

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
BANGKOK BANK PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Bangkok Bank Public Company Limited and subsidiaries (the “Bank and subsidiaries”) and the Bank’s financial statements of Bangkok Bank Public Company Limited (the “Bank”), which comprise the consolidated and Bank’s statements of financial position as at June 30, 2023, and the related consolidated and Bank’s statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and Bank’s financial statements present fairly, in all material respects, the financial position of Bangkok Bank Public Company Limited and subsidiaries and of Bangkok Bank Public Company Limited as at June 30, 2023, and its financial performance and its cash flows for the six-month period then ended in accordance with Thai Financial Reporting Standards (“TFRSs”) and the Bank of Thailand’s regulations.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Bank’s Financial Statements section of our report. We are independent of the Bank and subsidiaries in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and Bank’s financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and Bank's financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and Bank's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
<p>Allowance for expected credit loss</p> <p>The allowance for expected credit loss for loans to customers is considered to be the key audit matter as it requires the use of various assumptions and judgment including forward economic looking and post model adjustments and it is recognized in accordance with Thai Financial Reporting Standard No. 9 - Financial Instruments ("TFRS 9") and the relevant regulations of the Bank of Thailand. TFRS 9 requires the Bank and subsidiaries to recognize impairment based on expected credit loss ("ECL"). We focused our audit on the following areas of allowance for expected credit loss for loans to customers specifically relating to:</p> <ul style="list-style-type: none"> Accounting interpretations and modelling assumptions used to build the models that the Bank used to calculate the ECL which involves determining Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD); Inputs and assumptions used to estimate the impact of multiple economic scenarios 	<p>Key audit procedures included</p> <ul style="list-style-type: none"> Reviewing management written policies, which were collaborated from the Bank's management's experts, and procedures to derive the allowance for expected credit loss estimate. Determining whether the policies and procedures for the estimation are incorporated with the requirements of TFRS 9 and properly approved by the appropriate level of management. Understanding and testing design and operating effectiveness of key controls across the processes relevant to the ECL. This included the classification of assets into stages, credit monitoring, multiple economic scenarios, and individual provisions. Involvement of our internal specialists to assess the model documentation and model validation reports. This included assessing the appropriateness of model design, assumptions, inputs, formulas used and post model adjustments. We tested the data used in the ECL calculation by reconciling to source systems and recalculating the allowance for expected credit loss for a sample of models.

Key Audit Matter	Audit Responses
<ul style="list-style-type: none"> Classification of loans to customers to stage 1, 2 and 3 using criteria in accordance with TFRS 9 and the relevant regulations of the Bank of Thailand; Indicators that will significantly reduce the ability to pay the debt or the increase in credit risk including quantitative and qualitative information and also forward-looking analysis both events that have already occurred and may occur in the future; and Completeness and valuation of post model adjustments. <p>Accounting policy for allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in Note 3.5 and Note 6.9, respectively.</p>	<ul style="list-style-type: none"> Evaluating relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumption appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions. Performing an overall assessment of the ECL provision levels to determine if they were reasonable considering the Bank and subsidiaries' portfolio, risk profile, credit risk management practices and the macroeconomic factors. We considered trends in the economy and industries to which the Bank and subsidiaries are exposed. Considering the criteria used to classify an asset to stage 1, 2 and 3 in accordance with TFRS 9 and the relevant regulations of the Bank of Thailand. Testing sample of assets in stage 1, 2 and 3 to verify that they were classified to the appropriate stage. This also included considering the internal credit risk rating system of the Bank and also external credit risk grading. Assessing the adequacy and appropriateness of the disclosure in accordance with Group of Financial Instruments Standards and the BOT's Notification.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and Bank's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and Bank's financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and Bank's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and subsidiaries' and the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and subsidiaries' and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and subsidiaries and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and Bank's financial statements, including the disclosures, and whether the consolidated and Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

We have reviewed the consolidated statement of profit or loss and other comprehensive income of Bangkok Bank Public Company Limited and subsidiaries and the Bank's statement of profit or loss and other comprehensive income of Bangkok Bank Public Company Limited for the three-month period ended June 30, 2023, and the notes to the financial statements ("interim financial information"). The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting" and the Bank of Thailand's regulations. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting" and the Bank of Thailand's regulations.

Nisakorn Songmanee

Certified Public Accountant (Thailand)

Registration No. 5035

BANGKOK

August 22, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
ASSETS					
CASH	6.2	42,762,982	52,432,699	39,060,322	48,169,322
INTERBANK AND MONEY MARKET ITEMS, NET	6.4	749,157,716	766,074,475	563,528,738	587,553,969
FINANCIAL ASSETS MEASURED AT FAIR VALUE					
THROUGH PROFIT OR LOSS	6.5	85,958,684	75,036,089	99,276,318	90,801,828
DERIVATIVES ASSETS	6.6	78,690,115	84,839,352	78,178,747	83,582,630
INVESTMENTS, NET	6.7	915,942,790	850,150,825	772,170,492	706,876,633
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	6.8	1,399,381	1,420,693	144,816,959	144,816,959
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET	6.9	2,452,498,866	2,449,355,263	2,084,093,650	2,096,756,258
PROPERTIES FOR SALE, NET	6.10	12,075,801	12,016,841	11,155,371	11,129,554
PREMISES AND EQUIPMENT, NET	6.11	63,067,284	61,892,520	52,361,624	51,648,845
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	6.12	35,408,539	33,697,374	1,314,170	1,450,492
DEFERRED TAX ASSETS	6.13	10,002,550	6,891,668	5,417,543	2,474,561
COLLATERAL PLACED WITH FINANCIAL COUNTERPARTIES		13,232,406	1,497,501	13,165,499	1,454,302
OTHER ASSETS, NET		25,427,280	26,446,787	11,124,034	13,360,986
TOTAL ASSETS		4,485,624,394	4,421,752,087	3,875,663,467	3,840,076,339

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
DEPOSITS	6.14	3,200,154,892	3,210,895,555	2,699,904,381	2,716,152,436
INTERBANK AND MONEY MARKET ITEMS	6.15	309,199,202	262,521,534	283,531,541	251,029,467
LIABILITY PAYABLE ON DEMAND		7,843,026	7,769,885	7,837,383	7,767,403
FINANCIAL LIABILITIES MEASURED AT FAIR VALUE					
THROUGH PROFIT OR LOSS	6.16	18,538,186	17,959,739	17,945,692	17,412,480
DERIVATIVES LIABILITIES	6.6	85,544,043	70,981,448	84,872,283	69,648,650
DEBT ISSUED AND BORROWINGS	6.17	192,631,589	188,301,568	192,096,598	187,056,618
PROVISIONS	6.21	30,986,150	27,177,164	27,741,641	24,176,399
DEFERRED TAX LIABILITIES	6.13	118,581	578,896	-	279,989
OTHER LIABILITIES	6.23	118,087,783	128,424,347	71,406,052	81,902,964
TOTAL LIABILITIES		3,963,103,452	3,914,610,136	3,385,335,571	3,355,426,406
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	6.24				
Registered share capital					
1,655,000 preferred shares of Baht 10 each		16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each		39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital					
1,908,842,894 common shares of Baht 10 each		19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES		56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES		53,280,147	54,243,425	46,431,698	55,480,947
RETAINED EARNINGS					
Appropriated	6.26 , 6.27				
Legal reserve		27,500,000	27,000,000	27,500,000	27,000,000
Others		121,500,000	121,500,000	121,500,000	121,500,000
Unappropriated		242,898,194	227,167,894	219,461,537	205,234,325
TOTAL BANK'S EQUITY		520,613,002	505,345,980	490,327,896	484,649,933
NON-CONTROLLING INTEREST		1,907,940	1,795,971	-	-
TOTAL SHAREHOLDERS' EQUITY		522,520,942	507,141,951	490,327,896	484,649,933
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,485,624,394	4,421,752,087	3,875,663,467	3,840,076,339

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)

President

(Mr. Suvam Thansathit)

Director and Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023
(Unaudited - Reviewed)

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2023	2022	2023	2022
INTEREST INCOME	6.35	47,272,523	31,937,243	36,732,468	23,498,346
INTEREST EXPENSES	6.36	15,785,197	8,411,429	11,568,608	5,767,643
NET INTEREST INCOME		31,487,326	23,525,814	25,163,860	17,730,703
FEES AND SERVICE INCOME	6.37	10,264,654	9,966,495	7,929,678	7,240,761
FEES AND SERVICE EXPENSES	6.37	3,694,033	3,240,127	3,215,758	2,731,320
NET FEES AND SERVICE INCOME		6,570,621	6,726,368	4,713,920	4,509,441
GAINS ON FINANCIAL INSTRUMENTS					
MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	6.38	3,371,895	3,435,470	2,677,311	3,016,476
LOSSES ON INVESTMENTS	6.39	(97,871)	(823,461)	(134,325)	(823,461)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		49,546	41,415	-	-
GAINS ON DISPOSAL OF ASSETS		58,565	98,595	37,831	71,091
DIVIDEND INCOME		797,726	910,440	3,892,273	4,436,283
OTHER OPERATING INCOME		205,459	277,559	69,462	112,602
TOTAL OPERATING INCOME		42,443,267	34,192,200	36,420,332	29,053,135
OTHER OPERATING EXPENSES					
Employee's expenses		8,616,306	8,311,814	6,073,291	5,942,394
Directors' remuneration		76,595	93,808	53,035	53,395
Premises and equipment expenses		4,049,725	3,847,476	3,072,030	2,966,992
Taxes and duties		1,328,239	934,843	1,307,901	887,600
Others		6,039,667	4,246,811	4,981,308	2,802,757
TOTAL OTHER OPERATING EXPENSES		20,110,532	17,434,752	15,487,565	12,653,138
EXPECTED CREDIT LOSS	6.40	8,879,797	8,353,956	7,251,706	7,387,254
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		13,452,938	8,403,492	13,681,061	9,012,743
INCOME TAX EXPENSES	6.41	2,046,941	1,319,467	1,500,035	659,006
NET PROFIT		11,405,997	7,084,025	12,181,026	8,353,737

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023
(Unaudited - Reviewed)

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Losses on investments in debt instruments at fair value					
through other comprehensive income		(2,747,424)	(8,162,597)	(3,238,924)	(6,918,987)
Losses on cash flow hedges		(596,473)	(1,772,110)	(596,473)	(1,772,110)
Gains arising from translating the financial statements of					
foreign operations		6,829,742	5,323,726	2,251,807	2,358,201
Share of other comprehensive income of associate		689	-	-	-
Income tax relating to components of other comprehensive					
income (losses)		664,059	2,220,630	768,145	1,944,597
Items that will not be reclassified subsequently to profit or loss					
Changes in revaluation surplus		(15,852)	-	(15,852)	-
Losses on investment in equity instruments designated at					
fair value through other comprehensive income		(4,786,594)	(3,701,811)	(4,950,458)	(3,666,016)
Losses on financial liabilities designated at fair value					
through profit or loss		(342,836)	(15,741)	(342,836)	(15,741)
Actuarial losses on defined benefit plans		(225,415)	(2,450)	-	-
Share of other comprehensive income (losses) of associate		295	(135)	-	-
Income tax relating to components of other comprehensive					
income (losses)		1,111,997	838,062	1,072,995	742,177
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		(107,812)	(5,272,426)	(5,051,596)	(7,327,879)
TOTAL COMPREHENSIVE INCOME		11,298,185	1,811,599	7,129,430	1,025,858
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		11,293,517	6,961,073	12,181,026	8,353,737
Non-controlling interest		112,480	122,952	-	-
		11,405,997	7,084,025	12,181,026	8,353,737
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		11,130,537	1,671,361	7,129,430	1,025,858
Non-controlling interest		167,648	140,238	-	-
		11,298,185	1,811,599	7,129,430	1,025,858
BASIC EARNINGS PER SHARE (BAHT)		5.92	3.65	6.38	4.38
WEIGHTED AVERAGE NUMBER					
OF COMMON SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvann Thansathit)
Director and Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2023	2022	2023	2022
INTEREST INCOME	6.35	91,443,009	61,858,934	70,969,379	45,329,249
INTEREST EXPENSES	6.36	29,877,950	16,586,100	21,966,887	11,205,999
NET INTEREST INCOME		61,565,059	45,272,834	49,002,492	34,123,250
FEES AND SERVICE INCOME	6.37	21,422,259	20,055,585	16,377,864	14,450,952
FEES AND SERVICE EXPENSES	6.37	7,729,195	6,371,926	6,811,216	5,386,451
NET FEES AND SERVICE INCOME		13,693,064	13,683,659	9,566,648	9,064,501
GAINS ON FINANCIAL INSTRUMENTS					
MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	6.38	4,816,673	4,781,120	3,814,868	4,282,193
LOSSES ON INVESTMENTS	6.39	(67,631)	(752,433)	(107,066)	(789,271)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		106,540	91,729	-	-
GAINS ON DISPOSAL OF ASSETS		700,858	162,417	134,207	122,192
DIVIDEND INCOME		1,427,649	1,521,065	4,495,093	5,022,967
OTHER OPERATING INCOME		494,279	541,986	226,502	186,183
TOTAL OPERATING INCOME		82,736,491	65,302,377	67,132,744	52,012,015
OTHER OPERATING EXPENSES					
Employee's expenses		17,940,232	17,046,449	12,691,831	12,275,378
Directors' remuneration		125,335	175,228	69,735	69,745
Premises and equipment expenses		7,639,087	7,267,106	5,698,858	5,532,691
Taxes and duties		2,366,591	1,666,064	2,330,691	1,600,712
Others		10,889,581	6,786,549	8,751,197	4,197,229
TOTAL OTHER OPERATING EXPENSES		38,960,826	32,941,396	29,542,312	23,675,755
EXPECTED CREDIT LOSS	6.40	17,353,952	14,843,495	14,360,693	13,305,943
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		26,421,713	17,517,486	23,229,739	15,030,317
INCOME TAX EXPENSES	6.41	4,774,446	3,194,616	3,441,838	1,873,585
NET PROFIT		21,647,267	14,322,870	19,787,901	13,156,732

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Losses on investments in debt instruments at fair value					
through other comprehensive income		(1,963,323)	(13,948,090)	(2,625,478)	(12,067,195)
Losses on cash flow hedges		(849,313)	(2,407,304)	(849,313)	(2,407,304)
Gains arising from translating the financial statements of					
foreign operations		9,405,875	3,348,070	1,727,434	1,745,922
Share of other comprehensive income of associate		1,659	-	-	-
Income tax relating to components of other comprehensive					
income (losses)		(706,186)	3,471,759	(560,615)	3,059,259
Items that will not be reclassified subsequently to profit or loss					
Changes in revaluation surplus		(17,328)	-	(17,328)	-
Gains (losses) on investment in equity instruments designated					
at fair value through other comprehensive income		(7,232,148)	1,639,531	(7,233,291)	1,667,041
Gains (losses) on financial liabilities designated at fair value					
through profit or loss		(368,551)	792,511	(368,551)	792,511
Actuarial gains (losses) on defined benefit plans		(225,416)	(1,305)	(1)	1,145
Share of other comprehensive income (losses) of associate		487	(1,512)	-	-
Income tax relating to components of other comprehensive					
income (losses)		1,614,581	(396,342)	1,543,323	(490,618)
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		(339,663)	(7,502,682)	(8,383,820)	(7,699,239)
TOTAL COMPREHENSIVE INCOME		21,307,604	6,820,188	11,404,081	5,457,493
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		21,422,806	14,079,136	19,787,901	13,156,732
Non-controlling interest		224,461	243,734	-	-
		21,647,267	14,322,870	19,787,901	13,156,732
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		20,993,140	6,577,813	11,404,081	5,457,493
Non-controlling interest		314,464	242,375	-	-
		21,307,604	6,820,188	11,404,081	5,457,493
BASIC EARNINGS PER SHARE (BAHT)		11.22	7.38	10.37	6.89
WEIGHTED AVERAGE NUMBER					
OF COMMON SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvam Thansathit)
Director and Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

CONSOLIDATED															
	Notes	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves					Retained Earnings			Total Equity Attributable to the Bank's Shareholders	Non-controlling Interest	Total	
				Appraisal Surplus	Revaluation Surplus on Investments	Cash flow Hedge Reserve	Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Others	Appropriated		Unappropriated			
										Legal Reserve	Others				
Balance as at January 1, 2022		19,088,429	56,346,232	32,479,760	27,454,401	159,735	(1,883,113)	8,136,189	1,642	26,000,000	116,500,000	208,443,791	492,727,066	1,865,491	494,592,557
Dividend paid	6.27	-	-	-	-	-	-	-	-	-	-	(4,769,445)	(4,769,445)	(216,135)	(4,985,580)
Legal reserve	6.26 , 6.27	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-
Total comprehensive income		-	-	85,997	(9,625,951)	(1,925,843)	634,009	3,333,027	(1,210)	-	-	14,077,784	6,577,813	242,375	6,820,188
Transfer to retained earnings		-	-	(545,823)	(602,700)	-	-	-	-	-	-	1,148,523	-	-	-
Balance as at June 30, 2022		19,088,429	56,346,232	32,019,934	17,225,750	(1,766,108)	(1,249,104)	11,469,216	432	26,500,000	116,500,000	218,400,653	494,535,434	1,891,731	496,427,165
Balance as at January 1, 2023		19,088,429	56,346,232	31,466,787	23,717,739	(327,636)	(722,279)	107,085	1,729	27,000,000	121,500,000	227,167,894	505,345,980	1,795,971	507,141,951
Dividend paid	6.27	-	-	-	-	-	-	-	-	-	-	(5,726,118)	(5,726,118)	(202,495)	(5,928,613)
Legal reserve	6.26 , 6.27	-	-	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-
Total comprehensive income		-	-	(13,863)	(8,588,732)	(679,450)	(294,841)	9,319,311	1,667	-	-	21,249,048	20,993,140	314,464	21,307,604
Transfer to retained earnings		-	-	(537,290)	(170,080)	-	-	-	-	-	-	707,370	-	-	-
Balance as at June 30, 2023		19,088,429	56,346,232	30,915,634	14,958,927	(1,007,086)	(1,017,120)	9,426,396	3,396	27,500,000	121,500,000	242,898,194	520,613,002	1,907,940	522,520,942

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

	Notes	THE BANK									Total	
		Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves					Retained Earnings			
				Appraisal Surplus	Revaluation Surplus on Investments	Cash flow Hedge Reserve	Own Credit Risk Revaluation Reserve	Foreign Currency Translation	Appropriated			Unappropriated
									Legal Reserve	Others		
Balance as at January 1, 2022		19,088,429	56,346,232	31,547,571	26,799,115	159,735	(1,883,113)	717,097	26,000,000	116,500,000	189,497,321	464,772,387
Dividend paid	6.27	-	-	-	-	-	-	-	-	-	(4,769,445)	(4,769,445)
Legal reserve	6.26 , 6.27	-	-	-	-	-	-	-	500,000	-	(500,000)	-
Total comprehensive income		-	-	-	(8,153,862)	(1,925,843)	634,009	1,745,922	-	-	13,157,267	5,457,493
Transfer to retained earnings		-	-	(495,217)	(602,700)	-	-	-	-	-	1,097,917	-
Balance as at June 30, 2022		<u>19,088,429</u>	<u>56,346,232</u>	<u>31,052,354</u>	<u>18,042,553</u>	<u>(1,766,108)</u>	<u>(1,249,104)</u>	<u>2,463,019</u>	<u>26,500,000</u>	<u>116,500,000</u>	<u>198,483,060</u>	<u>465,460,435</u>
Balance as at January 1, 2023		19,088,429	56,346,232	30,544,565	24,804,396	(327,636)	(722,279)	1,181,901	27,000,000	121,500,000	205,234,325	484,649,933
Dividend paid	6.27	-	-	-	-	-	-	-	-	-	(5,726,118)	(5,726,118)
Legal reserve	6.26 , 6.27	-	-	-	-	-	-	-	500,000	-	(500,000)	-
Total comprehensive income		-	-	(13,863)	(9,122,900)	(679,450)	(294,841)	1,727,434	-	-	19,787,701	11,404,081
Transfer to retained earnings		-	-	(495,549)	(170,080)	-	-	-	-	-	665,629	-
Balance as at June 30, 2023		<u>19,088,429</u>	<u>56,346,232</u>	<u>30,035,153</u>	<u>15,511,416</u>	<u>(1,007,086)</u>	<u>(1,017,120)</u>	<u>2,909,335</u>	<u>27,500,000</u>	<u>121,500,000</u>	<u>219,461,537</u>	<u>490,327,896</u>

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Director and Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Note	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit from operating before income tax expenses		26,421,713	17,517,486	23,229,739	15,030,317
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities					
Depreciation and amortization expenses		2,420,738	2,809,012	1,665,441	1,982,024
Expected credit loss		17,353,952	14,843,495	14,360,693	13,305,943
Loss on foreign exchange of long-term borrowings		5,068,085	10,162,517	5,068,085	10,162,517
Amortization of premium (discount) on investment in debt securities		(53,416)	420,298	55,399	417,747
Unrealized losses on financial instruments measured at fair value through profit or loss		1,005,490	632,508	968,138	345,181
Losses on investments		67,631	752,433	107,066	789,271
Share of profit from investment using equity method		(106,540)	(91,729)	-	-
Loss on impairment of properties for sale		1,461,259	268,389	1,449,059	259,183
Gain on disposal of premises and equipment		(9,821)	(12,846)	(5,298)	(8,305)
Loss on impairment of other assets (reversal)		(286,193)	94,107	(285,790)	(2,041)
Provision expenses		3,332,688	486,527	3,196,337	464,122
Net interest income		(61,565,059)	(45,272,834)	(49,002,492)	(34,123,250)
Dividend income		(1,427,649)	(1,521,065)	(4,495,093)	(5,022,967)
Proceeds from interest income		89,832,670	60,809,867	69,598,095	44,000,485
Interest expenses paid		(25,902,553)	(16,694,759)	(17,789,627)	(11,103,253)
Proceeds from dividend income		510,428	383,873	454,297	326,754
Income tax paid		(4,021,138)	(3,455,070)	(2,746,743)	(2,838,266)
Decrease in other accrued receivables		115,828	539,358	175,256	431,999
Increase (decrease) in other accrued expenses		666,356	(465,322)	(1,693)	165,096
Profit from operating before changes in operating assets and liabilities		54,884,469	42,206,245	46,000,869	34,582,557
(Increase) decrease in operating assets					
Interbank and money market items		17,000,898	71,510,607	23,964,507	26,710,881
Financial assets measured at fair value through profit or loss		(14,684,840)	894,132	(12,199,383)	(1,024,524)
Loans to customers		(23,358,157)	(67,016,710)	(3,535,143)	(44,513,637)
Properties for sale		425,378	371,359	305,935	292,437
Other assets		(5,975,579)	(16,227,229)	(3,619,162)	(16,257,332)

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

Baht : '000

		CONSOLIDATED		THE BANK	
	Note	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Increase (decrease) in operating liabilities					
Deposits		(10,740,663)	(9,791,248)	(16,248,055)	13,494,806
Interbank and money market items		46,677,668	(38,169,319)	32,502,074	(39,166,247)
Liability payable on demand		73,141	162,526	69,980	160,677
Short-term borrowings		(709,958)	453,301	-	-
Other liabilities		2,853,176	45,783,072	3,222,276	42,526,060
Net cash from operating activities		<u>66,445,533</u>	<u>30,176,736</u>	<u>70,463,898</u>	<u>16,805,678</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities measured at fair value through other comprehensive income		(256,233,369)	(187,488,279)	(249,624,816)	(161,274,291)
Proceeds from disposal of investment securities measured at fair value through other comprehensive income		227,648,904	148,944,715	185,563,243	120,638,654
Purchase of investment securities measured at amortized cost		(67,821,038)	(64,627,189)	(13,086,793)	(18,943,380)
Proceeds from redemption of investment securities measured at amortized cost		27,292,850	38,885,089	888,850	5,450,650
Purchase of investment in a subsidiary		-	-	-	(500,000)
Proceeds from dividend income from subsidiaries and associates		150,342	90,295	3,123,575	3,559,021
Purchase of premises and equipment		(734,112)	(682,264)	(307,212)	(322,964)
Proceeds from disposal of premises and equipment		289,483	81,932	5,338	8,498
Net cash from investing activities		<u>(69,406,940)</u>	<u>(64,795,701)</u>	<u>(73,437,815)</u>	<u>(51,383,812)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from issuance of senior unsecured notes	6.3	-	26,441,778	-	26,441,778
Increase (decrease) in long-term borrowings	6.3	(37,285)	59,384	(37,285)	(65,615)
Cash paid for lease liabilities		(751,199)	(944,747)	(405,998)	(396,753)
Dividend paid		(5,726,118)	(4,769,445)	(5,726,118)	(4,769,445)
Dividend paid to non-controlling interest		(202,495)	(216,135)	-	-
Net cash from financing activities		<u>(6,717,097)</u>	<u>20,570,835</u>	<u>(6,169,401)</u>	<u>21,209,965</u>
Effect on cash due to changes in the exchange rates		<u>8,787</u>	<u>8,581</u>	<u>34,318</u>	<u>(2,462)</u>
Net decrease in cash		<u>(9,669,717)</u>	<u>(14,039,549)</u>	<u>(9,109,000)</u>	<u>(13,370,631)</u>
Cash as at January 1,		<u>52,432,699</u>	<u>62,551,767</u>	<u>48,169,322</u>	<u>57,854,239</u>
Cash as at June 30,		<u><u>42,762,982</u></u>	<u><u>48,512,218</u></u>	<u><u>39,060,322</u></u>	<u><u>44,483,608</u></u>

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvann Thansathit)
Director and Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (AUDITED)
AND FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED - REVIEWED)

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BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (AUDITED)
AND FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED - REVIEWED)

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BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (AUDITED)
AND FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED - REVIEWED)

1. General Information and Regulatory Requirements

Bangkok Bank Public Company Limited (the “Bank”) is a public company limited registered in the Kingdom of Thailand and registered in the Stock Exchange of Thailand with its head office located at 333 Silom Road, Bangrak, Bangkok. The Bank’s main business is commercial banking and the Bank conducts its businesses through a network of branches covering all parts of Thailand and some major parts of the world.

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand (“BOT”). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measurements of the Bank’s assets, liabilities and certain off-balance sheet items calculated in accordance with regulatory requirements. The Bank’s capital amounts and classification are also subject to qualitative judgment by the BOT about components, risk weightings and other factors. As at June 30, 2023 and December 31, 2022, the Bank complied with all capital adequacy requirements. However, these capital and regulatory requirements are subject to change by the BOT.

2. Basis for Preparation of the Consolidated and the Bank’s Financial Statements

2.1 The consolidated and the Bank’s statutory financial statements are in the Thai language and prepared in accordance with Thai Financial Reporting Standards, accounting treatment guidance promulgated by the Federation of Accounting Professions (“TFAC”), accounting practices generally accepted in Thailand including the Regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and relevant BOT’s regulations.

The consolidated and the Bank’s financial statements are prepared in accordance with Thai Accounting Standard No. 34 regarding Interim Financial Reporting; and relevant official regulations, and presented in accordance with the BOT’s Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups dated October 31, 2018.

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

The preparation of the financial statements in conformity with Thai Financial Reporting Standards also requires the Bank to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts

of revenue and expense during the reporting period. The actual results may differ from those estimates. The use of accounting judgments and estimates that are of significance are disclosed in Note 5. Further information about methods and key assumptions are set out in the relevant notes.

2.2 New or Revised Thai Financial Reporting Standards

The Bank and subsidiaries have adopted the new or revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations, issued by the TFAC and announced in the Royal Gazette, applying for the financial statements of the periods beginning on or after January 1, 2023 onwards, with no material impact on the Bank and subsidiaries' financial statements.

2.3 The consolidated interim financial statements for the three-month and the six-month periods ended June 30, 2023 and 2022, and the consolidated statement of financial position as at December 31, 2022, included the accounts of the head office and all branches of the Bank and its subsidiaries, by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries, and included equity interest in associates. The subsidiaries consist of BBL (Cayman) Limited, Bangkok Bank Berhad, Sinnsuptawee Asset Management Company Limited, BBL Asset Management Company Limited, Bualuang Securities Public Company Limited, Bangkok Bank (China) Company Limited, Bualuang Ventures Limited, PT Bank Permata Tbk and BSL Leasing Company Limited.

In addition, the consolidated interim financial statements for the three-month and the six-month periods ended June 30, 2023 and 2022 and the consolidated statement of financial position as at December 31, 2022, included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad and Bangkok Capital Asset Management Company Limited, the 100.00% owned subsidiary of Bualuang Securities Public Company Limited.

All subsidiaries of the Bank were incorporated in the Kingdom of Thailand except for BBL (Cayman) Limited which was incorporated in the Cayman Islands British West Indies, Bangkok Bank Berhad which was incorporated in Malaysia, Bangkok Bank (China) Company Limited which was incorporated in the People's Republic of China and PT Bank Permata Tbk which was incorporated in Indonesia. For associates, all were incorporated in the Kingdom of Thailand except for PT Honest Financial Technologies which was incorporated in Indonesia.

2.4 The Bank's interim financial statements for the three-month and the six-month periods ended June 30, 2023 and 2022 and the Bank's statement of financial position as at December 31, 2022, included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates were accounted for using the cost method, net of valuation allowance for impairment.

3. Significant Accounting Policies

3.1 Recognition of income

The Bank recognizes interest income by using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments or, when appropriate, a shorter period, to the carrying amount of the financial assets. The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR.

The Bank calculates interest income by applying the EIR to the gross carrying amount of financial assets except for credit-impaired financial assets. When a financial asset becomes credit-impaired, the Bank calculates interest income by applying the effective interest rate to the net carrying amount after allowance for expected credit loss of the financial assets. If the asset is no longer credit-impaired, the Bank reverts to calculating interest income on a gross carrying amount.

For Purchased or Originated Credit-Impaired (POCI) financial assets, the Bank calculates interest income by calculating the credit-adjusted EIR and applying that rate to the net carrying amount of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the net carrying amount of the POCI financial assets.

Fee income

Unless included in the EIR calculation, the Bank recognizes fee income on an accrual basis when the service has been provided or upon satisfaction of performance obligations.

3.2 Recognition of expenses

The Bank recognizes interest expenses by using the effective interest method. Unless included in the effective interest calculation, fee expenses are recognized on an accrual basis.

3.3 Cash

Cash consists of cash on hand and cash in transit.

3.4 Financial instruments

1) Recognition of financial instruments

The Bank recognizes financial assets or financial liabilities when the Bank becomes a party to the contractual provisions of the instrument, which is generally on settlement date. Loans and receivables are recognized when cash is advanced (or settled) to the borrowers.

2) Classification of financial assets

Financial assets - Debt instruments

The Bank has classified its financial assets - debt instruments as financial assets subsequently measured at either amortized cost or fair value in accordance with the Bank's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets as follows :

- Financial assets measured at amortized cost only if both following conditions are met : the financial asset is 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.

These financial assets are initially recognized at fair value and subsequently measured at amortized cost. The measurement of credit impairment is based on the expected credit loss model described in Impairment of financial assets paragraph.

- Financial assets measured at Fair Value through Other Comprehensive Income (FVOCI) if both following conditions are met : the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as well as the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are initially recognized at fair value and subsequently measured at fair value. The unrealized gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realized, after which such gains or losses on disposal of the instruments will be recognized in profit or loss. The measurement of credit impairment is based on the expected credit loss model.

- Financial assets measured at Fair Value through Profit or Loss (FVTPL) unless the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows or, the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are initially recognized at fair value and are subsequently measured at fair value. Unrealized gains and losses from change in fair value, and gains and losses on disposal of instruments are recognized as gains (losses) on financial instruments measured at fair value through profit or loss.

Investments in equity instruments

All equity investments are measured at fair value in the statement of financial position. The Bank has classified equity investments not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset measured at FVOCI, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Amounts presented in other comprehensive income are not reclassified subsequently to profit or loss except for dividends.

3) Classification of financial liabilities

The Bank measures financial liabilities, other than loan commitments and financial guarantees, at amortized cost or at FVTPL when they are held for trading or the fair value designation is applied.

Financial liabilities measured at amortized cost are initially recognized at fair value and subsequently measured at amortized cost.

The Bank classifies financial liabilities as held for trading when they have been issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading liabilities are initially recognized at fair value, with transaction costs recognized in profit or loss as incurred. Subsequently, they are measured at fair value and any gains and losses are recognized in profit or loss as they arise.

Financial liabilities may be designated as FVTPL under of the following criteria :

- The designation eliminates or significantly reduces an accounting mismatch
- A group of financial liabilities or financial assets and liabilities is managed and its performance is evaluated on a fair value basis
- The liabilities contain one or more embedded derivatives

Change in the liability's own credit risk is presented separately in other comprehensive income as an own credit reserve except it would create or enlarge an accounting mismatch in profit or loss, in which case the entire change in fair value on that liability, including the effects of changes in the credit risk are presented in "Gains (losses) on financial instruments measured at fair value through profit or loss".

The change in the fair value of the financial liability that is attributable to changes in own credit risk is the difference between the fair value basing on the current and initial credit risk.

Amounts presented in the own credit reserve will not be subsequently transferred to profit or loss. When these instruments are derecognized, the related cumulative amount in the own credit reserve is transferred to retained earnings.

4) Financial derivatives

Derivatives are initially recorded at fair value at the date on which a derivative contract is entered into (Trade Date) and are classified as trading except where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. Derivatives are subsequently measured at fair value. The changes in fair value are recognized as gains (losses) on financial instruments measured at fair value through profit or loss unless hedge accounting is applied.

Embedded derivatives

Embedded derivatives are component of hybrid or combined instruments that consist of non-derivative host contracts.

For derivatives embedded in financial asset host contracts, the entire hybrid contract, including all embedded features, is classified in accordance with the Bank's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

For derivatives embedded in financial liability host contracts, embedded derivatives will be separated from the host contract and accounted for as derivatives if all of the following criteria are met :

- Their economic characteristics and risks are not closely related to those of the host contract
- When separated from the host contract, it would still meet the definition of derivative and
- The hybrid or combined instruments are not recognized and measured at fair value through profit or loss.

5) Modifications of financial instruments

a) Financial assets

When the terms of a financial asset are modified and from the evaluation of the Bank, the cash flows of the modified asset are different from those at the original financial asset significantly. The original financial asset is derecognized and a new financial asset is recognized at fair value. The difference between the carrying amount of the financial asset extinguished and the new financial asset is recognized in profit or loss as a part of expected credit loss.

If the cash flows of the modified asset are not substantially different, the Bank recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss which is presented as expected credit loss.

b) Financial liabilities

The Bank derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. A new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability is recognized in profit or loss.

If the cash flows of the modified liability are not substantially different, the carrying amount of the liability is adjusted to reflect the net present value of the revised cash flows discounted at the original effective interest rate and recognizes the amount arising from adjusting the carrying amount as a modification gain or loss.

6) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when the Bank has a legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

7) Derecognition of financial instruments

The Bank derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created or retained by the Bank, is recognized separately as asset or liability.

A financial liability is derecognized from the statement of financial position when the Bank has discharged its obligation or the contract is cancelled or expires.

3.5 Impairment of financial assets

For impairment of financial assets, the Bank applies Expected Credit Loss (ECL) model and management overlay for the factors which are not captured by the model for debt financial assets measured at amortized cost and FVOCI, together with loan commitments and financial guarantee contracts, by classifying into three stages based on the change in credit risk since initial recognition, as follows :

a) Stage 1 : Performing

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the Bank recognizes portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months.

b) Stage 2 : Under-performing

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized.

c) Stage 3 : Non-performing

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognized.

Determining the stage for impairment

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Bank considers reasonable and supportable information. The Bank gives importance to the consideration of indicator that will significantly reduce the ability to pay the debt or the increase in credit risk. This includes quantitative and qualitative information and also, forward-looking analysis covering both events that have already occurred and may occur in the future. The Bank uses its internal credit risk rating system, external credit risk grading and forecast information to assess deterioration in credit quality of a financial asset.

The Bank assesses whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk rating, the date of initial recognition, industry, geographical location of the borrower and other relevant factors.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, the Bank will classify it as performing assets.

Measurement of ECL

The expected credit loss is the present value of the entire amount that is not expected to be received throughout the expected life of the financial asset, weighted with a probability, discounted using at the original effective interest rate at the starting date, which is calculated from the estimation of risk positions in the event of default, multiplied by the probability of default and the percentage of damage that may occur when there is a default, discounted by the original effective interest rate at the start date, calculated under each possible situation.

- Probability of Default (PD) : Estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.
- Loss Given Default (LGD) : Estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Bank would expect to receive, including from the realization of any collateral.
- Exposure at Default (EAD) : Estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments or the amount that is expected to be drawdowns on the remaining of committed facilities.

In measuring of ECL, the Bank considers its historical loss experience and adjusts this for current observable data. In addition, the Bank uses reasonable and supportable forecasts of future economic conditions together with experienced judgment to estimate the amount of an expected credit loss, use of macroeconomic factors including mainly, but not limited to, gross domestic product, unemployment rate and property price index.

In the case of debt instruments measured at FVOCI, the Bank recognizes impairment charge in profit and loss as expected credit loss and the allowance for expected credit loss with the corresponding amount in other comprehensive income, whereas the carrying amount of the investment in debt securities in the statement of financial position still present at fair value.

The measurement of ECL for financial guarantees is based on the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

The ECL for loan commitments is the present value difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive.

Write-off

The Bank writes off financial assets that are determined to be irrecoverable either partially or in full in the period in which the decision is taken. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the

write-off. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Bank's procedures for recovery of amount due.

3.6 Hedge accounting

The Bank makes use of derivatives to manage exposures arising from assets, liabilities, off-balance sheet items, net position or cash flow. Upon meeting specified criteria for hedge accounting, the Bank applies hedge accounting for the aforementioned derivatives. The Bank designates certain derivatives as :

- Hedges of the fair value of recognized assets or liabilities or firm commitments.
- Hedges of highly probable future cash flows attributable to a recognized asset or liability, or a highly probable forecast transaction.
- Hedges of net investments in foreign operations.

In hedging, the Bank takes into consideration the relationship between derivatives and the hedged item, including the nature of the risk, the objective and strategy for undertaking the hedge as well as the effectiveness of the hedging relationship.

1) Fair value hedges

The cumulative changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in profit or loss, together with any cumulative changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The movement in fair value of the hedged item attributable to the hedged risk is made as an adjustment to the carrying value of the hedged asset or liability.

When a hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item is amortized to profit or loss on an effective yield basis. Where the hedged item is derecognized from the statement of financial position, the unamortized fair value adjustment is immediately recognized in profit or loss.

2) Cash flow hedges

The effective portion of the cumulative changes in the fair value of derivatives that are designated and qualified as cash flow hedges are directly recognized in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss. The reserve for cash flow hedges in equity are transferred to profit or loss in the period(s) in which the hedged item affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or when a hedge no longer meets the criteria for hedge accounting, the reserve for cash flow hedges in equity at that time remains in equity and is recognized in profit or loss when the hedged item is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss existing in equity at that time is immediately transferred to profit or loss.

3) Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in the foreign currency translation in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss. Gains and losses accumulated in equity are transferred to profit or loss when the foreign operation is disposed.

The Bank applies an accrual basis for open portfolio hedge.

3.7 Investments in subsidiaries and associates, net

Subsidiaries are entities over which the Bank has the power to control the financial and operating policy in order to manage the relevant activities so as to obtain return on the Bank's interest.

Associates are entities over which the Bank has, directly or indirectly, the voting power of the entity which the Bank has significant influence, but not control, over the financial and operating policy decisions.

Investments in subsidiaries and associates in the Bank's financial statements are presented under the cost method, net of valuation allowance for impairment. Investments in associates in the consolidated financial statements are presented under the equity method, net of valuation allowance for impairment.

3.8 Properties for sale

Properties for sale consist of immovable and movable properties which are stated at the lower of cost or market value at the date of acquisition. In the event where the Bank considers that there is a decline in net realizable value, the impairment is recognized as other operating expense.

Net realizable value is estimated based on the appraised value together with other factors which can affect the realizable value such as related selling expenses and future discounts expenses.

Gains or losses on disposal of such properties for sale are recognized as other operating income or expense on the date of disposal.

The Bank had complied with the BOT's Notification regarding the Immovable Properties for Sale, and the Rules of the Purchase and Holding of Immovable Properties to be used as Premises for Business of Commercial Banks or as Facilities for its Officers and Employees and the Accounting Rules for Financial Institutions in relation to the Sales of Properties for Sale.

3.9 Premises, equipment and depreciation

Land is stated at the new appraised value. Premises are stated at the new appraised value net of accumulated depreciation and allowance for impairment (if any). Equipment is stated at cost net of accumulated depreciation and allowance for impairment (if any).

The land and premises reappraisal is done by independent appraisers according to the guidelines established by the BOT based on the market value method for land and the replacement cost method net of accumulated depreciation for premises, and such value is subject to review by price-approval committee. The increment resulting from the appraisal is recognized as part of shareholders' equity as appraisal surplus. Depreciation of the premises appraisal surplus is recognized as other operating expense and the appraisal surplus in equity is amortized by transferring directly to retained earnings in an amount equal to such depreciation. Decrease of appraisal surplus is charged directly against prior appraisal surplus for the particular asset. The residual appraisal decrease is recognized as other operating expense. Upon disposal, any remaining related appraisal surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets, as follows :

Premises-reappraised	20 - 30 years
Premises-newly constructed	20 years
Equipment	3 - 5 years

Depreciation of premises and equipment in foreign countries is at the legal rates applicable in each locality.

When land, premises and equipment become impaired, the allowance for impairment is recorded to recognize loss on impairment as other operating expenses.

Gains or losses on disposal of land, premises and equipment are recognized as other operating income or expenses upon disposal.

3.10 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the

acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets and contingent liabilities acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets and contingent liabilities acquired, the difference is recognized directly in profit or loss. Acquisition-related costs are expensed as incurred and included in other operating expenses. Non-controlling interests are measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets on each business combination basis.

3.11 Goodwill and intangible assets and amortization

Goodwill is stated at cost less allowance for impairment (if any). Impairment test is carried out annually, or when there is indication that the goodwill may be impaired.

Intangible assets with finite useful lives are stated at cost net of accumulated amortization and allowance for impairment (if any).

Intangible assets are amortized by the straight-line method over their estimated useful lives between 3 - 13 years.

Amortization of intangible assets in foreign countries is at the legal rates applicable in each locality.

When intangible assets become impaired, the allowance for impairment is recorded to recognize loss on impairment as other operating expenses.

Gains or losses on disposal of intangible assets are recognized as other operating income or expenses upon disposal.

3.12 Leases

The Bank as a tenant recognizes liabilities under rental contracts at the present value of the obligations under the lease agreements, and recognizes right-of-use assets with the value of lease liabilities plus the initial direct costs and the right-of-use is amortized over the straight-line method throughout the lease term.

3.13 Provisions

The Bank recognizes provisions in the statement of financial position when the Bank has obligations as a result of a past event and where it is probable that there will be an outflow of economic benefits to settle such obligations. The provisions, such as the provisions for off-balance sheet contingencies, the provision for the post-employment benefits (See Note 6.22), the probable loss on legal indemnity, and other provisions, have been recognized in the statements of financial position.

The Bank reviews the provisions on a regular basis, and recognizes the changes in the provisions as increase or decrease in other operating expenses.

3.14 Assets and liabilities in foreign currencies

3.14.1 Functional currency and presentation currency

Items in the financial statements of foreign operations are recorded at their functional currency.

The consolidated and the Bank's financial statements are presented in Baht as the presentation currency.

3.14.2 Translation of foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the transaction dates.

At the reporting date, balances of monetary assets and liabilities are translated at the exchange rate as of the reporting date. Balances of non-monetary assets and liabilities are translated at the exchange rate prevailing at the transaction dates or exchange rate at the date when the fair value was determined.

Gains and losses on foreign currency trading and foreign currency translation are presented as gains (losses) on tradings and foreign exchange transactions.

3.14.3 Translation of financial statements of foreign operations

In preparation of the consolidated and the Bank's financial statements, the Bank translates the items in the statement of financial position of the foreign operation which its functional currency is other than Baht by using the reference rates of BOT as of the reporting date and translates the items in the statement of profit or loss and other comprehensive income by using the reference rates of BOT at the end of each month.

Gains or losses on translation of the financial statements of foreign operations are recognized as a component of shareholders' equity through other comprehensive income.

3.15 Post-employment benefits

3.15.1 Defined contribution plans

The Bank and its domestic subsidiaries have the provident funds, which are managed by external fund managers, for their employees in accordance with the Provident Fund Act. The Bank, its domestic subsidiaries and their employees contribute to the funds at the determined rates. The employees are entitled to benefits according to the fund regulations.

The provident funds for overseas branches and overseas subsidiaries are established in accordance with each country's legal requirement and any withdrawal is made in compliance therewith.

The provident funds are considered defined contribution plans. The Bank and subsidiaries recognize their contributions to the provident funds as personnel expenses upon receiving the service from employees.

3.15.2 Defined benefit plans

The Bank and its subsidiaries provide the defined benefit plans for their employees under the employment agreements. The provision for the employee benefits is assessed by an actuary using the actuarial techniques called the Projected Unit Credit Method to determine the present value of cash flows of employee benefits to be paid in the future. Under this method, the determination is based on actuarial calculations which include the employee's salaries, turnover rate, mortality rate, years of service and other factors.

The Bank and its subsidiaries recognize the provision for defined benefit plans in the statement of financial position with the net total of the present value of defined benefits obligations minus the fair value of plan assets. The expense for defined benefit plans is recognized as personnel expenses. The actuarial gains (losses) are recognized in other comprehensive income.

3.16 Income taxes

Income taxes comprise of current tax and deferred tax.

Current tax is recognized at the amount expected to be paid or recovered from the tax authorities by calculating from taxable profit or loss for the period and using tax rates enacted or substantively enacted by the reporting date.

Deferred tax is recognized on temporary differences arising between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss (tax base). The Bank recognizes deferred tax assets and liabilities arising from such temporary differences at the amount of expected benefit to be received from the assets or paid for the liabilities in profit or loss except to the extent that it relates to items recognized in equity, which it is recognized directly in equity.

Deferred tax assets and liabilities are offset, if the Bank has a legally enforceable right to offset current tax assets and current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be sufficiently available to allow the temporary differences to be utilized. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that the related tax benefit will be realized.

3.17 Earnings per share

Basic earnings per share are calculated by dividing the net income attributable to the Bank by the average number of common shares outstanding and issued during the period, weighted by the time and amount paid.

Diluted earnings per share are computed from adjusting the net income attributable to common shares and adjusting the number of common shares by the effect of dilutive potential common shares.

4. Risk Management

4.1 Risk management information of the Bank

The Bank's Risk Oversight Committee, the Board of Executive Directors and senior management plays a significant role in prescribing the risk management policy, reviewing the sufficiency of the risk management policy and system, defining the strategy for risk management, and monitoring the Bank's risk to an appropriate level, in compliance with the Bank's risk management policy which has been approved by the Board of Directors based on the Risk Oversight Committee's recommendation. The objectives are to manage the relevant risks within designated boundaries, in particular the maintenance of capital in accordance with the revised capital adequacy requirements under the Basel III guidelines and to achieve an appropriate rate of return.

Important processes in the risk management system comprise the identification of significant risks which may potentially impact the Bank's business operations, the assessment of each type of risk, the monitoring of risks to be at an appropriate level under the Bank's policy, and the reporting of the status of each type of risk to relevant parties so as to enable them to manage and/or handle the risks in a timely manner.

The key principle of the risk management system is that business units shall be responsible for continuously managing their risk exposures in order to ensure that the risk is within the specified limits and in compliance with the overall risk management policy approved by the Board of Directors, while the Risk Management unit is responsible for monitoring and controlling the risks on a regular basis.

4.2 Credit risk

4.2.1 Credit risk management

Credit risk is the risk that borrowers or counterparties fail to fulfill their obligations under contractual agreements arising from lending, investment and other contractual activities, such as the borrowers' failure to repay principal or interest as agreed in the contract, etc. The Bank's maximum exposure to credit risk is the net carrying amount of the financial assets or the amount which the Bank could have to pay if counterparties cannot meet such contractual obligations.

The Bank has established comprehensive credit underwriting processes which include the formulation of the credit policy, procedures for the assessment of credit risk ratings for customers, and the establishment of various levels of credit approval authority, based on the type of business and/or the size of the credit facilities. In general, credit facilities are extended based on the capacity to repay, which is assessed by evaluating the purpose of the loan, the projected operating cash flows, business feasibility and the capability of management. Collateral coverage is also taken into consideration as a contingency measure. Credit reviews including reviews of the credit risk ratings are undertaken on a regular basis. Furthermore, the Bank also has established limits to be used as a tool to monitor and control credit risk.

4.2.2 Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for any financial instrument before deducting collateral as at June 30, 2023 and December 31, 2022.

The maximum exposure to credit risk of a financial asset is equal to the net book value. The maximum exposure to credit risk of a financial guarantee is the maximum amount the Bank will pay up to the guarantee obligation. For loan commitments the maximum exposure to credit risk is full value of credit limit.

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Financial assets				
Interbank and money market items, net	749,158	766,074	563,529	587,554
Derivatives assets	78,690	84,839	78,179	83,583
Investments	830,121	762,729	686,964	620,065
Loan to customers	<u>2,452,499</u>	<u>2,449,355</u>	<u>2,084,094</u>	<u>2,096,756</u>
Total	<u>4,110,468</u>	<u>4,062,997</u>	<u>3,412,766</u>	<u>3,387,958</u>
Off Balance sheet				
Financial guarantees	198,696	216,755	145,244	162,888
Loan commitments	<u>386,523</u>	<u>380,122</u>	<u>353,798</u>	<u>345,535</u>
Total	<u>585,219</u>	<u>596,877</u>	<u>499,042</u>	<u>508,423</u>
Total credit risk exposure	<u>4,695,687</u>	<u>4,659,874</u>	<u>3,911,808</u>	<u>3,896,381</u>

4.2.3 Collateral obtained

The maximum exposure to credit risk arises from loans and advances to customers and financial guarantees and loan commitments. The Bank receives a sufficient amount of collateral and of an appropriate type. The main types are land, land with buildings, bonds, debentures, apartments, etc. including deposits, leasehold rights and various movable properties, etc.

4.2.4 Offsetting financial assets and liabilities

The table below shows the amount of financial instruments that have not been offset in the statement of financial position but is subject to other applicable netting agreements or similar arrangements such as standard contracts and other applicable financial collateral as at June 30, 2023 and December 31, 2022.

Million Baht

Types of Financial Instrument	Gross amounts	Amount offset on the statement of financial position	Net amounts reported on the statement of financial position	CONSOLIDATED JUNE 30, 2023		Net amounts	Line item on the statement of financial position	Notes	Carrying amount on the statement of financial position	Carrying amount on the statement of financial position not in scope of offsetting
				Amounts not offset on the statement of financial position						
				Unqualified contractual offset amounts	Related financial collateral					
Financial assets										
Reverse repurchase agreements	345	-	345	-	(345)	-	Interbank and money market items (assets), net	6.4	749,158	748,813
Derivatives assets	67,377	-	67,377	(52,064)	(11,950)	3,363	Derivative assets	6.6	78,690	11,313
Total	<u>67,722</u>	<u>-</u>	<u>67,722</u>	<u>(52,064)</u>	<u>(12,295)</u>	<u>3,363</u>			<u>827,848</u>	<u>760,126</u>
Financial liabilities										
Repurchase agreements	110,750	-	110,750	-	(110,750)	-	Interbank and money market items (liabilities), net	6.15	309,199	198,449
Derivatives liabilities	67,780	-	67,780	(52,064)	(11,171)	4,545	Derivative liabilities	6.6	85,544	17,764
Total	<u>178,530</u>	<u>-</u>	<u>178,530</u>	<u>(52,064)</u>	<u>(121,921)</u>	<u>4,545</u>			<u>394,743</u>	<u>216,213</u>

Types of Financial Instrument	Gross amounts	Amount offset on the statement of financial position	Net amounts reported on the statement of financial position	CONSOLIDATED DECEMBER 31, 2022		Net amounts	Line item on the statement of financial position	Notes	Carrying amount on the statement of financial position	Carrying amount on the statement of financial position not in scope of offsetting
				Amounts not offset on the statement of financial position						
				Unqualified contractual offset amounts	Related financial collateral					
Financial assets										
Reverse repurchase agreements	303	-	303	-	(303)	-	Interbank and money market items (assets), net	6.4	766,074	765,771
Derivatives assets	74,980	-	74,980	(44,693)	(26,529)	3,758	Derivative assets	6.6	84,839	9,859
Total	<u>75,283</u>	<u>-</u>	<u>75,283</u>	<u>(44,693)</u>	<u>(26,832)</u>	<u>3,758</u>			<u>850,913</u>	<u>775,630</u>
Financial liabilities										
Repurchase agreements	94,350	-	94,350	-	(94,350)	-	Interbank and money market items (liabilities), net	6.15	262,522	168,172
Derivatives liabilities	50,317	-	50,317	(44,693)	(1,407)	4,217	Derivative liabilities	6.6	70,981	20,664
Total	<u>144,667</u>	<u>-</u>	<u>144,667</u>	<u>(44,693)</u>	<u>(95,757)</u>	<u>4,217</u>			<u>333,503</u>	<u>188,836</u>

Types of Financial Instrument	Gross amounts	Amount offset on the statement of financial position	Net amounts reported on the statement of financial position	THE BANK JUNE 30, 2023		Net amounts	Line item on the statement of financial position	Notes	Carrying amount on the statement of financial position	Carrying amount on the statement of financial position not in scope of offsetting
				Amounts not offset on the statement of financial position						
				Unqualified contractual offset amounts	Related financial collateral					
Financial assets										
Reverse repurchase agreements	345	-	345	-	(345)	-	Interbank and money market items (assets), net	6.4	563,529	563,184
Derivatives assets	67,377	-	67,377	(52,064)	(11,950)	3,363	Derivative assets	6.6	78,179	10,802
Total	<u>67,722</u>	<u>-</u>	<u>67,722</u>	<u>(52,064)</u>	<u>(12,295)</u>	<u>3,363</u>			<u>641,708</u>	<u>573,986</u>
Financial liabilities										
Repurchase agreements	110,750	-	110,750	-	(110,750)	-	Interbank and money market items (liabilities), net	6.15	283,532	172,782
Derivatives liabilities	67,780	-	67,780	(52,064)	(11,171)	4,545	Derivative liabilities	6.6	84,872	17,092
Total	<u>178,530</u>	<u>-</u>	<u>178,530</u>	<u>(52,064)</u>	<u>(121,921)</u>	<u>4,545</u>			<u>368,404</u>	<u>189,874</u>

Types of Financial Instrument	Gross amounts	Amount offset on the statement of financial position	Net amounts reported on the statement of financial position	THE BANK DECEMBER 31, 2022		Net amounts	Line item on the statement of financial position	Notes	Carrying amount on the statement of financial position	Carrying amount on the statement of financial position not in scope of offsetting
				Amounts not offset on the statement of financial position						
				Unqualified contractual offset amounts	Related financial collateral					
Financial assets										
Reverse repurchase agreements	303	-	303	-	(303)	-	Interbank and money market items (assets), net	6.4	587,554	587,251
Derivatives assets	74,980	-	74,980	(44,693)	(26,529)	3,758	Derivative assets	6.6	83,583	8,603
Total	<u>75,283</u>	<u>-</u>	<u>75,283</u>	<u>(44,693)</u>	<u>(26,832)</u>	<u>3,758</u>			<u>671,137</u>	<u>595,854</u>
Financial liabilities										
Repurchase agreements	94,350	-	94,350	-	(94,350)	-	Interbank and money market items (liabilities), net	6.15	251,029	156,679
Derivatives liabilities	50,317	-	50,317	(44,693)	(1,407)	4,217	Derivative liabilities	6.6	69,649	19,332
Total	<u>144,667</u>	<u>-</u>	<u>144,667</u>	<u>(44,693)</u>	<u>(95,757)</u>	<u>4,217</u>			<u>320,678</u>	<u>176,011</u>

4.2.5 Credit quality of financial assets including loan commitments and financial guarantee contracts as at June 30, 2023 and December 31, 2022.

				Million Baht
CONSOLIDATED JUNE 30, 2023				
	Performing	Under-performing	Non-performing	Total
Loans, financial guarantee and credit related commitments				
Strong	892,637	1,067	-	893,704
Satisfactory	1,772,256	6,404	-	1,778,660
High-risk	380,367	145,301	-	525,668
Credit impaired	-	-	96,831	96,831
Total	<u>3,045,260</u>	<u>152,772</u>	<u>96,831</u>	<u>3,294,863</u>
Interbank and money market items and investments in debt securities				
Strong	1,548,685	6,403	-	1,555,088
Satisfactory	15,900	-	-	15,900
High-risk	2,615	6,174	-	8,789
Credit impaired	-	-	130	130
Total	<u>1,567,200</u>	<u>12,577</u>	<u>130</u>	<u>1,579,907</u>
Grand total	<u><u>4,612,460</u></u>	<u><u>165,349</u></u>	<u><u>96,961</u></u>	<u><u>4,874,770</u></u>

				Million Baht
CONSOLIDATED DECEMBER 31, 2022				
	Performing	Under-performing	Non-performing	Total
Loans, financial guarantee and credit related commitments				
Strong	918,535	1,365	-	919,900
Satisfactory	1,765,158	6,109	-	1,771,267
High-risk	356,748	140,928	-	497,676
Credit impaired	-	-	100,863	100,863
Total	<u>3,040,441</u>	<u>148,402</u>	<u>100,863</u>	<u>3,289,706</u>
Interbank and money market items and investments in debt securities				
Strong	1,491,771	6,384	-	1,498,155
Satisfactory	22,038	-	-	22,038
High-risk	2,959	6,039	-	8,998
Credit impaired	-	-	129	129
Total	<u>1,516,768</u>	<u>12,423</u>	<u>129</u>	<u>1,529,320</u>
Grand total	<u><u>4,557,209</u></u>	<u><u>160,825</u></u>	<u><u>100,992</u></u>	<u><u>4,819,026</u></u>

				Million Baht
THE BANK				
JUNE 30, 2023				
	Performing	Under-performing	Non-performing	Total
Loans, financial guarantee and credit related commitments				
Strong	669,835	307	-	670,142
Satisfactory	1,619,064	6,275	-	1,625,339
High-risk	303,453	128,474	-	431,927
Credit impaired	-	-	80,880	80,880
Total	<u>2,592,352</u>	<u>135,056</u>	<u>80,880</u>	<u>2,808,288</u>
Interbank and money market items and investments in debt securities				
Strong	1,222,840	6,403	-	1,229,243
Satisfactory	12,939	-	-	12,939
High-risk	2,587	6,174	-	8,761
Credit impaired	-	-	117	117
Total	<u>1,238,366</u>	<u>12,577</u>	<u>117</u>	<u>1,251,060</u>
Grand total	<u><u>3,830,718</u></u>	<u><u>147,633</u></u>	<u><u>80,997</u></u>	<u><u>4,059,348</u></u>

				Million Baht
THE BANK				
DECEMBER 31, 2022				
	Performing	Under-performing	Non-performing	Total
Loans, financial guarantee and credit related commitments				
Strong	693,060	467	-	693,527
Satisfactory	1,612,213	5,995	-	1,618,208
High-risk	298,121	125,200	-	423,321
Credit impaired	-	-	84,213	84,213
Total	<u>2,603,394</u>	<u>131,662</u>	<u>84,213</u>	<u>2,819,269</u>
Interbank and money market items and investments in debt securities				
Strong	1,173,221	6,384	-	1,179,605
Satisfactory	19,409	-	-	19,409
High-risk	2,915	6,039	-	8,954
Credit impaired	-	-	117	117
Total	<u>1,195,545</u>	<u>12,423</u>	<u>117</u>	<u>1,208,085</u>
Grand total	<u><u>3,798,939</u></u>	<u><u>144,085</u></u>	<u><u>84,330</u></u>	<u><u>4,027,354</u></u>

Allowance for expected credit loss of financial instruments that requires credit impairment consideration according to relevant financial reporting standard consisted of the following as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Allowance for expected credit loss for				
Interbank and money market items	456	429	393	377
Investment in debt securities	7,732	6,422	7,658	6,372
Loans to customers	257,146	243,474	225,152	214,089
Off-balance sheet items	10,235	9,556	8,413	7,579
Total	275,569	259,881	241,616	228,417

	CONSOLIDATED		
	JUNE 30, 2023		
	Allowance for expected credit loss		
	Performing	Under-performing	Non-performing
Beginning balances	105,088	80,982	73,811
Changes due to re-measurement of loss allowance	29,183	19,014	10,623
De-recognition	(19,665)	(13,476)	(12,907)
Others	957	24	1,935
Ending balances	115,563	86,544	73,462

	CONSOLIDATED		
	DECEMBER 31, 2022		
	Allowance for expected credit loss		
	Performing	Under-performing	Non-performing
Beginning balances	86,829	70,390	74,943
Changes due to re-measurement of loss allowance	37,829	28,962	21,222
De-recognition	(19,900)	(18,625)	(25,682)
Others	330	255	3,328
Ending balances	105,088	80,982	73,811

Million Baht

<p style="text-align: center;">THE BANK JUNE 30, 2023</p>				
	Allowance for expected credit loss			
	Performing	Under-performing	Non-performing	Total
Beginning balances	93,641	74,809	59,967	228,417
Changes due to re-measurement of loss allowance	20,981	16,223	4,356	41,560
De-recognition	(14,060)	(10,591)	(6,677)	(31,328)
Others	1,034	148	1,785	2,967
Ending balances	<u>101,596</u>	<u>80,589</u>	<u>59,431</u>	<u>241,616</u>

Million Baht

<p style="text-align: center;">THE BANK DECEMBER 31, 2022</p>				
	Allowance for expected credit loss			
	Performing	Under-performing	Non-performing	Total
Beginning balances	78,047	64,957	60,485	203,489
Changes due to re-measurement of loss allowance	28,273	25,927	10,898	65,098
De-recognition	(12,996)	(16,183)	(12,823)	(42,002)
Others	317	108	1,407	1,832
Ending balances	<u>93,641</u>	<u>74,809</u>	<u>59,967</u>	<u>228,417</u>

4.3 Market risk

Market risk is the risk of losses in on and off-balance sheet positions of the Bank arising from movements in market prices of assets, liabilities and contingent liabilities such as interest rates, foreign exchange rates, equity prices and commodity prices.

4.3.1 Market risk in the trading book

Trading book position includes positions of financial instruments that the Bank holds for a short period with an intention to trade, resell, and benefit from the difference between the buying and selling prices; to benefit from arbitrage opportunities; or to hedge other positions in the trading book.

Interest rate risk in the trading book arises when the Bank holds interest rate-related financial instruments with an intention to trade, speculates for a short-term profit, or hedges other positions in the trading book. Changes in interest rates affect the fair value of these positions and may result in gains or losses for the Bank.

Foreign exchange risk arises when the Bank executes a foreign currency transaction which may lead to an overbought or oversold position in a particular currency. The Bank may incur gains or losses as a result of movements in foreign exchange rates.

The Bank manages traded market risk primarily through a series of limits, such as Value-at-Risk (VaR) Limit, Present Value of a Basis Point Change (PV01) Limit and Maximum Loss Limit. Risk exposures are monitored and reported to senior management, the Board of Executive Directors and the Risk Oversight Committee on a regular basis.

Value-at-Risk (VaR)

Value at Risk or “VaR” is a statistical technique that estimates the maximum potential losses on risk exposures as a result of movements in market rates and prices over a specified time horizon and at a given level of confidence. The Bank uses a historical simulation approach at a 99% confidence level over a one-day holding period to measure VaR for our trading book positions. Historical Simulation VaR estimates the maximum potential losses assuming plausible future scenarios from the observed historical market movements.

1-Day VaR at 99% confidence level of the Bank’s and the Group’s trading book position as of June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Value-at-Risk	309	339	310	344

Million Baht

In addition to the above-mentioned monitoring and controlling of risk, the Bank also performs market risk stress testing on its trading book position on at least a quarterly basis to determine the potential losses from extreme market movements or crisis events. This stress testing enhances the Bank’s understanding of its risk exposures and vulnerability as well as facilitating proactive risk management.

4.3.2 Market risk in the banking book

4.3.2.1 Interest rate risk in the banking book

Interest rate risk in the banking book normally arises when the repricing and/or maturity schedule of assets, liabilities and off-balance sheet positions are not matched, or when the movements of reference interest rates on assets and liabilities are not correlated, affecting net interest income (NII) and/or economic value of equity (EVE).

To control interest rate risk in the banking book, the Bank has established a NII Impact Limit (being the Cumulative NII Impact within one year) and an EVE Impact Limit, assuming interest rates rise and decrease immediately by 1%.

The impact of a 1% point increase in interest rate to NII of the Bank's and the Group's as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
NII Impact	1,499	2,264	1,311	1,814

The Bank has significant financial assets and financial liabilities categorized by the earlier of contractual repricing or maturity dates as at June 30, 2023 and December 31, 2022 as follows :

	CONSOLIDATED JUNE 30, 2023							Million Baht
	Call to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Non - interest bearing	Non - performing Loans	Total
Financial Assets								
Interbank and money market items *	553,253	28,675	58,344	364	-	108,229	129	748,994
Financial assets measured at fair value through profit or loss	407	7,697	2,741	10,741	1,618	62,755	-	85,959
Investments in debt securities	16,303	47,016	108,652	458,031	197,593	-	-	827,595
Loans to customers *	1,680,203	575,077	190,758	139,573	19,537	-	93,156	2,698,304
Financial Liabilities								
Deposits	2,150,015	314,236	565,868	36,237	-	133,799	-	3,200,155
Interbank and money market items	196,870	41,565	19,432	30,717	-	20,615	-	309,199
Liabilities payable on demand	-	-	-	-	-	7,843	-	7,843
Financial liabilities measured at fair value through profit or loss	592	-	-	-	17,946	-	-	18,538
Debt issued and borrowings	-	535	39,146	53,347	99,604	-	-	192,632

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

Million Baht

	CONSOLIDATED DECEMBER 31, 2022							
	Call to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Non - interest bearing	Non - performing Loans	Total
Financial Assets								
Interbank and money market items *	610,890	30,930	21,558	881	-	101,629	117	766,005
Financial assets measured at fair value through profit or loss	335	630	1,919	8,135	1,062	62,955	-	75,036
Investments in debt securities	18,944	37,849	158,825	370,688	174,062	-	-	760,368
Loans to customers *	1,665,324	572,259	193,339	133,032	21,678	-	97,059	2,682,691
Financial Liabilities								
Deposits	2,217,162	347,488	485,046	16,819	-	144,381	-	3,210,896
Interbank and money market items	172,503	35,587	10,785	27,349	56	16,242	-	262,522
Liabilities payable on demand	-	-	-	-	-	7,770	-	7,770
Financial liabilities measured at fair value through profit or loss	548	-	-	-	17,412	-	-	17,960
Debt issued and borrowings	100	1,146	17,297	72,643	97,116	-	-	188,302

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

Million Baht

	THE BANK JUNE 30, 2023							
	Call to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Non - interest bearing	Non - performing Loans	Total
Financial Assets								
Interbank and money								
market items *	503,491	10,773	7,168	-	-	41,964	117	563,513
Financial assets measured								
at fair value through								
profit or loss	365	7,607	1,756	8,759	583	80,206	-	99,276
Investments in debt securities	8,904	14,322	65,676	405,938	190,889	-	-	685,729
Loans to customers *	1,461,361	509,546	160,464	72,224	18,114	-	77,210	2,298,919
Financial Liabilities								
Deposits	1,759,483	267,518	514,003	26,548	-	132,352	-	2,699,904
Interbank and money								
market items	176,096	38,274	17,212	30,717	-	21,233	-	283,532
Liabilities payable								
on demand	-	-	-	-	-	7,837	-	7,837
Financial liabilities measured								
at fair value through								
profit or loss	-	-	-	-	17,946	-	-	17,946
Debt issued and borrowings	-	-	39,146	53,347	99,604	-	-	192,097

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

THE BANK DECEMBER 31, 2022								
	Call to 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Over 5 Years	Non - interest bearing	Non - performing Loans	Total
Financial Assets								
Interbank and money								
market items *	511,824	20,537	9,049	518	-	45,442	117	587,487
Financial assets measured								
at fair value through								
profit or loss	325	590	1,883	7,867	753	79,384	-	90,802
Investments in debt securities	18,648	16,535	117,057	294,231	172,526	-	-	618,997
Loans to customers *	1,455,380	504,986	166,110	73,928	20,416	-	80,875	2,301,695
Financial Liabilities								
Deposits	1,812,725	307,482	443,546	11,158	-	141,241	-	2,716,152
Interbank and money								
market items	160,120	34,487	10,129	27,349	56	18,888	-	251,029
Liabilities payable								
on demand	-	-	-	-	-	7,767	-	7,767
Financial liabilities measured								
at fair value through								
profit or loss	-	-	-	-	17,412	-	-	17,412
Debt issued and borrowings	-	1	17,297	72,643	97,116	-	-	187,057

4.3.2.2 Foreign exchange in the banking book

Exchange rate risk in the banking book relates to the net investment position of foreign branches and subsidiaries. It is a risk arising from changes in exchange rates to investments and the net operating results of foreign entities whose functional currency is not Thai Baht. Foreign exchange risk is recognized through other comprehensive income as gain or loss on translation of the financial statements from foreign operations.

The Bank manages foreign exchange risk in its banking book to ensure that the impact of exchange rate changes on the Bank's total capital ratios is at acceptable levels. As at June 30, 2023 and December 31, 2022, the impact on the Group's total capital ratio assuming a 5% change of all foreign currency exchange rates against Thai Baht, was approximately 0.06% and 0.07%, respectively

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

4.4 Liquidity risk

Liquidity risk is the risk that the Bank is not able to meet financial obligations when they fall due. The purpose of the Bank's liquidity risk management is to maintain sufficient funds to meet present and future financial obligations while managing the use of the funds to generate an appropriate return in line with prevailing market conditions.

The Bank manages liquidity risk in accordance with policies and principles established internally by ALCO and with relevant regulatory requirements. The Treasury Division is in charge of managing the Bank's day-to-day cash flow and liquidity position, monitoring money market conditions and interest and exchange rate movements and forecasting rate trends, as well as executing liquidity management strategies in accordance with ALCO guidelines. The Market Risk unit of the Risk Management Division is responsible for identifying, assessing, monitoring, reporting and controlling liquidity risks against specified limits. The Market Risk unit reports to ALCO regularly, at least once a month.

The Bank has diversified funding sources. Its major funding source is customer deposits which are well diversified in terms of customer type, deposit type and maturity. Moreover, the Bank manages liquidity in major currencies such as the Thai baht and US dollar by using domestic and international money and capital markets, including swap and repurchase markets. The Bank aims to balance the cost of liquidity against liquidity risks as deemed appropriate, based on market conditions and acceptable risk levels. The Bank also closely manages short-term and long-term liquidity positions, including the consideration of foreign short-term and long-term borrowings to meet customers' foreign currency loan demands in both domestic and overseas operations, as well as planning for capital fundraising as market conditions permit. In addition to funding diversification, the Bank maintains high-quality liquid assets which can be liquidated or realized as needed in order to meet its financial obligations under both business-as-usual and crisis situations. The Bank maintains a liquidity reserve ratio in accordance with the requirements of the BOT and other regulatory authorities in the countries where it has an international presence, as well as in accordance with the ALCO guidelines.

The following tables show financial assets and financial liabilities categorized by remaining maturity profile as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED JUNE 30, 2023					Million Baht
	Up to 1 Year	1 to 5 Years	Over 5 Years	No Maturity	Non - performing Loans	Total
Financial Assets						
Interbank and money market items *	709,950	4,215	103	34,597	129	748,994
Financial assets measured at						
fair value through profit or loss	11,240	10,598	26,278	37,843	-	85,959
Derivatives assets	20,601	29,913	28,176	-	-	78,690
Investments	183,792	451,165	194,534	88,027	-	917,518
Loans to customers *	981,766	1,099,740	523,642	-	93,156	2,698,304
Financial Liabilities						
Deposits	1,169,926	37,938	-	1,992,291	-	3,200,155
Interbank and money market items	236,010	34,276	-	38,913	-	309,199
Liabilities payable on demand	7,843	-	-	-	-	7,843
Financial liabilities measured at						
fair value through profit or loss	592	-	17,946	-	-	18,538
Derivatives liabilities	29,979	27,637	27,928	-	-	85,544
Debt issued and borrowings	39,681	53,347	64,021	35,583	-	192,632

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

	CONSOLIDATED DECEMBER 31, 2022					Million Baht
	Up to 1 Year	1 to 5 Years	Over 5 Years	No Maturity	Non - performing Loans	Total
Financial Assets						
Interbank and money market items *	730,375	1,635	93	33,785	117	766,005
Financial assets measured at						
fair value through profit or loss	6,131	8,067	25,327	35,511	-	75,036
Derivatives assets	31,824	22,532	30,483	-	-	84,839
Investments	227,445	358,202	177,089	88,927	-	851,663
Loans to customers *	989,370	1,086,701	509,561	-	97,059	2,682,691
Financial Liabilities						
Deposits	1,179,968	19,184	-	2,011,744	-	3,210,896
Interbank and money market items	190,905	34,261	56	37,300	-	262,522
Liabilities payable on demand	7,770	-	-	-	-	7,770
Financial liabilities measured at						
fair value through profit or loss	548	-	17,412	-	-	17,960
Derivatives liabilities	20,350	22,589	28,042	-	-	70,981
Debt issued and borrowings	18,543	72,643	71,184	25,932	-	188,302

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

	THE BANK JUNE 30, 2023					Million Baht
	Up to 1 Year	1 to 5 Years	Over 5 Years	No Maturity	Non - performing Loans	Total
Financial Assets						
Interbank and money market items *	533,983	481	-	28,932	117	563,513
Financial assets measured at						
fair value through profit or loss	9,728	8,759	25,496	55,293	-	99,276
Derivatives assets	20,260	29,744	28,175	-	-	78,179
Investments	86,386	406,034	193,309	231,702	-	917,431
Loans to customers *	827,523	966,487	427,699	-	77,210	2,298,919
Financial Liabilities						
Deposits	940,880	28,249	-	1,730,775	-	2,699,904
Interbank and money market items	214,856	34,276	-	34,400	-	283,532
Liabilities payable on demand	7,837	-	-	-	-	7,837
Financial liabilities measured at						
fair value through profit or loss	-	-	17,946	-	-	17,946
Derivatives liabilities	29,690	27,279	27,903	-	-	84,872
Debt issued and borrowings	39,146	53,347	64,021	35,583	-	192,097

	THE BANK DECEMBER 31, 2022					Million Baht
	Up to 1 Year	1 to 5 Years	Over 5 Years	No Maturity	Non - performing Loans	Total
Financial Assets						
Interbank and money market items *	558,527	518	-	28,325	117	587,487
Financial assets measured at						
fair value through profit or loss	2,798	7,867	24,947	55,190	-	90,802
Derivatives assets	30,747	22,353	30,483	-	-	83,583
Investments	151,589	292,976	174,803	232,685	-	852,053
Loans to customers *	850,287	954,222	416,311	-	80,875	2,301,695
Financial Liabilities						
Deposits	956,774	13,520	-	1,745,858	-	2,716,152
Interbank and money market items	184,155	34,261	56	32,557	-	251,029
Liabilities payable on demand	7,767	-	-	-	-	7,767
Financial liabilities measured at						
fair value through profit or loss	-	-	17,412	-	-	17,412
Derivatives liabilities	19,640	21,973	28,036	-	-	69,649
Debt issued and borrowings	17,298	72,643	71,184	25,932	-	187,057

* Excluding allowance for expected credit loss, accrued interest receivables and undue interest receivables.

4.5 Fair value of financial instruments

The following table presents the carrying amount and estimated fair value of financial instruments as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED				Million Baht
	June 30, 2023		December 31, 2022		
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	
Financial Assets					
Cash	42,763	42,763	52,433	52,433	
Interbank and money market items, net	749,158	749,158	766,074	766,074	
Financial assets measured at fair value					
through profit or loss	85,959	85,959	75,036	75,036	
Derivatives assets	78,690	78,678	84,839	85,805	
Investments, net	917,342	919,222	851,572	853,063	
Loans to customers and accrued interest					
receivables, net	<u>2,452,499</u>	<u>2,452,499</u>	<u>2,449,355</u>	<u>2,449,355</u>	
Total	<u><u>4,326,411</u></u>	<u><u>4,328,279</u></u>	<u><u>4,279,309</u></u>	<u><u>4,281,766</u></u>	
Financial Liabilities					
Deposits	3,200,155	3,200,155	3,210,896	3,210,896	
Interbank and money market items	309,199	309,199	262,522	262,522	
Liabilities payable on demand	7,843	7,843	7,770	7,770	
Financial liabilities measured at fair value					
through profit or loss	18,538	18,538	17,960	17,960	
Derivatives liabilities	85,544	84,879	70,981	71,757	
Debt issued	192,586	177,167	188,219	171,456	
Borrowings	<u>46</u>	<u>46</u>	<u>83</u>	<u>83</u>	
Total	<u><u>3,813,911</u></u>	<u><u>3,797,827</u></u>	<u><u>3,758,431</u></u>	<u><u>3,742,444</u></u>	

	THE BANK			
	June 30, 2023		December 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash	39,060	39,060	48,169	48,169
Interbank and money market items, net	563,529	563,529	587,554	587,554
Financial assets measured at fair value				
through profit or loss	99,276	99,276	90,802	90,802
Derivatives assets	78,179	78,151	83,583	83,621
Investments, net	916,987	948,965	851,694	875,748
Loans to customers and accrued interest receivables, net	<u>2,084,094</u>	<u>2,084,094</u>	<u>2,096,756</u>	<u>2,096,756</u>
Total	<u>3,781,125</u>	<u>3,813,075</u>	<u>3,758,558</u>	<u>3,782,650</u>
Financial Liabilities				
Deposits	2,699,904	2,699,904	2,716,152	2,716,152
Interbank and money market items	283,532	283,532	251,029	251,029
Liabilities payable on demand	7,837	7,837	7,767	7,767
Financial liabilities measured at fair value				
through profit or loss	17,946	17,946	17,412	17,412
Derivatives liabilities	84,872	84,208	69,649	69,543
Debt issued	192,051	176,631	186,974	170,211
Borrowings	<u>46</u>	<u>46</u>	<u>83</u>	<u>83</u>
Total	<u>3,286,188</u>	<u>3,270,104</u>	<u>3,249,066</u>	<u>3,232,197</u>

For cash, deposits, interbank and money market items (liabilities), liabilities payable on demand, and borrowings, the carrying amounts in the statement of financial position approximate the fair value of the items.

The fair value for loans to customers and interest receivables, net and interbank and money market items, net (assets) is based on the carrying value of the loans to customers and interest receivables, net of the allowance for expected credit loss as presented in the statement of financial position.

The following methods and assumptions were used by the Bank in estimating the fair value of financial instruments as disclosed herein :

The fair values of interbank and money market items, net (assets), loans to customers and interest receivables, net, deposits, interbank and money market items (liabilities), liabilities payable on demand, and borrowings are determined by discounting cash flows using the relevant market interest rates.

The fair value of derivatives is derived from market price or valuation techniques which are based on the market prices of instruments with similar characteristics and maturities or the valuation quoted by reliable institutions.

The fair value determination of investments in debt securities

- For domestic debt securities listed in the Thai Bond Market Association, the fair value is determined by using the market yield of debt securities published by the Thai Bond Market Association. For such debt securities that are not listed in the Thai Bond Market Association, the average bid yield from three reliable financial institutions will be used.
- For foreign debt securities, the value quoted by reliable international financial institutions will be used.

The fair value determination of investments in equity securities

- For marketable equity securities with readily determinable market values, the fair value is determined by the last bid price on the Stock Exchange of Thailand on the last business day of the reporting date. If the last bid price is not available, the last closing price will be used.
- Investments in unit trusts are stated at fair value based on redemption value at the reporting date.
- For other non-marketable investments, the fair value is determined by using appropriate valuation techniques with price and/or variables from the market and consideration to limitation of sale, liquidation, and discount rate to adjust such fair value. The valuation techniques include the use of recent arm's length transactions, reference to current fair value of other investments that have similar characteristics, discounted cash flows, and market multiples.

The fair value for debt issued is based on the market value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or in the absence, the most advantageous market, where is accessible to by the Bank. The fair value of instruments that are quoted in active markets is determined using the quoted prices. A market is regarded as active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market is not active, or an asset or a liability is not traded in an active market, the Bank uses valuation techniques to determine fair value by using the assumptions that market participants would use when pricing the asset or liability. Where applicable, a valuation adjustment is applied to derive at the fair value.

The following table shows an analysis of financial assets and financial liabilities by level of the fair value hierarchy as at June 30, 2023 and December 31, 2022.

				CONSOLIDATED				Million Baht
		June 30, 2023				December 31, 2022		
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Items measured at fair value								
Financial assets								
Financial assets measured								
at fair value through								
profit or loss	8,971	11,647	65,341	85,959	7,301	6,290	61,445	75,036
Derivatives assets	57	78,621	-	78,678	437	85,368	-	85,805
Investments, net	163,457	633,319	6,044	802,820	180,939	575,478	5,522	761,939
Financial liabilities								
Financial liabilities measured								
at fair value through								
profit or loss	592	17,946	-	18,538	548	17,412	-	17,960
Derivatives liabilities	65	84,814	-	84,879	46	71,711	-	71,757
Items not measured at fair value								
Financial assets								
Investments, net	5,738	83,555	27,109	116,402	4,173	68,187	18,764	91,124
Financial liabilities								
Debt issued	-	177,167	-	177,167	-	171,456	-	171,456

				THE BANK					Million Baht
		June 30, 2023				December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Items measured at fair value									
Financial assets									
Financial assets measured									
at fair value through									
profit or loss	2,573	9,000	87,703	99,276	3,527	2,448	84,827	90,802	
Derivatives assets	48	78,103	-	78,151	421	83,200	-	83,621	
Investments, net	98,666	605,891	5,954	710,511	103,831	549,809	5,434	659,074	
Financial liabilities									
Financial liabilities measured									
at fair value through									
profit or loss	-	17,946	-	17,946	-	17,412	-	17,412	
Derivatives liabilities	-	84,208	-	84,208	-	69,543	-	69,543	
Items not measured at fair value									
Financial assets									
Investments, net	2,273	61,542	174,639	238,454	897	49,064	166,713	216,674	
Financial liabilities									
Debt issued	-	176,631	-	176,631	-	170,211	-	170,211	

Fair values are determined according to the following hierarchy :

- Level 1 - quoted prices in active market for identical assets or liabilities
- Level 2 - value derived from valuation techniques for which the significant input used for the fair value measurement is directly or indirectly observable in the market
- Level 3 - value derived from valuation techniques for which the significant input used for the fair value measurement is unobservable in the market

When using valuation techniques, the valuation adjustments are adopted, when the Bank considers that there are additional factors that would be considered by a market participant but are not incorporated within the valuation measurements. The considering factors are such as bid-offer spread, counterparty credit and liquidity, etc.

4.6 Capital fund

It is the Bank's policy to maintain an adequate level of capital to support growth strategies under an acceptable risk framework taking into consideration regulatory requirements and market expectations. The Bank regularly assesses its capital adequacy under various scenarios in order to anticipate capital requirements for the purpose of its capital planning and management process.

The guideline on capital fund based on the Basel III guidelines of the BOT requires the Bank to set out additional capital ratio of more than 2.50 percent which maintains a capital conservation buffer in addition to minimum capital adequacy ratios. The BOT has announced the guideline to identify and regulate Domestic Systemically Important Bank (D-SIB). The BOT requires the Bank, classified as D-SIB, must have additional capital requirement for Higher Loss Absorbency (HLA) requirement by increasing the Common Equity Tier 1 ratio at 1 percent. The minimum capital adequacy and a capital conservation buffer ratios to risk-weighted assets is as follows :

Capital Fund Ratio	Percentage	
	June 30, 2023	December 31, 2022
Common Equity Tier 1 ratio	More than 8.0	More than 8.0
Tier 1 capital ratio	More than 9.5	More than 9.5
Total capital fund ratio	More than 12.0	More than 12.0

Moreover, the BOT may require to maintain additional capital for countercyclical buffer at maximum of 2.50 percent.

As at June 30, 2023 and December 31, 2022, the Bank maintained capital adequacy ratios to risk assets and capital fund in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

	Percentage			
	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Common Equity Tier 1 capital to risk assets ratio	14.92	14.88	16.17	16.51
Tier 1 capital to risk assets ratio	15.71	15.67	17.04	17.38
Total capital to risk assets ratio	19.13	19.13	20.73	21.12

	Million Baht			
	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Tier 1 capital	476,875	471,366	464,498	468,474
Common Equity Tier 1 capital	453,098	447,590	440,906	444,882
Paid-up share capital	19,088	19,088	19,088	19,088
Premium on share capital	56,346	56,346	56,346	56,346
Legal reserve	27,500	27,000	27,500	27,000
Reserves appropriated from net profit	121,500	121,500	121,500	121,500
Net profit after appropriation	220,942	210,038	199,008	190,120
Other comprehensive income	52,610	53,237	46,372	55,123
Items of the subsidiary undertaking				
commercial bank business only for the portion				
of non-controlling shareholders that can be				
counted as tier 1 capital of the financial group	404	391	-	-
Deductions from Common Equity Tier 1 capital	(45,292)	(40,010)	(28,908)	(24,295)
Additional Tier 1 capital	23,777	23,776	23,592	23,592
Tier 2 capital	104,027	104,108	100,687	100,807
Total capital fund	580,902	575,474	565,185	569,281

As at June 30, 2023 and December 31, 2022, the Bank has no capital add-on arising from Single Lending Limit.

Disclosure of capital maintenance information of the Bank and the Financial Holding Group under the BOT's Notification regarding the disclosure of the capital requirement of commercial banks, regarding the disclosure of the capital requirement of the Financial Holding Group and regarding liquidity coverage ratio disclosure standards.

Location of disclosure [www.bangkokbank.com/Investor Relations/Financial Information/Basel III - Pillar 3](http://www.bangkokbank.com/Investor%20Relations/Financial%20Information/Basel%20III%20-%20Pillar%203)
Date of disclosure April 28, 2023
Information as of December 31, 2022

5. Significant Use of Accounting Judgments and Estimates

5.1 Impairment losses on financial assets

The measurement of impairment losses under Thai Financial Reporting Standard No. 9 regarding Financial Instruments across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values and the assessment of significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowance.

The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include :

- The Bank's internal credit grading model, which assigns probability of default to the individual grades
- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowance for financial assets should be measured on a lifetime ECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs and collateral values, and the effect on probability of defaults, exposure at defaults and loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models

There has been the Bank's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.2 Provisions

The determination of the provisions on the statement of financial position requires the use of various assumptions and judgments by the Bank, taking into consideration the nature of transactions and the circumstances requiring the provisions, the probability of the outflow of economic benefits to settle such obligations and the estimate of the net future cash outflows. The consideration is based on the experience and information that is available at the time that the financial statements are being prepared. The provisions are reviewed regularly. However, the actual results may differ from the estimates.

For the estimation of the provision for the defined benefit plans under the post-employment benefits, the estimation is calculated by an actuary by using the actuarial techniques which require actuarial assumptions

on financial variables such as discount rate, future salaries and benefits, etc., and demographic variables such as employee mortality and turnover, etc.

5.3 Fair value of financial instruments

Where assets and liabilities are not traded in active markets, the Bank determines fair value by using valuation techniques commonly used by market participants including the reference to the fair value of another instrument of a similar nature, the discounted cash flow analysis and pricing models.

The Bank uses its best judgment in estimating the fair values of financial instruments. However, estimation methodologies and assumptions used to estimate fair values are inherently subjective. Accordingly, the use of different estimation methodologies and/or market assumptions may have a significant effect on the estimated fair values.

5.4 Impairment of goodwill

Performing the impairment test on the carrying amount of goodwill against the recoverable amount is carried out on an annual basis, or when there is indication that the goodwill may be impaired. The recoverable amount is determined based on the present value of estimated future cash flows expected to arise from the continuing operations. In estimating the future cash flows, growth rates and discount rates used in computing the recoverable amount is exercised by the Bank's best judgment which is inherently uncertain and subject to potential change over time. However, the Bank reviews these estimates on a regular basis.

6. Additional Information

6.1 Classification of Financial Assets and Financial Liabilities

Classification of financial assets and financial liabilities as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED JUNE 30, 2023					Million Baht
	Financial instruments measured at FVTPL	Financial instruments designated at FVTPL	Financial instruments measured at FVOCI	Investments in equity securities designated at FVOCI	Financial instruments measured at amortized cost	Total
Financial assets						
Cash	-	-	-	-	42,763	42,763
Interbank and money market items, net	-	-	-	-	749,158	749,158
Financial assets measured at FVTPL	85,959	-	-	-	-	85,959
Derivatives assets	78,690	-	-	-	-	78,690
Investments, net	-	-	714,296	88,524	113,123	915,943
Loans to customers and accrued interest receivables, net	-	-	-	-	2,452,499	2,452,499
Total	<u>164,649</u>	<u>-</u>	<u>714,296</u>	<u>88,524</u>	<u>3,357,543</u>	<u>4,325,012</u>
Financial liabilities						
Deposits	-	-	-	-	3,200,155	3,200,155
Interbank and money market item	-	-	-	-	309,199	309,199
Liability payable on demand	-	-	-	-	7,843	7,843
Financial liabilities measured at FVTPL	592	17,946	-	-	-	18,538
Derivatives liabilities	85,544	-	-	-	-	85,544
Debt issued and borrowings	-	-	-	-	192,632	192,632
Total	<u>86,136</u>	<u>17,946</u>	<u>-</u>	<u>-</u>	<u>3,709,829</u>	<u>3,813,911</u>

Million Baht

	CONSOLIDATED DECEMBER 31, 2022					
	Financial instruments measured at FVTPL	Financial instruments designated at FVTPL	Financial instruments measured at FVOCI	Investments in equity securities designated at FVOCI	Financial instruments measured at amortized cost	Total
Financial assets						
Cash	-	-	-	-	52,433	52,433
Interbank and money market items, net	-	-	-	-	766,074	766,074
Financial assets measured at FVTPL	75,036	-	-	-	-	75,036
Derivatives assets	84,839	-	-	-	-	84,839
Investments, net	-	-	672,065	89,874	88,212	850,151
Loans to customers and accrued interest receivables, net	-	-	-	-	2,449,355	2,449,355
Total	<u>159,875</u>	<u>-</u>	<u>672,065</u>	<u>89,874</u>	<u>3,356,074</u>	<u>4,277,888</u>
Financial liabilities						
Deposits	-	-	-	-	3,210,896	3,210,896
Interbank and money market item	-	-	-	-	262,522	262,522
Liability payable on demand	-	-	-	-	7,770	7,770
Financial liabilities measured at FVTPL	548	17,412	-	-	-	17,960
Derivatives liabilities	70,981	-	-	-	-	70,981
Debt issued and borrowings	-	-	-	-	188,302	188,302
Total	<u>71,529</u>	<u>17,412</u>	<u>-</u>	<u>-</u>	<u>3,669,490</u>	<u>3,758,431</u>

Million Baht

THE BANK JUNE 30, 2023						
	Financial instruments measured at FVTPL	Financial instruments designated at FVTPL	Financial instruments measured at FVOCI	Investments in equity securities designated at FVOCI	Financial instruments measured at amortized cost	Total
Financial assets						
Cash	-	-	-	-	39,060	39,060
Interbank and money market items, net	-	-	-	-	563,529	563,529
Financial assets measured at FVTPL	99,276	-	-	-	-	99,276
Derivatives assets	78,179	-	-	-	-	78,179
Investments, net	-	-	623,894	86,616	61,660	772,170
Loans to customers and accrued interest receivables, net	-	-	-	-	2,084,094	2,084,094
Total	<u>177,455</u>	<u>-</u>	<u>623,894</u>	<u>86,616</u>	<u>2,748,343</u>	<u>3,636,308</u>
Financial liabilities						
Deposits	-	-	-	-	2,699,904	2,699,904
Interbank and money market item	-	-	-	-	283,532	283,532
Liability payable on demand	-	-	-	-	7,837	7,837
Financial liabilities measured at FVTPL	-	17,946	-	-	-	17,946
Derivatives liabilities	84,872	-	-	-	-	84,872
Debt issued and borrowings	-	-	-	-	192,097	192,097
Total	<u>84,872</u>	<u>17,946</u>	<u>-</u>	<u>-</u>	<u>3,183,370</u>	<u>3,286,188</u>

Million Baht

THE BANK						
DECEMBER 31, 2022						
	Financial instruments measured at FVTPL	Financial instruments designated at FVTPL	Financial instruments measured at FVOCI	Investments in equity securities designated at FVOCI	Financial instruments measured at amortized cost	Total
Financial assets						
Cash	-	-	-	-	48,169	48,169
Interbank and money market items, net	-	-	-	-	587,554	587,554
Financial assets measured at FVTPL	90,802	-	-	-	-	90,802
Derivatives assets	83,583	-	-	-	-	83,583
Investments, net	-	-	571,103	87,971	47,803	706,877
Loans to customers and accrued interest receivables, net	-	-	-	-	2,096,756	2,096,756
Total	<u>174,385</u>	<u>-</u>	<u>571,103</u>	<u>87,971</u>	<u>2,780,282</u>	<u>3,613,741</u>
Financial liabilities						
Deposits	-	-	-	-	2,716,152	2,716,152
Interbank and money market item	-	-	-	-	251,029	251,029
Liability payable on demand	-	-	-	-	7,767	7,767
Financial liabilities measured at FVTPL	-	17,412	-	-	-	17,412
Derivatives liabilities	69,649	-	-	-	-	69,649
Debt issued and borrowings	-	-	-	-	187,057	187,057
Total	<u>69,649</u>	<u>17,412</u>	<u>-</u>	<u>-</u>	<u>3,162,005</u>	<u>3,249,066</u>

6.2 Cash

Cash as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Cash	42,705	52,384	39,002	48,120
Cash received in advance from e-Money and electronic money transfer service	58	49	58	49
Total	42,763	52,433	39,060	48,169

6.3 Supplementary Disclosures of Cash Flow Information

Significant non-cash items for the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS ENDED		FOR THE SIX-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Unrealized gains on investments in shareholders' equity decrease	(8,586)	(9,626)	(9,123)	(8,154)
Properties for sale increased from loans payment/inactive assets	3,698	2,309	3,551	2,106
Appraisal surplus transferred to retained earnings	537	546	496	495
Changes in non-cash items of debt issued and borrowing				
Losses on foreign exchange	(5,068)	(10,163)	(5,068)	(10,163)
Amortization on discount	9	40	9	40

6.4 Interbank and Money Market Items, net (Assets)

Interbank and money market items, net (assets) as at June 30, 2023 and December 31, 2022 consisted of the following :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Million Baht				
Domestic items				
Bank of Thailand and Financial Institutions				
Development Fund	444,393	451,420	444,393	451,420
Commercial banks	13,869	22,911	5,430	10,101
Special purpose financial institutions	500	-	500	-
Other financial institutions	8,934	15,370	8,934	15,370
Total	467,696	489,701	459,257	476,891
<u>Add</u> Accrued interest receivables and				
undue interest receivables	78	83	67	68
<u>Less</u> Allowance for expected credit loss	(135)	(74)	(135)	(74)
Total domestic items	467,639	489,710	459,189	476,885
Foreign items				
USD	109,351	129,183	70,741	70,949
JPY	11,207	10,140	10,002	9,210
EUR	2,402	5,899	1,494	5,809
Others	158,338	131,082	22,019	24,628
Total	281,298	276,304	104,256	110,596
<u>Add</u> Accrued interest receivables and				
undue interest receivables	538	412	341	374
<u>Less</u> Allowance for expected credit loss	(317)	(352)	(257)	(301)
Total foreign items	281,519	276,364	104,340	110,669
Total domestic and foreign items	749,158	766,074	563,529	587,554

6.5 Financial Assets Measured at Fair Value through Profit or Loss

6.5.1 Trading financial assets as at June 30, 2023 and December 31, 2022 consisted of the following :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Fair Value	Fair Value	Fair Value	Fair Value
Million Baht				
Thai government and state enterprise				
securities	8,003	1,261	8,003	1,261
Foreign debt securities	4,098	629	-	-
Domestic marketable equity securities	2,299	3,145	-	-
Others	109	106	-	-
Total	14,509	5,141	8,003	1,261

6.5.2 Others as at June 30, 2023 and December 31, 2022 consisted of the following :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Fair Value	Fair Value	Fair Value	Fair Value
Investments in debt securities	60,619	59,123	81,880	80,338
Investments in equity securities	<u>10,831</u>	<u>10,772</u>	<u>9,393</u>	<u>9,203</u>
Total	<u><u>71,450</u></u>	<u><u>69,895</u></u>	<u><u>91,273</u></u>	<u><u>89,541</u></u>
Financial assets measured				
at fair value through				
profit or loss	<u><u>85,959</u></u>	<u><u>75,036</u></u>	<u><u>99,276</u></u>	<u><u>90,802</u></u>

6.6 Derivatives Assets and Liabilities

The fair values and the notional amounts derivatives classified by type of risk as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED					
	June 30, 2023		December 31, 2022			
Type of risk	Fair Value		Notional Amount	Fair Value		Notional Amount
	Assets	Liabilities		Assets	Liabilities	
Foreign exchange rate	47,342	52,855	1,904,318	53,826	38,142	1,920,063
Interest rate	31,258	32,627	1,329,619	30,546	32,812	1,277,265
Others	<u>90</u>	<u>62</u>	<u>6,390</u>	<u>467</u>	<u>27</u>	<u>6,600</u>
Total	<u><u>78,690</u></u>	<u><u>85,544</u></u>	<u><u>3,240,327</u></u>	<u><u>84,839</u></u>	<u><u>70,981</u></u>	<u><u>3,203,928</u></u>

	THE BANK					
	June 30, 2023		December 31, 2022			
Type of risk	Fair Value		Notional Amount	Fair Value		Notional Amount
	Assets	Liabilities		Assets	Liabilities	
Foreign exchange rate	46,980	52,245	1,831,397	52,720	36,839	1,837,245
Interest rate	31,151	32,627	1,326,944	30,442	32,810	1,274,682
Others	<u>48</u>	<u>-</u>	<u>1,105</u>	<u>421</u>	<u>-</u>	<u>2,263</u>
Total	<u><u>78,179</u></u>	<u><u>84,872</u></u>	<u><u>3,159,446</u></u>	<u><u>83,583</u></u>	<u><u>69,649</u></u>	<u><u>3,114,190</u></u>

Derivative is a financial instrument whose value changes in response to the change in an underlying variable such as interest rate, foreign exchange rate, index of prices or rates, or underlying asset price etc. Notional amounts of derivatives reflect the extent of the Bank's involvement in particular classes of derivatives but do not reflect market risk and credit risk. The Bank's derivatives are as follows :

Foreign exchange derivatives

- Forward foreign exchange contracts are contracts that effectively fix a future foreign exchange rate. The contract provides that, at a predetermined future date, a cash delivery will be made between the parties at a specified contract rate.
- Currency swaps are contracts which involve the exchange of principal and interest in two different currencies with counterparty for a specified period.

Interest rate derivatives

Interest rate swaps are contracts which involve the exchange of interest with counterparties for a specified period in the same currency of principal without the exchange of the underlying principal.

Hedge accounting

The Bank uses currency swaps and interest rate swaps to hedge its exposure to changes in the fair value of fixed rate instruments and its foreign currency risk exposure. As at June 30, 2023 and December 31, 2022, the carrying amount of derivatives designated as hedging instruments in the consolidated and the Bank's financial statements for derivatives assets are amounting to Baht 869 million and Baht 1,378 million and derivatives liabilities Baht 351 million and Baht 179 million, respectively.

The Bank uses currency swaps to hedge the variability in cash flows that is related to a variable or fixed rate asset resulting from changes in interest rate and its foreign currency risk exposure. As at June 30, 2023 and December 31, 2022, the carrying amount of derivatives designated as hedging instruments in the consolidated and the Bank's financial statements for derivatives assets are amounting to Baht 5,656 million and Baht 4,479 million and derivatives liabilities Baht 767 million and Baht 602 million, respectively.

6.7 Investments, net

6.7.1 Investments as at June 30, 2023 and December 31, 2022 consisted of the following :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Amortized Cost	Amortized Cost	Amortized Cost	Amortized Cost
Debt investment securities				
measured at amortized cost				
Thai government and				
state enterprise securities	81,539	66,489	59,525	46,962
Foreign debt securities	<u>31,760</u>	<u>21,814</u>	<u>2,311</u>	<u>932</u>
Total	113,299	88,303	61,836	47,894
<u>Less</u> Allowance for expected credit loss	<u>(176)</u>	<u>(91)</u>	<u>(176)</u>	<u>(91)</u>
Total	<u><u>113,123</u></u>	<u><u>88,212</u></u>	<u><u>61,660</u></u>	<u><u>47,803</u></u>

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Fair Value	Fair Value	Fair Value	Fair Value
Debt investment securities				
measured at FVOCI				
Thai government and				
state enterprise securities	487,972	450,837	487,972	450,837
Private enterprise debt securities	29,213	19,892	29,213	19,892
Foreign debt securities	190,815	195,094	100,413	94,132
Others	<u>6,296</u>	<u>6,242</u>	<u>6,296</u>	<u>6,242</u>
Total	<u>714,296</u>	<u>672,065</u>	<u>623,894</u>	<u>571,103</u>
Allowance for expected credit loss	<u><u>7,556</u></u>	<u><u>6,331</u></u>	<u><u>7,482</u></u>	<u><u>6,281</u></u>

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Fair Value	Fair Value	Fair Value	Fair Value
Equity investment securities				
designated at FVOCI				
Domestic marketable equity				
securities	59,531	63,718	57,936	62,012
Foreign marketable equity securities	21,070	18,726	21,070	18,726
Others	<u>7,923</u>	<u>7,430</u>	<u>7,610</u>	<u>7,233</u>
Total	<u>88,524</u>	<u>89,874</u>	<u>86,616</u>	<u>87,971</u>
Investments, net	<u><u>915,943</u></u>	<u><u>850,151</u></u>	<u><u>772,170</u></u>	<u><u>706,877</u></u>

For the three-month periods ended June 30, 2023 and 2022, the Bank received dividends from equity investment securities designated at FVOCI that the Bank maintains in the consolidated financial statements, amounting to Baht 798 million and Baht 910 million and in the Bank's financial statements amounting to Baht 769 million and Baht 877 million, respectively.

For the six-month periods ended June 30, 2023 and 2022, the Bank received dividends from equity investment securities designated at FVOCI that the Bank maintains in the consolidated financial statements, amounting to Baht 1,428 million and Baht 1,481 million and in the Bank's financial statements amounting to Baht 1,372 million and Baht 1,424 million, respectively.

The Bank had investments in companies whose prospects as a going concern are uncertain, comprising of companies listed in the SET that fall under the SET delisting criteria and non-listed companies that their financial performance and financial position fall under the SET delisting criteria. As at June 30, 2023 and December 31, 2022, there were 32 companies with investment cost of Baht 806 million and fair value of Baht 0 million.

- 6.7.2 As at June 30, 2023 and December 31, 2022, the Bank and subsidiaries had investments in other companies of 10% and upwards of the paid-up capital of the respective companies but which are not considered to be investments in subsidiaries and associates. The classification is as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Fair Value	Fair Value	Fair Value	Fair Value
Manufacturing and commercial	143	217	143	217
Real estate and construction	1,234	997	1,234	997
Utilities and services	19	19	19	19
Others	<u>2,251</u>	<u>2,198</u>	<u>2,251</u>	<u>2,198</u>
Total	<u><u>3,647</u></u>	<u><u>3,431</u></u>	<u><u>3,647</u></u>	<u><u>3,431</u></u>

6.8 Investments in Subsidiaries and Associates, net

As at June 30, 2023 and December 31, 2022, the Bank had investments in subsidiaries and associates, net as follows :

								Million Baht
Company	Type of Business	Type of Shares	CONSOLIDATED					
			Direct and Indirect Shareholding (%)		Investment (Cost Method)		Investment (Equity Method)	
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Associates								
Thai Payment Network Co., Ltd.	Service	Common share	33.33	33.33	262	262	53	62
Processing Center Co., Ltd.	Service	Common share	30.00	30.00	15	15	504	488
BCI (Thailand) Co., Ltd.	Service	Common share	22.17	22.17	118	118	62	70
National ITMX Co., Ltd.	Service	Common share	12.55	12.55	12	12	481	511
PT Honest Financial Technologies *	Finance	Common share	28.79	28.79	<u>314</u>	<u>314</u>	<u>299</u>	<u>290</u>
Total					721	721	1,399	1,421
Less Allowance for impairment					<u>(172)</u>	<u>(172)</u>	<u>-</u>	<u>-</u>
Investments in associates, net					<u>549</u>	<u>549</u>	<u>1,399</u>	<u>1,421</u>

* Holding by PT Bank Permata Tbk.

Million Baht

Company	Type of Business	Type of Shares	THE BANK		Investment	
			Direct and Indirect		(Cost Method)	
			Shareholding (%)			
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Subsidiaries						
BBL (Cayman) Limited	Finance	Common share	100.00	100.00	2	2
Bangkok Bank Berhad	Banking	Common share	100.00	100.00	9,261	9,261
Sinnsuptawee Asset Management Co., Ltd.	Asset Management	Common share	100.00	100.00	2,500	2,500
Bangkok Bank (China) Co., Ltd.	Banking	Common share	100.00	100.00	19,585	19,585
Bualuang Ventures Limited	Venture Capital Company	Common share	100.00	100.00	2,000	2,000
PT Bank Permata Tbk	Banking	Common share	98.71	98.71	105,010	105,010
Bualuang Securities PCL.	Securities	Common share	99.91	99.91	4,772	4,772
BSL Leasing Co., Ltd.	Finance	Common share	90.00	90.00	1,365	1,365
BBL Asset Management Co., Ltd.	Finance	Common share	75.00	75.00	183	183
Associates						
Thai Payment Network Co., Ltd.	Service	Common share	33.33	33.33	262	262
Processing Center Co., Ltd.	Service	Common share	30.00	30.00	15	15
BCI (Thailand) Co., Ltd.	Service	Common share	22.17	22.17	118	118
National ITMX Co., Ltd.	Service	Common share	12.55	12.55	12	12
Total					145,085	145,085
<u>Less</u> Allowance for impairment					(268)	(268)
Investments in subsidiaries and associates, net					144,817	144,817

The aggregated financial information of associates that are not individually material is as follows :

	Million Baht	
	FOR THE THREE-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022
Net profit	436	355
Total comprehensive income	438	354

	Million Baht	
	FOR THE SIX-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022
Net profit	925	710
Total comprehensive income	930	706

6.9 Loans to Customers and Accrued Interest Receivables, net

6.9.1 Classified by product type as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Overdrafts	111,746	107,245	88,130	87,251
Loans	2,211,300	2,192,996	1,848,287	1,847,327
Bills	364,776	372,399	360,618	365,668
Hire purchase receivables	4,310	4,129	-	-
Finance lease receivables	913	935	-	-
Others	<u>5,259</u>	<u>4,987</u>	<u>1,884</u>	<u>1,449</u>
Loans to customers	2,698,304	2,682,691	2,298,919	2,301,695
<u>Add</u> Accrued interest receivables and				
undue interest receivables	<u>11,341</u>	<u>10,138</u>	<u>10,327</u>	<u>9,150</u>
Loans to customers and accrued				
interest receivables	2,709,645	2,692,829	2,309,246	2,310,845
<u>Less</u> Allowance for expected credit loss	<u>(257,146)</u>	<u>(243,474)</u>	<u>(225,152)</u>	<u>(214,089)</u>
Total loans to customers and				
accrued interest receivables, net	<u>2,452,499</u>	<u>2,449,355</u>	<u>2,084,094</u>	<u>2,096,756</u>

6.9.2 Classified by type of classification as at June 30, 2023 and December 31, 2022 as follows :

	Loans and Interbank and Money Market items		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Performing and Under-performing	3,354,013	3,351,508	2,785,104	2,808,191
Non-performing	<u>93,285</u>	<u>97,188</u>	<u>77,327</u>	<u>80,991</u>
Total	<u>3,447,298</u>	<u>3,448,696</u>	<u>2,862,431</u>	<u>2,889,182</u>

The consolidated and the Bank's financial statements as at June 30, 2023, impaired loans with restructured loans amounted to Baht 45,564 million and Baht 38,436 million, respectively.

The consolidated and the Bank's financial statements as at December 31, 2022, impaired loans with restructured loans amounted to Baht 52,164 million and Baht 41,485 million, respectively.

6.9.3 As at June 30, 2023 and December 31, 2022, the Bank and subsidiaries had non-performing loans (NPLs), including interbank and money market items but excluding accrued interest receivables, as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
NPLs before allowance for expected credit loss	93,285	97,188	77,327	80,991
NPLs as percentage of total loans	2.90	3.06	2.81	2.93
Net NPLs after allowance for expected credit loss	23,599	26,834	21,595	24,369
Net NPLs as percentage of net total loans	0.75	0.86	0.80	0.90

6.9.4 Classified by customer's residence as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Domestic	1,611,618	1,629,972	1,602,522	1,620,533
Foreign	<u>1,086,686</u>	<u>1,052,719</u>	<u>696,397</u>	<u>681,162</u>
Total	<u><u>2,698,304</u></u>	<u><u>2,682,691</u></u>	<u><u>2,298,919</u></u>	<u><u>2,301,695</u></u>

6.9.5 Classified by business type as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Agriculture and mining	89,136	88,014	48,712	53,047
Manufacturing and commercial	801,356	825,508	668,073	688,956
Real estate and construction	194,699	196,482	165,943	165,304
Utilities and services	494,387	527,351	432,213	451,734
Housing loans	340,690	336,256	274,063	273,913
Others	<u>778,036</u>	<u>709,080</u>	<u>709,915</u>	<u>668,741</u>
Total	<u><u>2,698,304</u></u>	<u><u>2,682,691</u></u>	<u><u>2,298,919</u></u>	<u><u>2,301,695</u></u>

6.9.6 Classified by type of classification and allowance for expected credit loss as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023		June 30, 2023	
	Loans and accrued interest receivables	Allowance for expected credit loss	Loans and accrued interest receivables	Allowance for expected credit loss
Performing	2,466,143	105,385	2,098,219	93,026
Under-performing	146,832	78,568	130,381	72,913
Non-performing	<u>96,670</u>	<u>73,193</u>	<u>80,646</u>	<u>59,213</u>
Total	<u><u>2,709,645</u></u>	<u><u>257,146</u></u>	<u><u>2,309,246</u></u>	<u><u>225,152</u></u>

Million Baht

	CONSOLIDATED December 31, 2022		THE BANK December 31, 2022	
	Loans and accrued interest receivables	Allowance for expected credit loss	Loans and accrued interest receivables	Allowance for expected credit loss
Performing	2,450,031	96,662	2,100,434	86,850
Under-performing	142,485	73,258	126,453	67,441
Non-performing	<u>100,313</u>	<u>73,554</u>	<u>83,958</u>	<u>59,798</u>
Total	<u>2,692,829</u>	<u>243,474</u>	<u>2,310,845</u>	<u>214,089</u>

6.10 Properties for Sale, net

Properties for sale consisted of the following as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED JUNE 30, 2023				Million Baht
Type of Properties for Sale	Beginning Balance	Increase	Decrease	Others	Ending Balance
Assets from debt repayment					
Immovable assets	19,493	3,491	(3,758)	16	19,242
Movable assets	<u>95</u>	<u>211</u>	<u>-</u>	<u>2</u>	<u>308</u>
Total	19,588	3,702	(3,758)	18	19,550
Others	<u>16</u>	<u>32</u>	<u>(17)</u>	<u>-</u>	<u>31</u>
Total properties for sale	19,604	3,734	(3,775)	18	19,581
<u>Less</u> Allowance for impairment	<u>(7,587)</u>	<u>(1,463)</u>	<u>1,550</u>	<u>(5)</u>	<u>(7,505)</u>
Total properties for sale, net	<u>12,017</u>	<u>2,271</u>	<u>(2,225)</u>	<u>13</u>	<u>12,076</u>

	CONSOLIDATED DECEMBER 31, 2022				Million Baht
Type of Properties for Sale	Beginning Balance	Increase	Decrease	Others	Ending Balance
Assets from debt repayment					
Immovable assets	17,408	4,192	(2,085)	(22)	19,493
Movable assets	<u>76</u>	<u>53</u>	<u>(31)</u>	<u>(3)</u>	<u>95</u>
Total	17,484	4,245	(2,116)	(25)	19,588
Others	<u>4</u>	<u>60</u>	<u>(48)</u>	<u>-</u>	<u>16</u>
Total properties for sale	17,488	4,305	(2,164)	(25)	19,604
<u>Less</u> Allowance for impairment	<u>(7,992)</u>	<u>(485)</u>	<u>880</u>	<u>10</u>	<u>(7,587)</u>
Total properties for sale, net	<u>9,496</u>	<u>3,820</u>	<u>(1,284)</u>	<u>(15)</u>	<u>12,017</u>

As at June 30, 2023, the Bank and subsidiaries had immovable assets from debt repayment in the amount of Baht 19,242 million consisting of immovable assets which were appraised by external appraisers in the amount of Baht 12,925 million and appraised by internal appraisers in the amount of Baht 6,317 million.

As at December 31, 2022, the Bank and subsidiaries had immovable assets from debt repayment in the amount of Baht 19,493 million consisting of immovable assets which were appraised by external appraisers in the amount of Baht 13,471 million and appraised by internal appraisers in the amount of Baht 6,022 million.

				Million Baht
THE BANK JUNE 30, 2023				
Type of Properties for Sale	Beginning Balance	Increase	Decrease	Ending Balance
Assets from debt repayment				
Immovable assets	16,363	3,404	(2,862)	16,905
Movable assets	62	167	-	229
Total	16,425	3,571	(2,862)	17,134
Others	12	16	-	28
Total properties for sale	16,437	3,587	(2,862)	17,162
<u>Less</u> Allowance for impairment	(5,307)	(1,449)	749	(6,007)
Total properties for sale, net	11,130	2,138	(2,113)	11,155

				Million Baht
THE BANK DECEMBER 31, 2022				
Type of Properties for Sale	Beginning Balance	Increase	Decrease	Ending Balance
Assets from debt repayment				
Immovable assets	14,073	3,952	(1,662)	16,363
Movable assets	30	32	-	62
Total	14,103	3,984	(1,662)	16,425
Others	-	12	-	12
Total properties for sale	14,103	3,996	(1,662)	16,437
<u>Less</u> Allowance for impairment	(5,604)	(486)	783	(5,307)
Total properties for sale, net	8,499	3,510	(879)	11,130

As at June 30, 2023, the Bank had immovable assets from debt repayment in the amount of Baht 16,905 million consisting of immovable assets which were appraised by external appraisers in the amount of Baht 10,979 million and appraised by internal appraisers in the amount of Baht 5,926 million.

As at December 31, 2022, the Bank had immovable assets from debt repayment in the amount of Baht 16,363 million consisting of immovable assets which were appraised by external appraisers in the amount of Baht 10,778 million and appraised by internal appraisers in the amount of Baht 5,585 million.

The Bank had disclosed transactions according to the BOT's Notification regarding the Accounting Rules for Financial Institutions in relation to the Sale of Properties for Sale. The transactions of the Bank and subsidiaries are as follows :

Million Baht

CONSOLIDATED							
FOR THE THREE-MONTH PERIODS ENDED							
Type of Sale of Properties for Sale	Income Recognition Method	Deferred Profit on Sale of Properties for Sale	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2022	June 30, 2022
			Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale
Sale to public	Per Installment	5	-	-	5	-	-
Sale to public	Per cost recovery	-	62	(7)	-	96	(4)

Million Baht

CONSOLIDATED							
FOR THE SIX-MONTH PERIODS ENDED							
Type of Sale of Properties for Sale	Income Recognition Method	Deferred Profit on Sale of Properties for Sale	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2022	June 30, 2022
			Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale
Sale to public	Per Installment	5	-	-	5	-	-
Sale to public	Per cost recovery	-	701	(10)	-	158	(8)

Million Baht

THE BANK							
FOR THE THREE-MONTH PERIODS ENDED							
Type of Sale of Properties for Sale	Income Recognition Method	Deferred Profit on Sale of Properties for Sale	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2022	June 30, 2022
			Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale
Sale to public	Per Installment	5	-	-	5	-	-
Sale to public	Per cost recovery	-	38	-	-	69	(2)

Million Baht

THE BANK							
FOR THE SIX-MONTH PERIODS ENDED							
Type of Sale of Properties for Sale	Income Recognition Method	Deferred Profit on Sale of Properties for Sale	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2022	June 30, 2022
			Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Profit on Sale of Properties for Sale	Loss on Sale of Properties for Sale
Sale to public	Per Installment	5	-	-	5	-	-
Sale to public	Per cost recovery	-	129	-	-	117	(3)

6.11 Premises and Equipment, net

Premises and equipment consisted of the following as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED JUNE 30, 2023										Million Baht
	Beginning Balance	Additions/ Transfer in	Cost Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Accumulated Depreciation Depre- ciation	Disposal/ Transfer out	Others	Ending Balance	Premises and Equipment (Net)
Land											
Cost	8,330	1,220	(48)	29	9,531	-	-	-	-	-	9,531
Appraisal increase (year 2020)	32,025	-	(3)	323	32,345	-	-	-	-	-	32,345
Appraisal decrease (year 2020)	(480)	-	-	8	(472)	-	-	-	-	-	(472)
Appraisal increase (year 2021)	1,141	-	-	78	1,219	-	-	-	-	-	1,219
Premises											
Cost	2,909	669	(40)	2	3,540	693	140	(7)	(4)	822	2,718
Appraisal increase (year 2020)	13,373	-	(20)	12	13,365	3,438	638	(6)	-	4,070	9,295
Appraisal decrease (year 2020)	(161)	-	-	4	(157)	(22)	(4)	-	1	(25)	(132)
Appraisal increase (year 2021)	526	-	-	37	563	70	-	-	-	70	493
Equipment	24,705	514	(466)	76	24,829	21,504	648	(358)	50	21,844	2,985
Right-of-use assets	6,792	689	(880)	69	6,670	2,536	655	(722)	45	2,514	4,156
Leasehold improvement	3,237	26	(25)	85	3,323	3,088	38	(25)	84	3,185	138
Others	803	162	(204)	30	791	-	-	-	-	-	791
Total	<u>93,200</u>	<u>3,280</u>	<u>(1,686)</u>	<u>753</u>	<u>95,547</u>	<u>31,307</u>	<u>2,115</u>	<u>(1,118)</u>	<u>176</u>	<u>32,480</u>	<u>63,067</u>

Million Baht

	CONSOLIDATED DECEMBER 31, 2022										
	Beginning Balance	Additions/ Transfer in	Cost Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Accumulated Depreciation			Ending Balance	Premises and Equipment (Net)
							Depre- ciation	Disposal/ Transfer out	Others		
Land											
Cost	8,556	7	(9)	(224)	8,330	-	-	-	-	-	8,330
Appraisal increase (year 2020)	32,182	-	(4)	(153)	32,025	-	-	-	-	-	32,025
Appraisal decrease (year 2020)	(513)	-	-	33	(480)	-	-	-	-	-	(480)
Appraisal increase (year 2021)	1,204	-	-	(63)	1,141	-	-	-	-	-	1,141
Premises											
Cost	2,993	10	(9)	(85)	2,909	490	215	(1)	(11)	693	2,216
Appraisal increase (year 2020)	13,356	-	(2)	19	13,373	2,152	1,287	-	(1)	3,438	9,935
Appraisal decrease (year 2020)	(175)	-	-	14	(161)	(15)	(8)	-	1	(22)	(139)
Appraisal increase (year 2021)	556	-	-	(30)	526	3	67	-	-	70	456
Equipment	25,385	999	(1,626)	(53)	24,705	21,601	1,537	(1,581)	(53)	21,504	3,201
Right-of-use assets	8,010	1,108	(2,051)	(275)	6,792	3,063	1,563	(1,974)	(116)	2,536	4,256
Leasehold improvement	3,451	36	(262)	12	3,237	3,212	106	(253)	23	3,088	149
Others	481	577	(242)	(13)	803	-	-	-	-	-	803
Total	95,486	2,737	(4,205)	(818)	93,200	30,506	4,767	(3,809)	(157)	31,307	61,893

Million Baht

THE BANK											
JUNE 30, 2023											
	Beginning	Cost			Ending	Beginning	Accumulated Depreciation			Ending	Premises
	Balance	Disposal/	Others		Balance	Balance	Depre-	Disposal/	Others	Balance	and
		Transfer	Transfer				ciation	Transfer			Equipment
		in	out					out			(Net)
Land											
Cost	7,551	1,220	(10)	(32)	8,729	-	-	-	-	-	8,729
Appraisal increase (year 2020)	28,621	-	(3)	84	28,702	-	-	-	-	-	28,702
Appraisal decrease (year 2020)	(480)	-	-	8	(472)	-	-	-	-	-	(472)
Premises											
Cost	1,550	577	(34)	(2)	2,091	387	53	(6)	(1)	433	1,658
Appraisal increase (year 2020)	13,016	-	(20)	22	13,018	3,335	619	(6)	3	3,951	9,067
Appraisal decrease (year 2020)	(161)	-	-	4	(157)	(22)	(4)	-	1	(25)	(132)
Equipment	21,253	267	(217)	11	21,314	19,589	423	(222)	14	19,804	1,510
Right-of-use assets	4,545	237	(493)	(11)	4,278	1,423	372	(345)	4	1,454	2,824
Leasehold improvement	2,560	11	(10)	48	2,609	2,469	22	(8)	48	2,531	78
Others	375	112	(89)	-	398	-	-	-	-	-	398
Total	<u>78,830</u>	<u>2,424</u>	<u>(876)</u>	<u>132</u>	<u>80,510</u>	<u>27,181</u>	<u>1,485</u>	<u>(587)</u>	<u>69</u>	<u>28,148</u>	<u>52,362</u>

Million Baht

	THE BANK DECEMBER 31, 2022										Premises and Equipment (Net)
	Beginning Balance	Additions/ Transfer in	Cost Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Accumulated Depreciation Depre- ciation	Disposal/ Transfer out	Others	Ending Balance	
Land											
Cost	7,735	-	(9)	(175)	7,551	-	-	-	-	-	7,551
Appraisal increase (year 2020)	28,577	-	(4)	48	28,621	-	-	-	-	-	28,621
Appraisal decrease (year 2020)	(513)	-	-	33	(480)	-	-	-	-	-	(480)
Premises											
Cost	1,594	3	(4)	(43)	1,550	283	110	(1)	(5)	387	1,163
Appraisal increase (year 2020)	12,991	-	(2)	27	13,016	2,086	1,249	(1)	1	3,335	9,681
Appraisal decrease (year 2020)	(174)	-	-	13	(161)	(14)	(9)	-	1	(22)	(139)
Equipment	21,973	519	(1,234)	(5)	21,253	19,743	1,081	(1,229)	(6)	19,589	1,664
Right-of-use assets	4,916	611	(864)	(118)	4,545	1,289	950	(811)	(5)	1,423	3,122
Leasehold improvement	2,633	25	(147)	49	2,560	2,508	44	(139)	56	2,469	91
Others	345	239	(209)	-	375	-	-	-	-	-	375
Total	<u>80,077</u>	<u>1,397</u>	<u>(2,473)</u>	<u>(171)</u>	<u>78,830</u>	<u>25,895</u>	<u>3,425</u>	<u>(2,181)</u>	<u>42</u>	<u>27,181</u>	<u>51,649</u>

For the consolidated and the Bank's financial statements, the Bank has the land and premises appraised. The appraisal value defined by independent appraisers is categorized as Level 3 in the fair value hierarchy (Determination of level of the fair value hierarchy are shown in Note 4.5).

For the consolidated financial statements, as at June 30, 2023 and December 31, 2022, the Bank and subsidiaries had equipment which are fully depreciated but still in use at the original costs amounting to Baht 19,707 million and Baht 19,096 million, respectively.

For the Bank's financial statements, as at June 30, 2023 and December 31, 2022, the Bank had equipment which is fully depreciated but still in use at the original costs amounting to Baht 17,733 million and Baht 17,264 million, respectively.

6.12 Goodwill and Other Intangible Assets, net

Goodwill and Other intangible assets consisted of the following as at June 30, 2023 and December 31, 2022 :

												Million Baht
CONSOLIDATED												
JUNE 30, 2023												
	Cost					Accumulated Amortization					Goodwill and Other Intangible Assets (Net)	
	Beginning Balance	Additions/ Transfer in	Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Amorti- zation	Additions/ Transfer in	Disposal/ Transfer out	Others		Ending Balance
Goodwill	20,650	-	-	1,527	22,177	-	-	-	-	-	-	22,177
Other intangible assets from business												
Combination	13,573	-	-	1,003	14,576	3,704	726	-	-	298	4,728	9,848
Software	5,728	612	(108)	(247)	5,985	4,501	274	-	(103)	34	4,706	1,279
Others	2,002	4	(236)	401	2,171	50	17	-	-	-	67	2,104
Total	41,953	616	(344)	2,684	44,909	8,255	1,017	-	(103)	332	9,501	35,408

												Million Baht
CONSOLIDATED												
DECEMBER 31, 2022												
	Cost					Accumulated Amortization					Goodwill and Other Intangible Assets (Net)	
	Beginning Balance	Additions/ Transfer in	Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Amorti- zation	Disposal/ Transfer out	Others	Ending Balance		
Goodwill	21,887	-	-	(1,237)	20,650	-	-	-	-	-	-	20,650
Other intangible assets from business												
Combination	14,386	-	-	(813)	13,573	2,425	1,511	-	(232)	3,704	9,869	
Software	5,568	1,092	(321)	(611)	5,728	4,246	549	(265)	(29)	4,501	1,227	
Others	1,655	88	(251)	510	2,002	16	34	-	-	50	1,952	
Total	43,496	1,180	(572)	(2,151)	41,953	6,687	2,094	(265)	(261)	8,255	33,698	

Million Baht

THE BANK
JUNE 30, 2023

	Cost				Accumulated Amortization						
	Beginning Balance	Additions/ Transfer in	Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Amortization	Disposal/ Transfer out	Others	Ending Balance	Other Intangible Assets (Net)
Software	4,215	265	(62)	3	4,421	3,698	153	(61)	2	3,792	629
Others	983	-	(231)	-	752	50	17	-	-	67	685
Total	5,198	265	(293)	3	5,173	3,748	170	(61)	2	3,859	1,314

Million Baht

THE BANK
DECEMBER 31, 2022

	Cost				Accumulated Amortization						
	Beginning Balance	Additions/ Transfer in	Disposal/ Transfer out	Others	Ending Balance	Beginning Balance	Amortization	Disposal/ Transfer out	Others	Ending Balance	Other Intangible Assets (Net)
Software	3,963	364	(115)	3	4,215	3,513	298	(115)	2	3,698	517
Others	1,146	83	(246)	-	983	17	33	-	-	50	933
Total	5,109	447	(361)	3	5,198	3,530	331	(115)	2	3,748	1,450

6.13 Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities as at June 30, 2023 and December 31, 2022 are as follows :

Million Baht

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Deferred tax assets	10,003	6,892	5,418	2,475
Deferred tax liabilities	119	579	-	280
Deferred tax assets, net	9,884	6,313	5,418	2,195

Movements in total deferred tax assets and liabilities during the period/year are as follows :

	Million Baht				
	Beginning Balance	Recognized in Profit and Loss	CONSOLIDATED JUNE 30, 2023 Recognized in Other Comprehensive Income	Others	Ending Balance
Deferred tax assets					
Investments	11,084	715	(597)	44	11,246
Financial liabilities measured at fair value through profit or loss	372	(58)	74	-	388
Loans to customers and accrued interest receivables	8,255	554	-	282	9,091
Properties for sale	1,504	(19)	-	-	1,485
Premises and equipment	252	94	-	(26)	320
Provisions	5,481	986	49	(206)	6,310
Others	13,768	1,196	188	317	15,469
Total	40,716	3,468	(286)	411	44,309
Deferred tax liabilities					
Investments	13,022	137	(1,190)	1	11,970
Loans to customers and accrued interest receivables	187	(5)	-	-	182
Premises and equipment	7,791	(122)	(3)	18	7,684
Others	13,403	1,032	(1)	155	14,589
Total	34,403	1,042	(1,194)	174	34,425
Net	6,313	2,426	908	237	9,884

Million Baht

	CONSOLIDATED DECEMBER 31, 2022				
	Beginning Balance	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	Others	Ending Balance
Deferred tax assets					
Investments	7,186	1,401	2,258	239	11,084
Financial liabilities measured at fair value through profit or loss	1,105	(443)	(290)	-	372
Loans to customers and accrued interest receivables	8,413	493	-	(651)	8,255
Properties for sale	1,564	(60)	-	-	1,504
Premises and equipment	192	(93)	87	66	252
Provisions	5,235	510	(250)	(14)	5,481
Others	10,901	2,691	(95)	271	13,768
Total	<u>34,596</u>	<u>4,499</u>	<u>1,710</u>	<u>(89)</u>	<u>40,716</u>
Deferred tax liabilities					
Investments	12,266	78	676	2	13,022
Loans to customers and accrued interest receivables	146	41	-	-	187
Premises and equipment	8,052	(268)	(1)	8	7,791
Others	9,154	4,137	1	111	13,403
Total	<u>29,618</u>	<u>3,988</u>	<u>676</u>	<u>121</u>	<u>34,403</u>
Net	<u><u>4,978</u></u>	<u><u>511</u></u>	<u><u>1,034</u></u>	<u><u>(210)</u></u>	<u><u>6,313</u></u>

Million Baht

	Beginning Balance	Recognized in Profit and Loss	THE BANK JUNE 30, 2023 Recognized in Other Comprehensive Income	Others	Ending Balance
Deferred tax assets					
Investments	10,555	647	(491)	42	10,753
Financial liabilities measured at fair value through profit or loss	372	(58)	74	-	388
Loans to customers and accrued interest receivables	3,706	326	-	58	4,090
Properties for sale	1,061	140	-	-	1,201
Premises and equipment	127	-	-	(2)	125
Provisions	5,076	741	-	14	5,831
Others	12,712	1,520	188	2	14,422
Total	<u>33,609</u>	<u>3,316</u>	<u>(229)</u>	<u>114</u>	<u>36,810</u>
Deferred tax liabilities					
Investments	12,495	103	(1,208)	-	11,390
Premises and equipment	7,688	(126)	(3)	21	7,580
Others	11,231	1,192	(1)	-	12,422
Total	<u>31,414</u>	<u>1,169</u>	<u>(1,212)</u>	<u>21</u>	<u>31,392</u>
Net	<u><u>2,195</u></u>	<u><u>2,147</u></u>	<u><u>983</u></u>	<u><u>93</u></u>	<u><u>5,418</u></u>

Million Baht

	THE BANK DECEMBER 31, 2022				
	Beginning Balance	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	Others	Ending Balance
Deferred tax assets					
Investments	7,095	1,258	1,963	239	10,555
Financial liabilities measured at fair value through profit or loss	1,105	(443)	(290)	-	372
Loans to customers and accrued interest receivables	4,285	(607)	-	28	3,706
Properties for sale	1,121	(60)	-	-	1,061
Premises and equipment	142	(1)	-	(14)	127
Provisions	5,061	301	(257)	(29)	5,076
Others	9,022	3,781	(94)	3	12,712
Total	<u>27,831</u>	<u>4,229</u>	<u>1,322</u>	<u>227</u>	<u>33,609</u>
Deferred tax liabilities					
Investments	11,593	19	883	-	12,495
Premises and equipment	7,931	(253)	(1)	11	7,688
Others	6,758	4,472	1	-	11,231
Total	<u>26,282</u>	<u>4,238</u>	<u>883</u>	<u>11</u>	<u>31,414</u>
Net	<u>1,549</u>	<u>(9)</u>	<u>439</u>	<u>216</u>	<u>2,195</u>

6.14 Deposits

6.14.1 Classified by product type as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Demand	283,511	302,855	132,363	141,242
Savings	1,708,745	1,708,362	1,598,653	1,604,628
Fixed	1,207,363	1,199,144	968,352	969,747
Negotiable certificates of deposit	<u>536</u>	<u>535</u>	<u>536</u>	<u>535</u>
Total	<u><u>3,200,155</u></u>	<u><u>3,210,896</u></u>	<u><u>2,699,904</u></u>	<u><u>2,716,152</u></u>

6.14.2 Classified by currency and customer's residence as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED					
	June 30, 2023			December 31, 2022		
	Domestic	Foreign	Total	Domestic	Foreign	Total
BAHT	2,229,917	206,879	2,436,796	2,259,748	196,726	2,456,474
USD	51,540	155,283	206,823	46,940	168,395	215,335
Others	<u>17,954</u>	<u>538,582</u>	<u>556,536</u>	<u>22,932</u>	<u>516,155</u>	<u>539,087</u>
Total	<u><u>2,299,411</u></u>	<u><u>900,744</u></u>	<u><u>3,200,155</u></u>	<u><u>2,329,620</u></u>	<u><u>881,276</u></u>	<u><u>3,210,896</u></u>

	THE BANK					
	June 30, 2023			December 31, 2022		
	Domestic	Foreign	Total	Domestic	Foreign	Total
BAHT	2,230,152	206,810	2,436,962	2,260,204	196,646	2,456,850
USD	51,516	88,073	139,589	46,923	87,958	134,881
Others	<u>10,018</u>	<u>113,335</u>	<u>123,353</u>	<u>14,768</u>	<u>109,653</u>	<u>124,421</u>
Total	<u><u>2,291,686</u></u>	<u><u>408,218</u></u>	<u><u>2,699,904</u></u>	<u><u>2,321,895</u></u>	<u><u>394,257</u></u>	<u><u>2,716,152</u></u>

6.15 Interbank and Money Market Items (Liabilities)

Interbank and money market items (liabilities) consisted of the following as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Million Baht				
Domestic items				
Bank of Thailand and Financial Institutions				
Development Fund	29,591	31,774	29,591	31,774
Commercial banks	125,651	112,548	121,801	108,902
Special purpose financial institutions	4,363	4,092	4,363	4,092
Other financial institutions	14,311	14,874	14,945	15,342
Total domestic items	<u>173,916</u>	<u>163,288</u>	<u>170,700</u>	<u>160,110</u>
Foreign items				
USD	69,493	58,862	67,377	58,483
JPY	15,439	15,119	15,475	15,160
EUR	1,865	1,046	1,865	1,047
Others	48,486	24,207	28,115	16,229
Total foreign items	<u>135,283</u>	<u>99,234</u>	<u>112,832</u>	<u>90,919</u>
Total domestic and foreign items	<u><u>309,199</u></u>	<u><u>262,522</u></u>	<u><u>283,532</u></u>	<u><u>251,029</u></u>

6.16 Financial Liabilities Measured at Fair Value through Profit or Loss

As at June 30, 2023, the Bank had financial liabilities measured at fair value through profit or loss. There are financial liabilities that is determined to be measured at fair value through profit or loss amounting to Baht 17,946 million. The cumulative effect of changes in fair value resulting from changes in credit risk recognized in other comprehensive income of amounting to Baht 1,271 million, and the difference between the book value and the contract value that must be paid when due amounting to Baht 1,939 million.

As at December 31, 2022, the Bank had financial liabilities measured at fair value through profit or loss. There are financial liabilities that is determined to be measured at fair value through profit or loss amounting to Baht 17,412 million. The cumulative effect of changes in fair value resulting from changes in credit risk recognized in other comprehensive income of amounting to Baht 903 million, and the difference between the book value and the contract value that must be paid when due amounting to Baht 1,860 million.

As at June 30, 2023 and December 31, 2022, a subsidiary had financial liabilities measured at fair value through profit or loss which are trading financial liabilities amounting to Baht 592 million and Baht 548 million, respectively.

6.17 Debt Issued and Borrowings

6.17.1 Classified by type of instruments and source of fund as at June 30, 2023 and December 31, 2022 :

Million Baht						
CONSOLIDATED						
	June 30, 2023			December 31, 2022		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	87,142	87,142	-	85,045	85,045
Subordinated notes	-	104,970	104,970	-	101,998	101,998
Bills of exchange	-	-	-	413	-	413
Others	581	-	581	915	-	915
<u>Less</u> Discount on borrowings	-	(61)	(61)	-	(69)	(69)
Total	<u>581</u>	<u>192,051</u>	<u>192,632</u>	<u>1,328</u>	<u>186,974</u>	<u>188,302</u>

Million Baht						
THE BANK						
	June 30, 2023			December 31, 2022		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	87,142	87,142	-	85,045	85,045
Subordinated notes	-	104,970	104,970	-	101,998	101,998
Others	46	-	46	83	-	83
<u>Less</u> Discount on borrowings	-	(61)	(61)	-	(69)	(69)
Total	<u>46</u>	<u>192,051</u>	<u>192,097</u>	<u>83</u>	<u>186,974</u>	<u>187,057</u>

6.17.2 Classified by type of instruments, currency, maturity and interest rate as at June 30, 2023 and December 31, 2022 :

Million Baht						
CONSOLIDATED						
Type	Currency	Maturity	Interest Rate	Amount		
				June 30, 2023	December 31, 2022	
Senior unsecured notes	USD	2023 - 2028	4.05% - 5.00%	87,142	85,045	
Subordinated notes	USD	2034 - 2036	3.466% - 3.733%	78,283	76,066	
Subordinated notes	USD	- *	5.00% *	26,687	25,932	
Bills of exchange	THB	2023	1.90% - 2.05%	-	413	
Others	THB	2023 - 2024	0.00% - 25.06%	581	915	
<u>Less</u> Discount on borrowings				(61)	(69)	
Total				<u>192,632</u>	<u>188,302</u>	

* The Bank may redeem after 5 years from the issue date pursuant to its early redemption rights, at initial distribution rate of 5.00% p.a. until the first call date and subject to change to reference rate every 5 years.

Type	Currency	Maturity	Interest Rate	THE BANK	
				Amount	
				June 30, 2023	December 31, 2022
Senior unsecured notes	USD	2023 - 2028	4.05% - 5.00%	87,142	85,045
Subordinated notes	USD	2034 - 2036	3.466% - 3.733%	78,283	76,066
Subordinated notes	USD	- *	5.00%*	26,687	25,932
Others	THB	2023 - 2024	0.00%	46	83
<u>Less</u> Discount on borrowings				<u>(61)</u>	<u>(69)</u>
Total				<u>192,097</u>	<u>187,057</u>

6.18 Subordinated Notes

On January 28, 1999, the Bank issued and offered USD 450 million of subordinated notes with a maturity of 30 years, to be due in 2029, at a coupon rate of 9.025% p.a. for sale to foreign investors in exchange for the Bank's existing USD 150 million of subordinated notes to be due in 2016 at a coupon rate of 8.25% p.a. and USD 300 million of subordinated notes to be due in 2027 at a coupon rate of 8.375% p.a., which were redeemed before their maturities and already obtained the approval from the BOT. As this transaction was a redemption of the existing notes at their market values, which were lower than the par values, the Bank recorded the book value of the subordinated notes to be due in 2029 at the amount of USD 259 million (Baht 9,535 million). The difference between the book value and the redemption value of the notes will be amortized on a monthly basis throughout the life of the notes.

On September 25, 2019, the Bank issued and offered USD 1,200 million of subordinated notes qualified to be included in Tier 2 capital of the Bank, containing the write-down/write-off provision, in accordance with the terms thereof, with a maturity of 15 years, at a coupon rate of 3.733% p.a. for sale to foreign investors according to the resolution of the 14th Annual Ordinary Meeting of Shareholders convened on April 12, 2007. The Bank received net proceeds from the sale of subordinated notes amounting to USD 1,200 million, which the BOT had approved to include in Tier 2 capital on September 25, 2019.

On September 23, 2020, the Bank issued and offered USD 750 million of subordinated notes qualified to be included in Additional Tier 1 capital of the Bank, containing the write-down/write-off provision, in accordance with the terms thereof for sale to foreign investors according to the resolution of the 14th Annual Ordinary Meeting of Shareholders convened on April 12, 2007, perpetual securities and have no fixed redemption date, provided that the Bank may redeem after 5 years from the issue date pursuant to its early redemption rights, at initial distribution rate of 5% p.a. until the first call date and subject to change to reference rate every 5 years. The Bank received net proceeds from the sale of subordinated notes amounting to USD 750 million, which the BOT had approved to include in Additional Tier 1 capital on September 23, 2020. The Bank classified such

* The Bank may redeem after 5 years from the issue date pursuant to its early redemption rights, at initial distribution rate of 5.00% p.a. until the first call date and subject to change to reference rate every 5 years.

instrument as a financial liability by taking into consideration both contractual obligation and legal rights as stating in the offering of the Notes.

On September 23, 2021, the Bank issued and offered USD 1,000 million of subordinated notes qualified to be included in Tier 2 capital of the Bank, containing the write-down/write-off provision, in accordance with the terms thereof, with a maturity of 15 years, at a coupon rate of 3.466% p.a. to the optional redemption date and thereafter be reset according the reference rates as specified in the terms and conditions for sale to foreign investors according to the resolution of the 20th Annual Ordinary Meeting of Shareholders convened on April 12, 2013. The Bank received net proceeds from the sale of subordinated notes amounting to USD 1,000 million, which the BOT had approved to include in Tier 2 capital on September 23, 2021.

6.19 Bonds

On April 12, 2005, the shareholders reconsidered the resolutions of the shareholders' meeting, convened on April 9, 2004, approving to issue bonds of the Bank and passed a resolution for the Bank to issue and offer subordinated bonds and/or unsubordinated bonds and/or perpetual bonds, both subordinated and unsubordinated, and/or subordinated convertible bonds and/or convertible bonds (together the "Bonds") in an amount not exceeding USD 3,000 million or its equivalent in other currencies, offered and sold in foreign markets and/or domestic markets to general public and/or institutional investors or investors with specific characteristics defined in the Notification of the Securities and Exchange Commission. The Bank may issue different types of Bonds in one issue simultaneously or in several issues at different times. The non-perpetual bonds shall have a maturity of not exceeding 100 years. The subordinated convertible bonds and/or convertible bonds shall have a maturity of not exceeding 30 years, and the amount of not exceeding USD 1,000 million or its equivalent in other currencies. The Board of Directors or the Executive Board of Directors shall be empowered to consider terms and conditions and other details for the issue and offering of the bonds. The shareholders also approved the allocation of 500 million common shares to accommodate the conversion right of the subordinated convertible bonds and/or convertible bonds (See Note 6.24).

On April 12, 2007, the shareholders passed a resolution for the issuance of bonds, whether subordinated or unsubordinated and/or secured or unsecured, including but not limited to short-term bonds, derivative bonds and non-cumulative hybrid debt instruments with non-payment of interest in the years where the Bank does not report any profit (together the "Bonds") in the amount not exceeding Baht 150,000 million or its equivalent in other currencies to be offered for sale in domestic markets and/or in foreign markets to the general public, and/or institutional investors or investors with specific characteristics as defined in the Notification of the Securities and Exchange Commission. At any point in time, the Bank may offer for sale Bonds in an amount within such limit less the amount of Bonds already issued under such limit but not yet redeemed at that point in time. The Bank may issue and offer for sale different types of Bonds simultaneously in one issue at the same

time or in several issues at different times and/or as a program and/or on a revolving basis and may issue and offer for sale Bonds in conjunction with or at the same time with other securities, provided that the Bonds, other than perpetual bonds, shall have a maturity of not exceeding 100 years. The Bank may be granted the right to redeem the Bonds prior to their maturities, and/or the bondholders may be granted the right to call the Bank to redeem the Bonds prior to their maturities, in accordance with the condition of the Bonds. The Board of Directors or the Board of Executive Directors shall be empowered to consider terms and conditions and other details for the issue and offering of the bonds.

On September 27, 2012, the Bank issued and offered 2 series of senior unsecured notes for sale to foreign investors according to the resolution of the 12th Annual Ordinary Meeting of Shareholders convened on April 12, 2005 consisting of senior unsecured notes with a maturity of 5.5 years at a coupon of 2.75% p.a., amounting to USD 400 million and senior unsecured notes with a maturity of 10 years at a coupon of 3.875% p.a., amounting to USD 800 million. The Bank received net proceeds from the sale of senior unsecured notes amounting to USD 1,194 million. On March 27, 2018, the Bank redeemed senior unsecured notes with a maturity of 5.5 years at a coupon of 2.75% p.a., amounting to USD 400 million and on September 27, 2022, the Bank redeemed senior unsecured notes with a maturity of 10 years at a coupon of 3.875% p.a., amounting to USD 800 million.

On April 12, 2013, the shareholders passed a resolution for the issuance of bonds, whether subordinated or unsubordinated and/or secured or unsecured, including but not limited to short-term bonds, derivative bonds, perpetual bonds and non-cumulative hybrid debt instruments with non-payment of interest in the years where the Bank does not report any profit (together the “Bonds”) in the amount not exceeding Baht 150,000 million or its equivalent in other currencies to be offered for sale in domestic markets and/or in foreign markets to the general public, and/or institutional investors or investors with specific characteristics as defined in the Notification of the Securities and Exchange Commission. At any point in time, the Bank may offer for sale Bonds in an amount within such limit less the amount of Bonds already issued under such limit but not yet redeemed at that point in time. The Bank may issue and offer for sale different types of Bonds simultaneously in one issue at the same time or in several issues at different times and/or as a program and/or on a revolving basis and may issue and offer for sale Bonds in conjunction with or at the same time with other securities, provided that the Bonds, other than perpetual bonds, shall have a maturity of not exceeding 100 years. The Bank may be granted the right to redeem the Bonds prior to their maturities, and/or the bondholders may be granted the right to call the Bank to redeem the Bonds prior to their maturities, in accordance with the terms and conditions of the Bonds. The Board of Directors or the Board of Executive Directors shall be empowered to consider conditions and other details for the issue and offering of the bonds.

On October 3, 2013, the Bank issued and offered 2 series of senior unsecured notes for sale to foreign investors according to the resolution of the 14th Annual Ordinary Meeting of Shareholders convened on

April 12, 2007 consisting of senior unsecured notes with a maturity of 5 years at a coupon of 3.30% p.a., amounting to USD 500 million and senior unsecured notes with a maturity of 10 years at a coupon of 5.00% p.a., amounting to USD 500 million. The Bank received net proceeds from the sale of senior unsecured notes amounting to USD 999 million. On October 3, 2018, the Bank redeemed senior unsecured notes with a maturity of 5 years at a coupon of 3.30% p.a., amounting to USD 500 million.

On September 19, 2018, the Bank issued and offered 2 series of senior unsecured notes for sale to foreign investors according to the resolution of the 14th Annual Ordinary Meeting of Shareholders convened on April 12, 2007 consisting of senior unsecured notes with a maturity of 5.5 years at a coupon of 4.05% p.a., amounting to USD 600 million and senior unsecured notes with a maturity of 10 years at a coupon of 4.45% p.a., amounting to USD 600 million. The Bank received net proceeds from the sale of senior unsecured notes amounting to USD 1,198 million.

On June 15, 2022, the Bank issued and offered senior unsecured notes with a trustee to offshore investors for sale to foreign investors according to the resolution of the 20th Annual Ordinary Meeting of Shareholders convened on April 12, 2013 with a maturity of 5 years at a coupon of 4.30% p.a., amounting to USD 750 million. The Bank received net proceeds from the sale of senior unsecured notes amounting to USD 749 million.

6.20 The Issuance of Bonds under the Medium Term Note Program

On March 26, 1997, the shareholders passed a resolution for the Bank to issue and offer bonds including subordinated bonds and unsubordinated bonds under the Medium Term Note Program in an amount of not exceeding USD 1,500 million or its equivalent in other currencies. The bonds shall have a maturity of not exceeding 30 years and be offered and sold in foreign markets and/or domestic markets. The Bank may be given the right to redeem the bonds prior to their maturity and/or the bondholders may be given the right to call the Bank to redeem the bonds prior to their maturity in accordance with the condition of the bonds. The Board of Directors was authorized to proceed with the issue. As at June 30, 2023, the Bank had not yet issued bonds according to the aforementioned resolution.

6.21 Provisions

Provisions as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Defined benefit obligations	14,394	13,930	13,030	12,964
Allowance for expected credit loss on loan				
commitments and financial guarantee contracts	10,235	9,556	8,413	7,579
Others	6,357	3,691	6,299	3,633
Total	30,986	27,177	27,742	24,176

Million Baht

Movements in total provisions during the period/year are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Million Baht			
Beginning balances	27,177	25,815	24,176	23,596
Increase during the period/year	6,615	5,805	5,773	4,617
Written off/reversal during the period/year	(2,806)	(4,443)	(2,207)	(4,037)
Ending balances	30,986	27,177	27,742	24,176

6.22 Post-employment Benefits

6.22.1 Defined contribution plans

For the three-month periods ended June 30, 2023 and 2022, the Bank and its subsidiaries have the expenses for defined contribution plans in the consolidated financial statements, amounting to Baht 420 million and Baht 407 million, and in the Bank's financial statements amounting to Baht 293 million and Baht 287 million, respectively.

For the six-month periods ended June 30, 2023 and 2022, the Bank and its subsidiaries have the expenses for defined contribution plans in the consolidated financial statements amounting to Baht 811 million and Baht 792 million, and in the Bank's financial statements amounting to Baht 567 million and Baht 560 million, respectively.

6.22.2 Defined benefit plans

As at June 30, 2023 and December 31, 2022, the Bank and its local subsidiaries have unfunded defined benefit plans but some overseas branches and subsidiary have funded defined benefit plans. The reconciliation of the defined benefit obligations, both funded and unfunded, and plan assets to the amounts recognized in the financial statements are as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	Million Baht			
The present value of the funded defined benefit plans	3,001	2,588	932	879
The fair value of plan assets	(1,879)	(1,854)	(725)	(678)
	1,122	734	207	201
The present value of the unfunded defined benefit plans	13,272	13,196	12,823	12,763
Liabilities, net	14,394	13,930	13,030	12,964

The following table presents the reconciliations of the present value of defined benefit obligations, both funded and unfunded, under the post-employment benefits as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Beginning balances	15,784	16,609	13,642	14,350
Current service costs	518	998	401	888
Interest costs	199	349	139	241
Benefit paid during the period/year	(611)	(634)	(475)	(478)
Actuarial losses (gains) on obligations				
from changes in financial assumptions	74	(719)	-	(641)
from changes in demographic assumptions	-	1	-	-
from experience	134	(637)	(1)	(639)
Unrealized losses (gains) on exchanges	175	(183)	49	(79)
Ending balances	16,273	15,784	13,755	13,642

The following table presents the reconciliations of the fair value of plan assets related to the funded defined benefit plans as at June 30, 2023 and December 31, 2022 :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Beginning balances	1,854	2,137	678	705
Interest income	46	89	9	18
Contributions	10	20	10	20
Benefit paid during the period/year	(145)	(156)	(15)	(14)
Actuarial gains (losses) on plan assets	(17)	(104)	(1)	2
Unrealized gains (losses) on exchanges	131	(132)	44	(53)
Ending balances	1,879	1,854	725	678

Significant actuarial assumptions used to calculate the defined benefit obligations and plan assets, average per each plan, and the sensitivity analysis for each significant actuarial assumptions which reflect increasing in the obligations if the assumptions change by 1% as at June 30, 2023 and December 31, 2022 are as follows :

	Percentage			
	CONSOLIDATED			
	Significant actuarial assumptions June 30, 2023	Significant actuarial assumptions December 31, 2022	Increase in defined benefit obligations June 30, 2023	Increase in defined benefit obligations December 31, 2022
Discount rate	0.20 - 7.10	0.20 - 5.75	12.51	12.64
Average future salary increases	2.00 - 15.00	2.00 - 15.00	11.55	11.69

	Percentage			
	THE BANK			
	Significant actuarial assumptions June 30, 2023	Significant actuarial assumptions December 31, 2022	Increase in defined benefit obligations June 30, 2023	Increase in defined benefit obligations December 31, 2022
Discount rate	0.20 - 7.10	0.20 - 4.98	13.72	13.70
Average future salary increases	2.00 - 15.00	2.00 - 15.00	12.02	12.08

6.23 Other Liabilities

Other liabilities as at June 30, 2023 and December 31, 2022 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Deposit received and margin payable	42,111	58,699	12,708	27,687
Other payables	31,990	32,943	23,311	24,869
Accrued expenses	27,218	20,506	20,661	14,954
Advance received from electronic service	58	49	58	49
Other liabilities	16,711	16,227	14,668	14,344
Total	118,088	128,424	71,406	81,903

6.24 Share Capital

The Bank's share capital consists of :

- Common shares
- Class A and Class B preferred shares, the holders of which have rights according to Article 3 of the Bank's Articles of Association.

As at June 30, 2023 and December 31, 2022, the Bank had registered share capital of Baht 40,000,000,000 divided into common shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

Type	Number of Registered Shares	
	June 30, 2023	December 31, 2022
Common shares	3,998,345,000	3,998,345,000
Class A preferred shares	655,000	655,000
Class B preferred shares	1,000,000	1,000,000
Total	<u>4,000,000,000</u>	<u>4,000,000,000</u>

As at June 30, 2023 and December 31, 2022, the Bank had 1,908,842,894 issued common shares and 2,039,502,106 unissued common shares and 655,000 Class A unissued preferred shares and 1,000,000 Class B unissued preferred shares. In relation to the allocation of the unissued common shares, the Bank will follow the resolutions of the 12th ordinary shareholders' meeting convened on April 12, 2005, as per the following details :

1. Allocation of 1,339,502,106 common shares as follows :
 - 1.1) Allocation of 459,502,106 common shares for offer and sale to the general public, including the existing shareholders and the beneficial owners of the shares held by custodian or by any other similar arrangements.
 - 1.2) Allocation of 440,000,000 common shares for offer and sale to institutional investors or investors with specific characteristics prescribed in the Notification of the Securities and Exchange Commission.
 - 1.3) Allocation of 440,000,000 common shares for offer and sale to the existing shareholders and the beneficial owners of the common shares in proportion to their shareholdings.
2. Allocation of 50,000,000 common shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds issued by the Bank and offered for sale in 1999 as part of the Capital Augmented Preferred Securities (CAPS).
3. Allocation of 500,000,000 common shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds and/or convertible bonds that may further be issued in the future by the Bank.
4. Allocation of 200,000,000 common shares to be reserved for the exercise of right to purchase common shares by holders of warrants that may further be issued in the future by the Bank.
5. Allocation of 655,000 Class A preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds.

6. Allocation of 1,000,000 Class B preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds and/or unsubordinated bonds and/or subordinated convertible bonds and/or convertible bonds.

The offer and sale of the Bank's securities shall comply with the regulations prescribed by the Securities and Exchange Commission.

6.25 The Establishment of Special Purpose Vehicle to Issue Capital Securities

On April 21, 1998, the shareholders passed a resolution for the Bank to establish Special Purpose Vehicle (SPV) to issue capital securities in the amount not exceeding USD 1,000 million or its equivalent in other currencies, to be offered in private placement and/or to institutional investors in accordance with the rules and guidelines of the Securities and Exchange Commission. The Bank may issue capital securities in whole amount or in lots. The Board of Directors was authorized to proceed with the establishment of the SPV.

Such capital securities may be perpetual, non-cumulative, and redeemable by the SPV or may be guaranteed by the Bank. The terms and conditions in the offering of the capital securities may state that upon specific conditions, the Bank must or may issue other securities in exchange for the capital securities.

Upon the issuance of capital securities by the SPV, the Bank may issue securities which may be subordinated; secured; convertible into common shares or other securities of the Bank; or any other securities in the amount not exceeding USD 1,100 million or its equivalent in other currencies to the SPV. The Board of Directors has been authorized to proceed with the issuance of the capital securities by the SPV and those securities that the Bank may have to issue to the SPV. The terms and conditions of the offering of the capital securities by the SPV may include dividend payment or other kind of payment as determined by the Board of Directors and such payment may be related to payment of dividend or other payment on other securities of the Bank.

On March 18, 1999, the shareholders passed a resolution for the Bank to establish or to invest in a subsidiary or SPV for the purpose of raising fund of the Bank, by issuing preferred shares and/or bonds to the subsidiary or SPV, or the Bank may issue the preferred shares and/or bonds to a mutual fund or a juristic entity that is established for investing mainly in the Bank's preferred shares and/or bonds; and the Bank is authorized to enter into Trust Agreement or Master Investment Agreement between the Bank and the subsidiary or SPV or mutual fund or any other juristic entity. As at June 30, 2023, the Bank had not yet established the SPV as it had not issued the instrument for fund raising via SPV according to the above-mentioned resolution.

6.26 Legal Reserve and Other Reserves

6.26.1 Under the Public Limited Companies Act, the Bank is required to allocate to a reserve fund at least 5% of its net profit after accumulated losses brought forward (if any) until the reserve fund is not less than 10% of the registered capital. However, the Bank's Articles of Association require that the Bank shall allocate to the reserve fund at least 10% of its net profit after accumulated losses brought forward (if any) until the reserve fund is not less than 25% of the registered capital. The reserve fund is not available for dividend distribution.

6.26.2 The Bank appropriated annual profit as other reserves, which are treated as general reserve with no specific purpose.

6.27 The Appropriation of the Profit and the Dividend Payments

On April 12, 2022, the 29th Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2021 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2021 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2021), and the amount to be appropriated for the period of July - December 2021 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 2.50 per common share amounting to Baht 4,769 million had been paid on May 12, 2022.

The Bank already paid dividend according to the aforementioned resolution.

On August 25, 2022, the meeting of the Board of Directors of the Bank No. 8/2022 approved the resolutions regarding the appropriation of the profit and the payment of interim dividend as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2022 amounting to Baht 500 million and Baht 5,000 million, respectively.
- The payment of interim dividend at the rate of Baht 1.50 per common share amounting to Baht 2,863 million had been paid on September 23, 2022.

The Bank already paid dividend according to the aforementioned resolution.

On April 12, 2023, the 30th Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2022 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2022 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2022), and the amount to be appropriated for the period of July - December 2022 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 3.00 per common share amounting to Baht 5,726 million had been paid on May 12, 2023.

The Bank already paid dividend according to the aforementioned resolution.

6.28 Assets Pledged as Collateral and under Restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowance for expected credit loss, as at June 30, 2023 and December 31, 2022 amounted to Baht 111,143 million and Baht 94,900 million, respectively.

6.29 Contingent Liabilities

As at June 30, 2023 and December 31, 2022, the Bank and subsidiaries had contingent liabilities as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Avals to bills	4,542	4,901	4,542	4,901
Guarantees of loans	33,802	48,442	24,596	35,174
Liability under unmatured import bills	39,358	37,703	12,302	18,137
Letters of credit	21,951	24,268	21,745	22,685
Other commitments				
Amount of unused bank overdraft	157,020	159,868	156,235	159,108
Other guarantees	254,138	248,999	238,590	232,496
Others	162,406	146,245	125,848	108,290
Total	673,217	670,426	583,858	580,791

6.30 Litigation

As at June 30, 2023 and December 31, 2022, a number of civil proceedings have been brought against the Bank and subsidiaries in the ordinary course of business. The Bank and subsidiaries believe that such proceedings, when resolved, will not materially affect the Bank and subsidiaries' financial position and result of operations.

6.31 Related Party Transactions

As at June 30, 2023 and December 31, 2022, related parties of the Bank consisted of subsidiaries, associates, key management personnel that are directors, executives at the level of executive vice president and higher or equal, any parties related to key management personnel, including the entities in which key management personnel and any parties related which are controlled or significantly influenced.

The Bank and subsidiaries had significant assets, liabilities and commitments with related parties as at June 30, 2023 and December 31, 2022 as follows :

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Million Baht				
Placements				
Subsidiaries				
Bangkok Bank Berhad	-	-	366	1,393
Bangkok Bank (China) Co., Ltd.	-	-	6	14
PT Bank Permata Tbk	-	-	69	34
Total	<u>-</u>	<u>-</u>	<u>441</u>	<u>1,441</u>
Investments				
Subsidiary				
PT Bank Permata Tbk	-	-	24,913	24,194
Total	<u>-</u>	<u>-</u>	<u>24,913</u>	<u>24,194</u>
Loans				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	1,400	600
Other related parties	298	295	298	295
Total	<u>298</u>	<u>295</u>	<u>1,698</u>	<u>895</u>
Allowance for expected credit loss				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	5	3
Other related parties	28	32	28	32
Total	<u>28</u>	<u>32</u>	<u>33</u>	<u>35</u>
Other assets				
Subsidiaries				
Bangkok Bank Berhad	-	-	14	15
BBL Asset Management Co., Ltd.	-	-	354	369
Bualuang Securities PCL.	-	-	27	14
BSL Leasing Co., Ltd.	-	-	3	-
Associates				
Processing Center Co., Ltd.	7	24	7	24
Thai Payment Network Co., Ltd.	5	10	5	10
BCI (Thailand) Co., Ltd.	1	-	1	-
Other related parties	10	9	2	1
Total	<u>23</u>	<u>43</u>	<u>413</u>	<u>433</u>

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Million Baht				
Deposits				
Subsidiaries				
BBL (Cayman) Limited	-	-	331	304
Bangkok Bank Berhad	-	-	174	118
Sinnsuptawee Asset Management Co., Ltd.	-	-	11	173
BBL Asset Management Co., Ltd.	-	-	112	99
Bualuang Securities PCL.	-	-	155	124
Bangkok Bank (China) Co., Ltd.	-	-	33	26
Bualuang Ventures Limited	-	-	148	221
Bangkok Capital Asset Management Co., Ltd. *	-	-	368	245
PT Bank Permata Tbk	-	-	327	261
BSL Leasing Co., Ltd.	-	-	83	73
Associates				
Processing Center Co., Ltd.	116	192	116	192
National ITMX Co., Ltd.	307	274	307	274
Thai Payment Network Co., Ltd.	1	2	1	2
BCI (Thailand) Co., Ltd.	49	47	49	47
PT Honest Financial Technologies **	44	131	-	-
Other related parties	5,791	5,415	5,791	5,415
Total	6,308	6,061	8,006	7,574
Borrowings				
Subsidiaries				
Bangkok Bank (China) Co., Ltd.	-	-	-	2,247
PT Bank Permata Tbk	-	-	1	-
Total	-	-	1	2,247

* Holding by Bualuang Securities PCL.

** Holding by PT Bank Permata Tbk.

Million Baht

	CONSOLIDATED		THE BANK	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Other liabilities				
Subsidiaries				
BBL (Cayman) Limited	-	-	1	1
Sinnsuptawee Asset Management Co., Ltd.	-	-	329	328
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	68	72
PT Bank Permata Tbk	-	-	18	25
BSL Leasing Co., Ltd.	-	-	4	-
Associates				
Processing Center Co., Ltd.	3	2	3	2
National ITMX Co., Ltd.	29	28	29	28
BCI (Thailand) Co., Ltd.	3	3	3	3
Other related parties	12	18	5	2
Total	47	51	461	462
Commitments				
Subsidiaries				
Bangkok Bank Berhad	-	-	3,631	2,075
Sinnsuptawee Asset Management Co., Ltd.	-	-	133	-
Bualuang Securities PCL.	-	-	195	1,148
Bangkok Bank (China) Co., Ltd.	-	-	261	1,286
PT Bank Permata Tbk	-	-	506	162
BSL Leasing Co., Ltd.	-	-	227	30
Associates				
National ITMX Co., Ltd.	1	1	1	1
PT Honest Financial Technologies *	7	7	-	-
Total	8	8	4,954	4,702

For the six-month period ended June 30, 2023, the Bank and subsidiaries charged interest at rates between 1.60% and 7.30% on loans to these related parties depending on the types of loans and collateral.

For the year ended December 31, 2022, the Bank and subsidiaries charged interest at rates between 1.25% and 6.35% on loans to these related parties depending on the types of loans and collateral.

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at June 30, 2023 and December 31, 2022 are shown in Note 6.8.

Significant accounting transactions between the Bank and subsidiaries, associates and other related parties were transacted under normal business practices. The prices, interest rates, commission charges, terms and conditions are determined on an arm's length basis.

* Holding by PT Bank Permata Tbk.

The Bank and subsidiaries had significant income and expenses with related parties as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	18	4
BSL Leasing Co., Ltd.	-	-	10	4
Other related parties	2	10	2	10
Total	<u>2</u>	<u>10</u>	<u>30</u>	<u>18</u>
Fees and service income				
Subsidiaries				
Bangkok Bank Berhad	-	-	-	1
BBL Asset Management Co., Ltd.	-	-	484	496
Bualuang Securities PCL.	-	-	46	31
Associate				
Processing Center Co., Ltd.	1	-	1	-
Other related parties	8	19	-	-
Total	<u>9</u>	<u>19</u>	<u>531</u>	<u>528</u>
Dividend income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	547	600
Bualuang Securities PCL.	-	-	1,137	2,111
PT Bank Permata Tbk	-	-	1,244	713
BSL Leasing Co., Ltd.	-	-	45	45
Associates				
Processing Center Co., Ltd.	9	9	9	9
National ITMX Co., Ltd.	141	81	141	81
Total	<u>150</u>	<u>90</u>	<u>3,123</u>	<u>3,559</u>
Other income				
Subsidiaries				
Bangkok Bank Berhad	-	-	3	-
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	39	43
Associates				
National ITMX Co., Ltd.	1	1	1	1
Thai Payment Network Co., Ltd.	3	3	3	3
Total	<u>4</u>	<u>4</u>	<u>47</u>	<u>48</u>

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest paid				
Subsidiaries				
BBL (Cayman) Limited	-	-	4	2
Bangkok Bank Berhad	-	-	2	-
BBL Asset Management Co., Ltd.	-	-	1	-
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	-	4
Other related parties	8	3	8	3
Total	<u>8</u>	<u>3</u>	<u>16</u>	<u>10</u>
Commission paid				
Subsidiary				
Bualuang Securities PCL.	-	-	2	1
Other related parties	15	16	-	-
Total	<u>15</u>	<u>16</u>	<u>2</u>	<u>1</u>
Other expenses				
Associates				
Processing Center Co., Ltd.	2	3	2	3
National ITMX Co., Ltd.	79	63	79	63
BCI (Thailand) Co., Ltd.	1	-	1	-
Other related parties	15	32	12	28
Total	<u>97</u>	<u>98</u>	<u>94</u>	<u>94</u>
Expected credit loss (Reverse)				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	-	(3)
Other related parties	2	3	2	3
Total	<u>2</u>	<u>3</u>	<u>2</u>	<u>-</u>

Million Baht

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	33	7
BSL Leasing Co., Ltd.	-	-	16	7
Other related parties	4	16	4	16
Total	<u>4</u>	<u>16</u>	<u>53</u>	<u>30</u>
Fees and service income				
Subsidiaries				
Bangkok Bank Berhad	-	-	1	1
BBL Asset Management Co., Ltd.	-	-	981	1,021
Bualuang Securities PCL.	-	-	68	58
Associate				
Processing Center Co., Ltd.	3	1	3	1
Other related parties	17	44	-	-
Total	<u>20</u>	<u>45</u>	<u>1,053</u>	<u>1,081</u>
Dividend income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	547	600
Bualuang Securities PCL.	-	-	1,137	2,111
PT Bank Permata Tbk	-	-	1,244	713
BSL Leasing Co., Ltd.	-	-	45	45
Associates				
Processing Center Co., Ltd.	9	9	9	9
National ITMX Co., Ltd.	141	81	141	81
Total	<u>150</u>	<u>90</u>	<u>3,123</u>	<u>3,559</u>

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Other income				
Subsidiaries				
Bangkok Bank Berhad	-	-	10	-
Bualuang Securities PCL.	-	-	2	2
Bangkok Bank (China) Co., Ltd.	-	-	79	86
Associates				
National ITMX Co., Ltd.	3	3	3	3
Thai Payment Network Co., Ltd.	5	5	5	5
Total	8	8	99	96
Interest paid				
Subsidiaries				
BBL (Cayman) Limited	-	-	7	2
Bangkok Bank Berhad	-	-	4	1
BBL Asset Management Co., Ltd.	-	-	1	-
Bualuang Securities PCL.	-	-	2	1
Bangkok Bank (China) Co., Ltd.	-	-	6	5
PT Bank Permata Tbk	-	-	-	1
Associate				
National ITMX Co., Ltd.	1	-	1	-
Other related parties	15	8	15	8
Total	16	8	36	18
Commission paid				
Subsidiary				
Bualuang Securities PCL.	-	-	4	3
Other related parties	30	32	-	-
Total	30	32	4	3
Other expenses				
Associates				
Processing Center Co., Ltd.	5	4	5	4
National ITMX Co., Ltd.	155	123	155	123
Thai Payment Network Co., Ltd.	1	1	1	1
BCI (Thailand) Co., Ltd.	1	1	1	1
Other related parties	21	59	14	51
Total	183	188	176	180
Expected credit loss (Reverse)				
Subsidiary				
BSL Leasing Co., Ltd.	-	-	2	(1)
Other related parties	(4)	2	(4)	2
Total	(4)	2	(2)	1

6.32 Other Benefits to Directors and Persons with Managing Authority

The Bank has not extended the extraordinary monetary and/or non-monetary benefits to the Banks' directors, executives at the level of executive vice president and higher, other than the ordinary benefits.

6.33 Disclosure of the Statement of Cash Flows of the Asset Management Company (AMC)

In accordance with the BOT's regulations, the Bank is required to disclose the statement of cash flows of the AMC of the Bank in the notes to the financial statements. The statement of cash flows of Sinnsuptawee Asset Management Co., Ltd. is as follows :

<p style="text-align: center;">SINNSUPTAWEE ASSET MANAGEMENT COMPANY LIMITED STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023 (UNAUDITED - REVIEWED)</p>			Million Baht
	2023	2022	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from operating before income tax expenses	571	1	
Items to reconcile profit from operating before income tax expenses to cash receive (paid) from operating activities			
Depreciation and amortization	1	1	
Unrealized (gain) loss on financial instruments measured at fair value through profit or loss	(8)	18	
Gain on reversal on allowance impairment of properties for sale	-	(1)	
Dividend income	(29)	(30)	
Proceeds from dividend income	29	30	
Income tax paid	<u>(12)</u>	<u>(2)</u>	
Profit from operating before changes in operating assets and liabilities	552	17	
(Increase) decrease in operating assets			
Financial assets measured at fair value through profit or loss	(633)	-	
Properties for sale	26	9	
Other assets	(1)	(4)	
Increase (decrease) in operating liabilities			
Deposits	(106)	-	
Other liabilities	<u>-</u>	<u>(1)</u>	
Net cash received (paid) from operating activities	<u>(162)</u>	<u>21</u>	
Net increase (decrease) in cash and cash equivalents	(162)	21	
Cash and cash equivalents as at January 1,	<u>173</u>	<u>18</u>	
Cash and cash equivalents as at June 30,	<u><u>11</u></u>	<u><u>39</u></u>	

6.34 Operating Segments

6.34.1 Operating segments

Operating segments are reported measured on a basis that is consistent with internal reporting. Amounts for each operating segment are shown after the allocation of centralized costs and transfer pricing.

Transactions between operating segments are recorded within the segment as if they were third party transactions and are eliminated on consolidated financial statements.

The Bank is organized into segments based on products and services as follows :

Domestic banking

Domestic banking provides financial services in domestic. The main products and services are loans, deposits, trade finance, remittances and payments, electronic services, credit cards, debit cards and related other financial services.

International banking

International banking provides financial services through overseas branches and subsidiaries. The main products and services are loans, deposits, foreign exchange services, international fund transfers and payments, and export and import services.

Investment banking

Investment banking provides project services, corporate finance services, financial advisory services, securities business services, business strategic management by trading financial instruments including liquidity management of the Bank.

Others

Segments other than banking and investment banking business provide fund management services, securities services, assets management services and others, including operating expenses not allocated to operating segments.

The operating results of operating segments for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	21,632	10,770	6,348	3,696	(2)	42,444
Total operating expenses before expected credit loss	<u>(8,538)</u>	<u>(4,563)</u>	<u>(1,679)</u>	<u>(5,333)</u>	<u>2</u>	<u>(20,111)</u>
Profit from operating before expected credit loss and income tax expenses	<u>13,094</u>	<u>6,207</u>	<u>4,669</u>	<u>(1,637)</u>	<u>-</u>	<u>22,333</u>
						Million Baht
	CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2022					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	18,398	9,670	2,386	3,739	(1)	34,192
Total operating expenses before expected credit loss	<u>(8,528)</u>	<u>(4,290)</u>	<u>(980)</u>	<u>(3,638)</u>	<u>1</u>	<u>(17,435)</u>
Profit from operating before expected credit loss and income tax expenses	<u>9,870</u>	<u>5,380</u>	<u>1,406</u>	<u>101</u>	<u>-</u>	<u>16,757</u>
						Million Baht
	CONSOLIDATED FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	42,043	21,022	11,099	8,577	(4)	82,737
Total operating expenses before expected credit loss	<u>(16,300)</u>	<u>(9,119)</u>	<u>(3,795)</u>	<u>(9,751)</u>	<u>4</u>	<u>(38,961)</u>
Profit from operating before expected credit loss and income tax expenses	<u>25,743</u>	<u>11,903</u>	<u>7,304</u>	<u>(1,174)</u>	<u>-</u>	<u>43,776</u>

	CONSOLIDATED					Million Baht
	FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022					
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	35,900	18,291	2,610	8,503	(2)	65,302
Total operating expenses before expected credit loss	<u>(15,763)</u>	<u>(8,569)</u>	<u>(1,612)</u>	<u>(6,999)</u>	<u>2</u>	<u>(32,941)</u>
Profit from operating before expected credit loss and income tax expenses	<u>20,137</u>	<u>9,722</u>	<u>998</u>	<u>1,504</u>	<u>-</u>	<u>32,361</u>

The financial position of operating segments as at June 30, 2023 and December 31, 2022 are as follows :

	CONSOLIDATED					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total assets						
As at June 30, 2023	1,864,427	1,320,932	1,432,389	479,786	(611,910)	4,485,624
As at December 31, 2022	1,872,313	1,298,553	1,400,723	492,878	(642,715)	4,421,752

6.34.2 Geographical segments

The operating results classified by geographical areas for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED					Million Baht
	FOR THE THREE-MONTH PERIODS ENDED					
	June 30, 2023			June 30, 2022		
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total
Total operating income	31,195	11,249	42,444	24,329	9,863	34,192
Total operating expenses *	(22,427)	(6,564)	(28,991)	(20,766)	(5,023)	(25,789)
Profit from operating before income tax expenses	8,768	4,685	13,453	3,563	4,840	8,403
Income tax	(1,090)	(957)	(2,047)	(406)	(913)	(1,319)

* Including expected credit loss.

Million Baht

CONSOLIDATED FOR THE SIX-MONTH PERIODS ENDED						
	June 30, 2023			June 30, 2022		
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total
Total operating income	60,496	22,241	82,737	46,758	18,544	65,302
Total operating expenses *	(43,471)	(12,844)	(56,315)	(37,669)	(10,115)	(47,784)
Profit from operating						
before income tax expenses	17,025	9,397	26,422	9,089	8,429	17,518
Income tax	(2,951)	(1,823)	(4,774)	(1,522)	(1,673)	(3,195)

The financial position classified by geographical areas as at June 30, 2023 and December 31, 2022 are as follows :

Million Baht

CONSOLIDATED						
	June 30, 2023			December 31, 2022		
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total
Non-current assets **	66,148	32,328	98,476	64,875	30,715	95,590
Total assets	3,635,276	850,348	4,485,624	3,581,934	839,818	4,421,752

6.35 Interest Income

Interest income for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

Million Baht

CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED				THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022		June 30, 2023	June 30, 2022
Interbank and money market items	5,006	1,503		3,053	828
Investments and trading transactions	99	91		64	29
Investment in debt securities	4,760	3,338		3,306	1,992
Loans	37,367	26,955		30,269	20,599
Others	40	50		40	50
Total interest income	47,272	31,937		36,732	23,498

For the three-month period ended June 30, 2023, the Bank and subsidiaries have total interest income on financial assets that are measured at amortized cost and at FVOCI for the consolidated financial statements amounting to Baht 43,259 million and Baht 3,915 million, respectively and for the Bank's financial statements amounting to Baht 33,762 million and amounting to Baht 2,906 million, respectively.

* Including expected credit loss.

** Consisting of premises and equipment, net, goodwill and other intangible assets, net.

For the three-month period ended June 30, 2022, the Bank and subsidiaries have total interest income on financial assets that are measured at amortized cost and at FVOCI for the consolidated financial statements amounting to Baht 28,848 million and Baht 2,998 million, respectively and for the Bank's financial statements amounting to Baht 21,609 million and amounting to Baht 1,860 million, respectively.

	CONSOLIDATED FOR THE SIX-MONTH PERIODS ENDED		THE BANK FOR THE SIX-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Interbank and money market items	9,333	2,898	5,782	1,526
Investments and trading transactions	185	220	125	65
Investment in debt securities	8,996	6,327	6,115	3,734
Loans	72,868	52,360	58,886	39,950
Others	61	54	61	54
Total interest income	91,443	61,859	70,969	45,329

For the six-month period ended June 30, 2023, the Bank and subsidiaries have total interest income on financial assets that are measured at amortized cost and at FVOCI for the consolidated financial statements amounting to Baht 83,843 million and Baht 7,415 million, respectively and for the Bank's financial statements amounting to Baht 65,503 million and Baht 5,341 million, respectively.

For the six-month period ended June 30, 2022, the Bank and subsidiaries have total interest income on financial assets that are measured at amortized cost and at FVOCI for the consolidated financial statements amounting to Baht 55,862 million and Baht 5,776 million, respectively and for the Bank's financial statements amounting to Baht 41,686 million and Baht 3,578 million, respectively.

6.36 Interest Expenses

Interest expenses for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Deposits	8,787	4,354	4,947	2,001
Interbank and money market items	1,548	323	1,406	253
Contributions to Financial Institutions Development				
Fund and Deposit Protection Agency	3,139	1,716	2,910	1,500
Debt issued				
Bonds and subordinated notes	2,118	1,997	2,112	1,993
Others	193	21	194	21
Total interest expenses	15,785	8,411	11,569	5,768

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Deposits	16,372	8,732	9,173	3,934
Interbank and money market items	2,706	571	2,454	431
Contributions to Financial Institutions Development				
Fund and Deposit Protection Agency	6,239	3,394	5,791	2,958
Debt issued				
Bonds and subordinated notes	4,103	3,863	4,091	3,857
Others	458	26	458	26
Total interest expenses	29,878	16,586	21,967	11,206

6.37 Net Fees and Service Income

Net fees and service income for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Fees and service income				
Acceptances, aval and guarantees of loans	76	65	57	54
Debit card, credit card and electronic services	5,188	4,640	4,782	4,174
Others	5,001	5,261	3,090	3,013
Total fees and service income	10,265	9,966	7,929	7,241
Fees and service expenses	3,694	3,240	3,215	2,732
Net fees and service income	6,571	6,726	4,714	4,509

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Fees and service income				
Acceptances, aval and guarantees of loans	152	138	115	116
Debit card, credit card and electronic services	10,732	8,940	9,912	8,064
Others	10,538	10,978	6,351	6,271
Total fees and service income	21,422	20,056	16,378	14,451
Fees and service expenses	7,729	6,372	6,811	5,386
Net fees and service income	13,693	13,684	9,567	9,065

6.38 Gains (Losses) on Financial Instruments Measured at Fair Value Through Profit or Loss

Gains (losses) on financial instruments measured at fair value through profit or loss for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Gains (losses) from trading and foreign exchange transactions				
Foreign exchange and currency derivatives	2,606	616	2,054	245
Interest rate derivatives	313	1,374	276	1,358
Debt securities	194	(103)	7	(48)
Equity securities	4	77	(17)	14
Others	(2)	32	-	-
Total	<u>3,115</u>	<u>1,996</u>	<u>2,320</u>	<u>1,569</u>
Gains (losses) from financial instrument designed at FVTPL				
Change in fair value, net	229	132	229	132
Interest expense, net	(585)	(313)	(586)	(313)
Total	<u>(356)</u>	<u>(181)</u>	<u>(357)</u>	<u>(181)</u>
Others	<u>613</u>	<u>1,620</u>	<u>714</u>	<u>1,628</u>
Total gains on financial instruments measured at fair value through profit or loss	<u><u>3,372</u></u>	<u><u>3,435</u></u>	<u><u>2,677</u></u>	<u><u>3,016</u></u>

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Gains (losses) from trading and foreign exchange transactions				
Foreign exchange and currency derivatives	5,304	2,418	4,719	1,943
Interest rate derivatives	142	1,165	116	1,122
Debt securities	398	(91)	13	(61)
Equity securities	(276)	158	(364)	57
Others	(2)	42	-	-
Total	<u>5,566</u>	<u>3,692</u>	<u>4,484</u>	<u>3,061</u>
Gains (losses) from financial instrument designed at FVTPL				
Change in fair value, net	333	148	333	148
Interest expense, net	(965)	(643)	(966)	(643)
Total	<u>(632)</u>	<u>(495)</u>	<u>(633)</u>	<u>(495)</u>
Others	<u>(117)</u>	<u>1,584</u>	<u>(36)</u>	<u>1,716</u>
Total gains on financial instruments measured at fair value through profit or loss	<u>4,817</u>	<u>4,781</u>	<u>3,815</u>	<u>4,282</u>

6.39 Gains (Losses) on Investments

Gains (losses) on investments for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Gains (losses) from disposal				
Investment securities - measured at FVOCI				
(Debt investment)	(98)	(823)	(134)	(823)
Total losses on investments	<u>(98)</u>	<u>(823)</u>	<u>(134)</u>	<u>(823)</u>

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Gains (losses) from disposal				
Investment securities - measured at FVOCI				
(Debt investment)	(68)	(781)	(107)	(789)
Investment securities - measured at				
amortized cost	-	29	-	-
Total gains (losses) on investments	(68)	(752)	(107)	(789)

6.40 Expected Credit Loss

Expected credit loss for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Expected credit loss				
Loans to customers and accrued				
interest receivables	8,082	7,144	6,224	6,233
Others	798	1,210	1,028	1,154
Total expected credit loss	8,880	8,354	7,252	7,387

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Expected credit loss				
Loans to customers and accrued				
interest receivables	15,391	14,298	12,224	12,849
Others	1,963	545	2,137	457
Total expected credit loss	17,354	14,843	14,361	13,306

6.41 Income Tax Expenses

6.41.1 Income tax recognized in profit or loss for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS		FOR THE THREE-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Current tax	2,802	1,000	1,937	426
Deferred tax	<u>(755)</u>	<u>319</u>	<u>(437)</u>	<u>233</u>
Total income tax expenses	<u><u>2,047</u></u>	<u><u>1,319</u></u>	<u><u>1,500</u></u>	<u><u>659</u></u>

	CONSOLIDATED		THE BANK	
	FOR THE SIX-MONTH PERIODS		FOR THE SIX-MONTH PERIODS	
	ENDED		ENDED	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Current tax	7,201	2,995	5,589	2,125
Deferred tax	<u>(2,426)</u>	<u>200</u>	<u>(2,147)</u>	<u>(251)</u>
Total income tax expenses	<u><u>4,775</u></u>	<u><u>3,195</u></u>	<u><u>3,442</u></u>	<u><u>1,874</u></u>

6.41.2 Income tax recognized in component of other comprehensive income for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

							Million Baht
CONSOLIDATED							
FOR THE THREE-MONTH PERIODS ENDED							
	June 30, 2023			June 30, 2022			
	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount	
Items that will be reclassified							
subsequently to profit or loss							
Losses on investments in debt							
instruments at fair value through							
other comprehensive income	(2,747)	545	(2,202)	(8,162)	1,866	(6,296)	
Losses on cash flow hedges	(596)	119	(477)	(1,772)	354	(1,418)	
Gains arising from translating							
the financial statements of							
foreign operations	6,830	-	6,830	5,324	-	5,324	
Items that will not be reclassified							
subsequently to profit or loss							
Changes in revaluation surplus	(16)	3	(13)	-	-	-	
Losses on investment in equity							
instruments designated							
at fair value through other							
comprehensive income	(4,787)	991	(3,796)	(3,702)	834	(2,868)	
Losses on financial liabilities							
designated at fair value							
through profit or loss	(343)	69	(274)	(16)	4	(12)	
Actuarial losses on							
defined benefit plans	(225)	49	(176)	(3)	1	(2)	
Total	<u>(1,884)</u>	<u>1,776</u>	<u>(108)</u>	<u>(8,331)</u>	<u>3,059</u>	<u>(5,272)</u>	

CONSOLIDATED FOR THE SIX-MONTH PERIODS ENDED						
	June 30, 2023			June 30, 2022		
	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount
Items that will be reclassified subsequently to profit or loss						
Losses on investments in debt instruments at fair value through other comprehensive income	(1,963)	(876)	(2,839)	(13,948)	2,991	(10,957)
Losses on cash flow hedges	(850)	170	(680)	(2,407)	481	(1,926)
Gains arising from translating the financial statements of foreign operations	9,406	-	9,406	3,348	-	3,348
Share of other comprehensive income of associate	2	-	2	-	-	-
Items that will not be reclassified subsequently to profit or loss						
Changes in revaluation surplus	(17)	3	(14)	-	-	-
Gains (losses) on investment in equity instruments designated at fair value through other comprehensive income	(7,232)	1,488	(5,744)	1,639	(238)	1,401
Gains (losses) on financial liabilities designated at fair value through profit or loss	(369)	74	(295)	792	(158)	634
Actuarial losses on defined benefit plans	(225)	49	(176)	(1)	-	(1)
Share of other comprehensive losses of associates	-	-	-	(1)	-	(1)
Total	<u>(1,248)</u>	<u>908</u>	<u>(340)</u>	<u>(10,578)</u>	<u>3,076</u>	<u>(7,502)</u>

Million Baht

THE BANK						
FOR THE THREE-MONTH PERIODS ENDED						
	June 30, 2023			June 30, 2022		
	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount
Items that will be reclassified						
subsequently to profit or loss						
Losses on investments in debt						
instruments at fair value through						
other comprehensive income	(3,239)	649	(2,590)	(6,919)	1,590	(5,329)
Losses on cash flow hedges	(596)	119	(477)	(1,772)	354	(1,418)
Gains arising from translating						
the financial statements of						
foreign operations	2,251	-	2,251	2,358	-	2,358
Items that will not be reclassified						
subsequently to profit or loss						
Changes in revaluation surplus	(16)	3	(13)	-	-	-
Losses on investment in equity						
instruments designated						
at fair value through other						
comprehensive income	(4,950)	1,001	(3,949)	(3,666)	739	(2,927)
Losses on financial liabilities						
designated at fair value						
through profit or loss	(343)	69	(274)	(16)	4	(12)
Total	(6,893)	1,841	(5,052)	(10,015)	2,687	(7,328)

Million Baht

<p style="text-align: center;">THE BANK</p> <p style="text-align: center;">FOR THE SIX-MONTH PERIODS ENDED</p>						
	June 30, 2023			June 30, 2022		
	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount	Before-tax Amount	Tax (expense) Benefit	Net-of-tax Amount
Items that will be reclassified						
subsequently to profit or loss						
Losses on investments in debt						
instruments at fair value through						
other comprehensive income	(2,625)	(730)	(3,355)	(12,067)	2,578	(9,489)
Losses on cash flow hedges	(850)	170	(680)	(2,407)	481	(1,926)
Gains arising from translating						
the financial statements of						
foreign operations	1,727	-	1,727	1,746	-	1,746
Items that will not be reclassified						
subsequently to profit or loss						
Changes in revaluation surplus	(17)	3	(14)	-	-	-
Gains (losses) on investment in						
equity instruments designated						
at fair value through other						
comprehensive income	(7,233)	1,466	(5,767)	1,667	(332)	1,335
Gains (losses) on financial liabilities						
designated at fair value						
through profit or loss	(369)	74	(295)	792	(158)	634
Actuarial gains on defined benefit plan	-	-	-	1	-	1
Total	<u>(9,367)</u>	<u>983</u>	<u>(8,384)</u>	<u>(10,268)</u>	<u>2,569</u>	<u>(7,699)</u>

6.41.3 Reconciliation of effective tax rates for the three-month and the six-month periods ended June 30, 2023 and 2022 are as follows :

Million Baht

<p style="text-align: center;">CONSOLIDATED</p> <p style="text-align: center;">FOR THE THREE-MONTH PERIODS ENDED</p>				
	June 30, 2023		June 30, 2022	
	Amount	Percentage	Amount	Percentage
Profit from operating before income tax expense	13,453		8,403	
Income tax calculated at statutory tax rate	2,691	20.00	1,681	20.00
Overseas tax	493		291	
Tax effect of income and expenses that are not				
taxable and not deductible for tax purposes	(981)		(1,061)	
Others	(156)		408	
Total income tax expenses	<u>2,047</u>	15.22	<u>1,319</u>	15.70

Million Baht

CONSOLIDATED FOR THE SIX-MONTH PERIODS ENDED				
	June 30, 2023		June 30, 2022	
	Amount	Percentage	Amount	Percentage
Profit from operating before income tax expense	26,422		17,517	
Income tax calculated at statutory tax rate	5,284	20.00	3,504	20.00
Overseas tax	900		598	
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	(970)		(1,081)	
Others	<u>(439)</u>		<u>174</u>	
Total income tax expenses	<u><u>4,775</u></u>	18.07	<u><u>3,195</u></u>	18.24

Million Baht

THE BANK FOR THE THREE-MONTH PERIODS ENDED				
	June 30, 2023		June 30, 2022	
	Amount	Percentage	Amount	Percentage
Profit from operating before income tax expense	13,681		9,013	
Income tax calculated at statutory tax rate	2,736	20.00	1,803	20.00
Overseas tax	433		214	
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	(968)		(1,042)	
Others	<u>(701)</u>		<u>(316)</u>	
Total income tax expenses	<u><u>1,500</u></u>	10.96	<u><u>659</u></u>	7.31

Million Baht

THE BANK FOR THE SIX-MONTH PERIODS ENDED				
	June 30, 2023		June 30, 2022	
	Amount	Percentage	Amount	Percentage
Profit from operating before income tax expense	23,230		15,030	
Income tax calculated at statutory tax rate	4,646	20.00	3,006	20.00
Overseas tax	791		468	
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	(1,031)		(1,061)	
Others	<u>(964)</u>		<u>(539)</u>	
Total income tax expenses	<u><u>3,442</u></u>	14.82	<u><u>1,874</u></u>	12.47

6.42 The Coronavirus Disease 2019 Pandemic (Covid-19)

The Coronavirus Disease 2019 Pandemic (Covid-19) has resulted in the economic slowdown and impacted most businesses and industries since 2020. This situation may bring uncertainties and have an impact on the environment in which the Bank operates.

In the classification, the Bank adheres to Accounting Treatment Guidance on “The temporary relief measures for entities supporting their debtors who are affected from the situations that affected Thailand’s economy” by providing assistance to the debtor during January 1, 2020 to December 31, 2021. The debt classification which has no credit impairment is a class that does not have a significant increase in credit risk (Stage 1 Performing) immediately after analyzing the status and business of the debtor that the debtor is able to comply with the debt restructuring agreement. As for debt that has credit impairment but still has the potential to operate business, the Bank can classify the debt as a class that does not have a significant increase in credit risk (Stage 1 Performing) if the debtor has made a payment under the new debt restructuring agreement for 3 consecutive months or 3 payment periods, whichever is longer. In this regard, the BOT extends the period of the relief measures, in case the Bank provides the additional assistance to its debtors in addition to the extension of repayment period, arising from January 1, 2022 to December 31, 2023, the Bank can apply the debt classification as mentioned in the above accounting guidance.

As for the reserve, the Bank adheres to the Thai Financial Reporting Standard No. 9 regarding Financial Instruments, which specifies the expected credit loss by considering the past, present and future economic conditions under various assumptions and situations due to the transmission problem of Covid-19 being transmitted impact on the Thai economy and the broad global economy causing the economic activity to have a severe slowdown especially the tourism, service and industry sectors that may lead to economic recession. Therefore, in estimating the credit losses that are expected to occur the Bank considers future economic factors that reflect the effects of the pandemic of Covid-19, both in the short and long term, including considering the management’s discretion to reserve more management overlay from the values obtained from the model to another level so that the Bank’s reserves are able to sufficiently cope with the increase in default payments of loan receivables affected by this situation.

6.43 Approval of the Financial Statements

The Audit Committee and the Board of Executive Directors have authorized to issue these financial statements on August 22, 2023.