

United Overseas Bank (Thai) Public Company
Limited and its subsidiaries
Report and consolidated and separate financial
statements
31 December 2024

Independent Auditor's Report

To the Shareholders of United Overseas Bank (Thai) Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of United Overseas Bank (Thai) Public Company Limited and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of United Overseas Bank (Thai) Public Company Limited for the same period (collectively “the financial statements”).

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2024, their 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 Group 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 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 17 March 2025

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024 and 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Cash		3,491,426	3,458,022	3,491,426	3,458,022
Interbank and money market items - net	9	75,922,193	85,447,770	75,904,368	84,859,457
Financial assets measured at fair value					
through profit or loss	10	9,727,701	7,649,732	9,727,701	7,649,732
Derivatives assets	11	11,608,449	12,793,082	11,608,449	12,793,082
Investments - net	12	171,397,456	107,506,995	171,397,456	107,506,995
Investments in subsidiaries - net	13	-	-	8,596,948	8,596,948
Loans to customers and accrued interest					
receivables - net	14	628,812,212	618,182,330	609,165,201	600,803,044
Properties foreclosed - net	16	164,960	172,825	164,960	172,825
Premises and equipment - net	17	18,377,817	17,144,911	18,300,676	17,069,614
Right-of-use assets - net	18	522,441	480,712	420,817	399,670
Goodwill and other intangible assets - net	19	16,906,642	17,371,452	12,676,566	13,062,100
Deferred tax assets - net	20.1	930,341	1,329,133	414,151	971,293
Deposits		1,189,755	3,879,725	1,119,654	3,813,135
Other assets - net	21	5,830,953	6,287,681	5,455,972	6,004,637
Total assets		944,882,346	881,704,370	928,444,345	867,160,554

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

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2024 and 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Liabilities and shareholders' equity					
Liabilities					
Deposits	22	726,629,060	678,360,016	727,155,608	678,875,304
Interbank and money market items	23	61,575,536	38,848,298	55,575,536	29,848,256
Liabilities payable on demand		1,194,650	3,239,975	1,194,650	3,239,975
Financial liabilities measured at fair value					
through profit or loss	24	855,071	527,778	855,071	527,778
Derivatives liabilities	11	9,788,529	11,734,295	9,788,529	11,734,295
Debts issued and borrowings	25	43,176,911	45,654,656	33,334,811	40,787,439
Lease liabilities	26	489,982	434,952	386,010	352,757
Provisions for long-term employee benefits	27	3,135,352	2,766,901	2,936,332	2,615,713
Provisions for other liabilities	28	1,428,859	1,010,968	1,426,670	1,010,968
Accrued expenses		5,361,903	7,390,273	5,167,633	7,106,975
Guarantee deposits		2,778,259	5,371,521	2,778,423	5,371,684
Other liabilities	29	8,980,492	9,550,788	8,748,943	9,269,264
Total liabilities		865,394,604	804,890,421	849,348,216	790,740,408
Shareholders' equity					
Share capital					
Registered, issued and paid-up share capital					
2,485,661,305 ordinary shares at par value					
of Baht 10 each					
		24,856,613	24,856,613	24,856,613	24,856,613
Other components of equity	31	7,890,146	5,907,477	7,890,146	5,907,477
Retained earnings					
Appropriated					
Statutory reserve					
	32	2,485,661	2,485,661	2,485,661	2,485,661
Unappropriated					
		44,255,322	43,564,198	43,863,709	43,170,395
Equity attributable to equity holders of the Bank		79,487,742	76,813,949	79,096,129	76,420,146
Non-controlling interests of the subsidiaries		-	-	-	-
Total shareholders' equity		79,487,742	76,813,949	79,096,129	76,420,146
Total liabilities and shareholders' equity		944,882,346	881,704,370	928,444,345	867,160,554
		-	-	-	-

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

Maloney Richard David JR
President and Chief Executive Officer

Sanchai Apisaksirikul
Director and Managing Director

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2024	2023	2024	2023
Profit or loss:					
Interest income	41	45,574,858	42,443,481	41,898,852	38,931,448
Interest expenses	42	16,963,662	12,497,996	16,469,400	12,086,031
Net interest income		28,611,196	29,945,485	25,429,452	26,845,417
Fees and service income		11,562,361	9,937,891	11,473,687	9,819,583
Fees and service expenses		2,802,120	2,228,652	2,723,806	2,183,816
Net fees and service income	43	8,760,241	7,709,239	8,749,881	7,635,767
Net gains on financial instruments measured at fair value through profit or loss	44	2,759,881	2,350,242	2,759,881	2,350,242
Net gains (losses) on investments	45	643,275	(89,813)	643,275	(89,813)
Dividend income		19,152	15,851	44,152	515,851
Gain on disposals of loans purchased of receivables		-	576,183	-	-
Other operating income		392,416	327,335	547,630	538,747
Total operating income		41,186,161	40,834,522	38,174,271	37,796,211
Operating expenses					
Employee's expenses		10,313,500	9,648,775	9,544,049	8,971,148
Directors' remunerations		12,264	12,294	12,264	12,294
Premises and equipment expenses		2,271,711	2,146,116	2,063,909	1,951,609
Taxes and duties		1,694,395	1,567,914	1,555,923	1,421,964
Advertising and sale promotion expenses		5,295,799	4,693,356	5,261,932	4,578,264
Data processing charges		3,066,451	2,332,672	3,066,451	2,332,672
Transitional services agreement expenses		1,172,668	3,150,990	1,172,668	3,150,990
Other operating expenses		5,464,980	4,376,857	5,294,799	3,868,208
Total operating expenses		29,291,768	27,928,974	27,971,995	26,287,149
Expected credit losses	46	10,978,841	9,171,065	9,291,828	8,275,896
Profits from operation before income tax expenses		915,552	3,734,483	910,448	3,233,166
Income tax expenses	20.2	208,218	800,129	203,381	586,286
Profits for the years		707,334	2,934,354	707,067	2,646,880

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

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2024	2023	2024	2023
Other comprehensive income (loss)					
Other comprehensive income to be reclassified to profit or loss in subsequent years:					
Gains on valuation of investments in debt instruments measured at fair value through other comprehensive income		2,507,877	578,911	2,507,877	578,911
Income tax expenses		(501,575)	(115,782)	(501,575)	(115,782)
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income taxes		2,006,302	463,129	2,006,302	463,129
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Gains on valuation of investments in equity securities designated at fair value through other comprehensive income		3,564	2,429	3,564	2,429
Gains (losses) on valuation of own credit risk of financial liabilities designated at fair value through profit or loss		132	(93)	132	(93)
Actuarial losses on the defined benefit plans		(53,499)	(114,076)	(50,428)	(81,888)
Income tax benefits		9,960	22,348	9,346	15,910
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent years - net of income taxes		(39,843)	(89,392)	(37,386)	(63,642)
Total other comprehensive income for the years		1,966,459	373,737	1,968,916	399,487
Total comprehensive income for the years		2,673,793	3,308,091	2,675,983	3,046,367
Profits for the years attributable to:					
Equity holders of the Bank		707,334	2,934,354	707,067	2,646,880
Non-controlling interests of the subsidiaries		-	-	-	-
		707,334	2,934,354		
Total comprehensive income for the years attributable to:					
Equity holders of the Bank		2,673,793	3,308,091	2,675,983	3,046,367
Non-controlling interests of the subsidiaries		-	-	-	-
		2,673,793	3,308,091		
Earnings per share of equity holders of the Bank					
Basic earnings per share (Baht)	38	0.28	1.18	0.28	1.06

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

Maloney Richard David JR

President and Chief Executive Officer

Sanchai Apisaksirikul

Director and Managing Director

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

Consolidated financial statements								
Equity attributable to equity holders of the Bank								
	Other components of equity		Retained earnings		Total equity		Non-controlling interests	
	Issued and paid-up share capital	Revaluation surplus on assets	Revaluation deficit on investments	Appropriated - Statutory reserve	Unappropriated	attributable to equity holders of the Bank		Total
Beginning balance as of 1 January 2023	24,856,613	6,232,455	(763,384)	2,165,000	41,014,242	73,504,926	-	73,504,926
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(26,591)	-	-	26,591	-	-	-
Profit for the year	-	-	-	-	2,934,354	2,934,354	-	2,934,354
Other comprehensive income (loss) for the year	-	-	464,997	-	(91,260)	373,737	-	373,737
Total comprehensive income for the year	-	-	464,997	-	2,843,094	3,308,091	-	3,308,091
Transfer to retained earnings	-	-	-	-	932	932	-	932
Appropriated retained earnings to be statutory reserve	-	-	-	320,661	(320,661)	-	-	-
Ending balance as of 31 December 2023	24,856,613	6,205,864	(298,387)	2,485,661	43,564,198	76,813,949	-	76,813,949
Beginning balance as of 1 January 2024	24,856,613	6,205,864	(298,387)	2,485,661	43,564,198	76,813,949	-	76,813,949
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(26,590)	-	-	26,590	-	-	-
Profit for the year	-	-	-	-	707,334	707,334	-	707,334
Other comprehensive income (loss) for the year	-	-	2,009,259	-	(42,800)	1,966,459	-	1,966,459
Total comprehensive income for the year	-	-	2,009,259	-	664,534	2,673,793	-	2,673,793
Ending balance as of 31 December 2024	24,856,613	6,179,274	1,710,872	2,485,661	44,255,322	79,487,742	-	79,487,742

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

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Separate financial statements					Total
	Issued and paid-up share capital	Other components of equity		Retained earnings		
		Revaluation surplus on assets	Revaluation deficit on investments	Appropriated - Statutory reserve	Unappropriated	
Beginning balance as of 1 January 2023	24,856,613	6,232,455	(763,384)	2,165,000	40,882,163	73,372,847
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(26,591)	-	-	26,591	-
Profit for the year	-	-	-	-	2,646,880	2,646,880
Other comprehensive income (loss) for the year	-	-	464,997	-	(65,510)	399,487
Total comprehensive income for the year	-	-	464,997	-	2,581,370	3,046,367
Transfer to retained earnings	-	-	-	-	932	932
Appropriated retained earnings to be statutory reserve	-	-	-	320,661	(320,661)	-
Ending balance as of 31 December 2023	<u>24,856,613</u>	<u>6,205,864</u>	<u>(298,387)</u>	<u>2,485,661</u>	<u>43,170,395</u>	<u>76,420,146</u>
Beginning balance as of 1 January 2024	24,856,613	6,205,864	(298,387)	2,485,661	43,170,395	76,420,146
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(26,590)	-	-	26,590	-
Profit for the year	-	-	-	-	707,067	707,067
Other comprehensive income (loss) for the year	-	-	2,009,259	-	(40,343)	1,968,916
Total comprehensive income for the year	-	-	2,009,259	-	666,724	2,675,983
Ending balance as of 31 December 2024	<u>24,856,613</u>	<u>6,179,274</u>	<u>1,710,872</u>	<u>2,485,661</u>	<u>43,863,709</u>	<u>79,096,129</u>

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

Maloney Richard David JR

President and Chief Executive Officer

Sanchai Apisaksirikul

Director and Managing Director

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of cash flows

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profits before income tax expenses	915,552	3,734,483	910,448	3,233,166
Adjustments to reconcile profits from operation before income tax expenses to net cash provided by (paid from) operating activities				
Depreciation	1,081,183	997,924	994,765	917,042
Amortisation and losses on assets written off	855,518	779,447	776,408	702,352
Unrealised gains on revaluation of financial instruments measured at fair value through profit or loss	(2,172,089)	(952,722)	(2,172,089)	(952,722)
Expected credit losses	2,739,815	5,988,483	1,996,519	5,534,145
Impairment losses on properties foreclosed and other assets	154,912	22,294	153,426	22,294
(Gains) losses on disposals of investments	(643,275)	89,813	(643,275)	89,813
Gains on disposals of property foreclosed	(177,752)	(3,591)	(177,752)	(3,591)
Gains on disposals of loans purchased of receivables	-	(576,183)	-	-
Decrease in accrued other income	57,064	238,708	112,555	204,404
Increase in provisions for long-term employee benefits	444,104	239,035	398,052	218,184
Increase (decrease) in provisions for other liabilities	417,890	(81,528)	415,702	(81,528)
Increase (decrease) in accrued other expenses	(1,269,176)	1,641,788	(1,208,743)	1,644,149
Net interest income	(28,611,196)	(29,945,485)	(25,429,452)	(26,845,417)
Dividend income	(19,152)	(15,851)	(44,152)	(515,851)
Cash received on interest income	45,230,441	40,233,666	41,656,915	36,747,549
Cash received on dividend income	19,152	15,851	19,152	15,851
Cash paid on interest expenses	(16,705,549)	(12,136,197)	(16,329,025)	(11,780,437)
Cash received on income taxes refund	-	92,312	-	92,312
Cash paid on income taxes	(1,071,424)	(1,550,434)	(878,485)	(1,323,526)
Income from operating activities before changes in operating assets and liabilities	1,246,018	8,811,813	550,969	7,918,189

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

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
(Increase) decrease in operating assets				
Interbank and money market items - net	9,460,454	31,677,925	8,889,966	31,391,689
Financial assets measured at fair value through profit or loss	(2,076,180)	(4,059,068)	(2,076,180)	(4,059,068)
Derivatives assets	10,005,760	9,286,972	10,005,760	9,286,972
Loans to customers	(13,128,528)	(47,646,579)	(10,219,987)	(46,756,112)
Properties foreclosed	209,378	41,200	209,378	41,200
Other assets	2,864,136	(248,367)	2,903,804	(288,736)
Increase (decrease) in operating liabilities				
Deposits	49,393,024	35,150,716	49,404,284	35,258,803
Interbank and money market items	22,727,371	(15,802,222)	25,727,413	(12,002,264)
Liabilities payable on demand	(2,045,110)	534,039	(2,045,110)	534,039
Financial liabilities measured at fair value				
through profit or loss	349,860	479,960	349,860	479,960
Derivatives liabilities	(9,568,850)	(9,669,722)	(9,568,850)	(9,669,722)
Provisions for long-term employee benefits	(129,152)	(83,319)	(127,860)	(83,319)
Other liabilities	(3,260,145)	2,493,569	(3,222,359)	2,471,033
Net cash provided by operating activities	66,048,036	10,966,917	70,781,088	14,522,664
Cash flows from investing activities				
Proceeds from sales of investments	361,026,978	260,912,061	361,026,978	260,912,061
Cash paid for investments	(421,664,103)	(285,146,317)	(421,664,103)	(285,146,317)
Cash paid for the acquisition of the retail businesses	-	(307,876)	-	(261,567)
Cash paid for investment in subsidiary	-	-	-	(46,060)
Proceeds from sales of loans purchased of receivables	-	1,321,240	-	-
Dividend received from subsidiary	-	-	25,000	500,000
Purchases of premises and equipment	(2,005,088)	(1,071,199)	(1,982,944)	(1,024,710)
Purchases of other intangible assets	(389,078)	(768,665)	(389,078)	(768,665)
Net cash used in investing activities	(63,031,291)	(25,060,756)	(62,984,147)	(25,835,258)

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

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the years ended 31 December 2024 and 2023

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash flows from financing activities				
Cash paid on lease liabilities	(332,090)	(302,884)	(263,537)	(254,055)
Cash received on long-term debts issued and borrowings	4,848,749	16,830,074	-	12,000,000
Cash paid on long-term debts issued and borrowings	(7,500,000)	(2,000,000)	(7,500,000)	-
Net cash provided by (used in) financing activities	(2,983,341)	14,527,190	(7,763,537)	11,745,945
Net increase in cash and cash equivalents	33,404	433,351	33,404	433,351
Cash and cash equivalents as at 1 January	3,458,022	3,024,671	3,458,022	3,024,671
Cash and cash equivalents as at 31 December	3,491,426	3,458,022	3,491,426	3,458,022

Supplemental disclosures of cash flows information

Non-cash items:

Properties foreclosed in settlement of loans to customers	23,760	46,480	23,760	46,480
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The accompanying notes are an integral part of the financial statements.

Maloney Richard David JR

President and Chief Executive Officer

Sanchai Apisaksirikul

Director and Managing Director

United Overseas Bank (Thai) Public Company Limited and its subsidiaries

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For the years ended 31 December 2024 and 2023

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United Overseas Bank (Thai) Public Company Limited and its subsidiaries
Notes to financial statements
For the years ended 31 December 2024 and 2023

1. General information

United Overseas Bank (Thai) Public Company Limited (“the Bank”) was incorporated as a public limited company under Thai law and domiciled in Thailand. The Bank has been operated mainly commercial banking business and its registered office is located at No. 690 Sukhumvit Road, Khlong Tan Nuea Sub-district, Khlong Toei District, Bangkok. As at 31 December 2024, the Bank conducts its business through a network of 144 branches throughout all regions in Thailand (31 December 2023: 147 branches). Its major shareholder is United Overseas Bank Limited, a company registered in Singapore.

The subsidiaries were incorporated as limited companies under Thai law and have been operating their business in Thailand. Their principal business is debt collection and personal loans.

2. Basis of preparation of financial statements

2.1 Basis of preparation of financial statements

For the year ended 31 December 2024, the financial statements are presented 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 accordance with the BOT’s Notification 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 and the Accounting Guidance issued by the Federation of Accounting Professions.

The financial statements have been prepared on a historical cost basis except otherwise disclosed in the 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 the Thai language financial statements.

2.2 Basis of consolidation

- (a) These consolidated financial statements include the financial statements of the Bank and its subsidiaries as follows:

Company name	Business type	Country of registration	Percentage of shares held by the Bank as at		Percentage of total assets included in consolidated assets as at		Percentage of revenues included in consolidated revenues for the years ended	
			31 December		31 December		31 December	
			2024	2023	2024	2023	2024	2023
UOB Services Asset Management Co., Ltd.	Debt Collection and Asset Management Services	Thailand	99.99	99.99	-	-	-	1.29
UOB Capital Services Co., Ltd.	Personal Loan Product and Insurance Agency Services	Thailand	99.99	99.99	3.13	3.23	6.49	6.49

- (b) The Bank is deemed to have control over investee companies or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiaries are entities in which the Bank has control over the financial and operating policies of those entity. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases. The effects to the consolidated financial statements of all significant transactions between the Bank and its subsidiaries are eliminated in the consolidated financial statements, including investments in subsidiaries and share capital of subsidiaries.
- (d) The financial statements of the subsidiaries are prepared having the same reporting period and using the same accounting policies as those of the Bank. In case where there are different accounting policies, the Bank has adjusted the effect of these in the consolidated financial statements.
- (e) The Bank's financial statements include the accounts of all branches after elimination of significant inter-branch transactions and balances.
- (f) Non-controlling interests represent the portion of net profit or loss and net assets of the subsidiaries that are not held by the Bank and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position.

2.3 Separate financial statements

The Bank prepares its separate financial statements, which present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group 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 Group'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 Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements

4. Accounting policies

4.1 Revenue recognition

(a) Interest income

The Bank and its subsidiaries have recognised interest income on an accrual basis by using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, 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.

The Bank and its subsidiaries have calculated interest income by using effective interest rate method applied to the gross carrying value of financial assets. If financial assets are later credit-impaired, the Bank and its subsidiaries recognise interest income using effective interest rate method applied to the net carrying value (carrying value minus allowance for expected credit losses) of financial assets. If the financial asset is no longer credit-impaired, the Bank and its subsidiaries revert to calculating interest income on a gross carrying value.

Discounts received in advance in respect of bills purchased and other unearned interest income are recognised as revenue on an accrual basis over the terms of the bills.

- (b) Brokerage fees and service fees on derivatives trading are recognised as revenue on the transaction dates.
- (c) Gains (losses) on securities and derivatives trading are recognised as revenues or expenses on transaction dates.
- (d) Interest and dividends on investments

Interest on investments is recognised as revenue on an accrual basis based on the effective interest rate. Dividends are recognised as revenue when the right to receive the dividend is established.

- (e) Fees and other service fees are recognised as revenues on an accrual basis.

4.2 Expenses recognition

The Bank and its subsidiaries recognise 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 the fair value of derivatives and financial assets designated to be measured at fair value through profit or loss, and gains (losses) from sales of financial assets measured at fair value through profit or loss and derivatives. The Bank and its subsidiaries recognise them as revenues or expenses on the transaction dates.

4.4 Cash

Cash is the amount included in the statements of financial position under the caption of cash, which consists of cash on hand and cheques in transit.

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

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

4.6 Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and subsequently remeasured at fair value. The subsequent changes in fair value are recognised in profit or loss unless hedge accounting is applied.

Hedge accounting

The Bank makes use of derivatives and other financial instruments 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.

Fair value hedges

The Bank uses fair value hedges to hedge the risk from changes in fair value of financial assets, financial liabilities or contractual obligations. In hedging, the Bank takes into consideration the relationship between hedged items and hedging instruments, including the nature of the risk, the objective and strategy for undertaking the hedge as well as the effectiveness of the hedging relationship. In addition, the Bank has also considered a qualitative approach by comparing the critical terms of significant characteristics such as cash flow, interest rate, and the duration of hedged items and hedging instruments that make perfectly match from the designation date. Causes of ineffectiveness of hedging could be arised from the differences in cash flow and the differences in time between hedged items and hedging instruments.

The Bank recognises the movement in fair value of the hedging instrument and the hedged item in profit or loss in statement of comprehensive income. 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.

When a hedging instrument expires, is sold, is terminated or is exercised, or when a hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item is amortised to profit or loss over the remaining term using effective interest rate. Where the hedged item is derecognised from the statement of financial position, the unamortised carrying value adjustment is immediately recognised in profit or loss.

4.7 Interbank and money market items (Assets/Liabilities)

The Bank recognises and derecognises such items in the financial statements on the settlement dates.

4.8 Financial instruments

Recognition of financial instruments

The Bank and its subsidiaries recognise financial assets or financial liabilities when the Bank and its subsidiaries become a party to the contractual provisions of the financial instruments.

Classification and measurement of financial assets and financial liabilities

Financial assets - debt instruments

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

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. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).

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. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are recognised as a component of shareholders' equity in other comprehensive income. Upon derecognition, after which such gains or losses on disposal of the instruments will be recognised as gain or losses in profit or loss. The gains or losses on foreign exchange, expected credit losses, and interest income calculated using the effective interest rate method are recognised in profit or loss in statement of comprehensive income.

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

Financial assets - equity securities

The Bank and its subsidiaries have classified 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 to be measured at fair value through other 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 recognised in profit or loss in statement of comprehensive income when disposal, instead, they are transferred to retained earnings. Dividends on these investments are recognised in profit or loss in statement of comprehensive income, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial liabilities except for derivative liabilities

At initial recognition, the Bank and its subsidiaries' financial liabilities (except for derivatives liabilities) are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost or may classify 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.

Modifications of financial instruments not measured at fair value

Financial assets

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

If the cash flows of the modified financial assets are not substantially different from those of the existing financial assets, the Bank and its subsidiaries recalculate the gross carrying amount of the financial assets and recognise the amount arising from adjusting the gross carrying amount as a modification gains or losses in profit or loss which is presented as impairment losses.

Financial liabilities

The Bank and its subsidiaries derecognise 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 from those of the existing financial liabilities, the Bank and its subsidiaries adjust 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.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Bank and its subsidiaries have a currently enforceable legal right to offset the recognised amounts and intends to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instruments

The Bank and its subsidiaries derecognise a financial asset when the rights to receive cash flows from the asset have expired or have been transferred and either the Bank and its subsidiaries have transferred substantially all the risks and rewards of the asset, or the Bank and its subsidiaries have neither transferred nor retained substantially all the risks and rewards of the asset but have transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Write-off

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 and its subsidiaries determine 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 and its subsidiaries' procedures for recovery of amount due.

4.9 Investments in subsidiaries

Investments in subsidiaries as presented in the separate financial statements are stated at cost net of allowance for impairment (if any). Losses on impairment are recognised as expenses in profit or loss.

4.10 Loans to customers

Loans to customers include overdrafts, term loans, trade bills, hire purchase and financial lease receivables and other loans. All items categorised under loans to customers (except for hire purchase and financial lease receivables and overdrafts) are presented at the principal amount outstanding, net of unearned discounts received in advance.

Hire purchase and financial lease receivables are stated at the outstanding balances per contract values net of outstanding balances of deferred revenue, which are presented after netting deferred commission expenses and initial direct cost on the inception of the hire-purchase agreements.

Overdrafts are stated at the drawn amounts together with any accrued interest receivables.

4.11 Allowance for expected credit losses on financial assets

The Bank and its subsidiaries recognise an allowance for expected credit losses of financial assets - debt instruments, which are interbank and money market (assets), loans 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 and its subsidiaries classify its financial assets into three stages based on the changes in credit risk since initial recognition as follows:

Stage 1: Financial assets where there has not been a significant increase in credit risk (Performing)

Financial assets where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination (POCI), the Bank and its subsidiaries recognise allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months.

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

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

Stage 3: Financial assets 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 and its subsidiaries recognise allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

At every reporting date, the Bank and its subsidiaries assess 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 and its subsidiaries use 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, forbearance status for debt restructuring agreements, 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 as either 'under investment grade' or 'no rating' for investments in debt securities, etc.

The Bank and its subsidiaries assess whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Bank and its subsidiaries classify financial assets on the basis of shared credit risk characteristics, taking into account type of instrument, credit limit, internal credit ratings, overdue status, and other relevant factors.

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 and its subsidiaries consider their 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 and its subsidiaries determine both current and future economic scenario, and probability-weighted in each scenario (base scenario and downturn scenario) for calculating expected credit losses. The use of macroeconomic factors which major are included, but are not limited to, unemployment rate and property price index, etc. The Bank and its subsidiaries have established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on semi-annual basis.

In the case of investments in debt securities measured at fair value through other comprehensive income, the Bank and its subsidiaries recognise impairment charge in profit or 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 and its subsidiaries if the commitment is drawn down and the cash flows that the Bank and its subsidiaries expect 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 and its subsidiaries expect to recover.

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

Bad debts are written off during the year in which the Bank considers that they are uncollectible as approved by the Special Asset Management Credit Committee and are accounted for by deducting from the allowance for expected credit losses. All bad debt recovered are recognised as revenue on a cash basis and is presented as an offset transaction to expected credit loss accounts in profit or loss.

The Bank and its subsidiaries have a policy to write-off unsecured consumer loans that are overdue longer than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

4.12 Financial assets with modification of terms/troubled debt restructuring

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

- If the modification of terms does not result in derecognition of the financial asset, the Bank and its subsidiaries calculate the gross book 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 a gain or loss on 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 as at the date of derecognition. The difference between the book value and the fair value of the financial asset is recognised in profit or loss.

At the debt restructuring date, if debt restructuring does not result in derecognition. In the case where the respective debtor that is classified as Under Performing/Stage 2, shall be upgraded to Performing/Stage 1 if their repayment under the new debt restructuring contract have been made for at least 3 months from the restructuring date. Those debtors who are classified as Non-Performing/Stage 3 shall be upgraded to Performing/Stage 1 when repayment under the new debt restructuring contract have been made at least 12 months from the restructuring date. Nevertheless, the debtor shall not fall under the Significant Increase in Credit Risk indicators (SICR) prior to upgrading to Performing/Stage 1. However, the Bank and its subsidiaries may consider classifying the financial asset and commitment as appropriate, in order to align with the debtor's financial performance and repayment ability.

4.13 Properties foreclosed

Properties foreclosed are stated at the lower of cost and net realisable value. Net realisable value is determined by using the latest appraisal value, taking into consideration selling expenses, and in accordance with the BOT's guidelines. Properties foreclosed, which have been received as a result of a debt/asset swap are recorded at the lower of the legally claimable value of the loan or the net realisable value of the foreclosed properties.

Losses on impairment are charged to profit or loss. Gains or losses on the sale of properties foreclosed are recognised only when such properties are sold.

4.14 Premises and equipment and depreciation

Land is stated at cost or reappraised value. Buildings are stated at cost or reappraised value less accumulated depreciation and allowance for impairment loss (if any). Equipment is stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation is calculated by reference to their cost or reappraised value on a straight-line basis over the following estimated useful lives for each type of assets:

Buildings	-	50 years
Building improvement	-	10 years
Equipment	-	3 years 5 years 10 years and 25 years

No depreciation is determined for land and assets under construction/installation.

Premises are initially recorded at cost and then subsequently revalued by the independent appraisers to their fair value in accordance with the guidelines announced by the BOT. The Bank's policy is to revalue these assets every 3 - 5 years in order that their carrying value at the end of reporting period does not differ materially from their fair value.

In addition, the Bank has considered and reviewed the economic useful life of the fully depreciated buildings based on the residual economic useful life of the buildings in accordance with the appraisal of independent appraiser.

Differences arising from revaluation are dealt with as follows:

- When the carrying value of asset is increased as a result of a revaluation, the increase is credited directly to other comprehensive income (loss) and the cumulative increase is recognised in shareholders' equity as "Revaluation surplus on assets", presented as a part of other components of shareholders' equity in statement of financial position. However, if the asset was previously devalued and the Bank used to recognise such a revaluation decrease as an expense in profit or loss, a revaluation increase from this revaluation is then recognised as a revenue to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When the carrying value of asset is decreased as a result of a revaluation, the decrease is recognised as an expense in profit or loss. However, if the asset was previously revalued and still has the outstanding revaluation surplus left in "Revaluation surplus on assets", the revaluation decrease is then charged to the other comprehensive income (loss) to the extent that it does not exceed on amount already held in "Revaluation surplus on assets" in respect of the same assets.

Amortisation of the revaluation surplus on assets is charged directly against retained earnings.

The revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

An item of premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

4.15 Goodwill, other intangible assets and amortisation

Goodwill is arise from the business acquisition recognised as an integral part of "Goodwill and other intangible assets" in statement of financial position. The Bank and its subsidiaries are initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Bank and its subsidiaries' cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Bank and its subsidiaries estimate the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods. The initial recognition of goodwill was mentioned in note 4.24 to the consolidated financial statement.

Other intangible assets arise from the business acquisition such as customer relationship are initially recorded at fair value, and subsequently measured at cost less any accumulated amortisation and allowance for impairment losses (if any).

Other intangible assets are carried at cost less accumulated amortisation and allowance for impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year-end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives are customer relationship and application software, which have estimated useful lives of 10 years.

Application software and application development purchased since 1 January 2018 onwards have estimated useful lives of 5 - 8 years.

4.16 Provisions for other liabilities

Provisions for other liabilities are recognised when the Bank and its subsidiaries have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. In the event that the amount cannot be clearly identifiable, then an estimate of such obligation is made.

4.17 Impairment of non-financial assets

At each reporting date, the Bank and its subsidiaries perform impairment reviews in respect of an asset whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Bank and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where premises were previously revalued and the revaluation surplus was taken to equity, a part of such impairment loss is recognised in equity up to the amount of the revaluation surplus previously recognised.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Bank and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying value of the asset attributable to a reversal of an impairment loss shall not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying value that would have been determined, is treated as a revaluation increase.

4.18 Employee benefits

(a) Short-term benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Leave entitlements are recognised when they accrue to employees. Provision for leave entitlements is made based on contractual terms, with adjustment for expected attrition.

(b) Post-employment benefits

Defined contribution plans

The Bank, its subsidiaries and their employees established the provident funds under the Provident Fund Act B.E. 2530. According to the funds' regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the fund at the rate of 2% - 15% of their basic salary and the Bank and its subsidiaries contribute to the funds at the rate of 5% or 10% of their basic salary. The employees are entitled to the benefits upon termination of employment in accordance with the rules of the funds, except when termination of employment is due to violations of the rules and regulations of the Bank and its subsidiaries.

The funds set up by the Bank and its subsidiaries are managed independently by UOB Asset Management (Thailand) Co., Ltd. and Krungthai Asset Management Public Company Limited. Therefore, these funds do not appear in the consolidated and separate statements of financial position.

The Bank and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plan and other defined benefit plan

The Bank and its subsidiaries have severance payment obligations to employees upon retirement under labor law. The Bank and its subsidiaries treat these severance payments as the defined benefit plan. In addition, the Bank also have other long-term employment benefit scheme for employees of the Bank under the previous name of "Bank of Asia Public Co., Ltd.," who joined the Bank prior to 16 May 2005 and have been employed for at least 15 years, the benefits of which are based on the latest month's salary and the number of years of service. Employees will receive half of this other long-term employment benefits when they resign or will receive it in full when they retire. The Bank treats these benefits to be other long-term defined benefit plan.

In addition, since 1 January 2023, the Bank and its subsidiaries provide other long-term employee benefit plan, under the new "Tenure Recognition Award Plan", permanent and active employees who reach the tenure milestones on their 5th, 10th, 15th, 20th, 25th, 30th, 35th, 40th, 45th and 50th years of service.

The defined benefit plan obligations are determined by a professionally qualified independent actuary using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan are recognised in other comprehensive income or loss and other long-term benefit plan are recognised in profit or loss.

4.19 Lease

Right-of-use assets

The Bank and its subsidiaries recognise right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and 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 recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Bank and its subsidiaries are 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.

Lease liabilities

At the commencement date of the lease, the Bank and its subsidiaries recognise 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 and its subsidiaries' 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.

4.20 Share-based payments

The cost of the share-based payment plan of United Overseas Bank Limited ("major shareholder") will be invoiced by the major shareholder, and the Bank will record the invoiced amounts as a liability in statement of financial position, and recognise them as an expense in profit or loss over the vesting period as defined in the plan.

4.21 Income taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

(a) Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

(b) Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting periods.

The Bank and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences and recognise deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences.

At each reporting date, the Bank and its subsidiaries review and reduce the carrying value of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax assets to be utilised.

The Bank and its subsidiaries record deferred tax directly to shareholders' equity if the taxes relate to items that are recorded directly to shareholders' equity.

4.22 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Bank and its subsidiaries' functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies and commitments, which are limited to forward exchange contracts and currency swap contracts, outstanding at the end of reporting periods are translated into Baht at the exchange rates ruling by the BOT at the end of reporting periods.

Gains and losses on exchange are recognised in profit or loss.

4.23 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 and its subsidiaries apply 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 and its subsidiaries measure 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 categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable 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 and its subsidiaries determine 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.

4.24 Business combinations

The Bank applies the acquisition method when the Bank assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Bank. Acquisition - related costs, such as legal fees, and other professional and consulting fees are expensed as incurred and including in administration expense.

Goodwill is initially recorded at cost, which measured as the fair value of the consideration transferred less net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred is measured as the fair value of assets transferred.

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

5. 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:

5.1 Allowance for expected credit losses for loans to customers and accrued interest receivables, including loan commitments and financial guarantee contracts

The management is required to use judgement in estimation in determining the allowance for expected credit losses for loans to customers and accrued interest receivables, including loan commitments and financial guarantee contracts. The calculation of allowance for expected credit losses of the Bank and its subsidiaries 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, and estimation in 12-month forward looking loss rate including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.2 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercised 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 (the Bank and its counterparties), liquidity, correlation and long-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosure of fair value hierarchy.

5.3 Premises and equipment and depreciation

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and residual values of premises and equipment and to review estimate useful lives and residual values when circumstance changes.

The Bank measures land and buildings at revalued amounts. Fair value from revaluation is determined by independent appraisers using market approach for land and depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 17 to the financial statements.

In addition, the management is required to consider premises and equipment for impairment at the end of reporting period and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.4 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.5 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences and 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 estimate future taxable profits.

5.6 Obligations under the defined benefit plan and other long-term benefit plan

Obligations under the defined benefit plan and other long-term benefit plan are determined based on actuarial techniques which involve, various assumptions, including discount rate, future salary incremental rate, staff turnover rate, mortality rate and inflation rates. Management exercises judgement to determine the appropriateness of these assumptions, based on their best knowledge of current events and arrangements.

5.7 Litigation

The Bank has contingent liabilities as a result of litigation. The Bank's management has used judgement to assess of the results of the litigation and recorded the estimated loss that may incur under contingent liabilities as at the end of reporting periods.

6. Business acquisition

On 1 November 2022, the Bank acquired the retail businesses of Citibank N.A., Bangkok Branch, comprising ordinary shares of Citicorp Leasing (Thailand) Company Limited (changed its name to "UOB Capital Services Company Limited"), and the retail businesses of Citibank N.A., Bangkok Branch. In the meantime, UOB Services Asset Management Company Limited received the transfer of written-off receivables from Citibank, N.A., Bangkok Branch. Major transferred assets and liabilities consisted of credit card loans, personal loans, other assets and deposits.

On 15 March 2023, the Bank approved and finalised the final price of the business acquisition, amounting to Baht 61,451 million. The Bank already recorded an adjustment to the identifiable assets acquired and liabilities assumed and including the goodwill.

The following summarises recognised amounts of assets acquired and liabilities assumed at the acquisition date:

a) Acquisition of the Retail business of Citibank, N.A., Bangkok Branch

	(Unit: Million Baht)
	<u>Fair value</u>
Assets:	
Cash	7,376
Loans to customers and accrued interest receivables - net	71,682
Intangible assets - net	4,010
Other assets - net	1,292
Liabilities:	
Deposits	(31,414)
Other liabilities	(7,435)
Total identifiable net assets	<u>45,511</u>
Add: Goodwill	<u>7,603</u>
Purchase consideration transferred	<u>53,114</u>

b) Acquisition of ordinary shares of Citicorp Leasing (Thailand) Limited

	(Unit: Million Baht)
	Fair value
Assets:	
Interbank and money market items - net	877
Loans to customers and accrued interest receivables - net	19,518
Intangible assets - net	790
Other assets - net	1,024
Liabilities:	
Interbank and money market items	(15,620)
Debt issued and borrowings	(1,999)
Other liabilities	(862)
Total identifiable net assets	3,728
Add: Goodwill	3,609
Purchase consideration transferred	7,337

c) Acquisition of written-off receivables of Citibank, N.A., Bangkok Branch

	(Unit: Million Baht)
	Fair value
Assets:	
Written-off receivables	1,000
Total identifiable net assets	1,000
Add: Goodwill	-
Purchase consideration transferred	1,000

7. Regulatory rule related to capital fund and Liquidity Coverage Ratio (LCR) Disclosure Standards

7.1 Regulatory rule related to capital fund

According to the BOT's Notification Sor Nor Sor 4/2556, Sor Nor Sor 5/2556, Sor Nor Sor 14/2562 and Sor Nor Sor 15/2562, commercial banks are required to disclose certain additional capital information for their position. The Bank will disclose such information as at 31 December 2024 in its website (www.uob.co.th) by the end of April 2025. The Bank disclosed such information as at 31 December 2023 on 25 April 2024.

7.2 Regulatory rule related to Liquidity Coverage Ratio (LCR) Disclosure Standards

According to the BOT's Notification Sor Nor Sor 2/2561, commercial banks are required to disclose certain information for Liquidity Coverage Ratio (LCR). The Bank will disclose such information for the second half of the year 2024 in its website (www.uob.co.th) by the end of April 2025. The Bank disclosed such information for the first half of the year 2024 on 28 October 2024.

8. Classification of financial assets and liabilities

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2024						
	Financial instruments measured at fair value through profit or loss	Financial instruments designated to be measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets						
Cash	-	-	-	-	3,491	3,491
Interbank and money market items - net	-	-	1,675	-	74,247	75,922
Financial assets measured at fair value through profit or loss	9,728	-	-	-	-	9,728
Derivatives assets	11,608	-	-	-	-	11,608
Investments - net	768	-	127,883	81	42,665	171,397
Loans to customers and accrued interest receivables - net	-	-	-	-	628,812	628,812
Deposits	-	-	-	-	1,190	1,190
Other assets - net	-	-	-	-	5,831	5,831
Total financial assets	22,104	-	129,558	81	756,236	907,979
Financial liabilities						
Deposits	-	-	-	-	726,629	726,629
Interbank and money market items	-	-	-	-	61,576	61,576
Liabilities payable on demand	-	-	-	-	1,195	1,195
Financial liabilities measured at fair value through profit or loss	-	855	-	-	-	855
Derivatives liabilities	9,789	-	-	-	-	9,789
Debt issued and borrowings	-	-	-	-	43,177	43,177
Lease liabilities	-	-	-	-	490	490
Provision for other liabilities	-	-	-	-	1,429	1,429
Accrued expenses	-	-	-	-	5,362	5,362
Guarantee deposits	-	-	-	-	2,778	2,778
Other liabilities	-	-	-	-	8,980	8,980
Total financial liabilities	9,789	855	-	-	851,616	862,260

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2023						
	Financial instruments measured at fair value through profit or loss	Financial instruments designated to be measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets						
Cash	-	-	-	-	3,458	3,458
Interbank and money market items - net	-	-	881	-	84,567	85,448
Financial assets measured at fair value through profit or loss	7,650	-	-	-	-	7,650
Derivatives assets	12,793	-	-	-	-	12,793
Investments - net	-	-	75,286	78	32,143	107,507
Loans to customers and accrued interest receivables - net	-	-	-	-	618,182	618,182
Deposits	-	-	-	-	3,880	3,880
Other assets - net	-	-	-	-	6,288	6,288
Total financial assets	20,443	-	76,167	78	748,518	845,206
Financial liabilities						
Deposits	-	-	-	-	678,360	678,360
Interbank and money market items	-	-	-	-	38,848	38,848
Liabilities payable on demand	-	-	-	-	3,240	3,240
Financial liabilities measured at fair value through profit or loss	-	528	-	-	-	528
Derivatives liabilities	11,734	-	-	-	-	11,734
Debt issued and borrowings	-	-	-	-	45,655	45,655
Lease liabilities	-	-	-	-	435	435
Provision for other liabilities	-	-	-	-	1,011	1,011
Accrued expenses	-	-	-	-	7,390	7,390
Guarantee deposits	-	-	-	-	5,372	5,372
Other liabilities	-	-	-	-	9,551	9,551
Total financial liabilities	11,734	528	-	-	789,862	802,124

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2024						
	Financial instruments measured at fair value through profit or loss	Financial instruments designated to be measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets						
Cash	-	-	-	-	3,491	3,491
Interbank and money market items - net	-	-	1,675	-	74,229	75,904
Financial assets measured at fair value through profit or loss	9,728	-	-	-	-	9,728
Derivatives assets	11,608	-	-	-	-	11,608
Investments - net	768	-	127,883	81	42,665	171,397
Loans to customers and accrued interest receivables - net	-	-	-	-	609,165	609,165
Deposits	-	-	-	-	1,120	1,120
Other assets - net	-	-	-	-	5,456	5,456
Total financial assets	22,104	-	129,558	81	736,126	887,869
Financial liabilities						
Deposits	-	-	-	-	727,156	727,156
Interbank and money market items	-	-	-	-	55,576	55,576
Liabilities payable on demand	-	-	-	-	1,195	1,195
Financial liabilities measured at fair value through profit or loss	-	855	-	-	-	855
Derivatives liabilities	9,789	-	-	-	-	9,789
Debt issued and borrowings	-	-	-	-	33,335	33,335
Lease liabilities	-	-	-	-	386	386
Provision for other liabilities	-	-	-	-	1,427	1,427
Accrued expenses	-	-	-	-	5,168	5,168
Guarantee deposits	-	-	-	-	2,778	2,778
Other liabilities	-	-	-	-	8,749	8,749
Total financial liabilities	9,789	855	-	-	835,770	846,414

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2023						
	Financial instruments measured at fair value through profit or loss	Financial instruments designated to be measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets						
Cash	-	-	-	-	3,458	3,458
Interbank and money market items - net	-	-	881	-	83,978	84,859
Financial assets measured at fair value through profit or loss	7,650	-	-	-	-	7,650
Derivatives assets	12,793	-	-	-	-	12,793
Investments - net	-	-	75,286	78	32,143	107,507
Loans to customers and accrued interest receivables - net	-	-	-	-	600,803	600,803
Deposits	-	-	-	-	3,813	3,813
Other assets - net	-	-	-	-	6,005	6,005
Total financial assets	20,443	-	76,167	78	730,200	826,888
Financial liabilities						
Deposits	-	-	-	-	678,875	678,875
Interbank and money market items	-	-	-	-	29,848	29,848
Liabilities payable on demand	-	-	-	-	3,240	3,240
Financial liabilities measured at fair value through profit or loss	-	528	-	-	-	528
Derivatives liabilities	11,734	-	-	-	-	11,734
Debt issued and borrowings	-	-	-	-	40,787	40,787
Lease liabilities	-	-	-	-	353	353
Provision for other liabilities	-	-	-	-	1,011	1,011
Accrued expenses	-	-	-	-	7,107	7,107
Guarantee deposits	-	-	-	-	5,372	5,372
Other liabilities	-	-	-	-	9,269	9,269
Total financial liabilities	11,734	528	-	-	775,862	788,124

9. Interbank and money market items (Assets)

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2024			As at 31 December 2023		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial						
Institutions Development Fund	12,969	-	12,969	7,186	-	7,186
Commercial banks	587	44,542	45,129	10,794	34,695	45,489
Specialized Financial Institutions	-	5,000	5,000	-	22,000	22,000
Other financial institutions	4	8,301	8,305	70	6,058	6,128
Total	13,560	57,843	71,403	18,050	62,753	80,803
Add: Accrued interest receivables	-	13	13	-	27	27
Less: Deferred revenue	-	(28)	(28)	-	(20)	(20)
Allowance for expected credit losses	(62)	(33)	(95)	(28)	(27)	(55)
Total domestic items	13,498	57,795	71,293	18,022	62,733	80,755
Foreign items						
US Dollar	1,970	1,699	3,669	2,446	342	2,788
Yen	90	-	90	127	-	127
Euro	46	-	46	35	-	35
Other currencies	441	384	825	1,229	515	1,744
Total	2,547	2,083	4,630	3,837	857	4,694
Add: Accrued interest receivables	-	1	1	-	2	2
Less: Allowance for expected credit losses	(2)	-	(2)	(3)	-	(3)
Total foreign items	2,545	2,084	4,629	3,834	859	4,693
Total domestic and foreign items	16,043	59,879	75,922	21,856	63,592	85,448

(Unit: Million Baht)

Separate financial statements

	As at 31 December 2024			As at 31 December 2023		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial						
Institutions Development Fund	12,969	-	12,969	7,186	-	7,186
Commercial banks	569	44,542	45,111	10,205	34,695	44,900
Specialized Financial Institutions	-	5,000	5,000	-	22,000	22,000
Other financial institutions	4	8,301	8,305	70	6,058	6,128
Total	13,542	57,843	71,385	17,461	62,753	80,214
Add: Accrued interest receivables	-	13	13	-	27	27
Less: Deferred revenue	-	(28)	(28)	-	(20)	(20)
Allowance for expected credit losses	(62)	(33)	(95)	(28)	(27)	(55)
Total domestic items	13,480	57,795	71,275	17,433	62,733	80,166
Foreign items						
US Dollar	1,970	1,699	3,669	2,446	342	2,788
Yen	90	-	90	127	-	127
Euro	46	-	46	35	-	35
Other currencies	441	384	825	1,229	515	1,744
Total	2,547	2,083	4,630	3,837	857	4,694
Add: Accrued interest receivables	-	1	1	-	2	2
Less: Allowance for expected credit losses	(2)	-	(2)	(3)	-	(3)
Total foreign items	2,545	2,084	4,629	3,834	859	4,693
Total domestic and foreign items	16,025	59,879	75,904	21,267	63,592	84,859

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

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Government and state enterprises securities	7,011	3,966
Bill of exchange	2,717	3,684
Total financial assets measured at fair value through profit or loss	9,728	7,650

11. Derivatives assets/liabilities

11.1 Derivatives held for trading

As at 31 December 2024 and 2023, the Bank has notional amounts and fair value of derivatives classified by type of risk as follows:

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements									
	As at 31 December									
	2024					2023				
	Fair Value		Notional amounts classified by remaining maturity			Fair Value		Notional amounts classified by remaining maturity		
Assets	Liabilities	Up to 1 year *	Over 1 year	Total	Assets	Liabilities	Up to 1 year *	Over 1 year	Total	
Foreign exchange	10,214	8,373	931,371	83,809	1,015,180	11,501	10,616	744,366	95,754	840,120
Interest rate	1,167	1,240	157,942	174,831	332,773	1,210	1,022	116,557	165,718	282,275
Bond forward	-	9	190	-	190	7	18	300	-	300
Commodity derivatives	181	179	1,456	-	1,456	82	80	1,171	579	1,750
Credit/Debit value adjustments (CVA/DVA)	(60)	(17)	-	-	-	(80)	(29)	-	-	-
Total	11,502	9,784	1,090,959	258,640	1,349,599	12,720	11,707	862,394	262,051	1,124,445

* Including derivatives have maturity at call.

11.2 Derivatives held for hedging

As at 31 December 2024 and 2023, hedging instrument classified by type of hedging and risk are detailed as follows:

Fair value hedges

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

(Unit: Million Baht)				
Consolidated and separate financial statements				
31 December 2024				
Type of risk	Carrying amount		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
<u>Interest rate risk</u>				
THB fixed-rate investments in debt securities	768	-	2	-
THB fixed-rate debt issued	-	8,600	-	100

(Unit: Million Baht)				
Consolidated and separate financial statements				
31 December 2023				
Type of risk	Carrying amount		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
<u>Interest rate risk</u>				
THB fixed-rate debt issued	-	11,052	-	52

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

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements		
	31 December 2024		
	Notional amounts	Fair value	
		Assets	Liabilities
<u>Interest rate risk</u>			
Interest rate swap	9,200	106	5

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements		
	31 December 2023		
	Notional amounts	Fair value	
		Assets	Liabilities
<u>Interest rate risk</u>			
Interest rate swap	11,000	73	27

The below table sets out the outcome of the Bank's hedging strategy, set out in Note 4.6 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:

(Unit: Million Baht)

Type of risk		Consolidated and separate financial statements		
		For the year ended 31 December 2024		
		Gains (losses) attributable to the hedged risk		Change in fair value used for measuring ineffectiveness
Hedged items	Hedging instruments	Hedged items	Hedging instruments	
<u>Interest rate risk</u>				
THB fixed-rate investment in debt securities	Interest rate swap	(2)	2	-
THB fixed-rate debt issued	Interest rate swap	(47)	47	-

(Unit: Million Baht)

Type of risk		Consolidated and separate financial statements		
		For the year ended 31 December 2023		
Hedged items		Gains (losses) attributable to the hedged risk		Change in fair value used for measuring ineffectiveness
		Hedging instruments	Hedging instruments	
Interest rate risk				
THB fixed-rate debt issued	Interest rate swap	32	(32)	-

12. Investments

12.1 Classified by types of investment

As at 31 December 2024 and 2023, the Bank has investments, as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
	Fair value/ Amortised cost	Fair value/ Amortised cost
Investments in debt securities measured at amortised cost		
Government and state enterprises securities	42,689	32,161
Less: Allowance for expected credit losses	(24)	(18)
Total	42,665	32,143
Investments in debt securities measured at fair value through other comprehensive income		
Government and state enterprises securities	123,195	74,082
Private enterprise debt securities	5,456	1,204
Total	128,651	75,286
Allowance for expected credit losses	(81)	(43)
Investments in equity securities designated to be measured at fair value through other comprehensive income		
Non-marketable domestic equity securities	78	75
Non-marketable foreign equity securities	3	3
Total	81	78
Investments - net	171,397	107,507

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

(Unit: Million Baht)

	Consolidated and separate financial statements			
	Fair value		Dividend income	
	As at 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Non-marketable domestic equity securities	78	75	19	16
Non-marketable foreign equity securities	3	3	-	-
Total	81	78	19	16

As at 31 December 2024, the Bank has commitments to purchase debt securities of Baht 767 million (31 December 2023: nil) and has commitments to sell debt securities of Baht 2,976 million (31 December 2023: Baht 205 million).

For the year ended 31 December 2024, the Bank has no disposed equity investments designated to be measured at fair value through other comprehensive income (During the year ended 2023: Baht 4 million).

13. Investments in subsidiaries

Company's name	Nature of business	Type of security	Paid-up share capital		Percentage of shareholding		Separate financial statements				
			Investments stated under		cost method		Dividend income recognised		For the years ended		
			As at		As at		As at		31 December		
			31 December	31 December	2024	2023	2024	2023	2024	2023	
				(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Subsidiaries											
UOB Services Asset Management Co., Ltd.	Debt Collection and Asset Management Services	Ordinary shares	60	60	99.99	99.99	60	60	25	500	
UOB Capital Services Co., Ltd.	Personal Loan Product and Insurance Agency Services	Ordinary shares	3,324	3,324	99.99	99.99	8,537	8,537	-	-	
								<u>8,597</u>	<u>8,597</u>	<u>25</u>	<u>500</u>

14. Loans to customers and accrued interest receivables

14.1 Classified by loan types

(Unit: Million Baht)

	Consolidated financial statements	
	As at 31 December	
	2024	2023
Overdrafts	13,888	13,843
Loans	487,489	481,266
Trade bills	133,332	131,154
Others	3,677	3,403
Less: Deferred revenue	(55)	(113)
Loans to customers, net of deferred revenue	638,331	629,553
Add: Accrued interest receivables	7,881	7,585
Loans to customers, net of deferred revenue, and accrued interest receivables	646,212	637,138
Less: Allowance for expected credit losses	(17,400)	(18,956)
Loans to customers and accrued interest receivables - net	628,812	618,182

(Unit: Million Baht)

	Separate financial statements	
	As at 31 December	
	2024	2023
Overdrafts	13,888	13,843
Loans	466,791	462,818
Trade bills	133,332	131,154
Others	3,677	3,403
Less: Deferred revenue	(55)	(113)
Loans to customers, net of deferred revenue	617,633	611,105
Add: Accrued interest receivables	7,546	7,353
Loans to customers, net of deferred revenue, and accrued interest receivables	625,179	618,458
Less: Allowance for expected credit losses	(16,014)	(17,655)
Loans to customers and accrued interest receivables - net	609,165	600,803

14.2 Classified by currencies and debtors' residency

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2024			2023		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	623,650	3,591	627,241	606,630	3,198	609,828
US Dollar	9,368	1,226	10,594	13,728	3,835	17,563
Other currencies	390	106	496	560	1,602	2,162
Loans to customers, net of deferred revenue	<u>633,408</u>	<u>4,923</u>	<u>638,331</u>	<u>620,918</u>	<u>8,635</u>	<u>629,553</u>

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2024			2023		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	602,952	3,591	606,543	588,182	3,198	591,380
US Dollar	9,368	1,226	10,594	13,728	3,835	17,563
Other currencies	390	106	496	560	1,602	2,162
Loans to customers, net of deferred revenue	<u>612,710</u>	<u>4,923</u>	<u>617,633</u>	<u>602,470</u>	<u>8,635</u>	<u>611,105</u>

14.3 Classified by loan classification

(Unit: Million Baht)

		Consolidated financial statements			
		As at 31 December			
		2024		2023	
		Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)		587,015	4,635	586,815	4,602
Financial assets where there has been a significant increase in credit risk (Under-Performing)		34,997	2,111	29,193	4,212
Financial assets that are credit-impaired (Non-Performing)		24,200	10,654	21,130	10,142
Total		646,212	17,400	637,138	18,956

(Unit: Million Baht)

		Separate financial statements			
		As at 31 December			
		2024		2023	
		Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)		569,226	3,998	569,789	4,311
Financial assets where there has been a significant increase in credit risk (Under-Performing)		32,892	1,956	27,924	3,444
Financial assets that are credit-impaired (Non-Performing)		23,061	10,060	20,745	9,900
Total		625,179	16,014	618,458	17,655

15. Allowance for expected credit losses

(Unit: Million Baht)

Consolidated financial statements					
As at 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)	Financial assets that are credit impaired or originated credit impaired	Total
Interbank and money market items (assets)					
Beginning balance	58	-	-	-	58
Changes due to revaluation of allowance for credit losses	39	-	-	-	39
Ending balance	97	-	-	-	97
Investments in debt securities measured at amortised cost					
Beginning balance	18	-	-	-	18
Changes due to revaluation of allowance for credit losses	6	-	-	-	6
Ending balance	24	-	-	-	24
Investments in debt securities measured at fair value through other comprehensive income					
Beginning balance	43	-	-	-	43
Changes due to revaluation of allowance for credit losses	32	-	-	-	32
New financial assets purchased or acquired	11	-	-	-	11
Others	(5)	-	-	-	(5)
Ending balance	81	-	-	-	81
Loans to customers and accrued interest receivables					
Beginning balance	4,602	4,212	10,142	-	18,956
Changes due to changes in stages	736	349	(1,085)	-	-
Changes due to revaluation of allowance for credit losses	(1,421)	(2,492)	5,701	-	1,788
New financial assets purchased or acquired	801	188	100	-	1,089
Bad debt written-off	-	-	(4,204)	-	(4,204)
Others	(83)	(146)	-	-	(229)
Ending balance	4,635	2,111	10,654	-	17,400

(Unit: Million Baht)

Consolidated financial statements

As at 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)	Financial assets that are credit impaired at purchased or originated credit impaired	Total
Interbank and money market items (assets)					
Beginning balance	62	-	-	-	62
Changes due to revaluation of allowance for credit losses	(4)	-	-	-	(4)
Ending balance	58	-	-	-	58
Investments in debt securities measured at amortised cost					
Beginning balance	21	-	-	-	21
Changes due to revaluation of allowance for credit losses	(3)	-	-	-	(3)
Ending balance	18	-	-	-	18
Investments in debt securities measured at fair value through other comprehensive income					
Beginning balance	39	-	-	-	39
Changes due to revaluation of allowance for credit losses	4	-	-	-	4
Ending balance	43	-	-	-	43
Loans to customers and accrued interest receivables					
Beginning balance	5,287	3,813	8,364	43	17,507
Changes due to changes in stages	(91)	1,278	(1,187)	-	-
Changes due to revaluation of allowance for credit losses	(1,354)	(1,906)	7,009	(43)	3,706
New financial assets purchased or acquired	917	1,151	500	-	2,568
Bad debt written-off	-	-	(4,544)	-	(4,544)
Others	(157)	(124)	-	-	(281)
Ending balance	4,602	4,212	10,142	-	18,956

(Unit: Million Baht)

	Separate financial statements				
	As at 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)	Financial assets that are credit impaired at purchased or originated credit impaired	Total
Interbank and money market items (assets)					
Beginning balance	58	-	-	-	58
Changes due to revaluation of allowance for credit losses	39	-	-	-	39
Ending balance	97	-	-	-	97
Investments in debt securities measured at amortised cost					
Beginning balance	18	-	-	-	18
Changes due to revaluation of allowance for credit losses	6	-	-	-	6
Ending balance	24	-	-	-	24
Investments in debt securities measured at fair value through other comprehensive income					
Beginning balance	43	-	-	-	43
Changes due to revaluation of allowance for credit losses	32	-	-	-	32
New financial assets purchased or acquired	11	-	-	-	11
Others	(5)	-	-	-	(5)
Ending balance	81	-	-	-	81
Loans to customers and accrued interest receivables					
Beginning balance	4,311	3,444	9,900	-	17,655
Changes due to changes in stages	785	280	(1,065)	-	-
Changes due to revaluation of allowance for credit losses	(1,510)	(1,776)	4,723	-	1,437
New financial assets purchased or acquired	495	154	47	-	696
Bad debt written-off	-	-	(3,545)	-	(3,545)
Others	(83)	(146)	-	-	(229)
Ending balance	3,998	1,956	10,060	-	16,014

(Unit: Million Baht)

	Separate financial statements				
	As at 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)	Financial assets that are credit impaired at purchased or originated credit impaired	Total
Interbank and money market items (assets)					
Beginning balance	62	-	-	-	62
Changes due to revaluation of allowance for credit losses	(4)	-	-	-	(4)
Ending balance	58	-	-	-	58
Investments in debt securities measured at amortised cost					
Beginning balance	21	-	-	-	21
Changes due to revaluation of allowance for credit losses	(3)	-	-	-	(3)
Ending balance	18	-	-	-	18
Investments in debt securities measured at fair value through other comprehensive income					
Beginning balance	39	-	-	-	39
Changes due to revaluation of allowance for credit losses	4	-	-	-	4
Ending balance	43	-	-	-	43
Loans to customers and accrued interest receivables					
Beginning balance	4,842	3,208	8,218	43	16,311
Changes due to changes in stages	(6)	974	(968)	-	-
Changes due to revaluation of allowance for credit losses	(1,048)	(1,424)	6,433	(43)	3,918
New financial assets purchased or acquired	680	810	412	-	1,902
Bad debt written-off	-	-	(4,195)	-	(4,195)
Others	(157)	(124)	-	-	(281)
Ending balance	4,311	3,444	9,900	-	17,655

16. Properties foreclosed

Properties foreclosed represent properties obtained from debtors as a result of debt restructuring or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction including the owned premises of the closed branches awaiting for sale.

As at 31 December 2024 and 2023, properties foreclosed are summarised as follows:

(Unit: Million Baht)

Type of properties foreclosed	Consolidated and separate financial statements			
	For the year ended 31 December 2024			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,033	26	(354)	1,705
Movable	-	-	-	-
Total properties foreclosed	2,033	26	(354)	1,705
Less: Allowance for impairment	(1,860)	(2)	322	(1,540)
Properties foreclosed - net	173	24	(32)	165

(Unit: Million Baht)

Type of properties foreclosed	Consolidated and separate financial statements			
	For the year ended 31 December 2023			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,024	46	(37)	2,033
Movable	-	-	-	-
Total properties foreclosed	2,024	46	(37)	2,033
Less: Allowance for impairment	(1,860)	-	-	(1,860)
Properties foreclosed - net	164	46	(37)	173

As at 31 December 2024 and 2023, costs of immovable properties foreclosed were classified by external and internal appraisers as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Properties foreclosed - immovable		
Appraised by external appraisers	1,705	2,033
Appraised by internal appraisers	-	-
Total	1,705	2,033

As at 31 December 2024, the Bank has commitments to sell foreclosed properties (historical cost) amounting to Baht 1,501 million (31 December 2023: Baht 1,823 million).

17. Premises and equipment

17.1 Movements

	(Unit: Million Baht)				
	Consolidated financial statements				
	Revaluation basis		Cost basis		
	Land	Buildings	Building improvement and equipment	Assets under construction/ installation	Total
Cost/Revaluation					
As at 1 January 2023	9,217	5,012	6,889	114	21,232
Acquisitions	-	1	549	521	1,071
Transfer in (out)	-	16	182	(198)	-
Disposal and written off	(27)	(3)	(624)	-	(654)
As at 31 December 2023	9,190	5,026	6,996	437	21,649
Acquisitions	-	-	508	1,497	2,005
Transfer in (out)	-	-	258	(258)	-
Disposal and written off	-	-	(100)	-	(100)
As at 31 December 2024	9,190	5,026	7,662	1,676	23,554
Accumulated depreciation					
As at 1 January 2023	-	(871)	(3,552)	-	(4,423)
Depreciation charged for the year	-	(110)	(590)	-	(700)
Disposal and written off	-	2	617	-	619
As at 31 December 2023	-	(979)	(3,525)	-	(4,504)
Depreciation charged for the year	-	(110)	(660)	-	(770)
Disposal and written off	-	-	98	-	98
As at 31 December 2024	-	(1,089)	(4,087)	-	(5,176)
Net book value					
As at 31 December 2023	9,190	4,047	3,471	437	17,145
As at 31 December 2024	9,190	3,937	3,575	1,676	18,378
Depreciation included in profit or loss for the years ended 31 December					
2023					700
2024					770

(Unit: Million Baht)

Separate financial statements

	Revaluation basis		Cost basis		Total
	Land	Buildings	Building improvement and equipment	Assets under construction/ installation	
Cost/Revaluation					
As at 1 January 2023	9,217	5,012	6,755	114	21,098
Acquisitions	-	1	503	521	1,025
Transfer in (out)	-	16	182	(198)	-
Disposal and written off	(27)	(3)	(624)	-	(654)
As at 31 December 2023	9,190	5,026	6,816	437	21,469
Acquisitions	-	-	486	1,497	1,983
Transfer in (out)	-	-	258	(258)	-
Disposal and written off	-	-	(100)	-	(100)
As at 31 December 2024	9,190	5,026	7,460	1,676	23,352
Accumulated depreciation					
As at 1 January 2023	-	(871)	(3,478)	-	(4,349)
Depreciation charged for the year	-	(110)	(559)	-	(669)
Disposal and written off	-	2	617	-	619
As at 31 December 2023	-	(979)	(3,420)	-	(4,399)
Depreciation charged for the year	-	(110)	(640)	-	(750)
Disposal and written off	-	-	98	-	98
As at 31 December 2024	-	(1,089)	(3,962)	-	(5,051)
Net book value					
As at 31 December 2023	9,190	4,047	3,396	437	17,070
As at 31 December 2024	9,190	3,937	3,498	1,676	18,301
Depreciation included in profit or loss for the years ended 31 December					
2023					669
2024					750

Had the land and buildings been carried based on a historical cost basis, their net book value as at 31 December 2024 and 2023 would have been as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Land		
Cost	2,226	2,226
Buildings		
Cost	4,157	4,157
Accumulated depreciation	(908)	(831)
Net book value	3,249	3,326

As at 31 December 2024, certain buildings and equipment items of the Bank and its subsidiaries were fully depreciated but are still in use. The historical costs or the reappraised values, before deducting accumulated depreciation, of those assets totalled Baht 2,283 million (31 December 2023: Baht 2,031 million) and the Bank only: Baht 2,191 million (31 December 2023: Baht 1,987 million).

17.2 Revaluation surplus on assets

Revaluation surplus on assets are surplus from revaluation of land and buildings. Their movements during the years are as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2024	2023
Beginning balances	7,757	7,791
Revaluation surplus for the years	-	-
Amortisation for the years	(33)	(34)
Ending balances	7,724	7,757

Revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

Differences arising from revaluation on assets are recognised in accordance with the accounting policy as described in Note 4.14 to the financial statements.

During the year 2020, the Bank arranged for independent professional valuers to appraise the value of land and buildings on an asset-by-asset basis. The basis of the revaluation was as follows:

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.
- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate income.

Key assumptions in the valuation, which are unobservable inputs generally, are summarised below:

	Assumptions used in revaluation	Result to fair value where as an increase in assumption value
Land price per square wah (Baht)	50,058 - 2,500,000	Increase in fair value (Market comparison approach)
Building construction cost per square metre (Baht)	9,800 - 47,376	Increase in fair value (Depreciated replacement cost approach)
Yield rate (%)	11	Decrease in fair value (Income approach)

18. Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

	(Unit: Million Baht)		
	Consolidated financial statements		
	Buildings	Motor vehicles	Total
Cost			
As at 1 January 2023	1,042	114	1,156
Additions	303	7	310
Closed contract	(34)	(19)	(53)
As at 31 December 2023	1,311	102	1,413
Additions	300	52	352
Closed contract	(70)	(49)	(119)
As at 31 December 2024	1,541	105	1,646
Accumulated depreciation			
As at 1 January 2023	(621)	(66)	(687)
Depreciation for the year	(269)	(29)	(298)
Closed contract	34	19	53
As at 31 December 2023	(856)	(76)	(932)
Depreciation for the year	(282)	(29)	(311)
Closed contract	70	49	119
As at 31 December 2024	(1,068)	(56)	(1,124)
Net book value			
As at 31 December 2023	455	26	481
As at 31 December 2024	473	49	522
Depreciation included in profit or loss for the years ended 31 December			
2023			298
2024			311

(Unit: Million Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
Cost			
As at 1 January 2023	977	114	1,091
Additions	230	7	237
Closed contract	(34)	(19)	(53)
As at 31 December 2023	1,173	102	1,275
Additions	214	52	266
Closed contract	(70)	(49)	(119)
As at 31 December 2024	1,317	105	1,422
Accumulated depreciation			
As at 1 January 2023	(614)	(66)	(680)
Depreciation for the year	(219)	(29)	(248)
Closed contract	34	19	53
As at 31 December 2023	(799)	(76)	(875)
Depreciation for the year	(216)	(29)	(245)
Closed contract	70	49	119
As at 31 December 2024	(945)	(56)	(1,001)
Net book value			
As at 31 December 2023	374	26	400
As at 31 December 2024	372	49	421
Depreciation included in profit or loss for the years ended 31 December			
2023			248
2024			245

19. Goodwill and other intangible assets

(Unit: Million Baht)

	Consolidated financial statements					Total
	Goodwill	Customer relationship	Application software	Assets in progress	Others	
Cost						
As at 1 January 2023	11,657	4,229	3,817	146	2	19,851
Adjustment on items acquired						
from business acquisition	(445)	571	-	-	5	131
Acquisitions	-	-	237	532	-	769
Transfer in (out)	-	-	219	(219)	-	-
Written off	-	-	(885)	-	-	(885)
As at 31 December 2023	11,212	4,800	3,388	459	7	19,866
Acquisitions	-	-	63	327	-	390
Transfer in (out)	-	-	532	(532)	-	-
Written off	-	-	(8)	(2)	-	(10)
As at 31 December 2024	11,212	4,800	3,975	252	7	20,246
Accumulated amortisation						
As at 1 January 2023	-	(67)	(2,568)	-	-	(2,635)
Amortisation for the year	-	(445)	(300)	-	-	(745)
Written off	-	-	885	-	-	885
As at 31 December 2023	-	(512)	(1,983)	-	-	(2,495)
Amortisation for the year	-	(486)	(361)	-	-	(847)
Written off	-	-	3	-	-	3
As at 31 December 2024	-	(998)	(2,341)	-	-	(3,339)
Net book value						
As at 31 December 2023	11,212	4,288	1,405	459	7	17,371
As at 31 December 2024	11,212	3,802	1,634	252	7	16,907
Remaining useful lives (years)	-	8	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December						
2023						745
2024						847

(Unit: Million Baht)

	Separate financial statements					Total
	Goodwill	Customer relationship	Application software	Assets in progress	Others	
Cost						
As at 1 January 2023	8,112	3,469	3,816	146	2	15,545
Adjustment on items acquired						
from business acquisition	(509)	541	-	-	5	37
Acquisitions	-	-	237	532	-	769
Transfer in (out)	-	-	219	(219)	-	-
Written off	-	-	(885)	-	-	(885)
As at 31 December 2023	7,603	4,010	3,387	459	7	15,466
Acquisitions	-	-	63	327	-	390
Transfer in (out)	-	-	532	(532)	-	-
Written off	-	-	(8)	(2)	-	(10)
As at 31 December 2024	7,603	4,010	3,974	252	7	15,846
Accumulated amortisation						
As at 1 January 2023	-	(54)	(2,568)	-	-	(2,622)
Amortisation for the year	-	(367)	(300)	-	-	(667)
Written off	-	-	885	-	-	885
As at 31 December 2023	-	(421)	(1,983)	-	-	(2,404)
Amortisation for the year	-	(407)	(361)	-	-	(768)
Written off	-	-	3	-	-	3
As at 31 December 2024	-	(828)	(2,341)	-	-	(3,169)
Net book value						
As at 31 December 2023	7,603	3,589	1,404	459	7	13,062
As at 31 December 2024	7,603	3,182	1,633	252	7	12,677
Remaining useful lives (years)	-	8	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December						
2023						667
2024						768

The Bank allocates goodwill acquired through business combination group of assets that generates cash inflows for annual impairment testing as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2024	2023	2024	2023
	Retail Banking	Retail Banking	Retail Banking	Retail Banking
Goodwill	11,212	11,212	7,603	7,603

The Bank has determined the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by the management covering a 5-year period for Retail Banking.

The management has considered terminal growth rate from the forecasted GDP growth rates and discount rate is reference to Cost of Equity (ke) as a pre-tax rate to reflect the risks specific to each cash-generating unit as key assumptions used in value in use calculations.

The management has considered the above and believes that there is no occurrence of impairment of goodwill.

The management believes that any reasonably possible change in the key assumptions on which the group of units' recoverable amount are based would not cause the group of units' carrying amount to exceed its recoverable amount.

As at 31 December 2024, certain items of other intangible assets of the Bank and its subsidiaries were fully amortised but are still in use. The historical costs, before deducting accumulated amortisation, of those assets totalled Baht 953 million (31 December 2023: Baht 796 million) and The Bank only: Baht 953 million (31 December 2023: Baht 796 million).

20. Deferred tax assets/liabilities and income tax expenses

20.1 Deferred tax assets/liabilities

The following table shows major components of deferred tax assets/liabilities as at 31 December 2024 and 2023.

	Consolidated financial statements				Separate financial statements			
	Statement of financial position		Changes in deferred income taxes		Statement of financial position		Changes in deferred income taxes	
	as at 31 December		for the years ended 31 December		as at 31 December		for the years ended 31 December	
	2024	2023	2024	2023	2024	2023	2024	2023
(Unit: Million Baht)								
Deferred tax assets on:								
Allowance for expected credit losses	620	435	185	(133)	346	175	171	(233)
Allowance for impairment on properties foreclosed	308	372	(64)	-	308	372	(64)	-
Allowance for impairment and revaluation on assets	3	3	-	-	3	3	-	-
Allowance for impairment and revaluation on investments	12	16	(4)	-	12	16	(4)	-
Provisions for long-term employee benefits	551	468	83	51	511	438	73	44
Provisions for other liabilities	11	70	(59)	39	11	70	(59)	39
Unrealised losses on financial instruments measured at fair value through profit or loss	29	21	8	(6)	29	21	8	(6)
Revaluation deficit on investments	-	79	(79)	(116)	-	79	(79)	(116)
Bad debts	271	172	99	(96)	1	1	-	-
Other receivables	7	9	(2)	3	7	9	(2)	3
Unearned revenue	158	226	(68)	(23)	158	226	(68)	(23)
Accrued expenses	276	292	(16)	25	275	292	(17)	41
Fixed asset	92	54	38	17	55	31	24	3
Deferred revenue - customer loyalty program	643	705	(62)	68	643	705	(62)	68
Others	49	135	(86)	532	31	121	(90)	543
Total	3,030	3,057	(27)	361	2,390	2,559	(169)	363
Deferred tax liabilities on:								
Revaluation surplus on assets	1,545	1,551	6	7	1,545	1,551	6	7
Revaluation surplus on investments	428	5	(423)	-	428	5	(423)	-
Unrealised gains on financial instruments measured at fair value through profit or loss	3	4	1	(4)	3	4	1	(4)
Intangible asset	124	140	16	10	-	-	-	-
Others	-	28	28	26	-	28	28	26
Total	2,100	1,728	(372)	39	1,976	1,588	(388)	29
Deferred tax assets - net	930	1,329			414	971		
Changes in deferred income taxes			(399)	400			(557)	392

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2024	2023	2024	2023
Beginning balances	1,329	929	971	579
Changes in deferred income taxes				
Recognised in profit or loss	93	499	(65)	492
Recognised in other comprehensive income or loss	(492)	(93)	(492)	(100)
Recognised from business acquisition	-	(6)	-	-
Total changes in deferred income taxes for the years	(399)	400	(557)	392
Ending balances	930	1,329	414	971

20.2 Income tax expenses

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2024	2023	2024	2023
Current income taxes:				
Current income tax charge for the years	395	1,394	240	1,187
Adjustments in respect of corporate income taxes of previous year	(94)	(95)	(102)	(109)
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(93)	(499)	65	(492)
Income tax expenses reported in profit or loss	208	800	203	586

Reconciliation 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 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Accounting profits before income tax expenses	916	3,734	910	3,233
Applicable tax rate	20%	20%	20%	20%
Accounting profits before income tax expenses multiplied by applicable tax rate	183	747	182	647
Tax effects from:				
Adjustments in respect of corporate income taxes of previous year	(94)	(95)	(102)	(109)
Tax-exempted revenues	(7)	(2)	(7)	(102)
Non-tax deductible expenses	29	33	26	18
Adjustments	97	117	104	132
Income tax expenses reported in profit or loss	208	800	203	586

20.3 Components of other comprehensive income (losses) and related income taxes

(Unit: Million Baht)

	Consolidated financial statements					
	For the years ended 31 December					
	2024			2023		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit (expense)	Net of tax amount
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	2,508	(502)	2,006	579	(116)	463
Total items to be recognised						
subsequently in profit or loss	2,508	(502)	2,006	579	(116)	463
Items not to be recognised						
subsequently in profit or loss:						
Gains on revaluation						
of investments in equity						
securities designated to be						
measured at fair value						
through other comprehensive						
income	4	(1)	3	2	-	2
Actuarial losses on defined						
benefit plans	(54)	11	(43)	(114)	23	(91)
Total items not to be						
recognised subsequently in						
profit or loss	(50)	10	(40)	(112)	23	(89)
	2,458	(492)	1,966	467	(93)	374

(Unit: Million Baht)

Separate financial statements					
For the years ended 31 December					
2024			2023		
Tax			Tax		
Before tax amount	benefit (expense)	Net of tax amount	Before tax amount	benefit (expense)	Net of tax amount
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					
2,508	(502)	2,006	579	(116)	463
Total items to be recognised					
subsequently in profit or loss					
2,508	(502)	2,006	579	(116)	463
Items not to be recognised					
subsequently in profit or loss:					
Gains on revaluation					
of investments in equity					
securities designated to be					
measured at fair value					
through other comprehensive					
income					
4	(1)	3	2	-	2
Actuarial losses on defined					
benefit plans					
(50)	10	(40)	(82)	16	(66)
Total items not to be					
recognised subsequently in					
profit or loss					
(46)	9	(37)	(80)	16	(64)
2,462	(493)	1,969	499	(100)	399

21. Other assets

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2024	2023	2024	2023
Accrued income	735	865	676	862
Suspense debtors	2,456	2,962	2,360	2,952
Prepaid and deferred expenses	518	504	294	295
Other receivables from sold non-performing loans - net	7	68	7	68
Others	2,469	2,079	2,471	2,018
Total	6,185	6,478	5,808	6,195
Less: Allowance for expected credit losses/impairment	(354)	(190)	(352)	(190)
Other assets - net	5,831	6,288	5,456	6,005

22. Deposits

22.1 Classified by types of deposits

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2024	2023	2024	2023
Current accounts	14,096	12,231	14,533	12,529
Savings accounts	505,797	450,964	505,825	451,181
Fixed deposits	206,736	215,165	206,798	215,165
Total	726,629	678,360	727,156	678,875

22.2 Classified by currencies and depositors' residency

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2024			2023		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	669,732	23,689	693,421	623,861	22,597	646,458
US Dollar	23,532	3,855	27,387	21,714	4,094	25,808
Others	1,730	4,091	5,821	2,125	3,969	6,094
Total	694,994	31,635	726,629	647,700	30,660	678,360

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2024			2023		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	670,259	23,689	693,948	624,376	22,597	646,973
US Dollar	23,532	3,855	27,387	21,714	4,094	25,808
Others	1,730	4,091	5,821	2,125	3,969	6,094
Total	695,521	31,635	727,156	648,215	30,660	678,875

23. Interbank and money market items (Liabilities)

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2024			2023		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund	-	6,653	6,653	-	6,177	6,177
Commercial banks	52	15,000	15,052	35	9,000	9,035
Specialized Financial Institutions	7	11,947	11,954	69	3,018	3,087
Other financial institutions	16,352	1,034	17,386	18,269	636	18,905
Total domestic items	16,411	34,634	51,045	18,373	18,831	37,204
Foreign items						
US Dollar	-	10,196	10,196	-	-	-
Singapore Dollar	-	-	-	-	1,039	1,039
Other currencies	335	-	335	605	-	605
Total foreign items	335	10,196	10,531	605	1,039	1,644
Total domestic and foreign items	16,746	44,830	61,576	18,978	19,870	38,848

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2024			2023		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund	-	6,653	6,653	-	6,177	6,177
Commercial banks	52	9,000	9,052	35	-	35
Specialized Financial Institutions	7	11,947	11,954	69	3,018	3,087
Other financial institutions	16,352	1,034	17,386	18,269	636	18,905
Total domestic items	16,411	28,634	45,045	18,373	9,831	28,204
Foreign items						
US Dollar	-	10,196	10,196	-	-	-
Singapore Dollar	-	-	-	-	1,039	1,039
Other currencies	335	-	335	605	-	605
Total foreign items	335	10,196	10,531	605	1,039	1,644
Total domestic and foreign items	16,746	38,830	55,576	18,978	10,870	29,848

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

(Unit: Million Baht)

	Consolidated and separate financial statements	
	Fair value	
	As at 31 December	
	2024	2023
Debts issued	855	528

The Bank presents the effects of changes in credit risk in other comprehensive income as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2024	2023
	The cumulative change in fair value that is attributable to changes in the credit risk recognised in other comprehensive income	0.13
The difference between carrying amount and the contractually amount required to pay at maturity	(3.29)	1.93

25. Debts issued and borrowings

As at 31 December 2024 and 2023, debts issued and borrowings comprised subordinated debentures, senior debentures and additional tier 1 subordinated debentures. They are classified by type of securities, maturity, interest rate and currency as follows:

(Unit: Million Baht)

Consolidated financial statements					
Type	Maturity	Interest/discount rate per annum (%)	Currency	Amount	
				As at 31 December	
				2024	2023
a) Subordinated Debentures	7 Jun 2032	4.07	THB	13,837	13,808
b) Subordinated Debentures	19 Sep 2034	4.00	THB	5,000	5,000
c) Senior Debentures	23 Sep 2024	0.97	THB	-	5,000
d) Senior Debentures	26 Apr 2025	2.01	THB	2,498	2,487
e) Senior Debentures	26 Apr 2024	1.53	THB	-	2,492
f) Senior Debentures	18 Jul 2025	2.80	THB	2,953*	2,874*
g) Senior Debentures	20 Jul 2026	2.99	THB	1,998	1,994
h) Senior Debentures	26 Jun 2026	2.87	THB	2,394*	-
i) Senior Debentures	28 Jun 2027	3.00	THB	2,497	-
Additional Tier 1 Subordinated Debentures	No maturity	5.10	THB	12,000	12,000
Total				43,177	45,655

*Zero Coupon Bond

(Unit: Million Baht)

Separate financial statements					
Type	Maturity	Interest rate per annum (%)	Currency	Amount	
				As at 31 December	
				2024	2023
a) Subordinated Debentures	7 Jun 2032	4.07	THB	13,837	13,808
b) Subordinated Debentures	19 Sep 2034	4.00	THB	5,000	5,000
c) Senior Debentures	23 Sep 2024	0.97	THB	-	5,000
d) Senior Debentures	26 Apr 2025	2.01	THB	2,498	2,487
e) Senior Debentures	26 Apr 2024	1.53	THB	-	2,492
Additional Tier 1 Subordinated Debentures	No maturity	5.10	THB	12,000	12,000
Total				33,335	40,787

Subordinated debentures

- a) On 7 June 2022, the Bank issued Subordinated Debenture No.1/2022 amounting to Baht 13,735 million, via private placement to institutional and/or high net worth investors. The debentures have a tenor of 10 years and bear interest at the rate of 4.07% per annum, and the Bank has the right to make early redemption, as approved by the BOT. The debentures have loss absorption features that will come into effect at the point of non-viability, in accordance with the BOT guidelines laid down with reference to Basel III framework. On 24 June 2022, the BOT granted an approval for the Bank to count proceeds received from the issue of the above subordinated debentures as a part of its Tier 2 capital.

- b) On 19 September 2022, the Bank issued Subordinated Debenture No. 3/2022 amounting to Baht 5,000 million, via private placement to institutional and/or high net worth investors. The debentures have a tenor of 12 years and bear interest at the rate of 4.00% per annum, and the Bank has the right to make early redemption, as approved by the BOT. The debentures have loss absorption features that will come into effect at the point of non-viability, in accordance with the BOT guidelines laid down with reference to Basel III framework. On 28 September 2022, the BOT granted an approval for the Bank to count proceeds received from the issue of the above subordinated debentures as a part of its Tier 2 capital.

Senior debentures

- c) On 23 September 2021, the Bank issued the unsecured senior debentures without debenture holder representatives amounting to Baht 5,000 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 3 years with semi-annual coupon payment and bear interest at the rate of 0.97% per annum. The Bank redeemed the unsecured senior debentures at maturity date on 23 September 2024.

- d) On 26 April 2022, the Bank issued the unsecured senior debentures without debenture holder representatives amounting to Baht 2,500 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 3 years with semi-annual coupon payment and bear interest at the rate of 2.01% per annum.

- e) On 26 April 2022, the Bank issued the unsecured senior debentures without debenture holder representatives amounting to Baht 2,500 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 2 years with semi-annual coupon payment and bear interest at the rate of 1.53% per annum. However, the Bank redeemed the unsecured senior debentures at maturity date on 26 April 2024.
- f) On 20 July 2023, a subsidiary issued the unsecured senior debentures without debenture holder representatives amounting to Baht 3,000 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 1 year 11 months 28 days and is a zero-coupon bond with a discount rate of 2.80% per annum.
- g) On 20 July 2023, a subsidiary issued the unsecured senior debentures without debenture holder representatives amounting to Baht 2,000 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 3 years with semi-annual coupon payment and bear interest at the rate of 2.99% per annum.
- h) On 28 June 2024, a subsidiary issued the unsecured senior debentures without debenture holder representatives amounting to Baht 2,500 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 1 year 11 months 29 days and is a zero-coupon bond with a discount rate of 2.87% per annum.
- i) On 28 June 2024, a subsidiary issued the unsecured senior debentures with debenture holder representatives amounting to Baht 2,500 million, via private placement to institutional investors established under Thai Law and/or high net worth investors. The debentures have a tenor of 3 years with semi-annual coupon payment and bear interest at the rate of 3.00% per annum.

Additional Tier 1 Subordinated debentures

On 23 May 2023, the Bank has issued perpetual subordinated debentures No. 1/2023 intended to qualify as Tier 1 Capital (Additional Tier 1) with no specific redemption date and the issuer's unconditional right to cancel coupon, right to write down (fully or partially), right to early redemption and without noteholders' right to request for early redemption, as approved by the shareholder's meeting No. 28 on 23 September 2020. The issue was placed via private placement to institutional investors amounting to Baht 12,000 million.

The right to early redemption in whole amount can be exercised at the first coupon payment date after the 5th year and any coupon payment date thereafter, subject to regulatory approval by the BOT.

The coupon rate has been fixed at 5.10% per annum during year 1-5. For year 6 onward, the coupon rate shall equal the rate equivalent to the sum of (a) the prevailing 5-year government bond rate at the end of two Business days preceding on any coupon reset date, and (b) initial credit spread. The coupon rate shall be adjusted every 5 years.

The Bank presents such items as financial liabilities by taking into account the contractual obligations and legal rights specified in the offering documents.

26. Lease liabilities

(Unit: Million Baht)

Consolidated financial statements		
As at 31 December		
	2024	2023
Undiscounted lease payments	504	447
Less: deferred interest expenses	(14)	(12)
Lease liabilities	490	435
Less: current portion of lease liabilities	(256)	(236)
Lease liabilities - net of current portion	234	199

(Unit: Million Baht)

Separate financial statements		
As at 31 December		
	2024	2023
Undiscounted lease payments	396	361
Less: deferred interest expenses	(10)	(8)
Lease liabilities	386	353
Less: current portion of lease liabilities	(203)	(202)
Lease liabilities - net of current portion	183	151

The Bank and its subsidiaries have entered into the finance lease agreements for rental of buildings and vehicles for use in their operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 1 and 35 years.

The maturity analysis of lease liabilities is disclosed in Note 48.6 to the financial statements, under the liquidity risk.

The Bank and its subsidiaries had total cash outflows for leases for the year ended 31 December 2024 of Baht 327 million (2023: Baht 303 million) and The Bank only of Baht 259 million (2023: Baht 252 million).

Expenses relating to leases that are recognised in profit or loss are as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	For the years ended 31 December	
	2024	2023
Depreciation expense of right-of-use assets	311	298
Interest expense on lease liabilities	35	24
Expense relating to short-term leases	12	19
Expense relating to leases of low-value assets	30	13

	(Unit: Million Baht)	
	Separate financial statements	
	For the years ended 31 December	
	2024	2023
Depreciation expense of right-of-use assets	245	248
Interest expense on lease liabilities	31	22
Expense relating to short-term leases	12	19
Expense relating to leases of low-value assets	29	11

27. Provisions for long-term employee benefits

Changes in provisions for long-term employee benefits for the years ended 31 December 2024 and 2023 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Provisions for long-term employee				
benefits at the beginning of the year	2,767	2,497	2,616	2,399
Recognised in profit or loss:				
Current service cost	210	183	196	174
Interest cost	71	56	67	53
Past service cost	148	-	137	-
Actuarial (gains) losses	15	-	14	-
Total benefits recognised in profit or loss	444	239	414	227
Recognised in other comprehensive income:				
Actuarial (gains) losses arising from				
Demographic assumption changes	11	(143)	10	(142)
Financial assumption changes	(10)	160	(9)	148
Experience adjustments	52	97	49	76
Total benefits recognised in other comprehensive income or loss	53	114	50	82
Employee benefits paid during the year	(129)	(83)	(128)	(83)
Employee transferal in (out)	-	-	(16)	(9)
Provisions for long-term employee benefits at the end of the year	3,135	2,767	2,936	2,616

The Bank and its subsidiaries expect to pay long-term employee benefits during the next year amounting to Baht 250 million (31 December 2023: Baht 196 million) and The Bank only of Baht 246 million (31 December 2023: Baht 196 million).

As at 31 December 2024, the weighted average duration of the Bank's and its subsidiaries' long-term employee benefit obligation is 11.4 years (31 December 2023: 11.6 years) and The Bank only of 11.4 years (31 December 2023: 11.6 years).

The principal assumptions used in determining employee benefits under retirement plans can be summarised as follows:

(Unit: Percentage per year)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Future salary incremental rates (depending on age)	4.5 - 5.5	5.0 - 6.5
Turnover rates (depending on age)	0 - 25	0 - 30
Average discount rate	2.428	2.8675
Mortality development rate	3	3

Sensitivity analysis for principal assumptions that affect provisions for long-term employee benefits as at 31 December 2024 and 2023 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2024							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	210	(189)	(150)	175	(198)	224	6	(7)

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2023							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%
Increase (decrease) in provisions for long-term employee benefits	198	(179)	(131)	154	(181)	205	5	(6)

(Unit: Million Baht)

Separate financial statements

As at 31 December 2024

	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased	Decreased	Increased	Decreased	Increased	Decreased	Increased	Decreased
	by 1%	by 1%	by 20%	by 20%	by 1%	by 1%	by 1%	by 1%
Increase (decrease) in provisions for long-term employee benefits	190	(171)	(133)	156	(180)	204	6	(6)

(Unit: Million Baht)

Separate financial statements

As at 31 December 2023

	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
	Increased	Decreased	Increased	Decreased	Increased	Decreased	Increased	Decreased
	by 1%	by 1%	by 20%	by 20%	by 1%	by 1%	by 1%	by 1%
Increase (decrease) in provisions for long-term employee benefits	181	(164)	(117)	137	(166)	187	5	(5)

28. Provisions for other liabilities

(Unit: Million Baht)

Consolidated financial statements

As at 31 December

	2024	2023
Allowance for expected credit losses on loan commitments and financial guarantee contracts	1,271	834
Financial commitments	104	121
Obligation for litigation cases	54	56
Total	1,429	1,011

	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December	
	2024	2023
Allowance for expected credit losses on loan commitments and financial guarantee contracts	1,269	834
Financial commitments	104	121
Obligation for litigation cases	54	56
Total	1,427	1,011

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

	(Unit: Million Baht)	
	Consolidated financial statements	
	As at 31 December 2024	
	Loan commitments and financial guarantee contracts	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	673,069	976
Financial assets where there has been a significant increase in credit risk (Under-Performing)	7,234	242
Financial assets that are credit-impaired (Non-Performing)	154	53
Total	680,457	1,271

	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December 2024	
	Loan commitments and financial guarantee contracts	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	672,973	974
Financial assets where there has been a significant increase in credit risk (Under-Performing)	7,234	242
Financial assets that are credit-impaired (Non-Performing)	154	53
Total	680,361	1,269

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December 2023	
	Loan commitments and financial guarantee contracts	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	313,048	561
Financial assets where there has been a significant increase in credit risk (Under-Performing)	3,610	77
Financial assets that are credit-impaired (Non-Performing)	344	196
Total	317,002	834

29. Other liabilities

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2024	2023	2024	2023
Suspense creditors and accounts payable - others	4,293	4,202	4,098	3,980
Deferred revenues - customer loyalty programmes	3,215	3,527	3,215	3,527
Accrued interest expenses	1,008	912	966	857
Others	464	910	470	905
Total	8,980	9,551	8,749	9,269

As at 31 December 2024 and 2023, the Bank has received advances from electronic money transfer transactions according to the BOT's Notification Sor Nor Chor 2/2562 of Baht 2 million (31 December 2023: nil).

30. Share-based compensation plans

The Bank has a share-based compensation plan for the Bank's senior management, which was in accordance with the policy of United Overseas Bank Limited ("major shareholder" or "UOB") as approved by shareholders at the Annual General Meeting of United Overseas Bank Limited on 21 April 2016, the UOB Restricted Share Plan shall be in force for a further duration of ten years up to (and including) 6 August 2027. The UOB Restricted Share Plan only allows the delivery of UOB ordinary shares held in treasury by United Overseas Bank Limited.

Under a variable pay deferral framework for senior employees and eligible executive directors, a portion of variable pay is deferred as restricted shares (RS) under the UOB Restricted Share Plan. Such deferred RS will vest over a minimum three-year period, subject to local regulatory requirements.

Participating employees who leave the UOB Group before the RS vest will forfeit their rights unless otherwise decided.

In 2022, the UOB Restricted Share Plan was renamed to UOB Share Plan and to allow for eligible non-executive directors to be granted share awards in the form of United Overseas Bank Limited's ordinary shares under the UOB Share Plan.

For the year ended 31 December 2024, the Bank recorded Baht 105 million (2023: Baht 82 million) for the above plan as expenses and also recorded such obligations by the same amount as liabilities. As at 31 December 2024, the Bank has obligations of Baht 140 million (31 December 2023: Baht 120 million) which were presented as a part of other liabilities.

31. Other components of equity

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Revaluation surplus on assets	7,724	7,757
Revaluation surplus (deficit) on investments measured at fair value through other comprehensive income		
Revaluation surplus		
Debt instruments	2,110	47
Equity instruments	45	42
Total	2,155	89
Revaluation deficit		
Debt instruments	-	(445)
Equity instruments	(17)	(17)
Total	(17)	(462)
Total revaluation surplus (deficit) on investments measured at fair value through other comprehensive income	2,138	(373)
Total other components of equity	9,862	7,384
Less: income taxes	(1,972)	(1,477)
Other components of equity - net of income taxes	7,890	5,907

32. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5% of its net profits, after deducting any balance of deficit brought forward (if any), until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has been fully set aside.

33. Capital Funds

The primary objective of the Bank's capital management is to maintain an optimal level of capital. Policies, which are approved by the Bank's Board of Directors and overseen by the Bank's senior management, are set to ensure that the capital maintenance is in accordance with the BOT's requirements and at an appropriate and adequate level to support the business growth within the acceptable level of risk and to maintain the good credit rating.

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 consist of the followings:

	(Unit: Million Baht)	
	Financial business group	
	As at 31 December	
	2024	2023
<u>Tier 1 Capital</u>		
Common Equity Tier 1 (CET1)		
Paid-up share capital	24,857	24,857
Statutory reserve	2,486	2,486
Retained earnings after appropriation	43,952	41,903
Other components of equity	7,842	5,860
Less: Deduction items from Common Equity Tier 1	(18,281)	(18,730)
Total Common Equity Tier 1 (CET1)	60,856	56,376
Additional Tier 1 financial instrument	12,000	12,000
Total Tier 1 Capital	72,856	68,376
<u>Tier 2 Capital</u>		
Subordinated debentures	18,735	18,735
Provision for assets classified as normal and surplus of provision	727	3,299
Total Tier 2 Capital	19,462	22,034
Total Capital Funds	92,318	90,410

(Unit: Million Baht)

	Separate financial statements	
	As at 31 December	
	2024	2023
<u>Tier 1 Capital</u>		
Common Equity Tier 1 (CET1)		
Paid-up share capital	24,857	24,857
Statutory reserve	2,486	2,486
Retained earnings after appropriation	43,628	41,576
Other components of equity	7,842	5,860
Less: Deduction items from Common Equity Tier 1	(17,641)	(17,663)
Total Common Equity Tier 1 (CET1)	61,172	57,116
Additional Tier 1 financial instrument	12,000	12,000
Total Tier 1 Capital	73,172	69,116
<u>Tier 2 Capital</u>		
Subordinated debentures	18,735	18,735
Provision for assets classified as normal and surplus of provision	551	3,155
Total Tier 2 Capital	19,286	21,890
Total Capital Funds	92,458	91,006

	BOT Minimum Requirement (Percentage)	Capital Adequacy Ratio			
		Financial business group		Separate financial statements	
		As at 31 December		As at 31 December	
		2024	2023	2024	2023
		(Percentage)	(Percentage)	(Percentage)	(Percentage)
Common Equity Tier 1 to risk-weighted assets	7.00	10.95	10.63	11.32	11.05
Tier 1 Capital Funds to risk-weighted assets	8.50	13.11	12.89	13.54	13.38
Total Capital Funds to risk-weighted assets	11.00	16.61	17.04	17.11	17.61

As at 31 December 2024 and 2023, the Bank has maintained a minimum reserve rate of not less than 1% of assets and off-balance sheet items that have not a significant increase in credit risk, according to the BOT's Notification ForNorSor (01) Wor. 129/ 2562 Subject: Minimum reserve to be maintained by financial institutions and financial business groups dated 18 December 2019.

34. Commitments and contingent liabilities

34.1 Commitments

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2024	2023
Aval to bills	318	1,156
Guarantees of loans	5,376	5,998
Liabilities under unmatured import bills	6,053	5,284
Letters of credit	3,801	6,332
Other commitments		
- Undrawn overdraft amount	21,399	21,935
- Spot foreign exchange contracts	6,206	7,801
- Other guarantees	44,114	49,059
- Others	26,733	26,732
Total	<u>114,000</u>	<u>124,297</u>

34.2 Other commitments

As at 31 December 2024, the Bank and its subsidiaries have contractual commitments in respect to construction of office buildings and the purchase of information technology systems as well as other agreements under the Bank's projects. The outstanding balances of such contractual commitments were approximately Baht 718 million (31 December 2023: Baht 1,379 million) and The Bank only of Baht 718 million (31 December 2023: Baht 1,374 million) and the Bank also has commitments to pay the service fees in relation to service contracts amounting to Baht 137 million (31 December 2023: Baht 85 million).

35. Assets placed as collateral

(Unit: Million Baht)

	Consolidated and separate financial statements	
	Carrying value	
	As at 31 December	
	2024	2023
Government bonds		
Placed as collateral for Intraday Liquidity Facilities		
with the BOT	29,474	24,510
Placed as collateral for repurchase transaction	97	95
Placed as collateral for hedging of settlement risk	7,969	7,494
Placed as collateral for government departments	73	73

36. Litigation

In the course of normal business operation of the Bank, the Bank has been sued under various labor and civil lawsuits, including wrongful act cases. Under these lawsuits, claims against the Bank as at 31 December 2024 totaled Baht 1,454 million (31 December 2023: Baht 1,063 million). The Bank's management has exercised their judgement to the possible losses to the Bank and recorded the amount under "Provisions for other liabilities" as described in Note 28 to the financial statements and believe that should the outcome of the lawsuits be finalised, there will not be a material impact to the Bank's financial position or operating performance.

37. Related party transactions

37.1 Significant of related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Bank and its subsidiaries, whether directly or indirectly, or which are under common control with the Bank and its subsidiaries.

They also include associated subsidiaries, and individuals or enterprises which directly or indirectly own a voting interest in the Bank and its subsidiaries that gives them significant influence over the Bank and its subsidiaries, key management personnel, directors and officers with authority in the plan and the direction of the Bank's and its subsidiaries operations, together with close family members of such persons and companies which are controlled and influenced by them, whether directly or indirectly.

During the years, the Bank had significant business transactions with its subsidiaries, related companies (related by ways of shareholding and/or common shareholders and/or common directors) and related persons (Directors and Senior Management who are in the level of Executive Director upwards, and their close family members). These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Bank, and those parties. Interest rates on loans to employees are calculated based on the Bank's employee welfare rule.

As at 31 December 2024, the Bank has outstanding staff welfare loans to executives from level of Executive Director upwards of Baht 62 million (31 December 2023: Baht 55 million) and also has general loans to Senior Management and their close family members with the outstanding balance of Baht 57 million (31 December 2023: Baht 30 million).

In addition, as at 31 December 2024, the Bank also has deposits of Baht 363 million (31 December 2023: Baht 308 million) taken from related persons, including their close family members and also the Bank has subordinated debentures to Senior Management and their close family members with the outstanding balance of Baht 10 million (31 December 2023: Baht 10 million).

Significant transactions, income and expenses incurred with related parties (apart from those disclosed in the other notes to financial statements) for the years ended 31 December 2024 and 2023 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements					
	For the years ended 31 December					
	2024			2023		
	Related companies	Group of major shareholder (UOB)	Total	Related companies	Group of major shareholder (UOB)	Total
Interest income	-	282	282	-	128	128
Interest expenses	2	1,002	1,004	1	829	830
Fees and service income	1	415	416	-	327	327
Fees and service expenses	-	-	-	3	-	3
Net gains (losses) on financial instruments measured at fair value through profit or loss	(433)	(21,983)	(22,416)	-	(7,603)	(7,603)
Premises and equipment expenses	195	-	195	156	-	156
Data processing charges (tax included)	-	3,066	3,066	-	2,333	2,333
Other expenses	3	1,419	1,422	-	510	510

(Unit: Million Baht)

Separate financial statements								
For the years ended 31 December								
2024					2023			
	Group of major shareholder			Group of major shareholder				
	Subsidiaries	Related companies	(UOB)	Total	Subsidiaries	Related companies	(UOB)	Total
Interest income	155	-	282	437	137	-	128	265
Interest expenses	6	2	1,002	1,010	1	1	828	830
Fees and service income	129	1	415	545	215	-	327	542
Fees and service expenses	201	-	-	201	97	3	-	100
Net gains (losses) on financial instruments measured at fair value through profit or loss	-	(433)	(21,983)	(22,416)	-	-	(7,603)	(7,603)
Dividend income	25	-	-	25	500	-	-	500
Premises and equipment expenses	-	195	-	195	-	156	-	156
Data processing charges (tax included)	-	-	3,066	3,066	-	-	2,333	2,333
Other expenses	-	3	1,419	1,422	-	-	510	510

During the year ended 31 December 2024, the Bank disbursed for software development as capital expenditure to United Overseas Bank Limited, its major shareholder, amounting to Baht 422 million (2023: Baht 541 million).

In addition, during the year ended 31 December 2024, the Bank purchased equipment from related companies amounting to Baht 1 million (2023: Baht 1 million).

37.2 Remunerations to directors and senior management

For the years ended 31 December 2024 and 2023, remunerations payable to the Bank's and its subsidiaries' 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 and its subsidiaries, are consisted of monthly remunerations, salaries, provident fund contributions and long-term benefits as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2024	2023
Short-term employee benefits	785	690
Post-employment benefits	49	43
Other long-term benefits	2	-
Share-based payments	81	74
Total	<u>917</u>	<u>807</u>

37.3 Other benefits paid to the directors and management

For the years ended 31 December 2024 and 2023, the Bank and its subsidiaries had no benefits payable to their directors and management other than those they normally receive whereby directors receive monthly directors' remuneration and management receive salary, bonus and other benefits as discussed in Note 27 to the financial statements.

37.4 Outstanding balances

The outstanding balances of significant related party transactions as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2024				
	Related companies	Major shareholders (UOB)			Total
		United Overseas Bank Limited	United Overseas Bank Group of Companies		
Interbank and money market items (assets)	-	2,481	866	3,347	
Derivatives assets	-	4,894	5	4,899	
Deposits and other assets	-	2	33	35	
Deposits	302	-	-	302	
Interbank and money market items (liabilities)	9	10,272	3,287	13,568	
Derivatives liabilities	-	2,033	4	2,037	
Debts issued and borrowings	-	15,960	-	15,960	
Other liabilities	-	1,804	9	1,813	
Commitments	-	374,211	868	375,079	

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	Related companies	Major shareholders (UOB)			Total
		United Overseas Bank Limited	United Overseas Bank Group of Companies		
Interbank and money market items (assets)	-	1,507	32	1,539	
Financial assets measured at fair value through profit or loss	-	-	39	39	
Derivatives assets	-	6,944	-	6,944	
Deposits and other assets	-	4	24	28	
Deposits	366	-	-	366	
Interbank and money market items (liabilities)	2	1,108	2,765	3,875	
Derivatives liabilities	-	749	-	749	
Debts issued and borrowings	-	15,960	-	15,960	
Other liabilities	-	5,747	11	5,758	
Commitments	11	332,307	-	332,318	

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2024					
Major shareholders (UOB)					
United					
Overseas					
Bank Group					
of					
Companies					
Subsidiaries	Related companies	Bank Limited	Overseas Bank Limited	Overseas Bank Group of Companies	Total
Outstanding loans to customers	4,400	-	-	-	4,400
Interbank and money market items (assets)	-	-	2,481	866	3,347
Derivatives assets	-	-	4,894	5	4,899
Deposits and other assets	10	-	2	33	45
Deposits	621	302	-	-	923
Interbank and money market items (liabilities)	-	9	10,272	3,287	13,568
Derivatives liabilities	-	-	2,033	4	2,037
Debts issued and borrowings	-	-	15,960	-	15,960
Other liabilities	3	-	1,804	9	1,816
Commitments	-	-	374,211	868	375,079

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2023					
Major shareholders (UOB)					
United					
Overseas					
Bank Group					
of					
Companies					
Subsidiaries	Related companies	Bank Limited	Overseas Bank Limited	Overseas Bank Group of Companies	Total
Outstanding loans to customers	5,250	-	-	-	5,250
Interbank and money market items (assets)	-	-	1,507	32	1,539
Financial assets measured at fair value through profit or loss	-	-	-	39	39
Derivatives assets	-	-	6,944	-	6,944
Deposits and other assets	55	-	4	23	82
Deposits	515	366	-	-	881
Interbank and money market items (liabilities)	-	2	1,108	2,765	3,875
Derivatives liabilities	-	-	749	-	749
Debts issued and borrowings	-	-	15,960	-	15,960
Other liabilities	3	-	5,747	11	5,761
Commitments	2	11	332,307	-	332,320

38. Earnings per share

Basic earnings per share is calculated by dividing profit for the years attributable to equity holders of the Bank (exclude other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the years.

39. Segment Information

39.1 Operating segments

The following segment information are in accordance with the internal management report of the Bank submitted to Management Committee who form as Chief Operating Decision Maker (CODM) to determine resources allocation and to evaluate performance of business segment.

The Bank segregate business unit into 3 segments; Retail Banking, Wholesale Banking and Others, for driving business and decision-making which based on key customer segments and product groups which are used in business decision and internal management reporting as follows:

Retail Banking

The Retail Banking segment covers Personal Financial Services (PFS) with products of deposits, credit and debit cards, insurance, wealth management, investments planning, consumer loan, secured and unsecured loan which provided services through a variety of distribution channels, automated teller machines (ATMs) and digital banking platforms.

Wholesale Banking

Wholesale Banking segment covers Corporate Banking (CBK), Commercial Banking (CMB), Business Banking (BB) and Financial Institution Group (FI). The Corporate Banking provides integrated banking solution to large corporations. The products and services are sophisticated and customised to specific customers. The Commercial Banking focuses on medium-sized companies with a broad range of products and services e.g., current account, deposits, lending, syndicate loans, cash management, letter of guarantee, trade finance & cross-border payments, underwriting and corporate advisory services. While the Business Banking focuses on micro-SMEs via partnership ecosystem as well as strategic alliance both online and offline. Lastly, the Financial Institution Group maintains correspondence with and provides financial services to bank and non-bank financial institutions.

Other group

Others group includes Global Markets (GM) group, risk management, property management, including income and expenses not attributable to the above-mentioned operating segments. The Global Markets group provides treasury products and advisory services such as foreign exchange, derivatives and fixed income instruments to customers.

39.2 Accounting policies for transactions presented in operating segment information

The accounting policies for any transactions presented in operating segment information were summarised in Note 4 to the financial statements regarding accounting policies. The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Total operating income included net interest income after deducted internal fund transfer pricing cost in accordance with the Bank's performance measurement criteria, net fees and service income and other income. The total operating expenses included allocated expenses between operating segments. The management relies on total operating profit and uses as a part of performance measurement.

Transfer pricing between operating segments is based on arm's length basis and in a manner similar to transaction with third parties.

The Bank and its subsidiaries have no operating income from transactions with any external customer equal to or greater than 10% of the consolidated operating income.

Capital expenditure and related depreciation together with income tax expense will not be allocated to each operating segment, which is in accordance with management reporting policy.

Operating segment information of the Bank and its subsidiaries is summarised as follow:

(Unit: Million Baht)

	Consolidated financial statements				
	For the years ended 31 December 2024				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	18,594	9,156	865	(4)	28,611
Non-interest income	8,424	2,495	2,020	(364)	12,575
Operating income	27,018	11,651	2,885	(368)	41,186
Operating expenses	19,159	4,249	6,103	(219)	29,292
Expected credit losses (reversal)	9,460	2,029	(510)	-	10,979
Profit (loss) before income tax expenses	(1,601)	5,373	(2,708)	(149)	915
Income tax expenses					208
Net profits for the year before non-controlling interests					707
Total operating income included of:					
Operating income from third party*	28,850	7,259	5,445	(368)	41,186
Inter-segment operating income (expenses)	(1,832)	4,392	(2,560)	-	-
Depreciation					1,081
Capital expenditure					2,005

* Including income from a major shareholder and United Overseas Bank Group of Companies.

(Unit: Million Baht)

	Consolidated financial statements				
	For the years ended 31 December 2023				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	20,682	8,477	788	(2)	29,945
Non-interest income	8,042	2,480	1,168	(801)	10,889
Operating income	28,724	10,957	1,956	(803)	40,834
Operating expenses	17,653	3,956	6,567	(247)	27,929
Expected credit losses	5,543	4,916	(1,268)	(20)	9,171
Profit (loss) before income tax expenses	5,528	2,085	(3,343)	(536)	3,734
Income tax expenses					800
Net profits for the year before non-controlling interests					2,934
Total operating income included of:					
Operating income from third party*	30,287	8,442	2,908	(803)	40,834
Inter-segment operating income (expenses)	(1,563)	2,515	(952)	-	-
Depreciation					998
Capital expenditure					1,071

* Including income from a major shareholder and United Overseas Bank Group of Companies.

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2024					
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	395,426	257,211	301,438	(9,193)	944,882
Total Liabilities	354,306	401,652	114,290	(4,853)	865,395

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2023					
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	395,479	249,657	247,352	(10,784)	881,704
Total Liabilities	365,802	347,462	97,379	(5,753)	804,890

40. Statements of financial position and results of operations classified by domestic and foreign business segment

The Bank and its subsidiaries operate in Thailand only. Therefore, the financial position and operating result as reflected in these financial statements pertain to the aforementioned geographical report.

41. Interest income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Interbank and money market items	1,903	1,616	1,903	1,616
Investments and trading transactions	230	59	230	59
Investments in debt securities	3,158	2,046	3,158	2,046
Loans	40,028	38,571	36,352	35,059
Others	256	151	256	151
Total interest income	45,575	42,443	41,899	38,931

Interest income for the year ended 31 December 2024, included interest income from financial assets that are credit impaired of Baht 248 million (2023: Baht 249 million).

42. Interest expenses

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Deposits	11,120	7,301	11,125	7,302
Interbank and money market items	411	600	139	276
Contributions to Deposit Protection Agency and Financial Institutions Development Fund	3,308	3,093	3,308	3,093
Debts issued and borrowings				
- Subordinated debentures	1,364	1,094	1,364	1,094
- Senior debentures	350	237	125	150
Others	411	173	408	171
Total interest expenses	<u>16,964</u>	<u>12,498</u>	<u>16,469</u>	<u>12,086</u>

43. Fees and service income

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Fees and service income				
- Acceptances, aval and guarantees	416	420	416	420
- Credit cards	7,525	6,251	7,525	6,251
- Insurance fees	1,117	1,114	1,052	1,035
- Mutual Fund management and underwriting fees	1,289	965	1,289	965
- Others	1,215	1,188	1,192	1,149
Total fees and service income	<u>11,562</u>	<u>9,938</u>	<u>11,474</u>	<u>9,820</u>
Fees and service expenses				
- Agency referral fees	568	509	452	460
- Service expenses	16	31	57	40
- Others	2,218	1,689	2,215	1,684
Total fees and service expenses	<u>2,802</u>	<u>2,229</u>	<u>2,724</u>	<u>2,184</u>
Net fees and service income	<u>8,760</u>	<u>7,709</u>	<u>8,750</u>	<u>7,636</u>

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

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2024	2023
- Foreign currencies and derivatives on foreign exchange	2,320	2,092
- Foreign currencies (Swap Cost)	320	158
- Derivatives on interest rates	(54)	59
- Investments in debt securities	216	35
- Debt issued and borrowings	(39)	6
- Others	(3)	-
Total	<u>2,760</u>	<u>2,350</u>

45. Net gains (losses) on investments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2024	2023
Gains (losses) on disposal of investment in debt securities measured at fair value through other comprehensive income	643	(90)
Net gains (losses) on investments	<u>643</u>	<u>(90)</u>

46. Expected credit losses

Expected credit losses and gains or losses resulting from changes in criteria for financial assets for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2024	2023	2024	2023
Expected credit losses (reversal):				
Interbank and money market items	39	(3)	39	(3)
Investment in debt securities measured at amortised cost	6	(3)	6	(3)
Investment in debt securities measured at fair value through other comprehensive income	38	4	38	4
Loans to customers and accrued interest receivables	10,328	9,299	8,643	8,404
Total	10,411	9,297	8,726	8,402
Loan commitments and financial guarantee contracts	568	(126)	566	(126)
Total expected credit losses	10,979	9,171	9,292	8,276

47. Fair values of assets and liabilities

47.1 Fair value estimation process

The Bank and its subsidiaries estimate 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 (PC) 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.

In case that the fair values are determined using data that is not available in an observable market, the Bank will use other available financial information, e.g. cash flows, profit or loss, or net asset value to determine the fair values. The Bank sets aside additional valuation reserves to compensate for the uncertainties in such valuations.

Fair value measurement hierarchy is as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 - Use of other observable, whether directly or indirectly, inputs for such assets or liabilities.

Level 3 - Use of unobservable inputs such as estimates of future cash flows, etc.

47.2 Fair values of assets and liabilities

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

(a) Cash and interbank and money market items (assets)

The fair values of cash and interbank and money market items, which have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating interest rates, are estimated at their carrying values.

In addition, the carrying amount of interbank and money market items (assets) reliably reflected the fair value, as most of the items were short term in nature.

(b) Investments

For government and state enterprises bonds, fair value is calculated based on the average latest bidding price posted on the Thai Bond Market Association.

For non-marketable equity securities, fair value is based on the net asset values of such investments.

(c) Loans to customers

The fair values of the floating rate loans that are scheduled to be re-priced regularly and have no significant change in credit risk or of the fixed rate loans that are re-priced within 1 year as from the financial reporting dates are estimated at their carrying values.

In addition, the carrying amount of loans to customers reliably reflected the fair value, as most of the items were short term or used floating interest rate or used fixed interest rate that are scheduled to be re-priced less than 1 year.

(d) Accrued interest receivables

The fair values of accrued interest receivables are estimated at their carrying values.

(e) Land and buildings

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.
- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate revenues.

(f) Deposits

The fair values of demand deposits, floating rate deposits and deposits that are re-priced within 1 year as from the financial reporting dates are estimated to approximate their carrying values.

In addition, the carrying amount of deposits reliably reflected the fair value, as most of the items were short term or referent to floating interest rates index.

(g) Interbank and money market items (liabilities)

The fair values of interbank and money market items that have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating rates of interest are estimated to approximate their carrying values.

In addition, the carrying amount of interbank and money market items (liabilities) reliably reflected the fair value, as most of the items were short term in nature.

(h) Debts issued and borrowings

The fair values of borrowings with a remaining maturity period of less than 1 year as from the financial reporting dates are estimated at their carrying values. The fair values of borrowings with a remaining maturity period of longer than 1 year as from the financial reporting dates are estimated using the discounted cash flow techniques and applying an average rate of interest currently charged on borrowings with similar arrangements.

The fair values of debt issuances are calculated using the prices quoted in the market.

(i) Derivatives

The fair values of future contracts are prices quoted in the exchange.

The fair values of foreign exchange contracts are obtained from observable market rates of similar foreign exchange contracts.

The fair values of interest rate contracts are estimated using discounted cash flow techniques and discounting by observable market rates.

The valuation process for these financial instruments is supplemented by valuation reserves to adjust for valuation uncertainties. Market Risk and Product Control (MRPC) Unit proposes the valuation reserve methodologies and adjustments to Asset and Liability Committee (ALCO). Such adjustments or reserves will take into accounts the use of bid/offer for short or long positions, long term market conditions, and market parameters.

As at 31 December 2024 and 2023, the Bank and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	As at 31 December 2024				
	Carrying value	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss	9,728	-	9,728	-	9,728
Investments in debt securities measured at fair value through other comprehensive income	128,651	-	128,651	-	128,651
Investments in equity securities designated to be measured at fair value through other comprehensive income	81	-	-	81	81
Derivative assets	11,608	-	11,608	-	11,608
Other assets	6	-	6	-	6
Financial liabilities measured at fair value					
Financial liabilities measured at fair value through profit or loss	855	-	855	-	855
Derivatives liabilities	9,789	-	9,789	-	9,789
Other liabilities	14	-	14	-	14
Non-financial assets measured at fair value					
Land and building	13,127	-	-	13,127	13,127

(Unit: Million Baht)

	Consolidated and separate financial statements				
	As at 31 December 2023				
	Carrying	Fair value			
	value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Financial assets measured at fair value					
through profit or loss	7,650	-	7,650	-	7,650
Investments in debt securities measured at					
fair value through other comprehensive					
income	75,286	-	75,286	-	75,286
Investments in equity securities designated to be					
measured at fair value through other					
comprehensive income	78	-	-	78	78
Derivative assets	12,793	-	12,793	-	12,793
Other assets	4	-	4	-	4
Financial liabilities measured at fair value					
Financial liabilities measured at fair value					
through profit or loss	528	-	528	-	528
Derivatives liabilities	11,734	-	11,734	-	11,734
Other liabilities	22	-	22	-	22
Non-financial assets measured at fair value					
Land and building	13,237	-	-	13,237	13,237

Financial assets and liabilities, which were not measured at fair value, as most of the items were short-term in nature or carry interest at rates close to the market interest rates. The Bank and its subsidiaries' fair value is assumed to approximate book value in the statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

48. Disclosure of financial instruments

The Bank's business activities involve the use of financial instruments, including derivatives. These activities may expose the Bank to a variety of financial risks, credit risk, foreign exchange risk, interest rate risk and liquidity risk. In entering into those committed financial transactions, the Bank is governed by policies and parameters approved by a designated committee from the Board of Directors as appropriated. The Risk Management Sector assumes the independent oversight of risks undertaken by the Bank, and takes the lead in the formulation and approval of risk policies, controls and processes whereby the Market Risk and Product Control (MRPC) Unit under the Risk Management Sector monitors Global Markets' operation to be in compliance with prescribed trading policies and risk limits. This is further enhanced by the audit of internal control in relation to risk management as carried out by the Internal Audit.

48.1 Relevant accounting policies

Details of significant accounting policies and methods adopted, including criteria for revenue and expense recognition in respect of each class of financial assets and financial liabilities, are already disclosed in Note 4 to the financial statements.

48.2 Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or a counterparty to meet its financial obligations when such obligations are due. The Risk and Capital Committee and Credit Committee are the committees delegated by the Board of Directors to oversee all credit risk and credit related matters. These committees maintain oversight of the effectiveness of the Bank's credit risk management structure and framework including policies, processes, information, infrastructure, analysis and information technology including management of all elements of credit risk in order to facilitate the business development within a prudent, consistent and efficient credit risk management framework.

Credit risk exposures are managed through a robust credit underwriting, structuring and monitoring process. The process includes monthly review of all Non Performing (or Stage 3) and Under-Performing (or Stage 2) accounts, ensuring credit quality and the timely recognition of asset impairment. In addition, credit review are performed regularly to proactively manage any delinquency, minimise undesirable concentrations, maximise recoveries, and ensure compliance with credit policies and procedures. Past dues and credit limit excesses are also tracked and analysed regularly.

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 collateral and any arrangements to increase credibility.

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 exposure to credit risk were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	As at 31 December	
	2024	2023
Interbank and money market items (assets)	76,019	85,506
Investments in debt securities measured at fair value through other comprehensive income	128,651	75,286
Investments in debt securities measured at amortised cost	42,689	32,161
Loans to customers and accrued interest receivables	646,212	637,138
Accrued interest receivables on non-loans	356	430
Total financial assets	893,927	830,521
Loan commitments	658,506	284,248
Financial guarantees	21,951	32,754
Total	680,457	317,002
Total credit exposures	1,574,384	1,147,523

(Unit: Million Baht)

	Separate financial statements	
	As at 31 December	
	2024	2023
Interbank and money market items (assets)	76,001	84,917
Investments in debt securities measured at fair value through other comprehensive income	128,651	75,286
Investments in debt securities measured at amortised cost	42,689	32,161
Loans to customers and accrued interest receivables	625,179	618,458
Accrued interest receivables on non-loans	356	430
Total financial assets	872,876	811,252
Loan commitments	658,410	284,248
Financial guarantees	21,951	32,754
Total	680,361	317,002
Total credit exposures	1,553,237	1,128,254

Credit quality analysis

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 amount (before impairment allowances). For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

The explanation of expected credit losses for 12 months, lifetime and credit-impaired was described in Note 4.11 to the financial statements.

(Unit: Million Baht)

	Consolidated financial statements			
	As at 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
Interbank and money market items (assets)				
Investment grade*	76,019	-	-	76,019
Total	76,019	-	-	76,019
Less: Allowance for expected credit losses	(97)	-	-	(97)
Net book value	75,922	-	-	75,922
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade*	128,651	-	-	128,651
Total	128,651	-	-	128,651
Allowance for expected credit losses	(81)	-	-	(81)
Investments in debt securities measured at amortised cost				
Investment grade*	42,689	-	-	42,689
Total	42,689	-	-	42,689
Less: Allowance for expected credit losses	(24)	-	-	(24)
Net book value	42,665	-	-	42,665
Loans to customers and accrued interest receivables - net				
Overdue 0 day	574,913	25,176	5,550	605,639
Overdue 1 - 30 days	12,102	4,697	1,450	18,249
Overdue 31 - 60 days	-	3,286	768	4,054
Overdue 61 - 90 days	-	1,838	1,113	2,951
More than 90 days onwards	-	-	15,319	15,319
Total	587,015	34,997	24,200	646,212
Less: Allowance for expected credit losses	(4,635)	(2,111)	(10,654)	(17,400)
Net book value	582,380	32,886	13,546	628,812
Loan commitments				
Overdue 0 day	651,677	6,829	-	658,506
Total	651,677	6,829	-	658,506
Less: Allowance for expected credit losses	(911)	(235)	-	(1,146)
Net book value	650,766	6,594	-	657,360
Financial guarantee contracts				
Overdue 0 day	21,392	405	154	21,951
Total	21,392	405	154	21,951
Less: Allowance for expected credit losses	(65)	(7)	(53)	(125)
Net book value	21,327	398	101	21,826

*Rating of external credit risk rating agency

(Unit: Million Baht)

	Consolidated financial statements			
	As at 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
Interbank and money market items (assets)				
Investment grade*	85,505	-	-	85,505
Total	85,505	-	-	85,505
Less: Allowance for expected credit losses	(57)	-	-	(57)
Net book value	85,448	-	-	85,448
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade*	75,286	-	-	75,286
Total	75,286	-	-	75,286
Allowance for expected credit losses	(43)	-	-	(43)
Investments in debt securities measured at amortised cost				
Investment grade*	32,161	-	-	32,161
Total	32,161	-	-	32,161
Less: Allowance for expected credit losses	(18)	-	-	(18)
Net book value	32,143	-	-	32,143
Loans to customers and accrued interest receivables - net				
Overdue 0 day	579,718	20,803	4,723	605,244
Overdue 1 - 30 days	7,097	4,063	982	12,142
Overdue 31 - 60 days	-	3,290	850	4,140
Overdue 61 - 90 days	-	1,037	1,405	2,442
More than 90 days onwards	-	-	13,170	13,170
Total	586,815	29,193	21,130	637,138
Less: Allowance for expected credit losses	(4,602)	(4,212)	(10,142)	(18,956)
Net book value	582,213	24,981	10,988	618,182
Loan commitments				
Overdue 0 day	281,013	3,235	-	284,248
Total	281,013	3,235	-	284,248
Less: Allowance for expected credit losses	(481)	(73)	-	(554)
Net book value	280,532	3,162	-	283,694
Financial guarantee contracts				
Overdue 0 day	32,034	375	345	32,754
Total	32,034	375	345	32,754
Less: Allowance for expected credit losses	(80)	(4)	(196)	(280)
Net book value	31,954	371	149	32,474

*Rating of external credit risk rating agency

(Unit: Million Baht)

	Separate financial statements			
	As at 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
Interbank and money market items (assets)				
Investment grade*	76,001	-	-	76,001
Total	76,001	-	-	76,001
Less: Allowance for expected credit losses	(97)	-	-	(97)
Net book value	75,904	-	-	75,904
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade*	128,651	-	-	128,651
Total	128,651	-	-	128,651
Allowance for expected credit losses	(81)	-	-	(81)
Investments in debt securities measured at amortised cost				
Investment grade*	42,689	-	-	42,689
Total	42,689	-	-	42,689
Less: Allowance for expected credit losses	(24)	-	-	(24)
Net book value	42,665	-	-	42,665
Loans to customers and accrued interest receivables - net				
Overdue 0 day	557,867	24,020	5,144	587,031
Overdue 1 - 30 days	11,359	4,425	1,319	17,103
Overdue 31 - 60 days	-	2,859	683	3,542
Overdue 61 - 90 days	-	1,588	1,036	2,624
More than 90 days onwards	-	-	14,879	14,879
Total	569,226	32,892	23,061	625,179
Less: Allowance for expected credit losses	(3,998)	(1,956)	(10,060)	(16,014)
Net book value	565,228	30,936	13,001	609,165
Loan commitments				
Overdue 0 day	651,581	6,829	-	658,410
Total	651,581	6,829	-	658,410
Less: Allowance for expected credit losses	(909)	(235)	-	(1,144)
Net book value	650,672	6,594	-	657,266
Financial guarantee contracts				
Overdue 0 day	21,392	405	154	21,951
Total	21,392	405	154	21,951
Less: Allowance for expected credit losses	(65)	(7)	(53)	(125)
Net book value	21,327	398	101	21,826

*Rating of external credit risk rating agency

(Unit: Million Baht)

	Separate financial statements			
	As at 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
Interbank and money market items (assets)				
Investment grade*	84,917	-	-	84,917
Total	84,917	-	-	84,917
Less: Allowance for expected credit losses	(58)	-	-	(58)
Net book value	84,859	-	-	84,859
Investments in debt securities measured at fair value through other comprehensive income				
Investment grade*	75,286	-	-	75,286
Total	75,286	-	-	75,286
Allowance for expected credit losses	(43)	-	-	(43)
Investments in debt securities measured at amortised cost				
Investment grade*	32,161	-	-	32,161
Total	32,161	-	-	32,161
Less: Allowance for expected credit losses	(18)	-	-	(18)
Net book value	32,143	-	-	32,143
Loans to customers and accrued interest receivables - net				
Overdue 0 day	563,692	20,606	4,686	588,984
Overdue 1 - 30 days	6,097	3,977	967	11,041
Overdue 31 - 60 days	-	2,689	834	3,523
Overdue 61 - 90 days	-	652	1,390	2,042
More than 90 days onwards	-	-	12,868	12,868
Total	569,789	27,924	20,745	618,458
Less: Allowance for expected credit losses	(4,311)	(3,444)	(9,900)	(17,655)
Net book value	565,478	24,480	10,845	600,803
Loan commitments				
Overdue 0 day	281,013	3,235	-	284,248
Total	281,013	3,235	-	284,248
Less: Allowance for expected credit losses	(481)	(73)	-	(554)
Net book value	280,532	3,162	-	283,694
Financial guarantee contracts				
Overdue 0 day	32,034	375	345	32,754
Total	32,034	375	345	32,754
Less: Allowance for expected credit losses	(80)	(4)	(196)	(280)
Net book value	31,954	371	149	32,474

*Rating of external credit risk rating agency

Collateral and any arrangements to increase creditability

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

(Unit: Million Baht)

Consolidated financial statements			
Exposure to credit risk with collateral			
As at 31 December			
	2024	2023	Type of collateral
Interbank and money market items (assets)	42,007	53,016	Securities
Loans to customers and accrued interest receivables	509,322	500,283	Land, building, machines etc.
Financial guarantees	21,951	32,755	Deposits, land and building

(Unit: Million Baht)

Separate financial statements			
Exposure to credit risk with collateral			
As at 31 December			
	2024	2023	Type of collateral
Interbank and money market items (assets)	42,007	53,016	Securities
Loans to customers and accrued interest receivables	513,711	505,555	Land, building, machines etc.
Financial guarantees	21,951	32,755	Deposits, land and building

48.3 Commodity price risk

Commodity price risk is the risk arising from the price change of commodities, which may affect the value of the Bank's financial instruments or may cause volatility in the Bank's earnings and cost of funds.

All commodity derivatives are managed on a back-to-back basis. The risk is independently monitored by Market Risk and Product Control (MRPC) Unit. Because the Bank records commodity derivatives at fair value, the Bank's commodity price risk is considered according to their carrying value.

48.4 Interest rate risk

Interest rate risk is the impact to earnings and economic value of the Bank due to the fluctuations in interest rates. This interest rate exposure arises from differences in the maturity and repricing dates of assets and liabilities items.

These mismatches are actively monitored and managed as part of the overall interest rate risk management process which is conducted in accordance with the Bank's risk management policies.

The Bank's interest rate risk sensitivity is measured as changes in economic value of equity (EVE) or net interest income (NII) based on Basel Interest Rate Risk in the Banking Book requirements.

EVE is the present value of assets less present value of liabilities of the Bank. NII is the simulated change in the Bank's net interest income.

However, financial assets and liabilities represented their carrying values in statements of financial position, which are classified by types of interest rates and repricing periods as follows:

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2024							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	3,491	3,491	-
Interbank and money market items							
- net	57,691	2,172	2	-	16,057	75,922	2.24
Financial assets measured at fair value through profit or loss	2,809	2,736	2,842	1,341	-	9,728	2.28
Derivatives assets	-	-	-	-	11,608	11,608	-
Investments - net	795	31	97,598	72,892	81	171,397	2.54
Loans to customers*	435,316	41,218	141,311	1,050	19,436	638,331	6.54
Other receivables from sold non-performing loans - net	-	-	-	-	7	7	2.65
Financial liabilities							
Deposits	591,615	120,318	1,316	-	13,380	726,629	1.48
Interbank and money market items	43,435	6,068	10,331	-	1,742	61,576	0.58
Liabilities payable on demand	-	-	-	-	1,195	1,195	-
Financial liabilities measured at fair value through profit or loss	630	225	-	-	-	855	6.20
Derivatives liabilities	-	-	-	-	9,789	9,789	-
Debt issued and borrowings	-	5,451	18,889	18,837	-	43,177	3.96
Lease liabilities	78	179	233	-	-	490	2.74

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired are reported in the "non-interest bearing" bucket.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non- interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	3,458	3,458	-
Interbank and money market items							
- net	62,756	1,419	17	-	21,256	85,448	1.71
Financial assets measured at fair value through profit or loss	2,677	1,235	2,388	1,350	-	7,650	2.96
Derivatives assets	-	-	-	-	12,793	12,793	-
Investments - net	18,283	-	36,607	52,539	78	107,507	2.42
Loans to customers*	548,167	28,379	30,872	689	21,446	629,553	6.85
Other receivables from sold non-performing loans - net	58	-	-	-	10	68	2.20
Financial liabilities							
Deposits	518,217	145,789	3,111	-	11,243	678,360	1.89
Interbank and money market items	20,719	3,229	13,395	-	1,505	38,848	0.61
Liabilities payable on demand	-	-	-	-	3,240	3,240	-
Financial liabilities measured at fair value through profit or loss	203	325	-	-	-	528	8.00
Derivatives liabilities	-	-	-	-	11,734	11,734	-
Debt issued and borrowings	-	7,493	19,354	18,808	-	45,655	3.61
Lease liabilities	75	161	199	-	-	435	2.60

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired are reported in the "non-interest bearing" bucket.

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2024							
	Floating			More	Non-		Average
	rate/			than	interest		return
	Within 3	3 - 12	1 - 5	5	bearing	Total	rate
	months	months	years	years			(% per
							annum)
Financial assets							
Cash	-	-	-	-	3,491	3,491	-
Interbank and money market items							
- net	57,691	2,172	2	-	16,039	75,904	2.24
Financial assets measured at fair							
value through profit or loss	2,809	2,736	2,842	1,341	-	9,728	2.28
Derivatives assets	-	-	-	-	11,608	11,608	-
Investments - net	795	31	97,598	72,892	8,678	179,994	2.54
Loans to customers*	439,685	40,798	117,100	620	19,430	617,633	6.21
Other receivables from sold							
non-performing loans - net	-	-	-	-	7	7	2.65
Financial liabilities							
Deposits	591,702	120,320	1,316	-	13,818	727,156	1.48
Interbank and money market items	42,935	2,068	8,831	-	1,742	55,576	0.58
Liabilities payable on demand	-	-	-	-	1,195	1,195	-
Financial liabilities measured at fair							
value through profit or loss	630	225	-	-	-	855	6.20
Derivatives liabilities	-	-	-	-	9,789	9,789	-
Debt issued and borrowings	-	2,498	12,000	18,837	-	33,335	4.28
Lease liabilities	61	142	183	-	-	386	2.54

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired are reported in the "non-interest bearing" bucket.

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2023							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non- interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	3,458	3,458	-
Interbank and money market items							
- net	62,167	1,419	17	-	21,256	84,859	1.71
Financial assets measured at fair value through profit or loss	2,677	1,235	2,388	1,350	-	7,650	2.96
Derivatives assets	-	-	-	-	12,793	12,793	-
Investments - net	18,283	-	36,607	52,539	8,675	116,104	2.42
Loans to customers*	553,379	27,891	8,395	-	21,440	611,105	6.54
Other receivables from sold non-performing loans - net	58	-	-	-	10	68	2.20
Financial liabilities							
Deposits	518,434	145,789	3,111	-	11,541	678,875	1.89
Interbank and money market items	19,719	2,429	6,195	-	1,505	29,848	0.61
Liabilities payable on demand	-	-	-	-	3,240	3,240	-
Financial liabilities measured at fair value through profit or loss	203	325	-	-	-	528	8.00
Derivatives liabilities	-	-	-	-	11,734	11,734	-
Debt issued and borrowings	-	7,493	14,486	18,808	-	40,787	3.70
Lease liabilities	62	140	151	-	-	353	2.32

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired are reported in the "non-interest bearing" bucket.

48.5 Exchange rate risk

Foreign exchange risk is the risk to revenues and economic value of foreign currency assets, liabilities, and financial derivatives caused by fluctuations in foreign exchange rates.

The Bank's foreign exchange exposures comprise of trading and non-trading. Non-trading foreign exchange exposures are principally derived from investment and customer businesses. The Bank utilises mainly spot foreign exchange, foreign currency forwards, and swaps to reduce its foreign exchange risk.

Foreign exchange risk is independently managed through policies and risk limits and monitored by Market Risk and Product Control (MRPC) Unit.

48.6 Liquidity risk

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

The Bank and its subsidiaries manage liquidity risk in accordance with the liquidity framework, which comprises policies, controls and limits. These controls and policies include setting of net cumulative cash flow mismatch limits, monitoring of liquidity early warning indicators, stress test analysis of cash flows in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan. The Bank is also required by the regulators to maintain sufficient high liquid assets to support potential cash outflows under severe liquidity stressed scenario. The main objectives are honouring all cash outflow commitments on an on-going basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.

The maturity analysis of financial assets and liabilities representing their carrying values in statements of financial position is as follows:

(Unit: Million Baht)

	Consolidated financial statements						Total
	As at 31 December 2024						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
Financial assets							
Cash	3,491	-	-	-	-	-	3,491
Interbank and money market items							
- net	17,576	57,205	1,139	2	-	-	75,922
Financial assets measured at fair							
value through profit or loss	-	1,664	2,736	3,842	1,486	-	9,728
Derivatives assets	-	-	-	-	-	11,608	11,608
Investments - net	-	795	31	97,598	72,892	81	171,397
Loans to customers*	11,459	117,548	36,045	110,757	362,522	-	638,331
Other receivables from sold							
non-performing loans - net	-	-	7	-	-	-	7
Financial liabilities							
Deposits	519,893	85,102	120,318	1,316	-	-	726,629
Interbank and money market items	16,747	28,431	6,068	10,330	-	-	61,576
Liabilities payable on demand	1,195	-	-	-	-	-	1,195
Financial liabilities measured at fair							
value through profit or loss	-	630	225	-	-	-	855
Derivatives liabilities	-	-	-	-	-	9,789	9,789
Debt issued and borrowings	-	-	5,451	6,889	18,837	12,000	43,177
Lease liabilities	-	78	179	233	-	-	490

* Under the Bank's liquidity risk management policy, loans to customers that are credit-impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2023

	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	3,458	-	-	-	-	-	3,458
Interbank and money market items							
- net	22,653	61,856	922	17	-	-	85,448
Financial assets measured at fair							
value through profit or loss	-	2,726	978	2,645	1,301	-	7,650
Derivatives assets	-	-	-	-	-	12,793	12,793
Investments - net	-	16,841	1,442	36,607	52,539	78	107,507
Loans to customers*	4,216	134,255	57,576	110,714	322,792	-	629,553
Other receivables from sold							
non-performing loans - net	-	19	39	10	-	-	68
Financial liabilities							
Deposits	463,195	66,265	145,789	3,111	-	-	678,360
Interbank and money market items	18,978	3,246	3,229	13,395	-	-	38,848
Liabilities payable on demand	3,240	-	-	-	-	-	3,240
Financial liabilities measured at fair							
value through profit or loss	-	203	325	-	-	-	528
Derivatives liabilities	-	-	-	-	-	11,734	11,734
Debt issued and borrowings	-	-	7,493	7,354	18,808	12,000	45,655
Lease liabilities	-	75	161	199	-	-	435

* Under the Bank's liquidity risk management policy, loans to customers that are credit-impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

		Separate financial statements						
		As at 31 December 2024						
		Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets								
Cash		3,491	-	-	-	-	-	3,491
Interbank and money market items								
- net		17,558	57,205	1,139	2	-	-	75,904
Financial assets measured at fair								
value through profit or loss		-	1,664	2,736	3,842	1,486	-	9,728
Derivatives assets		-	-	-	-	-	11,608	11,608
Investments - net		-	795	31	97,598	72,892	8,678	179,994
Loans to customers*		11,459	121,918	35,624	86,546	362,086	-	617,633
Other receivables from sold								
non-performing loans - net		-	-	7	-	-	-	7
Financial liabilities								
Deposits		520,358	85,162	120,320	1,316	-	-	727,156
Interbank and money market items		16,747	27,931	2,068	8,830	-	-	55,576
Liabilities payable on demand		1,195	-	-	-	-	-	1,195
Financial liabilities measured at fair								
value through profit or loss		-	630	225	-	-	-	855
Derivatives liabilities		-	-	-	-	-	9,789	9,789
Debt issued and borrowings		-	-	2,498	-	18,837	12,000	33,335
Lease liabilities		-	61	142	183	-	-	386

* Under the Bank's liquidity risk management policy, loans to customers that are credit-impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

	Separate financial statements						Total
	As at 31 December 2023						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
Financial assets							
Cash	3,458	-	-	-	-	-	3,458
Interbank and money market items							
- net	22,064	61,856	922	17	-	-	84,859
Financial assets measured at fair							
value through profit or loss	-	2,726	978	2,645	1,301	-	7,650
Derivatives assets	-	-	-	-	-	12,793	12,793
Investments - net	-	16,841	1,442	36,607	52,539	8,675	116,104
Loans to customers*	4,216	138,467	58,088	88,236	322,098	-	611,105
Other receivables from sold							
non-performing loans - net	-	19	39	10	-	-	68
Financial liabilities							
Deposits	463,710	66,265	145,789	3,111	-	-	678,875
Interbank and money market items	18,978	2,246	2,429	6,195	-	-	29,848
Liabilities payable on demand	3,240	-	-	-	-	-	3,240
Financial liabilities measured at fair							
value through profit or loss	-	203	325	-	-	-	528
Derivatives liabilities	-	-	-	-	-	11,734	11,734
Debt issued and borrowings	-	-	7,493	2,486	18,808	12,000	40,787
Lease liabilities	-	62	140	151	-	-	353

* Under the Bank's liquidity risk management policy, loans to customers that are credit-impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

49. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 17 March 2025.