the group parent company</b>								
CGS-CIMB Securities(Thailand) Co., Ltd.	-	-	-	33	-	199	-	-
Principal Asset Management Co., Ltd	-	-	-	10	-	789	-	2
	-	-	-	43	-	988	-	2
<b>Other related persons or parties</b>	28	-	591	-	1,471	300	-	2
	28	-	591	-	1,471	300	-	2

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		Separate						
		30 June 2023						
	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
<b><u>Subsidiary companies</u></b>								
CIMB Thai Auto Co., Ltd.	29,152	-	-	51	242	-	-	-
Worldlease Co., Ltd.	-	-	-	55	206	-	-	-
	29,152	-	-	106	448	-	-	-
<b><u>Parent company</u></b>								
CIMB Bank Berhad	-	229	3	4,117	-	8,841	-	258
	-	229	3	4,117	-	8,841	-	258
<b><u>Companies under common control</u></b>								
CIMB Bank Plc, Cambodia	-	202	-	-	-	83	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	2	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	1	-	-	-	31
PT Bank CIMB Niaga Tbk	-	5	-	-	-	8	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	3	1,007	-	-	2
	-	207	-	4	1,007	93	-	33
<b><u>Joint venture of the group parent company</u></b>								
CGS-CIMB Securities(Thailand) Co., Ltd.	-	-	-	-	-	425	-	-
Principal Asset Management Co., Ltd	-	-	-	12	-	738	-	2
	-	-	-	12	-	1,163	-	2
<b><u>Other related persons or parties</u></b>								
	30	-	-	-	236	500	-	3
	30	-	-	-	236	500	-	3

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		Separate						
		31 December 2022						
	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
<b>Subsidiary companies</b>								
CIMB Thai Auto Co., Ltd.	27,554	-	-	37	202	-	-	-
Worldlease Co., Ltd.	40	-	-	42	537	-	-	-
	27,594	-	-	79	739	-	-	-
<b>Parent company</b>								
CIMB Bank Berhad	-	5,077	3	2,539	-	9,225	-	663
	-	5,077	3	2,539	-	9,225	-	663
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	189	-	-	-	65	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	1	-	-
CIMB Niaga	-	-	-	7	-	-	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	66
PT Bank CIMB Niaga Tbk	-	3	-	-	-	13	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	975	-	-	4
	-	192	-	8	975	79	-	70
<b>Joint venture of the group parent company</b>								
CGS-CIMB Securities(Thailand) Co., Ltd.	-	-	-	33	-	199	-	-
Principal Asset Management Co., Ltd	-	-	-	10	-	789	-	2
	-	-	-	43	-	988	-	2
<b>Other related persons or parties</b>	28	-	591	-	1,471	300	-	2
	28	-	591	-	1,471	300	-	2

As at 30 June 2023 and 31 December 2022, the Bank has commitments in financial derivatives with related parties as follows:

		Consolidated and Separate		
		30 June 2023		
		Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Parent company</b>				
Interest rate swap contracts				
- Fixed rate receiver		5,490	961	6,451
- Floating rate receiver		6,185	3,303	9,488
Forward and spot contracts				
- Bought		-	6,454	6,454
- Sold		-	203	203
Cross currency and interest rate swap contracts				
- Bought		-	12,372	12,372
Credit derivatives				
- Sold		1,800	3,879	5,679
Commodity derivatives				
- Bought		-	160	160
<b>Joint venture of the group parent company</b>				
Forward and spot contracts				
- Bought		-	2	2
- Sold		-	3	3
Equity option				
- Bought		170	-	170

	<b>Consolidated and Separate</b>		
	<b>31 December 2022</b>		
	<b>Domestic</b>	<b>Foreign</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b><u>Parent company</u></b>			
Interest rate swap contracts			
- Fixed rate receiver	6,750	933	7,683
- Floating rate receiver	6,540	3,553	10,093
Forward and spot contracts			
- Bought	-	5,932	5,932
- Sold	-	661	661
Cross currency and interest rate swap contracts			
- Bought	-	12,529	12,529
Credit derivatives			
- Sold	1,800	3,767	5,567
<b><u>Joint venture of the group parent company</u></b>			
Forward and spot contracts			
- Sold	-	3	3
Equity option			
- Bought	170	-	170

#### **Directors and key management compensations**

For the six-month period ended 30 June 2023 and 2022, compensations paid to directors and key management personnel are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Short-term employee benefits	424	316	410	299
Long-term employee benefits	11	10	11	10
Share-based payments	23	26	23	26
Director and management remuneration	458	352	444	335

**The details of share based payment are as follows:**

	<b>Consolidated and Separate</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<b>thousand units</b>	<b>thousand units</b>
<b><u>Long Term Incentive Plan (LTIP)</u></b>		
Shares of CIMB Group Holdings Berhad	-	151
Share options of CIMB Group Holdings Berhad	-	697
<b><u>Equity Ownership Plan (EOP)</u></b>		
Shares of CIMB Group Holdings Berhad	326	217

#### **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.

#### **45 Financial information by segment**

Financial information related to the Group's performance is reviewed regularly by the Group's management. The segmentation is summarised as follows:

##### 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.

For financial information related to the Group's financial position which is reviewed regularly by the Group's management. The segmentation is summarised as follows:

##### Bank business

The Bank business is the banking operations of CIMB Thai Bank Public Company Limited.

##### Hire-purchase business

The hire-purchase business consists of two subsidiaries, CIMB Thai Auto Company Limited and Worldlease Company Limited, which operate leasing/hire-purchase of automobile business and hire-purchase of motorcycles and motorcycle trading business, respectively.

##### Others

Others include CT Coll Company Limited which operates debt collection business. The company is registered the completeness of liquidation with the Ministry of Commerce on 29 September 2022.

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Financial information presented in the consolidated financial statements as at 30 June 2023 and 2022 are as follows:

<b>Consolidated</b>					
<b>For the six-month period ended 30 June 2023</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Elimina- tions Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	3,192	1,044	643	-	4,879
Net fees and service income (expense)	413	267	(14)	-	666
Other operating income	1,141	710	(140)	(100)	1,611
Other operating expenses	(3,149)	(918)	(84)	100	(4,051)
Expected credit losses	(1,384)	(15)	20	2	(1,377)
Income tax expenses	(44)	(226)	(89)	-	(359)
<b>Net profit for the period</b>	<b>169</b>	<b>862</b>	<b>336</b>	<b>2</b>	<b>1,369</b>

  

<b>Consolidated</b>					
<b>For the six-month period ended 30 June 2022</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Elimina- tions Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	3,259	1,022	384	-	4,665
Net fees and service income (expense)	734	133	(18)	-	849
Other operating income	965	448	224	(45)	1,592
Other operating expenses	(2,741)	(827)	(231)	45	(3,754)
Expected credit losses	(1,105)	70	318	8	(709)
Income tax expenses	(222)	(168)	(137)	-	(527)
<b>Net profit for the period</b>	<b>890</b>	<b>678</b>	<b>540</b>	<b>8</b>	<b>2,116</b>



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	<b>Bank business</b>		<b>Hire-purchase business</b>		<b>Other businesses</b>		<b>Eliminations</b>		<b>Consolidated</b>	
	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>	<b>30 June 2023 Million Baht</b>	<b>31 December 2022 Million Baht</b>
Total assets	491,147	491,729	36,896	35,294	-	-	(32,530)	(31,238)	495,513	495,785
Interbank and money market Items, net (assets)	15,607	20,411	782	1,044	-	-	(448)	(740)	15,941	20,715
Financial assets measured at fair value through profit or loss	28,417	22,363	-	-	-	-	-	-	28,417	22,363
Investments, net	88,559	105,074	201	2	-	-	-	-	88,760	105,076
Loans and accrued interest receivables, net	234,121	226,408	34,350	32,929	-	-	(29,051)	(27,497)	239,420	231,840
Deposits	235,657	237,434	-	-	-	-	(447)	(740)	235,210	236,694
Interbank and money market Items (liabilities)	55,659	46,907	29,150	27,590	-	-	(29,150)	(27,590)	55,659	46,907
Financial liabilities measured at fair value through profit or loss	19,732	21,161	-	-	-	-	-	-	19,732	21,161
Debt issued and borrowings	22,580	20,820	-	-	-	-	-	-	22,580	20,820

## 46 Fair value

### 46.1 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: The fair value of financial instruments is based on the current bid price/ closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

The following table presents the assets and liabilities that are measured at fair value at 30 June 2023 and 31 December 2022.

<b>Consolidated and Separate</b>				
<b>30 June 2023</b>				
	<b>Level 1 Million Baht</b>	<b>Level 2 Million Baht</b>	<b>Level 3 Million Baht</b>	<b>Total Million Baht</b>
<b>Assets</b>				
Financial assets measured at fair value through profit or loss	-	28,417	-	28,417
Investments in debt instruments measured at fair value through other comprehensive income	-	51,120	-	51,120
Investments in equity instruments designated at fair value through other comprehensive income	14	-	33	47
Derivative assets	-	82,305	-	82,305
<b>Total assets</b>	<b>14</b>	<b>161,842</b>	<b>33</b>	<b>161,889</b>
<b>Liabilities</b>				
Financial liabilities measured at fair value through profit or loss	-	19,732	-	19,732
Derivatives liabilities	-	82,231	-	82,231
<b>Total liabilities</b>	<b>-</b>	<b>101,963</b>	<b>-</b>	<b>101,963</b>

<b>Consolidated and Separate</b>				
<b>31 December 2022</b>				
	<b>Level 1 Million Baht</b>	<b>Level 2 Million Baht</b>	<b>Level 3 Million Baht</b>	<b>Total Million Baht</b>
<b>Assets</b>				
Financial assets measured at fair value through profit or loss	-	22,363	-	22,363
Investments in debt instruments measured at fair value through other comprehensive income	-	68,724	-	68,724
Investments in equity instruments designated at fair value through other comprehensive income	14	-	37	51
Derivative assets	-	80,284	-	80,284
<b>Total assets</b>	<b>14</b>	<b>171,371</b>	<b>37</b>	<b>171,422</b>
<b>Liabilities</b>				
Financial liabilities measured at fair value through profit or loss	-	21,161	-	21,161
Derivatives liabilities	-	76,847	-	76,847
<b>Total liabilities</b>	<b>-</b>	<b>98,008</b>	<b>-</b>	<b>98,008</b>

The following table presents the financial assets and liabilities that are not measured at fair value which have fair value at 30 June 2023 and 31 December 2022:

<b>Consolidated</b>				
<b>30 June 2023</b>				
	<b>Level 1 Million Baht</b>	<b>Level 2 Million Baht</b>	<b>Level 3 Million Baht</b>	<b>Total Million Baht</b>
<b>Assets</b>				
Cash	877	-	-	877
Interbank and money market items, net	8,327	7,614	-	15,941
Investments in debt instruments measured at amortized cost	-	37,452	-	37,452
Loans to customers and accrued interest receivables, net	-	237,887	-	237,887
Credit support assets on derivatives	-	21,451	-	21,451
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	8,853	-	8,853
Other assets	-	1,009	-	1,009
<b>Total assets</b>	<b>9,204</b>	<b>314,266</b>	<b>-</b>	<b>323,470</b>
<b>Liabilities</b>				
Deposits	-	235,343	-	235,343
Interbank and money market items	-	55,659	-	55,659
Liability payable on demand	-	442	-	442
Debt issued and borrowings	-	22,505	-	22,505
Lease liabilities	-	173	-	173
Credit support liabilities on derivatives	-	20,199	-	20,199
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	6,419	-	6,419
<b>Total liabilities</b>	<b>-</b>	<b>340,740</b>	<b>-</b>	<b>340,740</b>

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	<b>Consolidated</b>			
	<b>31 December 2022</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	920	-	-	920
Interbank and money market items, net	14,572	6,143	-	20,715
Investments in debt instruments measured at amortized cost	-	36,507	-	36,507
Loans to customers and accrued interest receivables, net	-	230,244	-	230,244
Credit support assets on derivatives	-	16,241	-	16,241
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	9,040	-	9,040
Other assets	-	836	-	836
<b>Total assets</b>	<b>15,492</b>	<b>299,011</b>	<b>-</b>	<b>314,503</b>
<b>Liabilities</b>				
Deposits	-	236,963	-	236,963
Interbank and money market items	-	46,907	-	46,907
Liability payable on demand	-	172	-	172
Debt issued and borrowings	-	20,613	-	20,613
Lease liabilities	-	191	-	191
Credit support liabilities on derivatives	-	29,708	-	29,708
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	10,567	-	10,567
<b>Total liabilities</b>	<b>-</b>	<b>345,121</b>	<b>-</b>	<b>345,121</b>

	<b>Separate</b>			
	<b>30 June 2023</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	877	-	-	877
Interbank and money market items, net	7,992	7,614	-	15,606
Investments in debt instruments measured at amortized cost	-	37,250	-	37,250
Loans to customers and accrued interest receivables, net	-	232,727	-	232,727
Credit support assets on derivatives	-	21,451	-	21,451
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	8,853	-	8,853
Other assets	-	751	-	751
<b>Total assets</b>	<b>8,869</b>	<b>308,646</b>	<b>-</b>	<b>317,515</b>
<b>Liabilities</b>				
Deposits	-	235,790	-	235,790
Interbank and money market items	-	55,659	-	55,659
Liability payable on demand	-	442	-	442
Debt issued and borrowings	-	22,505	-	22,505
Lease liabilities	-	129	-	129
Credit support liabilities on derivatives	-	20,199	-	20,199
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	6,419	-	6,419
<b>Total liabilities</b>	<b>-</b>	<b>341,143</b>	<b>-</b>	<b>341,143</b>

	<b>Separate</b>			
	<b>31 December 2022</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	920	-	-	920
Interbank and money market items, net	14,268	6,143	-	20,411
Investments in debt instruments measured at amortized cost	-	36,505	-	36,505
Loans to customers and accrued interest receivables, net	-	225,115	-	225,115
Credit support assets on derivatives	-	16,241	-	16,241
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	9,040	-	9,040
Other assets	-	747	-	747
<b>Total assets</b>	<b>15,188</b>	<b>293,791</b>	<b>-</b>	<b>308,979</b>
<b>Liabilities</b>				
Deposits	-	237,703	-	237,703
Interbank and money market items	-	46,907	-	46,907
Liability payable on demand	-	172	-	172
Debt issued and borrowings	-	20,613	-	20,613
Lease liabilities	-	146	-	146
Credit support liabilities on derivatives	-	29,708	-	29,708
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	10,567	-	10,567
<b>Total liabilities</b>	<b>-</b>	<b>345,816</b>	<b>-</b>	<b>345,816</b>

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 in debt instruments measured at amortized cost**

The determination of fair value for investments in debt instruments measured at amortized cost 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, accounts receivable from sell of financial assets measured at fair value through profit or loss and investments, 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.

**Lease liabilities**

The carrying amounts of lease liabilities presented in the statement of financial position approximate fair values.

**Other liabilities**

Other liabilities - Credit support liabilities on derivatives, accounts payable from purchase of financial assets measured at fair value through profit or loss and investments, the fair value presented in the statement of financial position approximate fair values.

#### 46.2 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.

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

	<b>Consolidated and Separate Investments in equity instruments designated at fair value through other comprehensive income</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Opening balance	37	48
Losses recognised in other comprehensive income	(4)	(11)
Closing balance	33	37

The Group measures a Level 3 investment in equity instruments at fair value by using comparable company analysis techniques of companies registered in the Stock Exchange of Thailand that the Group considered its financial position comparable with the equity instruments.

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

	<b>Fair Value</b>			<b>Range of Inputs</b>	
	<b>30 June 2023</b>	<b>31 December 2022</b>		<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Unobservable inputs</b>	<b>Million Baht</b>	<b>Million Baht</b>
Investments in equity instruments designated at fair value through other comprehensive income	33	37	Net Asset Value	0.00 - 24	0.00 - 24

The following table presents the relationship of unobservable inputs and fair value

		<b>Change in fair value</b>			
		<b>30 June 2023</b>		<b>31 December 2022</b>	
<b>Unobservable inputs</b>	<b>Movement</b>	<b>Increase in assumptions</b>	<b>Decrease in assumptions</b>	<b>Increase in assumptions</b>	<b>Decrease in assumptions</b>
Investments in equity instruments designated at fair value through other comprehensive income	Net Asset Value	0.50%	Increase by 0.50%	Decrease by 0.50%	Increase by 0.50%