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## **1 General information**

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

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

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

The interim consolidated and separate financial statements were authorised by the Board of Directors on 27 August 2021.

## **2 Accounting policies**

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

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

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

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

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

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

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

For the reporting periods ending between 1 January 2020 and 31 December 2021, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 as announced by TFAC and considering weight from forward-looking information which includes temporary crisis, less than weight from historical repayment ability data of debtor in assessing the expected credit loss of loan to customers. The Group changed weight on the worst case scenario together with the management's judgment in estimating the expected credit loss and applies staging guideline to debtors from BOT circular letter number TorPorTor ForNorSor (23) Wor 276/ 2563 directive dated 28 February 2020, regarding to "The relief programs for customers affected by Thai economic situations."

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2020, except for the following:

- As at 1 January 2021, the Group ceases applying the temporary relief measures for additional accounting options in the area of deferred tax assets and impairment of assets to address the impact of the COVID-19 outbreak situation according to the Notification of the Federation of Accounting Professions (TFAC) no. 16/2020 which were effective for reporting periods ending between 1 January 2020 and 31 December 2020. There is no impact from the ceasing of the exemption guidance; and
- accounting policy for recognition of financial assets measured at fair value through profit or loss and investments from settlement date to trade date as described in note 3 to the interim financial statements.

## **2.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 which are relevant to the Group**

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

- a) **Interest rate benchmark (IBOR) reform – phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance for insurance business** provide relief measures addressing transactions that might be affected by the benchmark interest rate reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Bank discloses impact and additional information in note 2.14 to the interim financial statements.

## **2.3 Revenue recognition**

### **(a) Interest and discount on loans**

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

### **(b) Interest and dividends on investments**

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

### **(c) Fees and services income**

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

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

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

### **(d) Gains (losses) on sale of investments**

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

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

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

(f) **Income from hire-purchase contracts**

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

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

(g) **Other income**

Other income is recognised as income on an accrual basis.

**2.4 Expense recognition**

(a) **Interest expenses**

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

(b) **Commission fee under hire-purchase agreements**

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

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

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

**2.5 Cash**

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

**2.6 Financial instruments**

**Classification and measurements**

The Group classifies its financial assets as follows:

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

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

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

**Debt instruments**

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

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

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

### Equity instruments

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

### Loans of commercial banking business

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

### Hire-purchase receivables

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

### Allowance for expected credit losses

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

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

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

The Group measures the surplus reserve on the date of adoption for new financial reporting standards related to financial instruments by comparing the difference between allowance for expected credit losses according to requirement under new financial reporting standards related to financial instruments and total reserves that the Group had on 31 December 2019. In which, the Group will amortise the surplus reverse using the straight-line method over 5 years in accordance with notification number TorPorTor ForNorSor (23) Wor 1603/2562 to utilise surplus reserve from Bank of Thailand dated on 6 November 2019.

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

### Modification

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

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

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

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

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

For the reporting periods ending between 1 January 2020 and 30 June 2021, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 as announced by TFAC and considering weight from forward-looking information which includes temporary crisis, less than weight from historical repayment ability data of debtor in assessing the expected credit loss of loan to customers. The Group changed weight on the worst case scenario together with the management's judgment in estimating the expected credit loss and applies staging guideline to debtors from BOT circular letter number TorPorTor ForNorSor (23) Wor 276/2563 directive dated 28 February 2020, regarding to "The relief programs for customers affected by Thai economic situations."

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

#### Derecognition other than on a modification

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

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

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

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

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

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

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

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

- Financial liabilities at fair value through profit or loss

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

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

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

#### Derecognition of financial liabilities

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

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

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

#### **Financial guarantee**

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

#### **Offsetting financial assets and financial liabilities**

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

## **2.7 Investments in subsidiaries**

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

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

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

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

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



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

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

## **2.8 Properties for sale**

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

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

## **2.9 Premises, equipment and depreciation**

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

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

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

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

Buildings	20 years and 40 years
Buildings Improvement	5 years
Vehicle and equipment	5 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.12 to the interim financial statements).

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

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

## **2.10 Right-of-use assets**

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

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



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

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

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

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

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

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

## **2.11 Intangible assets**

### **(a) Computer software**

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

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

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

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

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

### **(b) Other intangible assets**

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

## **2.12 Impairment of assets**

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

## **2.13 Foreign currency translation**

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

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

### **(b) Transactions and balances**

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

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

## **2.14 Financial derivatives**

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

### **(a) Trading transactions**

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

### **(b) Hedging transactions**

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

#### **(1) Fair value hedge**

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

#### **(2) Cash flow hedge**

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

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

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

#### **(3) Net investment in foreign operations hedge**

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

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

Disclosures about derivative financial instruments to which the Group is a party are provided in note 44 to the interim financial statements.

Interbank offered rates (IBORs), such as the London Interbank Offered Rate (LIBOR), play a critical role in global financial markets, serving as reference rates for derivatives, loans and investments, and as parameters in the valuation of financial instruments.

In recent years, regulators, central banks and market participants have been working towards a transition to alternative risk-free benchmark reference rates (RFRs) and market-led working groups in respective jurisdictions have recommended alternative risk-free reference rates, which are gradually being adopted in replacement of IBORs.

In response to the uncertainty about the long-term viability of these benchmark rates, and LIBOR in particular, the International Accounting Standards Board (IASB) has established a project to consider the financial reporting implications of the reform. The transition from IBORs is expected to have an impact on various elements of financial instrument accounting, including hedge accounting, as well as fair value methodologies and disclosures.

Financial Conduct Authority (FCA) has decided to no longer compel panel bank to participate in the USD LIBOR submission process after the end of 2021 and cease to oversight of these benchmark interest rates. Regulatory authorities and private sector working groups have been discussing alternative benchmark rates for USD LIBOR.

The Bank of Thailand (BOT), in collaboration with the Thai Bankers' Association (TBA) and the Association of International Banks (AIB), has established the 'Steering Committee on Commercial Banks Preparedness on LIBOR Discontinuation' whose key task is to ensure the smooth and fairest transition by focusing on 3 main areas:

1. Amendment of financial contracts referencing LIBOR and Thai Baht Interest Rate Fixing (THBFIX) including loan, notes and derivative contracts.
2. Preparation of commercial banks for LIBOR transition.
3. Development plan for alternative Thai reference rate.

#### Impact of IBORs reform on the Bank's hedging relationship

The Bank has hedge accounted relationships referencing IBORs, with the most significant interest rate benchmarks to which the Bank's hedging relationships are exposed to USD LIBOR and THBFIX.

The Bank's risk exposures that are directly affected by the interest rate benchmark reform are the cash flow hedge of financial instruments. These hedging relationships are designated using cross currency and interest rate swaps, for changes attributable of USD LIBOR and THBFIX that are respective current benchmark interest rates. Additional information about the Bank's exposure to IBOR reform is presented in note 9 to the interim financial statements.

	<b>Consolidate and Separate</b>
	<b>30 June 2021</b>
	<b>Million Baht</b>
<b>Hedged items</b>	
Floating rate loans	3,535
Credit linked debentures	641
Credit linked note	3,494

The Bank will continue to record any ongoing hedge ineffectiveness, including that generated by changes as a result of interest rate reform, within the Statement of Comprehensive Income. One of the source of ineffectiveness would be due to the IBORs reform takes effect at a different time and have a different impact on the hedged items (floating rate loan, credit link debentures, credit link notes, and subordinated debentures) and hedging instruments (the derivatives used to hedge the relevant hedged items).

#### Managing the process to transition

The Bank has established a steering committee to oversee the Bank's IBORs transition plan. This steering committee has put in place a transition project that includes the assessment and actions necessary to accommodate the transition to RFRs as they apply internal processes and systems in pricing, risk management, and valuation models, as well as managing related tax and accounting implications. The Bank is continuing to monitor market developments in relation to the transition to RFRs from IBORs rates and their impact on the Bank's financial assets and liabilities to ensure that there are no unexpected consequences or disruption from the transition.

## **2.15 Embedded derivatives**

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

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

## **2.16 Financial liabilities measured at fair value**

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

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

## **2.17 Borrowings**

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

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

## **2.18 Employee benefits and pension fund**

### Defined contribution plan

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

### Defined benefit plan

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

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

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

## **2.19 Provisions**

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

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

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

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

## **2.20 Share capital**

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

## **2.21 Current and deferred income taxes**

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

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

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

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

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

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

## **2.22 Share-based payment**

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

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

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

## **2.23 Dividend payment**

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

## **2.24 Segment reporting**

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

### 3 Change in accounting policy

The Group restated prior year financial statements due to a change in accounting policy for recognition of financial assets measured at fair value through profit or loss and investments from settlement date to trade date. The effects to the statement of financial position as at 1 January 2020 and 31 December 2020 are as follows:

	Consolidated					
	As at 31 December 2020			As at 1 January 2020		
	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht
<b>Statement of Financial Position</b>						
Financial assets measured at fair value through profit or loss	34,427	807	35,234	32,768	(817)	31,592
Investments, net	61,546	(53)	61,493	53,992	-	53,992
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	3,052	-	6,431	6,431
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	3,806	-	5,615	5,615
	Separate					
	As at 31 December 2020			As at 1 January 2020		
	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht	Previously reported Million Baht	Adjustments Million Baht	Restated Million Baht
<b>Statement of Financial Position</b>						
Financial assets measured at fair value through profit or loss	34,427	807	35,234	32,768	(817)	31,592
Investments, net	61,544	(53)	61,491	53,990	-	53,990
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	3,052	-	6,431	6,431
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	3,806	-	5,615	5,615



	<b>Consolidated and Separate</b>		
	<b>For the six-month period ended 30 June 2020</b>		
	<b>Previously reported Million Baht</b>	<b>Adjustments Million Baht</b>	<b>Restated Million Baht</b>
<b>Statement of Cash flows</b>			
Financial assets measured at fair value through profit or loss	(3,857)	(2,536)	(6,393)
Accounts receivable from sell of financial assets measured at fair value through profit or loss	-	(328)	(328)
Accounts payable from purchase of financial assets measured at fair value through profit or loss	-	2,864	2,864
Non-cash transaction:			
Accounts payable from purchase of investments	-	23	23

Additionally, the comparative figure has been reclassified to conform with the presentation in the current period.

## **4 Financial risk management**

### **4.1 Financial risk factors**

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

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

#### **4.1.1 Market risk**

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

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

##### **4.1.1.1 Interest rate risk**

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

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

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As at 30 June 2021 and 31 December 2020, financial assets and liabilities classified by type of interest rate were as follows:

Transaction	Consolidated 30 June 2021			Total Million Baht
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	
<b>Financial assets</b>				
Cash	-	-	803	803
Interbank and money market items	1,808	2,682	3,685	8,175
Financial assets measured at fair value through profit or loss	-	29,397	-	29,397
Derivative assets	27,183	2,234	25,606	55,023
Investments	-	60,929	87	61,016
Loans to customers	136,806	80,959	-	217,765
Credit support assets on derivatives	16,804	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	4,386	4,386
Other assets	283	-	29	312
<b>Total financial assets</b>	<b>182,884</b>	<b>176,201</b>	<b>34,596</b>	<b>393,681</b>
<b>Financial liabilities</b>				
Deposits	78,628	101,287	7,992	187,907
Interbank and money market items	21,987	25,341	907	48,235
Liabilities payable on demand	-	-	389	389
Financial liabilities measured at fair value through profit or loss	25,825	-	25	25,850
Derivative liabilities	27,077	1,665	24,121	52,863
Debt issued and borrowings	6,749	13,673	-	20,422
Lease liabilities	-	253	-	253
Credit support liabilities on derivatives	9,549	-	-	9,549
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	2,244	2,244
<b>Total financial liabilities</b>	<b>169,815</b>	<b>142,219</b>	<b>35,678</b>	<b>347,712</b>

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	Consolidated			
	31 December 2020			
Transaction	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<b>Financial assets</b>				
Cash	-	-	919	919
Interbank and money market items	1,199	1,944	3,214	6,357
Financial assets measured at fair value through profit or loss	-	35,234	-	35,234
Derivative assets	41,033	2,095	14,433	57,561
Investments	-	61,415	79	61,494
Loans to customers	138,585	88,365	-	226,950
Credit support assets on derivatives	16,051	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	3,052	3,052
Other assets	-	324	222	546
Total financial assets	196,868	189,377	21,919	408,164
<b>Financial liabilities</b>				
Deposits	82,586	105,362	6,008	193,956
Interbank and money market items	19,757	25,460	1,878	47,095
Liabilities payable on demand	-	-	256	256
Financial liabilities measured at fair value through profit or loss	28,920	-	29	28,949
Derivative liabilities	36,864	2,010	18,347	57,221
Debt issued and borrowings	7,153	12,296	-	19,449
Lease liabilities	-	297	-	297
Credit support liabilities on derivatives	12,111	-	-	12,111
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	3,806	3,806
Total financial liabilities	187,391	145,425	30,324	363,140

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Transaction	Separate 30 June 2021			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<b>Financial assets</b>				
Cash	-	-	802	802
Interbank and money market items	1,671	2,682	3,651	8,004
Financial assets measured at fair value through profit or loss	-	29,397	-	29,397
Derivative assets	27,183	2,234	25,606	55,023
Investments	-	60,927	87	61,014
Loans to customers	136,782	74,571	-	211,353
Credit support assets on derivatives	16,804	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	4,386	4,386
Other assets	283	-	29	312
Total financial assets	182,723	169,811	34,561	387,095
<b>Financial liabilities</b>				
Deposits	79,015	101,304	7,993	188,312
Interbank and money market items	21,987	25,341	907	48,235
Liabilities payable on demand	-	-	389	389
Financial liabilities measured at fair value through profit or loss	25,825	-	25	25,850
Derivative liabilities	27,077	1,665	24,121	52,863
Debt issued and borrowings	6,749	13,673	-	20,422
Lease liabilities	-	200	-	200
Credit support liabilities on derivatives	9,549	-	-	9,549
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	2,244	2,244
Total financial liabilities	170,202	142,183	35,679	348,064

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**For the six-month period ended 30 June 2021**

Transaction	Separate			
	31 December 2020			
	Floating interest rate Million Baht	Fixed interest rate Million Baht	Non-interest bearing Million Baht	Total Million Baht
<b>Financial assets</b>				
Cash	-	-	918	918
Interbank and money market items	1,060	1,945	3,183	6,188
Financial assets measured at fair value through profit or loss	-	35,234	-	35,234
Derivative assets	41,033	2,095	14,433	57,561
Investments	-	61,413	79	61,492
Loans to customers	138,565	82,237	-	220,802
Credit support assets on derivatives	16,051	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	3,052	3,052
Other assets	-	324	222	546
Total financial assets	196,709	183,248	21,887	401,844
<b>Financial liabilities</b>				
Deposits	82,761	105,379	6,010	194,150
Interbank and money market items	19,757	25,460	1,878	47,095
Liabilities payable on demand	-	-	256	256
Financial liabilities measured at fair value through profit or loss	28,920	-	29	28,949
Derivative liabilities	36,864	2,010	18,347	57,221
Debt issued and borrowings	7,153	12,296	-	19,449
Lease liabilities	-	234	-	234
Credit support liabilities on derivatives	12,111	-	-	12,111
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	-	3,806	3,806
Total financial liabilities	187,566	145,379	30,326	363,271

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**For the six-month period ended 30 June 2021**

<b>Consolidated</b>							
<b>30 June 2021</b>							
<b>Transactions</b>	<b>Repricing or maturity date</b>					<b>Non-interest bearing Million Baht</b>	<b>Total Million Baht</b>
	<b>At call Million Baht</b>	<b>0 - 3 months Million Baht</b>	<b>3 - 12 months Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>		
<b>Financial assets</b>							
Cash	-	-	-	-	-	803	803
Interbank and money market items	1,654	2,762	74	-	-	3,685	8,175
Financial assets measured at fair value through profit or loss	-	-	79	3,297	26,021	-	29,397
Derivative assets	-	20,161	8,563	163	530	25,606	55,023
Investments	-	1,319	6,422	29,717	23,471	87	61,016
Loans to customers	11,138	25,635	34,537	89,020	57,435	-	217,765
Credit support assets on derivatives	16,804	-	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	4,386	4,386
Other assets	-	20	61	202	-	29	312
<b>Total financial assets</b>	<b>29,596</b>	<b>49,897</b>	<b>49,736</b>	<b>122,399</b>	<b>107,457</b>	<b>34,596</b>	<b>393,681</b>
<b>Financial liabilities</b>							
Deposits	79,628	51,892	46,636	2,759	-	7,992	187,907
Interbank and money market items	21,488	24,392	1,100	348	-	907	48,235
Liabilities payable on demand	-	-	-	-	-	389	389
Financial liabilities measured at fair value through profit or loss	-	18,848	6,977	-	-	25	25,850
Derivative liabilities	-	17,189	10,598	174	781	24,121	52,863
Debt issued and borrowings	-	5,283	3,482	-	11,657	-	20,422
Lease liabilities	-	6	17	225	5	-	253
Credit support liabilities on derivatives	9,549	-	-	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	2,244	2,244
<b>Total financial liabilities</b>	<b>110,665</b>	<b>117,610</b>	<b>68,810</b>	<b>3,506</b>	<b>12,443</b>	<b>35,678</b>	<b>347,712</b>
<b>Consolidated</b>							
<b>31 December 2020</b>							
<b>Transactions</b>	<b>Repricing or maturity date</b>					<b>Non-interest bearing Million Baht</b>	<b>Total Million Baht</b>
	<b>At call Million Baht</b>	<b>0 - 3 months Million Baht</b>	<b>3 - 12 months Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>		
<b>Financial assets</b>							
Cash	-	-	-	-	-	919	919
Interbank and money market items	1,030	2,038	75	-	-	3,214	6,357
Financial assets measured at fair value through profit or loss	-	3	62	3,452	31,717	-	35,234
Derivative assets	-	31,294	11,427	78	329	14,433	57,561
Investments	-	3,447	2,882	35,074	20,012	79	61,494
Loans to customers	6,363	28,558	40,673	90,922	60,434	-	226,950
Credit support assets on derivatives	16,051	-	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	3,052	3,052
Other assets	-	41	40	243	-	222	546
<b>Total financial assets</b>	<b>23,444</b>	<b>65,381</b>	<b>55,159</b>	<b>129,769</b>	<b>112,492</b>	<b>21,919</b>	<b>408,164</b>
<b>Financial liabilities</b>							
Deposits	82,585	46,223	57,383	1,757	-	6,008	193,956
Interbank and money market items	19,756	23,854	878	729	-	1,878	47,095
Liabilities payable on demand	-	-	-	-	-	256	256
Financial liabilities measured at fair value through profit or loss	-	21,123	7,757	40	-	29	28,949
Derivative liabilities	-	22,472	15,067	202	1,133	18,347	57,221
Debt issued and borrowings	-	4,247	3,974	-	11,228	-	19,449
Lease liabilities	-	28	81	185	3	-	297
Credit support liabilities on derivatives	12,111	-	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	3,806	3,806
<b>Total financial liabilities</b>	<b>114,452</b>	<b>117,947</b>	<b>85,140</b>	<b>2,913</b>	<b>12,364</b>	<b>30,324</b>	<b>363,140</b>



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<b>Separate</b>							
<b>30 June 2021</b>							
<b>Transactions</b>	<b>Repricing or maturity date</b>					<b>Non-interest bearing Million Baht</b>	<b>Total Million Baht</b>
	<b>At call Million Baht</b>	<b>0 - 3 months Million Baht</b>	<b>3 - 12 months Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>		
<b>Financial assets</b>							
Cash	-	-	-	-	-	802	802
Interbank and money market items	1,671	2,608	74	-	-	3,651	8,004
Financial assets measured at fair value through profit or loss	-	-	79	3,297	26,021	-	29,397
Derivative assets	-	20,161	8,563	163	530	25,606	55,023
Investments	-	1,319	6,422	29,717	23,469	87	61,014
Loans to customers	11,138	37,675	39,908	66,972	55,660	-	211,353
Credit support assets on derivatives	16,804	-	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	4,386	4,386
Other assets	-	20	61	202	-	29	312
<b>Total financial assets</b>	<b>29,613</b>	<b>61,783</b>	<b>55,107</b>	<b>100,351</b>	<b>105,680</b>	<b>34,561</b>	<b>387,095</b>
<b>Financial liabilities</b>							
Deposits	79,015	51,898	46,647	2,759	-	7,993	188,312
Interbank and money market items	21,488	24,392	1,100	348	-	907	48,235
Liabilities payable on demand	-	-	-	-	-	389	389
Financial liabilities measured at fair value through profit or loss	-	18,848	6,977	-	-	25	25,850
Derivative liabilities	-	17,189	10,598	174	781	24,121	52,863
Debt issued and borrowings	-	5,283	3,482	-	11,657	-	20,422
Lease liabilities	-	-	7	188	5	-	200
Credit support liabilities on derivatives	9,549	-	-	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	2,244	2,244
<b>Total financial liabilities</b>	<b>110,052</b>	<b>117,610</b>	<b>68,811</b>	<b>3,469</b>	<b>12,443</b>	<b>35,679</b>	<b>348,064</b>
<b>Separate</b>							
<b>31 December 2020</b>							
<b>Transactions</b>	<b>Repricing or maturity date</b>					<b>Non-interest bearing Million Baht</b>	<b>Total Million Baht</b>
	<b>At call Million Baht</b>	<b>0 - 3 months Million Baht</b>	<b>3 - 12 months Million Baht</b>	<b>1 - 5 years Million Baht</b>	<b>Over 5 years Million Baht</b>		
<b>Financial assets</b>							
Cash	-	-	-	-	-	918	918
Interbank and money market items	1,061	1,870	74	-	-	3,183	6,188
Financial assets measured at fair value through profit or loss	-	3	62	3,452	31,717	-	35,234
Derivative assets	-	31,294	11,427	78	329	14,433	57,561
Investments	-	3,447	2,882	35,074	20,010	79	61,492
Loans to customers	6,363	39,486	49,716	67,459	57,778	-	220,802
Credit support assets on derivatives	16,051	-	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	3,052	3,052
Other assets	-	41	40	243	-	222	546
<b>Total financial assets</b>	<b>23,475</b>	<b>76,141</b>	<b>64,201</b>	<b>106,306</b>	<b>109,834</b>	<b>21,887</b>	<b>401,844</b>
<b>Financial liabilities</b>							
Deposits	82,761	46,228	57,394	1,757	-	6,010	194,150
Interbank and money market items	19,756	23,854	878	729	-	1,878	47,095
Liabilities payable on demand	-	-	-	-	-	256	256
Financial liabilities measured at fair value through profit or loss	-	21,122	7,757	41	-	29	28,949
Derivative liabilities	-	22,472	15,067	202	1,133	18,347	57,221
Debt issued and borrowings	-	4,248	3,973	-	11,228	-	19,449
Lease liabilities	-	20	56	155	3	-	234
Credit support liabilities on derivatives	12,111	-	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	-	3,806	3,806
<b>Total financial liabilities</b>	<b>114,628</b>	<b>117,944</b>	<b>85,125</b>	<b>2,884</b>	<b>12,364</b>	<b>30,326</b>	<b>363,271</b>

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The Bank has average balances of the financial assets and liabilities that generating revenues and expenses, and the average interest and dividend rate for the year ended 30 June 2021 and 31 December 2020, can be summarised as follows:

	Consolidated					
	30 June 2021			31 December 2020		
	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	3,508	6	0.36	5,757	71	1.23
Financial assets measured at fair value through profit or loss	34,237	173	1.01	36,670	375	1.03
Investments, net	62,646	533	1.70	59,616	1,121	1.88
Loans to customers	211,495	5,793	5.48	227,305	13,371	5.88
Total performing financial assets	311,886	6,505		329,348	14,938	
<u>Performing financial liabilities</u>						
Deposits	180,823	751	0.83	196,135	2,360	1.20
Interbank and money market items	52,041	105	0.40	49,696	337	0.68
Financial liabilities measured at fair value through profit or loss	27,597	108	0.78	28,066	300	1.07
Debt issued and borrowings	19,831	287	2.89	24,093	713	2.96
Total performing financial liabilities	280,292	1,251		297,990	3,710	
	Separate					
	30 June 2021			31 December 2020		
	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)	Average balances Million Baht	Interest and dividend Million Baht	Average rate (%)
<u>Performing financial assets</u>						
Interbank and money market items, net	3,346	6	0.37	5,627	70	1.25
Financial assets measured at fair value through profit or loss	34,237	173	1.01	36,670	375	1.03
Investments, net	62,644	533	1.70	59,614	1,121	1.88
Loans	214,862	4,054	3.77	235,373	9,562	4.09
Total performing financial assets	315,089	4,766		337,284	11,128	
<u>Performing financial liabilities</u>						
Deposits	181,716	751	0.83	196,638	2,360	1.20
Interbank and money market items	51,167	105	0.41	48,231	337	0.70
Financial liabilities measured at fair value through profit or loss	27,597	108	0.78	28,066	300	1.07
Debt issued and borrowings	19,831	287	2.89	23,426	696	2.97
Total performing financial liabilities	280,311	1,251		296,361	3,693	

**Interest/profit rate sensitivity**

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

	Consolidated and Separate	
	30 June 2021	
	+1 basis point Million Baht	+1 basis point Million Baht
Impact on net profit	(3)	3
Impact on equity	(15)	15
	(18)	18

	<b>Consolidated and Separate</b>	
	<b>31 December 2020</b>	
	<b>+1 basis point</b>	<b>+1 basis point</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Impact on net profit	(3)	3
Impact on equity	(13)	13
	(16)	16

#### 4.1.1.2 Foreign exchange risk

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

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

	<b>Consolidated</b>						
	<b>30 June 2021</b>						
	<b>Currency</b>						
<b>Transactions</b>	<b>THB</b>	<b>USD</b>	<b>JPY</b>	<b>EURO</b>	<b>MYR</b>	<b>Others</b>	<b>Total</b>
	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Financial assets</b>							
Cash	800	-	-	-	-	3	803
Interbank and money market items	5,507	1,950	7	130	162	419	8,175
Financial assets measured at fair value through profit or loss	29,397	-	-	-	-	-	29,397
Derivative assets	(714,785)	747,247	(1,177)	14,193	3,979	5,566	55,023
Investments	61,015	-	-	1	-	-	61,016
Loans to customers and accrued interest receivables	208,562	12,101	-	29	-	1,205	221,897
Credit support assets on derivatives	8,370	8,434	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	4,386	-	-	-	-	-	4,386
Other assets	769	-	-	-	-	-	769
<b>Total financial assets</b>	<b>(395,979)</b>	<b>769,732</b>	<b>(1,170)</b>	<b>14,353</b>	<b>4,141</b>	<b>7,193</b>	<b>398,270</b>
<b>Financial liabilities</b>							
Deposits	184,302	3,246	11	205	19	124	187,907
Interbank and money market items	44,618	3,470	-	-	146	1	48,235
Liabilities payable on demand	388	1	-	-	-	-	389
Financial liabilities measured at fair value through profit or loss	25,850	-	-	-	-	-	25,850
Derivative liabilities	(715,414)	756,947	(1,170)	14,188	(8,385)	6,697	52,863
Debt issued and borrowings	4,630	4,135	-	-	11,657	-	20,422
Lease liabilities	253	-	-	-	-	-	253
Credit support liabilities on derivatives	-	6,614	2,935	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	2,244	-	-	-	-	-	2,244
Other liabilities	170	16	-	-	235	-	421
<b>Total financial liabilities</b>	<b>(452,959)</b>	<b>774,429</b>	<b>1,776</b>	<b>14,393</b>	<b>3,672</b>	<b>6,822</b>	<b>348,133</b>

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Transactions	Consolidated						Total Million Baht
	31 December 2020						
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	
<b>Financial assets</b>							
Cash	886	5	2	6	2	18	919
Interbank and money market items	3,670	1,485	26	5	747	424	6,357
Financial assets measured at fair value through profit or loss	35,234	-	-	-	-	-	35,234
Derivative assets	612,145	(629,083)	17,099	31,742	11,649	14,009	57,561
Investments	61,493	-	-	1	-	-	61,494
Loans to customers and Accrued interest receivables	217,660	11,961	-	7	-	1,169	230,797
Credit support assets on derivatives	7,605	8,446	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	3,052	-	-	-	-	-	3,052
Other assets	937	1	-	-	-	-	938
Total financial assets	942,682	(607,185)	17,127	31,761	12,398	15,620	412,403
<b>Financial liabilities</b>							
Deposits	187,044	6,347	8	96	197	264	193,956
Interbank and money market items	45,032	1,355	-	4	703	1	47,095
Liabilities payable on demand	255	1	-	-	-	-	256
Financial liabilities measured at fair value through profit or loss	28,949	-	-	-	-	-	28,949
Derivative liabilities	622,098	(627,921)	17,095	31,627	(654)	14,976	57,221
Debt issued and borrowings	4,329	3,892	-	-	11,228	-	19,449
Lease liabilities	297	-	-	-	-	-	297
Credit support liabilities on derivatives	4,730	7,381	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	3,806	-	-	-	-	-	3,806
Other liabilities	293	18	-	-	228	-	539
Total financial liabilities	896,833	(608,927)	17,103	31,727	11,702	15,241	363,679
<b>Separate</b>							
<b>30 June 2021</b>							
Transactions	Currency						Total Million Baht
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	
<b>Financial assets</b>							
Cash	799	-	-	-	-	3	802
Interbank and money market items	5,336	1,950	7	130	162	419	8,004
Financial assets measured at fair value through profit or loss	29,397	-	-	-	-	-	29,397
Derivative assets	(714,785)	747,247	(1,177)	14,193	3,979	5,566	55,023
Investments	61,013	-	-	1	-	-	61,014
Loans to customers and Accrued interest receivables	202,201	12,101	-	29	-	1,205	215,536
Credit support assets on derivatives	8,370	8,434	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	4,386	-	-	-	-	-	4,386
Other assets	769	-	-	-	-	-	769
Total financial assets	(402,514)	769,732	(1,170)	14,353	4,141	7,193	391,735
<b>Financial liabilities</b>							
Deposits	184,707	3,246	11	205	19	124	188,312
Interbank and money market items	44,618	3,470	-	-	146	1	48,235
Liabilities payable on demand	388	1	-	-	-	-	389
Financial liabilities measured at fair value through profit or loss	25,850	-	-	-	-	-	25,850
Derivative liabilities	(715,414)	756,947	(1,170)	14,188	(8,385)	6,697	52,863
Debt issued and borrowings	4,630	4,135	-	-	11,657	-	20,422
Lease liabilities	200	-	-	-	-	-	200
Credit support liabilities on derivatives	-	6,614	2,935	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	2,244	-	-	-	-	-	2,244
Other liabilities	170	16	-	-	235	-	421
Total financial liabilities	(452,607)	774,429	1,776	14,393	3,672	6,822	348,485

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Transactions	Separate 31 December 2020						Total Million Baht
	Currency						
	THB Million Baht	USD Million Baht	JPY Million Baht	EURO Million Baht	MYR Million Baht	Others Million Baht	
<b>Financial assets</b>							
Cash	885	5	2	6	2	18	918
Interbank and money market items	3,502	1,485	26	5	747	424	6,189
Financial assets measured at fair value through profit or loss	35,234	-	-	-	-	-	35,234
Derivative assets	612,145	(629,083)	17,099	31,742	11,649	14,009	57,561
Investments	61,491	-	-	1	-	-	61,492
Loans to customers and Accrued interest receivables	211,506	11,961	-	7	-	1,169	224,643
Credit support assets on derivatives	7,605	8,446	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	3,052	-	-	-	-	-	3,052
Other assets	937	1	-	-	-	-	938
Total financial assets	936,357	(607,185)	17,127	31,761	12,398	15,620	406,078
<b>Financial liabilities</b>							
Deposits	187,238	6,347	8	96	197	264	194,150
Interbank and money market items	45,032	1,355	-	4	703	1	47,095
Liabilities payable on demand	255	1	-	-	-	-	256
Financial liabilities measured at fair value through profit or loss	28,949	-	-	-	-	-	28,949
Derivative liabilities	622,098	(627,921)	17,095	31,627	(654)	14,976	57,221
Debt issued and borrowings	4,329	3,892	-	-	11,228	-	19,449
Lease liabilities	234	-	-	-	-	-	234
Credit support liabilities on derivatives	4,730	7,381	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	3,806	-	-	-	-	-	3,806
Other liabilities	289	17	-	-	228	-	534
Total financial liabilities	896,960	(608,928)	17,103	31,727	11,702	15,241	363,805

In addition to the financial assets and liabilities denominated in foreign currencies already disclosed in the relevant notes to the financial statements as at 30 June 2021 and 31 December 2020, the Bank has the following net foreign currency positions categorised by major foreign currencies:

	(Unit: Equivalent to million USD)					
	Consolidated and Separate					
	30 June 2021			31 December 2020		
	USD	EURO*	Other currencies*	USD	EURO*	Other currencies*
Spot	274.25	(1.41)	(337.03)	102.28	(2.70)	(354.02)
Forward						
- Forward contract	(239.42)	0.89	351.02	(57.99)	2.70	377.17
<b>Total</b>	<b>34.83</b>	<b>(0.52)</b>	<b>13.99</b>	<b>44.29</b>	<b>-</b>	<b>23.15</b>

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

### Foreign exchange risk sensitivity analysis

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

	<b>Consolidated and Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
<b>+ 1%</b>		
US Dollar	11	13
Others	4	7
	<b>15</b>	<b>20</b>
<b>-1%</b>		
US Dollar	(11)	(13)
Others	(4)	(7)
	<b>(15)</b>	<b>(20)</b>

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

As at 30 June 2021 and 31 December 2020, financial derivatives as classified by their maturities were as follows:

	<b>Consolidated and Separate</b>					
	<b>30 June 2021</b>			<b>31 December 2020</b>		
	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>
Forward and spot contracts						
- Bought	800,138	10,211	810,349	603,595	6,866	610,461
- Sold	664,468	10,085	674,553	495,758	8,484	504,242
Cross-currency and interest rate swap contracts						
- Bought	37,752	196,705	234,457	39,340	179,714	219,054
- Sold	88,248	164,822	253,070	32,772	170,483	203,255
Interest rate swap contracts						
- Fixed-rate receiver	359,554	734,538	1,094,092	378,701	574,392	953,093
- Floating-rate receiver	459,294	842,757	1,302,051	461,171	706,643	1,167,814
Foreign exchange options						
- Call-option sales contract	321	-	321	334	-	334
- Put-option sales contract	417	-	417	406	-	406
- Call-option purchase contract	225	-	225	646	-	646
- Put-option purchase contract	112	-	112	318	-	318
Commodity						
- Bought	91	-	91	-	-	-
- Sold	91	-	91	-	-	-
Credit derivatives						
- Bought	641	5,294	5,935	-	5,675	5,675
- Sold	641	5,294	5,935	-	5,675	5,675
Fund option						
- Bought	761	74	835	1,599	417	2,016
- Sold	761	74	835	1,599	417	2,016
Equity option						
- Bought	-	344	344	-	323	323
- Sold	-	344	344	-	323	323
Bond forward						
- Sold	10,269	11,768	22,037	8,679	14,692	23,371

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



#### **4.1.1.3 Equity position risk**

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

#### **4.1.2 Credit risk**

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

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

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

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

#### **Forward-looking macroeconomic factors**

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

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

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

#### **Loan portfolio**

As at 30 June 2021 and 31 December 2020, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Agricultural and mining	7,330	7,446	7,330	7,446
Manufacturing and commerce	32,192	33,962	32,192	33,962
Real estate and construction	15,510	16,252	15,510	16,252
Public utilities and services	30,015	29,118	30,015	29,118
Personal cash	7,229	8,263	7,229	8,263
Housing loans	76,950	76,789	76,950	76,789
Hire-purchase receivable and financial lease receivable	34,542	39,063	-	-
Others	13,997	16,057	42,127	48,972
<b>Total loans net of deferred revenue</b>	<b>217,765</b>	<b>226,950</b>	<b>211,353</b>	<b>220,802</b>

As at 30 June 2021 and 31 December 2020, the Group had the following off-balance statement of financial position. These are calculated according to the period to maturity in the contract dates from the date of statement of the financial position:

	<b>Consolidated</b>					
	<b>Counting from 30 June 2021</b>			<b>Counting from 31 December 2020</b>		
	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>
Avals of bills	12	-	12	9	8	17
Liabilities under unmatured import bills	160	-	160	157	-	157
Letters of credit	847	-	847	765	-	765
Bills on domestic letter of credit	41	-	41	31	-	31
Other guarantees	8,761	1,100	9,861	8,717	1,799	10,516

  

	<b>Separate</b>					
	<b>Counting from 30 June 2021</b>			<b>Counting from 31 December 2020</b>		
	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>	<b>Less than 1 year Million Baht</b>	<b>Over 1 year Million Baht</b>	<b>Total Million Baht</b>
Avals of bills	12	-	12	9	8	17
Liabilities under unmatured import bills	160	-	160	157	-	157
Letters of credit	847	-	847	765	-	765
Bills on domestic letter of credit	41	-	41	31	-	31
Other guarantees	8,761	1,100	9,861	8,717	1,799	10,516

#### **Investment in debt securities and interbank and money market items**

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

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

#### **Credit Rating**

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

Loan to customers and Loan commitments and financial guarantee contracts

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

Other financial assets

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

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

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

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

Impaired - The asset is being impaired.

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

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

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

**Maximum exposure to credit risk**

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

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

		<b>Consolidated</b>	
		<b>30 June 2021</b>	<b>31 December 2020</b>
		<b>Maximum exposure to credit risk Million Baht</b>	<b>Maximum exposure to credit risk Million Baht</b>
<b>Credit risk exposures of on-statement of financial position assets:</b>			
Financial assets measured at fair value through profit or loss		29,110	33,253
Investments		60,813	60,863
		89,923	94,116
<b>Credit risk exposure of off-statement of financial position items:</b>			
Financial guarantees		10,921	11,468
Loan commitments		41,522	42,567
		52,443	54,035
		<b>Separate</b>	
		<b>30 June 2021</b>	<b>31 December 2020</b>
		<b>Maximum exposure to credit risk Million Baht</b>	<b>Maximum exposure to credit risk Million Baht</b>
<b>Credit risk exposures of on-statement of financial position assets:</b>			
Financial assets measured at fair value through profit or loss		29,110	33,253
Investments		60,811	60,861
		89,921	94,114
<b>Credit risk exposure of off-statement of financial position items:</b>			
Financial guarantees		10,921	11,468
Loan commitments		41,522	42,567
		52,443	54,035

### Collateral

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

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

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

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

<b>Consolidated</b>				
<b>30 June 2021</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	90,855	(3,270)	87,585	25,827
Retail lending	131,042	(4,865)	126,177	86,855
<b>Total</b>	<b>221,897</b>	<b>(8,135)</b>	<b>213,762</b>	<b>112,682</b>
<b>Consolidated</b>				
<b>31 December 2020</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	94,614	(2,555)	92,059	29,293
Retail lending	136,183	(4,333)	131,850	86,852
<b>Total</b>	<b>230,797</b>	<b>(6,888)</b>	<b>223,909</b>	<b>116,145</b>
<b>Separate</b>				
<b>30 June 2021</b>				
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	119,071	(3,347)	115,724	25,827
Retail lending	96,465	(2,825)	93,640	86,855
<b>Total</b>	<b>215,536</b>	<b>(6,172)</b>	<b>209,364</b>	<b>112,682</b>

	<b>Separate</b>			
	<b>31 December 2020</b>			
	<b>Gross carrying amount</b>	<b>Expected credit losses</b>	<b>Net carrying amount exclude excess provision</b>	<b>Fair value of collateral held</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Non-retail lending	127,554	(2,592)	124,962	29,293
Retail lending	97,089	(2,532)	94,557	86,852
<b>Total</b>	<b>224,643</b>	<b>(5,124)</b>	<b>219,519</b>	<b>116,145</b>

### **Impairment of financial assets**

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

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

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

### *Investment in debt instrument*

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

### *Loans to related parties*

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

The reconciliation of allowance for expected credit loss to related parties for the period ended 30 Jun 2021 and for the year ended 31 December 2020 are as follows:

	<b>Separate</b>	
	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Opening allowance for expected credit loss		
- calculated under TFRS 9	37	25
Increase in allowance for expected credit loss recognised in profit or loss during the period/ year	39	12
<b>Ending allowance for expected credit loss</b>	<b>76</b>	<b>37</b>

### **Credit related commitments**

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

### Credit quality of loans to customers

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

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

<b>Consolidated</b>					
<b>30 June 2021</b>					
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit-impaired Million Baht</b>	<b>Lifetime ECL credit-impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Not past due and past due not over 30 days	193,120	11,386	621	-	205,127
Past due between 31 and 90 days	-	6,069	142	-	6,211
Past due more than 90 days	-	-	10,501	58	10,559
Gross carrying amount	193,120	17,455	11,264	58	221,897
<u>Less</u> Allowance for expected credit losses	(1,904)	(1,581)	(4,626)	(24)	(8,135)
Net carrying amount	191,216	15,874	6,638	34	213,762
<b>Consolidated</b>					
<b>31 December 2020</b>					
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit-impaired Million Baht</b>	<b>Lifetime ECL credit-impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Not past due and past due not over 30 days	200,367	14,825	809	-	216,001
Past due between 31 and 90 days	-	4,388	868	-	5,256
Past due more than 90 days	-	-	9,482	58	9,540
Gross carrying amount	200,367	19,213	11,159	58	230,797
<u>Less</u> Allowance for expected credit losses	(1,891)	(1,482)	(3,491)	(24)	(6,888)
Net carrying amount	198,476	17,731	7,668	34	223,909
<b>Separate</b>					
<b>30 June 2021</b>					
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit-impaired Million Baht</b>	<b>Lifetime ECL credit-impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Not past due and past due not over 30 days	192,314	9,830	618	-	202,762
Past due between 31 and 90 days	-	2,532	134	-	2,665
Past due more than 90 days	-	-	10,050	58	10,108
Gross carrying amount	192,314	12,362	10,802	58	215,536
<u>Less</u> Allowance for expected credit losses	(1,044)	(667)	(4,437)	(24)	(6,172)
Net carrying amount	191,270	11,695	6,365	34	209,364



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	<b>Separate</b>				
	<b>31 December 2020</b>				
	<b>12-month ECL</b>	<b>Lifetime ECL not</b>	<b>Lifetime ECL</b>	<b>Purchased or</b>	<b>Total</b>
	<b>Million Baht</b>	<b>credit-impaired</b>	<b>credit-impaired</b>	<b>credit-impaired</b>	<b>Million Baht</b>
		<b>Million Baht</b>	<b>Million Baht</b>	<b>financial assets</b>	
				<b>Million Baht</b>	
Not past due and past due not over 30 days	198,709	13,013	806	-	212,528
Past due between 31 and 90 days	-	2,100	864	-	2,964
Past due more than 90 days	-	-	9,093	58	9,151
Gross carrying amount	198,709	15,113	10,763	58	224,643
<u>Less</u> Allowance for expected credit losses	(1,060)	(708)	(3,332)	(24)	(5,124)
Net carrying amount	197,649	14,405	7,431	34	219,519

The table below presents the interbank and money market items (asset), investments, loans and accrued interest receivables, credit support assets on derivatives, other assets and loans commitments and financial guarantees classified by rating:

	<b>Consolidated</b>				
	<b>30 June 2021</b>				
	<b>12-month ECL</b>	<b>Lifetime ECL not</b>	<b>Lifetime ECL</b>	<b>Purchased or</b>	<b>Total</b>
	<b>Million Baht</b>	<b>credit-impaired</b>	<b>credit-impaired</b>	<b>credit-impaired</b>	<b>Million Baht</b>
		<b>Million Baht</b>	<b>Million Baht</b>	<b>financial assets</b>	
				<b>Million Baht</b>	
<b>Interbank and money market (Asset)</b>					
Sovereign	3,180	-	-	-	3,180
Investment grade	3,794	-	-	-	3,794
Non-investment grade	1,201	-	-	-	1,201
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	8,175	-	-	-	8,175
<b>Investments</b>					
Sovereign	53,658	-	-	-	53,658
Investment grade	4,991	-	-	-	4,991
Non-investment grade	2,280	-	-	-	2,280
No rating	-	-	1	-	1
Gross carrying amount	60,929	-	1	-	60,930
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	60,929	-	-	-	60,929

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	<b>Consolidated</b>				
	<b>30 June 2021</b>				
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit- impaired Million Baht</b>	<b>Lifetime ECL credit- impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
<b>Loans and accrued interest receivables</b>					
Good	67,576	954	-	-	68,530
Satisfactory	1,900	8,254	78	-	10,232
Impaired	-	-	5,600	58	5,658
No rating	123,644	8,247	5,586	-	137,478
Gross carrying amount	193,120	17,455	11,264	58	221,897
<u>Less</u> Allowance for expected credit losses	(1,904)	(1,581)	(4,626)	(24)	(8,135)
Net carrying amount before excess provision	191,216	15,874	6,638	34	213,762
<b>Credit support assets on derivatives</b>					
Sovereign	6,294	-	-	-	6,294
Investment grade	10,503	-	-	-	10,503
Non-investment grade	7	-	-	-	7
No rating	-	-	-	-	-
Carrying amount	16,804	-	-	-	16,804
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	4,021	-	-	-	4,021
Investment grade	312	-	-	-	312
Non-investment grade	53	-	-	-	53
No rating	-	-	-	-	-
Carrying amount	4,386	-	-	-	4,386
<b>Other assets</b>					
Sovereign	190	-	-	-	190
Investment grade	371	-	-	-	371
Non-investment grade	55	-	-	-	55
No rating	153	-	-	-	153
Gross carrying amount	769	-	-	-	769
<u>Less</u> Allowance for expected credit losses	(53)	-	-	-	(53)
Net carrying amount	716	-	-	-	716
<b>Loans commitments and financial guarantees</b>					
Good	5,775	60	-	-	5,835
Satisfactory	23	129	-	-	152
Impaired	-	-	29	-	29
No rating	1,978	6	1	-	1,985
Gross carrying amount	7,776	195	30	-	8,001
<u>Less</u> Allowance for expected credit losses	(123)	(3)	(27)	-	(153)
Net carrying amount	7,653	192	3	-	7,848

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<b>Consolidated</b>					
<b>31 December 2020</b>					
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit- impaired Million Baht</b>	<b>Lifetime ECL credit- impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
<b>Interbank and money market (Asset)</b>					
Sovereign	2,131	-	-	-	2,131
Investment grade	2,724	-	-	-	2,724
Non-investment grade	1,502	-	-	-	1,502
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	6,357	-	-	-	6,357
<b>Investments</b>					
Sovereign	53,140	-	-	-	53,140
Investment grade	6,924	-	-	-	6,924
Non-investment grade	1,210	141	-	-	1,351
No rating	-	-	1	-	1
Gross carrying amount	61,274	141	1	-	61,416
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	61,274	141	-	-	61,415
<b>Loans and accrued interest receivables</b>					
Good	67,997	1,243	-	-	69,240
Satisfactory	1,924	9,792	243	-	11,959
Impaired	-	-	5,816	58	5,874
No rating	130,446	8,178	5,100	-	143,724
Gross carrying amount	200,367	19,213	11,159	58	230,797
<u>Less</u> Allowance for expected credit losses	(1,891)	(1,482)	(3,491)	(24)	(6,888)
Net carrying amount before excess provision	198,476	17,731	7,668	34	223,909
<b>Credit support assets on derivatives</b>					
Sovereign	345	-	-	-	345
Investment grade	14,154	-	-	-	14,154
Non-investment grade	1,552	-	-	-	1,552
No rating	-	-	-	-	-
Carrying amount	16,051	-	-	-	16,051
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	2,999	-	-	-	2,999
Investment grade	53	-	-	-	53
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	3,052	-	-	-	3,052
<b>Other assets</b>					
Sovereign	219	-	-	-	219
Investment grade	492	-	-	-	492
Non-investment grade	-	1	-	-	1
No rating	237	-	-	-	237
Gross carrying amount	948	1	-	-	949
<u>Less</u> Allowance for expected credit losses	(48)	-	-	-	(48)
Net carrying amount	900	1	-	-	901
<b>Loans commitments and financial guarantees</b>					
Good	7,203	57	-	-	7,260
Satisfactory	187	82	-	-	269
Impaired	-	-	38	-	38
No rating	2,291	6	1	-	2,298
Gross carrying amount	9,681	145	39	-	9,865
<u>Less</u> Allowance for expected credit losses	(124)	(2)	(27)	-	(153)
Net carrying amount	9,557	143	(12)	-	9,712

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	<b>Separate</b>				
	<b>30 June 2021</b>				
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit- impaired Million Baht</b>	<b>Lifetime ECL credit- impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
<b>Interbank and money market (Asset)</b>					
Sovereign	3,164	-	-	-	3,164
Investment grade	3,639	-	-	-	3,639
Non-investment grade	1,201	-	-	-	1,201
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	8,004	-	-	-	8,004
<b>Investments</b>					
Sovereign	53,658	-	-	-	53,658
Investment grade	4,989	-	-	-	4,989
Non-investment grade	2,280	-	-	-	2,280
No rating	-	-	1	-	1
Gross carrying amount	60,927	-	1	-	60,928
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	60,927	-	-	-	60,927
<b>Loans and accrued interest receivables</b>					
Good	95,791	954	-	-	96,745
Satisfactory	1,900	8,255	78	-	10,233
Impaired	-	-	5,138	58	5,196
No rating	94,623	3,153	5,586	-	103,362
Gross carrying amount	192,314	12,362	10,802	58	215,536
<u>Less</u> Allowance for expected credit losses	(1,043)	(666)	(4,438)	(24)	(6,172)
Net carrying amount before excess provision	191,270	11,695	6,365	34	209,364
<b>Credit support assets on derivatives</b>					
Sovereign	6,294	-	-	-	6,294
Investment grade	10,503	-	-	-	10,503
Non-investment grade	7	-	-	-	7
No rating	-	-	-	-	-
Carrying amount	16,804	-	-	-	16,804
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	4,021	-	-	-	4,021
Investment grade	312	-	-	-	312
Non-investment grade	53	-	-	-	53
No rating	-	-	-	-	-
Carrying amount	4,386	-	-	-	4,386
<b>Other assets</b>					
Sovereign	190	-	-	-	190
Investment grade	371	-	-	-	371
Non-investment grade	55	-	-	-	55
No rating	153	-	-	-	153
Gross carrying amount	769	-	-	-	769
<u>Less</u> Allowance for expected credit losses	(53)	-	-	-	(53)
Net carrying amount	716	-	-	-	716

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<b>Separate</b>					
<b>30 June 2021</b>					
	<b>12-month ECL</b>	<b>Lifetime ECL not credit-impaired</b>	<b>Lifetime ECL credit-impaired</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Loans commitments and financial guarantees</b>					
Good	9,040	60	-	-	9,100
Satisfactory	23	129	-	-	152
Impaired	-	-	29	-	29
No rating	1,978	6	1	-	1,985
Gross carrying amount	11,041	195	30	-	11,266
<u>Less</u> Allowance for expected credit losses	(132)	(3)	(27)	-	(162)
Net carrying amount	10,909	192	3	-	11,104
<b>Separate</b>					
<b>31 December 2020</b>					
	<b>12-month ECL</b>	<b>Lifetime ECL not credit-impaired</b>	<b>Lifetime ECL credit-impaired</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Interbank and money market (Asset)</b>					
Sovereign	2,062	-	-	-	2,062
Investment grade	2,625	-	-	-	2,625
Non-investment grade	1,502	-	-	-	1,502
No rating	-	-	-	-	-
<u>Less</u> Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	6,189	-	-	-	6,189
<b>Investments</b>					
Sovereign	53,140	-	-	-	53,140
Investment grade	6,922	-	-	-	6,922
Non-investment grade	1,210	141	-	-	1,351
No rating	-	-	1	-	1
Gross carrying amount	61,272	141	1	-	61,414
<u>Less</u> Allowance for expected credit losses	-	-	(1)	-	(1)
Net carrying amount	61,272	141	-	-	61,413
<b>Loans and accrued interest receivables</b>					
Good	100,937	1,243	-	-	102,180
Satisfactory	1,924	9,792	243	-	11,959
Impaired	-	-	5,420	58	5,478
No rating	95,848	4,078	5,100	-	105,026
Gross carrying amount	198,709	15,113	10,763	58	224,643
<u>Less</u> Allowance for expected credit losses	(1,060)	(708)	(3,332)	(24)	(5,124)
Net carrying amount before excess provision	197,649	14,405	7,431	34	219,519
<b>Credit support assets on derivatives</b>					
Sovereign	345	-	-	-	345
Investment grade	14,154	-	-	-	14,154
Non-investment grade	1,552	-	-	-	1,552
No rating	-	-	-	-	-
Carrying amount	16,051	-	-	-	16,051

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<b>Separate</b>					
<b>31 December 2020</b>					
	<b>12-month ECL Million Baht</b>	<b>Lifetime ECL not credit- impaired Million Baht</b>	<b>Lifetime ECL credit- impaired Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
<b>Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments</b>					
Sovereign	2,999	-	-	-	2,999
Investment grade	53	-	-	-	53
Non-investment grade	-	-	-	-	-
No rating	-	-	-	-	-
Carrying amount	3,052	-	-	-	3,052
<b>Other assets</b>					
Sovereign	219	-	-	-	219
Investment grade	492	-	-	-	492
Non-investment grade	-	1	-	-	1
No rating	174	-	-	-	174
Gross carrying amount	885	1	-	-	886
<u>Less</u> Allowance for expected credit losses	(48)	-	-	-	(48)
Net carrying amount	837	1	-	-	838
<b>Loans commitments and financial guarantees</b>					
Good	9,823	57	-	-	9,880
Satisfactory	187	82	-	-	269
Impaired	-	-	38	-	38
No rating	2,291	6	1	-	2,298
Gross carrying amount	12,301	145	39	-	12,485
<u>Less</u> Allowance for expected credit losses	(127)	(2)	(27)	-	(156)
Net carrying amount	12,174	143	12	-	12,329

#### 4.1.3 Liquidity risk

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

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

The period to maturity calculated from the statements of financial position date of financial instruments outstanding as at 30 June 2021 and 31 December 2020 were as follows:

Transaction	Consolidated					
	30 June 2021					
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	803	-	-	-	-	803
Interbank and money market items	5,493	2,682	-	-	-	8,175
Financial assets measured at fair value through profit or loss	-	79	3,297	26,021	-	29,397
Derivative assets	-	26,964	11,979	16,080	-	55,023
Investments	-	7,740	29,719	23,469	87	61,015
Loans to customers and accrued interest receivables	11,668 <sup>(1)</sup>	28,468	67,875	113,886	-	221,897
Credit support assets on derivatives	16,804	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	4,386	-	-	-	4,386
Other assets	-	460	231	1	77	769
Total financial assets	34,768	70,779	113,101	179,457	164	398,269
<b>Financial liabilities</b>						
Deposits	88,560	96,588	2,759	-	-	187,907
Interbank and money market items	22,394	25,492	349	-	-	48,235
Liabilities payable on demand	389	-	-	-	-	389
Financial liabilities measured at fair value through profit or loss	-	1,496	11,121	13,233	-	25,850
Derivative liabilities	-	27,668	12,714	12,481	-	52,863
Debt issued and borrowings	-	3,303	2,930	14,189	-	20,422
Lease liabilities	-	112	146	2	-	260
Credit support liabilities on derivatives	9,549	-	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	2,244	-	-	-	2,244
Other liabilities	-	421	-	-	-	421
Total financial liabilities	120,892	157,324	30,019	39,905	-	348,140

<sup>(1)</sup> As at 30 June 2021, portions of loans classified as maturity-at-call in the consolidated financial statements, of Baht 5,333 million, are outstanding balances of defaulted loans classified as credit-impaired financial assets. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Transaction	Consolidated 31 December 2020					Total Million Baht
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	
<b>Financial assets</b>						
Cash	919	-	-	-	-	919
Interbank and money market items	4,940	1,417	-	-	-	6,357
Financial assets measured at fair value through profit or loss	-	65	3,452	31,717	-	35,234
Derivative assets	-	19,571	18,374	19,616	-	57,561
Investments	-	6,328	35,076	20,011	79	61,494
Loans to customers and accrued interest receivables	11,837 <sup>(1)</sup>	31,036	74,878	113,046	-	230,797
Credit support assets on derivatives	16,051	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	-	-	-	3,052
Other assets	-	591	269	3	75	938
<b>Total financial assets</b>	<b>33,747</b>	<b>62,060</b>	<b>132,049</b>	<b>184,393</b>	<b>154</b>	<b>412,403</b>
<b>Financial liabilities</b>						
Deposits	93,495	98,704	1,757	-	-	193,956
Interbank and money market items	22,458	23,908	729	-	-	47,095
Liabilities payable on demand	256	-	-	-	-	256
Financial liabilities measured at fair value through profit or loss	-	3,439	12,491	13,019	-	28,949
Derivative liabilities	-	20,423	19,335	17,463	-	57,221
Debt issued and borrowings	-	1,909	2,140	15,400	-	19,449
Lease liabilities	-	113	191	2	-	306
Credit support liabilities on derivatives	12,111	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	-	-	-	3,806
Other liabilities	-	539	-	-	-	539
<b>Total financial liabilities</b>	<b>128,320</b>	<b>152,841</b>	<b>36,643</b>	<b>45,884</b>	<b>-</b>	<b>363,688</b>

<sup>(1)</sup> As at 31 December 2020, portions of loans classified as maturity-at-call in the consolidated financial statements, of Baht 5,526 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.



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Transaction	Separate					
	30 June 2021					
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	802	-	-	-	-	802
Interbank and money market items	5,322	2,682	-	-	-	8,004
Financial assets measured at fair value through profit or loss	-	79	3,297	26,021	-	29,397
Derivative assets	-	26,964	11,979	16,080	-	55,023
Investments	-	7,740	29,717	23,469	87	61,013
Loans to customers and accrued interest receivables	11,668 <sup>(1)</sup>	45,934	45,824	112,110	-	215,536
Credit support assets on derivatives	16,804	-	-	-	-	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	4,386	-	-	-	4,386
Other assets	-	460	231	1	77	769
Total financial assets	34,596	88,245	91,048	177,681	164	391,734
<b>Financial liabilities</b>						
Deposits	88,948	96,605	2,759	-	-	188,312
Interbank and money market items	22,394	25,492	349	-	-	48,235
Liabilities payable on demand	389	-	-	-	-	389
Financial liabilities measured at fair value through profit or loss	-	1,496	11,121	13,233	-	25,850
Derivative liabilities	-	27,668	12,714	12,481	-	52,863
Debt issued and borrowings	-	3,303	2,930	14,189	-	20,422
Lease liabilities	-	78	126	2	-	206
Credit support liabilities on derivatives	9,549	-	-	-	-	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	2,244	-	-	-	2,244
Other liabilities	-	421	-	-	-	421
Total financial liabilities	121,280	157,307	29,999	39,905	-	348,491

<sup>(1)</sup> As at 30 June 2021, portions of loans classified as maturity-at-call in the separate financial statements, of Baht 5,333 million, are outstanding balances of defaulted loans classified as credit-impaired financial assets. However, repayment schedules of these loans are dependent upon new restructuring conditions.

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Transaction	Separate					
	31 December 2020					
	At call Million Baht	Less than or equal to 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	No maturity Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	918	-	-	-	-	918
Interbank and money market items	4,771	1,418	-	-	-	6,189
Financial assets measured at fair value through profit or loss	-	65	3,452	31,717	-	35,234
Derivative assets	-	19,571	18,374	19,616	-	57,561
Investments	-	6,328	35,074	20,011	79	61,492
Loans to customers and accrued interest receivables	11,837 <sup>(1)</sup>	51,009	51,407	110,390	-	224,643
Credit support assets on derivatives	16,051	-	-	-	-	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	-	-	-	3,052
Other assets	-	591	269	3	75	938
<b>Total financial assets</b>	<b>33,577</b>	<b>82,034</b>	<b>108,576</b>	<b>181,737</b>	<b>154</b>	<b>406,078</b>
<b>Financial liabilities</b>						
Deposits	93,673	98,720	1,757	-	-	194,150
Interbank and money market items	22,458	23,908	729	-	-	47,095
Liabilities payable on demand	256	-	-	-	-	256
Financial liabilities measured at fair value through profit or loss	-	3,439	12,491	13,019	-	28,949
Derivative liabilities	-	20,423	19,335	17,463	-	57,221
Debt issued and borrowings	-	1,909	2,140	15,400	-	19,449
Lease liabilities	-	79	161	2	-	242
Credit support liabilities on derivatives	12,111	-	-	-	-	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	-	-	-	3,806
Other liabilities	-	534	-	-	-	534
<b>Total financial liabilities</b>	<b>128,498</b>	<b>152,818</b>	<b>36,613</b>	<b>45,884</b>	<b>-</b>	<b>363,813</b>

<sup>(1)</sup> As at 31 December 2020, portions of loans classified as maturity-at-call in the separate financial statements, of Baht 5,526 million, are outstanding balances of defaulted loans classified as sub-standard or higher. However, repayment schedules of these loans are dependent upon new restructuring conditions.

#### 4.1.4 Fair value risk

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

Transaction	Consolidated			
	30 June 2021		31 December 2020	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
<b><u>Financial assets</u></b>				
Cash	803	803	919	919
Interbank and money market items, net	8,175	8,175	6,357	6,357
Financial assets measured at fair value through profit or loss	29,397	29,397	35,234	35,234
Derivatives assets	55,023	55,023	57,561	57,561
Investments, net	61,015	62,028	61,493	62,788
Loans to customers and accrued interest receivables, net	211,955	210,937	221,844	220,317
Credit support assets on derivatives	16,804	16,804	16,051	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	4,386	4,386	3,052	3,052
Other assets	769	766	696	697
Total financial assets	388,327	388,319	403,207	402,976
<b><u>Financial liabilities</u></b>				
Deposits	187,907	187,933	193,956	193,974
Interbank and money market items	48,235	48,235	47,095	47,095
Liability payable on demand	389	389	256	256
Financial liabilities measured at fair value through profit or loss	25,850	25,850	28,949	28,949
Derivatives liabilities	52,863	52,863	57,221	57,221
Debt issued and borrowings	20,422	20,582	19,449	19,734
Lease liabilities	253	253	297	297
Credit support liabilities on derivatives	9,549	9,549	12,111	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	2,244	2,244	3,806	3,806
Total financial liabilities	347,712	347,898	363,140	363,443
Transaction	Separate			
	30 June 2021		31 December 2020	
	Book value Million Baht	Fair value Million Baht	Book value Million Baht	Fair value Million Baht
<b><u>Financial assets</u></b>				
Cash	802	802	918	918
Interbank and money market items, net	8,004	8,004	6,189	6,189
Financial assets measured at fair value through profit or loss	29,397	29,397	35,234	35,234
Derivatives assets	55,023	55,023	57,561	57,561
Investments, net	61,013	62,026	61,491	62,786
Loans to customers and accrued interest receivables, net	207,664	206,410	217,576	216,202
Credit support assets on derivatives	16,804	16,804	16,051	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	4,386	4,386	3,052	3,052
Other assets	769	766	413	413
Total financial assets	383,862	383,618	398,485	398,406
<b><u>Financial liabilities</u></b>				
Deposits	188,312	188,338	194,150	194,169
Interbank and money market items	48,235	48,235	47,095	47,095
Liability payable on demand	389	389	256	256
Financial liabilities measured at fair value through profit or loss	25,850	25,850	28,949	28,949
Derivatives liabilities	52,863	52,863	57,221	57,221
Debt issued and borrowings	20,422	20,582	19,449	19,734
Lease liabilities	200	200	234	234
Credit support liabilities on derivatives	9,549	9,549	12,111	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	2,244	2,244	3,806	3,806
Total financial liabilities	348,064	348,250	363,271	363,575

## **4.2 Capital risk management**

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

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

Moreover, the Bank is required to manage its capital funds in accordance with the Act on Undertaking of Banking Business B.E. 2551. The Bank's capital fund is presented in note 31 to the interim financial statements.

## **5 Critical accounting estimates, assumptions and judgements**

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

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

### **(a) Allowance for expected credit losses**

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

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

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

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

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

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

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

The Group measures expected credit losses using the following approaches:

**A. General approach**

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

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

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

**Significant increase in credit risk**

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

**B. Simplified approach**

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

**Purchased or originated credit-impaired financial asset**

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

**(b) Fair value of financial derivative instruments**

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

**(c) Impairment of investments**

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

**(d) Allowance for impairment of property for sale**

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

**(e) Building, equipment and intangible assets**

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

**(f) Provision for post retirement benefits and pension fund**

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

**6 Classification of financial assets and financial liabilities**

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

Transaction	Consolidated				Amortized Cost Million Baht	Total Million Baht
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht		
<b>Financial assets</b>						
Cash	-	-	-	-	803	803
Interbank and money market items, net	-	-	-	-	8,175	8,175
Financial assets measured at fair value through profit or loss	16,520	12,877	-	-	-	29,397
Derivative assets	55,023	-	-	-	-	55,023
Investments, net	-	-	39,509	86	21,420	61,015
Loans to customers and accrued interest receivables, net	-	-	-	-	211,955	211,955
Credit support assets on derivatives	-	-	-	-	16,804	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	4,386	4,386
Other assets	-	-	-	-	769	769
<b>Total financial assets</b>	<b>71,543</b>	<b>12,877</b>	<b>39,509</b>	<b>86</b>	<b>264,312</b>	<b>388,327</b>
<b>Financial liabilities</b>						
Deposits	-	-	-	-	187,907	187,907
Interbank and money market items	-	-	-	-	48,235	48,235
Liabilities payable on demand	-	-	-	-	389	389
Financial liabilities measured at fair value through profit or loss	-	25,850	-	-	-	25,850
Derivative liabilities	52,863	-	-	-	-	52,863
Debt issued and borrowings	-	-	-	-	20,422	20,422
Lease liabilities	-	-	-	-	253	253
Credit support liabilities on derivatives	-	-	-	-	9,549	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	2,244	2,244
Other liabilities	-	-	-	-	421	421
<b>Total financial liabilities</b>	<b>52,863</b>	<b>25,850</b>	<b>-</b>	<b>-</b>	<b>269,420</b>	<b>348,133</b>

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Transaction	Consolidated					
	31 December 2020					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	-	-	-	-	919	919
Interbank and money market items, net	-	-	-	-	6,357	6,357
Financial assets measured at fair value through profit or loss	21,541	13,693	-	-	-	35,234
Derivative assets	57,561	-	-	-	-	57,561
Investments, net	-	-	39,744	78	21,671	61,493
Loans to customers and accrued interest receivables, net	-	-	-	-	221,844	221,844
Credit support assets on derivatives	-	-	-	-	16,051	16,051
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	3,052	3,052
Other assets	-	-	-	-	938	938
Total financial assets	79,102	13,693	39,744	78	270,832	403,449
<b>Financial liabilities</b>						
Deposits	-	-	-	-	193,956	193,956
Interbank and money market items	-	-	-	-	47,095	47,095
Liabilities payable on demand	-	-	-	-	256	256
Financial liabilities measured at fair value through profit or loss	-	28,949	-	-	-	28,949
Derivative liabilities	57,221	-	-	-	-	57,221
Debt issued and borrowings	-	-	-	-	19,449	19,449
Lease liabilities	-	-	-	-	297	297
Credit support liabilities on derivatives	-	-	-	-	12,111	12,111
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	3,806	3,806
Total financial liabilities	57,221	28,949	-	-	276,970	363,140
Transaction	Separate					
	30 June 2021					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	-	-	-	-	802	802
Interbank and money market items, net	-	-	-	-	8,004	8,004
Financial assets measured at fair value through profit or loss	16,520	12,877	-	-	-	29,397
Derivative assets	55,023	-	-	-	-	55,023
Investments, net	-	-	39,509	86	21,418	61,013
Loans to customers and accrued interest receivables, net	-	-	-	-	207,664	207,664
Credit support assets on derivatives	-	-	-	-	16,804	16,804
Accounts receivables from sell of financial assets measured at fair value through profit or loss and investments	-	-	-	-	4,386	4,386
Other assets	-	-	-	-	769	769
Total financial assets	71,543	12,877	39,509	86	259,847	383,862
<b>Financial liabilities</b>						
Deposits	-	-	-	-	188,312	188,312
Interbank and money market items	-	-	-	-	48,235	48,235
Liabilities payable on demand	-	-	-	-	389	389
Financial liabilities measured at fair value through profit or loss	-	25,850	-	-	-	25,850
Derivative liabilities	52,863	-	-	-	-	52,863
Debt issued and borrowings	-	-	-	-	20,422	20,422
Lease liabilities	-	-	-	-	200	200
Credit support liabilities on derivatives	-	-	-	-	9,549	9,549
Accounts payables from purchase of financial assets measured at fair value through profit or loss and investments	-	-	-	-	2,244	2,244
Other liabilities	-	-	-	-	421	421
Total financial liabilities	52,863	25,850	-	-	269,772	348,485

**CIMB Thai Bank Public Company Limited**  
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**For the six-month period ended 30 June 2021**

Transaction	Separate					
	31 December 2020					
	Measured at fair value through profit or loss Million Baht	Designated at fair value through profit or loss Million Baht	Measured at fair value through other comprehensive income Million Baht	Designated at fair value through other comprehensive income Million Baht	Amortized Cost Million Baht	Total Million Baht
<b>Financial assets</b>						
Cash	-	-	-	-	918	918
Interbank and money market items, net	-	-	-	-	6,189	6,189
Financial assets measured						
at fair value through profit or loss	21,541	13,693	-	-	-	35,234
Derivative assets	57,561	-	-	-	-	57,561
Investments, net	-	-	39,744	78	21,669	61,491
Loans to customers and accrued						
interest receivables, net	-	-	-	-	217,576	217,576
Credit support assets on derivatives	-	-	-	-	16,051	16,051
Accounts receivables from sell of financial						
assets measured at fair value through profit						
or loss and investments	-	-	-	-	3,052	3,052
Other assets	-	-	-	-	938	938
Total financial assets	79,102	13,693	39,744	78	266,393	399,010
<b>Financial liabilities</b>						
Deposits	-	-	-	-	194,150	194,150
Interbank and money market items	-	-	-	-	47,095	47,095
Liabilities payable on demand	-	-	-	-	256	256
Financial liabilities measured						
at fair value through profit or loss	-	28,949	-	-	-	28,949
Derivative liabilities	57,221	-	-	-	-	57,221
Debt issued and borrowings	-	-	-	-	19,449	19,449
Lease liabilities	-	-	-	-	234	234
Credit support liabilities on derivatives	-	-	-	-	12,111	12,111
Accounts payables from purchase of financial						
assets measured at fair value through profit						
or loss and investments	-	-	-	-	3,806	3,806
Total financial liabilities	57,221	28,949	-	-	277,101	363,271

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

	Consolidated	
	30 June 2021	31 December 2020
	Million Baht	Million Baht
<b>Domestic:</b>		
Bank of Thailand and Financial Institutions Development Fund	2,786	1,701
Commercial banks	156	154
Specialised financial institutions	15	15
Other financial institutions	2,550	1,800
<b>Total domestic items</b>	<b>5,507</b>	<b>3,670</b>
<u>Add</u> Accrued interest receivable	-	-
<u>Less</u> Allowance for expected credit losses	-	-
<b>Domestic items, net</b>	<b>5,507</b>	<b>3,670</b>
<b>Foreign:</b>		
USD	1,950	1,485
JPY	7	26
EURO	130	4
Other currencies	581	1,171
<b>Total foreign items</b>	<b>2,668</b>	<b>2,686</b>
<u>Add</u> Accrued interest receivable	-	1
<b>Foreign items</b>	<b>2,668</b>	<b>2,687</b>
<b>Domestic and foreign items, net</b>	<b>8,175</b>	<b>6,357</b>



	<b>Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
<b>Domestic:</b>		
Bank of Thailand and Financial Institutions Development Fund	2,785	1,701
Commercial banks	1	1
Other financial institutions	2,550	1,800
Total domestic items	5,336	3,502
<u>Add</u> Accrued interest receivable	-	-
<u>Less</u> Allowance for expected credit losses	-	-
<u>Less</u> Allowance for doubtful debts	-	-
Domestic items, net	5,336	3,502
<b>Foreign:</b>		
USD	1,950	1,485
JPY	7	26
EURO	130	4
Other currencies	581	1,171
Total foreign items	2,668	2,686
<u>Add</u> Accrued interest receivable	-	1
Foreign items	2,668	2,687
Domestic and foreign items, net	8,004	6,189

## **8 Financial assets measured at fair value through profit or loss**

### **8.1 Financial assets for trading**

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 Fair value Million Baht</b>	<b>31 December 2020 Fair value Million Baht</b>
Government and state enterprise securities	12,701	20,733
Private enterprise debt securities	3,819	808
Total	16,520	21,541

### **8.2 Financial assets designated at fair value through profit or loss**

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 Fair value Million Baht</b>	<b>31 December 2020 Fair value Million Baht</b>
Government and state enterprise securities	12,877	13,693

## 9 Derivatives

### 9.1 Trading derivatives

Fair value and notional amount classified by type of risk

	Consolidated and Separate					
	30 June 2021			31 December 2020		
	Fair value		Notional amount Million Baht	Fair value		Notional amount Million Baht
	Asset Million Baht	Liability Million Baht		Asset Million Baht	Liability Million Baht	
Exchange rate	32,215	32,623	1,942,197	28,493	28,773	1,508,692
Interest rate	21,259	17,712	2,367,004	27,875	23,431	2,095,645
Others	1,213	1,700	36,448	367	3,258	39,399
Total	54,687	52,035	4,345,649	56,735	55,462	3,643,736

### 9.2 Derivative for hedging

#### 9.2.1 Fair value hedge

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

	Consolidated and Separate					
	30 June 2021					
	Fair value					
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Hedge ineffectiveness recognised in profit or loss Million Baht	Nominal amount directly impacted by IBOR reform Million Baht
Interest rate	1	5	3,953	(9)	-	-
Total	1	5	3,953	(9)	-	-

	Consolidated and Separate					
	31 December 2020					
	Fair value					
	Asset Million Baht	Liability Million Baht	Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Hedge ineffectiveness recognised in profit or loss Million Baht	
Interest rate	-	1	1,100	-	-	
Total	-	1	1,100	-	-	

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

	Consolidated and Separate					
	30 June 2021					
	Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item		Line item in the statements of financial position in which the hedged item is included	Change in fair value used for calculating hedge ineffectiveness
	Asset Million Baht	Liability Million Baht	Asset Million Baht	Liability Million Baht	Million Baht	Million Baht
Hedged items						
THB fixed rate bonds	4,042	-	10	-	Investment, net	9
Total	4,042	-	10	-		9

	Consolidated and Separate					
	31 December 2020					
	Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item		Line item in the statements of financial position in which the hedged item is included	Change in fair value used for calculating hedge ineffectiveness
	Asset Million Baht	Liability Million Baht	Asset Million Baht	Liability Million Baht		
<b>Hedged items</b>						
THB fixed rate bonds	1,126	-	-	-	Investment, net	-
<b>Total</b>	1,126	-	-	-		-

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

### 9.2.2 Cash flow hedge

	Consolidated and Separate						
	30 June 2021						
	Fair value		Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Cash flow hedge reserve Million Baht	Cost of hedging reserve Million Baht	Nominal amount directly impacted by IBOR reform Million Baht
	Asset Million Baht	Liability Million Baht					
Exchange rate	288	823	32,058	(20)	298	(42)	32,058
Interest rate	47	-	2,450	15	47	-	-
<b>Total</b>	335	823	34,508	(5)	345	(42)	32,058

Of the Baht 32,058 million nominal amount of USD/THB cross currency interest rate swaps above, Baht 570 million will mature before the anticipated USD LIBOR replacement in 2021.

	Consolidated and Separate					
	31 December 2020					
	Fair value		Notional amount Million Baht	Changes in Fair value used for calculating hedge ineffectiveness Million Baht	Cash flow hedge reserve Million Baht	Cost of hedging reserve Million Baht
	Asset Million Baht	Liability Million Baht				
Exchange rate	764	1,758	30,024	(294)	354	(118)
Interest rate	62	-	2,450	28	62	-
<b>Total</b>	826	1,758	32,474	(266)	416	(118)

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

	Consolidated and Separate	
	Cash flow hedge reserve	
	30 June 2021 Million Baht	31 December 2020 Million Baht
Beginning balance	298	27
Effective portion of changes in fair value	(70)	376
Cost of hedging reserve	75	(105)
<b>Ending balances</b>	303	298

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

## 10 Investments, net

### 10.1 Classified by type of investment

	Consolidated	
	30 June 2021	31 December 2020
	Amortised cost Million Baht	Amortised cost Million Baht
<b>Investments in debt instruments measured at amortized cost</b>		
Government and state enterprise securities	21,418	21,667
Private debt securities	3	6
Total	21,421	21,673
<u>Less</u> Allowance for expected credit losses	(1)	(1)
Total	21,420	21,672
	Consolidated	
	30 June 2021	31 December 2020
	Fair value Million Baht	Fair value Million Baht
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>		
Government and state enterprise securities	33,148	33,226
Private debt securities	6,361	6,517
Total	39,509	39,743
<u>Less</u> Allowance for expected credit losses	-	-
Total	39,509	39,743
	Consolidated	
	30 June 2021	31 December 2020
	Fair value Million Baht	Fair value Million Baht
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>		
Domestic marketable equity securities	58	52
Domestic non-marketable equity securities	28	26
Total	86	78
<b>Investments, net</b>	61,015	61,493

	Separate	
	30 June 2021	31 December 2020
	Amortised cost Million Baht	Amortised cost Million Baht
<b>Investments in debt instruments measured at amortized cost</b>		
Government and state enterprise securities	21,418	21,665
Private debt securities	1	6
Total	21,419	21,671
<u>Less</u> Allowance for expected credit losses	(1)	(1)
Total	21,418	21,670
	Fair value Million Baht	Fair value Million Baht
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>		
Government and state enterprise securities	33,148	33,226
Private debt securities	6,361	6,517
Total	39,509	39,743
<u>Less</u> Allowance for expected credit losses	-	-
Total	39,509	39,743

  

	Separate			
	30 June 2021		31 December 2020	
	Fair value Million Baht	Dividend receives Million Baht	Fair value Million Baht	Dividend receives Million Baht
<b>Investments in equity instruments designated at fair value through other comprehensive income</b>				
Domestic marketable equity securities	58	2	52	3
Domestic non-marketable equity securities	28	6	26	7
Total	86	8	78	10
<b>Investments, net</b>	61,013	8	61,491	10

As at 30 June 2021 and 31 December 2020, the Bank had investments pledged as collateral, as mentioned in note 43 to the interim financial statements.

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

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

	Consolidated and Separate	
	30 June 2021 Million Baht	31 December 2020 Million Baht
Property development	1	1
Public utilities and services	17	17
Bank and finance	4	4
Total	22	22
<u>Less</u> Allowance for revaluation	(22)	(22)
Investments representing shareholdings in which the Group hold more than 10%, net	-	-

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

As at 30 June 2021 and 31 December 2020, the Group had the following investments in companies, having problems relating to financial positions and operating results:

	Consolidated and Separate							
	30 June 2021				31 December 2020			
	Number of companies	Cost Million Baht	Allowance for revaluation Million Baht	Book value Million Baht	Number of companies	Cost Million Baht	Allowance for revaluation Million Baht	Book value Million Baht
Business continuity and/or weak financial status and operating performance	49	42	(39)	3	47	38	(38)	-
Defaulted debt securities	18	1	(1)	-	18	1	(1)	-
	67	43	(40)	3	65	39	(39)	

## 11 Investments in subsidiaries, net

Company name	Nature of business	Type of securities	Percentage of holding		Separate Cost method	
			30 June 2021	31 December 2020	30 June 2021	31 December 2020
			%	%	Million Baht	Million Baht
Subsidiaries - included in consolidated financial statements						
CIMB Thai Auto Co., Ltd.	Leasing/hire-Purchase of automobile	Common stock	100	100	2,328	2,328
Worldlease Co., Ltd.	Hire-purchase and motorcycles	Common stock	100	100	567	567
CT Coll Co., Ltd.	motorcycle trading Debt collection	Common stock	100	100	38	38
Investments in subsidiaries, net					2,933	2,933

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

On 13 May 2020, Worldlease Company Limited has increase registered its capital of Baht 400 million from the current amount of Baht 600 million to Baht 1,000 million according to the Annual General Meeting of Shareholders approval on 30 April 2020. The Bank partially paid a subscription of Baht 100 million from the capital increase.

On 30 June 2020, CIMB Thai Auto Company Limited has increase registered its capital of Baht 2,500 million from the current amount of Baht 5,500 million to Baht 8,000 million according to the Board of Director approval on 29 April 2020. The Bank partially paid a subscription of Baht 625 million from the capital increase.

## 12 Loans and accrued interest receivables, net

### 12.1 Classified by loan type

	Consolidated		Separate	
	30 June 2021 Million Baht	31 December 2020 Million Baht	30 June 2021 Million Baht	31 December 2020 Million Baht
Bank overdrafts	5,010	5,409	5,010	5,409
Loans	162,741	167,441	164,066	169,321
Bills	15,440	15,021	42,245	46,056
Hire-purchase receivables	34,542	39,063	-	-
Others	32	16	32	16
Total loans to customers	217,765	226,950	211,353	220,802
Add Accrued interest receivable and undue interest receivable	4,132	3,847	4,183	3,841
Total loans to customers and accrued interest receivable	221,897	230,797	215,536	224,643
Less Allowance for expected credit losses (Note 13)	(9,942)	(8,953)	(7,872)	(7,067)
Loans and accrued interest receivables, net	211,955	221,844	207,664	217,576

### 12.2 Classified by location of receivables

	Consolidated		Separate	
	30 June 2021 Million Baht	31 December 2020 Million Baht	30 June 2021 Million Baht	31 December 2020 Million Baht
Domestic	216,010	225,252	209,598	219,104
Foreign	1,755	1,698	1,755	1,698
Total	217,765	226,950	211,353	220,802

### 12.3 Classified by business type and classification

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

	Consolidated	
	30 June 2021 Million Baht	31 December 2020 Million Baht
Financial assets with an insignificant increase in credit risk	193,120	200,366
Financial assets with a significant increase in credit risk	17,455	19,215
Credit-impaired financial assets	11,264	11,158
Purchased or originated credit-impaired financial assets	58	58
Total	221,897	230,797
	Separate	
	30 June 2021 Million Baht	31 December 2020 Million Baht
Financial assets with an insignificant increase in credit risk	192,314	198,709
Financial assets with a significant increase in credit risk	12,362	15,113
Credit-impaired financial assets	10,802	10,763
Purchased or originated credit-impaired financial assets	58	58
Total	215,536	224,643

#### 12.4 Credit-impaired financial assets

As at 30 June 2021 and 31 December 2020, the Group had the following credit-impaired financial according to Thai Financial Reporting Standard 9 excluded accrued interest receivables as summarised below:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Credit-impaired financial assets before allowance for expected credit losses	10,606	10,462	10,147	10,100

#### 12.5 Hire purchase and finance lease receivables

As at 30 June 2021, subsidiaries had receivables under hire purchase agreements and financial leases amount to Baht 32,396 million (31 December 2020 : Baht 37,140 million), mostly comprising hire purchase agreements and financial leases for cars and motorcycles. The term of the agreements are generally between 3 - 7 years and interest is mostly charged at a fixed rate.

	<b>Consolidated</b>			
	<b>30 June 2021</b>			
	<b>Amounts due under lease agreement</b>			
	<b>Less than 1 year</b>	<b>1 - 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Gross investment in the lease	11,446	29,465	1,938	42,849
<u>Less</u> Unearned finance income	(3,033)	(5,107)	(167)	(8,307)
Present value of minimum lease payments receivable	8,413	24,358	1,771	34,542
<u>Less</u> Allowance for expected credit losses				(2,146)
Net receivables under hire-purchase agreements and financial leases				32,396

  

	<b>Consolidated</b>			
	<b>31 December 2020</b>			
	<b>Amounts due under lease agreement</b>			
	<b>Less than 1 year</b>	<b>1 - 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Gross investment in the lease	14,628	31,741	2,911	49,280
<u>Less</u> Unearned finance income	(4,542)	(5,416)	(259)	(10,217)
Present value of minimum lease payments receivable	10,086	26,325	2,652	39,063
<u>Less</u> Allowance for expected credit losses				(1,923)
Net receivables under hire-purchase agreements and financial leases				37,140



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

<b>Consolidated</b>					
<b>30 June 2021</b>					
	<b>Performing financial assets Million Baht</b>	<b>Under performing financial assets Million Baht</b>	<b>Non- performing financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2021	200,367	19,213	11,159	58	230,797
Change due to reclassification	(3,922)	1,864	2,058	-	-
Newly acquired or purchased financial assets	36,855	2,418	-	-	39,273
Derecognised financial assets	(27,750)	(5,369)	(550)	-	(33,669)
Write-offs	-	(1)	(913)	-	(914)
Change due to collection and modification	(12,430)	(670)	(490)	-	(13,590)
Balance as at 30 June 2021	193,120	17,455	11,264	58	221,897
<b>Consolidated</b>					
<b>31 December 2020</b>					
	<b>Performing financial assets Million Baht</b>	<b>Under performing financial assets Million Baht</b>	<b>Non- performing financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2020 (Restated)	212,188	16,638	14,322	58	243,206
Change due to reclassification	(10,929)	6,276	4,653	-	-
Newly acquired or purchased financial assets	95,386	10,478	-	-	105,864
Derecognised financial assets	(65,069)	(11,670)	(255)	-	(76,994)
Write-offs	-	(5)	(2,898)	-	(2,903)
Change due to collection and modification	(31,209)	(2,504)	(1,445)	-	(35,158)
NPLs sale	-	-	(3,218)	-	(3,218)
Balance as at 31 December 2020	200,367	19,213	11,159	58	230,797
<b>Separate</b>					
<b>30 June 2021</b>					
	<b>Performing financial assets Million Baht</b>	<b>Under performing financial assets Million Baht</b>	<b>Non- performing financial assets Million Baht</b>	<b>Purchased or originated credit-impaired financial assets Million Baht</b>	<b>Total Million Baht</b>
Balance as at 1 January 2021	198,709	15,113	10,763	58	224,643
Change due to reclassification	(721)	(504)	1,225	-	-
Newly acquired or purchased financial assets	29,625	2,389	-	-	32,014
Derecognised financial assets	(26,982)	(4,506)	(429)	-	(31,917)
Write-offs	-	(1)	(379)	-	(380)
Change due to collection and modification	(8,317)	(129)	(378)	-	(8,824)
Balance as at 30 June 2021	192,314	12,362	10,802	58	215,536

**CIMB Thai Bank Public Company Limited**  
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	<b>Separate</b>				
	<b>31 December 2020</b>				
	<b>Performing financial assets</b>	<b>Under performing financial assets</b>	<b>Non-performing financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2020 (Restated)	210,050	10,708	13,759	58	234,575
Change due to reclassification	(8,120)	5,247	2,873	-	-
Newly acquired or purchased financial assets	83,766	10,442	-	-	94,208
Derecognised financial assets	(63,781)	(10,243)	(245)	-	(74,269)
Write-offs	-	(5)	(1,555)	-	(1,560)
Change due to collection and modification	(23,206)	(1,036)	(851)	-	(25,093)
NPLs sale	-	-	(3,218)	-	(3,218)
Balance as at 31 December 2020	198,709	15,113	10,763	58	224,643

**13 Allowance for expected credit losses**

	<b>Consolidated</b>					
	<b>30 June 2021</b>					
	<b>Performing financial assets</b>	<b>Under performing financial assets</b>	<b>Non-performing financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2021	1,891	1,482	3,491	24	2,065	8,953
Change due to reclassification	178	(466)	288	-	-	-
Change due to new estimation of credit loss	(221)	739	1,864	-	-	2,382
Newly acquired or purchased financial assets	121	34	-	-	-	155
Derecognised financial assets	(65)	(207)	(104)	-	-	(376)
Write-offs	-	(1)	(913)	-	-	(914)
Surplus allowance amortisation	-	-	-	-	(258)	(258)
Balance as at 30 June 2021	1,904	1,581	4,626	24	1,807	9,942

  

	<b>Consolidated</b>					
	<b>31 December 2020</b>					
	<b>Performing financial assets</b>	<b>Under performing financial assets</b>	<b>Non-performing financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2020 (Restated)	1,080	1,272	5,648	20	3,335	11,355
Change due to reclassification	527	(901)	374	-	-	-
Change due to new estimation of credit loss	119	1,377	3,260	4	(731)	4,029
Newly acquired or purchased financial assets	269	61	-	-	-	330
Derecognised financial assets	(104)	(322)	(198)	-	-	(624)
Write-offs	-	(5)	(2,898)	-	-	(2,903)
Surplus allowance amortisation	-	-	-	-	(539)	(539)
NPLs sale	-	-	(2,695)	-	-	(2,695)
Balance as at 31 December 2020	1,891	1,482	3,491	24	2,065	8,953

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	<b>Separate</b>					
	<b>30 June 2021</b>					
	<b>Performing financial assets</b>	<b>Under performing financial assets</b>	<b>Non-performing financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2021	1,060	708	3,332	24	1,943	7,067
Change due to reclassification	186	(323)	137	-	-	-
Change due to new estimation of credit loss	(240)	290	1,398	-	-	1,448
Newly acquired or purchased financial assets	92	30	-	-	-	122
Derecognised financial assets	(54)	(37)	(51)	-	-	(142)
Write-offs	-	(1)	(379)	-	-	(380)
Surplus allowance amortisation	-	-	-	-	(243)	(243)
Balance as at 30 June 2021	1,044	667	4,437	24	1,700	7,872

  

	<b>Separate</b>					
	<b>31 December 2020</b>					
	<b>Performing financial assets</b>	<b>Under performing financial assets</b>	<b>Non-performing financial assets</b>	<b>Purchased or originated credit-impaired financial assets</b>	<b>Surplus allowance</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Balance as at 1 January 2020 (Restated)	719	504	5,430	20	3,182	9,855
Change due to reclassification	440	(553)	113	-	-	-
Change due to new estimation of credit loss	(190)	772	2,098	4	(731)	1,953
Newly acquired or purchased financial assets	184	60	-	-	-	244
Derecognised financial assets	(93)	(70)	(59)	-	-	(222)
Write-offs	-	(5)	(1,555)	-	-	(1,560)
Surplus allowance amortisation	-	-	-	-	(508)	(508)
NPLs sale	-	-	(2,695)	-	-	(2,695)
Balance as at 31 December 2020	1,060	708	3,332	24	1,943	7,067

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

#### 14 Properties for sale, net

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

	<b>Consolidated</b>			
	<b>As at 1 January 2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>As at 30 June 2021</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	805	56	(2)	859
Movable	278	1,324	(1,258)	344
Total	1,083	1,380	(1,260)	1,203
Others	159	86	-	245
Total properties for sale	1,242	1,466	(1,260)	1,448
Less Allowance for impairment	(160)	(502)	475	(187)
Properties for sale, net	1,082	964	(785)	1,261

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	<b>Consolidated</b>			
	<b>As at 1 January 2020 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 31 December 2020 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	767	68	(30)	805
Movable	385	2,513	(2,620)	278
Total	1,152	2,581	(2,650)	1,083
Others	196	39	(76)	159
Total properties for sale	1,348	2,620	(2,726)	1,242
<u>Less</u> Allowance for impairment	(224)	(1,042)	1,106	(160)
Properties for sale, net	1,124	1,578	(1,620)	1,082
	<b>Separate</b>			
	<b>As at 1 January 2021 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 30 June 2021 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	805	56	(2)	859
Total	805	56	(2)	859
Others	159	86	-	245
Total properties for sale	964	142	(2)	1,104
<u>Less</u> Allowance for impairment	(55)	(1)	-	(56)
Properties for sale, net	909	141	(2)	1,048
	<b>Separate</b>			
	<b>As at 1 January 2020 Million Baht</b>	<b>Additions Million Baht</b>	<b>Disposals Million Baht</b>	<b>As at 31 December 2020 Million Baht</b>
Asset from debt repayment				
Immovable - Assessed by external appraiser	767	68	(30)	805
Total	767	68	(30)	805
Others	196	39	(76)	159
Total properties for sale	963	107	(106)	964
<u>Less</u> Allowance for impairment	(69)	-	14	(55)
Properties for sale, net	894	107	(92)	909

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

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**15 Premises and equipment, net**

	Consolidated												
	Cost/appraisal value					Accumulated depreciation							
	As at	Additions	Transfer	Transfer to	Disposals/	As at	As at	Additions	Transfer	Transfer to	Disposals/	As at	Net book
	1 January					30 June	1 January					30 June	
2021	Million Baht	Million Baht	Million Baht	properties	written off	2021	2021	Million Baht	Million Baht	properties	written off	2021	value
	Million Baht	Million Baht	Million Baht	for sale	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	for sale	Million Baht	Million Baht	Million Baht
Land													
Cost	412	-	-	(44)	-	368	-	-	-	-	-	-	368
Revaluation surplus (revaluation in 2016)	1,568	-	-	(49)	-	1,519	-	-	-	-	-	-	1,519
Devaluation of asset (revaluation in 2016)	(18)	-	-	18	-	-	-	-	-	-	-	-	-
Buildings and Building Improvement													
Cost	2,084	2	22	(45)	(20)	2,043	(1,440)	(38)	(15)	43	18	(1,432)	611
Revaluation surplus (revaluation in 2016)	1,079	-	-	(26)	-	1,053	(906)	(7)	-	17	-	(896)	157
Devaluation of asset (revaluation in 2016)	(14)	-	-	-	-	(14)	9	-	-	-	-	9	(5)
Vehicle	158	-	-	-	(16)	142	(116)	(10)	-	-	15	(111)	31
Equipment	1,874	12	(22)	(2)	(74)	1,788	(1,424)	(78)	15	2	73	(1,412)	376
Assets under installation and/or construction	-	14	-	-	-	14	-	-	-	-	-	-	14
Exchange differences	(4)	1	-	-	-	(3)	4	(1)	-	-	-	3	-
Total	7,139	29	-	(148)	(110)	6,910	(3,873)	(134)	-	62	106	(3,839)	3,071

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	Consolidated											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2020	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 31 December 2020	As at 1 January 2020	Additions	Transfer to properties for sale	Disposals/ written off	As at 31 December 2020	Net book value
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Land												
Cost	417	-	-	(5)	-	412	-	-	-	-	-	412
Revaluation surplus (revaluation in 2016)	1,603	-	-	(35)	-	1,568	-	-	-	-	-	1,568
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings and Building Improvement												
Cost	2,119	10	23	(33)	(35)	2,084	(1,425)	(79)	32	32	(1,440)	644
Revaluation surplus (revaluation in 2016)	1,109	-	-	(30)	-	1,079	(920)	(16)	30	-	(906)	173
Devaluation of asset (revaluation in 2016)	(18)	-	-	4	-	(14)	11	-	(2)	-	9	(5)
Vehicle	160	12	-	-	(14)	158	(102)	(26)	-	12	(116)	42
Equipment	2,150	144	3	-	(423)	1,874	(1,664)	(173)	-	413	(1,424)	450
Assets under installation and/or construction	6	20	(26)	-	-	-	-	-	-	-	-	-
Exchange differences	(3)	(1)	-	-	-	(4)	3	1	-	-	4	-
Total	7,525	185	-	(99)	(472)	7,139	(4,097)	(293)	60	457	(3,873)	3,266

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	Separate												
	Cost/appraisal value					Accumulated depreciation							
	As at 1 January 2021	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 30 June 2021	As at 1 January 2021	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 30 June 2021	Net book value
	Million Baht					Million Baht	Million Baht					Million Baht	
Land													
Cost	412	-	-	(44)	-	368	-	-	-	-	-	-	368
Revaluation surplus (revaluation in 2016)	1,568	-	-	(49)	-	1,519	-	-	-	-	-	-	1,519
Devaluation of asset (revaluation in 2016)	(18)	-	-	18	-	-	-	-	-	-	-	-	-
Buildings and Building Improvement													
Cost	2,084	2	22	(45)	(20)	2,043	(1,440)	(38)	(15)	43	18	(1,432)	611
Revaluation surplus (revaluation in 2016)	1,079	-	-	(26)	-	1,053	(906)	(7)	-	17	-	(896)	157
Devaluation of asset (revaluation in 2016)	(14)	-	-	-	-	(14)	9	-	-	-	-	9	(5)
Vehicle	134	-	-	-	(13)	121	(95)	(10)	-	-	11	(94)	27
Equipment	1,634	11	(22)	-	(71)	1,552	(1,262)	(64)	15	-	73	(1,238)	314
Assets under installation and/or construction	-	14	-	-	-	14	-	-	-	-	-	-	14
Exchange differences	(4)	1	-	-	-	(3)	4	(1)	-	-	-	3	-
Total	6,875	28	-	(146)	(104)	6,653	(3,690)	(120)	-	60	102	(3,648)	3,005

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	Separate											
	Cost/appraisal value					Accumulated depreciation						
	As at 1 January 2020	Additions	Transfer In/(out)	Transfer to properties for sale	Disposals/ written off	As at 31 December 2020	As at 1 January 2020	Additions	Transfer to properties for sale	Disposals/ written off	As at 31 December 2020	Net book value
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Land												
Cost	417	-	-	(5)	-	412	-	-	-	-	-	412
Revaluation surplus (revaluation in 2016)	1,603	-	-	(35)	-	1,568	-	-	-	-	-	1,568
Devaluation of asset (revaluation in 2016)	(18)	-	-	-	-	(18)	-	-	-	-	-	(18)
Buildings and Building Improvement												
Cost	2,119	10	23	(33)	(35)	2,084	(1,425)	(79)	32	32	(1,440)	644
Revaluation surplus (revaluation in 2016)	1,109	-	-	(30)	-	1,079	(920)	(16)	30	-	(906)	173
Devaluation of asset (revaluation in 2016)	(18)	-	-	4	-	(14)	11	-	(2)	-	9	(5)
Vehicle	134	12	-	-	(12)	134	(84)	(22)	-	11	(95)	39
Equipment	1,924	123	3	-	(416)	1,634	(1,520)	(147)	-	405	(1,262)	374
Assets under installation and/or construction	6	20	(26)	-	-	-	-	-	-	-	-	-
Exchange differences	(3)	(1)	-	-	-	(4)	3	1	-	-	4	-
Total	7,273	163	-	(99)	(463)	6,875	(3,935)	(263)	60	448	(3,690)	3,185



## 16 Right-of-use assets, net

As at 30 June 2021 and 31 December 2020, right-of-use asset balance are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Properties	182	219	135	162
IT Equipment	62	69	62	69
Vehicles	5	6	-	-
<b>Total</b>	<b>249</b>	<b>294</b>	<b>197</b>	<b>231</b>

  

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June 2021 Million Baht</b>	<b>2020 Million Baht</b>	<b>For the three-month period ended 30 June 2021 Million Baht</b>	<b>2020 Million Baht</b>
<b>Depreciation charge of right-of-use assets</b>				
Properties	25	26	17	17
IT Equipment	4	-	4	-
Vehicles	1	1	-	-
<b>Total</b>	<b>30</b>	<b>27</b>	<b>21</b>	<b>17</b>
Total cash outflow for leases	(34)	(27)	(24)	(18)

  

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June 2021 Million Baht</b>	<b>2020 Million Baht</b>	<b>For the six-month period ended 30 June 2021 Million Baht</b>	<b>2020 Million Baht</b>
<b>Depreciation charge of right-of-use assets</b>				
Properties	51	53	34	35
IT Equipment	7	-	7	-
Vehicles	1	1	-	-
<b>Total</b>	<b>59</b>	<b>54</b>	<b>41</b>	<b>35</b>
Addition to the right-of-use assets during the period/ year	22	28	14	4
Total cash outflow for leases	(61)	(55)	(42)	(35)

**17 Intangible assets, net**

	<b>Consolidated</b>		
	<b>Expenditures in connection with development and improvement of process and computer systems - under development Baht</b>	<b>Process, computer systems and computer software Baht</b>	<b>Total Baht</b>
<b>At 1 January 2020</b>			
Cost	496	1,858	2,354
<u>Less</u> Accumulated amortisation	-	(1,292)	(1,292)
Net book amount	496	566	1,062
<b>For the year ended 31 December 2020</b>			
Opening net book amount	496	566	1,062
Additions	298	126	424
Transfer in/ (out)	(713)	713	-
Write off	(2)	(88)	(90)
Amortisation charge	-	(287)	(287)
Impairment charge	-	(139)	(139)
Closing net book amount	79	891	970
<b>At 31 December 2020</b>			
Cost	79	2,609	2,688
<u>Less</u> Accumulated amortisation	-	(1,579)	(1,579)
<u>Less</u> Accumulated impairment	-	(139)	(139)
Net book amount	79	891	970
<b>For the year ended 30 June 2021</b>			
Opening net book amount	79	891	970
Additions	102	58	160
Transfer in/ (out)	(100)	100	-
Amortisation charge	-	(157)	(157)
Impairment charge	-	(82)	(82)
Closing net book amount	81	810	891
<b>At 30 June 2021</b>			
Cost	81	2,711	2,792
<u>Less</u> Accumulated amortisation	-	(1,738)	(1,738)
<u>Less</u> Accumulated impairment	-	(163)	(163)
Net book amount	81	810	891

	<b>Separate</b>		
	<b>Expenditures in connection with development and improvement of process and computer systems - under development Baht</b>	<b>Process, computer systems and computer software Baht</b>	<b>Total Baht</b>
<b>At 1 January 2020</b>			
Cost	466	1,819	2,285
<u>Less</u> Accumulated amortisation	-	(1,269)	(1,269)
Net book amount	466	550	1,016
<b>For the year ended 31 December 2020</b>			
Opening net book amount	466	550	1,016
Additions	298	107	405
Transfer in/ (out)	(684)	684	-
Write off	(2)	(88)	(90)
Amortisation charge	-	(271)	(271)
Impairment charge	-	(139)	(139)
Closing net book amount	78	843	921
<b>At 31 December 2020</b>			
Cost	78	2,522	2,600
<u>Less</u> Accumulated amortisation	-	(1,540)	(1,540)
<u>Less</u> Accumulated impairment	-	(139)	(139)
Net book amount	78	843	921
<b>For the year ended 30 June 2021</b>			
Opening net book amount	78	843	921
Additions	102	44	146
Transfer in/ (out)	(100)	100	-
Amortisation charge	-	(149)	(149)
Impairment charge	-	(82)	(82)
Closing net book amount	80	756	836
<b>At 30 June 2021</b>			
Cost	80	2,608	2,688
<u>Less</u> Accumulated amortisation	-	(1,689)	(1,689)
<u>Less</u> Accumulated impairment	-	(163)	(163)
Net book amount	80	756	836

**18 Deferred income taxes**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Beginning balance	634	757	(30)	277
Charged (credited) to profit or loss	341	(22)	297	(203)
Tax charged (credited) relation to components of the comprehensive income	85	(101)	85	(104)
Ending balance	1,060	634	352	(30)

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

	<b>Consolidated</b>					
	<b>Provision Million Baht</b>	<b>Tax losses Million Baht</b>	<b>Allowance for impairment of properties foreclosed Million Baht</b>	<b>Allowance for expected credit loss Million Baht</b>	<b>Deferred income Million Baht</b>	<b>Others Million Baht</b>
<b>Deferred tax assets</b>						
At 1 January 2021	407	-	32	922	66	197
Charged (credited) to profit or loss	4	-	5	(19)	44	(25)
At 30 June 2021	411	-	37	903	110	172
<b>Deferred tax assets</b>						
At 1 January 2020 (Restated)	410	139	45	971	59	130
(Credited) charged to profit or loss	(5)	(139)	(13)	(49)	7	67
Tax charged relation to components of the comprehensive income	2	-	-	-	-	-
At 31 December 2020	407	-	32	922	66	197

	<b>Consolidated</b>		
	<b>Fair value gain from investment Million Baht</b>	<b>Gain from revaluation of assets Million Baht</b>	<b>Temporary difference Million Baht</b>
<b>Deferred tax liabilities</b>			
At 1 January 2021	516	371	103
Credited to profit or loss	(325)	(1)	(6)
Tax (credited) charged relation to components of the comprehensive income	(86)	-	1
At 30 June 2021	105	370	98
<b>Deferred tax liabilities</b>			
At 1 January 2020 (restated)	570	387	40
Charged (credited) to profit or loss	(103)	(16)	9
Tax charged (credited) relation to components of the comprehensive income	49	-	54
At 31 December 2020	516	371	103

**CIMB Thai Bank Public Company Limited**  
**Notes to the Interim Consolidated and Separate Financial Statements**  
**For the six-month period ended 30 June 2021**

	Separate						
	Provision Million Baht	Tax losses Million Baht	Allowance for impairment of properties foreclosed Million Baht	Allowance for expected credit loss Million Baht	Deferred income Million Baht	Others Million Baht	Total Million Baht
Deferred tax assets							
At 1 January 2021	373	-	12	460	66	11	922
Charged (credited) to profit or loss	2	-	-	(61)	31	(1)	(29)
At 30 June 2021	375	-	12	399	97	10	893
Deferred tax assets							
At 1 January 2020 (Restated)	379	139	14	636	59	17	1,244
(Credited) charged to profit or loss	(6)	(139)	(2)	(176)	7	(6)	(322)
At 31 December 2020	373	-	12	460	66	11	922

	Separate			
	Fair value gain from investment Million Baht	Gain from revaluation of assets Million Baht	Temporary difference Million Baht	Total Million Baht
<b>Deferred tax liabilities</b>				
At 1 January 2021	516	371	65	952
Credited to profit or loss	(325)	(1)	-	(326)
Tax (credited) charged relation to components of the comprehensive income	(86)	-	1	(85)
At 30 June 2021	105	370	66	541
<b>Deferred tax liabilities</b>				
At 1 January 2020 (restated)	570	387	10	967
Credited to profit or loss	(103)	(16)	-	(119)
Tax charged relation to components of the comprehensive income	49	-	55	104
At 31 December 2020	516	371	65	952

As at 30 June 2021 and 31 December 2020, the Group had temporary tax difference that the Group did not recognise as deferred tax assets in the statement of financial position as follows:

	Consolidated and Separate	
	30 June 2021 Million baht	31 December 2020 Million baht
Provision	378	383
Allowance for doubtful accounts	302	293
Special business tax	93	78
Allowance for impairment of intangible assets	162	138
Others	132	153
Total	1,067	1,045

## 19 Other assets, net

	Consolidated		Separate	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	Million baht	Million baht	Million baht	Million baht
Accrued interest and dividend receivables	303	300	303	300
Others assets awaiting account transfer	154	144	154	144
Commission receivables	164	186	35	60
Withholding tax	125	124	116	121
Deposits	91	91	77	75
Prepaid expenses	202	200	188	184
Accounts receivable from sale of non-performing loans	313	413	313	413
Deferred expense from staff loan	125	132	125	132
Others	187	192	65	69
<b>Total</b>	<b>1,664</b>	<b>1,782</b>	<b>1,376</b>	<b>1,498</b>
<b>Less</b> Allowance for expected credit losses	<b>(53)</b>	<b>(48)</b>	<b>(53)</b>	<b>(48)</b>
<b>Other assets, net</b>	<b>1,611</b>	<b>1,734</b>	<b>1,323</b>	<b>1,450</b>

## 20 Deposits

### 20.1 Classified by type of deposits

	Consolidated		Separate	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	Million baht	Million baht	Million baht	Million baht
Demand	7,992	6,008	7,993	6,010
Savings	80,568	87,487	80,955	87,663
Fixed	98,307	99,721	98,324	99,737
Negotiable certificate of deposit	1,040	740	1,040	740
<b>Total deposits</b>	<b>187,907</b>	<b>193,956</b>	<b>188,312</b>	<b>194,150</b>

### 20.2 Classified by currency and residency of depositors

	Consolidated					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	182,723	1,580	184,303	185,504	1,540	187,044
US dollar	2,845	401	3,246	6,022	325	6,347
Other currencies	294	64	358	502	63	565
<b>Total</b>	<b>185,862</b>	<b>2,045</b>	<b>187,907</b>	<b>192,028</b>	<b>1,928</b>	<b>193,956</b>

  

	Separate					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Baht	183,128	1,580	184,708	185,698	1,540	187,238
US dollar	2,845	401	3,246	6,022	325	6,347
Other currencies	294	64	358	502	63	565
<b>Total</b>	<b>186,267</b>	<b>2,045</b>	<b>188,312</b>	<b>192,222</b>	<b>1,928</b>	<b>194,150</b>

## 21 Interbank and money market items (liabilities)

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
<b>Domestic:</b>		
The Bank of Thailand	623	660
Commercial banks	19,383	16,824
Specialised financial institutions	563	3,446
Finance, finance and securities, and securities	18,682	14,548
Other financial institutions	2,986	7,064
<b>Total domestic items</b>	<b>42,237</b>	<b>42,542</b>
<b>Foreign:</b>		
US dollar	3,470	1,355
Other currencies	2,528	3,198
<b>Total foreign items</b>	<b>5,998</b>	<b>4,553</b>
<b>Total domestic and foreign items</b>	<b>48,235</b>	<b>47,095</b>

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

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Debentures	8,146	7,994
Bills of Exchange	17,704	20,955
<b>Total</b>	<b>25,850</b>	<b>28,949</b>

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Cumulative change in fair values due to a change in credit risk of liabilities recognised in other comprehensive income	395	85
Difference between book values and notional amounts to be settled as the contracts mature	3,210	4,059

As at 30 June 2021 and 31 December 2020, financial liabilities designated at fair value through profit or loss consisted of:

- The Bank issued structured debentures with reference interest rate of THBFIX 3 month (callable range accrual note), which will mature in 2 - 5 years. The Bank will pay interest according to the condition of agreement.
- The Bank issued accreting structured bills of exchange embedded interest rate swap with predetermined return rate and conditions. The maturity date is between 3 - 23 years. They bear interest rate at 1.78% - 5.18% per annum with a payment of interest at maturity date. The Bank entered into interest rate swaps with other parties for hedging interest rate risk.

**23 Debt issued and borrowings**

	Consolidated and Separate					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Debentures</b>						
Short term debentures maturing in 2021, coupon rate of 0.97% per annum	700	-	700	700	-	700
Short term debentures maturing in 2021, coupon rate of 0.75% per annum	600	-	600	-	-	-
Short term debentures maturing in 2021, coupon rate of 0.71% per annum	399	-	399	-	-	-
Short term debentures maturing in 2022, coupon rate of 0.55% per annum	200	-	200	-	-	-
<b>Subordinated debentures</b>						
Subordinated debentures of RM 570 million, maturing in 2026, coupon rate of 5.35% per annum	-	4,400	4,400	-	4,238	4,238
Subordinated debentures of RM 390 million, maturing in 2028, coupon rate of 5.20% per annum	-	3,011	3,011	-	2,900	2,900
Subordinated debentures of RM 550 million, maturing in 2029, coupon rate of 4.15% per annum	-	4,246	4,246	-	4,090	4,090
<b>Structured debentures</b>						
Structured debentures	931	641	1,572	1,829	618	2,447
	2,830	12,298	15,128	2,529	11,846	14,375
<b>Structured bills of exchange</b>						
Structured bills of exchange	1,800	3,494	5,294	1,800	3,274	5,074
	1,800	3,494	5,294	1,800	3,274	5,074
<b>Total</b>	<b>4,630</b>	<b>15,792</b>	<b>20,422</b>	<b>4,329</b>	<b>15,120</b>	<b>19,449</b>

(a) On 30 June 2021, the bank issued debentures of Baht 1,899 million (31 December 2020: Baht 700 million), interest rate of 0.55 – 0.97% per annum (31 December 2020: 0.97% per annum) with a payment of interest at maturity. The debenture has a tenor of 5.1 - 9 months (31 December 2020: 9 months) and will mature during July 2021 to February 2022 (31 December 2020: July 2021).

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

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

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

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

(d) On 8 July 2019, the Bank issued MYR 550 million of subordinated debentures pursuant to tier II subordinated debenture programme to overseas investors, 5,500,000 units of MYR 100 each, interest rate of 4.15% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2029. The Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand.

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



(e) As at 30 June 2021, the Bank has structured debentures of Baht 1,572 million (31 December 2020 : Baht 2,447 million) as follows:

- The Bank issued structured debentures (Maxi X-Change Single Barrier Bullish) of Baht 116 million (31 December 2020: Baht 45 million) with 1 - 2 months from respective issuance dates. The Bank will pay interest at maturity date according to the movement of the underlying.
- The Bank issued structured debentures (Fund Link Note) in Baht 815 million (31 December 2020: foreign currency of USD 0.6 million which equivalent to Baht 17 million and in Baht 1,784 million) which will mature in 1 year to 3 years, the return is based on movement of the price of mutual fund.
- The Bank issued credit linked notes (CLN) of USD 20 million which equivalent to Baht 641 million (31 December 2020: USD 20 million which equivalent to Baht 601 million) which will mature in 3 years. The holder will receive all coupon amounts and the redemption amount on the maturity date according to the conditions of agreement, subject to no credit event determination occurring with respect to the reference entity.

(f) As at 30 June 2021, the Bank had credit linked bill of exchange (CLN) of Baht 5,294 million (31 December 2020 : Baht 5,074 million) as follows:

- The Bank issued CLN of Baht 1,800 million (31 December 2020: Baht 1,800 million) which will mature in 10 years. The holder will receive all coupon amounts on respective coupon payment date and the redemption amount on the maturity date, subject to no credit event determination occurring with respect to the reference entity. The credit linked bills of exchange bear interest rate at 3.75% - 4.01% per annum (31 December 2020: 3.75% - 4.01% per annum) with a payment of interest every 6 months.
- The Bank issued CLN of USD 109 million or equivalence Baht 3,494 million (31 December 2020: USD 109 million or equivalence Baht 3,274 million) which will mature in 8 - 15 years (31 December 2020: 8 - 15 years). The holder will receive all coupon amounts and the redemption amount on the maturity date according to the conditions of agreement, subject to no credit event determination occurring with respect to the reference entity. The credit linked note bills of exchange bear interest rate at 6M LIBOR + 1.6597% to 6M LIBOR + 2.3925% per annum (31 December 2020 6M LIBOR + 1.6597% to 6M LIBOR + 2.3925% per annum) with a payment of interest every 6 months.

## 24 Provisions

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Allowance for expected credit losses of				
loan commitments and financial guarantee contracts	153	153	162	156
Reserve for off-statements of financial position items	654	658	654	658
Provision for contingent loss from legal cases	55	44	55	44
Provision for employee benefits	1,807	1,805	1,630	1,635
Provision for restoration	23	20	20	20
<b>Total provisions</b>	<b>2,692</b>	<b>2,680</b>	<b>2,521</b>	<b>2,513</b>

### Provision for employee benefits

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Present value of post-employment benefit obligations	1,807	1,805	1,630	1,635

Movements of provision for pension funds are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Beginning balance	1,805	1,852	1,635	1,694
Current service costs	78	167	70	152
Difference on settlement pension benefits	-	(6)	-	(6)
Interest costs	15	25	13	23
Remeasurements:				
(Gains) losses from changes of;				
Financial assumptions	-	(46)	-	(40)
Experience	-	7	-	(9)
<b>Less Pension benefits paid during the period/ year</b>	<b>(91)</b>	<b>(194)</b>	<b>(88)</b>	<b>(179)</b>
<b>Ending balance</b>	<b>1,807</b>	<b>1,805</b>	<b>1,630</b>	<b>1,635</b>

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current service costs	39	42	35	38
Interest costs	7	6	7	6
<b>Total</b>	<b>46</b>	<b>48</b>	<b>42</b>	<b>44</b>

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current service costs	78	84	70	76
Interest costs	15	13	13	12
<b>Total</b>	<b>93</b>	<b>97</b>	<b>83</b>	<b>88</b>

**CIMB Thai Bank Public Company Limited**  
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Significant assumptions used in the actuarial calculation are summarised as follows:

		<b>Consolidated and Separate</b>
		<b>30 June 2021 and 31 December 2020</b>
Discount rate		1.80%
Salary increase rate		6.00%
Pre-retirement mortality rate		75.00% of Thai Mortality Ordinary Table 2017
Disability rate		10.00% of pre-retirement mortality rate
Pre-retirement withdrawal rate		Employees who are eligible for pension benefit: Flat 2.865% of Thai Withdrawal Table, Other employees: 75% of Thai Withdrawal Table
Retirement age		60 years old

Sensitivity analysis for each significant assumptions:

		<b>Consolidated</b>					
		<b>Impact on defined benefit obligation</b>					
<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>			
		<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Weighted average discount rate	0.5%	0.5%		Decrease by 4.05%	Decrease by 4.03%	Increase by 4.34%	Increase by 4.29%
Weighted average rate of salary increase	1.0%	1.0%		Increase by 9.50%	Increase by 9.40%	Decrease by 8.43%	Decrease by 8.38%

  

		<b>Separate</b>					
		<b>Impact on defined benefit obligation</b>					
<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>			
		<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
Weighted average discount rate	0.5%	0.5%		Decrease by 3.89%	Decrease by 3.87%	Increase by 4.13%	Increase by 4.07%
Weighted average rate of salary increase	1.0%	1.0%		Increase by 9.12%	Increase by 9.02%	Decrease by 8.15%	Decrease by 8.10%

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

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

As at 30 June 2021, the weighted average duration of the defined benefit obligation is 10.91 years (31 December 2020: 10.91 years).

Expected maturity analysis of undiscounted benefits:

		<b>Consolidated</b>			
		<b>30 June 2021</b>			
		<b>Less than a year</b>	<b>Between 1 - 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
		<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Retirement benefits		129	541	881	1,551

  

		<b>Consolidated</b>			
		<b>31 December 2020</b>			
		<b>Less than a year</b>	<b>Between 1 - 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
		<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Retirement benefits		165	429	1,521	2,115

	Separate 30 June 2021			
	Less than a year Million Baht	Between 1 - 5 years Million Baht	Over 5 years Million Baht	Total Million Baht
Retirement benefits	117	510	819	1,446

  

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

## 25 Other liabilities

	Consolidated		Separate	
	30 June 2021 Million Baht	31 December 2020 Million Baht	30 June 2021 Million Baht	31 December 2020 Million Baht
Other liabilities awaiting accounts transfer	894	1,021	882	950
Accrued interest	420	534	420	534
Accrued expense	1,007	993	916	894
Corporate income tax payable	557	208	466	109
Withholding tax payable	85	69	81	65
Output VAT payable	104	106	10	7
Defer income from insurance contracts	309	-	196	-
Others	246	196	67	96
Total	3,622	3,127	3,038	2,655

## 26 Offsetting of financial assets and financial liabilities

Consolidated and Separate 30 June 2021						
	Gross amount Million Baht	Amount to be offset on the statement of financial position Million Baht	Net amount on the statement of financial statement Million Baht	Amount that cannot be offset on the statement of financial position	Value of related collateral Million Baht	Net amount Million Baht
				Offsetting amount according to the contracts that do not meet the criteria according to accounting standards Million Baht		
<b>Financial assets</b>						
Purchase of securities with resale agreement transactions	2,550	-	2,550	-	(2,389)	161
Derivative assets	55,023	-	55,023	(32,875)	(8,387)	13,761
Total	57,573	-	57,573	(32,875)	(10,776)	13,922
<b>Financial liabilities</b>						
Sales of securities with resale agreement transactions	(14,871)	-	(14,871)	14,460	-	(411)
Derivative liabilities	(52,863)	-	(52,863)	32,875	14,935	(5,053)
Total	(67,734)	-	(67,734)	47,335	14,935	(5,464)

	Consolidated and Separate					
	31 December 2020					
				Amount that cannot be offset on the statement of financial position		
				Offsetting amount according to the contracts that do not meet the criteria according to accounting standards	Value of related collateral	Net amount
	Gross amount Million Baht	Amount to be offset on the statement of financial position Million Baht	Net amount on the statement of financial statement Million Baht	Million Baht	Million Baht	Million Baht
<b>Financial assets</b>						
Purchase of securities with resale agreement transactions	1,800	-	1,800	-	(1,570)	230
Derivative assets	57,561	-	57,561	(35,195)	(11,198)	11,168
Total	59,361	-	59,361	(35,195)	(12,768)	11,398
<b>Financial liabilities</b>						
Sales of securities with resale agreement transactions	(9,862)	-	(9,862)	9,368	-	(494)
Derivative liabilities	(57,221)	-	(57,221)	35,140	14,876	(7,205)
Total	(67,083)	-	(67,083)	44,508	14,876	(7,699)

## 27 Share capital

	Consolidated and Separate			
	30 June 2021		31 December 2020	
	Number Million shares	Amount Million Baht	Number Million shares	Amount Million Baht
<b>Registered</b>				
Beginning of the period/ year - Ordinary shares	34,822	17,411	34,822	17,411
Issue of shares	-	-	-	-
End of the period/ year	34,822	17,411	34,822	17,411
<b>Issued and paid up</b>				
Beginning of the period/ year - Ordinary shares	34,822	17,411	34,822	17,411
Issue of shares	-	-	-	-
End of the period/ year	34,822	17,411	34,822	17,411

## 28 Dividend payments

On 7 May 2021, the Bank paid a dividend from the operating results of 2020 at the rate of Baht 0.005 per share, totalling Baht 174 million according to the Annual General Meeting of Shareholders approval on 12 April 2021.

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

On 7 May 2020, Worldlease Company Limited paid a dividend from the operating results of 2019 at the rate of Baht 3.03 per share for 24 million shares, Baht 0.7575 per share for 20 million shares, and Baht 0.7583 per share for 16 million shares, totaling Baht 100 million according to the Annual General Meeting of Shareholders approval on 30 April 2020.

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

## 29 Statutory reserve

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

As at 30 June 2021, the Bank had total statutory reserve of Baht 536.20 million (31 December 2019: Baht 536.20 million).

## 30 Capital funds

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

Capital fund (Full consolidate supervision)	30 June 2021 Million Baht	Total capital to risk assets %	31 December 2020 Million Baht	Total capital to risk assets %
<u>Tier I</u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	536		536	
Unappropriated surplus	11,778		12,011	
Other reserves	998		1,700	
Deduction on Tier I capital fund	(2,092)		(2,184)	
Total Tier I capital fund	38,777	14.99	39,620	15.60
<u>Tier II</u>				
Long-term subordinated debentures	12,262		12,262	
Reserve for loan classified as pass	2,362		2,424	
Total Tier II capital fund	14,624	5.65	14,686	5.78
Total capital funds	53,401	20.64	54,306	21.38

<b>Capital funds (Separate)</b>	<b>30 June 2021 Million Baht</b>	<b>Total capital to risk assets %</b>	<b>31 December 2020 Million Baht</b>	<b>Total capital to risk assets %</b>
<u><b>Tier I</b></u>				
Issued and paid up share capital	17,411		17,411	
Share premium	10,146		10,146	
Statutory reserve	536		536	
Unappropriated surplus	9,371		9,520	
Other reserves	1,041		1,743	
Deduction on Tier I capital fund	(1,278)		(1,327)	
<b>Total Tier I capital fund</b>	<b>37,227</b>	<b>14.40</b>	<b>38,029</b>	<b>14.94</b>
<u><b>Tier II</b></u>				
Long-term subordinated debentures	12,262		12,262	
Reserve for loan classified as pass	2,460		2,531	
<b>Total Tier II capital fund</b>	<b>14,722</b>	<b>5.70</b>	<b>14,793</b>	<b>5.81</b>
<b>Total capital funds</b>	<b>51,949</b>	<b>20.10</b>	<b>52,823</b>	<b>20.75</b>

As at 30 June 2021, the Bank's regulatory capital after deducting capital add-on arising from single lending was Baht 51,949 million (31 December 2020 : Baht 52,823 million).

The Bank has maintained capital fund and liquidity coverage ratio under BOT notification of international capital requirement standards under the Basel III regulatory framework and will disclose capital maintenance information as at 30 June 2021 in accordance with the Notification of the Bank of Thailand Re: Public Disclosure of Capital Maintenance Information for Commercial Banks and Consolidated Supervision and Liquidity coverage ratio disclosure standards on its website at [www.cimbthai.com](http://www.cimbthai.com) within four months after the statements of financial position date.

### 31 Share-based payments

#### Long Term Incentive Plan (LTIP)

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

The weighted average fair value of shares and share options granted during the period was MYR 4.65 per share and MYR 0.45 per share option.

#### Equity Ownership Plan (EOP)

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

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

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

The weighted average fair value of shares granted in this financial period/ year, which were purchased over a specified year before awarding to the eligible employees of the Bank was MYR 4.21 per share (31 December 2020 : MYR 3.52 per share).

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

	<b>Consolidated and Separate</b>	
	<b>30 June 2021</b>	
	<b>The weighted exercise price MYR/share</b>	<b>Number of share options thousand units</b>
Awarded during financial period	4.96	18,348
End of financial period	4.96	18,348

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

	<b>Consolidated and Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Number of ordinary shares thousand units</b>	<b>Number of ordinary shares thousand units</b>
Beginning of financial period/ year	1,429	1,249
Awarded during financial period/ year	1,636	1,191
Released during financial period/ year	(656)	(1,011)
End of financial period/ year	2,409	1,429

For the period ended 30 June 2021, the Bank has expenses for share-based payments amounting to Baht 16 million (30 June 2020 : Baht 16 million) and the Bank has share-based payment reserves amounting to Baht 25 million (31 December 2020 : Baht 33 million).

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

### **32.1 Position classified by type of transaction**

	<b>Consolidated</b>					
	<b>30 June 2021</b>			<b>31 December 2020</b>		
	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
Total assets	395,318	382	395,700	410,163	364	410,527
Interbank and money market items, net (assets)	7,795	380	8,175	5,995	362	6,357
Financial assets measured at fair value through profit or loss	29,397	-	29,397	35,234	-	35,234
Derivative assets	55,023	-	55,023	57,561	-	57,561
Investments, net	61,015	-	61,015	61,493	-	61,493
Loans to customers and accrued interest receivables, net	211,955	-	211,955	221,844	-	221,844
Deposits	187,902	5	187,907	193,950	6	193,956
Interbank and money market items (liabilities)	48,235	-	48,235	47,095	-	47,095
Financial liabilities measured at fair value through profit or loss	25,850	-	25,850	28,949	-	28,949
Derivative liabilities	52,863	-	52,863	57,221	-	57,221
Debt issued and borrowings	20,422	-	20,422	19,449	-	19,449



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	Separate					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Total assets	392,405	382	392,787	407,335	364	407,699
Interbank and money market items, net (assets)	7,624	380	8,004	5,827	362	6,189
Financial assets measured at fair value through profit or loss	29,397	-	29,397	34,234	-	35,234
Derivative assets	55,023	-	55,023	57,561	-	57,561
Investments, net	61,013	-	61,013	61,491	-	61,491
Investments in subsidiaries, net	2,933	-	2,933	2,933	-	2,933
Loans to customers and accrued interest receivables, net	207,664	-	207,664	217,576	-	217,576
Deposits	188,307	5	188,312	194,144	6	194,150
Interbank and money market items (liabilities)	48,235	-	48,235	47,095	-	47,095
Financial liabilities measured at fair value through profit or loss	25,850	-	25,850	28,949	-	28,949
Derivative liabilities	52,863	-	52,863	57,221	-	57,221
Debt issued and borrowings	20,422	-	20,422	19,449	-	19,449

**32.2 Performance classified by type of transaction**

	Consolidated					
	For the three-month period ended 30 June 2021			For the three-month period ended 30 June 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	3,307	-	3,307	3,993	-	3,993
Interest expenses	(689)	-	(689)	(1,069)	-	(1,069)
Net interest income	2,618	-	2,618	2,924	-	2,924
Net fee and services income	344	-	344	294	-	294
Other operating income	811	-	811	468	-	468
Other operating expenses	(2,050)	(2)	(2,052)	(2,249)	(3)	(2,252)
Expected credit losses	(944)	-	(944)	(1,026)	-	(1,026)
Profit (losses) before income tax expenses	779	(2)	777	411	(3)	408

  

	Separate					
	For the three-month period ended 30 June 2021			For the three-month period ended 30 June 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	2,420	-	2,420	2,899	-	2,899
Interest expenses	(689)	-	(689)	(1,064)	-	(1,064)
Net interest income	1,731	-	1,731	1,835	-	1,835
Net fee and services income	195	-	195	210	-	210
Other operating income	709	-	709	1,104	-	1,104
Other operating expenses	(1,480)	(2)	(1,482)	(1,661)	(3)	(1,664)
Expected credit losses	(456)	-	(456)	(213)	-	(213)
Profit (losses) before income tax expenses	699	(2)	697	1,275	(3)	1,272

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	Consolidated					
	For the six-month period ended 30 June 2021			For the six-month period ended 30 June 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	6,519	-	6,519	8,056	2	8,058
Interest expenses	(1,437)	-	(1,437)	(2,303)	-	(2,303)
Net interest income	5,082	-	5,082	5,753	2	5,755
Net fee and services income	754	-	754	692	-	692
Other operating income	1,448	-	1,448	1,481	-	1,481
Other operating expenses	(4,128)	(5)	(4,133)	(4,708)	(5)	(4,713)
Expected credit losses	(1,956)	-	(1,956)	(1,642)	-	(1,642)
Profit (losses) before income tax expenses	1,200	(5)	1,195	1,576	(3)	1,573

  

	Separate					
	For the six-month period ended 30 June 2021			For the six-month period ended 30 June 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Interest income	4,778	-	4,778	6,003	2	6,005
Interest expenses	(1,437)	-	(1,437)	(2,286)	-	(2,286)
Net interest income	3,341	-	3,341	3,717	2	3,719
Net fee and services income	523	-	523	425	-	425
Other operating income	1,252	-	1,252	2,012	-	2,012
Other operating expenses	(3,014)	(5)	(3,019)	(3,337)	(6)	(3,343)
Expected credit losses	(1,151)	-	(1,151)	(373)	-	(373)
Profit (losses) before income tax expenses	951	(5)	946	2,444	(4)	2,440

**33 Interest income**

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Interbank and money market items	3	40	3	40
Investments and trading transactions	93	98	93	98
Investments in debt instruments	266	280	266	280
Loans	1,851	2,193	2,049	2,465
Hire purchase and financial lease income	1,085	1,366	-	-
Others	9	16	9	16
Interest income	3,307	3,993	2,420	2,899

  

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Interbank and money market items	6	62	6	62
Investments and trading transactions	173	196	173	196
Investments in debt instruments	524	560	524	560
Loans	3,641	4,578	4,055	5,123
Hire purchase and financial lease income	2,155	2,598	-	-
Others	20	64	20	64
Interest income	6,519	8,058	4,778	6,005

**34 Interest expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Deposits	347	613	347	613
Interbank and money market item	49	97	49	97
Contribution fee to the Deposit Protection Agency	5	6	5	6
Contribution fee to FIDF	138	152	138	152
Debt securities issued				
- Subordinated debentures	122	120	122	120
- Structured bills of exchange	14	22	14	22
- Structured debentures	4	36	4	36
- Debentures	3	5	3	-
Others	7	18	7	18
<b>Interest expenses</b>	<b>689</b>	<b>1,069</b>	<b>689</b>	<b>1,064</b>

  

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Deposits	751	1,342	751	1,342
Interbank and money market item	105	228	105	228
Contribution fee to the Deposit Protection Agency	10	11	10	11
Contribution fee to FIDF	271	290	271	290
Debt securities issued				
- Subordinated debentures	242	242	242	242
- Structured bills of exchange	29	51	29	51
- Structured debentures	10	74	10	74
- Debentures	5	17	5	-
Others	14	48	14	48
<b>Interest expenses</b>	<b>1,437</b>	<b>2,303</b>	<b>1,437</b>	<b>2,286</b>

**35 Net fees and services income**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Fees and service incomes				
Acceptances, aval and guarantees	11	19	11	21
ATM fees	4	4	4	4
Insurance brokerage income	265	184	160	134
Management fee	-	3	-	3
Underwriting fees	71	102	71	102
Collection fees	12	10	-	-
Goods and services payment fees	21	29	3	-
Others	73	34	50	34
Fees and service income	457	385	299	298
Fees and service expenses				
Collection fees	(57)	(47)	(57)	(47)
ATM fees	(7)	(5)	(7)	(5)
Others	(49)	(39)	(40)	(36)
Fees and service expenses	(113)	(91)	(104)	(88)
Net fees and service income	344	294	195	210
	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Fees and service incomes				
Acceptances, aval and guarantees	24	38	24	46
ATM fees	8	9	8	9
Insurance brokerage income	592	502	431	321
Management fee	-	7	-	7
Underwriting fees	154	146	154	146
Collection fees	24	26	-	-
Goods and services payment fees	39	77	4	1
Others	126	70	98	70
Fees and service income	967	875	719	600
Fees and service expenses				
Collection fees	(105)	(103)	(105)	(103)
ATM fees	(13)	(11)	(13)	(11)
Others	(95)	(69)	(78)	(61)
Fees and service expenses	(213)	(183)	(196)	(175)
Net fees and service income	754	692	523	425

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

	<b>Consolidated and Separate</b>	
	<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Gains (losses) on tradings and foreign exchange transactions		
Foreign currencies and foreign exchange rate derivatives	26	351
Interest rate derivatives	585	(94)
Debt instruments	15	(97)
Equity instruments	1	(2)
Others	5	(13)
Gains on tradings and foreign exchange transactions	632	145
Gains (losses) on financial instruments designated at fair value through profit or loss		
Net changes in fair values		
Investments in debt instrument	173	217
Bills of exchange	385	(156)
Debentures	(66)	(35)
Losses from derecognition, including interest receivable and payable only those not included in net changes in fair values	(736)	(90)
Losses on financial instruments designated at fair value through profit or loss	(244)	(64)
Losses from hedge accounting	5	-
Total	393	81
	<b>Consolidated and Separate</b>	
	<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Gains (losses) on tradings and foreign exchange transactions		
Foreign currencies and foreign exchange rate derivatives	579	(100)
Interest rate derivatives	(479)	1,202
Debt instruments	1,723	1,106
Equity instruments	1	7
Others	15	6
Gains on tradings and foreign exchange transactions	1,839	2,221
Gains (losses) on financial instruments designated at fair value through profit or loss		
Net changes in fair values		
Investments in debt instrument	(1,640)	(623)
Bills of exchange	1,084	(757)
Debentures	72	(13)
Losses from derecognition, including interest receivable and payable only those not included in net changes in fair values	(789)	(201)
Losses on financial instruments designated at fair value through profit or loss	(1,273)	(1,594)
Losses from hedge accounting	6	-
Total	572	627

### 37 Gains on investments, net

	Consolidated and Separate			
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Gains from derecognition Investments measured at fair value through other comprehensive income	86	69	221	215
Gains on investments, net	86	69	221	215

### 38 Other operating income

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Gain on sales of properties for sales	22	-	-	23
Bad debt recovery	287	302	179	189
Dividend income	6	6	6	731
Other income	18	10	46	11
Other operating income	333	318	231	954

  

	Consolidated		Separate	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Gain on sales of premises and equipment	4	-	4	1
Gain on sales of properties for sales	17	-	-	23
Bad debt recovery	598	613	382	392
Dividend income	9	6	9	731
Other income	28	21	64	23
Other operating income	656	640	459	1,170

### 39 Expected credit losses

	Consolidated		Separate	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Modification loss of loan	84	708	11	64
Loans to customers and accrued interest receivable	846	322	427	155
Credit line commitments and financial guarantees	13	(4)	17	(6)
Others	1	-	1	-
Expected credit losses	944	1,026	456	213

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Modification loss (gain) of loan	52	723	(41)	65
Loans to customers and accrued interest receivable	1,903	859	1,185	250
Credit line commitments and financial guarantees	-	60	6	58
Others	1	-	1	-
Expected credit losses	1,956	1,642	1,151	373

#### 40 Corporate income tax

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current tax:				
Current tax on profits for the year	(4)	(129)	(33)	(87)
Total current tax	(4)	(129)	(33)	(87)
Deferred tax:				
Decrease in deferred tax assets	108	191	119	175
Increase in deferred tax liabilities	60	40	62	42
Total deferred tax	168	231	181	217
Total tax charge	164	102	148	130

  

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Current tax:				
Current tax on profits for the period	581	48	487	18
Total current tax	581	48	487	18
Deferred tax:				
(Increase) decrease in deferred tax assets	(8)	247	30	318
Decrease in deferred tax liabilities	(333)	(108)	(327)	(121)
Total deferred tax	(341)	139	(297)	197
Total tax charge	240	187	190	215

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Profit before tax	777	408	697	1,271
Tax calculated at a tax rate of 20%	155	82	139	255
Tax effect of:				
Income not subject to tax	3	(4)	3	(149)
Expenses not deductible for tax purpose	-	1	-	1
Other adjustments	2	(1)	2	(1)
Unrecognised deferred tax assets	4	24	4	24
Total tax charge	164	102	148	130
The weighted average applicable tax rate (%)	21.1	25.1	21.2	10.2
	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Profit before tax	1,195	1,573	946	2,440
Tax calculated at a tax rate of 20%	239	315	189	488
Tax effect of:				
Income not subject to tax	(6)	(23)	(6)	(168)
Expenses not deductible for tax purpose	1	2	1	2
Other adjustments	2	(1)	2	(1)
Tax losses for which no deferred income tax asset was recognised	-	(127)	-	(127)
Unrecognised deferred tax assets	4	21	4	21
Total tax charge	240	187	190	215
The weighted average applicable tax rate (%)	20.1	11.9	20.1	8.8

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

	<b>Consolidated</b>					
	<b>For the three-month period ended 30 June 2021</b>			<b>For the three-month period ended 30 June 2020</b>		
	<b>Before tax</b>	<b>Tax</b>	<b>After tax</b>	<b>Before tax</b>	<b>Tax</b>	<b>After tax</b>
	<b>Million Baht</b>	<b>(charge) credit</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>(charge) credit</b>	<b>Million Baht</b>
Fair value gains (losses):						
Investments in debt instruments	268	(23)	245	94	(19)	75
Investments in equity instruments	(8)	(1)	(9)	-	-	-
Cash flow hedges	41	(8)	33	(53)	11	(42)
Other comprehensive income (expenses)	301	(32)	269	41	(8)	33
Current tax		(4)			(129)	
Deferred tax		168			231	
		164			102	



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<b>Separate</b>						
<b>For the three-month period ended 30 June 2021</b>			<b>For the three-month period ended 30 June 2020</b>			
<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	
Fair value gains (losses):						
Investments in debt instruments	268	(23)	245	94	(19)	75
Investments in equity instruments	(8)	(1)	(9)	-	-	-
Cash flow hedges	41	(8)	33	(53)	11	(42)
Other comprehensive income (expenses)	301	(32)	269	41	(8)	33
Current tax		(33)			(87)	
Deferred tax		181			217	
		148			130	
<b>Consolidated</b>						
<b>For the six-month period ended 30 June 2021</b>			<b>For the six-month period ended 30 June 2020</b>			
<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	
Fair value gains (losses):						
Investments in debt instruments	(444)	87	(357)	112	(22)	90
Investments in equity instruments	8	(1)	7	(6)	(2)	(8)
Cash flow hedges	5	(1)	4	328	(66)	262
Other comprehensive income (expenses)	(431)	85	(346)	434	(90)	344
Current tax		581			48	
Deferred tax		(341)			139	
		240			187	
<b>Separate</b>						
<b>For the six-month period ended 30 June 2021</b>			<b>For the six-month period ended 30 June 2020</b>			
<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	<b>Before tax Million Baht</b>	<b>Tax (charge) credit Million Baht</b>	<b>After tax Million Baht</b>	
Fair value gains (losses):						
Investments in debt instruments	(444)	87	(357)	112	(22)	90
Investments in equity instruments	8	(1)	7	(6)	(2)	(8)
Cash flow hedges	5	(1)	4	328	(66)	262
Other comprehensive income (expenses)	(431)	85	(346)	434	(90)	344
Current tax		487			18	
Deferred tax		(297)			197	
		190			215	

In addition, deferred income tax for the three-month and six-month period ended 30 June 2021 is Baht 1 million and Baht 1 million (for the three-month and six-month period ended 30 June 2020 : Baht 7 million and Baht 8 million, respectively) was transferred from other reserves to retained earnings. This represents deferred tax on the difference between the actual depreciation on buildings and the equivalent depreciation based on the historical cost of buildings and revaluation surplus on land.

#### 41 Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees contribute to the fund - managed by Principal Asset Management Company Limited - at rate of 3% - 15% of their basic salaries, and the Bank and its subsidiaries contribute at rate of 5%, and disburse to staff when their employment is terminated under the terms and conditions of the fund. For the year ended 30 June 2021, Baht 59 million and Baht 50 million was contributed to the fund by the Group and the Bank (for the six-month period ended 30 June 2020 : Baht 73 million and Baht 64 million, respectively).

#### 42 Earnings per share

Earnings per share as presented in the consolidated and bank statements of comprehensive income are calculated by dividing net income for the year by the weighted average number of ordinary shares held by outside shareholders in issue during the year (Note 27).

There are no potential dilutive ordinary shares in issue for the years ended 30 June 2021 and 2020.

#### 43 Encumbrance of assets

##### Assets used as collateral

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

	<b>Consolidated</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Securities sold under repurchase	14,487	9,372
Utilities usage	7	7
Insurance broker business	2	2
<b>Total</b>	<b>14,496</b>	<b>9,381</b>
	<b>Separate</b>	
	<b>30 June 2021 Million Baht</b>	<b>31 December 2020 Million Baht</b>
Securities sold under repurchase	14,487	9,372
Utilities usage	7	7
<b>Total</b>	<b>14,494</b>	<b>9,379</b>

#### 44 Commitments and contingent liabilities

##### 44.1 Commitments

As at 30 June 2021 and 31 December 2020, significant commitments of the Bank consist of:

	Consolidated					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Avals to bills:</b>						
Avals to bills	12	-	12	17	-	17
<b>Liability under unmatured import bills:</b>						
Liability under unmatured import bills	-	160	160	-	157	157
<b>Letters of credit:</b>						
Letters of credit	-	847	847	10	755	765
<b>Bills on domestic letter of credit:</b>						
Bills on domestic letter of credit	41	-	41	31	-	31
<b>Other commitments:</b>						
Forward and spot contracts						
- Bought	-	810,349	810,349	-	610,461	610,461
- Sold	-	674,553	674,553	-	504,242	504,242
Cross currency and interest rate swap contract						
- Bought	-	234,457	234,457	-	219,054	219,054
- Sold	-	253,070	253,070	-	203,255	203,255
Interest rate swap contracts						
- Fixed rate receiver	941,371	152,721	1,094,092	813,213	139,880	953,093
- Floating rate receiver	1,003,612	298,439	1,302,051	914,162	256,652	1,170,814
Foreign exchange option						
- Call option sales contracts	-	321	321	-	334	334
- Put option sales contracts	-	417	417	-	406	406
- Call option purchase contracts	-	225	225	-	646	646
- Put option purchase contracts	-	112	112	-	318	318
Commodity						
- Bought	-	91	91	-	-	-
- Sold	-	91	91	-	-	-
Credit derivatives						
- Bought	1,800	4,135	5,935	1,800	3,875	5,675
- Sold	1,800	4,135	5,935	1,800	3,875	5,675
Fund Option						
- Bought	-	835	835	-	2,016	2,016
- Sold	-	835	835	-	2,016	2,016
Equity option						
- Bought	-	344	344	-	323	323
- Sold	-	344	344	-	323	323
Bond forward						
- Sold	22,037	-	22,037	23,371	-	23,371
Bonds						
- Bought	-	-	-	271	-	271
Undrawn bank overdrafts	13,790	-	13,790	14,719	-	14,719
Undrawn credit line	10,033	994	11,027	14,378	-	14,378
Other guarantees	8,525	1,336	9,861	8,548	1,968	10,516
Other commitments	2,002,968	2,437,804	4,440,772	1,792,262	1,949,644	3,741,906
Total commitments	2,003,021	2,438,811	4,441,832	1,792,320	1,950,556	3,742,876

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	Separate					
	30 June 2021			31 December 2020		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
<b>Avals to bills and guarantees of loans:</b>						
Avals to bills and guarantees of loans	12	-	12	17	-	17
<b>Liability under unmaturing import bills:</b>						
Liability under unmaturing import bills	-	160	160	-	157	157
<b>Letters of credit:</b>						
Letters of credit	-	847	847	10	755	765
<b>Bills on domestic letter of credit:</b>						
Bills on domestic letter of credit	41	-	41	31	-	31
<b>Other commitments:</b>						
Forward and spot contracts						
- Bought	-	810,349	810,349	-	610,461	610,461
- Sold	-	674,553	674,553	-	504,242	504,242
Cross currency and interest rate swap contract						
- Bought	-	234,457	234,457	-	219,054	219,054
- Sold	-	253,070	253,070	-	203,255	203,255
Interest rate swap contracts						
- Fixed rate receiver	941,371	152,721	1,094,092	813,213	139,880	953,093
- Floating rate receiver	1,003,612	298,439	1,302,051	914,162	256,652	1,170,814
Foreign exchange option						
- Call option sales contracts	-	321	321	-	334	334
- Put option sales contracts	-	417	417	-	406	406
- Call option purchase contracts	-	225	225	-	646	646
- Put option purchase contracts	-	112	112	-	318	318
Commodity						
- Bought	-	91	91	-	-	-
- Sold	-	91	91	-	-	-
Credit derivatives						
- Bought	1,800	4,135	5,935	1,800	3,875	5,675
- Sold	1,800	4,135	5,935	1,800	3,875	5,675
Fund Option						
- Bought	-	835	835	-	2,016	2,016
- Sold	-	835	835	-	2,016	2,016
Equity option						
- Bought	-	344	344	-	323	323
- Sold	-	344	344	-	323	323
Bond forward						
- Sold	22,037	-	22,037	23,371	-	23,371
Bonds						
- Bought	-	-	-	271	-	271
Undrawn bank overdrafts	13,790	-	13,790	14,719	-	14,719
Undrawn credit line	26,738	994	27,732	27,848	-	27,848
Other guarantees	8,525	1,336	9,861	8,548	1,968	10,516
Other commitments	2,019,673	2,437,804	4,457,477	1,805,732	1,949,644	3,755,376
Total commitments	2,019,726	2,438,811	4,458,537	1,805,790	1,950,556	3,756,346

#### 44.2 Contingent liabilities

As at 30 June 2021 and 31 December 2020, the Group had the following contingent liabilities in connection with court cases in which the Group have been sued as defendants in court. The lawsuits were mainly lodged to claim compensation and the management believes that they will have no significant impact on the Group once they are finalised:

	<b>Consolidated and Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Sum claimed in cases where the Group is sole defendant	216	299
Sum claimed in cases where the Group is co-defendant		
- Sum of claims that can be specifically attributed to the Group	305	312
- Sum of claims that cannot be specifically attributed to the Group	88	89
<b>Total</b>	<b>609</b>	<b>700</b>

As at 30 June 2021, included in the above-mentioned amounts are cases in which the court was judged in favor of the plaintiffs where the Bank is a co-defendant with others with sums claimed totaling Baht 160 million. However, the Bank is in the process of appealing the decisions (31 December 2020 : Baht 160 million). The Bank recognised provisions for contingent loss from legal cases of approximately Baht 55 million (31 December 2020 : Baht 44 million). Management concluded and believed that such provisions were adequate to cover any possible loss from these legal cases.

#### 44.3 Commitments under long-term leases

As at 30 June 2021 and 31 December 2020, the Group has commitments under long-term leases as follows:

<b>Lease periods</b>	<b>Consolidated</b>		<b>Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
Not over than 3 years	122	146	84	104
3 - 5 years	-	1	-	1
<b>Total</b>	<b>122</b>	<b>147</b>	<b>84</b>	<b>105</b>

#### 44.4 Other commitments

As at 30 June 2021 and 31 December 2020, the Group has other commitments in the form of various agreements relating to computer system and software development. The Group is obligated to pay by currencies as follows:

<b>Currency</b>	<b>Consolidated and Separate</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Baht	114	113
MYR	-	2
<b>Total</b>	<b>114</b>	<b>115</b>

#### 45 Related party transactions

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

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

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Subsidiaries</b>				
Revenue:				
Interest income	-	-	200	272
Fees income	-	-	29	4
Dividend income	-	-	-	725
<b>Parent company</b>				
Expenses:				
Interest expenses	346	102	346	102
Fees expenses	21	28	21	28
Other expenses	8	-	8	-
<b>Companies under common control</b>				
Revenue:				
Fees income	36	127	36	127
Expenses:				
Interest expenses	2	6	2	6
Fees expenses	4	5	4	5
Other expenses	(4)	(4)	(4)	(4)

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	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Subsidiaries</b>				
Revenue:				
Interest income	-	-	417	545
Fees income	-	-	38	12
Dividend income	-	-	-	725
Expenses:				
Interest expenses	-	-	-	1
<b>Parent company</b>				
Expenses:				
Interest expenses	455	215	455	215
Fees expenses	68	70	68	70
Other expenses	11	1	11	1
<b>Companies under common control</b>				
Revenue:				
Fees income	204	237	204	237
Expenses:				
Interest expenses	2	6	2	6
Fees expenses	5	8	5	8
Other expenses	(3)	(5)	(3)	(5)

The outstanding balances of significant related party transactions as at 30 June 2021 and 31 December 2020 are as follows:

	<b>Consolidated</b>							
	<b>30 June 2021</b>							
	<b>Outstanding loans</b>	<b>Interbank and money market items (asset)</b>	<b>Obligations</b>	<b>Other assets</b>	<b>Deposits</b>	<b>Interbank and money market items (liability)</b>	<b>Borrowings</b>	<b>Other liabilities</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Parent company</b>								
CIMB Bank Berhad	-	36	-	-	-	59	11,823	196
	-	36	-	-	-	59	11,823	196
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	96	-	-	-	4	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	1	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	7
PT Bank CIMB Niaga Tbk	-	3	-	-	-	4	-	-
CIMB Bank (Vietnam) Limited	-	-	-	-	-	801	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	663	3	-	-
Principal Asset Management Co., Ltd.	-	-	-	19	842	-	-	2
Sathorn Asset Management Co., Ltd.	-	-	-	1	624	-	-	6
	-	99	-	20	2,129	813	-	15
<b>Other related persons or parties</b>	35	-	749	-	460	-	-	1
	35	-	749	-	460	-	-	1

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		<b>Consolidated</b>						
		<b>31 December 2020</b>						
	<b>Outstanding loans</b>	<b>Interbank and money market items (asset)</b>	<b>Obligations</b>	<b>Other assets</b>	<b>Deposits</b>	<b>Interbank and money market items (liability)</b>	<b>Borrowings</b>	<b>Other liabilities</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Parent company</b>								
CIMB Bank Berhad	-	762	60	-	-	947	9,755	726
	-	762	60	-	-	947	9,755	726
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	70	-	-	-	10	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	2	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	43
PT Bank CIMB Niaga Tbk	-	1	-	-	-	3	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	629	-	-	-
Principal Asset Management Co., Ltd.	-	-	-	22	674	-	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	400	-	-	5
	-	71	-	23	1,703	15	-	48
<b>Other related persons or parties</b>	40	-	819	-	432	-	-	7
	40	-	819	-	432	-	-	7
		<b>Separate</b>						
		<b>30 June 2021</b>						
	<b>Outstanding loans</b>	<b>Interbank and money market items (asset)</b>	<b>Obligations</b>	<b>Other assets</b>	<b>Deposits</b>	<b>Interbank and money market items (liability)</b>	<b>Borrowings</b>	<b>Other liabilities</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Subsidiary companies</b>								
CIMB Thai Auto Co., Ltd.	26,883	-	-	25	92	-	-	2
Worldlease Co., Ltd.	1,332	-	-	7	271	-	-	1
CT Coll Co., Ltd.	-	-	-	-	42	-	-	-
	28,215	-	-	32	405	-	-	3
<b>Parent company</b>								
CIMB Bank Berhad	-	36	-	-	-	59	11,823	196
	-	36	-	-	-	59	11,823	196
<b>Companies under common control</b>								
CIMB Bank Plc, Cambodia	-	96	-	-	-	4	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	1	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	7
PT Bank CIMB Niaga Tbk	-	3	-	-	-	4	-	-
CIMB Bank (Vietnam) Limited	-	-	-	-	-	801	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	663	3	-	-
Principal Asset Management Co., Ltd.	-	-	-	19	842	-	-	2
Sathorn Asset Management Co., Ltd.	-	-	-	1	624	-	-	6
	-	99	-	20	2,129	813	-	15
<b>Other related persons or parties</b>	29	-	749	-	156	-	-	1
	29	-	749	-	156	-	-	1



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		<b>Separate</b>						
		<b>31 December 2020</b>						
	<b>Outstanding loans Million Baht</b>	<b>Interbank and money market items (asset) Million Baht</b>	<b>Obligations Million Baht</b>	<b>Other assets Million Baht</b>	<b>Deposits Million Baht</b>	<b>Interbank and money market items (liability) Million Baht</b>	<b>Borrowings Million Baht</b>	<b>Other liabilities Million Baht</b>
<b><u>Subsidiary companies</u></b>								
CIMB Thai Auto Co., Ltd.	30,805	-	-	2	92	-	-	-
Worldlease Co., Ltd.	2,135	-	-	5	59	-	-	-
CT Coll Co., Ltd.	-	-	-	-	43	-	-	-
	<b>32,940</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>194</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Parent company</u></b>								
CIMB Bank Berhad	-	762	60	-	-	947	9,755	726
	<b>-</b>	<b>762</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>947</b>	<b>9,755</b>	<b>726</b>
<b><u>Companies under common control</u></b>								
CIMB Bank Plc, Cambodia	-	70	-	-	-	10	-	-
CIMB Islamic Bank Bhd	-	-	-	-	-	2	-	-
iCIMB (MSC) Sdn Bhd	-	-	-	-	-	-	-	43
PT Bank CIMB Niaga Tbk	-	1	-	-	-	3	-	-
CGS-CIMB Securities (Thailand) Co., Ltd.	-	-	-	-	629	-	-	-
Principal Asset Management Co., Ltd.	-	-	-	22	674	-	-	-
Sathorn Asset Management Co., Ltd.	-	-	-	1	400	-	-	5
	<b>-</b>	<b>71</b>	<b>-</b>	<b>23</b>	<b>1,703</b>	<b>15</b>	<b>-</b>	<b>48</b>
<b><u>Other related persons or parties</u></b>	<b>32</b>	<b>-</b>	<b>819</b>	<b>-</b>	<b>428</b>	<b>-</b>	<b>-</b>	<b>7</b>
	<b>32</b>	<b>-</b>	<b>819</b>	<b>-</b>	<b>428</b>	<b>-</b>	<b>-</b>	<b>7</b>

As at 30 June 2021 and 31 December 2020, the Bank has commitments in financial derivatives with related parties as follows:

		<b>30 June 2021</b>		
		<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
<b><u>Parent company</u></b>				
Interest rate swap contracts				
- Fixed rate receiver		48,150	4,325	52,475
- Floating rate receiver		34,230	10,723	44,953
Forward and spot contracts				
- Bought		-	11,863	11,863
- Sold		-	75	75
Cross currency and interest rate swap contracts				
- Bought		-	8,254	8,254
- Sold		-	188	188
Fund Option				
- Bought		-	30	30
Credit derivatives				
- Sold		1,800	3,875	5,675
<b><u>Company under common control</u></b>				
Forward and spot contracts				
- Bought		-	91	91
- Sold		-	49	49
Computer system and software development agreement		-	1	1

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	<b>31 December 2020</b>		
	<b>Domestic Million Baht</b>	<b>Foreign Million Baht</b>	<b>Total Million Baht</b>
<b>Parent company</b>			
Interest rate swap contracts			
- Fixed rate receiver	48,150	4,325	52,475
- Floating rate receiver	34,230	10,723	44,953
Forward and spot contracts			
- Bought	-	11,863	11,863
- Sold	-	75	75
Cross currency and interest rate swap contracts			
- Bought	-	8,254	8,254
- Sold	-	188	188
Fund Option			
- Bought	-	30	30
Credit derivatives			
- Sold	1,800	3,875	5,675

**Company under common control**

Forward and spot contracts			
- Bought	-	91	91
- Sold	-	49	49
Computer system and software development agreement	-	1	1

**Directors and key management compensations**

For the three-month and six-month period ended ended 30 June 2021 and 2020, compensations paid to directors and key management personnel are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the three-month period ended 30 June</b>		<b>For the three-month period ended 30 June</b>	
	<b>2021 Million Baht</b>	<b>2020 Million Baht</b>	<b>2021 Million Baht</b>	<b>2020 Million Baht</b>
Short-term employee benefits	98	81	95	74
Long-term employee benefits	5	5	5	5
Share-based payments	8	8	8	8
Director and management remuneration	111	94	108	87

	<b>Consolidated</b>		<b>Separate</b>	
	<b>For the six-month period ended 30 June</b>		<b>For the six-month period ended 30 June</b>	
	<b>2021 Million Baht</b>	<b>2020 Million Baht</b>	<b>2021 Million Baht</b>	<b>2020 Million Baht</b>
Short-term employee benefits	274	333	268	310
Long-term employee benefits	11	11	10	10
Share-based payments	16	16	16	16
Director and management remuneration	301	360	294	336

The details of share based payment are as follows:

	<b>Consolidated and Separate</b>	
	<b>30 June 2021 thousand units</b>	<b>31 December 2020 thousand units</b>
<u>Long Term Incentive Plan (LTIP)</u>		
Shares of CIMB Group Holdings Berhad	1,332	-
Share options of CIMB Group Holdings Berhad	18,348	-
<u>Equity Ownership Plan (EOP)</u>		
Shares of CIMB Group Holdings Berhad	304	1,191

#### **Benefits paid to directors and executives**

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

## **46 Financial information by segment**

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

### Consumer banking

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

### Wholesale banking

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

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

### Others

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

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

### Bank business

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

### Hire-purchase business

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

### Others

Others include CT Coll Company Limited which operates debt collection business.

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Financial information presented in the consolidated financial statements as at 30 June 2021 and 31 December 2020 are as follows:

<b>Consolidated</b>					
<b>For the three-month period ended 30 June 2021</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Eliminations Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	1,865	486	267	-	2,618
Net fees and service income (expense)	280	68	(4)	-	344
Other operating income	442	387	11	(29)	811
Other operating expenses	(1,573)	(362)	(146)	29	(2,052)
Expected credit losses	(706)	(35)	(230)	27	(944)
Income tax expenses	(64)	(115)	15	-	(164)
Net profit for the year	244	429	(87)	27	613
<b>Consolidated</b>					
<b>For the three-month period ended 30 June 2020</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Eliminations Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	2,237	628	59	-	2,924
Net fees and service income (expense)	192	109	(5)	(2)	294
Other operating income	391	21	783	(727)	468
Other operating expenses	(1,687)	(405)	(162)	2	(2,252)
Expected credit losses	(1,089)	(738)	796	5	(1,026)
Income tax expenses	(14)	13	(101)	-	(102)
Net profit (loss) for the period	30	(372)	1,370	(722)	306
<b>Consolidated</b>					
<b>For the six-month period ended 30 June 2021</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Eliminations Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	3,749	886	447	-	5,082
Net fees and service income (expense)	597	164	(6)	(1)	754
Other operating income	842	586	57	(37)	1,448
Other operating expenses	(3,123)	(810)	(238)	38	(4,133)
Expected credit losses	(1,613)	19	(407)	45	(1,956)
Income tax expenses	(91)	(170)	21	-	(240)
Net profit for the period	361	675	(126)	45	955
<b>Consolidated</b>					
<b>For the six-month period ended 30 June 2020</b>					
	<b>Consumer banking Million Baht</b>	<b>Wholesale banking Million Baht</b>	<b>Others Million Baht</b>	<b>Eliminations Million Baht</b>	<b>Total Million Baht</b>
Net interest income from external	4,347	1,110	298	-	5,755
Net fees and service income (expense)	536	204	(40)	(8)	692
Other operating income	821	572	817	(729)	1,481
Other operating expenses	(3,574)	(813)	(330)	4	(4,713)
Expected credit losses	(1,902)	(742)	991	11	(1,642)
Income tax expenses	(27)	(39)	(121)	-	(187)
Net profit for the period	201	292	1,615	(722)	1,386

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	Bank business		Hire-purchase business		Other businesses		Eliminations		Consolidated	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Total assets	392,787	407,699	34,400	38,829	42	43	(31,529)	(36,044)	395,700	410,527
Interbank and money market Items, net (assets)	8,004	6,189	534	320	42	43	(405)	(195)	8,175	6,357
Financial assets measured at fair value through profit or loss	29,397	35,234	-	-	-	-	-	-	29,397	35,234
Investments, net	61,013	61,491	2	2	-	-	-	-	61,015	61,493
Loans and accrued interest receivables, net	207,664	217,576	32,430	37,171	-	-	(28,139)	(32,903)	211,955	221,844
Deposits	188,312	194,150	-	-	-	-	(405)	(194)	187,907	193,956
Interbank and money market Items (liabilities)	48,235	47,095	28,155	32,935	-	-	(28,155)	(32,935)	48,235	47,095
Financial liabilities measured at fair value through profit or loss	25,850	28,949	-	-	-	-	-	-	25,850	28,949
Debt issued and borrowings	20,422	19,449	-	-	-	-	-	-	20,422	19,449

## 47 Fair value

### 47.1 Fair value estimation

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

- Level 1: The fair value of financial instruments is based on the current bid price/ closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

The following table presents the assets and liabilities that are measured at fair value at 30 June 2021 and 31 December 2020.

<b>Consolidated and Separate</b>				
<b>30 June 2021</b>				
	<b>Level 1 Million Baht</b>	<b>Level 2 Million Baht</b>	<b>Level 3 Million Baht</b>	<b>Total Million Baht</b>
<b>Assets</b>				
Financial assets measured at fair value through profit or loss	-	29,397	-	29,397
Investments in debt instruments measured at fair value through other comprehensive income	-	39,509	-	39,509
Investments in equity instruments measured at fair value through other comprehensive income	58	-	28	86
Derivative assets	-	55,023	-	55,023
<b>Total assets</b>	<b>58</b>	<b>123,929</b>	<b>28</b>	<b>124,015</b>
<b>Liabilities</b>				
Financial liabilities measured at fair value through profit or loss	-	25,850	-	25,850
Derivatives liabilities	-	52,863	-	52,863
<b>Total liabilities</b>	<b>-</b>	<b>78,713</b>	<b>-</b>	<b>78,713</b>
<b>Consolidated and Separate</b>				
<b>31 December 2020</b>				
	<b>Level 1 Million Baht</b>	<b>Level 2 Million Baht</b>	<b>Level 3 Million Baht</b>	<b>Total Million Baht</b>
<b>Assets</b>				
Financial assets measured at fair value through profit or loss	-	35,234	-	35,234
Investments in debt instruments measured at fair value through other comprehensive income	-	39,743	-	39,743
Investments in equity instruments measured at fair value through other comprehensive income	52	-	26	78
Derivative assets	-	57,561	-	57,561
<b>Total assets</b>	<b>52</b>	<b>132,538</b>	<b>26</b>	<b>132,616</b>
<b>Liabilities</b>				
Financial liabilities measured at fair value through profit or loss	-	28,949	-	28,949
Derivatives liabilities	-	57,221	-	57,221
<b>Total liabilities</b>	<b>-</b>	<b>86,170</b>	<b>-</b>	<b>86,170</b>

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The following table presents the financial assets and liabilities that are not measured at fair value which have fair value at 30 June 2021 and 31 December 2020:

	<b>Consolidated</b>			
	<b>30 June 2021</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	803	-	-	803
Interbank and money market items, net	5,493	2,682	-	8,175
Investments in debt instruments measured at amortized cost	-	22,433	-	22,433
Loans to customers and accrued interest receivables, net	-	210,937	-	210,937
Credit support assets on derivatives	-	16,804	-	16,804
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	4,386	-	4,386
Other assets	-	766	-	766
<b>Total assets</b>	<b>6,296</b>	<b>258,008</b>	<b>-</b>	<b>264,304</b>
<b>Liabilities</b>				
Deposits	-	187,933	-	187,933
Interbank and money market items	-	48,235	-	48,235
Liability payable on demand	-	389	-	389
Debt issued and borrowings	-	20,582	-	20,582
Lease liabilities	-	253	-	253
Credit support liabilities on derivatives	-	9,549	-	9,549
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	2,244	-	2,244
<b>Total liabilities</b>	<b>-</b>	<b>269,185</b>	<b>-</b>	<b>269,185</b>

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	<b>Consolidated</b>			
	<b>31 December 2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	919	-	-	919
Interbank and money market items, net	4,412	1,945	-	6,357
Investments in debt instruments measured at amortized cost	-	22,966	-	22,966
Loans to customers and accrued interest receivables, net	-	220,317	-	220,317
Credit support assets on derivatives	-	16,051	-	16,051
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	-	3,052
Other assets	-	697	-	697
<b>Total assets</b>	<b>5,331</b>	<b>265,028</b>	<b>-</b>	<b>270,359</b>
<b>Liabilities</b>				
Deposits	-	193,975	-	193,975
Interbank and money market items	-	47,095	-	47,095
Liability payable on demand	-	256	-	256
Debt issued and borrowings	-	19,734	-	19,734
Lease liabilities	-	297	-	297
Credit support liabilities on derivatives	-	12,111	-	12,111
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	-	3,806
<b>Total liabilities</b>	<b>-</b>	<b>277,274</b>	<b>-</b>	<b>277,274</b>



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<b>Separate</b>				
<b>30 June 2021</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	802	-	-	802
Interbank and money market items, net	5,322	2,682	-	8,004
Investments in debt instruments measured at amortized cost	-	22,431	-	22,430
Loans to customers and accrued interest receivables, net	-	206,410	-	206,410
Credit support assets on derivatives	-	16,804	-	16,804
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	4,386	-	4,386
Other assets	-	766	-	766
<b>Total assets</b>	<b>6,124</b>	<b>253,479</b>	<b>-</b>	<b>259,603</b>
<b>Liabilities</b>				
Deposits	-	188,338	-	188,338
Interbank and money market items	-	48,235	-	48,235
Liability payable on demand	-	389	-	389
Debt issued and borrowings	-	20,582	-	20,582
Lease liabilities	-	200	-	200
Credit support liabilities on derivatives	-	9,549	-	9,549
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	2,244	-	2,244
<b>Total liabilities</b>	<b>-</b>	<b>269,537</b>	<b>-</b>	<b>269,537</b>

	<b>Separate</b>			
	<b>31 December 2020</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Assets</b>				
Cash	918	-	-	918
Interbank and money market items, net	4,244	1,945	-	6,189
Investments in debt instruments measured at amortized cost	-	22,964	-	22,964
Loans to customers and accrued interest receivables, net	-	216,202	-	216,202
Credit support assets on derivatives	-	16,051	-	16,051
Accounts receivable from sell of financial assets measured at fair value through profit or loss and investments	-	3,052	-	3,052
Other assets	-	413	-	413
<b>Total assets</b>	<b>5,162</b>	<b>260,627</b>	<b>-</b>	<b>265,789</b>
<b>Liabilities</b>				
Deposits	-	194,169	-	194,169
Interbank and money market items	-	47,095	-	47,095
Liability payable on demand	-	256	-	256
Debt issued and borrowings	-	19,734	-	19,734
Lease liabilities	-	234	-	234
Credit support liabilities on derivatives	-	12,111	-	12,111
Accounts payable from purchase of financial assets measured at fair value through profit or loss and investments	-	3,806	-	3,806
<b>Total liabilities</b>	<b>-</b>	<b>277,405</b>	<b>-</b>	<b>277,405</b>

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

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

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

**Investments in debt instruments measured at amortized cost**

The determination of fair value for investments in debt instruments measured at amortized cost are based on quoted and observable market price. Where there is no ready market in certain securities, the Group are initially recognised at expected future cash flows discounted by the market interest rate that is adjusted by risk free rate of each entity.

**Loans and accrued interest receivables, net**

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

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

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

#### **Other assets**

Other assets - Accounts receivable - bill of exchange, the fair value is equal to the present value of future cash flows discounted by the effective interest of loans with similar features. Credit support assets on derivatives, accounts receivable from sell of financial assets measured at fair value through profit or loss and investments, the fair value presented in the statement of financial position approximate fair values.

#### **Deposits**

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

#### **Interbank and money market items, net (liabilities)**

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

#### **Liability payable on demand**

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

#### **Debt issued and borrowings**

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

#### **Lease liabilities**

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

#### **Other liabilities**

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

### **47.2 Valuation techniques used to derive Level 2 fair values**

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

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

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

	<b>Consolidated and Separate</b>	
	<b>Investments in equity instruments designated at fair value through other comprehensive income</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Opening balance	26	29
Gains (losses) recognised in other comprehensive income	2	(3)
Closing balance	28	26

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

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

	<b>Fair Value</b>		<b>Unobservable inputs</b>	<b>Range of Inputs</b>	
	<b>30 June 2021</b>	<b>31 December 2020</b>		<b>30 June 2021</b>	<b>31 December 2020</b>
	<b>Million Baht</b>	<b>Million Baht</b>		<b>Million Baht</b>	<b>Million Baht</b>
Investments in equity instruments designated at fair value through other comprehensive income	28	25	Net Asset Value	0.00 - 29	0.05 - 21

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

	<b>Unobservable inputs</b>	<b>Movement</b>	<b>Change in fair value</b>	
			<b>Increase in assumptions</b>	<b>Decrease in assumptions</b>
			<b>30 June 2021</b>	<b>31 December 2020</b>
Investments in equity instruments designated at fair value through other comprehensive income	Net Asset Value	0.50%	Increase by 0.50%	Decrease by 0.50%

### 48 Significant events during the current year

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

As at 30 June 2021, the Group granted moratorium to debtors for financial aids following the Bank of Thailand measures such as extending repayment period, reducing interest rate or debt restructuring as appropriate. This moratorium is treated as a contract modification, which will result in an increasing expected credit loss in the Group. The Group provided financial assistance to customers totaling approximately 16.36% of the Group total outstanding loans, relief measures provided to retail segment were approximately 8.42% of the Group total outstanding loans while relief measures provided to Commercial Lending segment were approximately 7.93% of the Group total outstanding loans.

## **49 Subsequent events**

### **The redemption of subordinated debentures**

On 12 July 2021, the Bank exercised its option to early redeem all subordinated debentures amounting to MYR 570 million, maturing in 2026, which the Bank was able to early redeem (under the specified conditions). This early redemption was approved by BOT notification For Nor Sor1. 58/2564 The approval of early redemption of subordinated debentures that counted as tier II.

On the same day, the Bank issued MYR 660 million of subordinated debentures pursuant to tier II subordinated debenture programme, 6,600,000 units of MYR 100 each, interest rate of 3.90% per annum with a payment of interest every six months. The debenture has a tenor of 10 years and is due in 2031. The Bank may exercise its right to early redeem the debenture after 5 years subject to approval by the Bank of Thailand.

The Bank has an approval from the Bank of Thailand to count the subordinated debenture as tier II capital according to the correspondence For Nor Sor1. 81/2564.

### **Capital reduction**

On 22 July 2021, CT Coll Company Limited has decrease registered its capital at the Department of Business Development from the registered capital of Baht 38,500,000 to the remaining Baht 9,625,000 by reducing the par value from the original price of Baht 100 per share to the remaining value of Baht 25 per share, totaling 385,000 share according to the Annual General Meeting of Shareholders approval on 30 April 2021. The Company return capital of Baht 29 million to its shareholders.