

Standard Chartered Bank (Thai)
Public Company Limited
Report and financial statements
31 December 2024

Independent Auditor's Report

To the Shareholders of Standard Chartered Bank (Thai) Public Company Limited

Opinion

I have audited the accompanying financial statements of Standard Chartered Bank (Thai) Public Company Limited ("the Bank"), which comprise the statement of financial position as at 31 December 2024, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively called "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Standard Chartered Bank (Thai) Public Company Limited as at 31 December 2024, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing 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 or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- 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'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's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I am responsible for the audit resulting in this independent auditor's report.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited


Bangkok: 25 March 2025

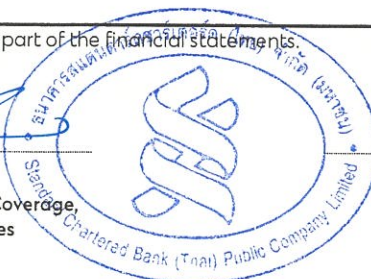
Statements of Financial Position

As at 31 December 2024 and 2023

	Note	31 December 2024 Baht '000	31 December 2023 Baht '000
Assets			
Cash		83,246	106,873
Interbank and money market items - net	8	42,436,701	57,667,064
Financial assets measured at fair value through profit or loss	9	56,298,854	38,404,040
Derivative assets	10	23,555,370	20,072,467
Investments - net	11	28,227,489	25,676,883
Loan to customers and interest receivables - net	12	23,306,445	23,615,607
Premises and equipment - net	13	187,257	273,757
Right-of-use assets - net	14	134,053	171,744
Intangible assets - net	15	884,749	1,063,062
Deferred tax assets	16.1	176,961	445,642
Other assets	17	12,731,378	7,283,748
Total assets		188,022,503	174,780,887
Liabilities and shareholders' equity			
Liabilities			
Deposits	18	100,323,626	94,779,678
Interbank and money market items	19	16,799,714	17,116,870
Liabilities payable on demand		917,198	823,208
Financial liabilities measured at fair value through profit or loss	20	4,393,372	4,467,190
Derivative liabilities	10	26,767,053	18,831,243
Lease liabilities	14.2	142,182	178,446
Provisions for liabilities	21	590,864	477,879
Other liabilities	22	11,968,269	11,376,235
Total liabilities		161,902,278	148,050,749
Shareholders' equity			
Share capital			
Registered share capital	23	14,842,627	14,842,627
Issued and paid-up share capital	23	14,837,045	14,837,045
Premium on share capital	24	9,055,819	9,055,819
Other components of equity	25	(28,534)	(184,956)
Retained earnings			
Appropriated			
Statutory reserves	26	1,484,263	1,484,263
Unappropriated		771,632	1,537,967
Total shareholders' equity		26,120,225	26,730,138
Total liabilities and shareholders' equity		188,022,503	174,780,887

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


 (Ms. Anchalee Bunsongsikul)
 President and CEO and Head, Banking & Coverage,
 Thailand and Representative Offices




 (Ms. Toh Toak Cheng)
 Chief Financial Officer

Statements of comprehensive income

For the years ended 31 December 2024 and 2023

		31 December 2024	31 December 2023
	Note	Baht '000	Baht '000
Profit or loss:			
Interest income	30.3, 34	5,950,628	4,432,767
Interest expense	30.3, 35	(3,638,055)	(2,288,516)
Net interest income		2,312,573	2,144,251
Fees and service income		1,478,001	1,459,218
Fees and service expenses		(399,798)	(250,076)
Net fees and service income	36	1,078,203	1,209,142
Net gains on financial instruments measured as fair value through profit or loss	30.3, 37	2,051,313	1,770,645
Net gains (losses) on investments	38	1,688	(4,455)
Other operating income		27,580	292,074
Total operating income		5,471,357	5,411,657
Operating expenses			
Employee expenses	30.6, 39	(1,445,637)	(1,364,220)
Director's remuneration		(6,700)	(6,700)
Premises and equipment expenses		(166,822)	(199,412)
Taxes and duties		(86,127)	(78,514)
Other operating expenses	30.3, 30.5, 40	(2,220,914)	(2,127,033)
Total operating expenses		(3,926,200)	(3,775,879)
Expected credit loss (reversal)	41	502,002	(29,829)
Profit from operation before income tax expenses		1,043,155	1,665,607
Income tax expenses	16.2	(223,883)	(349,365)
Net profit		819,272	1,316,242

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

 (Ms. Anchalee Bunsongsikul) President and CEO and Head, Banking & Coverage, Thailand and Representative Offices		 (Ms. Toh Toak Cheng) Chief Financial Officer
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Statements of comprehensive income (continued)

For the years ended 31 December 2024 and 2023

	Note	31 December 2024 Baht '000	31 December 2023 Baht '000
Other comprehensive income (loss):	16.3		
Items to be recognised subsequently in profit or loss:			
Gains on revaluation of investments in debt instruments measured at fair value through other comprehensive income		203,204	26,626
Gains (losses) on measurement of derivatives held for cash flows hedges		2,687	(82,050)
Related income tax		(41,190)	11,085
Items to be recognised subsequently in profit or loss - net of income taxes		164,701	(44,339)
Items not to be recognised subsequently in profit or loss:			
Losses on revaluation of investments in equity securities designated to be measured at fair value through other comprehensive income		(325)	(363)
Losses on revaluation of own credit risk		(10,023)	(5,579)
Actuarial gains		20,741	14,266
Related income tax		(1,878)	(1,665)
Items not to be recognised subsequently in profit or loss - net of income taxes		8,515	6,659
Other comprehensive income (loss) for the years		173,216	(37,680)
Total comprehensive income for the years		992,488	1,278,562
Earnings per share:			
Earnings per share (Baht)	31	0.55	0.89

The accompanying notes are an integral part the financial statements.

 (Ms. Anchalee Bunsongsikul) President and CEO and Head, Banking & Coverage, Thailand and Representative Offices		 (Ms. Toh Toak Cheng) Chief Financial Officer
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Statements of changes in shareholders' equity

For the years ended 31 December 2024 and 2023

Note		Other components of equity				Retained earnings		
		Issued and paid up share capital	Premium on share capital	Fair value reserve	Cash flow hedge reserve	Own credit evaluation reserve	Appropriated - Statutory reserve	Unappropriated
		Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
	Balance as at 1 January 2023	14,837,045	9,055,819	(205,221)	65,334	4,024	1,484,263	1,679,180
	Dividend paid	-	-	-	-	-	-	26,920,444
	Net profit	-	-	-	-	-	-	(1,468,868)
	Other comprehensive income (loss) for the year	-	-	21,010	(65,640)	(4,463)	-	1,316,242
	Total comprehensive income (loss) for the year	-	-	21,010	(65,640)	(4,463)	-	11,413
	Balance as at 31 December 2023	14,837,045	9,055,819	(184,211)	(306)	(439)	1,484,263	1,327,655
								26,730,138
	Balance as at 1 January 2024	14,837,045	9,055,819	(184,211)	(306)	(439)	1,484,263	1,537,967
	Dividend paid	-	-	-	-	-	-	(1,602,401)
	Net profit	-	-	-	-	-	-	819,272
	Other comprehensive income (loss) for the year	-	-	162,290	2,150	(8,018)	-	16,794
	Total comprehensive income (loss) for the year	-	-	162,290	2,150	(8,018)	-	836,066
	Balance as at 31 December 2024	14,837,045	9,055,819	(21,921)	1,844	(8,457)	1,484,263	771,632
								26,120,225

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

Statements of cash flows

For the years ended 31 December 2024 and 2023

	Note	31 December 2024 Baht '000	31 December 2023 Baht '000
Cash flows from operating activities			
Profit before income tax expenses		1,043,155	1,665,607
Adjustments to reconcile profit from operation before income tax expenses to net cash provided by (used in) operating activities			
Depreciation and amortisation		374,334	371,358
Expected credit losses (reversal)		502,002	(29,829)
Amortisation of net discount on investments in debt securities		(106,913)	(14,690)
(Gains) losses on disposals of investments in debt securities		(1,688)	4,455
Gains on financial instruments measured at fair value through profit or loss		(1,244,244)	(321,877)
Losses on impairment and write-offs of equipment, right-of-use assets and intangible assets		205,059	44,895
Gains on disposal of assets held for sales		(15,389)	(269,344)
Increase in provision for long-term employee benefits		41,916	40,477
Net interest income		(2,312,573)	(2,144,251)
Cash received on interest income		5,801,563	4,393,846
Cash paid on interest expenses		(3,676,450)	(2,184,887)
Cash paid on income taxes		(162,568)	(89,173)
Profit from operating activities before changes in operating assets and liabilities		448,204	1,466,587
(Increase) decrease in operating assets:			
Interbank and money market items		15,302,806	(22,071,210)
Net derivative assets		4,455,594	1,217,658
Financial assets measured at fair value through profit or loss		(13,332,805)	(10,265,977)
Loans to customers		(61,360)	6,455,558
Other assets		(5,345,638)	1,344,790
Increase (decrease) in operating liabilities:			
Deposits		5,543,949	21,122,296
Interbank and money market items		(317,155)	(10,435,789)
Liabilities payable on demand		93,990	(47,630)
Financial liabilities measured at fair value through profit or loss		(183,028)	286,494
Payments on provisions for liabilities		(18,781)	(15,099)
Other liabilities		777,963	2,031,262
Net cash provided by (used in) operating activities		7,363,739	(8,911,060)
Cash flows from investing activities			
Purchases of debt securities measured at amortised cost		(3,499,447)	(2,408,726)
Proceeds from sales of debt securities measured at amortised cost		6,337,744	3,174,000
Purchases of debt and equity securities measured at fair value through other comprehensive income		(43,288,002)	(5,265,056)
Proceeds from sales of debt securities measured at fair value through other comprehensive income		34,992,676	15,273,535
Cash paid for purchases of equipment		(5,616)	(43,847)
Cash paid for purchases of intangible assets		(312,940)	(561,527)
Proceeds of intangible assets		6,906	-
Proceeds from disposals of assets held for sales		18,271	332,243
Net cash provided by (used in) investing activities		(5,750,408)	10,500,622

Statements of cash flows (continued)

For the years ended 31 December 2024 and 2023

		31 December 2024	31 December 2023
		Baht '000	Baht '000
Cash flows from financing activities			
Cash paid on lease liabilities		(34,557)	(40,443)
Dividends paid	25	(1,602,401)	(1,468,868)
Net cash used in financing activities		(1,636,958)	(1,509,311)
Net increase (decrease) in cash and cash equivalents		(23,627)	80,251
Cash and cash equivalents as at 1 January		106,873	26,622
Cash and cash equivalents as at 31 December		83,246	106,873
Supplemental cash flows information			
Non-cash transaction:			
Increase in right-of-use assets		8,664	25,425

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

 (Ms. Anchalee Bunsongsikul) President and CEO and Head, Banking & Coverage, Thailand and Representative Offices		 (Ms. Toh Toak Cheng) Chief Financial Officer
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Standard Chartered Bank (Thai) Public Company Limited

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Notes to the financial statements For the year ended 31 December 2024

1. General information

Corporate information

Standard Chartered Bank (Thai) Public Company Limited (the "Bank"), has been incorporated in Thailand and had its Head Office located at No. 140 Wireless Road, Lumpini sub-district, Patumwan district, Bangkok. The immediate and ultimate parent companies of the Bank are Standard Chartered Bank (Singapore) Limited, which have been incorporated in the Singapore and Standard Chartered PLC, which have been incorporated in the United Kingdom, respectively. The Bank is a commercial bank, which provides a wide range of banking services to corporate and institutional clients.

2. Basis of preparation of financial statements

These financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and with reference to the principles stipulated by the Bank of Thailand ("BoT") and their presentation has been made in compliance with the Notification of the Bank of Thailand ("BoT") No. SOR NOR SOR. 21/2561 dated 31 October 2018, regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups, including any other supplementary BoT's Notifications.

These financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statements regarding a summary of significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from such financial statements in Thai language.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Bank has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Bank's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Bank believes that adoption of these amendments will not have any significant impact on the Bank's financial statements.

4. Accounting policies

4.1 Revenue recognition

a) Interest income and discounts on loans to customers

The Bank has recognised interest on loans on an accrual basis, using the effective interest method, applied to the outstanding principal amount, without ceasing revenue recognition. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The effective interest rate is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the effective interest rate. If loans to customers are later credit-impaired, the Bank recognises interest income using the effective interest method applied to the net carrying value of the loan (the loan amount minus allowance for expected credit losses). If the financial asset is no longer credit-impaired, the Bank reverts to calculating interest income on a gross carrying amount.

Notes to the financial statements (continued)
For the year ended 31 December 2024

4. Accounting policies (continued)

b) Fees and service income

The Bank recognises fees and service income in profit or loss over the service rendering periods.

4.2 Expense recognition

The Bank recognises interest expenses and non-interest expenses on an accrual basis.

4.3 Net gains (losses) from financial instruments measured at fair value through profit or loss

Net gains (losses) from financial instruments measured at fair value through profit or loss consist of gains (losses) on trading and foreign exchange transactions, gains (losses) from changes in fair value of derivatives and financial assets designated at fair value through profit or loss, gains (losses) from sales of financial assets measured at fair value through profit or loss and derivatives, and gains (losses) from hedge accounting. The Bank recognises them as revenues or expenses on the measurement or transaction dates.

4.4 Net gains (losses) on investments

The Bank recognises gains (losses) on disposals or derecognition of financial assets on the transaction dates.

4.5 Cash

Cash represent cash in hand and cash on collection.

4.6 Securities purchased under resale agreements/securities sold under repurchase agreements

The Bank enters into repurchase agreements to purchase/sell securities with an agreement to resell/repurchase the securities at certain dates and at fixed price. Amounts paid for the securities purchased under resale agreement are presented under the caption of "Interbank and money market items" and "Financial assets measured at fair value through profit or loss" as assets in the statements of financial position and the underlying securities are treated as collateral to such receivables. The securities sold under repurchase agreement at the amounts received are presented under the caption of "Interbank and money market items" as liabilities in the statement of financial position and the underlying securities are treated as collateral.

4.7 Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the dates on which the derivative contracts are entered into (trade date) and are subsequently remeasured at their fair values. The gains or losses on remeasurement to fair value is recognised immediately in net gains (losses) from financial instruments measured at fair value through profit or loss except for those qualified and the derivatives designated as hedging instruments in a cash flow hedge relationship. All derivatives are carried as assets under "Derivatives assets" when the fair value is positive and as liabilities under "Derivatives liabilities" when the fair value is negative in the statements of financial position.

Hedge accounting

The Bank makes use of derivatives to manage exposures arising from assets, liabilities, off-balance sheet items, net position or cash flow. Hedging accounting can be applied for hedged items and hedging instruments. Upon meeting specified criteria for hedge accounting, the Bank applies hedge accounting for the aforementioned derivatives. In hedging, the Bank takes into consideration the relationship between hedging instruments and the hedged items, including the nature of the risk, the objective and strategy for undertaking the hedge as well as the effectiveness of the hedging relationship.

Fair value hedge

Where a derivative hedges the change in fair value of a recognised asset, liability (or an identified portion of such asset and liabilities), any gain or loss on remeasuring the fair value of the hedging instrument is recognised in profit or loss. The hedged item is also measured at fair value in respect of the risk being hedged, with any gain or loss being recognised in profit or loss. The cumulative changes in the fair value attributable to the hedged risk of hedged item is made as an adjustment to the carrying value of the hedged assets or liabilities.

Cash flow hedge

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of change in the fair value of the derivative is recognised in other comprehensive income,

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

and presented as "Cash flows hedge reserve" in other components of equity. Any ineffective portion is recognised immediately in profit or loss.

Discontinuing hedge accounting

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, or no longer qualified for hedge accounting. Any cumulative gain or loss on hedging instrument recognised in equity is retained in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was previously reported in equity is recognised in profit or loss immediately.

4.8 Financial instruments

Recognition of financial instruments

The Bank recognises financial assets or financial liabilities when the Bank becomes a party to the contractual provisions of the financial instrument.

Classification and measurement

Financial assets - debt securities

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

a) A financial asset measured at amortised cost

A financial asset shall be classified as a financial asset measured at amortised cost only if both following conditions are met: the financial asset is held within a business model whose objective is to hold financial asset 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 on the designation date. This financial asset is initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).

b) A financial asset measured at fair value through other comprehensive income

A financial asset shall be classified as a financial asset measured at fair value through other comprehensive income only 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 asset 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 on the designation date. This financial asset is initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from change in fair value are recognised in other comprehensive income. Upon derecognition and disposal, the cumulative fair value change is recycled to the profit and loss. The gains or losses on foreign exchange, expected credit losses, and interest income calculated using the effective interest method are recognised in profit or loss.

At the end of the reporting period, investments in debt instruments measured at fair value through other comprehensive income are presented in the statements of financial position net of allowance for expected credit losses (if any).

c) A financial asset measured at fair value through profit or loss

A financial asset shall be classified as a financial asset measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial asset 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 on the designation date. This financial asset is initially recognised at fair value and subsequently measured at fair value. Unrealised gains or losses from change in fair value, and gains and losses on disposals of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

Financial assets - equity instruments

The Bank classifies investments in equity securities that are not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset designated at fair value through other

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains or losses arising from changes in fair value are recognised in other comprehensive income and not subsequently recycled in profit or loss when disposal, instead, they are transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of a part of the cost of the investment.

Initial recognition

The Bank initially recognises investments on the trade date, which is the date the Bank has actually committed to purchase and sell the investment.

Fair value

The fair value of marketable securities is based on the latest bid price of the last working day of the reporting period. The fair value of non-marketable securities is based on discounted future cash flows and/or determined by comparing with information of similar companies.

The fair value of government bonds, state enterprise securities and private sector debt securities is determined using the formula specified by the Bank of Thailand and the yield rates quoted by the Thai Bond Market Association or other financial institutions.

Gains (losses) on disposals of investments

Gains (losses) on disposals of investments (excluding investments in equity securities classified as financial assets designated to be measured at fair value through other comprehensive income) are recognised in profit or loss on the transaction dates. The Bank has adopted the First-in, First-out method for computation of cost of investment.

Changes in classification of investments in debt instruments

When there are changes in the Bank's business model for management of financial assets, the Bank has to reclassify investments in debt instruments and adjust the value of these investments to their fair value on the reclassification date. Differences between the book value and fair value of investments in debt instruments on the reclassification date are recorded in profit or loss or other comprehensive income depending on the classification of the reclassified investment.

Financial liabilities

The Bank classifies and measures financial liabilities at amortised cost. They are initially recognised at fair value and subsequently measured at amortised cost. The Bank may classify financial liabilities as financial liabilities measured at fair value through profit or loss when they are held for trading or designated to be measured at fair value.

Financial liabilities may be designated to be measured at fair value through profit or loss under the following criteria:

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

Fair value change in own credit risk is presented separately in other comprehensive income as an own credit revaluation reserve except it would create or enlarge an accounting mismatch in profit or loss. All changes in fair value on those liabilities, 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 movement in fair value attributable to changes in own credit risk is calculated from the difference between the current fair value and the difference between the current and initial credit risk.

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

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Modifications of financial instruments not measured at fair value

Financial assets

If the terms of a financial assets are modified, the Bank evaluates whether the cash flows of the modified financial assets are different from the original financial asset significantly. The original financial asset is derecognised and a new financial asset is recognised at fair value. The difference between the carrying amount of the financial asset extinguished and the new financial asset is recognised in profit or loss as a part of impairment loss.

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

Financial liabilities

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

If the cash flows of the modified financial liability are not substantially different, the Bank adjusts the carrying amount of the financial liability to reflect the net present value of the revised cash flows discounted at the original effective interest rate and recognises the amount arising from adjusting the carrying amount as a modification gains or losses in profit or loss.

Derecognition of financial instruments

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when the Bank has transferred substantially all risks and rewards of ownership. If the Bank neither transfers nor retains substantially all risks and rewards of ownership of such financial assets, and retains control of such financial assets, the Bank continues to recognise the financial assets to the extent of its continuing involvement. Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Offsetting of financial instruments

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

Write-off bad debts

Debts that are determined to be irrecoverable are written off (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 the amount due.

4.9 Loans to customers

Loans to customers are stated at the outstanding principal amount, except for bank overdrafts which include interest receivables. Bills purchased at a discount are stated at the face value of the bill, net of deferred revenue.

4.10 Allowance for expected credit losses on financial assets

The Bank recognises an allowance for expected credit losses for all financial debt instruments, which are interbank and money market (assets), loan to customers and investments in debt securities, including loan commitments and financial guarantee contracts measured at amortised cost or fair value through other comprehensive income, using the General Approach. The Bank classifies its financial instruments into three stages based on the changes in credit risk since initial recognition as follows:

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Stage 1: Financial instruments where there has not been a significant increase in credit risk (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 recognises allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Bank will use a probability of default that corresponds to remaining maturity for financial assets with a remaining maturity of less than 12 months.

Stage 2: Financial instruments where there has been a significant increase in credit risk (Under-Performing)

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the Bank recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

Stage 3: Financial instruments that are credit-impaired (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, the Bank recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

At every reporting date, the Bank assesses whether there has been a significant increase in credit risk of financial assets since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Bank uses internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of financial assets such as arrears of over 30 days past due, loans under the watchlist (Early warning sign), loans that are classified as in the high risk group, changes of internal credit rating of the borrower since initial recognition, and issuer credit rating with either below 'investment grade', etc.

The Bank assesses whether the credit risk has increased significantly from the date of initial recognition on an individual basis.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred. Evidence of credit-impaired financial assets includes arrears of over 90 days past due or having indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy or distressed restructuring.

A loan to customer that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be significant increase in credit risk or credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The Bank considers its historical loss experience, adjusted by current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Bank determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, upturn scenario and downturn scenario) for calculating expected credit losses. The use of macroeconomic factors which major are include, but are not limited to, unemployment rate and property price index, etc.

The Bank has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on an annual basis.

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

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

Increase (decrease) in an allowance for expected credit losses is recognised as an increase (decrease) to expenses in profit or loss during the year.

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Accounting judgements and estimates

The management is required to use judgement in estimation in determining the allowance for expected credit losses. The calculation of allowance for expected credit losses of the Bank is based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model with a series of underlying assumptions, including the choice of the forecasted macroeconomic variables used in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

4.11 Financial assets with modifications of terms/Debt restructuring

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or existing financial asset is replaced with a new financial asset because the debtor is having financial problem, the Bank assesses whether to derecognise the financial asset and measure allowance for expected credit losses as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Bank calculates the gross carrying value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises gain or loss on contract modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset on the date of derecognition. The difference between the carrying amount of the asset and the sum of the consideration received from the financial asset is recognised in profit or loss which is presented as expected credit losses.

In cases where debt restructuring does not result in derecognition, a debtor is classified in the stage where there has been a significant increase in credit risk (Stage 2) or that is credit-impaired (Stage 3) until the repayment is made in compliance with the new debt restructuring agreement for not less than 12 months from the restructuring date. The financial asset is therefore classified in the stage where there has not been a significant increase in credit risk (Stage 1). If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

4.12 Leasehold improvements and equipment

Leasehold improvements and equipment are measured at cost less accumulated depreciation and allowance for impairment losses (if any).

The Bank initially recognises leasehold improvements and equipment at its acquisition cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of leasehold improvements and equipment have different useful lives, they are accounted for as separate items of premise and equipment.

The cost of replacing a part of an item of leasehold improvements and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of premise and equipment are recognised in profit or loss as incurred.

Depreciation is determined on their costs on a straight-line basis over the following estimated useful lives.

Leasehold improvements	6 years
Equipment	3 -5 years

No depreciation is provided on assets in progress.

The Bank derecognises leasehold improvements and equipment upon disposal or when no future economic benefits are expected from its use or disposal. Any gains and losses arising on disposal of an asset are included in profit or loss when asset is derecognised.

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Accounting judgements and estimates

In determining depreciation of leasehold improvements and equipment, the management is required to make estimates of the useful lives and salvage values of the leasehold improvements and equipment, and to review these estimated useful lives and salvage values when there are any changes.

In addition, the management assesses whether there are indicators of the impairment of leasehold improvements and equipment, and record impairment losses in the year when it is determined that the recoverable amounts are lower than the carrying amounts. This requires judgements in terms of forecasting future revenues and expenses relating to the assets subject to the review.

4.13 Right-of-use assets/Lease liabilities

Right-of-use assets

The Bank recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and allowance for impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Bank is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Accounting judgement and estimates

Determination of the term of lease with the option to extend or cancel the lease - as a lessee

In determination of the lease term, the management needs to exercise judgement in assessing whether the Bank is reasonably certain or not to exercise the right to extend the period of the lease or cancel the lease, taking into account all relevant facts and circumstances that create economic incentives for the Bank to exercise that right.

Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Bank's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.14 Intangible assets

Intangible assets, which are application software, are initially recognised at cost. Following the initial recognition, they are presented at cost net accumulated amortisation and allowance for impairment loss (if any).

Amortisation is recognised in profit or loss on a straight-line basis over the estimated benefit lives of intangible assets and tested for impairment whenever there is an indication that the intangible asset may be impaired. The Bank will review amortisation period and the amortisation method of such intangible assets at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is made on application softwares under development.

4.15 Provisions

Provisions are recognised when the Bank has a present obligation as a result of a past event; it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Notes to the financial statements (continued)
For the year ended 31 December 2024

4. Accounting policies (continued)

4.16 Impairment of non-financial assets

At the end of the reporting period, the Bank assesses to determine whether there is any indication of impairment of its assets. If any such indication exists, the assets' recoverable amounts are estimated.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and its fair value less costs to sell.

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

4.17 Employee benefits

Short-term employee benefits

The Bank records salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Bank and its employees have jointly established a provident fund. Membership of the fund is on a voluntary basis. The fund is monthly contributed by the employees and by the Bank. Contributions by the employees at rates ranging from 3% to 15% of their basic salaries and by the Bank at 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers. The Bank will have no legal or constructive obligation to pay further amount. The fund's assets are held in a separate trust fund and the Bank's contributions are recognised as expenses when incurred.

Defined benefit plans

The Bank's net obligation in respect of the defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in respect of their current period and prior periods services discounted to be present value. The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method. In remeasurement of the net defined benefit obligations, actuarial gains or losses are recognised immediately in other comprehensive income. The Bank determines interest expense on the net defined benefit obligation for the year by applying the discount rate used to measure the defined benefit obligations at the beginning of the period, taking into account any changes in the net defined benefit obligations during the period as a result of contributions and benefit payments. Net interest expenses and other expenses related to defined benefit obligations are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting changes in benefits that relate to past service or gains or losses on curtailment are recognised immediately in profit or loss. The Bank recognises gains and losses on settlement of the defined benefit plans when the settlement occurs.

Termination benefits

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

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Accounting judgements and estimates

Obligations under the defined benefit plan are determined by using actuarial technique. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, staff turnover rate, and mortality rate, using the management's best knowledge of current situation and economic environment.

4.18 Foreign currency translation

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

Items denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities are translated by using the reference exchange rates of the Bank of Thailand as at the reporting date.

Foreign currency differences are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates prevailing on the transaction dates.

The Bank enters into forward foreign exchange contracts for both trading and hedging purposes. Trading and hedging contracts are stated at fair value. Forward foreign exchange contracts outstanding and undue at the reporting date are stated at fair value by comparing contract rates to forward market rates having with similar maturities at the reporting date. Changes in fair value on outstanding forward foreign exchange contracts are recognised in profit or loss except for the portion of the effective cash flow hedges.

4.19 Share-based payments

The Standard Chartered Group operates a number of share-based payment schemes for their directors and employees, for which the fair value of the services received in exchange for the grant of the options is recognised as an expense in profit or loss. Cash-settled awards are revalued at each reporting date and liabilities recognised in the statements of financial position for all unpaid amounts, with any changes in fair value increased or reduced employee expenses in profit or loss.

4.20 Income tax expenses

Income tax expenses consisted of current income taxes and deferred income taxes.

a) Current income taxes

Current income taxes are the expected tax payable to tax authorities determined based on the taxable income in accordance with tax laws, including any adjustment in respect of previous years. Current and deferred income taxes are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

b) Deferred income taxes

Deferred income taxes are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes.

The measurement of deferred income taxes reflects the tax consequences that would follow the manner in which the Bank expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred income taxes are measured at the tax rate that is expected to be applied to the temporary differences when they reverse, using the tax rate enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Notes to the financial statements (continued)

For the year ended 31 December 2024

4. Accounting policies (continued)

Accounting judgements and estimates

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profit will be available against which the temporary differences and unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

4.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Bank applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except when there is no active market of an identical asset or liability or when a quoted market price is not available, the Bank measures fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- | | |
|-----------|---|
| Level 1 - | Use of quoted market prices in an active market for such assets or liabilities |
| Level 2 - | Use of other observable inputs for such assets or liabilities, whether directly or indirectly |
| Level 3 - | Use of unobservable inputs such as estimates of future cash flows |

At the end of each reporting period, the Bank determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Accounting judgements and estimates

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk of counterparty, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosures of fair value hierarchy.

4.22 Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Significant accounting judgements and estimates

- Allowance for expected credit losses – as described in note to financial statement 4.10
- Fair value of financial instruments – as described in note to financial statement 4.21
- Leasehold improvements and equipment and depreciation – as described in note to financial statement 4.12
- Leases – as a lessee – as described in note to financial statement 4.13
- Post-employee benefits – as described in note to financial statement 4.17
- Deferred tax assets – as described in note to financial statement 4.20
- Litigation – as described in note to financial statement 28.2

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank

5.1 Credit Risk

Credit risk is the potential for loss due to the failure of a counterparty to meet its obligations to pay the Bank in accordance with agreed terms. The Bank manages its credit exposures following the principle of diversification across products, geographies, client segments and industry sectors.

The Credit Risk function is the second line control function responsible for independent challenge, monitoring and oversight of the Credit risk management practices of the business and functions engaged in or supporting revenue-generating activities, which constitute the first line of defence. In addition, to ensure that credit risks are properly assessed and are transparent, credit decisions are controlled in accordance with the risk appetite, credit policies and standards, which are approved by the Bank's Board of Directors or delegated committees.

The Credit Policy sets the principles that must be followed for the end-to-end credit process including credit initiation, credit grading, credit assessment, structuring of product, credit risk mitigation, monitoring and control and documentation. In addition, there are other Group-wide policies as those relating to risk appetite, model risk, and stress testing. Appropriate allocation and sound diversification of lending portfolios among suitable industries are also key objectives of the Bank.

The Bank regularly monitors credit exposures, portfolio performance, and external trends that may impact risk management outcomes.

All credit proposals are subject to a robust Credit Risk assessment. It includes a comprehensive evaluation of the client's credit quality, including willingness, ability and capacity to repay. The primary lending consideration is based on the client's credit quality and the repayment capacity from operating cashflows for counterparties. The risk assessment gives due consideration to the client's liquidity and leverage position.

The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown gross before both the effect of mitigation through use of master netting and collateral arrangements.

For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their carrying values.

For financial guarantees granted, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the guarantees are called upon. For loan commitments and other credit related commitments that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

As at 31 December 2024 and 2023, the maximum exposures to credit risk were as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Interbank and money market items (asset)	42,437	57,667
Investments	28,228	25,682
Loans to customers and interest receivables	23,997	23,869
Interest receivables on non-loans	518	359
Total financial assets	95,180	107,577
Loan commitments	7,390	8,548
Financial guarantees	28,584	18,705
Total	35,974	27,253
Total maximum exposure to credit risk	131,154	134,830

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

Interbank and money market items - assets

As at 31 December 2024 and 2023, the Bank had interbank and money market items amounting to Baht 42,437 million and Baht 57,667 million, respectively, with counter parties having their credit ratings between AA- and BBB-, as rated by external rating agencies like Moody's, S&P and Fitch.

Collateral and any arrangements to increase credibility

The Bank has held collateral and any arrangement to increase credibility of exposure to credit risk. The details of the collateral held by the Bank for each type of financial assets were as follows:

	Exposure to credit risk with collateral as at		Type of collateral
	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million	
Interbank and money market items - assets	18,914	35,278	Debt securities
Loans to customers and interest receivables	1,351	1,621	Land and construction thereon, machinery and others

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amounts (before allowance for expected credit losses). For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

	31 December 2024			
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interbank and money market items (Assets)				
Investment grade	42,060	-	-	42,060
Non-investment grade	262	113	-	375
Overdue for 1-30 days	-	4	-	4
Total	42,322	117	-	42,439
Less Allowance for expected credit losses	(2)	-	-	(2)
Net book value	42,320	117	-	42,437
Investments in debt securities measured at amortised cost				
Investment grade	11,632	-	-	11,632
Total	11,632	-	-	11,632
Less Allowance for expected credit losses	(2)	-	-	(2)
Net book value	11,630	-	-	11,630
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade	16,583	-	-	16,583
Net book value	16,583	-	-	16,583
Allowance for expected credit losses	(4)	-	-	(4)
Loans to customers and interest receivables				
Not overdue	21,700	1,532	-	23,232
Overdue 1 - 30 days	144	152	-	296
Overdue 31 - 90 days	-	21	-	21
Overdue longer than 90 days	-	-	448	448
Total	21,844	1,705	448	23,997
Less Allowance for expected credit losses	(13)	(230)	(448)	(691)
Net book value	21,831	1,475	-	23,306
Loan commitments				
Not overdue	7,352	38	-	7,390
Total	7,352	38	-	7,390
Less Allowance for expected credit losses	(4)	(4)	-	(8)
Net book value	7,348	34	-	7,382
Financial guarantee contracts				
Not overdue	21,485	6,064	1,035	28,584
Total	21,485	6,064	1,035	28,584
Less Allowance for expected credit losses	(3)	(7)	(211)	(221)
Net book value	21,482	6,057	824	28,363

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

31 December 2023				
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interbank and money market items (Assets)				
Investment grade	57,100	-	-	57,100
Non-investment grade	409	150	-	559
Overdue for 1-30 days	8	-	-	8
Total	57,517	150	-	57,667
Less Allowance for expected credit losses	-	-	-	-
Net book value	57,517	150	-	57,667
Investments in debt securities measured at amortised cost				
Investment grade	15,947	-	-	15,947
Total	15,947	-	-	15,947
Less Allowance for expected credit losses	(5)	-	-	(5)
Net book value	15,942	-	-	15,942
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade	9,719	-	-	9,719
Net book value	9,719	-	-	9,719
Allowance for expected credit losses	(2)	-	-	(2)
Loans to customers and interest receivables				
Not overdue	22,797	613	-	23,410
Overdue 1 - 30 days	266	184	-	450
Overdue 31 - 90 days	-	10	-	10
Total	23,063	807	-	23,870
Less Allowance for expected credit losses	(214)	(40)	-	(254)
Net book value	22,849	767	-	23,616
Loan commitments				
Not overdue	8,310	238	-	8,548
Total	8,310	238	-	8,548
Less Allowance for expected credit losses	(3)	(3)	-	(6)
Net book value	8,307	235	-	8,542
Financial guarantee contracts				
Not overdue	14,345	3,932	428	18,705
Total	14,345	3,932	428	18,705
Less Allowance for expected credit losses	(2)	(20)	(100)	(122)
Net book value	14,343	3,912	328	18,583

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

5.2 Market Risk

Market risk is the potential for loss of economic value due to adverse changes in financial market rates or prices. The Bank's exposure to market risk arises predominantly from these sources.

Trading book

The Bank provides clients access to financial markets, facilitation of which entails the Bank taking moderate market risk positions. All trading teams support client activity; there are no proprietary teams. Hence, income earned from market-risk related activities is primarily driven by the volume of client activity rather than risk-taking. From 1 January 2016, a CVA desk has been actively hedging the credit and market exposure arising from CVA (Credit Valuation Adjustment) and FVA (Funding Valuation Adjustment).

Non-trading book

Market risk also arises in the non-trading book from the requirement to hold a large liquid assets buffer of high-quality, liquid debt securities and from the translation of non-Thai baht denominated assets, liabilities and earnings.

The primary categories of market risk for the Bank are:

- Interest rate risk: arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.
- Currency exchange rate risk: arising from changes in exchange rates and implied volatilities on foreign exchange options.
- Commodity price risk: arising from changes in commodity prices and commodity options implied volatilities; covering energy, precious metals, base metals and agricultural. For this category of market risk, the Bank is fully hedged through a back-to-back position.
- Credit spread risk: arising from changes in the credit spread of its derivatives' counterparties through credit value adjustment (CVA) account

Market risk governance

The Bank has established standards, principles, policies and techniques for managing market risk. The Board of Directors approve the Bank's market risk appetite and market risk limits taking account of market volatility, the range of products and asset classes, business volumes and transaction sizes. The Market and Traded Credit Risk Function, which is independent from the business, measures and monitors exposures against the approved limits to ensure the Bank's market risk exposures are within acceptable levels.

Value at Risk (VaR)

The Bank measures the risk of losses arising from future potential adverse movements in market rates, prices and volatilities using a VaR methodology. VaR, in general, is a quantitative measure of market risk that applies recent historical market conditions to estimate the potential future loss in market value that will not be exceeded in a set time period at a set statistical confidence level. VaR provides a consistent measure that can be applied across trading businesses and products over time and can be set against actual daily trading profit and loss outcome.

VaR is calculated for expected movements over a minimum of one business day and to a confidence level of 97.5 percent. This confidence level suggests that potential daily losses, in excess of the VaR measures, are likely to be experienced six times per year.

The Bank applies the following two VaR methodologies:

Historical simulation

This methodology involves the revaluation of all existing positions to reflect the effect of historically observed changes in market risk factors on the valuation of the current portfolio. This approach is applied for general market risk factors and the majority of specific (Credit spread risk VaR).

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

Monte Carlo simulation

This methodology is similar to historical simulation but with considerably more input risk factor observations. These are generated by random sampling techniques, but the results retain the essential variability and correlations of historically observed risk factor changes. This approach is now applied for some of the specific (credit spread risk VaR) in relation to idiosyncratic exposures in credit markets.

In both methods, an historical observation period of one year is chosen and applied.

VaR is calculated as our exposure as at the close of business. Intra-day risk levels may vary from those reported at the end of the day.

In addition, sensitivity measures are used in addition to VaR as a risk management tools. For example, interest rate sensitivity is measured in terms of exposure to a one basis point increase in yields, whereas foreign exchange, commodity and equity sensitivities are measured in terms of the underlying values or amounts involved. Option risks are controlled through revaluation limits on underlying price and volatility shifts, limits on volatility risk and other variables that determine the option's value.

Stress Testing

Losses beyond the 97.5 percent confidence interval are not captured by a VaR calculation, which therefore gives no indication of the size of unexpected losses in these situations.

The Bank complements the VaR measurement by monthly stress testing of market risk exposures to highlight the potential risk that may arise from extreme market events that are rare but plausible.

Stress testing is an integral part of market risk management framework and considers both historical market events and forward-looking scenarios. A consistent stress-testing methodology is applied to trading and non-trading books. The stress testing methodology assumes that scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs.

Stress scenarios are regularly updated to reflect the changes in risk profile and economic events. The Market and Traded Credit Risk function reviews stress exposures and, where necessary, enforces reductions in overall market risk exposure. The Risk Committee considers the results of stress tests as part of its supervision of risk appetite.

Regular stress-test scenarios are applied to interest rates, credit spread, exchange rates, commodity prices and equity prices. This covers all asset classes in the Financial Markets' banking and trading books.

Non-trading book and Treasury Market's risk treatment

Interest rate risk from non-trading book portfolios is transferred to financial markets where it is managed by Treasury Market (TM) desks under the supervision of Assets and Liabilities Committee (ALCO). TM deals in the market in approved financial instruments in order to manage the net interest rate risk, subject to approved VaR and risk limits.

VaR and stress tests are therefore applied to these non-trading book exposures in the same way as for trading book, including these investments measured at fair value through other comprehensive income.

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

(a) Interest rate risk

Significant financial assets and liabilities of the Bank classified by repricing periods of interest rate were as follows:

31 December 2024																		
	Immediate repricing		Within 6 months		Over 6 months to 1 year		Over 1 year to 5 years		More than 5 years		Non-interest bearing		Non accrual		Total		Average yields	
	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	Baht Million	% per annum	
Financial assets																		
Cash	-	-	-	-	-	-	-	-	-	-	83	-	-	-	-	83	-	-
Interbank and money market items - net	2,773	33,955	3,995	-	-	-	-	-	-	-	1,714	-	-	-	-	42,437	4.02	4.02
Financial assets measured at fair value through profit or loss	-	5,280	1,393	1,267	1,267	48,359	-	-	-	-	-	-	-	-	-	56,299	2.56	2.56
Investments - net	-	5,696	1,708	19,425	19,425	1,384	15	-	-	-	15	-	-	-	-	28,228	2.84	2.84
Loans to customers and interest receivables	1,976	17,589	1,600	2,301	2,301	-	81	450	-	-	81	450	-	-	-	23,997	3.93	3.93
Collateral receivables under Credit Support Annex agreements and private repurchase transactions	8,688	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,688	3.60	3.60
Receivables on sales of investments	-	-	-	-	-	-	-	-	-	-	2,890	-	-	-	-	2,890	-	-
Others	-	-	-	-	-	-	-	-	-	-	518	-	-	-	-	518	-	-
Total financial assets	13,437	62,520	8,696	22,993	22,993	49,743	5,301	450	-	-	5,301	450	-	-	-	163,140		
Financial liabilities																		
Deposits	74,245	12,586	4,886	-	-	-	-	8,607	-	-	8,607	-	-	-	-	100,324	3.25	3.25
Interbank and money market items	11,541	245	-	-	-	-	-	5,014	-	-	5,014	-	-	-	-	16,800	1.68	1.68
Liabilities payable on demand	-	-	-	-	-	-	-	917	-	-	917	-	-	-	-	917	-	-
Financial liabilities measured at fair value through profit or loss	-	1,907	1,504	982	982	-	-	-	-	-	-	-	-	-	-	4,393	-	-
Lease liabilities	-	10	18	96	96	18	-	-	-	-	-	-	-	-	-	142	3.28	3.28
Collateral payables under Credit Support Annex agreements and private repurchase transactions	8,136	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,136	2.31	2.31
Payables on purchase of investments	-	-	-	-	-	-	-	1,456	-	-	1,456	-	-	-	-	1,456	-	-
Others	-	-	-	-	-	-	-	131	-	-	131	-	-	-	-	131	-	-
Total financial liabilities	93,922	14,748	6,408	1,078	1,078	18	16,125	-	-	-	16,125	-	-	-	-	132,299		

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

31 December 2023									
	Immediate repricing	Within 6 months	Over 6 months to 1 year	Over 1 year to 5 years	More than 5 years	Non-interest bearing	Non accrual	Total	Average yields
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	% per annum
Financial assets									
Cash	-	-	-	-	-	107	-	107	-
Interbank and money market items - net	10,715	45,935	43	-	-	974	-	57,667	2.91
Financial assets measured at fair value through profit or loss	-	6,905	1,571	1,690	28,238	-	-	38,404	2.17
Investments - net	-	8,187	-	15,454	2,020	16	-	25,677	2.36
Loans to customers and interest receivables	3,571	15,186	1,250	3,190	566	107	-	23,870	3.77
Collateral receivables under Credit Support Annex agreements and private repurchase transactions	5,076	-	-	-	-	-	-	5,076	3.51
Receivables on sales of investments	-	-	-	-	-	1,241	-	1,241	-
Others	-	-	-	-	-	359	-	359	-
Total financial assets	19,362	76,213	2,864	20,334	30,824	2,804	-	152,401	
Financial liabilities									
Deposits	67,841	19,487	997	-	-	6,455	-	94,780	1.95
Interbank and money market items	10,602	72	-	-	-	6,443	-	17,117	1.68
Liabilities payable on demand	-	-	-	-	-	823	-	823	-
Financial liabilities measured at fair value through profit or loss	2,021	685	77	1,684	-	-	-	4,467	-
Lease liabilities	-	20	16	118	24	-	-	178	3.25
Collateral payables under Credit Support Annex agreements and private repurchase transactions	7,064	-	-	-	-	-	-	7,064	2.50
Payables on purchase of investments	-	-	-	-	-	1,777	-	1,777	-
Others	-	-	-	-	-	170	-	170	-
Total financial liabilities	87,528	20,264	1,090	1,802	24	15,668	-	126,376	

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

Interest rate sensitivity analysis

Analysis of sensitivity to changes in interest rates shows the potential change in interest rates on the Bank's profit or loss and equity by setting constant to other variables.

The sensitivity to profit or loss is the effect of changing interest rates on profit or loss for the year. For financial assets and financial liabilities at the end of the reporting period, sensitivity of equity is calculated by measuring fair value as at the reporting date of financial assets measured at fair value through other comprehensive income with a new fixed rate, including the effect of hedging cash flow risk by assuming change in interest rate. The methods used in sensitivity analysis does not change from the previous year.

(b) Foreign exchange rate risk

Foreign exchange rate risk is the risk that foreign exchange rate volatility gives the adverse impact on income or capital due to foreign currency transactions or having assets or liabilities in foreign currency, when converting all items on the Bank's financial statements to local currency, the book values decrease including decline of income or loss incurred from foreign exchange trading.

As at 31 December 2024 and 2023, the Bank's net foreign currency positions were as follows:

	31 December 2024 US Dollar 'Million	31 December 2023 US Dollar 'Million
Net foreign currency exposure		
US Dollar	(9)	-
Others*	(7)	1

* Balance denominated in other currencies were stated in USD equivalents.

Foreign exchange rate sensitivity analysis

Analysis of sensitivity to changes in foreign exchange rate shows the potential change in foreign exchange rates on the income statement and the equity of the bank by setting constant to other variables. Risks and methods used in sensitivity analysis does not change from the previous period.

5.3 Liquidity and Funding Risk

Liquidity and Funding Risk is the risk that the Bank may not have sufficient stable or diverse sources of funding to meet its obligations as they fall due.

The Liquidity and Funding Risk framework requires Bank to ensure that it operates within predefined liquidity limits and remains in compliance with liquidity policies and practices, as well as local regulatory requirements.

The Bank achieves this through a combination of setting Risk Appetite and associated limits, policy formation, risk measurement and monitoring, prudential and internal stress testing, governance, and review.

The Bank has maintained resilience and retained a robust liquidity position. The Bank continues to focus on improving the quality and diversification of its funding mix and remains committed to supporting its clients.

Liquidity risk governance

The Bank's Board of Directors approves the Bank's risk appetite for liquidity and funding risk. The Assets and Liabilities Committee (ALCO) is the responsible governing body to ensure that that liquidity and funding risk are managed and maintained in accordance with the Bank's risk management frameworks, risk appetite, and regulatory requirements.

Stress Testing

The Bank intends to maintain a prudent and sustainable funding and liquidity position, such that it can withstand a severe yet plausible liquidity stress.

The internal liquidity stress testing framework includes multiple stress scenarios with varied survival periods and stressed conditions to appropriately reflect the liquidity risks undertaken by the Bank. The framework includes an idiosyncratic stress, a market wide stress and a combined stress.

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

The Bank's Board of Directors and ALCO have oversight over the appropriateness of the stress scenarios and the assumption contained within them.

In accordance with the BoT Notification No. Sor Nor Sor 2/2561 dated 25 January 2018, Re: "Liquidity coverage ratio disclosure standards", the Bank intends to disclose Liquidity Coverage Ratio for quarter 4 of 2024 within 4 months after period ended through the Bank's website <https://www.sc.com/th>. However, the Bank already disclosed its Liquidity Coverage Ratio for quarter 2 of 2024 on 30 August 2024.

As at 31 December 2024 and 2023, the Bank's financial assets and liabilities were classified by remaining periods to maturity as follows:

	31 December 2024						Total Baht 'Million
	At call	Within 6 months	Over 6 months to 1 year	Over 1 year to 5 years	Over 5 years	No Maturity	
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	
Financial assets							
Cash	83	-	-	-	-	-	83
Interbank and money market items - net	1,794	36,648	3,995	-	-	-	42,437
Financial assets measured at fair value through profit or loss	-	5,280	1,393	1,267	48,359	-	56,299
Investments - net	-	5,696	1,708	19,425	1,384	15	28,228
Loans to customers and interest receivables	2,532	14,049	1,799	3,701	1,916	-	23,997
Collateral receivables under Credit Support Annex agreements and private repurchase transactions	8,688	-	-	-	-	-	8,688
Receivables on sales of investments	2,890	-	-	-	-	-	2,890
Others	518	-	-	-	-	-	518
Total financial assets	16,505	61,673	8,895	24,393	51,659	15	163,140
Financial liabilities							
Deposits	81,738	13,700	4,886	-	-	-	100,324
Interbank and money market items	12,281	4,519	-	-	-	-	16,800
Liabilities payable on demand	917	-	-	-	-	-	917
Financial liabilities measured at fair value through profit or loss	-	1,907	1,504	982	-	-	4,393
Lease liabilities	-	10	18	96	18	-	142
Collateral payables under Credit Support Annex agreements and private repurchase transactions	8,136	-	-	-	-	-	8,136
Payables on purchase of investments	1,456	-	-	-	-	-	1,456
Others	131	-	-	-	-	-	131
Total financial liabilities	104,659	20,136	6,408	1,078	18	-	132,299

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

	31 December 2023						Total Baht 'Million
	At call Baht 'Million	Within 6 months Baht 'Million	Over 6 months to 1 year Baht 'Million	Over 1 year to 5 years Baht 'Million	Over 5 years Baht 'Million	No Maturity Baht 'Million	
Financial assets							
Cash	107	-	-	-	-	-	107
Interbank and money market items - net	1,168	56,456	43	-	-	-	57,667
Financial assets measured at fair value through profit or loss	-	6,905	1,571	1,690	28,238	-	38,404
Investments - net	-	8,187	-	15,454	2,020	16	25,677
Loans to customers and interest receivables	3,651	10,886	1,521	5,752	2,060	-	23,870
Collateral receivables under Credit Support Annex agreements and private repurchase transactions	5,076	-	-	-	-	-	5,076
Receivables on sales of investments	1,241	-	-	-	-	-	1,241
Others	359	-	-	-	-	-	359
Total financial assets	11,602	82,434	3,135	22,896	32,318	16	152,401
Financial liabilities							
Deposits	73,785	19,998	997	-	-	-	94,780
Interbank and money market items	15,745	1,372	-	-	-	-	17,117
Liabilities payable on demand	823	-	-	-	-	-	823
Financial liabilities measured at fair value through profit or loss	-	1,195	1,152	2,120	-	-	4,467
Lease liabilities	-	20	16	118	24	-	178
Collateral payables under Credit Support Annex agreements and private repurchase transactions	7,064	-	-	-	-	-	7,064
Payables on purchase of investments	1,777	-	-	-	-	-	1,777
Others	170	-	-	-	-	-	170
Total financial liabilities	99,364	22,585	2,165	2,238	24	-	126,376

Notes to the financial statements (continued)
For the year ended 31 December 2024

5. Risk Management of the Bank (continued)

Derivatives

The remaining periods to maturity of the notional amounts of derivatives as at 31 December 2024 and 2023 were as follows:

	31 December 2024		
	Within 1 year Baht 'Million	Over 1 year Baht 'Million	Total Baht 'Million
Foreign exchange			
Forward exchange contracts	719,724	4,675	724,399
Cross currency swap contracts	42,106	146,990	189,096
Currency option contracts	15,633	-	15,633
Interest rate			
Interest rate swap contracts	180,087	423,123	603,210
Interest rate option contracts	12,848	6,295	19,143
Others			
Bond forward contracts	19,048	26,674	45,722
Total	989,446	607,757	1,597,203

	31 December 2023		
	Within 1 year Baht 'Million	Over 1 year Baht 'Million	Total Baht 'Million
Foreign exchange			
Forward exchange contracts	374,648	11,815	386,463
Cross currency swap contracts	54,861	119,994	174,855
Currency option contracts	15,879	-	15,879
Interest rate			
Interest rate swap contracts	185,709	374,385	560,094
Interest rate option contracts	5,783	17,151	22,934
Others			
Bond forward contracts	10,796	17,748	28,544
Credit default swap contracts	1,368	-	1,368
Total	649,044	541,093	1,190,137

Notes to the financial statements (continued)
For the year ended 31 December 2024

6. Classification of financial assets and liabilities

	31 December 2024				
	Financial instruments measured at fair value through profit and loss	Investments in debt securities measured at fair value through other comprehensive income	Investments in equity securities designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Financial assets					
Cash	-	-	-	83	83
Interbank and money market items - net	-	-	-	42,437	42,437
Financial assets measured at fair value through profit or loss	56,299	-	-	-	56,299
Derivatives assets	23,555	-	-	-	23,555
Investments - net	-	16,583	15	11,630	28,228
Loans to customers and interest receivables - net	-	-	-	23,306	23,306
Collateral receivables under the Credit Support Annex agreements and the private repurchase transactions ⁽¹⁾	-	-	-	8,688	8,688
Receivables on sales of investments ⁽¹⁾	-	-	-	2,890	2,890
Accrued income and interest receivables ⁽¹⁾	-	-	-	518	518
Total financial assets	79,854	16,583	15	89,552	186,004
Financial liabilities					
Deposits	-	-	-	100,324	100,324
Interbank and money market items	-	-	-	16,800	16,800
Liabilities payable on demand	-	-	-	917	917
Financial liabilities measured at fair value through profit or loss	4,393	-	-	-	4,393
Derivatives liabilities	26,767	-	-	-	26,767
Lease liabilities	-	-	-	142	142
Collateral payables under the Credit Support Annex agreements and the private repurchase transactions ⁽²⁾	-	-	-	8,136	8,136
Payables on purchase of investments ⁽²⁾	-	-	-	1,456	1,456
Interest payables ⁽²⁾	-	-	-	131	131
Total financial liabilities	31,160	-	-	127,906	159,066

⁽¹⁾ These items were included as a part of "Other assets" in statements of financial position.

⁽²⁾ These items were included as a part of "Other liabilities" in statements of financial position.

Notes to the financial statements (continued)
For the year ended 31 December 2024

6. Classification of financial assets and liabilities (continued)

	31 December 2023				
	Financial instruments measured at fair value through profit and loss	Investments in debt securities measured at fair value through other comprehensive income	Investments in equity securities designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Financial assets					
Cash	-	-	-	107	107
Interbank and money market items - net	-	-	-	57,667	57,667
Financial assets measured at fair value through profit or loss	38,404	-	-	-	38,404
Derivatives assets	20,072	-	-	-	20,072
Investments - net	-	9,719	16	15,942	25,677
Loans to customers and interest receivables - net	-	-	-	23,616	23,616
Collateral receivables under the Credit Support Annex agreements and the private repurchase transactions ⁽¹⁾	-	-	-	5,076	5,076
Receivables on sales of investments ⁽¹⁾	-	-	-	1,241	1,241
Accrued income and interest receivables ⁽¹⁾	-	-	-	359	359
Total financial assets	58,476	9,719	16	104,008	172,219
Financial liabilities					
Deposits	-	-	-	94,780	94,780
Interbank and money market items	-	-	-	17,117	17,117
Liabilities payable on demand	-	-	-	823	823
Financial liabilities measured at fair value through profit or loss	4,467	-	-	-	4,467
Derivatives liabilities	18,831	-	-	-	18,831
Lease liabilities	-	-	-	178	178
Collateral payables under the Credit Support Annex agreements and the private repurchase transactions ⁽²⁾	-	-	-	7,064	7,064
Payables on purchase of investments ⁽²⁾	-	-	-	1,777	1,777
Interest payables ⁽²⁾	-	-	-	170	170
Total financial liabilities	23,298	-	-	121,909	145,207

⁽¹⁾ These items were included as a part of "Other assets" in statements of financial position.

⁽²⁾ These items were included as a part of "Other liabilities" in statements of financial position.

Notes to the financial statements (continued)
For the year ended 31 December 2024

7. Capital funds

The Bank's capital management approach is driven by its desire to maintain a strong capital base to support the development of its business, to meet capital requirements and to maintain appropriate credit ratings.

The Capital Funds and Capital Adequacy Ratio of the Bank as at 31 December 2024 and 2023 in accordance with the BoT's requirements with reference to Basel III framework consisted of the followings:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Tier 1 Capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital and premium on share capital	23,893	23,893
Statutory reserve	1,484	1,484
Net profit after appropriation	103	48
Other components of equity	55	(153)
Less: Deduction items from common equity tier 1	(1,417)	(1,793)
Total Tier 1 capital	24,118	23,479
Tier 2 capital		
Provision for asset classified as normal	-	14
Surplus of provision	244	204
Total Tier 2 capital	244	218
Total Capital Funds	24,362	23,697

	The BoT's minimum regulatory requirement Percentage	31 December 2024 The Bank Percentage	31 December 2023 The Bank Percentage
Capital Adequacy Ratio			
Total Capital Funds to Risk-weighted assets	11.0	33.1	35.7
Tier-1 Capital Funds to Risk-weighted assets	8.5	32.8	35.4
Common Equity Tier-1 to Risk-weighted assets	7.0	32.8	35.4
Tier-2 Capital Funds to Risk-weighted assets		0.3	0.3
Capital Funds after deducting additional capital to support Single Lending Limit (Baht million)		24,362	23,697
Capital after deducting capital add-on arising from Single Lending Limit to total risk-weighted assets ratio		33.1	35.7

According to the BoT's Notification Sor Nor Sor 4/2556 and Sor Nor Sor 14/2562 commercial banks are required to disclose certain additional capital information for their position. The Bank will disclose such information as at 31 December 2024 within 4 months after period ended in its website (www.sc.com/th). The Bank already disclosed such information as at 31 December 2023 on 29 March 2024.

Notes to the financial statements (continued)
For the year ended 31 December 2024

8. Interbank and money market items (assets)

	31 December 2024			31 December 2023		
	On demand Baht 'Million	Term Baht 'Million	Total Baht 'Million	On demand Baht 'Million	Term Baht 'Million	Total Baht 'Million
Domestic						
Bank of Thailand	1,039	904	1,943	385	4,824	5,209
Commercial banks	59	28,520	28,579	35	41,597	41,632
Other financial institutions	50	-	50	150	-	150
Total	1,148	29,424	30,572	570	46,421	46,991
Add: Interest receivables	26	-	26	65	-	65
Less: Deferred revenue	-	(25)	(25)	-	(24)	(24)
Less: Allowance for expected credit losses	-	(1)	(1)	-	-	-
Total domestic items	1,174	29,398	30,572	635	46,397	47,032
Foreign						
US Dollar	137	11,246	11,383	9	4,891	4,900
Yen	166	-	166	120	5,209	5,329
Euro	66	-	66	134	14	148
Yuan	59	-	59	183	-	183
Other currencies	69	-	69	77	-	77
Total	497	11,246	11,743	523	10,114	10,637
Add: Interest receivables	123	-	123	10	-	10
Less: Deferred revenue	-	-	-	-	(12)	(12)
Less: Allowance for expected credit losses	-	(1)	(1)	-	-	-
Total foreign items	620	11,245	11,865	533	10,102	10,635
Total domestic and foreign items	1,794	40,643	42,437	1,168	56,499	57,667

As at 31 December 2024 and 2023, Bank has unfunded risk participant transactions, which the underlying obligations for a portion on which credit risk has been transferred amounted to Baht 1,461 million and Baht 7 million, respectively.

9. Financial assets measured at fair value through profit or loss

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Financial assets held for trading		
Government and state enterprises securities	45,635	25,650
Private sector debt securities	2,449	4,277
Foreign debt securities	2,078	726
Securities purchased under resale agreements	6,137	7,751
Total financial assets measured at fair value through profit or loss	56,299	38,404

Notes to the financial statements (continued)
For the year ended 31 December 2024

10. Derivatives assets/liabilities

10.1 Derivatives held for trading

As at 31 December 2024 and 2023, the fair values and notional amounts of derivatives held for trading, classified by type of risks, were as follows:

Type of risks	31 December 2024			31 December 2023		
	Fair values		Notional amounts	Fair values		Notional amounts
	Assets	Liabilities		Assets	Liabilities	
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Foreign currency	15,808	(16,685)	922,336	10,251	(11,906)	558,493
Interest rate	7,626	(6,120)	618,954	7,805	(6,274)	577,437
Others						
- Bond forward	121	(3,962)	45,722	1,328	(557)	28,544
- Credit default swap	-	-	-	688	(94)	1,368
Total others	121	(3,962)	45,722	2,016	(651)	29,912
Total	23,555	(26,767)	1,587,012	20,072	(18,831)	1,165,842

10.2 Derivatives held for hedging

As at 31 December 2024 and 2023, hedging instruments, classified by types of hedge accounting and risk, were as follows:

Fair value hedges

The amounts relating to items designated as hedged items under fair value hedges are as follows:

Hedge items	31 December 2024		
	Carrying value of investments	Accumulated amount of fair value adjustments on the hedged items	
		Assets	Liabilities
	Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk			
US Dollar fixed-rate investments in debt securities measured at amortised cost	3,399	11	(5)
Total	3,399	11	(5)

Hedge items	31 December 2023		
	Carrying value of investments	Accumulated amount of fair value adjustments on the hedged items	
		Assets	Liabilities
	Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk			
THB and US Dollar fixed-rate investments in debt securities measured at amortised cost	3,661	29	(10)
THB fixed-rate investments in debt securities measured at fair value through other comprehensive income	1,930	21	(3)
Total	5,591	50	(13)

Notes to the financial statements (continued)
For the year ended 31 December 2024

10. Derivatives assets/liabilities (continued)

The amounts relating to items designated as hedging instruments under fair value hedges are as follows:

Hedging instruments	31 December 2024		
	Notional amounts	Fair value of hedging instruments	
		Assets	Liabilities
	Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk			
Interest rate swap contracts	3,399	4	(12)

Hedging instruments	31 December 2023		
	Notional amounts	Fair value of hedging instruments	
		Assets	Liabilities
	Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk			
Interest rate swap contracts	5,591	13	(51)

The below table sets out the outcome of the Bank's hedging strategy, set out in Note 4.7 to the financial statements, in particular, to changes in the fair value of the hedged items and hedging instruments during the year, used as the basis for recognising ineffectiveness:

Hedged items	Hedging instruments	31 December 2024		
		Gains (losses) attributable to the hedged risk		Change in fair value used for measuring hedge ineffectiveness
		Hedged items	Hedging instruments	
		Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk				
US Dollar fixed-rate investments in debt securities measured at amortised cost	Interest rate swap	6	(7)	(1)
Total		6	(7)	(1)

Hedged items	Hedging instruments	31 December 2023		
		Gains (losses) attributable to the hedged risk		Change in fair value used for measuring hedge ineffectiveness
		Hedged items	Hedging instruments	
		Baht 'Million	Baht 'Million	Baht 'Million
Interest rate risk				
THB and US Dollar fixed-rate investments in debt securities measured at amortised cost	Interest rate swap	19	(19)	-
THB fixed-rate investments in debt securities measured at fair value through other comprehensive income	Interest rate swap	18	(19)	(1)
Total		37	(38)	(1)

Notes to the financial statements (continued)
For the year ended 31 December 2024

10. Derivatives assets/liabilities (continued)

Cash flow hedges

The amounts relating to items designated as hedged items under cash flow hedges are as follows:

Hedged items	31 December 2024		
	Change in fair value used in measuring hedge ineffectiveness Baht 'Million	Cash flow hedge reserve	
		Continuing hedges Baht 'Million	Discontinued hedges Baht 'Million
Interest rate and foreign exchange rate risk			
KRW fixed-rate investments in debt securities measured at amortised cost	1	1	-
USD fixed-rate customer deposit measured at amortised cost	1	1	-
Total	2	2	-

Hedged items	31 December 2023		
	Change in fair value used in measuring hedge ineffectiveness Baht 'Million	Cash flow hedge reserve	
		Continuing hedges Baht 'Million	Discontinued hedges Baht 'Million
Interest rate and foreign exchange rate risk			
KRW fixed-rate investments in debt securities measured at amortised cost	84	-	-
MYR float-rate investments in debt securities measured at amortised cost	(2)	-	-
Total	82	-	-

The below table sets out the outcome of the Bank's hedging strategy, set out in Note 4.7 to the financial statements, in particular, the notional and the carrying amounts of the derivatives, the Bank uses as cash flow hedging instruments and the changes in fair value used for measuring ineffectiveness of the cash flow hedges as follows:

Hedging instruments	31 December 2024						
	Carrying values			Changes in fair value used for measuring hedge ineffectiveness			Amount reclassified from the cash flow hedge reserve to profit or loss
	Notional amounts	Assets	Liabilities	Total	Effective portion recognised in other comprehensive income	Ineffective portion recognised in profit or loss	
Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	
Interest rate and foreign exchange rate risk							
Cross currency swap (KRW:THB) - hedge the risk of KRW fixed-rate investments in debt securities	5,095	502	(50)	1	1	-	-
Cross currency swap (USD:THB) - hedge the risk of USD fixed-rate customer deposit	1,697	5	-	1	1	-	-
Total	6,792	507	(50)	2	2	-	-

Notes to the financial statements (continued)
For the year ended 31 December 2024

10. Derivatives assets/liabilities (continued)

31 December 2023							
Hedging Instruments	Carrying values			Changes in fair value used for measuring hedge ineffectiveness			Amount reclassified from the cash flow hedge reserve to profit or loss
	Notional amounts	Assets	Liabilities	Total	Effective portion recognised in other comprehensive income	Ineffective portion recognised in profit or loss	
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interest rate and foreign exchange rate risk							
Cross currency swap (KRW:THB) - hedge the risk of KRW fixed-rate investments in debt securities	16,273	534	(90)	84	84	-	-
Cross currency swap (MYR:THB) - hedge the risk of MYR float-rate investments in debt securities	2,431	143	-	(2)	(2)	-	-
Total	18,704	677	(90)	82	82	-	-

The following table provides a reconciliation by risk categories of other components of equity, resulting from hedge accounting.

	31 December 2024 Cash flow hedge reserve Baht 'Million	31 December 2023 Cash flow hedge reserve Baht 'Million
Beginning balance as of 1 January - net income tax	-	66
Effective portion of changes in fair value: Interest rate and foreign exchange rate risk	2	(82)
Changes in deferred cost of hedging related income taxes	-	16
Ending balance as at 31 December - net income tax	2	-

11. Investments

11.1 Classified by types of investment

Investments as at 31 December 2024 and 2023 consist of:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Investments in debt securities measured at amortised cost	11,630	15,942
Investments in debt securities measured at fair value through other comprehensive income	16,583	9,719
Investments in equity securities designated at fair value through other comprehensive income	15	16
Total investments	28,228	25,677

Notes to the financial statements (continued)
For the year ended 31 December 2024

11. Investments (continued)

Investments in debt securities measured at amortised cost

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Government and state enterprises securities	5,922	4,590
Private sector debt securities	-	500
Foreign debt securities	5,710	10,857
Total	11,632	15,947
Less: Allowance for expected credit losses	(2)	(5)
Total investments in debt securities measured at amortised cost - net	11,630	15,942

Investments in debt securities measured at fair value through other comprehensive income

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Government and state enterprise securities	11,490	5,206
Foreign debt securities	5,093	4,513
Total investments in debt securities measured at fair value through other comprehensive income	16,583	9,719
Allowance for expected credit losses	(4)	(2)

Investments in equity securities designated to be measured at fair value through other comprehensive income.

	Fair Value as at		Dividends received for the years ended	
	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Non-marketable domestic equity securities	15	16	9	10
Total investments in equity securities designated at fair value through other comprehensive income	15	16	9	10

During the years ended 31 December 2024 and 2023, the Bank did not dispose equity investments designated to be measured at fair value through other comprehensive income.

12. Loans to customers and interest receivables

12.1 Classified by loan types

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Overdrafts	10	1
Loans	23,815	23,312
Bills	46	450
Less: Deferred revenue	(25)	(23)
Loans to customers net of deferred revenue	23,846	23,740
Add: Interest receivables	151	130
Loans to customers net of deferred revenue and interest receivables	23,997	23,870
Less: Allowance for expected credit losses	(691)	(254)
Loans to customers and interest receivables - net	23,306	23,616

Notes to the financial statements (continued)
For the year ended 31 December 2024

12. Loans to customers and interest receivables (continued)

12.2 Classified by currencies and debtors' residency

	31 December 2024			31 December 2023		
	Domestic Baht 'Million	Foreign Baht 'Million	Total Baht 'Million	Domestic Baht 'Million	Foreign Baht 'Million	Total Baht 'Million
Baht	21,386	-	21,386	20,980	-	20,980
US Dollar	703	1,165	1,868	1,190	1,258	2,448
Others	-	592	592	-	312	312
Loans to customers net of deferred revenue	22,089	1,757	23,846	22,170	1,570	23,740

12.3 Classified by loan classification

	31 December 2024		31 December 2023	
	Loans to customers and interest receivables Baht 'Million	Allowance for expected credit losses Baht 'Million	Loans to customers and interest receivables Baht 'Million	Allowance for expected credit losses Baht 'Million
Financial assets where there has not been a significant increase in credit risk (Performing)	21,844	(13)	23,063	(214)
Financial assets where there has been a significant increase in credit risk (Under-Performing)	1,705	(230)	807	(40)
Financial assets that are credit-impaired (Non-Performing)	448	(448)	-	-
Total	23,997	(691)	23,870	(254)

Notes to the financial statements (continued)
For the year ended 31 December 2024

12. Loans to customers and interest receivables (continued)

12.4 Allowance for expected credit losses

	31 December 2024			Total
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interbank and money market items (assets)				
Beginning balance	-	-	-	-
Changes due to remeasurement of allowance for expected credit losses	-	-	-	-
New financial assets purchased or acquired	2	-	-	2
Payments and derecognition of financial assets	-	-	-	-
Ending balance	2	-	-	2
Investments in debt securities measured at amortised cost				
Beginning balance	5	-	-	5
Changes due to remeasurement of allowance for expected credit losses	(1)	-	-	(1)
New financial assets purchased or acquired	1	-	-	1
Payments and derecognition of financial assets	(3)	-	-	(3)
Ending balance	2	-	-	2
Investments in debt securities measured at fair value through other comprehensive income				
Beginning balance	2	-	-	2
Changes due to remeasurement of allowance for expected credit losses	-	-	-	-
New financial assets purchased or acquired	2	-	-	2
Payments and derecognition of financial assets	-	-	-	-
Ending balance	4	-	-	4
Loans to customers and accrued interest receivables				
Beginning balance	214	40	-	254
Changes due to changes in staging	(165)	165	-	-
Changes due to remeasurement of allowance for expected credit losses	(37)	22	448	433
New financial assets purchased or acquired	4	4	-	8
Recovery	(3)	(1)	-	(4)
Ending balance	13	230	448	691

Notes to the financial statements (continued)
For the year ended 31 December 2024

12. Loans to customers and interest receivables (continued)

12.4 Allowance for expected credit losses (continued)

	31 December 2023				
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Excess allowance	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interbank and money market items (assets)					
Beginning balance	-	-	-	-	-
Changes due to remeasurement of allowance for expected credit losses	-	-	-	-	-
New financial assets purchased or acquired	1	-	-	-	1
Payments and derecognition of financial assets	(1)	-	-	-	(1)
Ending balance	-	-	-	-	-
Investments in debt securities measured at amortised cost					
Beginning balance	3	-	-	-	3
Changes due to remeasurement of allowance for expected credit losses	-	-	-	-	-
New financial assets purchased or acquired	6	-	-	-	6
Payments and derecognition of financial assets	(4)	-	-	-	(4)
Ending balance	5	-	-	-	5
Investments in debt securities measured at fair value through other comprehensive income					
Beginning balance	2	-	-	-	2
Changes due to remeasurement of allowance for expected credit losses	-	-	-	-	-
New financial assets purchased or acquired	2	-	-	-	2
Payments and derecognition of financial assets	(2)	-	-	-	(2)
Ending balance	2	-	-	-	2
Loans to customers and accrued interest receivables					
Beginning balance	19	68	-	200	287
Changes due to changes in staging	12	(12)	-	-	-
Changes due to remeasurement of allowance for expected credit losses	(16)	(15)	-	-	(31)
New financial assets purchased or acquired	4	1	-	-	5
Recovery	(5)	(2)	-	-	(7)
Amortisation of excess allowance	200	-	-	(200)	-
Ending balance	214	40	-	-	254

Notes to the financial statements (continued)
For the year ended 31 December 2024

13. Leasehold improvements and equipment

	Lease hold improvements	Equipment	Assets in progress	Total
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Cost				
As at 1 January 2023	175	178	7	360
Acquisitions	-	43	1	44
Transfer in (out)	-	8	(8)	-
Disposal and written off	(11)	(10)	-	(21)
As at 31 December 2023	164	219	-	383
Acquisitions	-	3	3	6
Disposal and written off	(24)	(5)	-	(29)
As at 31 December 2024	140	217	3	360
Accumulated depreciation				
As at 1 January 2023	4	32	-	36
Depreciation charged for the year	32	50	-	82
Disposal and written off	(1)	(8)	-	(9)
As at 31 December 2023	35	74	-	109
Depreciation charged for the year	41	51	-	92
Disposal and written off	(23)	(5)	-	(28)
As at 31 December 2024	53	120	-	173
Net book value				
As at 31 December 2023	129	145	-	274
As at 31 December 2024	87	97	3	187
Remaining useful lives as at 31 December 2024 (years)	4	0-5	-	-
Depreciation included in profit or loss for the years ended				
31 December 2023				82
31 December 2024				92

As at 31 December 2024 and 2023, certain equipment were fully depreciated but are still in use. The original costs, before deducting accumulated depreciation, of those assets amounted to Baht 12 million and Baht 6 million, respectively.

During the year 2023, the Bank reassessed the estimated benefit lives of leasehold improvements. The useful lives of leasehold improvements were previously estimated to be 10 years and the benefit live were ceased to be capped at 6 years. Such change has the effect of decreasing net profit for the year ended 31 December 2023 by approximately Baht 15 million.

Notes to the financial statements (continued)
For the year ended 31 December 2024

14. Right-of-use assets/Lease liabilities

The Bank has lease contracts for property and equipment used in its operations. Leases generally have lease terms between 2 - 10 years.

14.1 Right-of-use assets

	Buildings Baht 'Million	Motor vehicles Baht 'Million	Total Baht 'Million
Cost			
As at 1 January 2023	199	8	207
Acquisition of assets	24	1	25
Closed contract	(6)	-	(6)
As at 31 December 2023	217	9	226
Acquisition of assets	-	9	9
Disposal and written off	(9)	-	(9)
Closed contract	-	(9)	(9)
As at 31 December 2024	208	9	217
Accumulated depreciation			
As at 1 January 2023	16	7	23
Depreciation charged for the year	34	2	36
Closed contract	(5)	-	(5)
As at 31 December 2023	45	9	54
Depreciation charged for the year	36	2	38
Closed contract	-	(9)	(9)
As at 31 December 2024	81	2	83
Net book value			
As at 31 December 2023	172	-	172
As at 31 December 2024	127	7	134
Depreciation charged in profit or loss for the years ended			
31 December 2023			36
31 December 2024			38

14.2 Lease liabilities

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Lease payments	155	196
Less: Deferred interest expenses	(13)	(18)
Lease liabilities - net	142	178

A maturity analysis of lease payments is disclosed in Note 5.3 to financial statement regarding liquidity risk.

14.3 Expenses relating to leases that are recognised in profit or loss

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Depreciation expense of right-of-use assets	38	36
Interest expense on lease liabilities	5	5
Total	43	41

The Bank had total cash outflows for leases for the year ended 31 December 2024 and 2023 of Baht 40 million and Baht 40 million, respectively.

Notes to the financial statements (continued)
For the year ended 31 December 2024

15. Intangible assets

	Application software Baht 'Million	Application software in progress Baht 'Million	Application software Baht 'Million
Cost			
As at 1 January 2023	1,211	2	1,213
Acquisitions	37	526	563
Transfer in (out)	521	(521)	-
Disposal and written off	(38)	(2)	(40)
As at 31 December 2023	1,731	5	1,736
Acquisitions	18	260	278
Transfer in (out)	252	(252)	-
Disposal and written off	(218)	(7)	(225)
As at 31 December 2024	1,783	6	1,789
Accumulated amortisation			
As at 1 January 2023	427	-	427
Amortisation for the year	255	-	255
Disposal and written off	(9)	-	(9)
As at 31 December 2023	673	-	673
Amortisation for the year	246	-	246
Disposal and written off	(15)	-	(15)
As at 31 December 2024	904	-	904
Net book value			
As at 31 December 2023	1,058	5	1,063
As at 31 December 2024	879	6	885
Remaining useful lives as at 31 December 2024 (years)	0-10		
Amortisation included in profit or loss for the years ended			
31 December 2023			255
31 December 2024			246

As at 31 December 2024 and 2023, the Bank had application software, which were fully amortised but still in use. The original costs, before deducting accumulated amortisation, of those assets amounted to Baht 192 million and Baht 88 million, respectively.

During 2024 and 2023, the Bank reassessed the estimated benefit lives of application softwares in order to accord with its group accounting policy and reflect their estimated useful lives. The useful lives of the application softwares were previously estimated to be 3 - 5 years and the benefit lives were re-estimated to be capped at 10 years. Such change has the effect of increasing net profit for the year ended 31 December 2024 and 2023 by approximately Baht 2 million and Baht 21 million, respectively.

Notes to the financial statements (continued)
For the year ended 31 December 2024

16. Deferred tax assets/liabilities and income tax expenses

16.1 Deferred tax assets/liabilities

Deferred tax assets/liabilities as at 31 December 2024 and 2023 consisted of the following components.

	Statement of financial position as at		Changes in deferred income taxes for the years ended	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Deferred tax assets:				
Revaluation allowance on financial instrument	-	278	(278)	(223)
Allowance for expected credit losses	46	25	21	-
Provision for long-term employee benefits	67	69	(2)	1
Provision for other liabilities	2	5	(3)	(3)
Accrued expenses	44	44	-	(1)
Tax losses carry forward	653	-	653	-
Others	36	25	11	4
Total	848	446	402	(222)
Deferred tax liabilities:				
Revaluation allowance on financial instruments	670	-	(670)	-
Reserve of derivatives held for cash flow hedge	1	-	(1)	16
Total	671	-	(671)	16
Deferred tax assets	177	446	-	-
Changes in deferred income taxes			(269)	(206)

Movements in deferred tax assets (liabilities) during the years ended 31 December 2024 and 2023 were summarised as follows:

	31 December 2024	31 December 2023
	Baht 'Million	Baht 'Million
Deferred tax assets - beginning balances	446	652
Changes in deferred income taxes:		
Recognised in profit or loss	(225)	(215)
Recognised in other comprehensive income	(44)	9
Total changes in deferred income taxes for the years	(269)	(206)
Deferred tax assets - ending balances	177	446

16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2024 and 2023 were summarised as follows:

	31 December 2024	31 December 2023
	Baht 'Million	Baht 'Million
Current income taxes:		
Current income tax charge for the years	-	122
Adjustments in respect of corporate income taxes of previous year	(1)	12
Deferred income taxes:		
Income tax relating to origination and reversal of temporary differences	225	215
Income tax expenses reported in profit or loss	224	349

Notes to the financial statements (continued)
For the year ended 31 December 2024

16. Deferred tax assets/liabilities and income tax expenses (continued)

Reconciliations between income tax expenses and the product of accounting profits for the years ended 31 December 2024 and 2023 multiplied by the applicable tax rate were as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Accounting profits before income tax expenses	1,043	1,666
Applicable tax rate	20%	20%
Accounting profits before income tax expenses multiplied by applicable tax rate	209	333
Adjustments in respect of corporate income taxes of previous year	(1)	12
Tax effects from:		
Net tax effect of tax-exempted revenue and non-tax-deductible expenses	16	4
Income tax expenses reported in profit or loss	224	349

16.3 Components of other comprehensive income (losses)

	31 December 2024			31 December 2023		
	Before tax amount Baht 'Million	Tax benefit (expense) Baht 'Million	Net of tax amount Baht 'Million	Before tax amount Baht 'Million	Tax benefit (expense) Baht 'Million	Net of tax amount Baht 'Million
Items to be recognised subsequently in profit or loss:						
Gains from revaluation of investments in debt securities measured at fair value through other comprehensive income	203	(41)	162	27	(5)	22
Gains (losses) from measurement of derivatives held for cash flows hedges	3	(1)	2	(82)	16	(66)
Total items to be recognised subsequently in profit or loss	206	(42)	164	(55)	11	(44)
Items not to be recognised subsequently in profit and loss:						
Losses from revaluation of own credit risk	(10)	2	(8)	(6)	1	(5)
Actuarial gains	21	(4)	17	14	(3)	11
Total items not to be recognised subsequently in profit or loss	11	(2)	9	8	(2)	6
Total	217	(44)	173	(47)	9	(38)

17. Other assets

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Collateral receivables under the Credit Support Annex agreements and the private repurchase transactions	8,688	5,076
Receivables on sales of investments	2,890	1,241
Others	1,153	967
Total	12,731	7,284

Notes to the financial statements (continued)
For the year ended 31 December 2024

18. Deposits

18.1 Classified by type of deposits

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Current accounts	15,107	15,293
Savings accounts	66,631	58,492
Fixed deposits	18,586	20,995
Total deposits	100,324	94,780

18.2 Classified by currency and residence of depositors

	31 December 2024			31 December 2023		
	Domestic Baht 'Million	Overseas Baht 'Million	Total Baht 'Million	Domestic Baht 'Million	Overseas Baht 'Million	Total Baht 'Million
Baht	41,206	4,032	45,238	48,738	4,150	52,888
US Dollar	47,485	4,141	51,626	29,073	3,387	32,460
Others	3,446	14	3,460	9,392	40	9,432
Total deposits	92,137	8,187	100,324	87,203	7,577	94,780

19. Interbank and money market items (liabilities)

	31 December 2024			31 December 2023		
	On demand Baht 'Million	Term Baht 'Million	Total Baht 'Million	On demand Baht 'Million	Term Baht 'Million	Total Baht 'Million
Domestic items						
Commercial banks	-	4,274	4,274	-	1,300	1,300
Other financial institutions	7,072	94	7,166	8,673	72	8,745
Total domestic items	7,072	4,368	11,440	8,673	1,372	10,045
Foreign items						
US Dollar	2	-	2	293	-	293
Baht	5,207	-	5,207	6,779	-	6,779
Yen	-	151	151	-	-	-
Total Foreign items	5,209	151	5,360	7,072	-	7,072
Total domestic and foreign items	12,281	4,519	16,800	15,745	1,372	17,117

Notes to the financial statements (continued)
For the year ended 31 December 2024

20. Financial liabilities measured at fair value through profit or loss

20.1 Financial liabilities held for trading

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Provision for returning securities	1,110	1,590

20.2 Financial liabilities designated at fair value through profit or loss

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Bills of Exchange	1,503	1,535
Structured debenture	1,780	1,342
Total	3,283	2,877
Cumulative change in fair values due to a change in credit risk of liabilities recognised in other comprehensive income	(11)	(1)
Difference between book values and notional amounts to be settled as the contracts mature	521	434

21. Provisions for liabilities

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Provision for long-term employee benefits	362	350
Allowance for expected credit losses on loan commitments and financial guarantee contracts	229	128
Total provision for liabilities	591	478

21.1 Provision for long-term employee benefits

Changes in provisions for long-term employee benefits for the years ended were summarised as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Provisions for long-term employee benefits at beginning of the year	350	338
Recognised in profit or loss:		
Current service cost	32	29
Interest cost	11	11
Total benefits recognised in profit or loss	43	40
Recognised in other comprehensive income:		
Actuarial gains arising from		
Financial assumption changes	(38)	(8)
Experience adjustments	17	(6)
Total recognised in other comprehensive income or loss	(21)	(14)
Employee benefits paid during the year	(10)	(14)
Provisions for long-term employee benefits at end of the year	362	350

As at 31 December 2024 and 2023, the Bank expected to pay long-term employee benefits during the next year amounting to Baht 32 million and Baht 13 million, respectively.

As at 31 December 2024 and 2023, the weighted average duration of the Bank's long-term employee benefit obligation was 8 years and 9 years, respectively.

Notes to the financial statements (continued)
For the year ended 31 December 2024

21. Provision for liabilities (continued)

The principal assumptions used in determining provision for long-term employee benefits can be summarised as follows:

	31 December 2024	31 December 2023
Future salary incremental rate (depending on age)	4.0	4.0
Turnover rates (depending on age)	0.0 – 30.0	0.0 – 30.0
Average discount rate	2.5	3.1
Mortality development rates	0.0004 – 0.0073	0.0004 – 0.0073

(Unit: % per annum)

Sensitivity analysis for principal assumptions that affected provision for long-term employee benefits as at 31 December 2024 and 2023 were summarised below:

	31 December 2024							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 0.5%	Decreased by 0.5%	Increased by 20%	Decreased by 20%	Increased by 0.25%	Decreased by 0.25%	Increased by 1%	Decreased by 1%
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Increase (decrease) in provision for long-term employee benefits	15	(14)	(9)	10	(7)	8	-	-

	31 December 2023							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 0.5%	Decreased by 0.5%	Increased by 20%	Decreased by 20%	Increased by 0.25%	Decreased by 0.25%	Increased by 1%	Decreased by 1%
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Increase (decrease) in provision for long-term employee benefits	15	(14)	(9)	10	(7)	7	-	-

21.2 Allowance for expected credit losses on loan commitments and financial guarantee contracts

As at 31 December 2024 and 2023, allowances for expected credit losses on loan commitments and financial guarantee contracts classified by classification were as follows:

	31 December 2024		31 December 2023	
	Loan commitments and financial guarantee contracts	Allowance for expected credit losses	Loan commitments and financial guarantee contracts	Allowance for expected credit losses
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Financial assets where there has not been a significant increase in credit risk (Performing)	28,837	(7)	22,655	(5)
Financial assets where there has been a significant increase in credit risk (Under-Performing)	6,102	(11)	4,170	(23)
Financial assets that are credit-impaired (Non-Performing)	1,035	(211)	428	(100)
Total	35,974	(229)	27,253	(128)

Notes to the financial statements (continued)
For the year ended 31 December 2024

21. Provision for liabilities (continued)

The changes in the allowance for expected credit losses on loan commitments and financial guarantee contracts were as follows:

	For the year ended 31 December 2024			Total Baht 'Million
	Financial assets where there has not been a significant increase in credit risk (12-month ECL) Baht 'Million	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) Baht 'Million	Financial assets that are credit-impaired (Lifetime ECL - credit impaired) Baht 'Million	
Beginning balances	5	23	100	128
Changes due to changes in staging	1	(4)	3	-
Changes due to remeasurement of allowance for expected credit losses	(1)	2	108	109
Derecognition	(1)	(11)	-	(12)
Obligations to grant new credit limits and financial guarantees	3	1	-	4
Ending balances	7	11	211	229

	For the year ended 31 December 2023			Total Baht 'Million
	Financial assets where there has not been a significant increase in credit risk (12-month ECL) Baht 'Million	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired) Baht 'Million	Financial assets that are credit-impaired (Lifetime ECL - credit impaired) Baht 'Million	
Beginning balances	5	20	102	127
Changes due to changes in staging	1	(1)	-	-
Changes due to remeasurement of allowance for expected credit losses	(1)	4	(2)	1
Derecognition	(1)	(1)	-	(2)
Obligations to grant new credit limits and financial guarantees	1	1	-	2
Ending balances	5	23	100	128

22. Other liabilities

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Collateral payables under Credit Support Annex agreements and payables on private repurchase transactions	8,136	7,064
Payables on purchases of investments	1,456	1,777
Accrued expense	1,178	1,741
Others	1,198	794
Total	11,968	11,376

Notes to the financial statements (continued)
For the year ended 31 December 2024

23. Share capital

	Par value per share (Baht)	31 December 2024		31 December 2023	
		Number of shares (Million shares)	Amounts Baht 'Million	Number of shares (Million shares)	Amounts Baht 'Million
Registered share capital:					
Ordinary shares	10	1,484	14,843	1,484	14,843
Issued and paid-up share capital:					
Ordinary shares	10	1,484	14,837	1,484	14,837

24. Premium on share capital

Section 51 of the Public Limited Company Act B.E. 2535 requires the Bank to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account under the name of "Premium on share capital", which is not available for dividend distribution.

25. Other components of equity

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Other components of equity:		
Revaluation deficit on investments measured at fair value through other comprehensive income		
Debt securities	(19)	(222)
Total	(19)	(222)
Revaluation deficit on investments designated to be measured at fair value through other comprehensive income		
Equity securities	(8)	(8)
Total	(8)	(8)
Total fair value reserve	(27)	(230)
Cash flow hedge reserve	2	-
Own credit revaluation reserve	(11)	(1)
Total other components of equity	(36)	(231)
Less: Income taxes	7	46
Other components of equity - net of income taxes	(29)	(185)

26. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside its legal reserve not less than 5% of its net profits, after deducting any balance of deficit brought forward, until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution.

Notes to the financial statements (continued)
For the year ended 31 December 2024

27. Dividends

On 18 April 2023, the Annual General Meeting of the Bank's shareholders passed a resolution approving payment of cash dividend from operating results for the year ended 31 December 2022 at the rate of Baht 0.99 per share, or a total of Baht 1,469 million. The dividend payment was made on 24 April 2023.

On 24 April 2024, the Annual General Meeting of the Bank's shareholders passed a resolution approving payment of cash dividend from operating results for the year ended 31 December 2023 at the rate of Baht 0.88 per share, or a total of Baht 1,306 million. The dividend payment was made on 5 May 2024.

On 29 August 2024, the Board of Director Meeting of the Bank's passed a resolution approving payment of interim cash dividend from operating results for the six-month ended 30 June 2024 at the rate of Baht 0.20 per share, or a total of Baht 297 million. The interim dividend payment was made on 9 Sep 2024.

28. Commitments and contingent liabilities

28.1 Contingent liabilities

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Guarantees of loans	1,085	556
Letters of credit	653	1,020
Bank's liability under acceptances	3,142	2,702
Other commitments		
- Undrawn committed lines of other credits	7,390	8,548
- Other guarantees	26,846	17,128
- Others	562	1,763
Total other commitments	34,798	27,439
Total commitments	39,678	31,717

As at 31 December 2024 and 2023, Bank has unfunded risk participant transactions, which the underlying obligations for a portion on which credit risk has been transferred amounted to Baht 12 million and Baht 17 million, respectively.

28.2 Litigation

In the course of normal business operation of the Bank, the Bank has been sued and as of 31 December 2024 and 31 December 2023, there were lawsuits under court proceeding. Under these lawsuits, the original principal amount of claim against the Bank as of 31 December 2024 and 31 December 2023 in the aggregate were Baht 649 million and Baht 649 million, respectively (excluding interest and other costs). The Bank's management exercise their reasonable judgment to estimate the amount of claims to the Bank and believe that, should the outcome of the lawsuits be finalized, there will not be a material impact to the Bank's financial position or operating performance.

For the assessment of contingent liabilities as a result of litigation for claims, the management has used judgement to assess the outcome of the cases and in case where they believe that there will be no losses, no provisions are recorded as at the end of the reporting period.

Notes to the financial statements (continued)
For the year ended 31 December 2024

29. Assets placed as collateral

The carrying value of assets placed as collateral as at 31 December 2024 and 2023 were as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Government bonds		
Placed as collateral for Intraday Liquidity Facilities with the BoT	16,162	15,489
Placed as collateral for hedging of settlement risk	496	701
Placed as collateral for private repurchase transaction	-	1,313
Foreign bonds		
Placed as collateral under Credit support annex for derivatives	562	450
Total	17,220	17,953

30. Related party transactions

30.1 Related parties

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

Relationships with key management, related persons and parties were as follows:

Name of entity/Personnel	Country of incorporation/ nationality	Nature of relationship
Key management personnel	Thai/Foreigners	Persons having authority and responsibility for planning, directing, and controlling the activities of the Bank, directly or indirectly, including any director (whether executive or otherwise) of the Bank
Standard Chartered PLC	United Kingdom	Ultimate parent company of the Bank
Standard Chartered Bank (Singapore) Limited	Singapore	Immediate parent company of the Bank
Standard Chartered Bank	United Kingdom	Affiliated company within Standard Chartered Group
Standard Chartered Global Business Services Private Limited	India	Affiliated company within Standard Chartered Group
Standard Chartered Global Business Services SDN BHD	Malaysia	Affiliated company within Standard Chartered Group
Standard Chartered Global Business Services Private Limited	China	Affiliated company within Standard Chartered Group
Raffles Nominees Pte Ltd.	Singapore	Affiliated company within Standard Chartered Group

Notes to the financial statements (continued)
For the year ended 31 December 2024

30. Related party transactions (continue)

30.2 Pricing policies

The pricing policies for particular types of transactions were summarised below:

Transactions	Pricing policies
Interest rate	Based on market rate
Services	Contractually agreed price
Derivatives	Based on market price

30.3 Significant related parties' transactions

Significant transactions for the year ended 31 December 2024 and 2023 with key management and related persons and parties were as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Net interest income (expenses)	912	(12)
Fees and service income (expenses)	102	291
Net gains on financial instruments measured at fair value through profit or loss	437	704
Service fees under the service agreements ⁽¹⁾	(1,371)	(1,349)
Other operating expense	(27)	(119)

⁽¹⁾ This amount was presented as a part of "Other operating expenses"

Notes to the financial statements (continued)
For the year ended 31 December 2024

30. Related party transactions (continued)

30.4 Outstanding balance

Significant outstanding balance as of 31 December 2024 and 2023 were as follows:

	31 December 2024		31 December 2023	
	Standard Chartered Group	Others	Standard Chartered Group	Others
	Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Interbank and money market items (assets)	7,481	-	9,131	-
Derivatives assets	11,363	-	9,639	-
Financial assets held for trading	584	-	424	-
Collateral receivables under the Credit Support Annex agreements and the private repurchase transactions ⁽¹⁾	-	-	44	-
Others ⁽¹⁾	1,105	-	197	-
Deposits	-	53	-	24
Interbank and money market items (liabilities)	890	-	951	-
Derivatives liabilities	4,443	-	4,234	-
Collateral payables under the Credit Support Annex agreements and the private repurchase transactions ⁽²⁾	6,321	-	4,561	-
Accrued expenses ⁽²⁾	718	-	1,156	-
Others ⁽²⁾	15	-	787	-
Other letters of guarantee	3,603	-	2,433	-
Derivatives (stated in notional amounts)				
- Foreign exchange	216,406	-	110,618	-
- Interest rate	144,383	-	134,416	-
Others				
- Credit default swap	-	-	77	-

⁽¹⁾ These accounts were presented as a part of "Other assets"

⁽²⁾ These accounts were presented as a part of "Other liabilities"

30.5 Significant agreements with related parties

Service agreements

In 2011, the Bank entered into service agreements with Standard Chartered Bank-UK relating to the provision of certain advisory and other services to the Bank by Standard Chartered Bank-UK. The fees payable by the Bank to Standard Chartered Bank-UK under the advisory and service agreements are based on an allocation of actual costs plus a margin, in accordance with the terms in the agreement.

Outsourcing service agreements

In 2002, the Bank entered into service agreements with related parties for certain accounting and financial processing activities, information technology support, and other related activities. The fees are based on the terms of the agreements, including actual cost, actual cost plus margin, fixed cost per transaction and other agreed fees.

Notes to the financial statements (continued)
For the year ended 31 December 2024

30. Related party transactions (continued)

30.6 Remunerations to directors and senior management

Remunerations to the Bank's directors and senior management, who are key management personnel with authority and responsibility, whether direct or indirect, for planning, direction and controlling the operations of the Bank, consisted of monthly remunerations, salaries, provident fund contributions and long-term benefits, which were incurred for the years ended 31 December 2024 and 2023 as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Short-term employee benefits	241	254
Post-employment benefits	10	9
Share-based payments	19	21
Termination benefits	76	-
Total	346	284

The Bank did not provide additional benefit to the directors and management other than the benefits normally provided. These include managements salary, bonus and director remuneration, which were approved in Shareholders' Meeting. All the directors appointed by Standard Chartered PLC, had renounced all types of benefits.

30.7 Share-based payments

The Standard Chartered Group operates a number of share-based arrangements for its executive directors and employees. The Bank participates in cash settled and equity settled share-based compensations under the following schemes:

2021 Standard Chartered Share Plan (the '2021 Plan')

The 2021 Plan was approved by shareholders in May 2021 and is the Standard Chartered Group's main share plan. Since approval, it has been used to deliver various types of share awards. Currently the following only one type of share award has been granted to employees in Thailand.

Deferred awards are used to deliver the deferred portion of variable remuneration, in line with both market practice and regulatory requirements. These awards vest in installments on anniversaries of the award date specified at the time of grant.

All Employee Sharesave Plans - 2013 Sharesave Plan

Under the 2013 Sharesave Plan, employees may open a 3-year savings contract. Contribution (saving) amount will determine number of options granted. Within a period of six months after the third anniversary, employees can decide to exercise their options to receive a payment equal to any increase in value of Standard Chartered PLC share price units less any withholding tax and stock broking commission charges.

31. Earnings per share

Basic earnings per share is calculated by dividing net profit or loss, excluding other comprehensive income or loss, by the weighted average number of ordinary shares in issue during the periods.

	31 December 2024	31 December 2023
Net profit (Million Baht)	819	1,316
Earnings per share (Baht/share)	0.55	0.89
Weighted average number of ordinary shares (Million shares)	1,484	1,484

Notes to the financial statements (continued)
For the year ended 31 December 2024

32. Non-cancellable operating lease agreements

As at 31 December 2024 and 2023, the Bank had rental and related service commitments related to 1 - 5 years office lease agreements. Future minimum lease payments required under such contracts were as follows:

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Payable within		
1 year	1	1
1 to 5 years	2	3

33. Segment information

33.1 Client segments

The main business in Thailand, is Corporate and Institutional Banking ("CIB").

CIB comprises of International Corporates, which are major multinational corporations and large business groups with sophisticated, cross-border needs requiring high levels of international service and Financial Institutions, consists of Banks, Investor clients, Insurance companies, Broker, Dealers, Public Sector such as Bank of Thailand, Sovereign Wealth Funds, Development Organisations and other types of financial institutions.

Activities not directly related to a client segment are included in "Central and other items" which mainly include Asset and Liability Management and unallocated central costs. This segment information is reported in a manner consistent with the internal performance framework as presented to the Bank's management.

Operating segment information of the Bank was summarised as follow:

	31 December 2024		
	Corporate and Institutional Banking	Central and other items	Total operating segment
	Baht 'Million	Baht 'Million	Baht 'Million
Net interest income	2,477	(165)	2,312
Net non-interest income	2,436	723	3,159
Operating income	4,913	558	5,471
Operating expenses	(3,188)	(738)	(3,926)
Expected credit losses	(498)	(4)	(502)
Profits (loss) before income tax expenses	1,227	(184)	1,043
Income tax expenses			(224)
Net profit			819

	31 December 2023		
	Corporate and Institutional Banking	Central and other items	Total operating segment
	Baht 'Million	Baht 'Million	Baht 'Million
Net interest income	2,256	(112)	2,144
Net non-interest income	2,348	919	3,267
Operating income	4,604	807	5,411
Operating expenses	(3,469)	(307)	(3,776)
Reversal of expected credit losses	30	-	30
Profits before income tax expenses	1,165	500	1,665
Income tax expenses			(349)
Net profit			1,316

Notes to the financial statements (continued)
For the year ended 31 December 2024

33. Segment information (continued)

	31 December 2024		
	Corporate and Institutional Banking	Central and other items	Total operating segment
	Baht 'Million	Baht 'Million	Baht 'Million
Total assets	139,819	48,204	188,023
Total liabilities	154,833	7,069	161,902

	31 December 2023		
	Corporate and Institutional Banking	Central and other items	Total operating segment
	Baht 'Million	Baht 'Million	Baht 'Million
Total assets	114,901	59,880	174,781
Total liabilities	141,910	6,141	148,051

33.2 Geographic information

The Bank operates in Thailand only. Therefore, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical report.

34. Interest income

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Interbank and money market items	2,471	1,727
Investments and trading transactions	1,313	973
Investments in debt securities	988	614
Loans to customers	1,179	1,119
Total Interest income	5,951	4,433

35. Interest expenses

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Deposits	2,569	1,277
Interbank and money market items	733	667
Contributions to the Deposit Protection Agency and the Financial Institution Development Fund	331	339
Others	5	6
Total Interest expenses	3,638	2,289

Notes to the financial statements (continued)
For the year ended 31 December 2024

36. Fees and service income - net

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Fees and service income		
Of which:		
Acceptances and guarantees	133	90
Fund transfer fee	460	389
Custody fee	384	412
Others	501	568
Total fees and service income	1,478	1,459
Fees and service expenses		
Of which:		
Commission	69	62
Others	331	188
Total fees and service expenses	400	250
Net fees and service income	1,078	1,209

37. Net gains on financial instruments measured at fair value through profit or loss

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Gains on foreign currencies and derivatives on foreign exchange	2,097	1,640
Gains (losses) on derivatives on interest rates	(277)	168
Gains on debt securities and derivative linked to price of debt securities	177	4
Others	54	(57)
Total	2,051	1,755
Gains on hedging transactions	-	16
Net gains on financial instruments measured at fair value through profit or loss	2,051	1,771

38. Net gains (losses) on investments

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Gains (losses) on sales		
Investments in debt securities measured at amortised cost	2	-
Investments in debt securities measured at fair value through other comprehensive income	-	(4)
Net gains (losses) on investments	2	(4)

39. Employee expenses

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Wages and salaries	784	826
Post-employment benefits - define benefit plan	43	41
Share-based payments	52	43
Others	567	454
Total employee expenses	1,446	1,364

Notes to the financial statements (continued)
For the year ended 31 December 2024

40. Other operating expenses

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Service fees under the service agreements – related parties	1,371	1,349
Technology expenditure	583	418
Others	267	360
Total other operating expenses	2,221	2,127

41. Expected credit losses (reversal)

	31 December 2024 Baht 'Million	31 December 2023 Baht 'Million
Expected credit losses (reversal):		
Interbank and money market items	2	-
Investments in debt securities measured at amortised cost	(3)	2
Investments in debt securities measured at fair value through other comprehensive income	2	-
Loans to customers, commitments, and contingent liabilities	501	(32)
Total expected credit losses (reversal)	502	(30)

42. Fair values of financial assets and liabilities

42.1 Fair values of financial assets and liabilities

The Bank estimates fair values of assets and liabilities under the following policies, controls, methods and assumptions.

The Bank's fair value estimation process is monitored under the policies, which cover methods of calculation, market data, counterparty credit risk and reserve provisioning. Such policies determine the methods and controls in estimating fair values of assets and liabilities where mark-to-market or mark-to-model is required.

The rates and parameters used in estimating fair values are reviewed independently by Product Control and Governance (PCG) Unit and other relevant units whereby in case of products or financial instruments that are traded in the liquid market or the exchange, the fair values will be cross-checked with other service providers in the market or other market sources. If the market prices obtained have no liquidity, the Bank will use other additional techniques, i.e. valuation using historical information or using market rates and parameters available to test the level of reasonableness of such fair values.

42.2 Fair values of financial assets and liabilities

Fair values of each item of financial assets and liabilities are estimated using the following methods and assumptions.

a. Cash

The fair value is assumed to approximate its carrying value.

b. Interbank and money market items (assets and liabilities)

The fair value of floating interest rate interbank and money market items (both assets and liabilities) were assumed to approximate the carrying value as at the reporting date. The fair value of fixed interest rate interbank and money market items with a remaining to maturity period of more than 1 year from the statement of financial position date was determined by discounting the expected future cash flows at the current average interest rate for similar debts.

Notes to the financial statements (continued)
For the year ended 31 December 2024

42. Fair value of financial assets and liabilities (continued)

c. Derivatives assets/liabilities

The fair value of derivatives is referred to market price. In case that fair value cannot be quoted in market price, the fair value is determined by using valuation techniques. The information used in the valuation techniques is observable in the market, which is based on reliable sources, such as interest rates and exchange rates etc. Moreover, in using valuation techniques, the Bank has adjusted valuation adjustment in order to appropriately reflect relevant risks such as credit valuation adjustment (CVA), market liquidity risk based on the bid-offer spread, etc.

d. Investments

The fair values of debt securities are determined based on the yield rates quoted by the Thai Bond Market Association.

The fair value of foreign debt securities are determined based on the value quoted by reliable international financial institutions will be used.

The fair value of non-marketable equity securities are determined using non-observable information.

e. Loans to customers

Fair value of floating interest loans to customers where the rates change frequently without material impact on credit risk is measured at carrying value as at reporting date. Fixed interest loans to customers where the interest rate is expected to change within 1 year of the reporting date is measured approximately at their carrying value as at the reporting date. Other fixed interest loans to customers are measured by discounting future cash flow. The discount rate used is determined based on loans with similar credit risk.

f. Deposits

Fair value of payable on demand deposits, floating rate deposits or fixed rate deposits with not more than 1 year from the reporting date remaining to maturity is measured at carrying value as at reporting date. For the promissory notes and fixed rate deposits with more than 1 year from the reporting date remaining to maturity are measured determined by discounting future cash flow. The discount rate used is determined based on current interest rate.

g. Liability payable on demand

The fair value is assumed to approximate its book value in the statement of financial position due to its short-term nature.

h. Financial liabilities designated at fair value through profit or loss

The fair value is referred to market price. In case that fair value cannot be quoted in market price, the fair value is determined by using valuation techniques. The information used in the valuation techniques is observable in the market, which is based on reliable sources, such as interest rates and exchange rates etc. Moreover, in using valuation techniques, the Bank has adjusted the Bank's credit risk.

Since the majority of the Bank's financial instruments, which were not measured at fair value, are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is assumed to approximate their book value in the statement of financial position.

Notes to the financial statements (continued)
For the year ended 31 December 2024

42. Fair value of financial assets and liabilities (continued)

As at 31 December 2024 and 2023, the Bank had financial assets and liabilities measured at fair value or disclosed at fair value using different levels of inputs as follows:

	31 December 2024				
	Carrying value Baht 'Million	Fair value			
		Level 1	Level 2	Level 3	Total
		Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss:					
Financial assets held for trading	56,299	-	56,299	-	56,299
Derivatives assets	23,555	20	23,535	-	23,555
Investments in debt securities measured at fair value through other comprehensive income	16,583	5,093	11,490	-	16,583
Investment in equity securities designated to be measured at fair value through other comprehensive income	15	-	-	15	15
Financial liabilities measured at fair value					
Financial liabilities measured at fair value through profit or loss	4,393	-	4,393	-	4,393
Derivatives liabilities	26,767	17	26,750	-	26,767
Financial assets for which fair value were disclosed					
Investments in debt securities measured at amortised cost	11,630	-	11,603	-	11,603
Loans to customers and interest receivables - net	23,306	-	-	22,921	22,921

	31 December 2023				
	Carrying value Baht 'Million	Fair value			
		Level 1	Level 2	Level 3	Total
		Baht 'Million	Baht 'Million	Baht 'Million	Baht 'Million
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss:					
Financial assets held for trading	38,404	-	38,404	-	38,404
Derivatives assets	20,072	46	20,026	-	20,072
Investments in debt securities measured at fair value through other comprehensive income	9,719	4,514	5,205	-	9,719
Investment in equity securities designated to be measured at fair value through other comprehensive income	16	-	-	16	16
Financial liabilities measured at fair value					
Financial liabilities measured at fair value through profit or loss	4,467	-	4,467	-	4,467
Derivatives liabilities	18,831	64	18,767	-	18,831
Financial assets for which fair value were disclosed					
Investments in debt securities measured at amortised cost	15,942	-	15,819	-	15,819
Loans to customers and interest receivables - net	23,616	-	-	23,159	23,159

Notes to the financial statements (continued)
For the year ended 31 December 2024

43. Events after the reporting period

The Extraordinary General Meeting of shareholders ("EGM") No. 1/2567 was held on 12 December 2024, resolved to approve the reduction of capital by way of reducing the original par value from Baht 10.00 to the par value of Baht 7.64. The number of shares remain unchanged at 1,484,262,702 shares.

On 30 December 2024, the Bank of Thailand approved the reduction of capital. In this regard, the Bank completed the registration of the change of the capital with the Department of Business Development, the Ministry of Commerce on 3 January 2025, resulting in the reduction of the registered capital of the Bank from THB 14,842,627,020 to THB 11,339,767,043.28, and the reduction of the paid-up capital from THB 14,837,045,480 to THB 11,335,502,746.72.

44. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 25 March 2025.