

Basel III - Pillar 3 and
Liquidity coverage ratio (LCR) disclosures
As of June 30, 2024

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Part 1: Disclosure of capital adequacy information (Pillar 3 Disclosures)

1. Introduction

Basel Capital Accord in accordance with Basel Framework consists of three pillars:

■ Pillar 1: Minimum Capital Requirement

Pillar 1 defines the minimum levels of capital that commercial banks need to provide for credit, market, and operational risks.

■ Pillar 2: Supervisory Review Process

Pillar 2 requires commercial banks to have sound risk management and processes for assessing overall capital adequacy to cover material risks including risks not captured under Pillar 1.

■ Pillar 3: Market Discipline

Pillar 3 aims to encourage market discipline as commercial banks are required to disclose information on capital adequacy and risk exposures so that market participants can assess and use such information in assessing the risk profile of the commercial banks.

To meet Pillar 3 requirements, Bank of Thailand (BOT) requires commercial banks to disclose a set of specified information relating to capital adequacy, risk management process, key information on risk exposures that reflects the risk profile of the commercial banks to the market participants in form of Pillar 3 report half-yearly and yearly as at 30 June and 31 December within 4 months from the end of each period.

2. Scope of application

This Pillar 3 disclosure report is required by BOT's notification to be disclosed at both Bank (Solo Basis) and Financial Group level (Full Consolidation Basis). For CIMB Thai Financial Group as at 30 June 2024, it consists of the following entities:

1. CIMB Thai Bank Public Company Limited engaged in commercial banking (the parent company)
2. CIMB Thai Auto Co.,Ltd. engaged in leasing/hire-purchase of automobiles
3. World Lease Co.,Ltd. engaged in hire-purchase of motorcycles

3. Key prudential metrics

Bank of Thailand (“BOT”) announced the BOT’s Notification No. SorNorSor. 14/2562 Re: Capital Disclosure Requirements for Commercial Banks (Second Edition) and SorNorSor.15/2562 Re: Disclosure Requirement on Capital Adequacy for a Financial Group (Second Edition), which will come to effect for accounting periods beginning on and from 1 January 2020, requiring commercial banks to disclosure quantitative of key prudential metrics in respect of both capital and liquidity - for capital, commercial banks shall disclose information on capital that reflects the entire impact due to an increase in provisions according to TFRS 9; this framework is based on the BCBS’s Pillar 3 disclosure requirements consolidated and enhanced framework (March 2017).

Table 1 Disclosure of quantitative data for key risk indicators

Items		Consolidated		Bank-Only	
		Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023
Available capital (Unit: Million Baht)					
1	Common Equity Tier 1 capital (CET 1)	44,207	44,155	41,735	40,951
1a	Fully loaded ECL ^{1/} accounting model CET 1	44,207	44,155	41,735	40,951
2	Tier 1 capital (Tier 1)	44,207	44,155	41,735	40,951
2a	Fully loaded ECL accounting model Tier 1	44,207	44,155	41,735	40,951
3	Total capital funds	59,336	59,158	56,957	56,040
3a	Fully loaded ECL accounting model total capital	59,336	59,158	56,957	56,040
Risk-weighted assets (Unit: Million Baht)					
4	Total risk-weighted assets (RWA)	285,339	268,990	285,634	268,443
Risk-based capital ratios as a percentage of RWA (%)					
5	Common Equity Tier 1 ratio (CET 1 ratio)	15.49%	16.42%	14.61%	15.25%
5a	Fully loaded ECL accounting model CET 1 ratio	15.49%	16.42%	14.61%	15.25%
6	Tier 1 ratio	15.49%	16.42%	14.61%	15.25%
6a	Fully loaded ECL accounting model Tier 1 ratio	15.49%	16.42%	14.61%	15.25%
7	Total capital ratio	20.79%	21.99%	19.94%	20.88%
7a	Fully loaded ECL accounting model total capital ratio	20.79%	21.99%	19.94%	20.88%

Items		Consolidated		Bank-Only	
		Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023
Capital buffer ratios as a percentage of RWA (%)					
8	Conservation buffer ratio	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer ratio	-	-	-	-
10	Higher loss absorbency ratio	-	-	-	-
11	Total capital buffer ratio (the sum of Item 8 to Item 10)	2.50%	2.50%	2.50%	2.50%
12	Common Equity Tier 1 ratio available after meeting the bank's minimum capital requirements ^{2/}	9.49%	10.42%	8.61%	9.25%
Liquidity Coverage Ratio (LCR) ^{3/}					
13	Total high-quality liquid assets (Total HQLA) (Unit: Million Baht)	-	-	112,666	106,107
14	Total net cash outflows within 30 Days (Unit: Million Baht)	-	-	75,941	66,016
15	LCR ratio (%) ^{4/}	-	-	149%	161%
	BOT's LCR minimum requirement (%)			100%	100%

^{1/} Expected credit losses (ECL) according to the Thai Financial Reporting Standard No.9 - Financial Instruments (TFRS 9).

^{2/} Common Equity Tier 1 ratio available after meeting the bank's minimum capital requirements: it may not necessarily be the difference between CET 1 ratio (item 5) and the minimum CET 1 ratio requirement of 4.5% because CET 1 ratio may be used to meet the bank's minimum Tier 1 ratio requirement of 6% and/or the minimum total capital ratio requirement of 8.5%.

^{3/} To comply with BOT's notification No.SorNorSor.2/2561 dated January 25, 2018 the Bank disclosure Liquidity Coverage Ratio (LCR) on the Bank's website.

<https://www.cimbthai.com/en/investor-relations/financial-information/pillar-three-disclosures.html>

^{4/} LCR ratio is computed as an average ratio of month-end LCR in the quarter. This may not be equal to an LCR computed with the average values of total high-quality liquid assets (Total HQLA) and Total Net Cash Outflow.

4. Capital

4.1 Capital Structure

As at 30 June 2024, CIMB Thai Financial Group's total capital fund under Basel III was THB 59,336 million consisting of Common Equity Tier 1 (CET 1) capital of THB 44,207 million, Tier 1 capital of THB 44,207 million, and Tier 2 capital of THB 15,129 million. For Bank level, consisting of Common Equity Tier 1 capital of THB 41,735 million, Tier 1 capital of THB 41,735 million, and Tier 2 capital of THB 15,222 million and Totaling THB 56,957 million of total capital fund.

The capital components of the Bank and Financial Group comprise of:

Common Equity Tier 1 capital

- Issued and paid-up share capital
- Premium on share capital
- Statutory reserve
- Retained earnings after appropriations
- Accumulated other comprehensive income
 - Revaluation surplus on Land Building and Condominium Appraisal
 - Revaluation surplus (deficit) on change in value of investments
 - Difference from the translation of financial statements
 - Cash flow hedge reserves
 - Gains on financial liabilities designated at fair value relating to own credit risk
- Deducted from CET 1 capital
 - Deferred tax assets
 - Intangible assets
 - Impact on revision of employee benefits based on actuarial calculation

Tier 2 capital

- General provisions mean Expected credit loss for financial assets with an insignificant increase in credit risk (performing) and for financial assets with a significant increase in credit risk (under-performing), not exceeding 1.25% of credit risk-weighted assets.
- The Bank issued MYR 550 million of subordinated debentures pursuant to Tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as Tier 2 capital according to the correspondence For Kor Kor. 527/2562.
- The Bank issued MYR 660 million of subordinated debentures pursuant to Tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as Tier 2 capital according to the correspondence For Nor Sor1. 81/2564.
- The Bank issued MYR 415 million of subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors. The debenture has qualifying capital instruments under Basel III, which could be fully counted as capital. The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier 2 capital according to the correspondence e-mail sent on 19 April 2023.

Table 2 Capital Structure

Unit: Million Baht

As at	Consolidated		Bank-Only	
	Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023
1. Tier 1 Capital	44,207	44,155	41,735	40,951
1.1 Common Equity Tier 1 capital	44,207	44,155	41,735	40,951
1.1.1 Paid-up share capital (ordinary shares)	17,411	17,411	17,411	17,411
1.1.2 Premium on share capital	10,146	10,146	10,146	10,146
1.1.3 Statutory Reserve	832	792	832	792
1.1.4 Net profit after appropriation	17,869	17,673	14,438	13,669
1.1.5 Other Comprehensive Income	1,065	694	1,067	696
1.1.5.1 Accumulated Other Comprehensive Income	1,108	737	1,067	696
1.1.5.2 Other owner changes items	(43)	(43)	-	-
1.1.6 Any adjustments that are not allowed to have impacts on capital	(48)	355	(48)	355
1.1.6.1 Cash flow hedge reserves	(155)	(93)	(155)	(93)
1.1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	107	448	107	448
1.1.7 Items to be deducted from CET 1	(3,068)	(2,916)	(2,111)	(2,118)
1.1.7.1 Remeasurements of post-employment benefit obligations	(41)	(41)	(34)	(34)
1.1.7.2 Intangible assets	(975)	(959)	(952)	(937)
1.1.7.3 Deferred tax asset	(2,052)	(1,916)	(1,125)	(1,147)
1.2 Additional Tier 1 capital	-	-	-	-
2. Tier 2 capital	15,129	15,003	15,222	15,089
1. Qualifying Tier 2 capital instruments	12,462	12,462	12,462	12,462
2. General provisions*	2,667	2,541	2,760	2,627
3. Total capital funds	59,336	59,158	56,957	56,040

4.2 Capital Adequacy

Capital adequacy is critical for sound risk management and mitigation. This includes capital adequacy under both normal and stress (“extreme but plausible events”) conditions. Stress test results are used for capital management and to prescribe the action plans to ensure that the Bank will meet the minimum regulatory capital requirements. For the annual capital management plan, Internal Capital Targets shall be set above the minimum regulatory capital requirements and used as early warning indicators to monitor and ensure compliance with the regulatory capital requirements.

The Bank calculates capital charges for credit risk, market risk, and operational risk in accordance with BOT’s notification. The Bank obtained BOT’s approval to adopt the approaches for capital calculation as follows:-

Risk Type	Approach
1. Credit Risk	Standardised Approach (SA)
2. Market Risk	Standardised Approach (SA)
3. Operational Risk	Basic Indicator Approach (BIA)

Table 3 Minimum capital requirements classified by risk types

Unit: Million Baht

As at	Consolidated		Bank-Only	
	Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023
Credit Risk	18,138	17,280	18,772	17,866
1. Performing Assets	17,638	16,745	18,311	17,364
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) whose risk weight is comparable to that of sovereigns	-	-	-	-
1.2 Claims on financial institutions, and public sector entities (PSEs) whose risk weight is comparable to that of financial institutions and securities companies	2,014	1,666	2,009	1,660
1.3 Claims on corporate and public sector entities (PSEs) whose risk weight is comparable to that of corporate Entities	7,993	7,561	10,722	10,266
1.4 Claims on retail	3,581	3,590	1,342	1,321
1.5 Claims on residential mortgage exposures	3,437	3,286	3,437	3,286
1.6 Other assets	613	642	801	831
2. Non-Performing Assets	500	535	461	502
Market Risk	4,021	3,469	4,021	3,469
1. Interest rate risk	3,800	3,295	3,800	3,295
2. Equity price risk	-	-	-	-
3. Foreign exchange rate risk	221	174	221	174
4. Commodity price risk	-	-	-	-
Operational Risk	2,095	2,115	1,486	1,483
Total minimum capital requirement ^{1/}	24,254	22,864	24,279	22,818
Total minimum capital buffer ^{2/}	7,133	6,725	7,141	6,711
Total minimum capital requirement and capital buffer	31,387	29,589	31,420	29,529
Total Risk Weight Assets	285,339	268,990	285,634	268,443

^{1/} Minimum capital requirement are calculated based on the minimum regulatory requirement at 8.5%

^{2/} Minimum capital buffer under Basel III as accordance to BOT's Notification No. SorNorSor 12/2555 Re: the BOT required the Commercial Banks to increase capital conservation buffer of 2.5%.

As at 30 June 2024, the financial group's CET 1 ratio, Tier 1 ratio, and Total capital ratio were at 15.49%, 15.49% and 20.79%, respectively, while the Bank's ratio were at 14.61%, 14.61% and 19.94%, respectively. All ratios are higher than minimum capital requirement and capital buffer of Bank of Thailand.

Table 4 Total capital adequacy ratio

Unit: %

As at	Consolidated		Bank-Only		Minimum capital requirement ratio ^{1/}	Minimum capital requirement and capital buffer ratio ^{2/}
	Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023		
CET 1 capital to risk-weighted assets	15.49	16.42	14.61	15.25	4.50	7.00
Tier 1 capital to risk-weighted assets	15.49	16.42	14.61	15.25	6.00	8.50
Total capital to risk-weighted assets	20.79	21.99	19.94	20.88	8.50	11.00

1/ Minimum capital requirement ratio, according to the BOT's Notification No. SorNorSor 12/2555.

2/ Minimum capital requirement and capital buffer ratio as accordance to BOT's Notification No. SorNorSor 12/2555 Re: the BOT required the Commercial Banks to increase capital conservation buffer of 2.5%.

5. Composition of capital disclosure requirements under BCBS

Table 5 Disclosure information for main features of regulatory capital instruments

Subject		Details	Details	Details
1	Issuer	CIMB Thai Bank PCL.	CIMB Thai Bank PCL.	CIMB Thai Bank PCL.
2	Unique identifier	ISIN code: MYBPN1900082	ISIN code: MYBPN2100039	ISIN code: MYBPN2300068
<i>BOT's regulatory treatment</i>				
3	Instrument type (Common Equity Tier 1 / Additional Tier 1 / Tier 2 capital)	Tier 2 capital	Tier 2 capital	Tier 2 capital
4	Qualified in accordance with Basel III requirements	Yes	Yes	Yes
5	If not qualified in accordance with Basel III requirements (please specify)	-	-	-
6	Transitional phase out or fully countable	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity	Fully countable but gradual reduction on capital calculation and amortised reduction 20% in the last five years before maturity
7	Eligible at Bank only (Solo) / Group (Full consolidation) / Group & Bank only	Group & Bank only	Group & Bank only	Group & Bank only

Subject		Details	Details	Details
8	Amount recognized in regulatory capital (unit : Million Baht)	4,088 Million Baht	5,142 Million Baht	3,231 Million Baht
9	Par value of instrument – (unit : Malaysia Ringgit (MYR))	MYR100	MYR100	MYR100
10	Accounting classification	Liabilities - amortised cost	Liabilities - amortised cost	Liabilities - amortised cost
11	Original date of issuance	July 8, 2019	July 12, 2021	March 29, 2023
12	Perpetual or dated	Dated	Dated	Dated
13	Original maturity date	July 6, 2029	July 12, 2031	March 29, 2033
14	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval	Issuer call subject to prior supervisory approval

Subject		Details	Details	Details
15	Optional call date, contingent call dates and redemption amount	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date of the redemption rights is on July 8, 2024 / redeem amount of MYR 550 million.	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date the redemption rights is on July 12, 2026 / redeem amount of MYR 660 million.	subordinated debentures pursuant to tier 2 subordinated debenture programme to overseas investors / The debenture has a tenor of 10 years and the Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand / first date the redemption rights is on March 29, 2028 / redeem amount of MYR 415 million.
16	Subsequent call dates, if applicable	-	-	-
<i>Coupons / dividends</i>				
17	Fixed or floating dividend/coupon	Fixed rate	Fixed rate	Fixed rate
18	Coupon rate and any related index	4.15% per annum	3.90% per annum	4.70% per annum

Subject		Details	Details	Details
19	Existence of a dividend stopper	No dividend stopper	No dividend stopper	No dividend stopper
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No incentive to redeem	No incentive to redeem	No incentive to redeem
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger	-	-	-
25	If convertible, fully or partially	-	-	-
26	If convertible, conversion rate	-	-	-
27	If convertible, specify instrument type convertible into	-	-	-
28	If convertible, specify issuer of instrument it converts into	-	-	-
29	Write-down feature	Yes	Yes	Yes

Subject		Details	Details	Details
30	If write-down, write-down trigger(s)	Contractual write-down upon the occurrence of the following trigger events: <u>Trigger events for CIMB Thai</u> 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, <u>and</u> 2) The BOT and/or any other empowered government agency decide to grant financial	Contractual write-down upon the occurrence of the following trigger events: <u>Trigger events for CIMB Thai</u> 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, <u>and</u> 2) The BOT and/or any other empowered government agency decide to grant financial	Contractual write-down upon the occurrence of the following trigger events: <u>Trigger events for CIMB Thai</u> 1) the Bank cannot continue its business in any manner such as having insufficient assets to make repayment to its depositors and creditors, its capital funds having dropped to the extent that its depositors and creditors will be adversely affected, or not being able to increase capital by themselves, etc, <u>and</u> 2) The BOT and/or any other empowered government agency decide to grant financial

Subject		Details	Details	Details
		<p>assistance to the Bank such as in the form of capital injection</p> <p><u>Trigger events of CIMB Bank Berhad ("CIMB Bank"),</u></p> <p>whichever is earlier:</p> <p>1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; <u>or</u></p> <p>2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or</p>	<p>assistance to the Bank such as in the form of capital injection</p> <p><u>Trigger events of CIMB Bank Berhad ("CIMB Bank"),</u></p> <p>whichever is earlier:</p> <p>1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; <u>or</u></p> <p>2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or</p>	<p>assistance to the Bank such as in the form of capital injection</p> <p><u>Trigger events of CIMB Bank Berhad ("CIMB Bank"),</u></p> <p>whichever is earlier:</p> <p>1) Bank Negara Malaysia ("BNM") and the Malaysia Deposit Insurance Corporation ("PIDM") have notified CIMB Bank in writing that they are of the view that the principal write off of the Subordinated Debt is an essential requirement to prevent CIMB Bank from becoming non-viable; <u>or</u></p> <p>2) BNM and PIDM publicly announces that a decision has been made by BNM, PIDM or</p>

Subject		Details	Details	Details
		any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable	any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable	any other federal or state government in Malaysia, to provide a capital injection or equivalent support to CIMB Bank, without which CIMB Bank would cease to be viable
31	If write-down, full or partial	fully or partially	fully or partially	fully or partially
32	If write-down, permanent or temporary	Permanent	Permanent	Permanent
33	If temporary write-down, description of write-up mechanism	-	-	-
34	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated	Immediately senior to (1) All classes of equity securities of the Issuer, including holders of preference shares, if any; (2) Tier 1 Instruments; (3) such instruments which by their terms rank junior to the Subordinated

Subject		Details	Details	Details
		Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.	Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.	Debt, and will rank pari passu without any preference among themselves and with all other outstanding unsecured and subordinated debt issued by the Issuer that qualifies as Tier 2 capital, present and future.

Table 6 Disclosure of capital during a transitional period according to the Basel III guidelines

Unit: Million Baht					
Value of Capital, Inclusions, Adjustments and Deductions for the Period of	Consolidated		Bank-only		Net balance of items to be phased out from capital in the future ^{1/}
	Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023	
Tier 1 capital	44,207	44,155	41,735	40,951	
1. Common Equity Tier 1 capital (CET 1)	44,207	44,155	41,735	40,951	
1.1 Paid-up share capital (ordinary shares)	17,411	17,411	17,411	17,411	
1.2 Premium on share capital	10,146	10,146	10,146	10,146	
1.3 Statutory reserve	832	792	832	792	
1.4 Net profit after appropriation	17,869	17,673	14,438	13,669	
1.5 Other comprehensive income	1,065	694	1,067	696	
1.5.1 Revaluation surplus on assets	1,764	1,795	1,723	1,754	
1.5.2 Revaluation surplus (deficit) on change in value of investments	(704)	(703)	(704)	(703)	
1.5.3 Profit (loss) arising from translating the financial statement of a foreign operation	-	-	-	-	
1.5.4 Hedging reserve – cash flow hedge	155	93	187	93	
1.5.5 Financial liabilities at FVTPL reserve - own credit risk	(107)	(448)	(107)	(448)	
1.5.6 Other Comprehensive Income	(43)	(43)	-	-	
1.6 Any adjustments that are not allowed to have impacts on capital	(48)	355	(48)	355	
1.6.1 Cash flow hedge reserves	(155)	(93)	(155)	(93)	
1.6.2 Gains on financial liabilities designated at fair value relating to own credit risk	107	448	107	448	
1.7 Items to be deducted from CET 1	(3,068)	(2,916)	(2,111)	(2,118)	
1.7.1 Remeasurements of post-employment benefit obligations	(41)	(41)	(34)	(34)	
1.7.2 Intangible assets	(975)	(959)	(952)	(937)	
1.7.3 Deferred tax asset	(2,052)	(1,916)	(1,125)	(1,147)	

Value of Capital, Inclusions, Adjustments and Deductions for the Period of	Consolidated		Bank-only		Net balance of items to be phased out from capital in the future ^{1/}
	Jun 30, 2024	Dec 31, 2023	Jun 30, 2024	Dec 31, 2023	
2. Additional Tier 1 capital	-	-	-	-	
Tier 2 capital	15,129	15,003	15,222	15,089	
1. Qualifying Tier 2 capital instruments	12,462	12,462	12,462	12,462	
2. General provisions	2,667	2,541	2,760	2,627	
Total Capital	59,336	59,158	56,957	56,040	

^{1/} starting from 1 January 2018 onwards, no remaining net balance of items to be included in or deducted from capital under Basel III guideline because all items are 100% included in or deducted.

Table 7 Disclosure information for reconciliation of composition of capital (Full consolidation only)

Table 7.1 Balance sheet as in published financial statements with under the regulatory scope of consolidation *

Unit: Million Baht

Items related to the capital fund for the period June 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
Assets			
1. Cash	926	926	
2. Interbank and money market items, net	7,116	7,116	
3. Financial assets measured at fair value through profit or loss	65,184	65,184	
4. Derivative assets	70,431	70,431	
5. Investment, net	84,635	84,635	
6. Loans and accrued interest receivables			
6.1 Loans to customers	263,001	263,001	
6.2 <u>Less</u> Deferred revenue	(11,639)	(11,639)	
6.3 <u>Add</u> Accrued interest receivable and undue interest receivable	6,169	6,169	
Total loans and accrued interest receivables	257,531	257,531	
6.4 <u>Less</u> Allowance for expected credit losses	(9,114)	(9,114)	
○ Qualified as Capital		(2,667)	A ^{1/}
○ Non-qualified as Capital		(6,447)	
Loans and accrued interest receivables, net	248,417	248,417	
7. Customers' liability under acceptance	-	-	
8. Properties for sale, net	1,434	1,434	
9. Premises, equipment and right of use assets, net	3,388	3,388	
10. Right of use assets, net	208	208	
11. Intangible assets, net	975	975	B
12. Deferred tax assets	2,052	2,052	C
13. Credit support assets on derivatives	18,109	18,109	

Items related to the capital fund for the period June 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
14. Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	3,067	3,067	
15. Other assets, net	2,052	2,052	
Total assets	507,994	507,994	
Liabilities			
16. Deposits	268,689	268,689	
17. Interbank and money market items, net	52,891	52,891	
18. Liability payable on demand	665	665	
19. Financial liabilities measured at fair value through profit or loss	18,304	18,304	
20. Derivative liabilities	70,206	70,206	
21. Debt issued and borrowings	20,334	20,334	
○ Qualified as Capital		12,462	D ^{2/}
○ Non-qualified as Capital		7,872	
22. Bank's liability under acceptance	-	-	
23. Lease liabilities	212	212	
24. Provisions	2,002	2,002	
25. Deferred tax liabilities	-	-	
26. Credit support liabilities on derivatives	17,528	17,528	
27. Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	3,739	3,739	
28. Other liabilities	4,653	4,653	
Total liabilities	459,223	459,223	
Equity			
29. Share capital			
29.1 Registered - ordinary shares	17,411	17,411	
29.2 Issued and paid-up share capital - ordinary shares	17,411	17,411	E

Items related to the capital fund for the period June 2024	Balance sheet as in published financial statements	Balance sheet under the regulatory scope of consolidation	Reference
30. Premium on share capital	10,146	10,146	F
31. Accumulated other comprehensive income	1,299	1,299	
31.1 Revaluation surplus on assets	1,854	1,854	
○ Qualified as Capital		1,764	G ^{3/}
○ Non-qualified as Capital		90	
31.2 Revaluation surplus (deficit) on change in value of investments	(704)	(704)	H
31.3 Remeasurements of post-employment benefit obligations	4	4	
○ Qualified as Capital		(41)	O, I
○ Non-qualified as Capital		45	
31.4 Profit (loss) arising from translating the financial statement of a foreign operation	-	-	J
31.5 Gains (losses) on fair value of hedging instruments for cash flow hedges	155	155	K
31.6 Gains on financial liabilities designated at fair value relating to own credit risk	(107)	(107)	L
31.7 Others (Chang of equity interest in bank)	97	97	
32. Accretion of equity interest in subsidiary	(43)	(43)	M
33. Retained earnings			
33.1 Appropriated - Statutory reserve	832	832	N
33.2 Unappropriated	19,126	19,126	
○ Net profit after appropriation to capital		17,824	O
○ Non-qualified as Capital		1,302	
Total equity	48,771	48,771	
Total liabilities and equity	507,994	507,994	

* Balance sheet as in published financial statements and under the regulatory scope of consolidation has no difference

^{1/} Expected credit losses from performing and under-performing loan under TFRS 9 can be counted as Tier 2 but not exceeding 1.25% of credit risk-weighted assets.

^{2/} Long-term subordinated debt instruments has qualified under Basel III can be fully countable as Tier 2 capital subject to prior BOT approval

^{3/} Surplus on assets revaluation can be counted as capital only for items that the BOT has approved

Table 7.2 Disclosure of the reconciliation of capital funds

Unit: Million Baht

Items related to the capital fund for the period June 2024	Composition of regulatory capital guidelines reported by the financial group	Source of reference in financial statements under the consolidated supervision
Tier 1 capital	44,207	
1. Common Equity Tier 1 capital	44,207	
1.1 Paid-up share capital (ordinary shares)	17,411	E
1.2 Share premium	10,146	F
1.3 Statutory reserve	832	N
1.4 Net profit after appropriation	17,869	O
1.5 Accumulated other comprehensive income	1,108	
1.5.1 Revaluation surplus on land, building or condominium appraisal	1,764	G
1.5.2 Revaluation surplus (deficit) on change in value of investments	(704)	H
1.5.3 Difference from the translation of financial statements	-	J
1.5.4 Cash flow hedge reserves	155	K
1.5.5 Gains on financial liabilities designated at fair value relating to own credit risk	(107)	L
1.6 Other items of owner changes	(43)	M
1.7 Regulatory adjustments to Common Equity Tier 1 capital	(48)	K & L
1.8 Regulatory deductions to Common Equity Tier 1 capital	(3,068)	
1.8.1 Remeasurements of post-employment benefit obligations	(41)	I
1.8.2 Intangible assets	(975)	B
1.8.3 Deferred tax assets	(2,052)	C
2. Additional Tier 1 capital	-	
Tier 2 capital	15,129	
1. Qualifying Tier 2 capital instruments	12,462	D
2. General provisions	2,667	A
Total capital fund	59,336	

Part 2: Liquidity coverage ratio disclosure standards

According to the Bank of Thailand releases of the BOT's Notification no. Sor.Nor.Sor. 9/2558 re: Liquidity Coverage Ratio: LCR which refers to Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools: January 2013 by Basel Committee on Banking Supervision (BCBS). The LCR requirement aims for commercial banks to have adequate liquidity to support short-term severe liquidity stress scenarios by requiring commercial banks to maintain unencumbered High-Quality Liquid Assets (HQLA) to cover total net cash outflows over the next 30 calendar days under severe liquidity stress scenarios prescribed by the Bank of Thailand. The minimum requirement of LCR was set at 60% on 1 January 2016 and rise in equal annual steps to reach 100% on 1 January 2020, in addition to the compliance of the liquidity risk management guideline.

In 2020, the Bank of Thailand has an amendment LCR guideline according to BOT's Notification No. SorNorSor. 4/2563 Re: Liquidity Coverage Ratio: LCR (Second Edition) to comply with the credit counterparty types, assets types and financial obligations under the classification and provisioning criteria that have been improved.

According to the BCBS's LCR disclosure standards: January 2014 (revised version: March 2014), the LCR Disclosure is to improve the transparency of regulatory liquidity requirements, reinforce the sound principles, enhance market discipline besides internal control and supervision by the Bank of Thailand, and reduce uncertainty in the markets as the LCR is implemented.

Bank of Thailand ("BOT") announced the BOT's Notification No. Sor.Nor.Sor. 2/2561 re: Liquidity Coverage Ratio disclosure standards dated 25 January 2018 which requires disclose information at "Bank" level on a half-yearly and yearly basis. The first disclosure is based on data as of 30 June 2018 for the first half of 2018 results which need to be published on the Bank's website within 4 months from the end of each period.

CIMB Thai Bank Public Company Limited performs the LCR disclosure which comprises of:

- (1) Liquidity Coverage Ratio (LCR)
- (2) Total high-quality liquid assets (Total HQLA)
- (3) Total net cash outflows over the next 30 calendar days (Total net cash outflows)

1. Liquidity Coverage Ratio: LCR

Unit: THB Mil.

	2Q/2024 (average) ^{1/}	2Q/2023 (average) ^{1/}
(1) Total High Quality Liquid Assets (Total HQLA)	112,666	95,375
(2) Total Net Cash Outflow within 30 Days (Total Net Cash Outflows)	75,941	67,281
(3) LCR (percentage) ^{2/}	149	142
BOT's LCR minimum requirement (percentage)	100	100

2. LCR figures comparison^{3/}

Unit: %

	2024 (average) ^{1/}	2023 (average) ^{1/}
1st Quarter	166	142
2nd Quarter	149	142

^{1/} Calculation based on a simple average using month-end data for each quarter. For example, Q2 were calculated by taking a simple average of month-end data in April, May and June.

^{2/} Data of item 3 (LCR) might not be equal to item 1 (Total HQLA) divided by item 2 (Total net cash outflows).

^{3/} LCR data will show Q1-Q2 for first half period and Q3-Q4 for the second half period.

3. Guideline and detail information of Liquidity Coverage Ratio

The bank maintains LCR according to Bank of Thailand's standard to ensure that the bank has sufficient HQLA to survive a significant stress scenario lasting for 30 days. The bank set LCR at 60% on 1 January 2016 and rise in equal annual steps to reach 100% on 1 January 2020.

$$\text{LCR} = \frac{\text{Stock of High-Quality Liquid Assets (HQLA)}}{\text{Total Net cash outflows over the next 30 days estimated under severe liquidity stress scenario}}$$

Average LCR of the 2nd Quarter 2024 was 149% which was higher than the minimum requirement of Bank of Thailand at 100%. The compositions of LCR are:

1. **High-quality liquid assets (HQLA)** refer to the good quality assets which are high liquid, low risk, unencumbered and can be easily and immediately converted into cash at little or no significant loss of value under stress scenario. However, each of HQLA has hair cut rate to adjust and cap the limit of holding based on Bank of Thailand.

Average HQLA of the 2nd quarter of 2024 was THB 112,666 million (91% was HQLA level 1 including cash and balance at BOT and Government Bond). The computation was to average the balances of HQLA during April to June 2024.

2. **Net Cash Outflow (Net COF)** means the total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. Total expected cash inflows are expected to flow in under the scenario up to an aggregated cap of 75% of total expected cash outflows.

Total net cash outflows over the next 30 days under severe liquidity stress scenarios	=	Expected cash outflows over the next 30 days under severe liquidity scenarios	–	Expected cash inflows over the next 30 days under severe liquidity scenarios
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Average expected net cash outflows of the 2nd quarter 2024 was THB 75,941 million which was to average the balances of net cash outflows for subsequent 30 calendar days during April to June 2024.

Total expected cash outflows are mostly from deposit withdrawal and borrowing which calculated by the run-off rate as BOT's definitions while total expected cash inflows are majored from performing loan repayment and maturing in deposit placement and debt instrument which calculated by the inflow rates as BOT's definitions as well.

Moreover, the bank assesses and analyses the liquidity gap and funding concentration on regularly basis. This is to ensure that is the bank has sufficient liquidity for business operation and also continuously develops the analytical measurements to align with the international standards and the business strategies as well.