The Siam Commercial Bank Public Company Limited and its Subsidiaries

Financial statements for the year ended
31 December 2024
and
Independent Auditor's Report

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Independent Auditor's Report

To the Shareholders of The Siam Commercial Bank Public Company Limited

Audit Report

Opinion

I have audited the consolidated and the Bank's financial statements of The Siam Commercial Bank Public Company Limited and its subsidiaries (the "Group") and of The Siam Commercial Bank Public Company Limited (the "Bank"), respectively, which comprise the consolidated and the Bank's statements of financial position as at 31 December 2024, the consolidated and the Bank's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of material accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and the Bank's financial statements present fairly, in all material respects, the financial position of the Group and the Bank, respectively, as at 31 December 2024 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs) and the regulations of the Bank of Thailand.

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 Consolidated and the Bank's 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 (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and the Bank's financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and the Bank's financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and the Bank's financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Allowance for expected credit loss on loans to customers and accrued interest receivables	
Refer to notes 3.2.5, 4.1, 12 and 13.	
The key audit matter	**How the matter was addressed in the audit**
As at 31 December 2024, loans to customers and accrued interest receivables, recorded in the consolidated and the Bank's financial statements amounted to Baht 2,293 billion and Baht 2,290 billion, respectively (approximately 69.26% and 69.27% of total assets, respectively), against which allowance for expected credit loss on loans to customers and accrued interest receivables in the consolidated and the Bank's financial statements amounted to Baht 134 billion and Baht 133 billion, respectively, were provided. TFRS 9 and the related Bank of Thailand ("BoT") notifications requires the Group to recognise expected credit losses ("ECL") on certain types of financial instruments including loans to customers and accrued interest receivables. The Group has developed methods and models in determining the allowance for ECL which involves significant judgment and estimation on relevant assumptions and data. The areas where management applied significant judgment and estimation include, but are not limited to, the following: • Selection of criteria to assess whether the financial instruments have a significant increase in credit risk ("SICR"); • Development techniques to develop ECL model parameters, including the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD"); • Determination of forward looking macroeconomic variables and probability-weighted scenarios; and • Qualitative adjustments including management overlays made to incorporate identified credit risks not captured in the ECL models such as the change in trends and risks in underlying portfolios.	My audit procedures included: • Performing a risk assessment by considering internal and external factors which could affect the performance of individual customers, industry sectors, customer segments, or which could influence the judgments and estimates. • Testing the design and/or operating effectiveness of relevant controls surrounding the credit and impairment process. The selected controls include but are not limited to the key controls over selection of criteria to assess SICR, ECL model risk management, determination of macroeconomics variables and the probability-weighted scenario and qualitative adjustments including the management overlay. • Testing the controls operating effectiveness over the criteria to assess whether the financial instruments have a SICR. • Testing a sample of credit reviews prepared by management for individual large exposures and loans to customers subject to restructuring and reschedule. I formed my own independent assessment based on the detailed review of the credit profile and other relevant information, which include but are not limited to the reasonableness of the assumptions over ability to repay and collateral valuation, the appropriateness and accuracy of internal credit ratings and ECL parameters assigned for those customers. • Assessing and testing the reasonableness of the SICR and staging criteria applied by the Group for different types of loans to customers in order to evaluate whether the criteria applied are consistent with the Group credit risk management practices, requirements under TFRS 9 and related BoT notifications.

Allowance for expected credit loss on loans to customers and accrued interest receivables	
Refer to notes 3.2.5, 4.1, 12 and 13.	
The key audit matter	**How the matter was addressed in the audit**
The carrying amount of allowance for expected credit loss on loans to customers and accrued interest receivables is considered a key audit matter due to the significance of the aforementioned judgments and estimates made.	• Involving my own credit specialists to assess key data, assumptions, method, models and calculations used by management to derive ECL model parameters on significant loans to customers portfolios. They also perform the test for reasonableness of macroeconomic factors used and probability-weighted multiple scenarios including the back-testing and assess methodology and data used by the management in the identification and estimation of qualitative adjustments including the management overlay. • Involving my own IT specialists to test reconciliations of data including ECL parameters among the underlying systems. • Testing the mathematical accuracy of the ECL calculation including qualitative adjustment on a sample basis. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standards and BoT notifications and guidelines.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and the Bank's financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and Bank's financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and Bank's financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and Bank's financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and the Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and the Bank's financial statements in accordance with TFRSs and the regulations of the Bank of Thailand, and for such internal control as management determines is necessary to enable the preparation of consolidated and the Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the Bank's financial statements, management is 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 management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and the Bank's Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and the Bank's 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 consolidated and the Bank's financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and the Bank's 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 consolidated and the Bank's 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 consolidated and the Bank's financial statements, including the disclosures, and whether the consolidated and the Bank's 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 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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I also provide those charged with governance 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and the Bank's 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.

Orawan

(Orawan Chunhakitpaisan)
Certified Public Accountant
Registration No. 6105

KPMG Phoomchai Audit Ltd.
Bangkok
18 February 2025

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of financial position

Assets	*Note*	**Consolidated** 31 December 2024	31 December 2023	**The Bank** 31 December 2024	31 December 2023
			(in thousand Baht)		
Cash		43,765,845	40,664,413	43,629,849	40,535,654
Interbank and money market items, net	*7*	553,684,990	436,264,724	544,605,952	427,631,763
Financial assets measured at fair value through profit or loss	*8*	81,435,642	58,260,916	81,435,642	58,260,916
Derivative assets	*9*	46,443,245	45,977,069	46,443,322	45,977,069
Investments, net	*10*	314,314,209	385,747,891	314,197,386	385,478,543
Investments in subsidiaries and associates, net	*11*	1,084,366	1,217,299	10,120,454	10,120,453
Loans to customers and accrued interest receivables, net	*12, 13, 14*	2,159,533,181	2,206,047,791	2,156,809,380	2,203,054,546
Properties for sale, net	*16*	28,214,443	25,928,813	27,999,448	25,713,818
Investment properties, net		451,683	908,483	813,700	1,310,241
Premises and equipment, net	*17*	41,959,188	42,413,963	39,917,597	40,313,007
Goodwill and other intangible assets, net	*18*	14,833,192	15,187,843	15,434,857	15,932,559
Deferred tax assets	*19*	2,445,127	2,741,682	2,218,673	2,562,412
Other assets, net		22,538,197	23,958,171	21,814,919	23,524,774
Total assets		**3,310,703,308**	**3,285,319,058**	**3,305,441,179**	**3,280,415,755**

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and shareholders' equity	Note	Consolidated 31 December 2024	Consolidated 31 December 2023	The Bank 31 December 2024	The Bank 31 December 2023
			(in thousand Baht)		
Liabilities					
Deposits	*20*	2,482,670,467	2,454,616,717	2,480,279,435	2,452,077,539
Interbank and money market items	*21*	201,262,509	186,591,023	203,617,904	188,683,020
Liabilities payable on demand		9,226,897	13,005,055	9,226,597	13,004,461
Derivative liabilities	*9*	45,839,875	43,708,272	45,840,046	43,708,272
Debt issued and borrowings	*22*	21,408,840	56,903,376	21,408,840	56,903,376
Provisions	*23*	15,449,571	15,118,848	14,777,840	14,571,701
Deferred tax liabilities	*19*	205,406	206,538	-	-
Other liabilities	*24*	96,432,231	92,046,542	94,572,153	90,503,062
Total liabilities		**2,872,495,796**	**2,862,196,371**	**2,869,722,815**	**2,859,451,431**
Shareholders' equity					
Share capital	*28*				
Authorised share capital					
3,579,765,555 preferred shares of Baht 10 each					
(31 December 2023: 3,582,649,480 preferred shares of Baht 10 each)		35,797,656	35,826,495	35,797,656	35,826,495
3,420,234,445 common shares of Baht 10 each					
(31 December 2023: 3,417,350,520 common shares of Baht 10 each)		34,202,344	34,173,505	34,202,344	34,173,505
Issued and paid-up share capital					
641,198 preferred shares of Baht 10 each					
(31 December 2023: 3,525,123 preferred shares of Baht 10 each)		6,412	35,251	6,412	35,251
3,398,551,000 common shares of Baht 10 each					
(31 December 2023: 3,395,667,075 common shares of Baht 10 each)		33,985,510	33,956,671	33,985,510	33,956,671
Premium on share capital					
Premium on preferred shares		2,508	13,786	2,508	13,786
Premium on common shares		11,121,683	11,110,405	11,121,683	11,110,405
Other reserves	*29*	21,729,152	21,639,959	20,413,303	20,260,838
Retained earnings					
Appropriated					
Legal reserve	*29*	7,000,000	7,000,000	7,000,000	7,000,000
Unappropriated		364,082,179	349,051,822	363,188,948	348,587,373
Total owners of the Bank		437,927,444	422,807,894	435,718,364	420,964,324
Non-controlling interests		280,068	314,793	-	-
Total shareholders' equity		**438,207,512**	**423,122,687**	**435,718,364**	**420,964,324**
Total liabilities and shareholders' equity		**3,310,703,308**	**3,285,319,058**	**3,305,441,179**	**3,280,415,755**

(Mr. Kris Chantanotoke)

Director and Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of profit or loss and other comprehensive income

	Note	Consolidated For the year ended 31 December 2024	Consolidated For the year ended 31 December 2023	The Bank For the year ended 31 December 2024	The Bank For the year ended 31 December 2023
		(in thousand Baht)			
Interest income	*36*	141,670,086	137,358,609	141,314,562	137,003,371
Interest expenses	*37*	37,076,375	33,505,463	37,121,919	33,492,418
Net interest income		104,593,711	103,853,146	104,192,643	103,510,953
Fee and service income	*38*	38,281,821	40,597,345	33,022,708	36,077,454
Fee and service expenses	*38*	11,799,131	12,364,473	10,291,707	11,067,979
Net fee and service income	*38*	26,482,690	28,232,872	22,731,001	25,009,475
Net gain on financial instruments measured at fair value through profit or loss	*39*	9,706,559	7,825,308	9,665,896	7,800,710
Net gain on investments	*40*	435,338	68,180	435,338	63,732
Share of profit from investments in associates		595,104	477,335	-	-
Dividend income		136,870	52,238	2,440,822	1,880,069
Other operating income		1,873,366	2,821,208	1,377,104	2,446,963
Total operating income		143,823,638	143,330,287	140,842,804	140,711,902
Other operating expenses					
Employee expenses		27,207,166	26,901,570	24,227,974	24,254,822
Directors' remuneration		69,366	37,690	63,193	29,393
Premises and equipment expenses		9,598,834	9,869,262	9,018,384	9,322,395
Taxes and duties		4,247,997	3,900,447	4,244,925	3,897,260
Other expenses	*41*	14,308,791	15,212,839	15,752,054	16,708,430
Total operating expenses		55,432,154	55,921,808	53,306,530	54,212,300
Expected credit loss	*42*	27,135,284	27,910,267	27,180,085	27,848,090
Profit from operations before income tax expenses		61,256,200	59,498,212	60,356,189	58,651,512
Income tax expenses	*19*	12,056,758	11,572,609	11,604,942	11,166,255
Net profit		**49,199,442**	**47,925,603**	**48,751,247**	**47,485,257**

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of profit or loss and other comprehensive income

	Note	Consolidated For the year ended 31 December 2024	2023	The Bank For the year ended 31 December 2024	2023
		(in thousand Baht)			
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain on investments in debt instruments at fair value through other comprehensive income		482,959	84,112	482,959	84,112
Gain (loss) arising from translating the financial statements of foreign operations		(46,788)	(118,828)	12,646	(41,174)
Changes in hedge reserve		76,805	(70,680)	76,805	(70,680)
Income tax relating to components of other comprehensive income will be reclassified subsequently to profit or loss	*19*	(111,953)	(2,686)	(111,953)	(2,686)
		401,023	(108,082)	460,457	(30,428)
Items that will not be reclassified subsequently to profit or loss					
Gain on investments in equity instruments designated at fair value through other comprehensive income		104,893	51,324	103,695	50,463
Actuarial gain (loss) on defined benefit plans	*23*	(844,521)	160,288	(770,853)	140,070
Income tax relating to components of other comprehensive income will not be reclassified subsequently to profit or loss	*19*	147,926	(42,323)	133,432	(38,107)
		(591,702)	169,289	(533,726)	152,426
Total other comprehensive income, net of income tax		(190,679)	61,207	(73,269)	121,998
Total comprehensive income		**49,008,763**	**47,986,810**	**48,677,978**	**47,607,255**
Net profit (loss) attributable to:					
Owners of the Bank		49,232,546	47,958,199	48,751,247	47,485,257
Non-controlling interests		(33,104)	(32,596)	-	-
Total comprehensive income attributable to:					
Owners of the Bank		49,043,488	48,020,872	48,677,978	47,607,255
Non-controlling interests		(34,725)	(34,062)	-	-
Earnings per share of owners of the Bank					
Basic earnings per share *(in Baht)*	*43*	14.48	14.11	14.34	13.97

(Mr. Kris Chantanotoke)

Director and Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated														
		Issued and paid-up share capital		Premium on share capital		Other reserves						Retained earnings				
	Note	Preferred shares	Common shares	Preferred shares	Common shares	Gain (loss) on investments in debt instruments at fair value through other comprehensive income	Loss arising from translating the financial statements of foreign operations	Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	Changes in hedge reserve	Changes in revaluation surplus	Total other reserves	Legal reserve	Unappropriated	Total owners of the Bank	Non-controlling interests	Total
									(in thousand Baht)							
Year ended 31 December 2024																
Balance at 1 January 2024		**35,251**	**33,956,671**	**13,786**	**11,110,405**	**(14,343)**	**(840,879)**	**1,061,662**	**(61,444)**	**21,494,963**	**21,639,959**	**7,000,000**	**349,051,822**	**422,807,894**	**314,793**	**423,122,687**
Transactions with owners, recorded directly in equity																
Dividend paid	*30*	-	-	-	-	-	-	-	-	-	-	-	(33,923,938)	(33,923,938)	-	(33,923,938)
Conversion of preferred shares to common shares	*28*	(28,839)	28,839	(11,278)	11,278	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners, recorded directly in equity		**(28,839)**	**28,839**	**(11,278)**	**11,278**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(33,923,938)**	**(33,923,938)**	**-**	**(33,923,938)**
Comprehensive income for the year																
Net profit (loss)		-	-	-	-	-	-	-	-	-	-	-	49,232,546	49,232,546	(33,104)	49,199,442
Other comprehensive income		-	-	-	-	386,367	(46,788)	83,914	61,444	-	484,937	-	(673,995)	(189,058)	(1,621)	(190,679)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**386,367**	**(46,788)**	**83,914**	**61,444**	**-**	**484,937**	**-**	**48,558,551**	**49,043,488**	**(34,725)**	**49,008,763**
Transfer to retained earnings		-	-	-	-	-	-	(47,200)	-	(348,544)	(395,744)	-	395,744	-	-	-
Balance at 31 December 2024		**6,412**	**33,985,510**	**2,508**	**11,121,683**	**372,024**	**(887,667)**	**1,098,376**	**-**	**21,146,419**	**21,729,152**	**7,000,000**	**364,082,179**	**437,927,444**	**280,068**	**438,207,512**

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated														
		Issued and paid-up share capital		Premium on share capital		Other reserves						Retained earnings				
	Note	Preferred shares	Common shares	Preferred shares	Common shares	Gain (loss) on investments in debt instruments at fair value through other comprehensive income	Loss arising from translating the financial statements of foreign operations	Gain on investments in equity instruments designated at fair value through other comprehensive income	Changes in hedge reserve	Changes in revaluation surplus	Total other reserves	Legal reserve	Unappropriated	Total owners of the Bank	Non-controlling interests	Total
		(in thousand Baht)														
Year ended 31 December 2023																
Balance at 1 January 2023		35,251	33,956,671	13,786	11,110,405	(81,633)	(723,859)	1,020,601	(4,900)	21,855,900	22,066,109	7,000,000	346,872,131	421,054,353	208,562	421,262,915
Transactions with owners, recorded directly in equity																
Dividend paid	*30*	-	-	-	-	-	-	-	-	-	-	-	(46,127,038)	(46,127,038)	-	(46,127,038)
Liquidation of subsidiary		-	-	-	-	-	-	-	-	-	-	-	(140,293)	(140,293)	140,293	-
Total transactions with owners, recorded directly in equity		-	-	-	-	-	-	-	-	-	-	-	(46,267,331)	(46,267,331)	140,293	(46,127,038)
Comprehensive income for the year																
Net profit (loss)		-	-	-	-	-	-	-	-	-	-	-	47,958,199	47,958,199	(32,596)	47,925,603
Other comprehensive income		-	-	-	-	67,290	(117,020)	41,059	(56,544)	-	(65,215)	-	127,888	62,673	(1,466)	61,207
Total comprehensive income for the year		-	-	-	-	67,290	(117,020)	41,059	(56,544)	-	(65,215)	-	48,086,087	48,020,872	(34,062)	47,986,810
Transfer to retained earnings		-	-	-	-	-	-	2	-	(360,937)	(360,935)	-	360,935	-	-	-
Balance at 31 December 2023		35,251	33,956,671	13,786	11,110,405	(14,343)	(840,879)	1,061,662	(61,444)	21,494,963	21,639,959	7,000,000	349,051,822	422,807,894	314,793	423,122,687

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity

		The Bank												
		Issued and paid-up share capital		Premium on share capital		Other reserves						Retained earnings		
	Note	Preferred shares	Common shares	Preferred shares	Common shares	Gain (loss) on investments in debt instruments at fair value through other comprehensive income	Gain (loss) arising from translating the financial statements of foreign operations	Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	Changes in hedge reserve	Changes in revaluation surplus	Total other reserves	Legal reserve	Unappropriated	Total
		(in thousand Baht)												
Year ended 31 December 2024														
Balance at 1 January 2024		**35,251**	**33,956,671**	**13,786**	**11,110,405**	**(14,344)**	**(1,256,244)**	**1,057,399**	**(61,444)**	**20,535,471**	**20,260,838**	**7,000,000**	**348,587,373**	**420,964,324**
Transactions with owners, recorded directly in equity														
Dividend paid	*30*	-	-	-	-	-	-	-	-	-	-	-	(33,923,938)	(33,923,938)
Conversion of preferred shares to common shares	*28*	(28,839)	28,839	(11,278)	11,278	-	-	-	-	-	-	-	-	-
Total transactions with owners, recorded directly in equity		**(28,839)**	**28,839**	**(11,278)**	**11,278**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(33,923,938)**	**(33,923,938)**
Comprehensive income for the year														
Net profit		-	-	-	-	-	-	-	-	-	-	-	48,751,247	48,751,247
Other comprehensive income		-	-	-	-	386,367	12,646	82,956	61,444	-	543,413	-	(616,682)	(73,269)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**386,367**	**12,646**	**82,956**	**61,444**	**-**	**543,413**	**-**	**48,134,565**	**48,677,978**
Transfer to retained earnings		-	-	-	-	-	-	(47,200)	-	(343,748)	(390,948)	-	390,948	-
Balance at 31 December 2024		**6,412**	**33,985,510**	**2,508**	**11,121,683**	**372,023**	**(1,243,598)**	**1,093,155**	**-**	**20,191,723**	**20,413,303**	**7,000,000**	**363,188,948**	**435,718,364**

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Issued and paid-up share capital: Preferred shares	Issued and paid-up share capital: Common shares	Premium on share capital: Preferred shares	Premium on share capital: Common shares	Other reserves: Gain (loss) on investments in debt instruments at fair value through other comprehensive income	Other reserves: Loss arising from translating the financial statements of foreign operations	Other reserves: Gain on investments in equity instruments designated at fair value through other comprehensive income	Other reserves: Changes in hedge reserve	Other reserves: Changes in revaluation surplus	Total other reserves	Retained earnings: Legal reserve	Retained earnings: Unappropriated	Total
								(in thousand Baht)						
The Bank														
Year ended 31 December 2023														
Balance at 1 January 2023		**35,251**	**33,956,671**	**13,786**	**11,110,405**	**(81,634)**	**(1,215,070)**	**1,017,027**	**(4,900)**	**20,891,612**	**20,607,035**	**7,000,000**	**346,760,959**	**419,484,107**
Transactions with owners, recorded directly in equity														
Dividend paid	*30*	-	-	-	-	-	-	-	-	-	-	-	(46,127,038)	(46,127,038)
Total transactions with owners, recorded directly in equity		-	-	-	-	-	-	-	-	-	-	-	**(46,127,038)**	**(46,127,038)**
Comprehensive income for the year														
Net profit		-	-	-	-	-	-	-	-	-	-	-	47,485,257	47,485,257
Other comprehensive income		-	-	-	-	67,290	(41,174)	40,370	(56,544)	-	9,942	-	112,056	121,998
Total comprehensive income for the year		-	-	-	-	**67,290**	**(41,174)**	**40,370**	**(56,544)**	-	**9,942**	-	**47,597,313**	**47,607,255**
Transfer to retained earnings		-	-	-	-	-	-	2	-	(356,141)	(356,139)	-	356,139	-
Balance at 31 December 2023		**35,251**	**33,956,671**	**13,786**	**11,110,405**	**(14,344)**	**(1,256,244)**	**1,057,399**	**(61,444)**	**20,535,471**	**20,260,838**	**7,000,000**	**348,587,373**	**420,964,324**

(Mr. Kris Chantanotoke)

Director and Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		The Bank	
	For the year ended 31 December		For the year ended 31 December	
	2024	2023	2024	2023
	(in thousand Baht)			
Cash flows from operating activities				
Profit from operating before income tax expenses	61,256,200	59,498,212	60,356,189	58,651,512
Adjustments to reconcile profit from operating before income tax expenses to cash receipts (payments) from operating activities				
Depreciation and amortisation	6,669,538	7,602,739	6,588,293	7,524,739
Expected credit loss	30,096,108	31,217,984	30,139,409	31,155,807
Impairment loss on premises and equipment	-	615	-	-
Impairment loss on intangible assets	228,846	-	228,846	-
Impairment loss on properties for sale	338,839	216,109	338,839	216,109
Provision expenses	1,300,451	1,101,724	1,054,739	1,064,025
Gain on sale of premises and equipment	(13,440)	(1,964)	(9,885)	(1,964)
Loss from write-off of premises and equipment	11,320	2,699	8,610	2,699
Gain on sale of properties for sale	(687,818)	(858,870)	(687,818)	(858,870)
Gain on sale of intangible assets	(276)	(4,879)	(276)	(4,879)
Loss from write-off of intangible assets	-	15,085	-	15,085
(Gain) loss on revaluation of investment properties	(29,259)	-	8,369	-
Net (gain) loss on financial instruments	584,454	(23,214,427)	589,599	(23,205,105)
Net gain on investments	(435,338)	(68,180)	(435,338)	(63,732)
Share of profit from investments in associates	(595,104)	(477,335)	-	-
	98,724,521	75,029,512	98,179,576	74,495,426
Net interest income	(104,593,711)	(103,853,146)	(104,192,643)	(103,510,953)
Dividend income	(136,870)	(52,238)	(2,440,822)	(1,880,069)
Proceeds from interest	137,952,283	134,528,632	137,623,687	134,187,580
Interest paid	(35,517,162)	(29,030,371)	(35,579,638)	(28,998,012)
Proceeds from dividend	864,908	309,674	2,440,822	1,880,069
Income tax paid	(11,207,539)	(12,576,912)	(10,778,217)	(12,108,369)
Profit from operating before changes in operating assets and liabilities	86,086,430	64,355,151	85,252,765	64,065,672
(Increase) decrease in operating assets				
Interbank and money market items	(117,420,245)	86,231,387	(116,973,370)	83,114,217
Financial assets measured at fair value through profit or loss	(23,759,180)	7,109,236	(23,764,325)	7,099,914
Derivative assets	1,005,044	20,564,051	998,849	20,545,531
Loans to customers	2,810,210	(62,679,373)	2,488,944	(62,510,240)
Properties for sale	11,795,840	13,699,117	11,795,840	13,699,117
Other assets	644,489	3,033,843	954,726	3,350,878
Increase (decrease) in operating liabilities				
Deposits	28,053,750	(122,794,498)	28,201,896	(121,576,954)
Interbank and money market items	14,671,486	49,760,867	14,934,884	51,344,266
Liabilities payable on demand	(3,778,158)	1,575,964	(3,777,864)	1,575,773
Derivative liabilities	2,208,408	(16,777,162)	2,208,579	(16,777,265)
Short-term debt issued and borrowings	(138,435)	3,608,773	(138,435)	3,608,773
Other liabilities	2,167,861	8,482,505	2,088,943	8,364,374
Net cash from operating activities	**4,347,500**	**56,169,861**	**4,271,432**	**55,904,056**

The accompanying notes form an integral part of the financial statements.

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated For the year ended 31 December 2024	Consolidated For the year ended 31 December 2023	The Bank For the year ended 31 December 2024	The Bank For the year ended 31 December 2023
		(in thousand Baht)			
Cash flows from investing activities					
Acquisition of instruments measured at fair value through other comprehensive income		(92,419,681)	(171,799,015)	(92,419,681)	(171,799,015)
Proceeds from sale of instruments measured at fair value through other comprehensive income		172,051,215	174,132,396	172,051,215	174,132,396
Acquisition of instruments measured at amortised cost		(38,837,717)	(599,757)	(38,000,000)	-
Proceeds from redemption of instruments measured at amortised cost		33,927,118	1,357,551	32,900,000	737,173
Payment for investments in subsidiaries and associates		-	(104,229)	-	(104,229)
Acquisition of premises and equipment		(1,093,229)	(534,455)	(1,055,739)	(440,183)
Proceeds from sale of premises and equipment		20,409	26,629	15,743	26,602
Acquisition of intangible assets		(4,050,539)	(3,886,672)	(4,021,388)	(3,831,309)
Proceeds from sale of intangible assets		5,326	280,331	5,326	280,331
Net cash from (used in) investing activities		**69,602,902**	**(1,127,221)**	**69,475,476**	**(998,234)**
Cash flows from financing activities					
Proceeds from long-term debt issued		198,565	2,902,629	198,565	2,902,629
Repayment of long-term debt issued		(36,271,916)	(17,382,783)	(36,271,916)	(17,382,783)
Repayment of long-term borrowings		(10,740)	(33,444)	(10,740)	(33,444)
Payment of lease liabilities		(794,153)	(886,316)	(657,330)	(765,173)
Dividend paid to equity holders of the Bank	*30*	(33,923,938)	(46,127,038)	(33,923,938)	(46,127,038)
Net cash used in financing activities		**(70,802,182)**	**(61,526,952)**	**(70,665,359)**	**(61,405,809)**
Gain (loss) arising from translating the financial statements of foreign operations		(46,788)	(96,588)	12,646	(23,454)
Net increase (decrease) in cash		**3,101,432**	**(6,580,900)**	**3,094,195**	**(6,523,441)**
Cash at 1 January		40,664,413	47,245,313	40,535,654	47,059,095
Cash at 31 December		**43,765,845**	**40,664,413**	**43,629,849**	**40,535,654**

(Mr. Kris Chantanotoke)

Director and Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 18 February 2025.

1 General information

The Siam Commercial Bank Public Company Limited, the "Bank", is incorporated in Thailand and the Bank's registered office at 9 Ratchadapisek Road, Jatujak, Bangkok.

The Bank was established by Royal Charter on 30 January 1906. The Bank's parent company during the year was SCB X Public Company Limited, which holds 99.56% of the Bank's total shares.

The principal activities of the Bank are the provision of financial products and services through its Head Office and branch network in Thailand, its branches in Singapore, Hong Kong, Laos, Vietnam, China and Cayman Islands and its subsidiaries in Thailand, Cambodia and Myanmar. Details of the Bank's subsidiaries as at 31 December 2024 and 2023 are given in note 11.

2 Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS"), guidelines promulgated by the Thailand Federation of Accounting Professions (TFAC), the regulations of the Bank of Thailand (BoT) and applicable rules and regulations of the Thai Securities and Exchange Commission (SEC); and presented in accordance with the BoT notification number Sor Nor Sor 21/2561 dated 31 October 2018, regarding to *Preparation and Announcement of Financial Statements of a Commercial Bank and a Holding Company that is the Parent Company of a Financial Group* and other additional BoT notification.

2.2 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Bank's functional currency.

2.3 Use of judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Bank and its subsidiaries' accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.3.1 Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note	3.2.5, 4.1 and 13	Determining the criteria for assessing if there has been a significant increase in credit risk, determining the methodology for incorporating forward-looking information and selection and applying of models used to measure expected credit loss including management overlay.

2.3.2 Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note	3.2.5, 4.1 and 13	Impairment of financial instruments: determination of inputs into the ECL measurement models and management overlay, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of consolidation

The consolidated financial statements relate to the Bank and its subsidiaries (together referred to as "the Bank and its subsidiaries") and the Bank and its subsidiaries' interest in associates.

Business combinations

The Bank and its subsidiaries apply the acquisition method. The acquisition date is the date on which control is transferred to the Bank and its subsidiaries, other than those with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interests in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the assets transferred, liabilities incurred by the Bank and its subsidiaries to the previous owners of the acquiree, any contingent consideration, and equity interests issued by the Bank and its subsidiaries.

Any contingent consideration is measured at fair value at the date of acquisition and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Bank and its subsidiaries incur in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Bank and its subsidiaries report provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Step acquisition

When a business combination is achieved in stages, the Bank and its subsidiaries' previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative year or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

Subsidiaries are entities controlled by the Bank and its subsidiaries. The Bank and its subsidiaries control an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Bank and its subsidiaries measure any non-controlling interests at its proportionate interest in the identifiable net assets of the acquiree.

When there is a change in the Bank and its subsidiaries' interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses or deficits in shareholders' equity.

Loss of control

When the Bank and its subsidiaries lose control over a subsidiary, they derecognise the assets and liabilities, and any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Bank and its subsidiaries' interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Bank and its subsidiaries have significant influence, but not control or joint control, over the financial and operating policies.

The Bank and its subsidiaries recognised investments in associates using the equity method in the consolidated financial statements except for those interests held by the Bank and its subsidiaries elect to measures investments at fair value through profit or loss.

Investments in associates in the Bank's financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Bank and its subsidiaries' right to receive payment is established. If the Bank and its subsidiaries dispose of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

Transactions eliminated on consolidation

The consolidated financial statements include the accounts of the Head Office, all domestic and overseas branches and the Bank's subsidiaries. All inter-company transactions and balances within this Group have been eliminated.

3.2 Financial instruments

3.2.1 Recognition and initial measurement

The Bank and its subsidiaries initially recognise all financial instruments (including regular-way purchases and sales of financial assets) on the trade date, which is the date on which the Bank and its subsidiaries become a party to the contractual provisions of the financial instrument, except for investments in debt instruments which are recognised on the settlement date.

Financial assets or financial liabilities that are not measured at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issuance.

3.2.2 Classification and subsequent measurement

Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost (AMC), fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at AMC if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank and its subsidiaries may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Bank and its subsidiaries may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment of financial assets

The Bank and its subsidiaries assess the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cashflows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank and its subsidiaries' management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how investment managers are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior years, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank and its subsidiaries' stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Bank and its subsidiaries' continuing recognition of the assets.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment of whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment,

- "Principal" is defined as the fair value of the financial asset on initial recognition.
- "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank and its subsidiaries consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Bank and its subsidiaries consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- terms that limit the Bank and subsidiaries' claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Subsequent measurement and gain and loss of financial assets

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gain and loss, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit loss. Interest income, foreign exchange gain and loss and expected credit loss are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gain and loss and expected credit loss are recognised in profit or loss. Other net gain and loss are recognised in OCI. On derecognition, gain and loss accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends income are recognised as income in profit or loss on the date on which the Bank and its subsidiaries' right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gain and loss are recognised in OCI and are never reclassified to profit or loss.

Classification, subsequent measurement and gain and loss of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain and loss, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain and loss are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Bank and its subsidiaries record their obligations to return borrowed collateral, in the form of securities for private repurchase or securities borrowing and lending transactions where these securities are used to further borrow or lend in other transactions in financial liabilities measured at FVTPL.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank and its subsidiaries change their business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

3.2.3 Derecognition

Derecognition of financial assets

The Bank and its subsidiaries derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or they transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank and its subsidiaries neither transfer nor retain substantially all of the risks and rewards of ownership and they do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain or loss recognised in other comprehensive income in respect of equity instruments designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank and its subsidiaries are recognised as a separate asset or liability.

The Bank and its subsidiaries enter into transactions whereby they transfer assets recognised on their statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Bank and its subsidiaries retain all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Bank and its subsidiaries neither retain nor transfer substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Bank and its subsidiaries continue to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Bank and its subsidiaries retain the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised or a servicing liability if the fee to be received is not expected to compensate the entity adequately for performing the servicing.

Derecognition of financial liabilities

The Bank and its subsidiaries derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. The Bank and its subsidiaries also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

3.2.4 Modifications of financial assets and financial liabilities

Modifications of financial assets

If the terms of a financial asset are modified, then the Bank and its subsidiaries evaluate whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank and its subsidiaries plan to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank and its subsidiaries first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs, or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with expected credit loss. In other cases, it is presented as interest income calculated using the effective interest rate method.

Modifications of financial liabilities

The Bank and its subsidiaries derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. The consideration paid includes any non-cash assets transferred and new liabilities assumed.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

3.2.5 Impairment of financial assets

The Bank and its subsidiaries recognise allowance for expected credit loss (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

Measurement of ECL

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Expected credit losses are computed as unbiased, probability-weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward-looking information.

Estimates of expected cash shortfalls are determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macro-economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as Gross Domestic Product (GDP), unemployment rate, private consumption expenditure, farm income index, agricultural price index, average monthly wage, passenger car sales and household debt to GDP. These assumptions are determined using all reasonable and supportable information, which includes both available internal and external information and are consistent with those used for financial and capital planning.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Bank and its subsidiaries are exposed to credit risk where a behavioral life is estimated such as certain revolving and housing loans facilities.

The estimation of expected cash shortfalls on collateralised financial instruments reflects the expected amount and timing of cash flows from foreclosure of the collateral less the costs of obtaining and selling the collateral, regardless of whether the foreclosure is deemed probable or not.

Cash shortfalls are discounted using the effective interest rate.

When discounting the expected cash shortfalls to the present value, the following discount rates are used:

- financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate of an approximation thereof;
- POCI assets: a credit-adjusted effective interest rate;
- lease receivables: the discount rate used in measuring the lease receivable;
- undrawn loan commitments and financial guarantee contracts: the approximation of the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank and its subsidiaries expect to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank and its subsidiaries if the commitment might be drawn down and the cash flows that the Bank and its subsidiaries expect to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank and its subsidiaries expect to recover.

In order to assess the expected credit loss, models are developed based on historical repayment, default information and other information indicating default risk behavior.

In case that the models cannot capture the risk, the management overlay principle, covering industry, model and other risks, will be applied.

Staging

For ECL recognition, financial assets are classified in any of the below 3 stages at each reporting date. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

- *Performing (Stage 1)*

Financial assets that have not had a significant increase in credit risk (SICR) since initial recognition (i.e. no stage 2 or 3 triggers apply) or debt instrument that considered to have low credit risk at each reporting date with the exception of purchased or originated credit impaired (POCI) assets. The provision for ECL is 12-month ECL. 12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Bank and its subsidiaries consider government and state enterprise securities to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Bank and its subsidiaries do not apply the low credit risk exemption to any other financial instruments.

- *Under-performing (Stage 2)*

When financial assets have an SICR since initial recognition, expected credit losses are recognised for possible default events over the lifetime of the financial assets. The Bank and its subsidiaries consider reasonable and supportable information that is relevant and available without undue cost or effort when assessing SICR. This includes both quantitative and qualitative information and analysis, based on the Bank and its subsidiaries' historical experience and expert credit assessment and including forward-looking information.

Financial assets that are more than 30 days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Quantitative factors include an assessment of whether there has been a significant increase in the probability of default (PD) since origination. Increase in PD is determined from economic conditions that are relating to changes in credit risk such as internal credit rating downgrade or behavior scoring deterioration. If the changes exceed the thresholds, the financial assets are considered to have experienced a significant increase in credit risk.

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the customers' ability to repay. Qualitative indicators include operating results, financial liquidity and other reliable indicators.

Financial assets can be transferred to stage 1 in case they have proven that their ability to repay are back to normal.

- *Non-performing (Stage 3)*

Financial assets that are credit-impaired or in default represent those that are more than 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the customers are unlikely to repay on the occurrence of one or more observable events that have a significant negative impact on the estimated future cash flows of the financial assets.

Inputs into the assessment of whether a financial instrument are credit-impaired or in default and their significant change may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Bank and its subsidiaries for regulatory capital purposes.

The Bank and its subsidiaries consider both qualitative and quantitative factors when determining a financial asset to be in default which can be evidenced by the observable data but not limited to the following events:

- The borrower is more than 90 days past due on any material credit obligation to the Bank and its subsidiaries. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding;
- The borrower is unlikely to repay its credit obligations to the Bank and its subsidiaries in full, without considering any payment that may be received from collateral, as a result of the customer's significantly reduced creditworthiness;
- The Bank consents to debt restructuring by material forgiveness or postponing principal, interest or fees as it deems that the financial condition of the debtor has deteriorated;
- The Bank has filed litigation against the debtor;
- The borrower has filed for protection under bankruptcy law or other creditors have filed bankruptcy against the debtor, therefore delaying debt repayment to the Bank; or
- The borrower is classified as a non-performing or a purchased or originated credit impaired asset under the BoT's notification number Sor Nor Sor 23/2561 dated 31 October 2018, regarding to *Regulations on Asset Classification and Provisioning of Financial Institutions.*

For individual qualitative consideration of large corporate loans that are credit-impaired, there will be additional procedures where the Bank's Special Business Function consolidates and presents the qualitative information and/or expected credit loss to the Quality Credit Assessment Committee to review and propose to the Credit Committee for approval for such staging and/or expected credit losses.

For retail loans which comprise of a large number of loans with the shared similar characteristics, statistical estimates are used through credit scoring analysis. The retail loans are considered to be credit-impaired when they are more than 90 days past due or if the borrower has been filed for bankruptcy or the borrower ceases or closes its operations or qualitative consideration by management.

Expected credit losses of credit-impaired financial assets are determined based on the difference between the present value of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, discounted with the financial assets' original effective interest rate, and the gross carrying value of the financial assets prior to any credit impairments.

Financial assets that are credit-impaired require a lifetime provision.

Improvement in credit risk and staging

A period may elapse from the point at which instruments enter stage 2 or stage 3 and are reclassified back to stage 1.

For financial assets that are credit-impaired (stage 3), and have not been subject to modification, a transfer to stage 2 or stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the transfer criteria are no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, these factors must be resolved or operating results must be met by the conditions set by the Bank and its subsidiaries before loans are reclassified to stage 1.

Loans to customers under modification

For modified loans to customers, exposures under stage 3 can be transferred to stage 2 when the customer performs under the revised terms of the contract for 3 months or 3 periods, whichever is longer. A further 9 months or 9 periods, whichever is longer monitoring is required for such customers to be transferred to stage 1 on the basis that there is no overdue balance on the account and the customer is expected to repay its remaining obligations in full. When transferring to stage 1, credit risk will be reset at the transferring date.

For modified loans to customers, exposures under stage 2 that were not previously credit-impaired can be transferred to stage 1 when the customer performs under the revised terms of the contract for 3 consecutive months or 3 periods, whichever is longer, and the customer is expected to repay its remaining obligations in full.

Financial guarantee contracts held

The Bank and its subsidiaries assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for separately. The factors that the Bank and its subsidiaries consider when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Bank and its subsidiaries determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Bank and its subsidiaries consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Bank and its subsidiaries determine that the guarantee is not an integral element of the financial asset, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in "other assets". The Bank and its subsidiaries present gain or loss on a compensation right in profit or loss in the line item "expected credit loss".

Allowance for expected credit loss on purchased or originated credit impaired instruments (POCI)

The Bank and its subsidiaries measure expected credit loss on a lifetime basis for POCI instruments. However, expected credit loss is not recognised in a separate allowance for expected credit loss on initial recognition for POCI instruments as the lifetime expected credit loss is inherent within the gross carrying amount of the instruments. The Bank and its subsidiaries recognise the change in lifetime expected credit losses arising subsequent to initial recognition in the income statement and the cumulative change as an allowance for expected credit loss. Where lifetime expected credit losses on POCI instruments are less than those at initial recognition, then the favorable differences are recognised as impairment gain in profit or loss and as impairment loss where the expected credit losses are greater.

Presentation of ECL in the statement of financial position

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, the Bank and its subsidiaries separately present ECL of drawn component by deducting from the gross carrying amount while ECL of undrawn component is presented as a provision; and
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the other reserves.

Write-off and reversal of impairment

Loans and debt securities are written off (either partially or in full) after all the necessary procedures have been completed and the Bank and its subsidiaries have decided that there is no reasonable expectation of recovering a financial asset in its entirely or a portion thereof. This is generally the case where the Bank and its subsidiaries determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. The applicable portion of the gross carrying amount is written off and included as expected credit loss line item in profit or loss.

Subsequent recoveries of amounts previously written off are recognised when cash is received and recorded as a decrease in the amount of the expected credit loss in profit or loss.

If, in a subsequent period, the amount of the expected credit loss decreases and the decrease can be related objectively to an event occurring after the expected credit loss was recognised, such as an improvement in the debtor's credit rating, the previously recognised expected credit loss is reversed by adjusting the expected credit loss account. The amount of the reversal is recognised in profit or loss.

3.2.6 Derivatives and hedge accounting

Derivatives held for risk management purposes and hedge accounting

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position, except for derivatives used to dynamic hedge.

The Bank and its subsidiaries designate certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Bank and its subsidiaries formally document the relationship between the hedging instruments and hedged items, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Bank and its subsidiaries make an assessment, both at inception of the hedge relationship and on an ongoing basis, whether the hedging instruments are expected to be effective hedge in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a specific range. For a cash flow hedge of a forecast transaction, the Bank and its subsidiaries make an assessment whether the forecast transaction is highly probable to occur and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

These hedging relationships are described below:

Fair value hedges

When a derivative is designated as the hedging instrument in the hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss. The change in fair value of the hedged item attributable to the hedged risk is recognised in profit or loss. If the hedged item would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustments up to the point of discontinuation to a hedged item, for which the effective interest method is used, is amortised to profit or loss as an adjustment to the recalculated effective interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument, for which the effective interest method is used, is amortised to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is derecognised.

Cash flow hedges

When a derivative is designated as the hedging instrument in the hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve within shareholders' equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in the hedging reserve is classified from other comprehensive income to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of profit or loss and other comprehensive income.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

If the hedged cash flows are no longer expected to occur, then the Bank and its subsidiaries immediately reclassify the amount in the hedging reserve from OCI to profit or loss. For terminated hedging relationships, if the hedged cash flows are still expected to occur, then the amount accumulated in the hedging reserve is not reclassified until the hedged cash flows affect profit or loss; if the hedged cash flows are expected to affect profit or loss in multiple reporting periods, then the Bank and its subsidiaries reclassify the amount in the hedging reserve from OCI to profit or loss on a straight-line basis.

For derivatives used to dynamic hedge of assets or liabilities, the Bank and its subsidiaries continue using an accrual basis for derivatives.

Embedded derivatives

Derivatives may be embedded in another contractual arrangement (a host contract). The Bank and its subsidiaries account for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of TFRS 9;
- the host contract is not itself carried at FVTPL;
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Separated embedded derivatives are measured at fair value, with all changes in fair value recognised in profit or loss unless they form a part of a qualifying cash flow or net investment hedging relationship.

3.2.7 Securities purchased under reverse sale-and-repurchase agreements / Securities sold under sale-and-repurchase agreements

The Bank and its subsidiaries enter into agreements to purchase securities or to sell securities back at certain dates in the future at fixed prices. Amounts paid for securities purchased subject to a resale commitment are presented as assets under the caption of "Interbank and money market items, net (assets)" or "Loans to customers", depending upon the type of its counterparty, in the statements of financial position, and the underlying securities are treated as collateral to such receivables. Securities sold subject to repurchase commitments are presented as liabilities under the caption of "Interbank and money market items (liabilities)" or "Debt issued and borrowings, net", depending upon the type of its counterparty, in the statements of financial position, at the amounts received from the sale of those securities, and the underlying securities are treated as collateral. The difference between the purchase and sale considerations is recognised as interest income or expenses, as the case may be, over the transaction periods.

3.2.8 Liabilities to deliver security

Liabilities to deliver security represents the Bank and its subsidiaries' liability to return collateral, in the form of securities for private repurchase or securities borrowing and lending transactions where these securities are used to further borrow or lend in other transactions.

Gains or losses arising from securities sold short are included in determining profit or loss. Fees for borrowing and lending are recognised on an accrual basis.

3.3 Investments in subsidiaries and associates

Investments in subsidiaries and associates in the Bank's financial statements are measured at cost less impairment losses (if any).

The measurement of investments in subsidiaries and associates in the consolidated financial statements is described in note 3.1.

Disposal of investments in the Bank's financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

3.4 Properties for sale

Properties for sale consist of movable and immovable properties, are measured at the lower of cost or net realisable value, which is determined with reference to the latest appraisal value, less estimated cost to sell. Impairment losses are recognised as expenses in profit or loss.

Gain or loss on sales of properties for sale are recognised as income or expenses in profit or loss.

In accordance with asset warehousing, the assets are transferred to the Bank for repayment based on agreed price with the buy-back conditions not over 5 years and rent-back conditions for business operation. The Bank derecognises loans to customers and presents transferred assets as properties for sale in accordance with the ownership of the transferred assets. The transferred assets have the same measurement as other properties for sale. Income that the Bank receives is recorded as other income.

3.5 Premises and equipment

Recognition and measurement

Owned assets

Premises and equipment are measured at cost less accumulated depreciation and impairment losses except for land and buildings which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of premises and equipment are recognised in profit or loss.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity according to guidelines prescribed by BoT to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in shareholders' equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset, the increase is recognised in profit or loss. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. The revaluation surplus is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation surplus is transferred directly to retained earnings and is not considered in calculating the gain or loss on disposal.

Reclassification to investment properties

When the use of a property changes from owner-occupied to investment property that is measured at fair value, the Bank and its subsidiaries shall remeasure the property to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation surplus in equity. Any loss is recognised in other comprehensive income and presented in the revaluation surplus in equity to the extent that an amount had previously been included in the revaluation surplus relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

The cost of replacing a part of an item of premises and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Bank and its subsidiaries, and its cost can be measured reliably. The carrying amount of the replaced part is amortised. The costs of the day-to-day servicing of premises and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Premises	Appraised by independent professional appraisers	20 - 75 years
Building improvement		3 - 20 years
Furniture, fixtures, office equipment, equipment and vehicles		5 - 20 years
Others		5 - 10 years

3.6 *Investment properties*

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

3.7 *Goodwill and other intangible assets*

Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment. Internally generated goodwill and brands is recognised in profit or loss as incurred.

Research and development

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Bank and its subsidiaries intend to and has sufficient resources to complete development and to use or sell the asset. Other development expenditure and expenditure on research activities are recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. The expenditure cost includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Subsequent expenditure is capitalised only when it increases the future economic benefits.

Other intangible assets

Other intangible assets which are software licenses that are acquired by the Bank and its subsidiaries and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortisation is provided on software under installation. The estimated useful lives are as follows:

Software	3 - 10 years
Others	5 years

3.8 Impairment of non-financial assets

The carrying amounts of the Bank and its subsidiaries' assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to shareholders' equity, in which case it is charged to shareholders' equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss of other non-financial assets recognised in prior year is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.9 Contract liabilities

A contract liability is the obligation to transfer services to the customer. A contract liability is recognised when the Bank and its subsidiaries receive or has an unconditional right to receive non-refundable consideration from the customer before the Bank and its subsidiaries recognise the related revenue.

3.10 Employee benefits

Defined contribution plans

Obligations for contributions to the Bank and its subsidiaries' provident funds are expensed as the related service is provided.

Defined benefit plans

The Bank and its subsidiaries' net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior years.

The defined benefit obligations is discounted to the present value which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Bank and its subsidiaries determine the interest expenses on the net defined benefit liability by applying the discount rate used to measure the defined benefit obligations at the beginning of the year, taking into account any changes in the net defined benefit liability as a result of contributions and benefit payments. Net interest expenses and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Bank and its subsidiaries recognise gain and loss on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Bank and its subsidiaries' net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Bank and its subsidiaries can no longer withdraw the offer of those benefits and when the Bank and its subsidiaries recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Bank and its subsidiaries have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.11 Fair value measurement

Fair value is the price that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank and its subsidiaries have access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Bank and its subsidiaries use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank and its subsidiaries measure assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Bank and its subsidiaries determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Bank and its subsidiaries recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.12 Share capital

Preferred shares

Preferred shares are classified as equity if they are non-redeemable, or redeemable only at the Bank's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within shareholders' equity upon approval by the Bank's shareholders.

Common shares

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares are recognised as a deduction from equity, net of any tax effects

3.13 Interest

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the AMC of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank and its subsidiaries estimate future cash flows considering all contractual terms of the financial instrument, but not expected credit loss. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit loss.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The gross carrying amount of a financial asset is the AMC of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the AMC of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the AMC of the financial asset. If the financial asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the AMC of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

3.14 Fee and service income

Fee and service income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

Other fee and service income are recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Bank and its subsidiaries expect to be entitled to. In addition, judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. For the fee and service income that contain variable consideration, the Bank and its subsidiaries estimate and measure the amount of variable consideration based on the method established under TFRS 15. In determining the amount of variable consideration, the Bank and its subsidiaries also considers whether the extent of the amount recognised is highly probable that a significant reversal in the amount of cumulative fee and service income recognised will not occur.

Where the Bank and its subsidiaries act in the capacity of an agent and it recognises the net amount of consideration as commission revenue.

3.15 Long-term advances received from customer

Long-term advances received from customer is recognised as revenue when the Bank and its subsidiaries transferred control over the services to the customer.

3.16 Net gain on financial instruments measured at FVTPL

Net gain on financial instruments comprises gain less loss related to trading, fair value changes, transfer of financial assets measured at FVTPL, foreign exchange differences or translation of assets and liabilities denominated in foreign currency into the functional currency.

3.17 Contributions to the Deposit Protection Agency and Financial Institutions Development Fund

Contributions to the Deposit Protection Agency and Financial Institutions Development Fund are recorded as expenses on an accrual basis.

3.18 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank and its subsidiaries currently have a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.19 Financial guarantee and loan commitments

Financial guarantees are contracts that require the Bank and its subsidiaries to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with TFRS 9.

3.20 Income tax

Income tax expenses for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination or at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and differences relating to investments in subsidiaries and associates to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Bank and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset if there is a legally enforceable right to offset.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.21 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Bank and its subsidiaries; a person or entity that are under common control or under the same significant influence as the Bank and its subsidiaries; or the Bank and subsidiaries have direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

3.22 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Bank and its subsidiaries at the spot exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate announced by the BoT at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The income and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in other comprehensive income until disposal of the business.

3.23 Leases

At inception of a contract, the Bank and its subsidiaries assess whether a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Bank and its subsidiaries allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. However, for the leases of property the Bank and its subsidiaries have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Bank and its subsidiaries recognise a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that shall be paid under the lease, discounted using the Bank's marginal funding rate to the present value. The Bank and its subsidiaries derive their marginal funding rates from the average cost of funding in the prevailing market which reflects the respective terms of the lease payments.

The lease liability is measured at amortised cost using effective interest method. It is remeasured when there is a lease modification or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract the Bank and its subsidiaries allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Bank and its subsidiaries consider to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Bank and subsidiaries is an intermediate lessor, the Bank and its subsidiaries classify the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Bank and its subsidiaries recognise finance lease receivables or hire purchase receivables at the net investment of lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease or hire purchase income is allocated to accounting years to reflect a constant periodic rate of return on the Bank and its subsidiaries net investment outstanding in respect of the leases.

The Bank and its subsidiaries recognise lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the accounting year in which they are earned.

The Bank and its subsidiaries derecognise, modified cashflow and determine impairment on the finance lease receivables or hire purchase receivables as disclosed in note 3.2.3 to 3.2.5.

4 Financial risk management

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank and its subsidiaries' risk management framework. The Board has established at the Bank and, to the extent required, at its subsidiaries, the sub-board committees, e.g. Risk Oversight Committee, Executive Committee, Audit Committee and Technology Committee, which are collectively responsible for developing, implementing and monitoring the Bank and its subsidiaries' risk management policies in specified areas.

The Bank's Risk Oversight Committee is responsible for overseeing the adequacy and effectiveness of the overall risk management framework in relation to the risks faced by the Bank and its subsidiaries.

The Bank's Audit Committee is responsible for reviewing the adequacy of the Bank's internal control as well as the effectiveness of the Bank and its subsidiaries. The Bank's Audit Committee is assisted in these functions by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Bank's Audit Committee.

In addition, the management committees, which are Risk Management Committee, Credit Committee, Model Risk Management Committee, Asset and Liability Management Committee (ALCO) and Equity Investment Management Committee, have been established to oversee the Bank's risk management processes and reporting regularly to sub-board committees and the Board of Directors on their activities. Risk Management Committee is responsible for reviewing risk management policies and frameworks for risk management and control. Credit Committee is responsible for approving loans within their approval authority. Model Risk Management Committee is responsible for overseeing all internal risk models including TFRS 9 ECL models employed by the Bank to ensure that models remain effective for assessing risks and model risk is under control. Asset and Liability Committee (ALCO) is responsible for managing risk in the Bank's statement of financial position. Equity Investment Management Committee is responsible for managing risk in the Bank's equity investment portfolio.

The Bank and its subsidiaries' risk management policies, Internal Capital Adequacy Assessment Policy (ICAAP Policy) and Recovery Plan Policy are established to identify and analyse the risks faced by the Bank and its subsidiaries, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. These policies are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank and its subsidiaries, through implementing and monitoring appropriate policies, procedures and measures, aim to establish an effective and efficient internal control environment, in which all employees understand their roles and obligations.

4.1 Credit risk

Credit risk is the risk arising from a borrower and/or counterparty to financial instruments fails to meet its contractual obligations or to comply with conditions or contracts. Credit risk covers all types of financial products: transactions on-financial reporting such as loans, overdrafts, bills of exchange and other types of debts; and those off-financial reporting such as derivatives trading, letters of guarantee etc.

The Bank and its subsidiaries have significant credit risk management policies and frameworks which have been approved by the Board of Directors. For example:

- Credit Policy Guide
- Asset Classification and Provisioning for Financial Asset and Obligations that may be irrevocable and Write Off Policy
- Collateral and NPA Appraisal Policy
- Counterparty Risk Management Policy
- Country Risk Management Policy
- Model Risk Management Policy
- TFRS 9 Governance Policy

Since credit risk varies by type of credit, different risk measurement methods are applied, ranging from basic statistical tools to more advanced ones, or using individual risk assessment of expert credit judgment, to appropriately reflect the credit risk of each type of product/ transaction.

The Bank and its subsidiaries have credit risk reporting on a regular basis. The Bank and its subsidiaries credit risk report, including but not limited to loan growth, credit quality, credit concentration, is presented to the Risk Management Committee and Risk Oversight Committee on a monthly basis.

Credit approval/ credit review

The Bank attaches great importance to proper checks and balances in credit underwriting by establishing a clear separation between business origination and credit approval functions.

Business origination units are responsible for managing relationships to expand business, acquiring new clients, creating new markets and proposing for lending. Credit approval units provide independent advice and recommendations in accordance with the Credit Policy Guide to support authorised approvers in making credit decisions.

In addition, credit approval authority has been assigned to reflect different risk profiles and governed by the three-signature rule.

For the Bank's retail customers and SSMEs, credit approval will be carried out in accordance with product programs/ test programs which have been approved by the Executive Committee or the Retail Credit Committee. Credit approval authority and criteria, including exceptions, have been clearly and explicitly specified.

After a loan has been approved, the Bank will monitor the customer's account regularly as well as conducting periodic customer reviews with an objective that goes beyond ex-post rationalisation. The Bank focuses on forward-looking analysis to gain insight on both positive and negative changes in a specific industry or business related to each customer, as well as the customer's future financial status. This approach enables the Bank to review and monitor risk of each customer in order to formulate appropriate business strategies and action plans going forward.

Relationship manager/ Special business officer is responsible for conducting routine customer reviews within a specified timeframe at least once a year as well as conducting additional reviews when warranted by events that have material impacts on customers. Reports on customer reviews shall be prepared according to a specified format and submitted for approval from authorised persons.

For non-retail customers, the Bank reviews customer risk rating to gain insight on customer behavior and formulate an appropriate strategy for portfolio management by using an early warning system or using payment behavior to determine the risk level via PD Pool segmentation. The review is conducted at least once a year or more frequently if warranted by material changes in customers' risk rating. For retail customers and SSMEs, the Bank reviews customer risk rating by using National Credit Bureau (NCB) and payment behavior to determine the risk level via PD pool segmentation.

4.1.1 Maximum Exposure to Credit Risk

The following table presents the Bank and its subsidiaries' maximum exposure to credit risk of on-financial reporting and off-financial reporting items, without taking into account of any collateral held or other credit enhancements. For on-financial reporting items, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank and its subsidiaries would have to pay if the obligations of the instruments issued are called upon. For loan commitments, the maximum exposure to credit risk is the full amount of the undrawn credit loan facilities granted to customers.

As at 31 December 2024 and 2023, consolidated carrying amount and average maximum exposure to credit risk were summarised as follows:

	Consolidated			
	Carrying amount		**Average**	
	2024	2023	2024	2023
	(in million Baht)			
Credit risk exposure of on-financial reporting items*				
Interbank and money market items, net	553,685	436,265	434,656	488,854
Derivative assets	46,443	45,977	52,678	60,659
Loans to customers and accrued interest receivables, net	2,159,533	2,206,048	2,198,820	2,208,848
Government and state enterprise securities	338,734	387,604	379,967	370,764
Corporate debt instruments	7,523	6,237	7,676	6,099
Foreign debt instruments	47,411	48,108	51,863	34,674
Credit risk exposure of off-financial reporting items				
Financial guarantee contracts	242,114	256,503	252,143	265,069
Unused bank overdrafts	188,007	185,704	186,612	185,746
Loan commitments	67,405	52,311	54,584	37,983
Total maximum credit risk exposure	**3,650,855**	**3,624,757**	**3,618,999**	**3,658,696**

* The exposure to credit risk is net of allowance for expected credit loss.

The Bank does not present the Bank only maximum exposure to credit risk since the exposure does not materially differ from the consolidated figures.

4.1.2 Collateral held and other credit enhancements

The Bank and its subsidiaries hold collateral and other credit enhancements against certain of its credit exposures. The main types of collateral held by the Bank and its subsidiaries are land, building and financial securities. Upon granting credit decision, the Bank assesses the Loss Given Default (LGD), which is dependent on loan-to-value (LTV) ratio (ratio of the gross amount of loan to the value of collateral). The value of collateral is appraised and reviewed in accordance to risk of each collateral type and staging of the borrowers. This will be appraised by either internal collateral valuation experts or external collateral valuation experts (approved by Securities Exchange Commission (SEC)) which is approved by the Collateral Appraisal Committee to ensure that the value is reliable and up to date. The collateral value used also takes into account the expected loss from legal execution and public auction, which vary based on risk of each collateral type. The Bank also set up a discount rate based on collateral type to calculate LTV ratio. According to the underwriting criteria, higher the risk of the customer, higher amount of collateral will be required. It would help to offer the risk of the customers in the view of risk-return of the program, or the Bank may lower the credit limit to an appropriate risk level.

Derivatives and reverse sale-and-repurchase agreements

The Bank and its subsidiaries mitigate the credit risk of derivative transactions and reverse sale-and-repurchase agreements by entering into master netting agreements and the Bank's counterparty collateral agreement, of which collateral are held in the form of cash or marketable securities. Quantification of the collateral arrangements relating to these transactions is disclosed in note 26.

Residential mortgage loans

Mortgage loans is one of the types of loans, which is secured by collateral. However, the level of required collateral might be different by customer characteristics. Moreover, the BoT also considers LTV as one of the factors to calculate the Risk Weighted Asset (RWA) for Standardised Approach. The Bank manages the risk of higher LTV by allowing loans to customers who have a good scorecard rating.

As at 31 December 2024, consolidated and the Bank's LTV ratio of mortgage loans is approximately 72% *(2023: 71%)*.

Loans to corporate customers

The general creditworthiness of a non-retail customer tends to be relevant indicator of credit quality of a loan extended to it. However, collateral provides additional creditworthiness of this group of customers, with real estate serving as a primary collateral. The additional collateral includes the corporate assets, other liens and guarantees.

Since there are several types of collaterals and guarantees, the haircut of the collaterals and guarantees might be different based on the liquidity and quality of each collateral and guarantee, as reflected in the haircut in the Credit Policy Guide. This is to ensure that appropriate level of credit enhancement is considered in the credit approval and review processes.

4.1.3 Information relating to ECL

Inputs, assumptions and techniques used for estimating ECL are disclosed in note 3.2.5

Incorporation of forward-looking information

The Bank and its subsidiaries incorporate forward-looking information into the measurement of ECL.

The Bank and its subsidiaries formulate three economic scenarios: a base case, which is the central scenario, developed internally, and two less likely scenarios, one upside and one downside scenario. External information considered includes economic data and forecasts published by governmental bodies, selected private-sector and academic.

The scenario probability weightings applied in the model when measuring ECL are as follows:

	Consolidated and the Bank					
		2024			2023	
	Upside	Base	Downside	Upside	Base	Downside
Scenario probability weighting	20	60	20	20	60	20

The Bank and its subsidiaries have identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, by estimating relationships between macroeconomic variables, credit risk and credit losses. A broad range of forward-looking information are incorporated into the credit risk factors. The key drivers may include Gross Domestic Product (GDP), unemployment rate, private consumption expenditure, farm income index, agricultural price index, average monthly wage, passenger car sales and household debt to GDP. These variables and scenario probability weighting are produced by the Bank's Economic Intelligence Center.

Management Overlay

Management overlay is an adjustment to the ECL balance as part of financial reporting process to reflect factors including current market information, known model insufficiencies, expert credit judgment adjustment on forward-looking information, and economic risk.

The Bank and its subsidiaries have internal governance frameworks and controls in place to assess the appropriateness and completeness of management overlay. The aim of the Bank and its subsidiaries is to incorporate the management overlay adjustment to the ECL models, where possible, as part of the periodic model monitoring, model validation, and recalibration procedures.

As at 31 December 2024 and 2023, the Bank and its subsidiaries applied the management overlay as disclosed in Note 13.

4.1.4 Concentrations of credit risk

The Bank and its subsidiaries monitor concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk from loans to customers is given in note 12.4 and 12.2.

4.1.5 Credit quality analysis

The Bank and its subsidiaries allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment.

Credit risk grades are defined and calibrated such that the risk of default occurring accelerates as the credit risk grade deteriorates so, for example, the difference in risk of default between strong grade is smaller than the difference between higher risk grade.

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data:

- Payment record - this includes overdue status as well as payment behaviour
- Existing and forecast changes in business, financial and economic conditions
- Information obtained during periodic review of customer files - e.g. audited financial statements, management accounts, budgets and projections.
- Data from credit reference agencies, press articles, changes in external credit ratings
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
- Internally collected data on customer behaviour e.g. historical past due information, transaction data
- Parental support and/or guarantors
- Information from National Credit Bureau (NCB)
- Credit covenants
- Requester for and granting of forbearance

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Bank and its subsidiaries collect performance and default information about its credit risk exposures analysed by jurisdiction, by type of product and borrower as well as by credit risk grading. Also, information purchased from external credit reference agencies is also used.

The Bank and its subsidiaries employ statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures.

Credit quality is ranked from credit grades that are grouped as Strong to Impaired. This quality is used to reflect the ability for customers to meet financial obligation where:

- Strong customers are those that have a good capacity to meet financial obligations.
- Fair customers are those that have a fairly acceptable capacity to meet financial obligations.
- Weak customers are those that have uncertain capability to meet financial obligations.
- Impaired customers are those whose credit were impaired primarily from owing more than 90 days overdue payments or have other indications which reflect the inability to repay.

The following tables set out information about the credit quality as at 31 December 2024 and 2023 of loans to customers without taking into account collateral or other credit enhancement.

	Consolidated 2024			
	Stage 1	Stage 2	Stage 3	Total
		(in million Baht)		
Loans to customers				
Strong	1,185,058	1,420	-	1,186,478
Fair	607,100	44,884	-	651,984
Weak	179,872	163,341	-	343,213
Impaired	-	-	90,701	90,701
Total loans to customers*	**1,972,030**	**209,645**	**90,701**	**2,272,376**

* Excludes unamortised modification gain (loss).

	Consolidated 2023			
	Stage 1	Stage 2	Stage 3	Total
		(in million Baht)		
Loans to customers				
Strong	1,212,678	1,117	-	1,213,795
Fair	637,304	33,632	-	670,936
Weak	218,875	127,957	-	346,832
Impaired	-	-	89,302	89,302
Total loans to customers*	**2,068,857**	**162,706**	**89,302**	**2,320,865**

* Excludes unamortised modification gain (loss).

	The Bank 2024			
	Stage 1	Stage 2	Stage 3	Total
		(in million Baht)		
Loans to customers				
Strong	1,184,998	1,420	-	1,186,418
Fair	604,802	44,884	-	649,686
Weak	179,868	163,026	-	342,894
Impaired	-	-	90,101	90,101
Total loans to customers*	**1,969,668**	**209,330**	**90,101**	**2,269,099**

* Excludes unamortised modification gain (loss).

	The Bank 2023			
	Stage 1	Stage 2	Stage 3	Total
		(in million Baht)		
Loans to customers				
Strong	1,212,617	1,117	-	1,213,734
Fair	634,807	33,632	-	668,439
Weak	218,871	127,654	-	346,525
Impaired	-	-	88,544	88,544
Total loans to customers*	**2,066,295**	**162,403**	**88,544**	**2,317,242**

* Excludes unamortised modification gain (loss).

4.2 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiaries may not be able to meet its obligations as they fall due, because of an inability to realise assets or to cover funding requirements at an appropriate price, thus resulting in losses to the Bank and its subsidiaries.

In order to manage liquidity risk, the Bank and its subsidiaries established the Liquidity Risk Management Policy. The policy has been approved by the Board of Directors, with the Assets and Liabilities Management Committee (ALCO) taking an oversight responsibility to ensure compliance with the policy.

The Bank manages and controls liquidity risk to ensure that it maintains adequate sources of liquidity in order to maintain sufficient future cash flows to cover its activities during both normal and stress situations by using cash flow reports or liquidity gap reports to monitor and control the Bank's overall liquidity risk. The Bank's policy is to maintain its regulatory Liquidity Coverage Ratio (LCR), regulatory Net Stable Funding Ratio (NSFR) and liquidity ratio (liquid assets to deposits) at the appropriate level and to monitor net cash outflows over different time horizons to ensure that the Bank is always be able to meet its liquidity needs on a timely basis.

Additionally, the Bank conducts stress testing on a regular basis under scenarios of BoT and the Bank own scenarios. Stress test results are incorporated into the Bank's contingency funding plan, which establishes scenario-specific action plans and explicit roles and responsibilities for liquidity management in the event of crisis.

The Bank has a policy to maintain its daily liquidity ratio at 20% or higher, measured as liquid assets to deposits. At the end of 2024, the Bank's liquidity ratio stood at 32.5% of deposits *(2023: 31.8%)*

The Bank discloses the Liquidity Coverage Ratio (LCR) information under the BoT notification number Sor Nor Sor 2/2561 dated 25 January 2018, regarding to *Liquidity coverage ratio disclosure standards* as follows:

Location of disclosure	The Bank's website under "For Shareholders" section at https://www.scb.co.th/en/shareholders/financial-information.html
Disclosure period requirement	Within 4 months after the period end date as indicated in the BoT's notification.
Latest information as at	30 June 2024

The disclosure for the year ended 31 December 2024 will be provided on or before 30 April 2025 on the Bank's website as noted above.

Loans to deposits ratio

As at 31 December 2024, Loans to Deposits Ratio (excluding loans and deposits from financial institutions) was 91.5% in the Bank's financial statements *(2023: 94.5%).*

As at 31 December 2024 and 2023, the expected cash flows to maturity counted from the date of statements of financial position (excluding derivatives contractual undiscounted cashflows which are disclosed in note 9) were summarised as follows:

	Consolidated						
	2024						
	At call	Within 1 year	1 - 5 years	Over 5 years	Non-Performing Loans	No maturity	Total
	(in million Baht)						
Financial assets							
Cash	-	-	-	-	-	43,766	43,766
Interbank and money market items*	52,355	497,254	-	-	-	4,149	553,758
Financial assets measured at FVTPL	-	4,846	11,115	16,085	-	49,390	81,436
Investments, net	-	29,783	154,995	127,727	-	1,809	314,314
Loans to customers**	103,815	588,308	677,820	811,732	90,701	-	2,272,376
Total financial assets	**156,170**	**1,120,191**	**843,930**	**955,544**	**90,701**	**99,114**	**3,265,650**
Financial liabilities							
Deposits	1,927,259	494,025	61,386	-	-	-	2,482,670
Interbank and money market items	24,605	131,093	40,065	5,500	-	-	201,263
Liability payable on demand	9,227	-	-	-	-	-	9,227
Debt issued and borrowings	-	5,301	16,108	-	-	-	21,409
Total financial liabilities	**1,961,091**	**630,419**	**117,559**	**5,500**	-	-	**2,714,569**
Net liquidity gap	**(1,804,921)**	**489,772**	**726,371**	**950,044**	**90,701**	**99,114**	**551,081**

* Before deducting allowance for expected credit loss amounting to Baht 73 million.

** Excludes unamortised modification gain (loss)

	Consolidated						
	2023						
	At call	Within 1 year	1 - 5 years	Over 5 years	Non-Performing Loans	No maturity	Total
	(in million Baht)						
Financial assets							
Cash	-	-	-	-	-	40,664	40,664
Interbank and money market items*	39,481	396,120	127	-	-	598	436,326
Financial assets measured at FVTPL	-	21,487	4,582	6,965	-	25,227	58,261
Investments, net	-	135,373	137,875	110,778	-	1,722	385,748
Loans to customers**	115,880	595,992	669,470	850,221	89,302	-	2,320,865
Total financial assets	**155,361**	**1,148,972**	**812,054**	**967,964**	**89,302**	**68,211**	**3,241,864**
Financial liabilities							
Deposits	1,963,037	441,748	49,832	-	-	-	2,454,617
Interbank and money market items	36,488	104,806	35,797	9,500	-	-	186,591
Liability payable on demand	13,005	-	-	-	-	-	13,005
Debt issued and borrowings	-	40,483	12	16,408	-	-	56,903
Total financial liabilities	**2,012,530**	**587,037**	**85,641**	**25,908**	-	-	**2,711,116**
Net liquidity gap	**(1,857,169)**	**561,935**	**726,413**	**942,056**	**89,302**	**68,211**	**530,748**

* Before deducting allowance for expected credit loss amounting to Baht 61 million.
** Excludes unamortised modification gain (loss)

	The Bank						
	2024						
	At call	Within 1 year	1 - 5 years	Over 5 years	Non-Performing Loans	No maturity	Total
	(in million Baht)						
Financial assets							
Cash	-	-	-	-	-	43,630	43,630
Interbank and money market items*	52,200	492,436	-	-	-	-	544,636
Financial assets measured at FVTPL	-	4,846	11,115	16,085	-	49,390	81,436
Investments, net	-	29,683	154,989	127,727	-	1,798	314,197
Loans to customers**	103,815	586,012	677,496	811,675	90,101	-	2,269,099
Total financial assets	**156,015**	**1,112,977**	**843,600**	**955,487**	**90,101**	**94,818**	**3,252,998**
Financial liabilities							
Deposits	1,925,437	493,456	61,386	-	-	-	2,480,279
Interbank and money market items	25,227	132,826	40,065	5,500	-	-	203,618
Liability payable on demand	9,227	-	-	-	-	-	9,227
Debt issued and borrowings	-	5,301	16,108	-	-	-	21,409
Total financial liabilities	**1,959,891**	**631,583**	**117,559**	**5,500**	-	-	**2,714,533**
Net liquidity gap	**(1,803,876)**	**481,394**	**726,041**	**949,987**	**90,101**	**94,818**	**538,465**

* Before deducting allowance for expected credit loss amounting to Baht 30 million.
** Excludes unamortised modification gain (loss)

	The Bank 2023						
	At call	Within 1 year	1 - 5 years	Over 5 years	Non-Performing Loans	No maturity	Total
	(in million Baht)						
Financial assets							
Cash	-	-	-	-	-	40,536	40,536
Interbank and money market items*	35,461	392,074	127	-	-	-	427,662
Financial assets measured at FVTPL	-	21,487	4,582	6,965	-	25,227	58,261
Investments, net	-	135,119	137,869	110,778	-	1,713	385,479
Loans to customers**	115,880	593,739	668,915	850,164	88,544	-	2,317,242
Total financial assets	**151,341**	**1,142,419**	**811,493**	**967,907**	**88,544**	**67,476**	**3,229,180**
Financial liabilities							
Deposits	1,960,605	441,641	49,832	-	-	-	2,452,078
Interbank and money market items	37,141	106,245	35,797	9,500	-	-	188,683
Liability payable on demand	13,004	-	-	-	-	-	13,004
Debt issued and borrowings	-	40,483	12	16,408	-	-	56,903
Total financial liabilities	**2,010,750**	**588,369**	**85,641**	**25,908**	**-**	**-**	**2,710,668**
Net liquidity gap	**(1,859,409)**	**554,050**	**725,852**	**941,999**	**88,544**	**67,476**	**518,512**

* Before deducting allowance for expected credit loss amounting to Baht 30 million.

** Excludes unamortised modification gain (loss)

4.3 Market risk

Market risk is the risk that the Bank and its subsidiaries income and/or shareholders' equity may be affected from the fluctuations of interest rates, foreign exchange rates and equity prices. The Bank and its subsidiaries classify market risk positions into Trading books and non-Trading book. Trading books comprise trading transactions in the financial markets and short-term positions held for sale and/or trading or arbitrage, while non-Trading book mainly comprise positions from Interest Rate Risk in Banking Book (IRRBB) and from Investment Risk Management.

The Bank and its Financial Group with material market risk exposures are required to have a Market Risk Policy or Trading Book Policy or Investment Policy for managing market risk. The policies must be submitted to the Group Risk Management Committee for reviewing prior to seeking approval from Boards of Directors of respective companies. These policies must be reviewed at least once a year, or when deemed appropriate and/or upon any significant strategy or market change and materially affect these policies' compliance. The Bank and its Financial Group with material market risk exposure are required to set up an independent market risk management function which is responsible for measuring, evaluating, controlling, monitoring, and reporting market risk, as well as ensuring that market risk exposure stays below the predetermined limits.

To manage market risk exposures, the Bank and its Financial Group have adopted appropriate statistical and non-statistical tools for market risk assessment which depend on individual market risk characteristics and market risk positions. These tools include Value-at-Risk (VaR), stress testing, position size, sensitivity analysis, management action trigger, and others.

4.3.1 Interest rate risk

Interest rate fluctuation affects the Bank's interest income and expenses as well as economic value of equity. Four main sub-types of interest rate risk are defined as follows:

- Repricing risk is the risk from maturity / timing mismatches of the Bank's assets and liabilities, which cause interest rates at reset to differ due to yield curve movements. For example, assuming all other factors are constant, if the Bank's assets can be repriced faster than liabilities (positive gap), interest margins increase when interest rates rise. On the other hand, if the Bank's ability to reprice assets is slower than liabilities (negative gap), then interest margins narrow when interest rates rise.
- Yield curve risk arises from interest rates at different maturities changing differently.
- Basis risk occurs when the Bank's assets and liabilities are based on different reference interest rates, e.g., fixed-deposit rates, interbank lending rates, etc. Therefore, any change in reference rates will affect interest rates tied with assets and liabilities differently.
- Options risk arises from implicit and explicit options in the Bank's assets and liabilities and off-financial reporting items, where exercising these options might affect the Bank's revenue and costs. For example, an option on three-month deposit that allows early withdrawal before maturity will, if exercised, cause the Bank's costs to rise sooner than expected.

The Bank and its subsidiaries adopt various tools for interest rate risk management which includes risk tolerance limits for both the Trading book and non-Trading book. For Trading book exposures, there are limits on Value-at-Risk (VaR), sensitivities to yield curve and basis shifts (basis point value), and stress testing. For non-Trading book exposures, limits are determined based on impact assessment on Net Interest Income (NII) and Economic Value of Equity (EVE).

As at 31 December 2024 and 2023, the Bank's interest rate risk exposures based on the results of the aforementioned tools are as follows:

Risk of interest rate portfolio in Trading book

	The Bank	
	2024	2023
	(in million Baht)	
Aggregate 1-year historical Value-at-Risk (VaR)*	45.7	41.1

* With 99% confidence level and 1-day holding period (in normal market situations)

The Bank has disclosed the VaR figures for interest rate risk in Trading book at the Bank level as the VaR for interest rate risk in Trading book of other subsidiaries of its Financial Group are insignificant and exposures at the consolidated level do not materially differ from the Bank level.

Interest rate risk in Banking book

Impact on Net interest Income (NII) in the event that interest rates rise by 1%

	The Bank	
	2024	2023
	(in million Baht)	
Currency		
THB	7,108	7,756
USD	(321)	(204)
EURO and other foreign currencies	(78)	21
Total impact on net interest income	**6,709**	**7,573**
Change in net interest income *(%)*	**6.75**	**7.23**

Impact on Economic Value of Equity (EVE) in the event that interest rates rise by 1%

	The Bank	
	2024	2023
	(in million Baht)	
Currency		
THB	(2,457)	2,931
USD	(94)	(83)
EURO and other foreign currencies	(35)	(37)
Total impact on economic value of equity	**(2,586)**	**2,811**
Change in total capital *(%)*	**(0.65)**	**0.73**

The Bank adopted a behavior model in measuring interest rate risk in the banking book to better reflect the risk by adjusting asset and liability repricing tenors i.e., maturity of non-maturity deposits (NMDs), fixed-rate loans subject to prepayment risk, and term deposits subject to early redemption risk, as well as adjusting the relationship of loan and deposit interest rate to the policy rate. The behavior adjustment is in accordance with the BoT notification number Sor. Kor. Sor.1. 2/2564 dated 19 August 2021, regarding to Pillar 2.

The Bank has disclosed the NII and EVE figures for interest rate risk in Banking book at the Bank level as these of other subsidiaries of its Financial Group are insignificant and the exposures at the consolidated level do not materially differ from the Bank level.

Interest rate repricing analysis

As at 31 December 2024 and 2023, significant financial assets and liabilities classified by interest repricing periods were as follows:

	Consolidated 2024							
		Repricing within			Reprice	Non-	Non-	
	At call	3 months	3 - 12 months	1 - 5 years	over 5 years	Performing Loans	interest bearing	Total
	(in million Baht)							
Financial assets								
Cash	-	-	-	-	-	-	43,766	43,766
Interbank and money market items*	18,723	494,445	1,928	-	-	-	38,662	553,758
Financial assets measured at FVTPL	-	37	4,809	11,115	16,085	-	49,390	81,436
Investments, net	-	6,284	23,499	154,995	127,727	-	1,809	314,314
Loans to customers**	1,151,569	346,009	257,690	388,415	37,992	90,701	-	2,272,376
Total financial assets	**1,170,292**	**846,775**	**287,926**	**554,525**	**181,804**	**90,701**	**133,627**	**3,265,650**
Financial liabilities								
Deposits	1,838,167	207,465	280,274	58,020	-	-	98,744	2,482,670
Interbank and money market items	10,994	136,725	4,368	35,565	-	-	13,611	201,263
Debt issued and borrowings	-	612	3,798	16,993	-	-	6	21,409
Total financial liabilities	**1,849,161**	**344,802**	**288,440**	**110,578**	-	-	**112,361**	**2,705,342**
Difference	**(678,869)**	**501,973**	**(514)**	**443,947**	**181,804**	**90,701**	**21,266**	**560,308**

* Before deducting allowance for expected credit loss amounting to Baht 73 million.
** Excludes unamortised modification gain (loss).

	Consolidated 2023							
		Repricing within			Reprice	Non-	Non-	
	At call	3 months	3 - 12 months	1 - 5 years	over 5 years	Performing Loans	interest bearing	Total
	(in million Baht)							
Financial assets								
Cash	-	-	-	-	-	-	40,664	40,664
Interbank and money market items*	15,705	393,539	1,443	-	-	-	25,639	436,326
Financial assets measured at FVTPL	-	7,457	15,095	3,517	6,965	-	25,227	58,261
Investments, net	-	85,979	70,789	116,480	110,778	-	1,722	385,748
Loans to customers**	1,129,653	398,792	287,133	372,927	43,058	89,302	-	2,320,865
Total financial assets	**1,145,358**	**885,767**	**374,460**	**492,924**	**160,801**	**89,302**	**93,252**	**3,241,864**
Financial liabilities								
Deposits	1,872,247	169,408	265,366	46,534	-	-	101,062	2,454,617
Interbank and money market items	13,056	111,664	3,142	35,297	-	-	23,432	186,591
Debt issued and borrowings	-	38,576	891	-	17,111	-	325	56,903
Total financial liabilities	**1,885,303**	**319,648**	**269,399**	**81,831**	**17,111**	-	**124,819**	**2,698,111**
Difference	**(739,945)**	**566,119**	**105,061**	**411,093**	**143,690**	**89,302**	**(31,567)**	**543,753**

* Before deducting allowance for expected credit loss amounting to Baht 61 million.
** Excludes unamortised modification gain (loss).

	The Bank							
	2024							
	At call	3 months	Repricing within 3 - 12 months	1 - 5 years	Reprice over 5 years	Non-Performing Loans	Non-interest bearing	Total
	(in million Baht)							
Financial assets								
Cash	-	-	-	-	-	-	43,630	43,630
Interbank and money market items*	18,723	490,831	1,331	-	-	-	33,751	544,636
Financial assets measured at FVTPL	-	37	4,809	11,115	16,085	-	49,390	81,436
Investments, net	-	6,284	23,399	154,989	127,727	-	1,798	314,197
Loans to customers**	1,151,569	344,278	257,125	388,091	37,935	90,101	-	2,269,099
Total financial assets	**1,170,292**	**841,430**	**286,664**	**554,195**	**181,747**	**90,101**	**128,569**	**3,252,998**
Financial liabilities								
Deposits	1,836,990	207,088	280,084	58,020	-	-	98,097	2,480,279
Interbank and money market items	11,206	138,785	4,041	35,565	-	-	14,021	203,618
Debt issued and borrowings	-	612	3,798	16,993	-	-	6	21,409
Total financial liabilities	**1,848,196**	**346,485**	**287,923**	**110,578**	-	-	**112,124**	**2,705,306**
Difference	**(677,904)**	**494,945**	**(1,259)**	**443,617**	**181,747**	**90,101**	**16,445**	**547,692**

* Before deducting allowance for expected credit loss amounting to Baht 30 million.
** Excludes unamortised modification gain (loss).

	The Bank							
	2023							
	At call	3 months	Repricing within 3 - 12 months	1 - 5 years	Reprice over 5 years	Non-Performing Loans	Non-interest bearing	Total
	(in million Baht)							
Financial assets								
Cash	-	-	-	-	-	-	40,536	40,536
Interbank and money market items*	15,704	391,193	734	-	-	-	20,031	427,662
Financial assets measured at FVTPL	-	7,457	15,095	3,517	6,965	-	25,227	58,261
Investments, net	-	85,724	70,789	116,475	110,778	-	1,713	385,479
Loans to customers**	1,129,653	397,179	286,493	372,372	43,001	88,544	-	2,317,242
Total financial assets	**1,145,357**	**881,553**	**373,111**	**492,364**	**160,744**	**88,544**	**87,507**	**3,229,180**
Financial liabilities								
Deposits	1,870,864	169,369	265,299	46,534	-	-	100,012	2,452,078
Interbank and money market items	13,274	112,437	3,807	35,297	-	-	23,868	188,683
Debt issued and borrowings	-	38,576	891	-	17,111	-	325	56,903
Total financial liabilities	**1,884,138**	**320,382**	**269,997**	**81,831**	**17,111**	-	**124,205**	**2,697,664**
Difference	**(738,781)**	**561,171**	**103,114**	**410,533**	**143,633**	**88,544**	**(36,698)**	**531,516**

* Before deducting allowance for expected credit loss amounting to Baht 30 million.
** Excludes unamortised modification gain (loss).

4.3.2 Foreign exchange risk

Fluctuation in exchange rates affects the value of the Bank and its subsidiaries foreign currency-denominated assets and liabilities. Transactions exposed to foreign exchange risk include proprietary trading transactions and money transfers as well as payments related to international trade and foreign investment, which may result in the Bank and its subsidiaries net currency position being short or long at any point in time. Thai Baht appreciation against the currency in which the Bank and its subsidiaries have a net long position will result in foreign exchange losses, whereas Baht depreciation will result in foreign exchange gain. On the other hand, if the Bank and its subsidiaries are in a net short position, the Bank and its subsidiaries will make a gain on the position when the Baht strengthens but a loss when the Baht weakens.

The Bank and its subsidiaries control foreign exchange risk by setting risk limits on foreign exchange risk exposure both in terms of statistical limits, such as Value at Risk (VaR), and monetary limits, such as net open position (Intra-day Position and Overnight Position), and management action triggers, etc.

As at 31 December 2024 and 2023, the Bank's foreign exchange risk based on the results of the aforementioned tools are as follows:

	The Bank	
	2024	2023
	(in million US Dollars)	
Net open long (short) position (US Dollar equivalent)	28.8	54.9

Risk of foreign exchange rate portfolio in Trading book

	The Bank	
	2024	2023
	(in million Baht)	
Aggregate 1-year historical Value-at-Risk (VaR)*	4.5	9.1

* With 99% confidence level and 1-day holding period (in normal market situations)

As at 31 December 2024 and 2023, majority of the Bank's foreign currency exposures is in US Dollar.

The Bank has disclosed the Net open long (short) position and VaR for foreign exchange risk at the Bank level as the Net open long (short) position and VaR for foreign exchange risk of other subsidiaries of its Financial Group are insignificant and the exposures at the consolidated level do not materially differ from the Bank level.

4.3.3 Equity price risk

Equity price risk is the risk arising from changes in the price of equities or common stock that may cause volatility in earning or fluctuations in the value of financial assets. The Bank and its subsidiaries have policies to manage the risk by maintaining long-term equity investments and investing in growth potential equities and/or those intended to support the business. The Bank has established the policy that only companies within the Financial Group that are engaged in the financial business with specific supervisory bodies and those permitted to engage in portfolio management can initiate action with respect to equity investments, as allowed under applicable regulations. The Bank has closely managed and monitored market situations to provide information for management to monitor the risk to the Bank. The Bank monitors the investment in listed equity using Value-at-Risk (VaR). For investment that does not have market price, expected loss estimation from historical data used as risk measurement and for risk limit control. (Further details of equity investments are provided under note 8 and 10 and further details on fair value of equity investments and framework are provided under note 27).

5 Maintenance of capital fund

The Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by BoT. As announced by BoT in circulars dated 8 November 2012 and 7 May 2019, the Bank is required to calculate its Capital Fund in accordance with Basel III.

As at 31 December 2024 and 2023, the Bank's total capital funds were categorised as follows:

	Basel III	
	The Bank	
	2024	2023
	(in million Baht)	
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	33,992	33,992
Premium on share capital	11,124	11,124
Legal reserve	7,000	7,000
Net profit after appropriation	321,462	309,132
Other comprehensive income	18,520	18,417
Capital deduction items on CET1	(17,654)	(18,495)
Total Tier 1 capital	**374,444**	**361,170**
Tier 2 capital		
General provisions	23,752	23,499
Total Tier 2 capital	**23,752**	**23,499**
Total capital funds	**398,196**	**384,669**
Total risk-weighted assets	**2,154,228**	**2,135,900**

	2024		2023	
	The BoT's regulation minimum requirement*	Capital ratio of the Bank	The BoT's regulation minimum requirement*	Capital ratio of the Bank
			(%)	
Total capital funds / Total risk-weighted assets	12.0	18.5	12.0	18.0
Total Tier 1 capital / Total risk-weighted assets	9.5	17.4	9.5	16.9
Total CET 1 / Total risk-weighted assets	8.0	17.4	8.0	16.9
Total Tier 2 capital / Total risk-weighted assets		1.1		1.1

* The BoT requires commercial banks to maintain an additional buffer on top of minimum regulatory required Common Equity Tier 1 consists of conservation buffer of 2.50% and D-SIB buffer of 1.0%

As at 31 December 2024 and 2023, the Bank has no capital add-on arising from Single Lending Limit.

Disclosures of capital maintenance information under the BoT notification number Sor Nor Sor 4/2556 dated 2 May 2013, regarding to *Disclosure Requirement on Capital Adequacy for a Commercial Bank* and the BoT notification number Sor Nor Sor 14/2562 dated 7 May 2019, regarding to *Disclosure requirement on Capital Adequacy for a Commercial Bank (Volume 2)* were as follows:

Location of disclosure	The Bank's website under "For Shareholders" section at https://www.scb.co.th/en/shareholders/financial-information.html
Disclosure period requirement	Within 4 months after the period end date as indicated in the BoT's notification
Latest information as at	30 June 2024

The disclosure for the year ended 31 December 2024 will be provided on or before 30 April 2025 on the Bank's website as noted above.

Capital management

The Bank and its subsidiaries' policies are to maintain a strong capital base so as to provide a cushion against future uncertainties, engender market confidence in the Bank's robustness and to support business growth. Furthermore, the impact of the level of capital on shareholders' returns is also considered together with the need to maintain a balance between the higher returns that might be possible with higher gearing and the advantages and security afforded by a sound capital position.

The Bank and its subsidiaries complied with the BoT's imposed capital requirements throughout the year and, as noted in the table above, its capital level is well in excess of the minimum requirements.

6 Classification of financial assets and financial liabilities

	Consolidated 2024				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
	(in million Baht)				
Financial assets					
Cash	-	-	-	43,766	43,766
Interbank and money market items, net	-	-	-	553,685	553,685
Financial assets measured at FVTPL	81,436	-	-	-	81,436
Derivative assets	46,443	-	-	-	46,443
Investments, net	-	96,184	1,809	216,321	314,314
Loans to customers and accrued interest receivables, net	-	-	-	2,159,533	2,159,533
Total	**127,879**	**96,184**	**1,809**	**2,973,305**	**3,199,177**
Financial liabilities					
Deposits	-	-	-	2,482,670	2,482,670
Interbank and money market items	-	-	-	201,263	201,263
Liabilities payable on demand	-	-	-	9,227	9,227
Derivative liabilities	45,840	-	-	-	45,840
Debt issued and borrowings	-	-	-	21,409	21,409
Total	**45,840**	**-**	**-**	**2,714,569**	**2,760,409**

	Consolidated 2023				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
	(in million Baht)				
Financial assets					
Cash	-	-	-	40,664	40,664
Interbank and money market items, net	-	-	-	436,265	436,265
Financial assets measured at FVTPL	58,261	-	-	-	58,261
Derivative assets	45,977	-	-	-	45,977
Investments, net	-	174,495	1,722	209,531	385,748
Loans to customers and accrued interest receivables, net	-	-	-	2,206,048	2,206,048
Total	**104,238**	**174,495**	**1,722**	**2,892,508**	**3,172,963**
Financial liabilities					
Deposits	-	-	-	2,454,617	2,454,617
Interbank and money market items	-	-	-	186,591	186,591
Liabilities payable on demand	-	-	-	13,005	13,005
Derivative liabilities	43,708	-	-	-	43,708
Debt issued and borrowings	-	-	-	56,903	56,903
Total	**43,708**	**-**	**-**	**2,711,116**	**2,754,824**

	The Bank 2024				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
			(in million Baht)		
Financial assets					
Cash	-	-	-	43,630	43,630
Interbank and money market items, net	-	-	-	544,606	544,606
Financial assets measured at FVTPL	81,436	-	-	-	81,436
Derivative assets	46,443	-	-	-	46,443
Investments, net	-	96,184	1,798	216,215	314,197
Loans to customers and accrued interest receivables, net	-	-	-	2,156,809	2,156,809
Total	**127,879**	**96,184**	**1,798**	**2,961,260**	**3,187,121**
Financial liabilities					
Deposits	-	-	-	2,480,279	2,480,279
Interbank and money market items	-	-	-	203,618	203,618
Liabilities payable on demand	-	-	-	9,227	9,227
Derivative liabilities	45,840	-	-	-	45,840
Debt issued and borrowings	-	-	-	21,409	21,409
Total	**45,840**	**-**	**-**	**2,714,533**	**2,760,373**

	The Bank 2023				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
			(in million Baht)		
Financial assets					
Cash	-	-	-	40,536	40,536
Interbank and money market items, net	-	-	-	427,632	427,632
Financial assets measured at FVTPL	58,261	-	-	-	58,261
Derivative assets	45,977	-	-	-	45,977
Investments, net	-	174,495	1,713	209,271	385,479
Loans to customers and accrued interest receivables, net	-	-	-	2,203,055	2,203,055
Total	**104,238**	**174,495**	**1,713**	**2,880,494**	**3,160,940**
Financial liabilities					
Deposits	-	-	-	2,452,078	2,452,078
Interbank and money market items	-	-	-	188,683	188,683
Liabilities payable on demand	-	-	-	13,004	13,004
Derivative liabilities	43,708	-	-	-	43,708
Debt issued and borrowings	-	-	-	56,903	56,903
Total	**43,708**	**-**	**-**	**2,710,668**	**2,754,376**

7 Interbank and money market items, net (Assets)

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Domestic items				
Bank of Thailand and Financial Institutions Development Fund	473,992	372,069	473,992	372,069
Commercial banks	14,689	21,234	14,747	21,237
Other financial institutions*	5,437	3,052	5,437	3,052
Total	494,118	396,355	494,176	396,358
Add accrued interest receivables and undue interest receivables	187	266	187	266
Less allowance for expected credit loss	(25)	(25)	(25)	(25)
Total domestic items	**494,280**	**396,596**	**494,338**	**396,599**
Foreign items*				
US Dollar	47,693	34,685	38,791	26,041
Japanese Yen	4,633	649	4,633	649
Euro	2,354	704	2,354	704
Other currencies	4,684	3,659	4,407	3,636
Total	59,364	39,697	50,185	31,030
Add accrued interest receivables and undue interest receivables	89	8	88	8
Less allowance for expected credit loss	(48)	(36)	(5)	(5)
Total foreign items	**59,405**	**39,669**	**50,268**	**31,033**
Total domestic and foreign items	**553,685**	**436,265**	**544,606**	**427,632**

* Other financial institutions represent financial institutions other than above, such as Finance companies, Securities companies, Credit foncier companies, Life insurance companies, Cooperatives, the Federation of Savings and Credit Cooperatives of Thailand Limited and the Credit Union League of Thailand Limited.

** Certain amount under this item are under restrictions *(Note 31)*.

8 Financial assets measured at fair value through profit or loss

	Consolidated and The Bank	
	2024	2023
	Fair value	Fair value
	(in million Baht)	
Financial assets held for trading		
Government and state enterprise securities	24,523	26,563
Corporate debt instruments	6,317	5,857
Total	**30,840**	**32,420**
Others		
Government and state enterprise securities	9,234	-
Corporate debt instruments	1,206	380
Foreign debt instruments	39,883	25,123
Domestic equity instruments	268	313
Foreign equity instruments	5	25
Total	**50,596**	**25,841**
Total financial assets measured at fair value through profit or loss	**81,436**	**58,261**

9 Derivatives

Derivatives are financial instruments whose characteristics are derived from fair value of underlying assets, or from interest and exchange rates or indices. The following derivatives are currently used and outstanding by the Bank and its subsidiaries:

1. Forward exchange contracts which are agreements to buy or sell fixed amounts of currency at agreed rates of exchange on a specified future date.

2. Currency and interest rate swaps which are agreements to exchange, and on termination of the swap, re-exchange principal amounts denominated in different currencies and may also involve the exchange of related interest payments.

3. Interest rate swaps which are agreements that involve the exchange of interest obligations for a specified period without exchanging the underlying or notional principal.

4. Equity derivatives which are agreements that determined values based on level of the underlying equity's price or price of equity group or Equity Index.

5. Commodity derivatives which are a purchase or a sale of an underlying product or the exchange of cash flow calculated from a reference volume of product multiplied by the agreed price within a period of time and conditions as agreed in the contract.

The notional amount of derivatives at the year end does not represent the risk exposure arising from derivative transactions. The risks arising from derivatives will depend on the changes in the price of each derivative type before maturity of the contract.

As at 31 December 2024 and 2023, on a consolidated and the Bank basis, 100% and 100% of derivatives are over-the-counter derivative transactions. The notional amount of derivatives based on types of contracts were as follows:

	Consolidated and The Bank			
	2024			
	Notional amount			
	Less than 1 year	Within 1 - 5 years	More than 5 years	Total
	(in million Baht)			
Forward exchange contracts	1,345,793	203,697	72,848	1,622,338
Interest rate swap contracts	882,412	521,708	209,038	1,613,158
Equity derivatives	11,111	4,954	-	16,065
Commodity derivatives	490	-	-	490

	Consolidated and The Bank			
	2023			
	Notional amount			
	Less than 1 year	Within 1 - 5 years	More than 5 years	Total
	(in million Baht)			
Forward exchange contracts	1,138,891	213,983	96,781	1,449,655
Interest rate swap contracts	939,385	526,281	250,443	1,716,109
Equity derivatives	7,507	5,724	-	13,231
Commodity derivatives	220	-	-	220

9.1 Derivatives held for trading

	Consolidated and The Bank					
	2024			2023		
	Fair value		Notional	Fair value		Notional
Type of risk	Assets	Liabilities	amount	Assets	Liabilities	amount
			(in million Baht)			
Foreign exchange rate	31,483	28,158	1,539,761	29,222	26,196	1,348,779
Interest rate	13,105	15,138	1,542,429	14,282	14,185	1,655,545
Equity derivatives	1,209	1,244	16,065	1,036	1,068	13,231
Commodity derivatives	2	2	490	8	8	220
Total	**45,799**	**44,542**	**3,098,745**	**44,548**	**41,457**	**3,017,775**

9.2 Derivatives held for risk management in designated of hedge relationship

Fair value hedges

The Bank and its subsidiaries use interest rate swaps to hedge its exposure to changes in the fair values of fixed-rate debt issued. The designated risk being hedged is the risk of changes in interest rate risk from fixed rate to USD SOFR CMP. As at 31 December 2024 and 2023, there were no significant ineffectiveness in these hedging relationships and there is no net gain (loss) hedging.

Fair value and notional amount classified by type of risks were as follow:

	Consolidated and the Bank		
	2024		
	Fair value		Notional
Type of risk	Assets	Liabilities	amount
		(in million Baht)	
Interest rate	-	891	16,994
Total	**-**	**891**	**16,994**

	Consolidated and the Bank		
	2023		
	Fair value		Notional
Type of risk	Assets	Liabilities	amount
		(in million Baht)	
Interest rate	30	702	34,224
Total	**30**	**702**	**34,224**

Cash flow hedges

The Bank and its subsidiaries use interest rate swaps to hedge its exposure to variability in future cash flows attributable to movements in interest rates of investments in debt instruments. The designated risk being hedged is the risk of changes in interest rate from floating to fixed rate. Cash flow hedge reserve is cumulative amount of effective portion of fair value of hedging instruments which is recognized in other reserves. As at 31 December 2024, the Bank and its subsidiaries had no cash flow hedges transactions *(As at 31 December 2023, there were no significant ineffectiveness in these hedging relationships and there is no net gain (loss) hedging).*

Fair value and notional amount classified by type of risks were as follow:

	Consolidated and the Bank		
	2023		
	Fair value		Notional
Type of risk	Assets	Liabilities	amount
		(in million Baht)	
Interest rate	-	77	24,000
Total	**-**	**77**	**24,000**

Hedge accounting is applied where economic hedging relationships meet the hedge accounting criteria. In these hedging relationships, hedge effectiveness is assessed based on the following factors:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from the economic relationship.
- The hedge ratio of the hedging relationship is the same in the quantity.

The Bank and its subsidiaries establish a hedge ratio by aligning the par amount of the fixed-rate debt issued and the notional amount of the interest rate swap designated as a hedging instrument. The Bank and its subsidiaries apply a hedge ratio of 1:1.

Dynamic Hedging derivatives

Carrying amount and notional amount classified by type of risks consisted of

	Consolidated and the Bank		
	2024		
	Carrying amount		Notional
Type of risk	Assets	Liabilities	amount
		(in million Baht)	
Interest rate	-	-	53,735
Total	**-**	**-**	**53,735**

	Consolidated and the Bank		
	2023		
	Carrying amount		Notional
Type of risk	Assets	Liabilities	amount
		(in million Baht)	
Interest rate	-	-	2,340
Total	**-**	**-**	**2,340**

9.3 Derivatives held for risk management not designated in a hedge relationship

	Consolidated and the Bank					
	2024			2023		
	Fair value		Notional	Fair value		Notional
Type of risk	Assets	Liabilities	amount	Assets	Liabilities	amount
			(in million Baht)			
Foreign exchange rate	644	407	82,577	1,399	1,472	100,876
Total	**644**	**407**	**82,577**	**1,399**	**1,472**	**100,876**

10 Investments, net

10.1 Classified by type of investments

	Consolidated		The Bank	
	2024	2023	2024	2023
	AMC	AMC	AMC	AMC
		(in million Baht)		
Investments in debt instruments measured at AMC				
Government and state enterprise securities	216,237	209,294	216,231	209,288
Foreign debt instruments	129	328	-	-
Less allowance for expected credit loss	(45)	(91)	(16)	(17)
Total	**216,321**	**209,531**	**216,215**	**209,271**

	Consolidated		The Bank	
	2024	2023	2024	2023
	Fair value	Fair value	Fair value	Fair value
		(in million Baht)		
Investments in debt instruments measured at FVOCI				
Government and state enterprise securities	88,756	151,764	88,756	151,764
Foreign debt instruments	7,428	22,731	7,428	22,731
Total	**96,184**	**174,495**	**96,184**	**174,495**
Allowance for expected credit loss	**(6)**	**(9)**	**(6)**	**(9)**

	Consolidated		The Bank	
	2024	2023	2024	2023
	Fair value	Fair value	Fair value	Fair value
		(in million Baht)		
Investments in equity instruments designated at FVOCI				
Domestic equity instruments	1,739	1,676	1,729	1,668
Foreign equity instruments	70	46	69	45
Total	**1,809**	**1,722**	**1,798**	**1,713**
Total investments, net	**314,314**	**385,748**	**314,197**	**385,479**

Dividend income from investments in equity instruments designated at FVOCI recognised in the consolidated and the Bank's statement of profit or loss and other comprehensive income for the year ended 31 December 2024 amounting to Baht 28 million and Baht 26 million, respectively. *(2023: Baht 42 million and Baht 39 million, respectively).*

10.2 Investments in which the Bank and its subsidiaries hold 10% or more

	Consolidated and The Bank			
	2024		2023	
	Number of Companies	Fair value *(in million Baht)*	Number of Companies	Fair value *(in million Baht)*
Property development and construction*	3	1,603	3	1,569
Others*	5	-	5	-
Total	**8**	**1,603**	**8**	**1,569**

* Includes certain investment classified as financial instruments measured through profit or loss in Note 8 and investments in Note 10.1.

10.3 Investments in companies with problems in their financial position and operating results

As at 31 December 2024, the consolidated and the Bank's aggregate cost of investments in companies with problems in their financial position and operating results which were reported as part of investment classified as financial instruments measured through profit or loss in Note 8 and investments in Note 10.1 were amounting to Baht 247 million and Baht 245 million, respectively. These investments have zero fair value at the reporting date. *(2023: aggregate cost of Baht 247 million and Baht 245 million, respectively with zero fair value).*

11 Investments in subsidiaries and associates, net

11.1 Classified by type of investments in subsidiaries and associates

	Type of business	Type of share	Direct shareholding		Consolidated Investment value			
					Cost method		Equity method	
			2024	2023	2024	2023	2024	2023
			(%)		*(in million Baht)*			
Associates								
BCI (Thailand) Co., Ltd.	Blockchain platform	Common	22.2	22.2	117	117	49	61
National ITMX Co., Ltd.	Payment system service provider	Common	25.4	25.4	208	208	1,035	1,156
Sahaviriya Steel Industries PCL	Steel industry	Common	39.1	39.1	-	-	-	-
Total investments in associates, net					**325**	**325**	**1,084**	**1,217**

	Type of business	Type of share	Direct shareholding		The Bank			
					Investment value Cost method		Dividend income for the year ended	
			2024	2023	2024	2023	2024	2023
			(%)		*(in million Baht)*			
Subsidiaries								
Siam Commercial Bank Myanmar Ltd.	Banking	Common	100.0	100.0	4,513	4,513	-	-
Cambodian Commercial Bank Ltd.	Banking	Common	100.0	100.0	2,688	2,688	-	-
SCB-Julius Baer Securities Co., Ltd.	Securities	Common	60.0	60.0	1,590	1,590	-	-
SCB Protect Co., Ltd.	Insurance broker	Common	100.0	100.0	513	513	-	-
SCB Training Centre Co., Ltd.	Training center	Common	100.0	100.0	390	390	-	-
SCB Asset Management Co., Ltd.	Asset management	Common	100.0	100.0	222	222	1,300	1,273
Rutchayothin Assets Management Co., Ltd.	Asset management	Common	100.0	100.0	25	25	-	50
SCB Plus Co., Ltd.	Collection	Common	100.0	100.0	1	1	278	251
Indirect subsidiaries								
Mahisorn Co., Ltd.*	Property management	Common	-	-	-	-	-	-
Associates								
BCI (Thailand) Co., Ltd.	Blockchain platform	Common	22.2	22.2	117	117	-	-
National ITMX Co., Ltd.	Payment system service provider	Common	25.4	25.4	208	208	728	257
Sahaviriya Steel Industries PCL	Steel industry	Common	39.1	39.1	-	-	-	-
Total					10,267	10,267	2,306	1,831
Less allowance for impairment					(147)	(147)	-	-
Total investments in subsidiaries and associates, net					**10,120**	**10,120**	**2,306**	**1,831**

* Subsidiary of SCB Plus Co., Ltd. (100% shareholding).

All subsidiaries and associates are registered and operated in Thailand except for the Siam Commercial Bank Myanmar Ltd. and Cambodian Commercial Bank Ltd. which are registered and operate in Myanmar and Cambodia respectively.

On 28 February 2024, the Bank has entered into a Sale and Purchase Agreement ("SPA") with Home Credit N.V. ("Seller") to buy 100% of the charter capital of Home Credit Vietnam Finance Company Limited ("HCVN") for approximately VND 20,973 billion (or equivalent to approximately Baht 31,000 million). HCVN is a leading consumer finance company in Vietnam. The success of transaction requires the approval from the Bank of Thailand, the State Bank of Vietnam, the Department of Planning and Investment of Vietnam, and/or other relevant competent authorities as well as the satisfaction of the conditions precedent under the SPA.

11.2 Interest in unconsolidated structured entities arising in the normal course of business

The Bank and its asset management subsidiary have transactions with unconsolidated structured entities, through various activities such as involvement in the establishment process, fund management, acting as the trustee, as well as providing source of funds. These structured entities are normally in the form of mutual funds.

The provision of funds is in the form of loans which are on normal business terms. These loans are managed in the same way as all other loans. The outstanding loans to these structured entities as at 31 December 2024 and 2023 amounted to Baht 5,754 million and Baht 6,195 million, respectively.

12 Loans to customers and accrued interest receivables, net

12.1 Classified by type of loans

Loans to customers and accrued interest receivables, net as at 31 December 2024 and 2023 are as follows:

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Overdrafts	81,345	84,671	80,893	84,213
Loans	1,668,589	1,673,492	1,667,284	1,672,042
Bills	371,337	387,595	369,817	385,880
Hire purchase receivables	152,070	173,631	152,070	173,631
Others	-	485	-	485
Total loans to customers	2,273,341	2,319,874	2,270,064	2,316,251
Add accrued interest receivables and undue interest receivables	19,786	18,964	19,676	18,891
Total loans to customers and accrued interest receivables and undue interest receivables	2,293,127	2,338,838	2,289,740	2,335,142
Less allowance for expected credit loss	(133,594)	(132,790)	(132,931)	(132,087)
Total loans to customers and accrued interest receivables, net	**2,159,533**	**2,206,048**	**2,156,809**	**2,203,055**

Contractual loans to customers as at 31 December 2024 and 2023 are as follows:

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Total loans to customers (Excludes unamortised modification gain (loss))	2,272,376	2,320,865	2,269,099	2,317,242

12.2 Classified by residence of customer

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Domestic	2,210,886	2,248,236	2,210,546	2,247,896
Foreign	62,455	71,638	59,518	68,355
Total	**2,273,341**	**2,319,874**	**2,270,064**	**2,316,251**

12.3 Classified by stages

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Stage 1	1,992,213	2,086,646	1,989,843	2,084,074
Stage 2	210,599	163,304	210,284	162,999
Stage 3	90,315	88,888	89,613	88,069
Total*	**2,293,127**	**2,338,838**	**2,289,740**	**2,335,142**

* Includes accrued interest receivables and undue interest receivables.

12.4 Classified by business types and stages

	Consolidated							
	2024				2023			
	Stage 1	Stage 2	Stage 3	Total *	Stage 1	Stage 2	Stage 3	Total *
	(in million Baht)							
Agriculture and mining	6,002	693	912	7,607	7,825	676	1,064	9,565
Manufacturing and commercial	604,718	67,255	38,919	710,892	628,428	52,901	37,818	719,147
Real estate and construction	155,958	23,782	9,140	188,880	149,223	15,641	10,943	175,807
Utilities and services	358,130	26,986	9,485	394,601	386,542	23,703	12,018	422,263
Housing loans	560,159	44,867	20,684	625,710	572,777	27,835	16,286	616,898
Others	287,063	46,062	11,561	344,686	324,062	41,950	11,173	377,185
Total*	**1,972,030**	**209,645**	**90,701**	**2,272,376**	**2,068,857**	**162,706**	**89,302**	**2,320,865**

* Excludes unamortised modification gain (loss).

	The Bank							
	2024				2023			
	Stage 1	Stage 2	Stage 3	Total *	Stage 1	Stage 2	Stage 3	Total *
	(in million Baht)							
Agriculture and mining	6,002	693	912	7,607	7,825	676	1,064	9,565
Manufacturing and commercial	602,601	67,074	38,919	708,594	626,485	52,628	37,818	716,931
Real estate and construction	155,787	23,782	8,769	188,338	149,046	15,641	10,574	175,261
Utilities and services	358,130	26,986	9,485	394,601	386,540	23,703	12,018	422,261
Housing loans	560,089	44,867	20,684	625,640	572,515	27,805	16,286	616,606
Others	287,059	45,928	11,332	344,319	323,884	41,950	10,784	376,618
Total*	**1,969,668**	**209,330**	**90,101**	**2,269,099**	**2,066,295**	**162,403**	**88,544**	**2,317,242**

* Excludes unamortised modification gain (loss).

12.5 Non-Performing Loans

The Bank used the guidelines specified in the BoT notification number Sor Nor Sor 23/2561 dated 31 October 2018, regarding to *Regulations Asset Classification and Provisioning of a Financial Institution*, in determining Non-Performing Loans. As at 31 December 2024 and 2023, the Bank and its subsidiaries have Non-Performing Loans (including loans to interbank and money market items) base on BoT's guidelines as follow:

	Consolidated		**The Bank**	
	2024	2023	2024	2023
	(in million Baht)			
Non-Performing Loans* (Before deducting allowance for expected credit loss and excludes unamortised modification gain (loss))	90,701	89,302	90,101	88,544
% of Non-Performing Loans to total loans	3.3	3.3	3.3	3.3

During the year ended 31 December 2024, the Bank sold and transferred right to receive debt payments of Non-Performing Loans to Asset Management Companies with total principal amount of Baht 7,704 million. *(2023: Baht 9,065 million)*.

12.6 Loans to customers having problems with financial position and operating results

	Consolidated and the Bank							
	2024				2023			
	No. of companies	Loans and accrued interest receivables*	Collateral	Allowance for expected credit loss	No. of companies	Loans and accrued interest receivables*	Collateral	Allowance for expected credit loss
		(in million Baht)				*(in million Baht)*		
Possible Delisted company	2	17	9	-	-	-	-	-
Delisted company	1	7,546	3,196	3,054	1	7,810	3,775	3,072

* Excludes undrawn loan commitments and financial guarantee.

12.7 Hire purchase receivables

	Consolidated and the Bank			
	2024			
	Portion due			
	Within 1 year	1-5 years	Over 5 years	Total
		(in million Baht)		
Total gross investment under hire purchase contracts	42,346	111,400	21,990	175,736
Less unearned interest income				(23,666)
Present value of minimum lease payments				152,070
Less allowance for expected credit loss				(6,733)
Hire purchase receivables, net				**145,337**

	Consolidated and the Bank			
	2023			
	Portion due			
	Within 1 year	1-5 years	Over 5 years	Total
		(in million Baht)		
Total gross investment under hire purchase contracts	47,739	124,533	29,887	202,159
Less unearned interest income				(28,528)
Present value of minimum lease payments				173,631
Less allowance for expected credit loss				(9,242)
Hire purchase receivables, net				**164,389**

13 Allowance for expected credit loss

	Consolidated			
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Total
	(in million Baht)			
Interbank and money market items				
As at 1 January 2024	61	-	-	61
Changes from remeasurement of ECL	36	-	-	36
New interbank and money market items	4	-	-	4
Derecognition	(28)	-	-	(28)
As at 31 December 2024	**73**	-	-	**73**
Investments in debt instruments				
As at 1 January 2024	100	-	-	100
Changes from remeasurement of ECL	(39)	-	-	(39)
New investments in debt instruments	129	-	-	129
Derecognition	(139)	-	-	(139)
As at 31 December 2024	**51**	-	-	**51**
Loans to customers				
As at 1 January 2024	33,757	49,541	49,492	132,790
Changes from stage reclassification	16,568	(25,050)	8,482	-
Changes from remeasurement of ECL	(24,859)	42,149	28,685	45,975
New loans to customers	1,386	1,621	357	3,364
Derecognition	(3,635)	(6,018)	(16,434)	(26,087)
Write-off	-	-	(22,469)	(22,469)
Others	(3)	47	(23)	21
As at 31 December 2024	**23,214**	**62,290**	**48,090**	**133,594**

	Consolidated			
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Total
	(in million Baht)			
Interbank and money market items				
As at 1 January 2023	104	9	-	113
Changes from remeasurement of ECL	19	-	-	19
Derecognition	(62)	(9)	-	(71)
As at 31 December 2023	**61**	**-**	**-**	**61**
Investments in debt instruments				
As at 1 January 2023	109	-	-	109
Changes from remeasurement of ECL	(3)	-	-	(3)
New investments in debt instruments	118	-	-	118
Derecognition	(124)	-	-	(124)
As at 31 December 2023	**100**	**-**	**-**	**100**
Loans to customers				
As at 1 January 2023	34,376	45,498	53,000	132,874
Changes from stage reclassification	19,920	(30,728)	10,808	-
Changes from remeasurement of ECL	(19,254)	39,370	19,051	39,167
New loans to customers	2,211	1,810	933	4,954
Derecognition	(3,506)	(6,418)	(14,751)	(24,675)
Write-off	-	-	(19,693)	(19,693)
Others	10	9	144	163
As at 31 December 2023	**33,757**	**49,541**	**49,492**	**132,790**

	The Bank			
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Total
	(in million Baht)			
Interbank and money market items				
As at 1 January 2024	30	-	-	30
Changes from remeasurement of ECL	24	-	-	24
New interbank and money market items	4	-	-	4
Derecognition	(28)	-	-	(28)
As at 31 December 2024	**30**	**-**	**-**	**30**
Investments in debt instruments				
As at 1 January 2024	26	-	-	26
Changes from remeasurement of ECL	1	-	-	1
New investments in debt instruments	2	-	-	2
Derecognition	(7)	-	-	(7)
As at 31 December 2024	**22**	**-**	**-**	**22**
Loans to customers				
As at 1 January 2024	33,711	49,485	48,891	132,087
Changes from stage reclassification	16,568	(25,095)	8,527	-
Changes from remeasurement of ECL	(24,881)	42,171	28,683	45,973
New loans to customers	1,384	1,621	357	3,362
Derecognition	(3,603)	(6,007)	(16,434)	(26,044)
Write-off	-	-	(22,469)	(22,469)
Others	(3)	46	(21)	22
As at 31 December 2024	**23,176**	**62,221**	**47,534**	**132,931**

	The Bank			
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Total
	(in million Baht)			
Interbank and money market items				
As at 1 January 2023	62	-	-	62
Changes from remeasurement of ECL	30	-	-	30
Derecognition	(62)	-	-	(62)
As at 31 December 2023	**30**	**-**	**-**	**30**
Investments in debt instruments				
As at 1 January 2023	63	-	-	63
Changes from remeasurement of ECL	(1)	-	-	(1)
New investments in debt instruments	5	-	-	5
Derecognition	(41)	-	-	(41)
As at 31 December 2023	**26**	**-**	**-**	**26**
Loans to customers				
As at 1 January 2023	34,324	45,437	52,490	132,251
Changes from stage reclassification	19,881	(30,685)	10,804	-
Changes from remeasurement of ECL	(19,241)	39,323	18,964	39,046
New loans to customers	2,211	1,805	933	4,949
Derecognition	(3,474)	(6,402)	(14,751)	(24,627)
Write-off	-	-	(19,693)	(19,693)
Others	10	7	144	161
As at 31 December 2023	**33,711**	**49,485**	**48,891**	**132,087**

As at 31 December 2024, included in the table above the Bank and its subsidiaries have set provision (Management overlay) to cope with uncertainties in the Thai economy and the global economic slowdown. This includes covering vulnerable customers, who continue to be affected by uneven economic recovery, based on observed behaviors that reflect risks.

14 Modified loans to customers

During the year ended 31 December 2024 and 2023, the Bank and its subsidiaries have modified loans that have not resulted in derecognition, while they had a loss allowance measured at an amount equal to lifetime ECL as follows:

	Consolidated and the Bank	
Loans modified during the year ended 31 December	2024	2023*
	(in million Baht)	
Outstanding before modification	85,368	22,097
Net modification gain (loss)	(95)	109
	85,273	**22,206**
Loans modified since initial recognition		
Outstanding of loans to customers at the end of reporting date that have previously modified for which loss allowance has changed during the year from measured amount equal to lifetime expected credit losses to an amount equal to 12-month expected credit losses	18,323	2,802

* Excluded loan to customers under relief program that apply temporary accounting relief measures (1st form of financial assistance) but included 2nd form of financial assistance.

As at 31 December 2023, approximately 12% of the Bank and its subsidiaries' loans to customers were under the comprehensive debt restructuring, blue scheme only (1st form of financial assistance) including various segments and industries. For non-retail customers, the amount is measured at the customer level. This includes some accounts that are not under the relief program. The Bank has additional internal processes and controls when applying the relief measures regarding loan's staging classification.

The BOT's comprehensive debt restructuring, blue scheme (1st form of financial assistance), ended on 31 December 2023. The Bank considers setting additional provisions (Management overlay) to cope with uncertainties in the Thai economy and the global economic slowdown.

15 Disclosure of the statement of cash flows of the asset management company

Rutchayothin Assets Management Co., Ltd.
Statement of cash flows

	2024 (Unaudited)	2023 (Audited)
	(in million Baht)	
Cash flows from operating activities		
Profit from operating before income tax expenses	1	15
Adjustments to reconcile profit from operating before income tax expenses to cash receipts from operating activities		
Reversal expected credit loss	-	(17)
Income tax paid	-	(47)
Gain (loss) from operating before changes in operating assets and liabilities	1	(49)
(Increase) decrease in operating assets		
Intercompany and money market items	(1)	103
Increase (decrease) in operating liabilities		
Accrued expenses	-	(4)
Net cash from operating activities	-	50
Cash flows from financing activity		
Dividend paid	-	(50)
Net cash used in financing activity	-	(50)
Net increase in cash	-	-
Cash at 1 January	-	-
Cash at 31 December	-	-

16 Properties for sale, net

	Consolidated 2024			
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance
		(in million Baht)		
Foreclosed assets				
- Immovable assets	24,804	4,260	(1,767)	27,297
- Movable assets	865	3,871	(4,331)	405
Total foreclosed assets	25,669	8,131	(6,098)	27,702
Others	1,752	819	(419)	2,152
Total properties for sale	27,421	8,950	(6,517)	29,854
Less allowance for impairment	(1,492)	(339)	191	(1,640)
Total properties for sale, net	**25,929**	**8,611**	**(6,326)**	**28,214**

	Consolidated 2023			
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance
		(in million Baht)		
Foreclosed assets				
- Immovable assets	21,561	5,400	(2,157)	24,804
- Movable assets	748	5,040	(4,923)	865
Total foreclosed assets	22,309	10,440	(7,080)	25,669
Others	1,650	472	(370)	1,752
Total properties for sale	23,959	10,912	(7,450)	27,421
Less allowance for impairment	(1,520)	(216)	244	(1,492)
Total properties for sale, net	**22,439**	**10,696**	**(7,206)**	**25,929**

	The Bank 2024			
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance
	(in million Baht)			
Foreclosed assets				
- Immovable assets	24,527	4,260	(1,767)	27,020
- Movable assets	865	3,871	(4,331)	405
Total foreclosed assets	25,392	8,131	(6,098)	27,425
Others	1,752	819	(419)	2,152
Total properties for sale	27,144	8,950	(6,517)	29,577
Less allowance for impairment	(1,430)	(339)	191	(1,578)
Total properties for sale, net	**25,714**	**8,611**	**(6,326)**	**27,999**

	The Bank 2023			
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance
	(in million Baht)			
Foreclosed assets				
- Immovable assets	21,284	5,400	(2,157)	24,527
- Movable assets	748	5,040	(4,923)	865
Total foreclosed assets	22,032	10,440	(7,080)	25,392
Others	1,650	472	(370)	1,752
Total properties for sale	23,682	10,912	(7,450)	27,144
Less allowance for impairment	(1,458)	(216)	244	(1,430)
Total properties for sale, net	**22,224**	**10,696**	**(7,206)**	**25,714**

For the year ended 31 December 2024, the Bank and its subsidiaries recognised net gain on sale of properties for sale in the consolidated and the Bank's statement of profit or loss and other comprehensive income amounting to Baht 688 million and Baht 688 million, respectively *(2023: the Bank and its subsidiaries recognised net gain on sale of properties for sale in the consolidated and the Bank's statement of profit or loss and other comprehensive income amounting to Baht 859 million and Baht 859 million, respectively).*

As at 31 December 2024, the Bank and its subsidiaries have properties for sale which contain buy-back rights or first refusal rights from other debtors within the certain period and prices as specified in the debt restructuring agreements with the cost amounting to Baht 5,810 million. (*2023: Baht 6,097 million*).

As at 31 December 2024, the Bank had properties for sale transferred under the Bank of Thailand's supportive measure for debt settlement through collateral assets transfers with buy-back options (Asset Warehousing) with the cost amounting to Baht 5,578 million. *(2023: Baht 5,578 million)*

As at 31 December 2024 and 2023, all of the foreclosed immovable assets were appraised by internal appraisers.

17 Premises and equipment, net

	Consolidated 2024									
	Cost				Accumulated depreciation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Depreciation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Land										
Cost	5,297	-	(35)	5,262	-	-	-	-	(77)	5,185
Appraisal increase*	17,969	-	(77)	17,892	-	-	-	-	-	17,892
Premises and building improvements										
Cost	19,569	545	(89)	20,025	(11,055)	(545)	80	(11,520)	(47)	8,458
Appraisal increase*	7,834	-	(39)	7,795	(867)	(370)	6	(1,231)	-	6,564
Equipment	19,178	1,205	(949)	19,434	(17,442)	(632)	946	(17,128)	-	2,306
Others	351	793	(982)	162	(89)	(32)	17	(104)	-	58
Right-of-use assets										
Office building	673	120	(32)	761	(215)	(151)	29	(337)	-	424
ATM	91	57	(29)	119	(28)	(48)	28	(48)	-	71
Vehicle	1,342	9	(42)	1,309	(465)	(271)	42	(694)	-	615
Booth	5	5	(4)	6	(3)	(4)	4	(3)	-	3
Branch	579	297	(286)	590	(190)	(307)	286	(211)	-	379
Others	5	-	-	5	(1)	-	-	(1)	-	4
Total	**72,893**	**3,031**	**(2,564)**	**73,360**	**(30,355)**	**(2,360)**	**1,438**	**(31,277)**	**(124)**	**41,959**

* Appraisal values are based on valuations completed in 2021 for the Bank and its subsidiaries.

	Consolidated 2023									
	Cost				Accumulated depreciation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Depreciation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Land										
Cost	5,348	-	(51)	5,297	-	-	-	-	(77)	5,220
Appraisal increase*	18,053	-	(84)	17,969	-	-	-	-	-	17,969
Premises and building improvements										
Cost	19,668	59	(158)	19,569	(10,576)	(625)	146	(11,055)	(47)	8,467
Appraisal increase*	7,869	-	(35)	7,834	(497)	(373)	3	(867)	-	6,967
Equipment	19,210	563	(595)	19,178	(17,388)	(631)	577	(17,442)	-	1,736
Others	281	724	(654)	351	(76)	(30)	17	(89)	-	262
Right-of-use assets										
Office building	629	325	(281)	673	(276)	(171)	232	(215)	-	458
ATM	114	56	(79)	91	(54)	(53)	79	(28)	-	63
Vehicle	1,241	229	(128)	1,342	(339)	(254)	128	(465)	-	877
Booth	16	1	(12)	5	(13)	(2)	12	(3)	-	2
Branch	735	249	(405)	579	(164)	(431)	405	(190)	-	389
Others	4	1	-	5	(1)	-	-	(1)	-	4
Total	**73,168**	**2,207**	**(2,482)**	**72,893**	**(29,384)**	**(2,570)**	**1,599**	**(30,355)**	**(124)**	**42,414**

* Appraisal values are based on valuations completed in 2021 for the Bank and its subsidiaries.

The gross amount of the Bank and its subsidiaries' fully depreciated premises and equipment that were still in use as at 31 December 2024 amounted to Baht 25,044 million *(2023: Baht 25,395 million)*.

	The Bank 2024									
	Cost				Accumulated depreciation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Depreciation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Land										
Cost	5,211	-	(35)	5,176	-	-	-	-	(77)	5,099
Appraisal increase*	16,811	-	(77)	16,734	-	-	-	-	-	16,734
Premises and building improvements										
Cost	18,936	538	(87)	19,387	(10,619)	(527)	82	(11,064)	(47)	8,276
Appraisal increase*	7,713	-	(39)	7,674	(853)	(364)	6	(1,211)	-	6,463
Equipment	18,893	1,198	(940)	19,151	(17,254)	(622)	940	(16,936)	-	2,215
Others	232	768	(960)	40	-	-	-	-	-	40
Right-of-use assets										
Office building	234	-	(6)	228	(78)	(50)	4	(124)	-	104
ATM	90	57	(29)	118	(27)	(48)	28	(47)	-	71
Vehicle	1,113	1	(12)	1,102	(357)	(225)	12	(570)	-	532
Booth	5	5	(4)	6	(3)	(4)	4	(3)	-	3
Branch	575	297	(286)	586	(189)	(306)	286	(209)	-	377
Others	5	-	-	5	(1)	-	-	(1)	-	4
Total	**69,818**	**2,864**	**(2,475)**	**70,207**	**(29,381)**	**(2,146)**	**1,362**	**(30,165)**	**(124)**	**39,918**

* Appraisal values are based on valuations completed in 2021.

	The Bank									
	2023									
	Cost				Accumulated depreciation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Depreciation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Land										
Cost	5,261	-	(50)	5,211	-	-	-	-	(77)	5,134
Appraisal increase*	16,895	-	(84)	16,811	-	-	-	-	-	16,811
Premises and building improvements										
Cost	19,059	34	(157)	18,936	(10,159)	(606)	146	(10,619)	(47)	8,270
Appraisal increase*	7,748	-	(35)	7,713	(489)	(367)	3	(853)	-	6,860
Equipment	18,925	554	(586)	18,893	(17,200)	(621)	567	(17,254)	-	1,639
Others	202	666	(636)	232	-	-	-	-	-	232
Right-of-use assets										
Office building	328	74	(168)	234	(195)	(50)	167	(78)	-	156
ATM	113	56	(79)	90	(53)	(53)	79	(27)	-	63
Vehicle	1,039	176	(102)	1,113	(252)	(207)	102	(357)	-	756
Booth	16	1	(12)	5	(13)	(2)	12	(3)	-	2
Branch	731	249	(405)	575	(164)	(430)	405	(189)	-	386
Others	4	1	-	5	(1)	-	-	(1)	-	4
Total	**70,321**	**1,811**	**(2,314)**	**69,818**	**(28,526)**	**(2,336)**	**1,481**	**(29,381)**	**(124)**	**40,313**

* Appraisal values are based on valuations completed in 2021.

The gross amount of the Bank's fully depreciated premises and equipment that were still in use as at 31 December 2024 amounted to Baht 24,540 million *(2023: Baht 24,892 million).*

The fair values of land and premises are determined by using the market approach for land and the replacement cost approach for premises. The fair values are appraised by independent appraisers who are qualified as professionals and have appropriate experience. The fair values of land and premises are categorised as Level 3 in the fair value hierarchy.

18 Goodwill and other intangible assets, net

	Consolidated 2024									
	Cost				Accumulated amortisation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Amortisation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Goodwill	1,270	-	-	1,270	-	-	-	-	-	1,270
Software	38,780	3,854	(23)	42,611	(28,779)	(4,298)	23	(33,054)	(229)	9,328
Software under installation	3,905	4,208	(3,878)	4,235	-	-	-	-	-	4,235
Others	117	-	(117)	-	(105)	(11)	116	-	-	-
Total	**44,072**	**8,062**	**(4,018)**	**48,116**	**(28,884)**	**(4,309)**	**139**	**(33,054)**	**(229)**	**14,833**

	Consolidated 2023									
	Cost				Accumulated amortisation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Amortisation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Goodwill	1,270	-	-	1,270	-	-	-	-	-	1,270
Software	36,864	2,033	(117)	38,780	(23,771)	(5,014)	6	(28,779)	-	10,001
Software under installation	1,776	3,395	(1,266)	3,905	-	-	-	-	-	3,905
Others	117	-	-	117	(81)	(24)	-	(105)	-	12
Total	**40,027**	**5,428**	**(1,383)**	**44,072**	**(23,852)**	**(5,038)**	**6**	**(28,884)**	**-**	**15,188**

The gross amount of the Bank and its subsidiaries' fully amortised intangible assets that were still in use as at 31 December 2024 amounted to Baht 21,982 million *(2023: Baht 15,239 million)*.

	The Bank 2024									
	Cost				Accumulated amortisation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Amortisation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Goodwill	1,270	-	-	1,270	-	-	-	-	-	1,270
Software	39,099	3,835	(10)	42,924	(28,750)	(4,414)	7	(33,157)	(229)	9,538
Software under installation	4,314	4,191	(3,878)	4,627	-	-	-	-	-	4,627
Total	**44,683**	**8,026**	**(3,888)**	**48,821**	**(28,750)**	**(4,414)**	**7**	**(33,157)**	**(229)**	**15,435**

	The Bank 2023									
	Cost				Accumulated amortisation					
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance	Beginning balance	Amortisation	Disposals/ Transfer out	Ending balance	Allowance for impairment	Net balance
	(in million Baht)									
Goodwill	1,270	-	-	1,270	-	-	-	-	-	1,270
Software	37,253	1,963	(117)	39,099	(23,627)	(5,129)	6	(28,750)	-	10,349
Software under installation	2,192	3,388	(1,266)	4,314	-	-	-	-	-	4,314
Total	**40,715**	**5,351**	**(1,383)**	**44,683**	**(23,627)**	**(5,129)**	**6**	**(28,750)**	**-**	**15,933**

The gross amount of the Bank's fully amortised intangible assets that were still in use as at 31 December 2024 amounted to Baht 21,788 million *(2023: Baht 15,096 million).*

19 Deferred tax

	Consolidated		The Bank	
	2024	2023	2024	2023
		(in million Baht)		
Deferred tax assets	2,445	2,742	2,219	2,562
Deferred tax liabilities	(205)	(207)	-	-
Net	**2,240**	**2,535**	**2,219**	**2,562**

	Consolidated			
		Credited / (Charged) to:		
	At 1 January 2024	Profit or loss	Other Comprehensive income	At 31 December 2024
		(in million Baht)		
Deferred tax assets				
Derivative assets	45	3	(15)	33
Investments in subsidiaries and associates	45	-	-	45
Loans to customers and accrued interest receivables	4,467	48	-	4,515
Properties for sale	427	(38)	-	389
Lease liabilities	367	(56)	-	311
Other intangible assets	-	46	-	46
Provisions	2,999	(105)	169	3,063
Other liabilities	1,607	94	-	1,701
Total	**9,957**	**(8)**	**154**	**10,103**
Deferred tax liabilities				
Financial assets measured at FVTPL	(242)	(501)	-	(743)
Investments	(257)	11	(118)	(364)
Properties for sale	(24)	-	-	(24)
Investment properties	(206)	206	-	-
Premises and equipment	(6,232)	(91)	-	(6,323)
Right-of-use assets	(357)	59	-	(298)
Other intangible assets	(3)	3	-	-
Other assets	(101)	(10)	-	(111)
Total	**(7,422)**	**(323)**	**(118)**	**(7,863)**
Net	**2,535**	**(331)**	**36**	**2,240**

	Consolidated			
		Credited / (Charged) to:		
	At 1 January 2023	Profit or loss	Other Comprehensive income	At 31 December 2023
		(in million Baht)		
Deferred tax assets				
Derivative assets	31	-	14	45
Investments in subsidiaries and associates	45	-	-	45
Loans to customers and accrued interest receivables	4,315	152	-	4,467
Properties for sale	409	18	-	427
Lease liabilities	386	(19)	-	367
Provisions	2,769	262	(32)	2,999
Other liabilities	1,576	31	-	1,607
Total	**9,531**	**444**	**(18)**	**9,957**
Deferred tax liabilities				
Financial assets measured at FVTPL	(1,137)	895	-	(242)
Investments	798	(1,028)	(27)	(257)
Properties for sale	(24)	-	-	(24)
Investment properties	(165)	3	-	(162)
Premises and equipment	(6,426)	150	-	(6,276)
Right-of-use assets	(379)	22	-	(357)
Other intangible assets	(3)	-	-	(3)
Other assets	(92)	(9)	-	(101)
Total	**(7,428)**	**33**	**(27)**	**(7,422)**
Net	**2,103**	**477**	**(45)**	**2,535**

	The Bank			
		Credited / (Charged) to:		
	At 1 January 2024	Profit or loss	Other Comprehensive income	At 31 December 2024
		(in million Baht)		
Deferred tax assets				
Derivative assets	45	3	(15)	33
Investments in subsidiaries and associates	45	-	-	45
Loans to customers and accrued interest receivables	4,458	48	-	4,506
Properties for sale	427	(38)	-	389
Lease liabilities	278	(54)	-	224
Other intangible assets	-	46	-	46
Provisions	2,914	(112)	154	2,956
Other liabilities	1,516	70	-	1,586
Total	**9,683**	**(37)**	**139**	**9,785**
Deferred tax liabilities				
Financial assets measured at FVTPL	(242)	(501)	-	(743)
Investments	(256)	11	(117)	(362)
Investment properties	(206)	206	-	-
Premises and equipment	(6,040)	(92)	-	(6,132)
Right-of-use assets	(273)	55	-	(218)
Other intangible assets	(3)	3	-	-
Other assets	(101)	(10)	-	(111)
Total	**(7,121)**	**(328)**	**(117)**	**(7,566)**
Net	**2,562**	**(365)**	**22**	**2,219**

	The Bank			
		Credited / (Charged) to:		
	At 1 January 2023	Profit or loss	Other Comprehensive income	At 31 December 2023
		(in million Baht)		
Deferred tax assets				
Derivative assets	31	-	14	45
Investments in subsidiaries and associates	45	-	-	45
Loans to customers and accrued interest receivables	4,306	152	-	4,458
Properties for sale	409	18	-	427
Lease liabilities	314	(36)	-	278
Provisions	2,689	253	(28)	2,914
Other liabilities	1,500	16	-	1,516
Total	**9,294**	**403**	**(14)**	**9,683**
Deferred tax liabilities				
Financial assets measured at FVTPL	(117)	(125)	-	(242)
Investments	(221)	(8)	(27)	(256)
Investment properties	(209)	3	-	(206)
Premises and equipment	(6,189)	149	-	(6,040)
Right-of-use assets	(311)	38	-	(273)
Other intangible assets	(3)	-	-	(3)
Other assets	(92)	(9)	-	(101)
Total	**(7,142)**	**48**	**(27)**	**(7,121)**
Net	**2,152**	**451**	**(41)**	**2,562**

Income tax recognised in profit or loss

	Consolidated		The Bank	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Current tax expense				
Current year	11,726	12,050	11,240	11,617
Deferred tax expense				
Movements in temporary differences	331	(477)	365	(451)
Total income tax expense	**12,057**	**11,573**	**11,605**	**11,166**

Income tax recognised in other comprehensive income

For the year ended 31 December	Consolidated					
		2024			2023	
	Before tax	Tax income (expense)	Net of tax	Before tax	Tax income (expense)	Net of tax
			(in million Baht)			
Gain (loss) on investments in debt instruments at FVOCI	483	(96)	387	84	(17)	67
Gain on investments in equity instruments designated at FVOCI	105	(21)	84	51	(10)	41
Change in hedge reserve	77	(15)	62	(71)	14	(57)
Actuarial gain (loss) on defined benefit plans	(845)	168	(677)	160	(32)	128
Total	**(180)**	**36**	**(144)**	**224**	**(45)**	**179**

For the year ended 31 December	The Bank					
	2024			2023		
	Before tax	Tax income (expense)	Net of tax	Before tax	Tax income (expense)	Net of Tax
	(in million Baht)					
Gain (loss) on investments in debt instruments at FVOCI	483	(96)	387	84	(17)	67
Gain on investments in equity instruments designated at FVOCI	104	(21)	83	50	(10)	40
Change in hedge reserve	77	(15)	62	(71)	14	(57)
Actuarial gain (loss) on defined benefit plans	(771)	154	(617)	140	(28)	112
Total	**(107)**	**22**	**(85)**	**203**	**(41)**	**162**

Reconciliation of effective tax rate

For the year ended 31 December	Consolidated			
	2024		2023	
	Rate (%)	*(in million Baht)*	*Rate (%)*	*(in million Baht)*
Profit before income tax expense		61,256		59,498
Income tax using the Thai corporation tax rate	20.0	12,251	20.0	11,900
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		(194)		(327)
Total	**19.7**	**12,057**	**19.5**	**11,573**

For the year ended 31 December	The Bank			
	2024		2023	
	Rate (%)	*(in million Baht)*	*Rate (%)*	*(in million Baht)*
Profit before income tax expense		60,356		58,652
Income tax using the Thai corporation tax rate	20.0	12,071	20.0	11,730
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		(466)		(564)
Total	**19.2**	**11,605**	**19.0**	**11,166**

20 Deposits

20.1 Classified by type of deposits

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
At call	133,480	132,905	132,420	131,711
Savings	1,793,779	1,830,132	1,793,017	1,828,894
Fixed				
- Less than 6 months	81,035	75,730	80,657	75,691
- 6 months and less than 1 year	147,981	116,747	147,790	116,679
- Over 1 year	326,395	299,103	326,395	299,103
Total	**2,482,670**	**2,454,617**	**2,480,279**	**2,452,078**

20.2 Classified by currency and residence of customer

	Consolidated					
	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	(in million Baht)					
Baht	2,393,182	6,574	2,399,756	2,396,032	4,053	2,400,085
US Dollar	50,980	14,252	65,232	30,671	15,449	46,120
Other currencies	13,913	3,769	17,682	3,968	4,444	8,412
Total	**2,458,075**	**24,595**	**2,482,670**	**2,430,671**	**23,946**	**2,454,617**

	The Bank					
	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	(in million Baht)					
Baht	2,396,315	6,298	2,402,613	2,399,084	3,594	2,402,678
US Dollar	50,980	9,392	60,372	30,671	10,654	41,325
Other currencies	13,913	3,381	17,294	3,968	4,107	8,075
Total	**2,461,208**	**19,071**	**2,480,279**	**2,433,723**	**18,355**	**2,452,078**

21 Interbank and money market items (Liabilities)

	Consolidated		The Bank	
	2024	2023	2024	2023
		(in million Baht)		
Domestic items				
Bank of Thailand and Financial Institutions Development Fund	34,293	35,118	34,293	35,118
Commercial banks	92,374	82,295	93,024	82,295
Specialised financial institutions*	38,158	22,271	38,158	22,271
Other financial institutions**	24,592	26,407	24,592	26,928
Total domestic items	**189,417**	**166,091**	**190,067**	**166,612**
Foreign items				
US Dollar	3,683	13,075	5,463	14,515
Euro	16	307	17	308
Chinese Yuan	1,751	2,591	1,751	2,591
Other currencies	6,396	4,527	6,320	4,657
Total foreign items	**11,846**	**20,500**	**13,551**	**22,071**
Total domestic and foreign items	**201,263**	**186,591**	**203,618**	**188,683**

* Specialised financial institutions are financial institutions incorporated by special laws e.g. Government Savings Bank, Bank for Agriculture and Agricultural Co-operatives, Government Housing Bank, SME Bank, Islamic Bank of Thailand, Export-Import Bank of Thailand and Secondary Mortgage Corporation excluding Thai Credit Guarantee Corporation.

** Other financial institutions represent financial institutions other than above, such as Finance companies, Securities companies, Credit foncier companies, Life insurance companies, Cooperatives, the Federation of Savings and Credit Cooperatives of Thailand Limited and the Credit Union League of Thailand Limited.

22 Debt issued and borrowings

			Consolidated and the Bank					
			2024			2023		
	Interest rate *(%)*	Year of maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
					(in million Baht)			
Debentures								
- US Dollar	4.40	2029	-	16,993	16,993	-	34,222	34,222
Structured notes								
- US Dollar	0.00 - 5.00 and floating*	2025	4,348	-	4,348	5,770	-	5,770
- Baht	0.00 - 1.05 and floating**	2025	953	-	953	17,567	-	17,567
Others	-	2026 - 2028	6	-	6	17	-	17
Total			5,307	16,993	22,300	23,354	34,222	57,576
Fair value adjustments for hedged items			-	(891)	(891)	-	(673)	(673)
Total			**5,307**	**16,102**	**21,409**	**23,354**	**33,549**	**56,903**

* Compounded SOFR Backward shift 5 Business day + 0.05%

** Compounded THOR Backward shift 5 Business day - 0.25%, 0.35%

23 Provisions

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Allowance for expected credit loss of loan commitments and financial guarantee contracts	4,508	5,486	4,396	5,379
Employee benefit obligations	9,721	8,416	9,161	7,977
Reserve for reward points	1,143	1,090	1,143	1,090
Others	78	126	78	126
Total	**15,450**	**15,118**	**14,778**	**14,572**

Allowance for expected credit loss of loan commitments and financial guarantee contracts

As of 31 December 2024, the net change in allowance for expected credit loss of loan commitments and financial guarantee contracts increased from the net remeasurement and new loan commitments and financial guarantee contracts of Baht 1,865 million and Baht 1,763 million in the consolidated and the Bank's financial statements, respectively, and decreased from the derecognition of loan commitments and financial guarantee of Baht 2,843 million and Baht 2,746 million in the consolidated and the Bank's financial statements, respectively. *(2023: increased from the net remeasurement and new loan commitments and financial guarantee contracts of Baht 3,492 million and Baht 3,501 million in the consolidated and the Bank's financial statements, respectively, and decreased from the derecognition of loan commitments and financial guarantee of Baht 2,843 million and Baht 2,825 million).*

Employee benefits obligations

The Bank and its subsidiaries operate a number of post-employment benefit and other long-term employee benefits. All benefit plans are unfunded.

	Consolidated		The Bank	
	2024	2023	2024	2023
	(in million Baht)			
Severance Payment benefits scheme ("SP")	7,952	6,955	7,487	6,592
Other schemes ("Others")	1,769	1,461	1,674	1,385
Total	**9,721**	**8,416**	**9,161**	**7,977**

Defined benefit plan and other long-term employee benefits

The Bank and its subsidiaries operate defined benefit plans and provide other long-term employee benefits based on the requirements of the Thai Labour Protection Act B.E 2541 (1998) and the Bank and its subsidiaries' policy. These benefits will be provided once the employees fulfill the policy requirements or when employees retire based on pensionable remuneration and length of service.

The defined benefit plans and other long-term employee benefits are exposed to actuarial risks, such as longevity risk and interest rate risk.

Present value of the defined benefit plan and other long-term employee benefits

	Consolidated			
	2024		2023	
	SP	Others	SP	Others
	(in million Baht)			
At 1 January	6,955	1,461	6,546	1,410
Included in profit or loss:				
Current service cost	464	67	533	60
Interest on obligation	223	47	223	48
Actuarial loss	-	9	-	3
	687	**123**	**756**	**111**
Included in other comprehensive income:				
Actuarial (gain) loss				
- Financial assumptions	560	268	142	68
- Experience adjustment	67	(50)	(268)	(102)
	627	**218**	**(126)**	**(34)**
Others				
Benefits paid	(317)	(33)	(221)	(26)
At 31 December	**7,952**	**1,769**	**6,955**	**1,461**

	The Bank			
	2024		2023	
	SP	Others	SP	Others
	(in million Baht)			
At 1 January	6,592	1,385	6,215	1,333
Included in profit or loss:				
Current service cost	424	52	495	49
Interest on obligation	212	45	212	47
Employees transfer from (to) subsidiaries	(2)	-	1	-
Actuarial loss	-	8	-	2
	634	**105**	**708**	**98**
Included in other comprehensive income:				
Actuarial (gain) loss				
- Financial assumptions	527	258	138	65
- Experience adjustment	32	(46)	(256)	(87)
	559	**212**	**(118)**	**(22)**
Others				
Benefits paid	(298)	(28)	(213)	(24)
At 31 December	**7,487**	**1,674**	**6,592**	**1,385**

Principal actuarial assumptions

	Consolidated		**The Bank**	
	2024	2023	2024	2023
		(%)		
Discount rate	0.8 - 2.6	0.8 - 3.3	2.6	3.3
Future salary growth	2.0 - 11.0	2.0 - 11.0	5.0 - 7.0	5.0 - 7.0
Medical cost trend rate	5.0	5.0	5.0	5.0
Employee turnover	0.0 - 20.0	0.0 - 20.0	2.0 - 12.0	2.0 - 12.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation by the amounts shown below.

	Consolidated			
	1% increase in assumption		1% decrease in assumption	
Effect to the employee benefit obligation	2024	2023	2024	2023
		(in million Baht)		
Discount rate	(1,026)	(887)	1,226	1,059
Future salary growth	888	782	(772)	(680)

	The Bank			
	1% increase in assumption		1% decrease in assumption	
Effect to the employee benefit obligation	2024	2023	2024	2023
		(in million Baht)		
Discount rate	(971)	(845)	1,161	1,010
Future salary growth	834	741	(725)	(644)

Post-employee benefit and other long-term employee benefits expenses included in the statement of profit or loss and other comprehensive income for the year ended 31 December 2024 and 2023 were as follows:

	Consolidated		**The Bank**	
	2024	2023	2024	2023
		(in million Baht)		
Defined contribution plans	1,155	1,118	1,062	1,033
Defined benefit plans and other long-term employee benefits	810	867	739	806
Total	**1,965**	**1,985**	**1,801**	**1,839**

24 Other liabilities

	Consolidated		**The Bank**	
	2024	2023	2024	2023
		(in million Baht)		
Accrued expenses	23,883	25,705	22,936	24,883
Other payables	22,003	13,195	21,894	13,112
Deferred income from Distribution Agreement	11,518	12,699	11,518	12,699
Other payable per Credit Support Annex	8,090	7,545	8,090	7,545
Advance received from electronic payment	7,459	6,501	7,459	6,501
Unsettled remittance transaction	5,886	5,064	5,886	5,064
Suspense for ATM transaction	5,804	12,380	5,804	12,380
Accrued interest payable	5,237	3,538	5,251	3,555
Lease liabilities*	1,551	1,841	1,118	1,389
Others	5,001	3,579	4,616	3,375
Total	**96,432**	**92,047**	**94,572**	**90,503**

* As at 31 December 2024, the amount recorded was calculated from total undiscounted lease liabilities of Baht 1,672 million and Baht 1,163 million in the consolidated and the Bank's financial statements, respectively *(2023: Baht 1,957 million and Baht 1,459 million in the consolidated and the Bank's financial statements, respectively).*

25 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), require the Bank to disclose advance received from electronic transactions. As at 31 December 2024, the Bank had advances received from electronic transactions, presented as liabilities in the amount of Baht 7,459 million (*2023: Baht 6,501 million*)

The Bank has kept advance received from electronic transactions which is a part of cash in the statements of financial position as at 31 December 2024 in the amount of Baht 9,371 million (*2023: Baht 9,351 million*).

26 Offsetting of financial assets and financial liabilities

The Bank and its subsidiaries currently hold financial instruments agreements which do not meet the criteria for offsetting in the Consolidated and the Bank's statement of financial position because such agreements are created in the way that the parties have to agree a right of set-off the agreed amounts that is enforceable only following and event of default, insolvency or bankruptcy of the Bank or the counterparties or following other predetermined events. For derivatives, the rights to call collateral are agreed by both parties with specific call frequency and threshold. According to the agreements, the Bank and its subsidiaries receive and give collateral in form of cash and marketable securities. The details of significant offsetting of financial assets and financial liabilities are as follow:

	Consolidated and The Bank						
	2024						
	Gross amount	Amount offset in statements of financial position	Net amount presented in statements of financial position	Related amounts not offset in statement of financial position - Amount eligible for offsetting per contracts which does not meet accounting standards' conditions	Net amount	Items in statement of financial position	*Note*
	(in million Baht)						
Financial assets							
Reverse sale-and-repurchase	219,400	-	219,400	219,400	-	Interbank and money market items, net (Assets)	*7*
Derivative assets	5,494	-	5,494	5,494	-	Derivative assets	*9*
Total	**224,894**	-	**224,894**	**224,894**	-		
Financial liabilities							
Sale-and-repurchase	109,526	-	109,526	109,526	-	Interbank and money market items (Liabilities)	*21*
Derivatives liabilities	7,993	-	7,993	6,703	1,290	Derivative liabilities	*9*
Total	**117,519**	-	**117,519**	**116,229**	**1,290**		

	Gross amount	Amount offset in statements of financial position	Net amount presented in statements of financial position	Related amounts not offset in statement of financial position - Amount eligible for offsetting per contracts which does not meet accounting standards' conditions	Net amount	Items in statement of financial position	*Note*
	Consolidated and The Bank						
	2023						
	(in million Baht)						
Financial assets							
Reverse sale-and-repurchase	182,351	-	182,351	182,351	-	Interbank and money market items, net (Assets)	*7*
Derivative assets	10,684	-	10,684	7,545	3,139	Derivative assets	*9*
Total	**193,035**	**-**	**193,035**	**189,896**	**3,139**		
Financial liabilities							
Sale-and-repurchase	97,228	-	97,228	97,228	-	Interbank and money market items (Liabilities)	*21*
Derivatives liabilities	8,697	-	8,697	5,301	3,396	Derivative liabilities	*9*
Total	**105,925**	**-**	**105,925**	**102,529**	**3,396**		

27 Fair value of financial assets and financial liabilities

27.1 Financial assets and financial liabilities measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

	Consolidated							
	2024 Fair value				2023 Fair value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in million Baht)							
Financial assets								
Financial assets measured at FVTPL								
- Investments in debt instruments	-	71,929	-	71,929	-	57,688	235	57,923
- Investments in equity instruments	9,502	-	5	9,507	313	-	25	338
Total	**9,502**	**71,929**	**5**	**81,436**	**313**	**57,688**	**260**	**58,261**
Derivative assets								
- Foreign exchange rate	-	32,127	-	32,127	-	30,621	-	30,621
- Interest rate	-	13,105	-	13,105	-	14,312	-	14,312
- Others	-	1,211	-	1,211	-	1,044	-	1,044
Total	-	**46,443**	-	**46,443**	-	**45,977**	-	**45,977**
Investments, net								
- Investments in debt instruments measured at FVOCI	-	96,184	-	96,184	-	174,495	-	174,495
- Investments in equity instruments designated at FVOCI	-	-	1,809	1,809	-	-	1,722	1,722
Total	-	**96,184**	**1,809**	**97,993**	-	**174,495**	**1,722**	**176,217**
Total financial assets	**9,502**	**214,556**	**1,814**	**225,872**	**313**	**278,160**	**1,982**	**280,455**
Financial liabilities								
Derivative liabilities								
- Foreign exchange rate	-	28,565	-	28,565	-	27,668	-	27,668
- Interest rate	-	16,029	-	16,029	-	14,964	-	14,964
- Others	-	1,246	-	1,246	-	1,076	-	1,076
Total	-	**45,840**	-	**45,840**	-	**43,708**	-	**43,708**
Total financial liabilities	-	**45,840**	-	**45,840**	-	**43,708**	-	**43,708**

	The Bank							
	2024 Fair value				2023 Fair value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in million Baht)							
Financial assets								
Financial assets measured at FVTPL								
- Investments in debt instruments	-	71,929	-	71,929	-	57,688	235	57,923
- Investments in equity instruments	9,502	-	5	9,507	313	-	25	338
Total	**9,502**	**71,929**	**5**	**81,436**	**313**	**57,688**	**260**	**58,261**
Derivative assets								
- Foreign exchange rate	-	32,127	-	32,127	-	30,621	-	30,621
- Interest rate	-	13,105	-	13,105	-	14,312	-	14,312
- Others	-	1,211	-	1,211	-	1,044	-	1,044
Total	-	**46,443**	-	**46,443**	-	**45,977**	-	**45,977**
Investments, net								
- Investments in debt instruments measured at FVOCI	-	96,184	-	96,184	-	174,495	-	174,495
- Investments in equity instruments designated at FVOCI	-	-	1,798	1,798	-	-	1,713	1,713
Total	-	**96,184**	**1,798**	**97,982**	-	**174,495**	**1,713**	**176,208**
Total financial assets	**9,502**	**214,556**	**1,803**	**225,861**	**313**	**278,160**	**1,973**	**280,446**
Financial liabilities								
Derivative liabilities								
- Foreign exchange rate	-	28,565	-	28,565	-	27,668	-	27,668
- Interest rate	-	16,029	-	16,029	-	14,964	-	14,964
- Others	-	1,246	-	1,246	-	1,076	-	1,076
Total	-	**45,840**	-	**45,840**	-	**43,708**	-	**43,708**
Total financial liabilities	-	**45,840**	-	**45,840**	-	**43,708**	-	**43,708**

Reconciliation of Level 3 fair values

	Consolidated and the Bank *(in million Baht)*
Financial assets measured at FVTPL	
At 1 January 2024	260
Disposal	(242)
Net change in fair value (including unrealised gain/loss and foreign currency translation)	(13)
At 31 December 2024	**5**

	Consolidated and the Bank *(in million Baht)*
Financial assets measured at FVTPL	
At 1 January 2023	11,484
Disposal	(11,987)
Net change in fair value (including unrealised gain/loss and foreign currency translation)	763
At 31 December 2023	**260**

27.2 Financial assets and financial liabilities not measured at fair value

Fair value of financial assets and financial liabilities which are not measured at fair value and for which there is a significant difference with carrying amount as at 31 December 2024 and 2023 were as follows:

	Consolidated					
	2024			2023		
	Carrying amount	Fair value Level 2	Fair value Level 3	Carrying amount	Fair value Level 2	Fair value Level 3
	(in million Baht)					
Financial assets						
Derivative assets (Dynamic hedge)						
- Interest	-	755	-	-	58	-
Investments in debt instruments measured at AMC	216,321	218,041	106	209,531	206,967	260
Financial liabilities						
Derivative liabilities (Dynamic hedge)						
- Interest	-	1	-	-	-	-

	The Bank					
	2024			2023		
	Carrying amount	Fair value Level 2	Fair value Level 3	Carrying amount	Fair value Level 2	Fair value Level 3
	(in million Baht)					
Financial assets						
Derivative assets (Dynamic hedge)						
- Interest	-	755	-	-	58	-
Investments in debt instruments measured at AMC	216,215	218,041	-	209,271	206,967	-
Financial liabilities						
Derivative liabilities (Dynamic hedge)						
- Interest	-	1	-	-	-	-

The following methods and assumptions are used in estimating fair values of financial instruments as disclosed herein:

Interbank and money market items (Assets):	- Fair value calculated based on present value of estimated cash flows, using the current interest rate in the money market. The fair value has no significant difference with the carrying amount.
Financial assets measured at FVTPL and investments:	The following methodologies are used to determine the fair value of securities held by the Bank. - The fair value of debt securities is estimated based on the Thai Bond Market Association's last average bid price for identical or similar instruments in active markets or other inputs that are observable market data. In situations where no auction prices are available, the fair value is estimated based on the last executed price. For debt instruments with no active market price, the fair value is estimated based on the yield curve of debt securities plus a risk premium.

	- The fair value of listed private sector equity instruments and listed unit trust is estimated by using the bidding prices at The Stock Exchange of Thailand on the last business day of the year. - The fair value of non-marketable equity instruments is measured based on different measurement approach that is most appropriate to the investee's business i.e. current adjusted book value, latest round funding price and other valuation models. The majority of exposures are measured using latest round funding price. - The fair value of non-listed unit trusts is estimated based on the net asset value at the reporting date. - The fair value of foreign debt and equity instruments listed on foreign stock exchanges is estimated by using the bid prices at such exchanges as of the last business day of the year. The fair value of non-listed foreign debt and equity instruments is determined based on values quoted by reliable international financial institutions.
Derivatives:	- In a liquid market, the prices quoted represent the best fair market value that are obtained from local or foreign sources announced by the independent data providers or brokers. On the other hand, fair values of derivatives in an illiquid market are an average of prices quoted from several sources. Alternatively, prices derived from a standard and reliable model (mark to model), or a benchmark price of the instrument that has a similar characteristic could also be used. In the case of derivative assets, fair values are also reflected the credit risk of counterparty.
Loans to customers and accrued interest receivables:	- For variable-rate loans that are repriced frequently and have no significant change in credit risk, fair values are based on carrying amount. - The fair values of other loans are estimated using discounted cash flow analyses, using market interest rates or the fair value of collateral. There is no significant difference with the carrying amount.
Deposits:	- The fair value of deposits which are payable on demand by the depositor are equal to the carrying amount. - Fair values for fixed-deposits are estimated using a discounted cash flow calculation that applies interest rates currently being offered on similar deposits.
Interbank and money market items (Liabilities):	- The fair value has no significant difference with the carrying amount.
Liabilities payable on demand:	- The fair value is approximated based on its carrying amount.
Financial liabilities measured at FVTPL:	- The fair value is calculated based on valuation models using market data obtained from reliable sources.

Debt issued and borrowings:	- The fair value of short-term borrowings maturing within 90 days approximated its carrying amount. - Fair values of other borrowings are estimated using discounted cash flow analyses based on the Bank's current borrowing rates for similar types of borrowing arrangements.

28 Share capital

All preferred shares had a period of 10 years, which expired on 10 May 2009. Hence, rights of preferred shareholders have been the same as those of the common shareholders since then.

Holders of preferred shares are entitled to convert the shares they hold into common shares, with the conversion ratio of 1:1. The holders of common shares and preferred shares are entitled to receive dividends as declared, and are entitled to one vote per share at the shareholders' meeting of the Bank.

During the year, holders of preferred shares converted 2,883,925 preferred shares into common shares, amounting to Baht 29 million.

29 Reserves

Reserves comprise:

Appropriations of profit and/ or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires the Bank and its subsidiaries which are public companies shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

According to the Civil and Commercial Code, subsidiaries which are private companies must appropriate to a reserve fund at each distribution of dividend at least 5% of net profit until the reserve fund not less than 10% of the registered capital of the Company. Such reserve fund is not available for distribution as dividend.

Other components of equity

Translation differences

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

The fair value reserve comprises:

- the cumulative net change in the fair value of equity securities designated at FVOCI; and
- the cumulative net change in the fair value of debt securities at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of premises and equipment included in the financial statements at valuation until such premises and equipment are sold or otherwise disposed of.

30 Dividends

The dividends paid by the Bank to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share *(Baht)*	Amount *(in million Baht)*
2024				
Annual dividend 2023	20 March 2024	2 April 2024	7.98	27,126
Interim dividend 2024	23 August 2024	18 September 2024	2.00	6,798
Total			**9.98**	**33,924**
2023				
Annual dividend 2022	20 March 2023	31 March 2023	11.07	37,629
Interim dividend 2023	31 August 2023	26 September 2023	2.50	8,498
Total			**13.57**	**46,127**

31 Assets pledged as collateral and under restriction

	Consolidated		**The Bank**	
	2024	2023	2024	2023
	(in million Baht)			
Securities pledged as collateral for repurchase	110,385	98,081	110,385	98,081
Deposits under restriction of overseas subsidiaries and branches	1,206	1,236	437	486
Others	16	80	10	75
Total	**111,607**	**99,397**	**110,832**	**98,642**

32 Contingent liabilities and commitments

	Consolidated		**The Bank**	
	2024	2023	2024	2023
	(in million Baht)			
Avals to bills	10,409	12,738	10,409	12,738
Guarantees of loans	2,718	1,220	2,366	845
Liability under unmatured import bills	39,785	44,787	39,723	44,742
Letters of credit	23,311	25,599	23,391	25,547
Other contingent liabilities and commitments				
- Unused bank overdrafts	188,007	185,704	187,215	184,894
- Other guarantees	165,891	172,159	164,693	170,956
- Receivables / payables from investments	25,833	13,180	25,833	13,180
- Others*	155,844	108,580	155,844	108,580
Total	**611,798**	**563,967**	**609,474**	**561,482**

* Includes items that have been contracted but not yet recognised.

33 Related parties

The Bank has business transactions with related parties or persons. Interest rates for staff loans under the staff welfare scheme is charged in accordance with the Bank's regulations for such loans. Interest rates and other pricing for other related parties are at the same rates as in the normal course of business with the same business conditions as general customers. For other income and expenses are charged at market price as normal business or the price as stipulated in the agreement. Significant transactions with related parties or persons were as follows:

33.1 Assets, liabilities, and contingencies

	Consolidated		**The Bank**	
	2024	2023	2024	2023
		(in million Baht)		
Parent company				
Financial asstes measured at FVTPL	113	-	113	-
Loans*	53,558	68,026	53,558	68,026
Deposits	2,058	3,410	2,058	3,410
Other liabilities	1,714	1,700	1,714	1,700
Contingencies (Notional amount)	6,703	4,668	6,703	4,668
Subsidiaries				
Other assets	-	-	801	879
Deposits	-	-	3,133	3,052
Interbank and money market items (liabilities)	-	-	2,740	2,455
Other liabilities	-	-	351	355
Contingencies (Notional amount)	-	-	357	-
Associates				
Loans*	7,546	7,810	7,546	7,810
Deposits	234	248	234	248
Contingencies (Notional amount)	186	781	186	781
Other related parties				
Interbank and money market items (Assets)*	1,850	400	1,850	400
Goodwill and other intangible assets, net	2,043	1,957	2,043	1,957
Other assets	805	1,057	774	1,019
Deposits	6,987	8,347	6,987	8,347
Interbank and money market items (liabilities)	849	614	849	614
Other liabilities	789	1,889	765	1,875
Contingencies (Notional amount)	4,928	4,206	4,928	4,206
Related persons and their related entities which have significant influence				
Loans*	36,513	50,044	36,513	50,044
Deposits	31,253	32,062	31,253	32,062
Contingencies (Notional amount)	1,507	2,451	1,507	2,451

* Before deducting allowance for expected credit loss.

33.2 Income and expenses

	Consolidated		The Bank	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Parent company				
Interest income	1,999	616	1,999	616
Interest expenses	55	120	55	120
Fee and service income and other income	204	228	204	228
Fee and service expenses and other expenses	1,718	1,697	1,718	1,697
Net gain on financial instruments measured at fair value through profit or loss	19	378	19	378
Subsidiaries				
Interest expenses	-	-	142	69
Fee and service income and other income	-	-	3,044	2,603
Fee and service expenses and other expenses	-	-	1,824	1,965
Dividend income	-	-	1,578	1,574
Associates				
Interest income	14	14	14	14
Interest expenses	2	1	2	1
Dividend income	728	257	728	257
Other related parties				
Interest income	23	1,542	23	1,542
Interest expenses	40	140	40	140
Fee and service income and other income	2,243	2,731	2,025	2,535
Fee and service expenses and other expenses	878	1,652	806	1,604
Net gain on financial instruments measured at fair value through profit or loss	16	62	16	62
Related persons and their related entities which have significant influence				
Interest income	1,705	1,112	1,705	1,112
Interest expenses	255	278	255	278
Other expenses	225	222	225	222

Significant agreements with related parties

In December 2023, the Bank entered into service agreement with SCB X Public Company Limited ("the parent company"). Under this agreement, the parent company shall provide strategic management advisory services to the Bank for the period from 1 January 2023 to 31 December 2024 where the agreement is automatically renewed for succeeding period of 1 year unless terminated by any counterparty. The service fee shall be payable on an annually basis at the rate specified in the agreement.

34 Key management personnel compensation

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank and its subsidiaries, holding the position of Executive Vice President or higher.

The Bank and its subsidiaries have not paid benefits to directors and executives other than the benefits that are normally paid such as meeting allowances, reward, salary, bonus, cost of living allowance, transportation charges and fringe benefits according to the Bank and its subsidiaries regulations.

	Consolidated		**The Bank**	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Short-term employee benefits	1,511	1,361	1,199	1,061
Post-employment benefits and others	38	36	32	30
Termination benefits	33	36	28	36
Total	**1,582**	**1,433**	**1,259**	**1,127**

35 Segment information

35.1 Information about reportable segments

Information on the Bank's operating model and business segments is set out in the annual report. Specifically, the Bank has three main lines of business: the Corporate Segment which serves corporate and commercial customers; the SME Segment which serves SME customers and small businesses; the Retail Segment which serves individuals customers.

Others segment includes the income from the Banks' interbank and money market and investments that is not allocated to a specific business unit and the results of subsidiaries business. Operating expenses are both direct and indirect business expenses of each line of business as well as allocation of common expenses to these businesses. The pricing policy among business units are in line with the normal course of business.

			Consolidated			
For the year ended 31 December 2024	Corporate Segment	SME Segment	Retail Segment	Others	Elimination	Total
			(in million Baht)			
Net interest income	24,837	24,073	48,057	7,627	-	104,594
Non-interest income, net	8,572	4,184	16,686	13,765	(3,977)	39,230
Total operating income	33,409	28,257	64,743	21,392	(3,977)	143,824
Total operating expenses	(9,408)	(7,937)	(31,052)	(9,499)	2,463	(55,433)
Profit before expected credit loss and income tax expenses	24,001	20,320	33,691	11,893	(1,514)	88,391
Expected credit loss						(27,135)
Income tax expenses						(12,057)
Net profit						49,199

For the year ended 31 December 2023	Corporate Segment	SME Segment	Retail Segment	Others	Elimination	Total
			Consolidated *(in million Baht)*			
Net interest income	23,210	23,381	48,927	8,335	-	103,853
Non-interest income, net	8,209	4,692	20,532	9,861	(3,816)	39,478
Total operating income	31,419	28,073	69,459	18,196	(3,816)	143,331
Total operating expenses	(10,271)	(8,710)	(32,984)	(6,535)	2,578	(55,922)
Profit before expected credit loss and income tax expenses	21,148	19,363	36,475	11,661	(1,238)	87,409
Expected credit loss						(27,910)
Income tax expenses						(11,573)
Net profit						47,926

	Corporate Segment	SME Segment	Retail Segment	Others	Elimination	Total
			Consolidated 2024 *(in million Baht)*			
Loans to customers*	893,293	403,183	972,622	3,278	-	2,272,376
Total assets	860,251	367,196	1,026,376	1,073,828	(16,948)	3,310,703
Total liabilities	635,255	274,942	1,518,587	450,751	(7,039)	2,872,496

	Corporate Segment	SME Segment	Retail Segment	Others	Elimination	Total
			Consolidated 2023 *(in million Baht)*			
Loans to customers*	908,132	413,208	995,902	3,623	-	2,320,865
Total assets	871,350	371,942	959,631	1,099,116	(16,720)	3,285,319
Total liabilities	624,799	260,396	1,524,918	458,830	(6,747)	2,862,196

* Excludes unamortised modification gain (loss).

35.2 *Information about geographical areas*

The Bank and subsidiaries do not present the financial position and results of operations classified by domestic and foreign business in the financial statements since the Bank and subsidiaries are engaged insignificantly in foreign business.

36 Interest income

For the year ended 31 December	**Consolidated** 2024	2023	**The Bank** 2024	2023
		(in million Baht)		
Interbank and money market items	9,958	9,833	9,820	9,690
Investments and trading transactions	1,077	507	1,077	507
Investments in debt instruments	8,389	7,618	8,367	7,610
Loans	112,442	108,983	112,247	108,778
Hire purchase	9,256	10,114	9,256	10,114
Others	548	304	548	304
Total	**141,670**	**137,359**	**141,315**	**137,003**

37 Interest expenses

For the year ended 31 December	**Consolidated** 2024	2023	**The Bank** 2024	2023
		(in million Baht)		
Deposits	20,016	15,401	20,012	15,358
Interbank and money market items	3,370	2,778	3,433	2,808
Contributions to Deposit Protection Agency and Financial Institutions Development Fund	11,315	11,710	11,315	11,710
Debt issued	1,863	3,197	1,863	3,197
Others	512	419	499	419
Total	**37,076**	**33,505**	**37,122**	**33,492**

38 Net fee and service income

For the year ended 31 December	**Consolidated** 2024	2023	**The Bank** 2024	2023
		(in million Baht)		
Fee and service income				
- Acceptances, avals and guarantees	1,441	1,574	1,425	1,557
- ATM, Debit cards, Credit Cards and other banking electronic	10,182	10,611	10,213	10,637
- Insurance commission and bancassurance related income	8,738	10,281	7,081	8,931
- Fund management fee	5,794	5,028	-	-
- Domestic and foreign fund transfer	2,846	3,736	2,800	3,695
- Others	9,281	9,367	11,504	11,257
Total fee and service income	38,282	40,597	33,023	36,077
Fee and service expenses	(11,799)	(12,364)	(10,292)	(11,068)
Net fee and service income	**26,483**	**28,233**	**22,731**	**25,009**

39 Net gain on financial instruments measured at fair value through profit or loss

	Consolidated		The Bank	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Gain (loss) on trading and foreign exchange transactions				
Foreign currencies and foreign exchange derivatives	5,564	6,652	5,555	6,628
Interest rate derivatives	198	1,312	198	1,312
Debt instruments	1,396	297	1,396	297
Other derivatives	139	(666)	139	(666)
Total	**7,297**	**7,595**	**7,288**	**7,571**
Gain (loss) on other				
Derivatives held for risk management not designated in a hedge relationship				
- Foreign exchange derivatives	310	(1,569)	310	(1,569)
Debt instruments	2,122	889	2,122	889
Equity instruments	(54)	77	(54)	77
Other	32	833	-	833
Total	**2,410**	**230**	**2,378**	**230**
Total net gain on financial instruments measured at fair value through profit or loss	**9,707**	**7,825**	**9,666**	**7,801**

40 Net gain on investments

	Consolidated		The Bank	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Investment in debt instruments measured at FVOCI	435	64	435	64
Investments in subsidiaries	-	4	-	-
Total	**435**	**68**	**435**	**64**

41 Other expenses

	Consolidated		The Bank	
For the year ended 31 December	2024	2023	2024	2023
		(in million Baht)		
Other service fees	5,038	4,792	6,665	6,517
Amortisation of intangible assets	4,309	5,038	4,414	5,129
Marketing expenses	2,029	2,548	1,971	2,451
Others	2,933	2,835	2,702	2,611
Total	**14,309**	**15,213**	**15,752**	**16,708**

42 Expected credit loss

For the year ended 31 December	Consolidated 2024	Consolidated 2023	The Bank 2024	The Bank 2023
		(in million Baht)		
Expected credit loss				
- Interbank and money market items	12	(52)	-	(32)
- Investment in debt instruments measured at FVOCI	(3)	(6)	(3)	(6)
- Investment in debt instruments measured at AMC	(46)	(3)	(1)	(31)
- Loans to customers and accrued interest receivables*	29,924	28,422	29,941	28,341
- Loan commitments and financial guarantee contracts	(978)	649	(983)	676
Modification gain	(1,774)	(1,100)	(1,774)	(1,100)
Total	**27,135**	**27,910**	**27,180**	**27,848**

* Net of bad debts recovery.

43 Basic earnings per share

For the year ended 31 December	Consolidated 2024	Consolidated 2023	The Bank 2024	The Bank 2023
		(in million Baht / million shares)		
Profit attributable to common shareholders of the Bank (basic)	49,233	47,958	48,751	47,485
Number of common and preferred shares outstanding	3,399	3,399	3,399	3,399
Earnings per share (basic) ***(in Baht)***	**14.48**	**14.11**	**14.34**	**13.97**