

KIATNAKIN PHATRA BANK PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2023

Independent Auditor's Report

To the shareholders and the Board of Directors of Kiatnakin Phatra Bank Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Kiatnakin Phatra Bank Public Company Limited ("the Bank") and its subsidiaries ("the Group") and separate financial position of the Bank as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS) and the Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting.

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Allowance for expected credit losses of loan to customers. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><i>Allowance for expected credit losses of loan to customers</i></p> <p>As at 31 December 2023, total gross loans to customers balance reported in the consolidated financial statements and the separate financial statements was Baht 405,493 million and Baht 407,237 million respectively. The balance of allowance of expected credit losses of loan to customers was Baht 20,668 million and Baht 20,627 million, which represents 5.10% and 5.07% of loans to customers respectively. Relevant references in the financial statements for allowance of expected credit losses of loan to customers are as follows;</p> <ul style="list-style-type: none"> • Note 2.8: Accounting policies on financial instruments • Note 5.1: Estimates and assumptions on measurement allowance of expected credit losses • Note 14: Allowance for expected credit losses • Note 51: Expected credit losses <p>The Group and the bank calculate an expected credit loss ('ECL') impairment model with taking effect of forward-looking adjustment under TFRS 9 "Financial Instruments" by adopting complex models and assumptions.</p> <p>I focused on this area because of the following reasons;</p> <ol style="list-style-type: none"> 1) The balance of expected credit losses balance is significant to the financial statements and management also exercised significant judgement and sensitive assumptions that relate to; <ul style="list-style-type: none"> • Accounting interpretations • Forward looking and macro-economic information and weighting • Expected lifetime • Staging threshold and criteria • Expected future cash flows • Management overlay 2) From the COVID-19 outbreak, the Bank has been assisting customers who have the impacts from COVID-19 outbreak followed the Bank of Thailand COVID-19 relief program such as loan and interest payment delay, term extensions or the sustainable debt restructuring such as principal hair cut or decrease in interest rate. As disclosed in Note 2, management has adopted the accounting treatment guidance on "the temporary relief measures for entities supporting their debtors who are effected from the situations that affected Thailand's economy". The adoption of this relief measures has the impact to accounting treatment for staging and consideration of expected credit losses. 	<p><i>Individual assessment</i></p> <p>I performed individual credit assessment on a sample of loans. I assessed the reasonableness of the assumptions over the cash flows forecasts prepared by management. For cash flows forecasts based on realisation of collateral, I agreed the collateral valuation to the current valuation report prepared by independent valuers. I recalculated ECL for exposures assessed on an individual basis.</p> <p><i>Collective assessment</i></p> <p>I selected samples and performed testing for the following procedures:</p> <ul style="list-style-type: none"> • Assessed the methodologies inherent within the collective assessment ECL models applied against the requirement of TFRS 9; • Evaluated and tested the design and operating effectiveness of the controls relating to: <ul style="list-style-type: none"> - Governance and model development, including model build, model approval and model validation; - Completeness and accuracy of critical external and internal data input into the ECL calculations; - Data transfer from source systems to ECL calculation model and model output to the general ledger; - IT controls both general computer controls and application controls for loan data, aging systems and collateral systems; - Accuracy and timeliness of staging based on quantitative and qualitative triggers; - Accuracy and appropriateness of accounting treatment for customers under COVID-19 relief measures programs; and - Calculation of ECL • Assessed, tested the significant model assumptions, considered reasonableness of forward-looking forecasts assumptions and the appropriateness of the weightings adopted and challenged management to provide supporting evidence of the related key assumptions. I also tested the model changes and refinement during the year. • Tested the accuracy of staging including the customers under COVID-19 relief measures programs according to the Bank of Thailand notifications; • Assessed and considered reasonableness of overlays applied by management for the consideration of economic trend, risky industries and the significant change in payment condition for customers under COVID-19 relief measures programs;

Key audit matter	How my audit addressed the key audit matter
	<ul style="list-style-type: none"> • Made specific inquiries and reviewed the outcomes from the Bank's internal experts model validation results; • Tested the calculation of ECL and agreed the results to the general ledger. • Assessed the completeness and appropriateness of disclosures in note to financial statements according to the related financial reporting standards, <p>I involved the financial risk model specialist and IT specialist in areas such as reviewing appropriateness of the ECL models, data reliability and system calculation.</p> <p>Based on the above procedures, the results for my evaluation of allowance of expected credit losses of loans to customers are appropriate following the supporting evidences and I found no material exceptions in the tests.</p>

Emphasis of matter

I draw attention to Note 2 of the financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2022 and 31 December 2023. My opinion is not modified in respect to this matter.

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS and the Bank of Thailand Notifications in relation to the preparation and presentation of financial reporting, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

PricewaterhouseCoopers ABAS Ltd.

Sinsiri Thangsombat

Certified Public Accountant (Thailand) No. 7352

Bangkok

22 February 2024

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Financial Position
As at 31 December 2023

		Consolidated		Separate	
		2023	2022	2023	2022
	Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Cash		1,381,596	1,000,242	1,381,440	1,000,086
Interbank and money market items, net	6	62,029,433	45,732,349	59,105,174	48,186,721
Financial assets measured at fair value through profit or loss	8	16,035,387	18,702,990	9,391,224	3,359,880
Derivatives assets	7	8,062,453	10,538,015	8,038,963	10,538,995
Investments, net	9	36,261,569	31,847,691	34,632,402	30,613,322
Investments in subsidiaries, net	10	-	-	9,062,944	9,706,298
Investments in properties, net	11	20,038	20,221	-	-
Loans to customers and accrued interest receivables, net	12	384,825,621	364,870,521	386,610,188	366,616,498
Properties foreclosed, net	15	7,240,407	5,787,730	8,298,691	6,893,164
Land, premises and equipment, net	16	7,436,488	7,412,008	1,323,812	1,278,141
Right-of-use assets	17	245,726	282,138	1,126,524	1,126,819
Other intangible assets, net	18.1	1,707,800	1,388,321	1,441,735	1,263,614
Goodwill	18.2	3,066,035	3,066,035	-	-
Deferred tax assets	19	1,717,031	1,431,900	1,429,545	1,215,611
Accounts receivable from clearing house and broker - dealers		1,954,980	1,275,894	-	-
Securities and derivative business receivables		5,528,970	7,976,075	-	-
Other assets, net	20	7,813,483	6,304,888	7,787,548	5,446,609
Total assets		545,327,017	507,637,018	529,630,190	487,245,758

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Financial Position (Cont'd)
As at 31 December 2023

	Notes	Consolidated		Separate	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Liabilities					
Deposits	21	358,902,512	331,464,000	359,517,265	331,909,248
Interbank and money market items, net	22	23,035,081	20,175,120	24,131,469	19,500,810
Liabilities payable on demand		483,354	339,834	483,354	339,834
Financial liabilities measured at fair value through profit or loss	23	1,332,833	3,556,542	-	-
Derivatives liabilities	7	8,502,677	9,328,151	8,496,810	9,319,498
Debt issued and borrowings	24	68,899,979	61,354,232	66,878,061	59,719,929
Lease liabilities	17	182,008	210,623	1,077,032	1,059,019
Provisions	25	1,301,936	1,207,623	932,641	867,563
Deferred tax liabilities	19	555,218	529,924	-	-
Accounts payable to clearing house and broker - dealers		151,102	164,038	-	-
Securities and derivative business payables		6,894,432	8,179,754	-	-
Accrued interest expenses		1,063,220	505,437	1,063,220	505,437
Other accounts payable	26	7,010,932	6,778,086	6,879,934	6,529,209
Income tax payable and specific business tax payable		471,466	623,071	310,105	523,600
Other liabilities	27	5,287,417	5,109,137	4,315,989	4,030,098
Total liabilities		484,074,167	449,525,572	474,085,880	434,304,245
Equity					
Share capital					
Authorised share capital					
1,047,876,293 ordinary shares of Baht 10 each					
(31 December 2022 : 846,751,109 ordinary shares of Baht 10 each)	29	10,478,763	8,467,511	10,478,763	8,467,511
Issued and paid-up share capital					
846,751,109 ordinary shares of Baht 10 each					
		8,467,511	8,467,511	8,467,511	8,467,511
Premium on share capital		9,356,233	9,356,233	9,356,233	9,356,233
Other components of equity	33	1,981,173	2,010,004	294,723	317,447
Retained earnings					
Appropriated					
Legal reserve					
	30	1,047,876	852,337	1,047,876	852,337
Unappropriated		40,114,146	37,137,439	36,377,967	33,947,985
Total equity of the Bank		60,966,939	57,823,524	55,544,310	52,941,513
Non-controlling interests		285,911	287,922	-	-
Total equity		61,252,850	58,111,446	55,544,310	52,941,513
Total liabilities and equity		545,327,017	507,637,018	529,630,190	487,245,758

(Mr. Aphinant Klewpatinond)
Chief Executive Officer

(Mr. Philip Chen Chong Tan)
President

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2023

	Notes	Consolidated		Separate	
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest income	44	30,717,442	23,670,516	29,939,298	23,608,071
Interest expenses	45	8,423,616	4,589,167	8,488,692	4,637,955
Interest income, net		22,293,826	19,081,349	21,450,606	18,970,116
Fees and services income		6,459,728	7,183,322	2,769,175	2,984,433
Fees and services expenses		983,248	1,017,863	299,950	261,636
Fees and services income, net	46	5,476,480	6,165,459	2,469,225	2,722,797
Gain (loss) on financial instruments measured at fair value through profit or loss, net	47	440,647	830,946	(205,002)	443,324
Gain (loss) on investments, net	48	(12,080)	(3,707)	353,884	27,527
Dividend income		339,743	506,671	992,524	1,603,729
Other operating income	49	224,164	957,973	282,874	1,008,279
Total operating income		28,762,780	27,538,691	25,344,111	24,775,772
Other operating expenses					
Employee's expenses		7,101,128	6,954,170	5,005,608	4,885,984
Directors' remuneration		43,085	46,358	34,710	35,929
Premises and equipment expenses		1,323,212	1,113,326	1,192,580	978,786
Taxes and duties		626,475	509,307	569,608	494,047
Loss from revaluation of foreclosed assets (reversal)		(560,154)	38,976	(561,276)	37,284
Loss from sale of foreclosed assets		4,806,376	1,540,378	4,832,351	1,646,185
Other expenses	50	2,554,113	2,810,136	2,253,539	1,862,809
Total other operating expenses		15,894,235	13,012,651	13,327,120	9,941,024
Expected credit loss	51	6,081,910	5,036,211	6,074,270	5,005,007
Profit from operating before income tax expenses		6,786,635	9,489,829	5,942,721	9,829,741
Income tax expenses	52	1,330,686	1,873,389	998,827	1,660,333
Net profit		5,455,949	7,616,440	4,943,894	8,169,408

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Profit or Loss and Other Comprehensive Income (Cont'd)
For the year ended 31 December 2023

		Consolidated		Separate	
		2023	2022	2023	2022
		Thousand	Thousand	Thousand	Thousand
	Notes	Baht	Baht	Baht	Baht
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Loss on debt instruments classified at fair value through other comprehensive income		(67,475)	(154,974)	(67,475)	(154,974)
Income taxes relating to items that will be subsequently reclassified to profit or loss	53	13,495	30,995	13,495	30,995
Total items that will be reclassified subsequently to profit or loss		(53,980)	(123,979)	(53,980)	(123,979)
Items that will not be reclassified subsequently to profit or loss					
Changes in revaluation surplus on assets		-	3,419,400	-	354,517
Gain on equity instruments designated at fair value through other comprehensive income		64,837	117,708	18,092	540
Remeasurements of post-employment benefit		12,955	501	8,418	-
Income taxes on items that will not be subsequently reclassified to profit or loss	53	(15,474)	(707,447)	(5,302)	(71,012)
Total items that will not be reclassified subsequently to profit or loss		62,318	2,830,162	21,208	284,045
Total other comprehensive income (expense)		8,338	2,706,183	(32,772)	160,066
Total comprehensive income		5,464,287	10,322,623	4,911,122	8,329,474
Net profit attributable to					
Equity holders of the Bank		5,443,403	7,602,096	4,943,894	8,169,408
Non-controlling interests		12,546	14,344	-	-
Total comprehensive income attributable to					
Equity holders of the Bank		5,451,740	10,120,390	4,911,122	8,329,474
Non-controlling interests		12,547	202,233	-	-
Earnings per share of Equity holders of the Bank					
Basic earnings per share (Baht)	37	6.43	8.98	5.84	9.65

.....
(Mr. Aphinant Kiewpatinond)
Chief Executive Officer

.....
(Mr. Philip Chen Chong Tan)
President

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Changes in Equity
For the year ended 31 December 2023

Consolidated														Unit : Thousand Baht	
Attributable to owners of the parent															
Other components of equity															
	Issued and	Premium	Other	Revaluation	Revaluation	Revaluation	Deferred tax	Surplus on	Appropriated		Total equity	Non-			
	paid-up	on share	reserve	surplus on	surplus (deficit) on	surplus (deficit) on	relating to	change in	retained		attributable	controlling	Total		
Notes	share	capital	from	assets	investments in debt	investment in equity	components of other	ownership	earnings - Legal	Unappropriated	to the Bank's	interests	equity		
	capital	capital	share-based	surplus on	at fair value through	at fair value through other	comprehensive	interest in	reserve	retained earnings	shareholders				
			payments		other comprehensive income	comprehensive income	income (expenses)	subsidiary							
Opening balance as at 1 January 2022	8,467,511	9,356,233	-	-	(16,381)	(139,386)	28,557	(158,337)	852,337	32,655,567	51,046,101	116,054	51,162,155		
Dividend paid	32	-	-	-	-	-	-	-	-	(3,342,967)	(3,342,967)	-	(3,342,967)		
Total comprehensive income (expense)	33	-	-	3,184,565	(154,974)	117,681	(629,379)	-	-	7,602,497	10,120,390	202,233	10,322,623		
Transfer to retained earnings	33	-	-	-	-	-	(277,702)	55,360	-	222,342	-	-	-		
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(30,365)	(30,365)		
Closing balances as at 31 December 2022	8,467,511	9,356,233	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)	852,337	37,137,439	57,823,524	287,922	58,111,446		
Opening balance as at 1 January 2023	8,467,511	9,356,233	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)	852,337	37,137,439	57,823,524	287,922	58,111,446		
Dividend paid	32	-	-	-	-	-	-	-	-	(2,328,495)	(2,328,495)	-	(2,328,495)		
Legal reserve	30	-	-	-	-	-	-	-	195,539	(195,539)	-	-	-		
Share-based payments	41	-	-	20,170	-	-	-	-	-	-	20,170	-	20,170		
Total comprehensive income (expense)	33	-	-	-	(67,475)	64,835	612	-	-	5,453,768	5,451,740	12,547	5,464,287		
Transfer to retained earnings	33	-	-	-	(19,084)	-	(44,027)	16,138	-	46,973	-	-	-		
Decrease in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(14,558)	(14,558)		
Closing balances as at 31 December 2023	8,467,511	9,356,233	20,170	3,165,481	(238,830)	(278,599)	(528,712)	(158,337)	1,047,876	40,114,146	60,966,939	285,911	61,252,850		

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries

Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2023

Separate										Unit : Thousand Baht
Other components of equity										
	Issued and paid-up share capital	Premium on share capital	Other reserve from Revaluation share-based payments	Revaluation surplus on assets	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income	Deferred tax relating to components of other comprehensive income (expenses)	Appropriated earnings - Legal reserve	Unappropriated retained earnings	Total equity
Notes										
Opening balance as at 1 January 2022	8,467,511	9,356,233	-	-	(16,381)	213,233	(39,370)	852,337	29,121,443	47,955,006
Dividend paid	32	-	-	-	-	-	-	-	(3,342,967)	(3,342,967)
Transfer to retained earnings	33	-	-	-	-	(126)	25	-	101	-
Total comprehensive income (expense)	33	-	-	354,517	(154,974)	540	(40,017)	-	8,169,408	8,329,474
Closing balances as at 31 December 2022	<u>8,467,511</u>	<u>9,356,233</u>	<u>-</u>	<u>354,517</u>	<u>(171,355)</u>	<u>213,647</u>	<u>(79,362)</u>	<u>852,337</u>	<u>33,947,985</u>	<u>52,941,513</u>
Opening balance as at 1 January 2023	8,467,511	9,356,233	-	354,517	(171,355)	213,647	(79,362)	852,337	33,947,985	52,941,513
Dividend paid	32	-	-	-	-	-	-	-	(2,328,495)	(2,328,495)
Legal reserve	30	-	-	-	-	-	-	195,539	(195,539)	-
Share-based payments	41	-	-	20,170	-	-	-	-	-	20,170
Total comprehensive income (expense)	33	-	-	(4,235)	(67,475)	18,092	9,877	-	4,950,628	4,906,887
Transfer to retained earnings	33	-	-	-	-	-	847	-	3,388	4,235
Closing balances as at 31 December 2023	<u>8,467,511</u>	<u>9,356,233</u>	<u>20,170</u>	<u>350,282</u>	<u>(238,830)</u>	<u>231,739</u>	<u>(68,638)</u>	<u>1,047,876</u>	<u>36,377,967</u>	<u>55,544,310</u>

(Mr. Aphinant Klewpatinond)
Chief Executive Officer

(Mr. Philip Chen Chong Tan)
President

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Cash Flows
For the year ended 31 December 2023

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit from operating before income tax expenses	6,786,635	9,489,829	5,942,721	9,829,741
Adjustments to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities				
Depreciation	573,194	476,542	492,781	412,323
Amortisation	249,184	211,619	198,396	175,988
Amortisation of premium on investments in securities	129,064	63,727	131,354	64,637
Expected credit loss	1,705,285	2,401,000	1,697,645	2,369,796
Share - based payment	20,170	-	11,465	-
Unrealised (gain) loss on trading and foreign exchange transactions	849,234	(2,764,681)	876,490	(1,949,474)
Loss on remeasuring financial instruments measured at fair value through profit or loss	819,569	1,383,205	297,117	346,762
(Reversal) Loss on impairment on investments in subsidiaries	-	-	2,541	(10,587)
(Gain) loss on lease modifications	15	(1,065)	13	(1,065)
(Reversal) loss on diminution in value of properties foreclosed	(560,154)	26,050	(561,277)	37,284
(Reversal) loss on impairment of other assets	(12,196)	1,944	(12,196)	1,944
(Gain) loss on disposal of investment in securities	46,875	(3,172,646)	(355,049)	-
Gain on disposal of equipment	(3,326)	(19,398)	(2,942)	(18,593)
Loss on write-off of equipment	6,408	16,091	6,348	8,892
Loss on write-off of investment properties	3	2,690	-	-
Net interest income	(22,422,890)	(19,145,076)	(21,581,960)	(19,034,753)
Dividend income	(339,743)	(506,671)	(992,524)	(1,603,729)
Proceeds from interest income	29,413,435	22,598,317	28,650,481	22,545,038
Interest paid	(7,619,478)	(4,360,909)	(7,684,554)	(4,409,696)
Dividend received	322,726	507,666	46,336	131,881
Cash paid for corporate income tax	(1,768,414)	(2,412,507)	(1,440,280)	(1,798,480)
Increase in provision expenses	100,784	111,146	67,022	81,771
Increase (decrease) in specific business tax payable	23,233	33,975	22,217	33,462
Increase (decrease) in accrued expenses	(274,386)	172	(232,403)	166,668
Profit from operating before changes in operating assets and liabilities	8,045,227	4,941,020	5,579,742	7,379,810
(Increase) decrease in operating assets				
Interbank and money market items	(25,855,146)	9,561,389	(20,489,127)	12,606,270
Financial assets measured at fair value through profit or loss	1,798,030	5,471,225	(6,378,465)	3,673,716
Loans and receivables	(29,644,268)	(75,067,885)	(29,692,863)	(74,983,294)
Properties foreclosed	8,508,141	6,189,323	8,534,116	6,282,203
Accounts receivable from clearing house and broker-dealers	2,447,105	3,020,287	-	-
Securities and derivative business receivables	(679,086)	(296,396)	-	-
Other assets	(1,477,784)	1,685,182	(1,271,930)	1,358,415
Increase (decrease) in operating liabilities				
Deposits	27,438,512	43,082,054	27,608,017	43,005,278
Interbank and money market items	2,859,961	3,510,791	4,630,659	2,833,042
Liabilities payable on demand	143,520	(328,697)	143,520	(328,697)
Accounts payable to clearing house and broker-dealers	(12,936)	(1,496,965)	-	-
Securities and derivative business payables	(1,285,322)	(718,339)	-	-
Other payables	812,809	169,831	944,919	98,532
Other liabilities	532	89,004	66,161	(11,065)
Net cash from operating activities	(6,900,705)	(188,176)	(10,325,251)	1,914,210

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2023

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Cash flows from investing activities				
Cash paid for investments in debt instruments measured at fair value through other comprehensive income	(9,698,180)	(18,479,713)	(9,698,180)	(18,479,712)
Proceeds from investments in debt instruments measured at fair value through other comprehensive income	12,220,512	11,690,595	12,220,512	11,690,595
Cash paid for investments in equity instruments measured at fair value through other comprehensive income	(542,892)	(40,350)	-	-
Proceeds from investments in equity instruments measured at fair value through other comprehensive income	160,541	642,244	-	346
Cash paid for investments in debt instruments measured at amortised cost	(1,339,926)	(10,763,715)	(591,142)	(8,945,925)
Proceeds from investments in debt instruments measured at amortised cost	3,638,133	2,219,956	2,887,557	405,254
Cash paid for investment properties	(5)	(1,707)	-	-
Dividend received and profit sharing from subsidiaries	-	-	946,188	1,471,848
Cash paid for building improvement and equipment	(503,433)	(906,089)	(318,781)	(470,199)
Proceeds from sales of equipment	10,501	21,647	10,093	18,952
Purchases of intangible assets	(574,577)	(395,459)	(382,429)	(321,554)
Net cash from investing activities	3,370,674	(16,012,591)	5,073,818	(14,630,395)
Cash flows from financing activities				
Proceeds from issuance of debentures	84,253,303	55,339,570	80,792,652	50,132,174
Cash paid for redemption of debentures	(75,700,924)	(37,761,578)	(72,037,888)	(33,494,411)
Cash paid for borrowings	-	-	(590,000)	(640,000)
Cash paid for redemption of financial liabilities designated at fair value through profit or loss	(12,740,709)	(14,706,208)	-	-
Proceeds from issuance of financial liabilities designated at fair value through profit or loss	10,517,000	16,563,000	-	-
Cash paid for lease liabilities	(2,328,495)	(102,508)	(2,328,495)	(180,392)
Dividend paid	(88,461)	(3,342,967)	(203,482)	(3,342,967)
Dividend paid to minority interest	(329)	(384)	-	-
Decrease in share capital of minority shareholders in subsidiaries	-	(29,981)	-	-
Net cash from financing activities	3,911,385	15,958,944	5,632,787	12,474,404
Net increase (decrease) in cash and cash equivalents	381,354	(241,823)	381,354	(241,781)
Cash and cash equivalents as at 1 January	1,000,242	1,242,065	1,000,086	1,241,867
Cash and cash equivalents as at 31 December	1,381,596	1,000,242	1,381,440	1,000,086

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

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2023

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the year ended 31 December 2023 and 2022 are as follows;

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Increase (decrease) in account payables from land, premises and equipment purchased	31,656	25,184	31,656	25,184
Transfer of assets for loan settlement	9,400,664	8,021,161	9,377,380	7,982,398
Increase in lease liabilities	59,846	102,509	221,494	391,198
Increase in right-of-use assets	59,831	-	221,481	-
Decrease in fair value of investment in debt designated at fair value through other comprehensive income	(67,475)	(154,974)	(67,475)	(154,974)
Increase (decrease) in fair value of investment in equity designated at fair value through other comprehensive income	20,792	(160,057)	18,092	415
Pay-in-kind properties foreclosed for reduction and distribution of the capital of the subsidiaries	-	-	987	508,094
Increase in payables from trading securities	-	604,657	-	604,657
Increase in receivables from trading securities	-	629,127	-	413,245
Revaluation surplus of land, premises and equipment	-	3,419,400	-	354,517
Increase in account receivable of distribution of the capital of the subsidiaries	-	-	1,015,661	-

.....
(Mr. Aphinant Klewpatinond)
Chief Executive Officer

.....
(Mr. Philip Chen Chong Tan)
President

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

Notes	Topic
1	General
2	Accounting policies
3	Capital risk management
4	Risk management
5	Estimates and assumptions
6	Interbank and money market items, net (assets)
7	Derivatives
8	Financial assets measured at fair value through profit or loss
9	Investments, net
10	Investments in subsidiaries, net
11	Investment property, net
12	Loans to customers and accrued interest receivables, net
13	Hire-purchase and finance lease receivables
14	Allowance for expected credit losses
15	Properties foreclosed, net
16	Land, premises and equipment, net
17	Right-of-use assets, net and Lease liabilities, net
18	Other intangible assets, net and goodwill
19	Deferred income tax, net
20	Other assets, net
21	Deposits
22	Interbank and money market items, net (liabilities)
23	Financial liabilities designated at fair value through profit or loss
24	Debt issued and borrowings
25	Provisions
26	Other accounts payable
27	Other liabilities
28	Warrants
29	Share capital
30	Legal reserve
31	Capital fund
32	Dividend paid
33	Other components of equity
34	Assets with obligations and restrictions
35	Advance received from electronic transactions
36	Commitments and contingent liabilities
37	Earnings per share
38	Information on quality of assets
39	Related party transactions
40	Benefits paid to directors and executives
41	Share-based payment
42	Operating segments
43	Important positions and performance classified by type of domestic or foreign transactions
44	Interest income
45	Interest expenses
46	Fees and services income, net
47	Gain (loss) on financial instruments measured at fair value through profit or loss, net
48	Gain (loss) on investments, net
49	Other operating income
50	Other expenses
51	Expected credit losses
52	Income tax expenses
53	Income tax relating to components of other comprehensive income (loss)
54	Financial instruments
55	Offsetting of financial assets and liabilities
56	Fair value
57	Subsequent events

1 General

Kiatnakin Phatra Bank Public Company Limited (“the Bank”) was incorporated in Thailand. Its head office is located at 209 KKP Tower, Sukhumvit 21 (Asoke) Road, Khlong Toey Nua, Wattana, Bangkok. The Bank provides banking business through its branches network in Thailand. As at 31 December 2023 and 2022, has 11 subsidiaries and funds (“subsidiaries”).

This consolidated and separate financial statements have been approved for issued by the Board of Directors on 22 February 2024.

2 Accounting policies

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

2.1 Basis of preparation

The consolidated and separate financial statements (“the financial statements”) have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act. The primary financial statements (i.e. statements of financial position, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Notification of the Bank of Thailand (“BOT”), no. SorNorSor 21/2561. The preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group dated on 31 October 2018 and the circular letter of BOT no. TorPorTor ForNorSor 2 Wor 802/2564 directive dated on 3 September 2021, regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) and Notification no. SorNorSor 4/2564 (2021) Re: Measure to promote the acceptance of the transfer of collateral property for Debt Repayment under the Emergency Decree on the Provision of Assistance and Rehabilitation of Business Operators impacted by the spread of the Covid-19 pandemic B.E. 2564.

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

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

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

2.2 Basis for Preparation of the consolidated Financial Statements

The consolidated financial statements include the accounts of the head office and all branches of the Bank and its subsidiaries (collectively known as “the Group”) where the Bank has a controlling interest. Significant related party transactions and balances have been eliminated. The list of subsidiaries is as below:

	Type of business	Ownership Interest (%)	
		31 December 2023	31 December 2022
KKP Capital Public Company Limited	Holding Company	99.98	99.98
Kiatnakin Phatra Securities Public Company Limited	Securities	99.95 ⁽¹⁾	99.95 ⁽¹⁾
Kiatnakin Phatra Asset Management Co., Ltd	Fund Management	99.97 ⁽²⁾	99.97 ⁽²⁾
	Financial service and		
KKP Dime Securities Co., Ltd	Digital Asset Business	99.97 ⁽³⁾	99.97 ⁽³⁾
Asia Recovery 1 Fund	Investments	99.95	99.95
Asia Recovery 2 Fund	Investments	99.59	99.59
Asia Recovery 3 Fund	Investments	99.97	99.97
Thai Restructuring Fund	Investments	98.91	98.91
Bangkok Capital Fund	Investments	95.72	95.72
Gamma Capital Fund	Investments	94.03	94.03
KKP Tower Co., Ltd	Real estate	91.34	91.34

⁽¹⁾ Indirectly holding via KKP Capital Public Company Limited of 99.97%

⁽²⁾ Indirectly holding via KKP Capital Public Company Limited of 99.99%

⁽³⁾ Indirectly holding via KKP Capital Public Company Limited of 99.99%

2.3 New and amended financial reporting standards

Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and relevant to the Group

- A) Amendment to TAS 16 - Property, plant and equipment clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- B) Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- C) Amendment to TFRS 3 - Business combinations clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- D) Amendment to TFRS 9 - Financial Instruments clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The above amendment financial reporting standards and accounting guidance do not have significant impact on the Group.

Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 which are relevant to the Group and the Bank.

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them.

- A) Amendment to TAS 1 - Presentation of financial statements revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- B) Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- C) Amendments to TAS 12 - Income taxes
- c.1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations. The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
- right-of-use assets and lease liabilities, and
 - decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.
- The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.
- c.2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Earlier application is permitted.

The above amendment financial reporting standards do not have significant impact on the Group.

2.4 Changes in accounting policy

The Group has changed the accounting policy relating to the initial recognition and derecognition of investment in debt securities and debt issued and borrowings and the impact of the first time adopted the accounting policy relating to share-based payment in this year are as follow:

2.4.1 Initial recognition and derecognition of investment in debt securities and debt issued and borrowings

Since August 2023, the Group has changed the accounting policy relating to initial recognition and derecognition of investment in debt securities and debt issued and borrowings from trade date to settlement date. This change mainly affects to the statement of financial position as at 31 December 2022 and 2021 as follow:

	31 December 2022	
	Consolidated Million Baht	Separate Million Baht
Statement of financial position		
Assets		
Financial assets measured at fair value through profit or loss (decrease)	(191)	(191)
Securities and derivative business receivables (decrease)	(166)	-
Other assets, net (decrease)	(401)	(472)
	(758)	(663)
Liabilities		
Debt issued and borrowings (decrease)	(66)	(59)
Accounts payable to clearing house and broker - dealers (decrease)	(88)	-
Other accounts payable (decrease)	(604)	(604)
	(758)	(663)
	31 December 2021	
	Consolidated Million Baht	Separate Million Baht
Statement of financial position		
Assets		
Financial assets measured at fair value through profit or loss (increase)	152	152
Securities and derivative business receivables (decrease)	(109)	-
Other assets, net (decrease)	(353)	(359)
	(310)	(207)
Liabilities		
Debt issued and borrowings (decrease)	(34)	-
Accounts payable to clearing house and broker - dealers (decrease)	(69)	-
Other accounts payable (decrease)	(207)	(207)
	(310)	(207)

However, the impact of this change in accounting policy is immaterial. Therefore, the Group did not restate the prior year financial statements.

2.4.2 Share-based payment

On 1 July 2023, the Group granted and allocated of warrants to purchase the newly issued ordinary shares of KKP offered to the directors, executives, and/or employees of the Bank and its subsidiaries ("KKP ESOP Warrants") following the approval from the Annual General Meeting of the Bank's shareholders for the year 2023 on 20 April 2023. The terms of KKP ESOP Warrants would be 4 years after the date of issuance, and the exercise ratio would be that 1 unit of warrant was entitled to purchase 1 ordinary share at Baht 72 per share. The person exercising such rights must meet the specified conditions.

The scheme equity-settled share-based payment, which the Group has no legal or constructive obligation to repurchase or settle the options in cash.

Accounting policy relating to share-based payment which the Group just adopted is described in Note 2.22.

2.5 Group Accounting - Investments in subsidiaries and associates and interests in joint ventures

A) Subsidiaries

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

In the separate financial statements, investments in subsidiaries are accounted for using cost method with consideration for impairment of asset (if any).

B) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in owners' equity.

C) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

D) Separate financial statement

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

A list of the subsidiaries is set out in Note 2.2

2.6 Foreign currency translation

A) Functional and presentation currency

The financial statements are presented in Baht which is the Group's functional and the Group's presentation currency.

B) Transactions and balances

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

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

C) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflation economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows;

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

2.7 Cash

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

2.8 Financial instruments

A) Classification of financial assets

The Group classifies its financial assets as follows:

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

B) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Since August 2023, the Group has changed the accounting policy relating to the recognition of debt instruments from trade date to settlement date. The detail of impact from change in accounting policy is set out in Note 2.4.

C) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

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

D) Debt instruments

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

- Amortised cost

Financial assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.

- Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit. Interest revenue is included in finance income. Impairment losses are presented as separate line item.

- Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

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

The Group classifies financial asset as purchased or originated financial asset (POCI) when the financial asset that are credit-impaired on initial recognition.

E) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income and profit sharing when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gain or loss on financial instrument measured at fair value through profit or loss in the profit or loss in the statement of profit or loss and other comprehensive income.

The Group presents its investments in infrastructure fund units which the fund established and registered in Thailand as equity investments and measures them at FVPL following the TFAC's clarification, "Interpretation of investments in property fund unit trusts, Real Estate Investment Trust units, infrastructure fund units, and infrastructure trust units established and registered in Thailand" dated 25 June 2021. The fund is required to distribute benefits of not less than 90% of its adjusted net profit.

F) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period and presented as derivative assets or derivative liabilities in statement of financial position. The changes in the fair value is recognised to gain (loss) on financial instruments measured at fair value through profit or loss. The Group presents fair value of future contracts as the part of other assets.

G) Modification

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

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

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

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

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

On 22 December 2021, TFAC has announced the accounting guidance on temporary relief measures for the entities assisting debtors affected by the COVID-19 pandemic. The Bank which assists debtors affected by the COVID-19 pandemic can apply the accounting guidance announced by TFAC based on BOT circular ForNorSor 2 Wor 802/2564 to help debtors between 1 January 2022 and 31 December 2023 regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) The Bank has applied as following detail:

- The Group will classify debt restructuring for debtors without non-performing loans (non-NPL) as Stage 1 immediately. If analysing the status and business of debtors and it's clear that the debtors can comply with debt restructuring agreements without waiting for the results of debt restructuring compliance conditions, it will be considered as pre-emptive debt restructuring and not troubled debt restructuring (TDR).
- The Group will classify debt restructuring for debtors with non-performing loans (NPL) as Stage 1 if the debtors can repay in accordance with the debt restructuring contract for three consecutive months or three instalment payment periods, whichever period is longer.
- In case that the debt restructuring causes the previously effective interest rate (EIR) no longer reflect the estimated cash flow received from the loan. The Bank can use new calculated EIR as an interest rate for the new debt restructuring under the guidelines of the Bank of Thailand circular.

When the accounting guidance on temporary relief measures for the entities assisting debtors affected by the covid-19 pandemic is ended, the Bank needs to recognise transactions and consider staging of new restructuring debtors following TFRS 9.

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

Derecognition other than on a modification

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

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

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

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

H) Impairment

The Group measures expected credit losses using the following approaches:

A. Simplified approach

The Group applies simplified approach to measure expected credit losses which uses a lifetime expected credit loss for other assets apart from loans to customers.

B. General approach

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

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

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

Significant increase in credit risk

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

TFRS 9 contains a rebuttable presumption that the risk of financial assets is deemed to have increased significantly when more than 30 days past due. The Group uses this 30-day backstop for all its products. In addition, the Group considers a range of qualitative and quantitative events to assess whether a significant increase in credit risk since initial recognition has occurred. These events include for example, changes in credit risk ratings, payment delinquency, past payment patterns, behavioral scores, and watch-lists. Exposures with significant increase in credit risk are transferred from Stage 1 to Stage 2. Exposures will move back to Stage 1 once they no longer meet the criteria.

Write-off

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering financial assets in their entirety or portion thereof. A write-off constitutes a derecognition event. Write-offs are recognised in the statement of profit or loss and other comprehensive income.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial obligations. The default definition is consistent with that used for risk management purposes. Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

Surplus reserve

The Group measures the surplus reserve on the date of adoption for new financial reporting standards related to financial instruments by comparing the difference between allowance for expected credit losses according to requirement under new financial reporting standards related to financial instruments and total reserves that the Group had on 31 December 2019. In which, the Group will amortised the surplus reverse using straight-line method by 5 years consecutively in accordance with notification to utilise surplus reserve from Bank of Thailand dated on 6 November 2019. However, the Bank informed the Bank of Thailand of the reduction of the remaining surplus reserve completely by the end of 2023.

For purchased or originated credit-impaired financial asset, the Group recognised the financial assets by discounted expected cash flows by considering all contractual terms of the financial asset, expected credit loss, all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts with presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably using credit-adjusted effective interest rate determined at initial recognition.

l) Classification and measurement of financial liabilities and equity

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

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

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

- Financial guarantee contracts and loan commitments
- Financial liabilities at fair value through profit or loss

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

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

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

Since August 2023, the Group has changed the accounting policy relating to the recognition of debt issued and borrowings from trade date to settlement date. The detail of impact from change in accounting policy is set out in Note 2.4.

Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished or when the obligation specified in the contract is discharged, cancelled, or expired.

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

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

J) Financial guarantee contract and loan commitment

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

Loan commitments provided by the Group are measured at the amount of loss allowance. The Group has not provided any commitment to provide loan at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For the loan commitments and financial guarantee contract, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit loss are recognised as a provision.

The Group applies expected credit losses provisioning for unused credit lines of debtors, who are affected by the situation impacting the Thai economy, from BOT circular ForNorSor 2 Wor 802/2564 regarding to Covid-19 (Measures to enhance the existing debt restructuring facilities to be more sustainable) with effective date from 1 January 2022 until 31 December 2023 by provisioning the expected credit losses only from outstanding loans which have been drawn down.

When the accounting guidance on temporary relief measures for the entities assisting debtors affected by the COVID-19 pandemic is ended, the Bank needs to recognise expected credit losses provisioning for unused credit lines of debtors following TFRS 9.

K) Interest income and interest expense recognition

Interest income is calculated by applying the effective interest rate to the gross carrying is applied to the amortised cost of the financial asset, except for:

- Purchased or originated credit-impaired financial asset (POCI), for which the original credit-adjusted effective interest rate is applied to the amortised cost of financial asset.
- Financial assets that are not (POCI) but have subsequently becomes credit-impaired (a stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (net of the expected credit loss provision).

L) Offset

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right of set-off and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. Cash collateral on exchange traded derivative transactions is presented gross unless the collateral cash flows are always settled net with the derivative cash flows. In certain situations, even though master netting agreements exist, the lack of management intention to settle on a net basis results in the financial assets and liabilities being reported gross on the statement of financial position.

2.9 Valuation of investments in property

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. After initial recognition, investment is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives which are around 40 - 60 years.

The Group recognises the difference between the net disposal proceeds and carrying amount as income or expenses to profit or loss when there is disposal of an investment property.

2.10 Loans

Overdrafts are stated at the principal amounts including interest. Other loans are stated at the principal amount. Unearned discounts received in advance are presented as deduction from the loans.

Hire-purchase and finance lease receivables are stated at the contract value of the hire-purchase and finance lease receivables net of unearned income.

2.11 Properties foreclosed

Properties foreclosed include land and/or construction, leasehold, condominium and repossessed vehicles.

The Group states land and/or construction, leasehold and condominium at the lower of the outstanding loan principal including accrued interest or fair value.

Repossessed vehicles are stated at the lower of cost or fair value at the transferred date. Fair value is calculated by using market value (Red book).

Gains (losses) on disposal of properties foreclosed are recorded as income or expenses in profit or loss when the disposal is made. Impairment loss (if any) is recognised as expense in profit or loss.

2.12 Land, premises and equipment

land and buildings comprise mainly office buildings and are shown at fair value based on every 3 - 5 years valuations by external independent valuers, less subsequent depreciation for buildings. All other equipment is stated at cost less accumulated depreciation.

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

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

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost (and the revalued amount) to their residual values over their estimated useful lives, as follows:

Premises and building improvement	5 - 60 years
Equipment	3 - 5 years
Furniture and fixtures	3 - 5 years
Vehicles	5 years

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

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

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

2.13 Goodwill in a business combination

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary and the fair value of the non-controlling interest in the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

For excess of net fair value of the identifiable net assets over purchase cost as at the date of acquisition, the Group recognises that excess as revenue recorded in profit or loss.

2.14 Intangible assets

2.14.1 Computer software

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

- the expenditure attributable to its development can be measured reliably;
- the Group can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Group intends to and has the ability to complete the development for the purpose of using or selling.

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

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

Computer software development costs recognised as assets are amortised when the asset is ready to use by applying a straight-line method over the period of its expected benefit, not exceeding 5 years.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire that software and bring it to use. These costs are amortised over their estimated useful lives of not exceeding 10 years.

2.14.2 Deferred license fee

The subsidiaries amortise deferred license fee on a systematic basis over the useful economic useful life of 5 years.

2.15 Impairment of assets

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

An impairment loss is recognised in the profit or loss.

2.16 Receivables from Clearing House and Broker-dealers

Receivables from Clearing House and Broker-dealers comprise of net receivable of the followings;

- (1) Net receivables from Thailand Clearing House (TCH) for settlement of equity securities trading made through the Stock Exchange of Thailand, included cash collateral pledged with TCH for equity trading,
- (2) Net receivables from TCH from derivatives trading made through TCH, included cash collateral pledged with TCH for derivatives trading,
- (3) Net receivables from foreign equity securities or derivatives trading settled overseas through foreign securities companies, included cash collateral pledged with foreign securities companies for equity or derivatives trading, and
- (4) Net receivables from local equity securities or derivatives trading settled domestically through local securities companies, included cash collateral pledged with local securities companies for equity or derivatives trading.

2.17 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net securities business receivables and derivatives business receivables, after deducting allowance for expected credit losses and adding related accrued interest receivables.

In addition, securities business receivables comprise the net receivable balances of cash accounts, securities borrowing receivables and other receivables such as overdue cash customers' accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are settling in installments.

Derivatives business receivables include other receivables which are derivatives business receivable subjected to legal proceeding, are undergoing restructuring or are being settled in installments.

2.18 Payables to Clearing House and Broker-dealers

Payables to Clearing House and Broker-dealers comprise net payables of the followings;

- (1) Net payables to Thailand Clearing House (TCH) for settlement of equity securities trading made through the Stock Exchange of Thailand,
- (2) Net payables to TCH from derivatives trading made through TCH,
- (3) Net payables from foreign equity securities or derivatives trading settled overseas through foreign securities companies, and
- (4) Net payables from local equity securities or derivatives trading settled domestically through local securities companies.

2.19 Securities and derivatives business payables

Securities and derivatives business payables are the obligation of the Group in respect to securities and derivatives business with outside parties, such as the net payables of cash accounts, obligation to deliver securities as a result of short sales or securities borrowing and obligation to return assets held by the Group as customers' collateral for securities lending, etc.

2.20 Structured notes

The Group's structured notes are offered to customers or business associates of the Group, which are institutional investors or high net worth investors, through private placements. The notes are issued under conditions approved by the Office of the Securities and Exchange Commission, and the underlying assets are securities listed on the Stock Exchange of Thailand.

Structured notes comprise of 2 parts which are a note and a put or a call option. If the economic characteristics and risks of an embedded derivative are not closely related to the economic characteristic and risk of host contract, the Group will separately account the embedded derivative from the host contract and measure the embedded derivative under "derivatives assets/liabilities" in the statement of financial position. The host contract will be accounted for under the related accounting standards. On the other hand, if the economic characteristics and risks of an embedded derivative are closely related to the economic characteristics and risks of the host contract, the Group will not separately account the embedded derivative from the host contract and classify the host contract under the related accounting standards. The Group is able to designate the structured notes to measure at fair value through profit or loss if those structured notes are met the criteria as disclosed in Note 2.8.

The initial recognition of structured notes comprises of notes and options. The cost of notes is recorded at amortised cost. The discount is amortised by the effective interest rate method. For an option-based note, it is calculated from selling prices of structured notes less the cost of notes. The balances of structured notes are subsequently measured at fair value. Changes in fair value are reflected in profit or loss. The value of the option part is calculated from the general accepted valuation model or technique such as Black-Scholes model and Monte Carlo Simulation. The input variables used in this model are derived from observable market variables and conditions that include market prices of the underlying asset, volatility of the underlying asset, time to maturity of option, risk free rate, strike price, dividends and correlations between the underlying assets.

2.21 Employment benefit

Provident fund

The Group operates a provident fund that is a defined contribution plan, the assets of which are held separately from the Group and managed by an external authorised fund manager in accordance with the provident fund Act. B.E. 2530. The provident fund is funded by payments from employees and by the Group. The Group has no further payment obligations once the contributions have been paid. Contributions to the provident fund are recognised as employee benefit expense when they are due.

The Group is required to make contributions at the same rates as follows;

Service periods	Contribution rate (%)
Less than 5 years	5
Over 5 years	8 - 10

Post-employment benefit obligation

Legal severance payment plan

All employees will receive severance payment upon retirement in accordance with the Labor Protection Act.

The obligation of this plan is considered as an unfunded defined benefit obligation under TAS 19 Employee benefits and is separately measured by an actuary using the projected unit credit method to determine the present value of employee benefit cash flows to be paid in the future. Under this method, the obligation is based on an actuarial calculation including the employee's expected salary, employees' turnover rate, salary increase rate, mortality rate, discount rate, years of service and other factors.

Remeasurements of post-employment benefit obligations arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise and are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

The Group recognises the post-employment benefit obligation as a provision in the statement of financial position and personnel expenses.

Benefit from carried forward leave

The Group recognises the benefit from employees' cumulative carried forward leave as a provision in the statement of financial position and personnel expenses.

2.22 Share-based payment

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Bank to the employees of subsidiary(ies) is treated as a capital contribution.

2.23 Provisions

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

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

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

2.24 Current and deferred income taxes

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

Current tax

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

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

2.25 Recognition and amortisation customers' deposits

Cash collateral received from customers for trading in securities of cash balance accounts and placed as margin for derivatives trading is recorded as assets and liabilities of the subsidiary for internal control purposes. As at the end of reporting period, the subsidiary excludes these amounts from both the assets and liabilities.

2.26 Securities borrowing and lending

The Group is engaged in securities borrowing and lending, whereby the Group acts as a principal of the borrowers and lenders of securities.

The Group records its obligations to return borrowed securities which it has been sold as short selling or lent as "Securities borrowing and lending payables" recognised as Securities and derivatives business payables, net in the statements of financial position, and securities lent to customers as "Securities borrowing and lending receivables" recognised as Securities and derivatives business receivables in the statement of financial position. The balance of securities borrowing and lending receivables and payables are subsequently measured at fair value. The fair value is based on last offer price quoted on the Stock Exchange of Thailand of the last business day on the statement of financial position date. Unrealised gains or losses resulting from securities borrowing and lending receivables and payables are included in gain (loss) on financial instruments measured at fair value through profit or loss, net. Moreover, the Group records cash paid as collateral for securities borrowing as "Collateral receivables" and cash received as collateral for securities lending as "Collateral payables". Fees from borrowing are charged to expenses, and fees from lending are recognised as revenue. They are recognised on an accrual basis over the term of the borrowing and lending.

2.27 Accounting for lease

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

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payment to be made under reasonably certain extension options are also included in the measurement of the liabilities.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

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

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

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

2.28 Fees and services income

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

Fee and commission income is generally recognised on the completion of a transaction. Such fees include brokerage fees, insurance commission fee, underwriting fee, financial advisory fees, unit trust trading fee, and other fees related to the completion of corporate finance transactions.

For a service that is provided over a period of time, fee and commission income is recognised over the period during which the related service is provided or credit risk is undertaken. Such fees include the income from issuance of acceptance, avals and guarantees, tailing fees, securities lending fee, fund management and registrar fee, investment advisory fees, and bancassurance service fees from insurance company.

2.29 Recognition of expenses

The Group recognises expenses on an accrual basis.

2.30 Earnings per share

The Group computes basic earnings per share by dividing the net profit for the year by the weighted-average number of issued and paid-up ordinary shares during the year. The diluted earnings per share are computed by dividing the net profit for the year adjusted by expense (after tax effect) saved from the conversion of dilutive potential ordinary shares, by the weighted-average number of ordinary shares (included potentially dilutive shares).

2.31 Dividend distribution

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

2.32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3 Capital risk management

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

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

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

4 Risk management

The risk management policy of the Group is emphasised on managing overall risks as a Group wide in order to ensure the appropriateness and effectiveness of the enterprise wide risk management. While each related business and department unit is required to sufficiently understand and effectively manage its risks incurred under the centralised framework and risk management policy of the Group, risk management department also plays important roles to control and review each business line and unit to ensure the sufficient risk management and control system.

Risks relating to significant financial instruments held by the Group are summarised below:

4.1 Credit risk

Credit risk refers to risk arising from the failure of either debtors to repay principal and interest as agreed, or of counterparties to comply with conditions or contracts. Credit risk covers all types of financial products: transactions on-financial reporting such as loans, overdrafts, bills of exchange, and other types of debts; and those off-financial reporting such as letters of guarantee.

The Group has constantly improved its process of credit risk management to appropriately reflect its managed credit risk. Details of such improvement measures are as follows;

4.1.1 Credit Policy Adjustment

The Bank focuses on adjusting its main credit policy, business loan policy, personal loan policy, and Watch List mechanism as an integral part of Debt Restructuring, Asset Classification, Provision and Write-off Policy to provide adequate level of conservativeness and suitability to current environment. Counterparty credit policy and country credit policy have also been added to accommodate the Bank's extended reach to financial institution and corporation counterparties. In addition, credit policy has been established taking into account the environmental dimension also including climate change, society and governance, according to guidelines for responsible lending and covers everything from customer selection guidelines, credit analysis, setting necessary conditions and credit management.

4.1.2 Development of Credit Approval Aid

The Bank aims to consistently develop and improve its tools for assisting the credit approval process. Set up Product Program for Retail Banking, which covers 2 dimensions, customer profile and collateral class. In addition, Behavior-Score usage, which applied for acquired existing customer with different credit granted from risk level. For new customer, the Bank started implementing internal score by using the NCB data which will ensure to a better risk assessment and select a customer group in accordance with the Bank's goals and strategy. In addition to that, Bank introduced the alternative score base for Thin customer profile who just newly to credit to help Bank to precise underwriting process for business target expansion which is the major segment for Hire Purchase business.

4.1.3 Loan portfolio Management

The Bank focuses on giving credit to businesses which the Bank has expertise. The Bank will manage its loan portfolio to maximise profit with an acceptable level or Risk Appetite of each portfolio as well as early warning indicator for monitoring of loan portfolio position with a systematic information reporting, in-depth analysis for the identification of risks and solution planning. A concentration risk limit is also utilised to lessen the volatility in the Group's performance. Examples of concentration limits include the Single Lending Limit and the Large Borrower Concentration Limit.

The Bank has introduced Risk Mitigation function which will be responsible for Retail Collection Strategies. The customer will be graded as High, Medium and Low upon each Individual payment behavior and collection treatment will be differentiated according to their grade. In addition, the Bank implemented has done in-depth cost-benefit analysis for each collection activity, especially when comparing to debt outstanding balance to ensure each collection activities must be cost-effectiveness. During the Covid-19 situation, Bank has introduced the risk segmentation for phone collection dunning (Before NPL) by Chi-square Automatic Interaction Detector (CHAID) for forbearance and normal account. This is to give the right offer help program to customer during crisis. In addition, Bank performed portfolio scrub or credit review to manage the risk of existing customer and to offer the right re-structuring program if we found significant shift in behavior of customer performance.

In the case of recognised financial assets, the carrying amount of the assets recorded in the statement of financial position, net of a portion of allowance for expected credit losses, represents the maximum exposure to credit risk.

The Group considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-statement of financial position financial instruments will not adhere to the terms of the contract when settlement becomes due.

The Group is exposed to credit risk in case where the counterparty fails to comply with terms in accordance with off-statement of financial position financial instruments such as commitments to extend credit, standby letters of credit, and financial guarantees. Risk of aforementioned instruments equals the contractual notional amount of applicable instruments. The Group use the same credit policy in making commitments and conditional obligations as they do for on-statement of financial position financial instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amount does not represent the Group exposure to potential credit loss. The Group controls credit risk on financial instruments through prudent credit approvals, limits, and strict monitoring procedures.

The Group has policies in place to ensure that loans are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the credit line of loan transaction to any client or financial institution.

As at 31 December 2023 and 2022, concentrations of credit risk relative to the loans and receivables summarised by type of industry are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Agriculture and mining	2,621,486	468,496	2,621,486	468,496
Manufacturing and commerce	29,927,004	36,399,430	29,927,004	36,399,430
Real estate and constructions	33,798,146	34,095,015	36,110,969	36,418,600
Public utilities and services	31,213,637	30,870,960	31,213,637	30,870,960
Housing loans	52,410,792	46,259,290	52,410,792	46,259,290
Hire-purchase loans	189,571,760	188,719,237	189,571,760	188,719,237
Finance lease loans	603,721	422,867	603,721	422,867
Others	57,852,137	40,212,041	57,499,244	39,793,172
Total loans and receivables	397,998,683	377,447,336	399,958,613	379,352,052

4.1.4 Expected credit loss measurement

Further explanation is also provided of how the Group determines appropriate grouping when expected credit loss is measured on a collective basis.

The expected credit loss (ECL) is measured on either a 12-month (12M) or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit loss is the discounted product of the probability of default (PD), exposure at default (EAD), and loss given default (LGD), defined as follows:

- Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default and credit-impaired), either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.

- Exposure at default (EAD) is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD)
- Loss given default (LGD) represents the Group's expectation of the extent of the loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The expected credit loss is determined by projecting the PD, LGD, and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together. This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or lifetime basis.
- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a credit conversion factor which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by the product type and current limit utilization band, based on analysis of the Group's recent default data.

Forward-looking economic information is also included in determining the 12-month and lifetime.

Forward-looking information incorporated in the ECL models

The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

Economic variable assumptions

The percentage change of most significant period-end assumptions used for the ECL estimate as at 31 December 2023 are set out below. The scenarios "base", "upside" and "downside" were used for all portfolios.

		2023	2024	2025
GDP at current market prices (%YoY)	Base	6.9%	5.1%	4.7%
	Upside	6.9%	5.5%	5.0%
	Downside	5.5%	5.5%	4.4%
Unemployment Rate	Base	1.5%	1.4%	1.3%
	Upside	1.4%	1.3%	1.2%
	Downside	2.0%	1.7%	1.4%
Inflation	Base	2.8%	1.4%	1.4%
	Upside	3.0%	1.7%	1.5%
	Downside	1.5%	1.0%	1.0%
Automotive sales (%YoY)	Base	3.1%	1.3%	-1.0%
	Upside	3.7%	2.3%	0.4%
	Downside	-9.6%	12.4%	-1.9%

The weightings assigned to each economic scenario at 31 December 2023 were as follows:

	Base	Upside	Downside
Retail	50%	20%	30%
Non-retail	50%	20%	30%

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on an annual basis.

For the year ended 31 December 2023, the management considered to provision the additional expected credit losses as management overlay due to the Bank cautionary measure after assessing the various conditions and economic uncertainties arising from the COVID-19 situation which could result in asset quality deterioration in the coming periods.

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Group has considered benchmarking internal/external supplementary data to use for modelling purposes.

4.1.5 Credit risk exposure

4.1.5.1 Maximum exposure to credit risk

The maximum credit risk exposure of the Group in the event of other parties failing to perform their obligation is detailed below. No account taken of any collateral held and the maximum exposure to loss is considered to be the statement of financial position carrying amount or, for non-derivative off-statement of financial position transaction and financial guarantee, their contractual nominal amounts. The exposure to credit risk of the Group equals their carrying amount in the statement of financial position as at reporting date, except for the followings:

		Consolidated	
		31 December 2023	31 December 2022
		Maximum exposure	Maximum exposure
		Thousand Baht	Thousand Baht
Credit risk exposures of on-statement of financial position assets:			
Financial assets measured at fair value			
through profit or loss			
		9,273,836	1,139,836
Investments, net		35,017,335	30,914,504
		44,291,171	32,054,340
Credit risk exposure of off-statement of financial position items:			
Financial guarantees			
		1,830,127	2,411,547
Loan commitments		55,312,684	49,562,545
		57,142,811	51,974,092
		Separate	
		31 December 2023	31 December 2022
		Maximum exposure	Maximum exposure
		Thousand Baht	Thousand Baht
Credit risk exposures of on-statement of financial position assets:			
Financial assets measured at fair value			
through profit or loss			
		9,273,836	1,139,836
Investments, net		34,788,308	30,686,000
		44,062,144	31,825,836
Credit risk exposure of off-statement of financial position items:			
Financial guarantees			
		1,830,127	2,411,547
Loan commitments		56,201,093	50,436,574
		58,031,220	52,848,121

4.1.5.2 Collateral

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

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

- Mortgage over residential;
- Charges over commercial real estate or movable assets financed
- Charges over business assets such as properties, equipment, fixed deposit, debentures, personal guarantees and corporate guarantees; and
- Charges over financial instruments such as marketable securities
- Others

Term loan financing and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

	Consolidated			
	31 December 2023			
	Gross carrying amount	Expected credit losses	Net carrying amount	Fair value of collateral held
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Retail lending				
Auto hire purchase loan	5,770,190	3,121,889	2,648,301	-
Personal loan	101,442	77,818	23,624	110
Micro SME loan	1,909,599	1,272,448	637,151	1,620,222
Housing loan	906,835	315,861	590,974	821,753
Commercial lending				
Real estate development loan	2,497,690	1,053,504	1,444,186	2,747,180
SME loan	2,272,733	592,097	1,680,636	2,391,001
Corporate lending	706,293	317,832	388,461	-
Special Asset Management Loan	1,429,661	366,487	1,063,174	2,366,688
Total credit-impaired assets	15,594,443	7,117,936	8,476,507	9,946,954

	Consolidated			
	31 December 2022			
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,243,205	2,587,446	2,655,759	-
Personal loan	85,828	65,569	20,259	200
Micro SME loan	1,607,754	1,031,615	576,139	1,330,375
Housing loan	613,829	213,890	399,939	546,515
Commercial lending				
Real estate development loan	3,320,129	1,156,822	2,163,307	4,563,567
SME loan	2,419,929	606,803	1,813,126	2,293,872
Corporate lending	132,579	59,660	72,919	5,565
Special Asset Management Loan	1,442,229	292,485	1,149,744	2,741,504
Total credit-impaired assets	14,865,482	6,014,290	8,851,192	11,481,598
Separate				
31 December 2023				
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,770,190	3,121,889	2,648,301	-
Personal loan	101,442	77,818	23,624	110
Micro SME loan	1,909,599	1,272,448	637,151	1,620,222
Housing loan	906,835	315,861	590,974	821,753
Commercial lending				
Real estate development loan	2,497,690	1,053,504	1,444,186	2,747,180
SME loan	2,272,733	592,097	1,680,636	2,391,001
Corporate lending	706,293	317,832	388,461	-
Special Asset Management Loan	860,863	324,129	536,734	890,771
Total credit-impaired assets	15,025,645	7,075,578	7,950,067	8,471,037
Separate				
31 December 2022				
	Gross carrying amount Thousand Baht	Expected credit losses Thousand Baht	Net carrying amount Thousand Baht	Fair value of collateral held Thousand Baht
Retail lending				
Auto hire purchase loan	5,243,205	2,587,446	2,655,759	-
Personal loan	85,828	65,569	20,259	200
Micro SME loan	1,607,754	1,031,615	576,139	1,330,375
Housing loan	613,829	213,890	399,939	546,515
Commercial lending				
Real estate development loan	3,320,129	1,156,822	2,163,307	4,563,567
SME loan	2,419,929	606,803	1,813,126	2,293,872
Corporate lending	132,579	59,660	72,919	5,565
Special Asset Management Loan	831,621	256,868	574,753	910,753
Total credit-impaired assets	14,254,874	5,978,673	8,276,201	9,650,847

Collateral for financial assets at fair value through profit or loss

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Derivatives	1,957,390	3,081,143	1,957,390	3,081,143

The Group mitigates the credit risk of derivatives by entering into master netting agreements and holding collateral in the form of cash.

Credit related commitments

Commitment to extend credit represents unutilised portion of approved credit in the form of loans financing, guarantees or letters of credit. In terms of credit risk, the Group is potentially exposed to loss in an amount equal to the total unutilised commitments. However, the potential amount of loss is less than the total unutilised commitments, as most commitments to extend credit are contingent upon customers maintaining specific minimum credit standards. The Group monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than short-term commitments.

Total loans to customers - credit quality

All loans to customers are categorised into 'neither past due nor impaired', 'past due but not impaired' and 'impaired'.

Past due loans financing refers to loans, advances and financing that are overdue by one day or more. Loans to customers are classified impaired when they fulfil any of the following criteria:

- i) the principal or interest both is past due more than 90 days or 3 months from the first day of default;
- ii) where the account is in arrears for less than 90 days or 3 months, there is evidence of impairment to indicate that the borrower customer is 'unlikely to repay' its credit obligations; or
- iii) the loans to customers are classified as rescheduled and restructured

Distribution of loans, advances and financing by credit quality

	Consolidated				
	31 December 2023				
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	340,797,674	6,236,967	-	-	347,034,641
Past due but not impaired	19,556,804	23,307,452	-	-	42,864,256
Impaired	-	-	14,710,273	884,170	15,594,443
Gross carrying amount	360,354,478	29,544,419	14,710,273	884,170	405,493,340
Less: Expected credit losses	(7,641,682)	(5,908,101)	(7,046,510)	(71,426)	(20,667,719)
Net carrying amount	352,712,796	23,636,318	7,663,763	812,744	384,825,621

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Consolidated					
31 December 2022					
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	325,487,973	3,087,294	-	-	328,575,267
Past due but not impaired	20,728,719	19,669,980	-	-	40,398,699
Impaired	-	-	13,946,532	918,950	14,865,482
Gross carrying amount	346,216,692	22,757,274	13,946,532	918,950	383,839,448
Less: Expected credit losses	(8,392,256)	(3,807,580)	(5,958,190)	(56,101)	(18,214,127)
Net carrying amount	337,824,436	18,949,694	7,988,342	862,849	365,625,321
Separate					
31 December 2023					
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	343,109,941	6,236,967	-	-	349,346,908
Past due but not impaired	19,556,804	23,307,452	-	-	42,864,256
Impaired	-	-	14,710,273	315,372	15,025,645
Gross carrying amount	362,666,745	29,544,419	14,710,273	315,372	407,236,809
Less: Expected credit losses	(7,642,942)	(5,908,101)	(7,046,510)	(29,068)	(20,626,621)
Net carrying amount	355,023,803	23,636,318	7,663,763	286,304	386,610,188
Separate					
31 December 2022					
	12-month ECL Thousand Baht	Lifetime ECL not credit-impaired Thousand Baht	Lifetime ECL credit-impaired Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Total Thousand Baht
Neither past due nor impaired	327,810,098	3,087,294	-	-	330,897,392
Past due but not impaired	20,728,719	19,669,980	-	-	40,398,699
Impaired	-	-	13,946,532	308,342	14,254,874
Gross carrying amount	348,538,817	22,757,274	13,946,532	308,342	385,550,965
Less: Expected credit losses	(8,393,414)	(3,807,580)	(5,958,190)	(20,483)	(18,179,667)
Net carrying amount	340,145,403	18,949,694	7,988,342	287,859	367,371,298

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

The table below presents credit quality of Interbank asset items, financial assets measured at fair value through profit or loss, investments, and derivatives that neither past due nor impaired, past due but not impaired and impaired, analysed by rating:

	Consolidated			
	31 December 2023			
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Thousand Baht	not credit-impaired Thousand Baht	credit-impaired Thousand Baht	Thousand Baht
Interbank asset items				
Sovereigns	4,725,740	-	-	4,725,740
AAA	25,903,663	-	-	25,903,663
AA- to AA+	25,363,765	-	-	25,363,765
A- to A+	1,055,006	-	-	1,055,006
Lower than A-	4,489,679	-	-	4,489,679
Unrated	500,000	-	-	500,000
Less: Expected credit losses	(8,420)	-	-	(8,420)
	62,029,433	-	-	62,029,433
Financial assets measured at fair value through profit or loss				
Sovereigns	8,848,279	-	-	8,848,279
AAA	55,112	-	-	55,112
AA- to AA+	4,948	-	-	4,948
A- to A+	337,170	-	-	337,170
Lower than A-	598	-	-	598
Unrated	1,219,499	-	-	1,219,499
	10,465,606	-	-	10,465,606
Investment				
Sovereigns	32,734,225	-	-	32,734,225
AAA	1,568,037	-	-	1,568,037
AA- to AA+	-	-	-	-
A- to A+	47,729	-	-	47,729
Lower than A-	248,010	-	-	248,010
Unrated	-	-	-	-
	34,598,001	-	-	34,598,001
Derivative assets				
Sovereigns	634,435	-	-	634,435
AAA	3,896,490	-	-	3,896,490
AA- to AA+	1,878,774	-	-	1,878,774
A- to A+	1,028,173	-	-	1,028,173
Lower than A-	-	-	-	-
Unrated	590,179	-	-	590,179
	8,028,051	-	-	8,028,051

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Consolidated				
31 December 2022				
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Thousand Baht	not credit-	credit-impaired	Thousand Baht
		impaired		
		Thousand Baht	Thousand Baht	
Interbank asset items				
Sovereigns	14,056,193	-	-	14,056,193
AAA	11,226,091	-	-	11,226,091
AA- to AA+	2,181,689	-	-	2,181,689
A- to A+	1,125,194	-	-	1,125,194
Lower than A-	16,636,844	-	-	16,636,844
Unrated	515,173	-	-	515,173
<u>Less:</u> Expected credit losses	(8,835)	-	-	(8,835)
	45,732,349	-	-	45,732,349
Financial assets measured at fair value through profit or loss				
Sovereigns	993,585	-	-	993,585
AAA	22,446	-	-	22,446
AA- to AA+	1,642	-	-	1,642
A- to A+	77,121	-	-	77,121
Lower than A-	20,006	-	-	20,006
Unrated	1,200,540	-	-	1,200,540
	2,315,340	-	-	2,315,340
Investment				
Sovereigns	28,585,949	-	-	28,585,949
AAA	1,568,174	-	-	1,568,174
AA- to AA+	-	-	-	-
A- to A+	144,931	-	-	144,931
Lower than A-	297,462	-	-	297,462
Unrated	-	-	-	-
	30,596,516	-	-	30,596,516
Derivative assets				
Sovereigns	1,245,450	-	-	1,245,450
AAA	2,917,430	-	-	2,917,430
AA- to AA+	3,071,601	-	-	3,071,601
A- to A+	1,343,950	-	-	1,343,950
Lower than A-	1,640,810	-	-	1,640,810
Unrated	301,507	-	-	301,507
	10,520,748	-	-	10,520,748

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate				
31 December 2023				
	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Thousand Baht	not credit-	credit-impaired	Thousand Baht
		impaired	Thousand Baht	
		Thousand Baht		
Interbank asset items				
Sovereigns	4,725,740	-	-	4,725,740
AAA	25,403,663	-	-	25,403,663
AA- to AA+	25,333,956	-	-	25,333,956
A- to A+	1,017,692	-	-	1,017,692
Lower than A-	2,131,752	-	-	2,131,752
Unrated	500,791	-	-	500,791
<u>Less:</u> Expected credit losses	(8,420)	-	-	(8,420)
	59,105,174	-	-	59,105,174
Financial assets measured at fair value through profit or loss				
Sovereigns	8,848,279	-	-	8,848,279
AAA	55,112	-	-	55,112
AA- to AA+	4,948	-	-	4,948
A- to A+	337,170	-	-	337,170
Lower than A-	598	-	-	598
Unrated	-	-	-	-
	9,246,107	-	-	9,246,107
Investment				
Sovereigns	32,505,165	-	-	32,505,165
AAA	1,568,037	-	-	1,568,037
AA- to AA+	-	-	-	-
A- to A+	47,729	-	-	47,729
Lower than A-	248,010	-	-	248,010
Unrated	-	-	-	-
	34,368,941	-	-	34,368,941
Derivative assets				
Sovereigns	634,435	-	-	634,435
AAA	3,896,490	-	-	3,896,490
AA- to AA+	1,878,774	-	-	1,878,774
A- to A+	1,039,085	-	-	1,039,085
Lower than A-	-	-	-	-
Unrated	590,179	-	-	590,179
	8,038,963	-	-	8,038,963

Separate				
31 December 2022				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interbank asset items				
Sovereigns	14,056,193	-	-	14,056,193
AAA	11,212,524	-	-	11,212,524
AA- to AA+	2,159,931	-	-	2,159,931
A- to A+	5,173,488	-	-	5,173,488
Lower than A-	15,079,444	-	-	15,079,444
Unrated	515,173	-	-	515,173
Less: Expected credit losses	(10,032)	-	-	(10,032)
	48,186,721	-	-	48,186,721
Financial assets measured at fair value through profit or loss				
Sovereigns	993,585	-	-	993,585
AAA	22,446	-	-	22,446
AA- to AA+	1,642	-	-	1,642
A- to A+	77,121	-	-	77,121
Lower than A-	20,006	-	-	20,006
Unrated	-	-	-	-
	1,114,800	-	-	1,114,800
Investment				
Sovereigns	28,357,386	-	-	28,357,386
AAA	1,568,174	-	-	1,568,174
AA- to AA+	-	-	-	-
A- to A+	144,931	-	-	144,931
Lower than A-	297,462	-	-	297,462
Unrated	-	-	-	-
	30,367,953	-	-	30,367,953
Derivative assets				
Sovereigns	1,245,450	-	-	1,245,450
AAA	2,917,430	-	-	2,917,430
AA- to AA+	3,071,601	-	-	3,071,601
A- to A+	1,362,197	-	-	1,362,197
Lower than A-	1,640,810	-	-	1,640,810
Unrated	301,507	-	-	301,507
	10,538,995	-	-	10,538,995

Other financial assets - credit quality

Other financial assets of the Group are neither past due nor impaired, past due but not impaired and impaired are summarised as below:

Consolidated				
31 December 2023				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Accounts receivable from clearing house and broker - dealers	1,954,980	-	-	1,954,980
Securities and derivative business receivables	5,528,970	-	708,525	6,237,495
Other assets	629,142	65,874	101,880	796,896
<u>Less:</u> Expected credit losses	(2,252)	(9,896)	(794,178)	(806,326)
	8,110,840	55,978	16,227	8,183,045
Consolidated				
31 December 2022				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Accounts receivable from clearing house and broker - dealers	1,275,894	-	-	1,275,894
Securities and derivative business receivables	7,976,075	-	708,525	8,684,600
Other assets	1,763,667	61,106	69,204	1,893,977
<u>Less:</u> Expected credit losses	(1,641)	(8,274)	(762,456)	(772,371)
	11,013,995	52,832	15,273	11,082,100
Separate				
31 December 2023				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Other assets	725,583	65,874	101,880	893,337
<u>Less:</u> Expected credit losses	(2,252)	(9,896)	(85,653)	(97,801)
	723,331	55,978	16,227	795,536
Separate				
31 December 2022				
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Other assets	1,976,740	61,106	69,204	2,107,050
<u>Less:</u> Expected credit losses	(1,641)	(8,274)	(53,931)	(63,846)
	1,975,099	52,832	15,273	2,043,204

Loan commitments and financial guarantees below represent the ECL being recognised.

Consolidated				
31 December 2023				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans financing commitments and financial guarantees	117,952	1,228	-	119,180
Consolidated				
31 December 2022				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans financing commitments and financial guarantees	111,984	709	-	112,693
Separate				
31 December 2023				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans financing commitments and financial guarantees	118,449	1,228	-	119,677
Separate				
31 December 2022				
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans financing commitments and financial guarantees	112,494	709	-	113,203

4.2 Market risk

Presently, the Bank performs many transactions in financial market products for both trading and banking books. Five major transaction types are 1) fixed income trading and fixed income derivatives, 2) foreign exchange trading and foreign exchange derivatives, 3) interest rate derivatives, 4) common equity, property fund, infrastructure fund, and Real Estate Investment Trust (REIT) which registered in the Stock Exchange of Thailand (SET) and equity derivatives, and 5) option contract which refers equity price, ETF price or mutual fund performance as underlying asset. Furthermore, the capital market business invests in common equity traded in the SET and foreign stock markets as well as futures contract in Thailand Futures Exchange (TFEX) and equity derivatives.

The trading book market risk management focuses on transactions with interest rate risk and foreign exchange risk. In highly volatile market, these risks arise from internal and external uncontrollable factors and adversely affect trading book. Therefore, the Bank determines acceptable risk limit on interest rate risk and foreign exchange risk for trading book transactions and allows equity transaction to expose zero market risk in equity price.

The banking book market risk management emphasizes on transactions with interest rate risk. The Bank determines acceptable interest rate risk limit and fully hedges foreign exchange risk or hedge to insignificant level. However, the Bank may invest in common equity, property fund, infrastructure fund, and REIT which registered in the SET. This will be a long-term investment which required the related committee approval, on a case-by-case basis.

The Bank has consistently developed comprehensive and systematic market risk management procedures, ranging from identifying, measuring, monitoring and controlling risks resulted from trading and banking book transactions. These processes cover related and significant market risk factors. Meanwhile, the financial market group and treasury department are major units to manage market risk in trading and banking books respectively. The Market Risk Management together with the Liquidity Risk Management and ALM departments identify risk indicator and propose risk limit for an approval from Risk Oversight Committee to assess and monitor market risk. The internationally accepted risk indicator tools such as Value at Risk (VaR), Present Value of a Basis Point (PV01), Net Open Position in Foreign Currency (NOP), and Economic Value of Equity (EVE) are utilized to cover changes in the market. In case of any irregularity or beyond acceptable market risk limit, the Market Risk Management and Liquidity Risk Management and ALM departments will report to relevant units.

The capital market risk management department focuses on the investment in common equity, in the SET and foreign stock markets, private equity, futures contract in TFEX, and equity derivatives. The key market risk factors consist of equity prices, liquidity, foreign exchange rate and equity volatility. The capital market business short-term investment strategy gives rise to minimal risks resulted from risk hedging. On the other hand, the long-term investment in common equity in the country or in the foreign countries by the Direct Investment Department of KKPS is not hedged and directional, hence highly volatile market risk still exists. In the event that the price of invested securities drops, or the exchange rate changes, such events will adversely impact the Group's performance and profitability. Nevertheless, the Group is aware of the risks arising from these investment strategies. The Group has limited investment risk under acceptable level. The Risk Management department of the Capital Market Business is responsible for setting risk limits, for example, maximum loss at a determined confident level and maximum position held which determined by daily volume. In case of any irregularity or beyond acceptable trading book risk limit, the Risk Management department of the Capital Market Business will report to relevant units.

4.2.1 Interest rate risk

The Bank manages interest rate risk in trading book by limiting portfolio's sensitivity to interest rate change, including relevant foreign interest rates, to be in line with the risk appetite.

Interest rate risk management in banking book is to reduce negative impact arising from interest rate volatility. The Bank manages risk of the gap between asset and liability structures, which sensitive to interest rate change, both on statement of financial position, and off-statement of financial position. The Bank specifies to regularly evaluate the impacts on net interest income (Earning perspective), and economic value of equity (Economic value perspective), under supervision of the Assets and Liabilities Management Committee (ALCO). The treasury department is mainly responsible for managing the structure of assets and liabilities to be at an appropriate level, while the risk management group monitors and controls the risk, and reports to the Risk Oversight Committee and the Bank's Board of Directors on a regular basis.

As at 31 December 2023 and 31 December 2022, the loan information classified by fixed and floating rates is summarised as follows;

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans and receivables with fixed interest rate	280,591,722	287,699,384	280,591,722	287,699,384
Loans and receivables with floating interest rate	117,406,961	89,747,952	119,366,891	91,652,668
Total loans and receivables	397,998,683	377,447,336	399,958,613	379,352,052

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

The Group has summarised financial assets and liabilities classified on maturity of interest re-pricing years as at 31 December 2023 and 31 December 2022 as follows;

Consolidated							
31 December 2023							
	0 - 3 months	Over	Over	Over	Non-	Non-	Total
	Thousand	3 - 12 months	1 - 5 years	5 years	performing	interest	
	Baht	Thousand	Thousand	Thousand	loans	bearing	
		Baht	Baht	Baht	Thousand	Thousand	Thousand
					Baht	Baht	Baht
Financial assets							
Interbank and money market items	51,655,807	1,481,270	-	-	-	8,815,542	61,952,619
Financial assets measured							
at fair value through profit or loss	4,678,323	218,906	3,979,508	369,370	-	6,789,280	16,035,387
Derivatives assets	1,375,726	437,810	-	-	-	6,248,917	8,062,453
Investments in securities, net	9,364,915	6,663,387	5,755,222	12,814,477	-	1,663,568	36,261,569
Loans	210,093,325	43,495,157	111,717,610	13,774,468	12,903,320	6,014,803	397,998,683
Account receivables from clearing house and broker - dealers	-	-	-	-	-	1,954,980	1,954,980
Securities and derivative business receivables	-	-	-	-	-	5,528,970	5,528,970
Financial liabilities							
Deposits	181,481,480	142,278,613	34,386,426	-	-	755,993	358,902,512
Interbank and money market items	17,812,285	1,028,625	2,645,422	-	-	1,548,749	23,035,081
Liabilities payables on demand	-	-	-	-	-	483,354	483,354
Financial liabilities designated							
at fair value through profit or loss	-	1,332,833	-	-	-	-	1,332,833
Derivatives liabilities	1,267,565	263,189	-	-	-	6,971,923	8,502,677
Debt issued and borrowings	20,179,933	36,905,384	2,712,662	9,102,000	-	-	68,899,979
Lease liabilities	50	34,221	75,165	72,572	-	-	182,008
Payable to clearing house							
house and broker - dealers	-	-	-	-	-	151,102	151,102
Securities and derivative business payables	-	-	-	-	-	6,894,432	6,894,432

Consolidated							
31 December 2022							
	0 - 3 months	Over	Over	Over	Non-	Non-	Total
	Thousand	3 - 12 months	1 - 5 years	5 years	performing	interest	
	Baht	Thousand	Thousand	Thousand	loans	bearing	
		Baht	Baht	Baht	Thousand	Thousand	Thousand
					Baht	Baht	Baht
Financial assets							
Interbank and money market items	30,334,287	7,116,924	-	-	-	8,225,985	45,677,196
Financial assets measured							
at fair value through profit or loss	-	1,644	87,820	1,025,335	-	17,588,191	18,702,990
Derivatives assets	801,015	774,306	-	-	-	8,962,694	10,538,015
Investments in securities, net	8,889,383	2,786,579	6,919,143	12,001,411	-	1,251,175	31,847,691
Loans	178,304,270	42,475,706	126,776,996	15,137,598	12,631,921	2,120,845	377,447,336
Account receivables from clearing house and broker - dealers	-	-	-	-	-	1,275,894	1,275,894
Securities and derivative business receivables	-	-	-	-	-	7,976,075	7,976,075
Financial liabilities							
Deposits	229,929,597	67,905,308	32,668,500	-	-	960,595	331,464,000
Interbank and money market items	13,083,928	2,126,710	4,266,220	-	-	698,262	20,175,120
Liabilities payables on demand	-	-	-	-	-	339,834	339,834
Financial liabilities designated							
at fair value through profit or loss	-	3,556,542	-	-	-	-	3,556,542
Derivatives liabilities	1,173,887	432,256	-	-	-	7,722,008	9,328,151
Debt issued and borrowings	22,955,774	22,880,241	7,126,217	8,392,000	-	-	61,354,232
Lease liabilities	-	8,644	127,613	74,366	-	-	210,623
Payable to clearing house							
house and broker - dealers	-	-	-	-	-	164,038	164,038
Securities and derivative business payables	-	-	-	-	-	8,179,754	8,179,754

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate						
	31 December 2023						
	0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non-interest bearing Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items	49,669,723	1,481,270	-	-	-	7,893,116	59,044,109
Financial assets measured at fair value through profit or loss	4,678,323	218,906	3,979,508	369,370	-	145,117	9,391,224
Derivatives assets	1,375,726	437,810	-	-	-	6,225,427	8,038,963
Investments in securities, net	9,294,980	6,504,262	5,755,222	12,814,477	-	263,461	34,632,402
Loans	210,093,325	45,805,897	111,717,610	13,774,468	12,552,510	6,014,803	399,958,613
Financial liabilities							
Deposits	182,096,233	142,278,613	34,386,426	-	-	755,993	359,517,265
Interbank and money market items	18,908,673	1,028,625	2,645,422	-	-	1,548,749	24,131,469
Liabilities payables on demand	-	-	-	-	-	483,354	483,354
Derivatives liabilities	1,267,565	263,189	-	-	-	6,966,056	8,496,810
Debt issued and borrowings	20,249,933	34,813,466	2,712,662	9,102,000	-	-	66,878,061
Lease liabilities	50	34,221	75,165	967,596	-	-	1,077,032

	Separate						
	31 December 2022						
	0 - 3 months Thousand Baht	Over 3 - 12 months Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Non- performing loans Thousand Baht	Non-interest bearing Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items	33,682,653	7,116,924	-	-	-	7,335,127	48,134,704
Financial assets measured at fair value through profit or loss	-	1,644	87,820	1,025,335	-	2,245,081	3,359,880
Derivatives assets	801,015	774,306	-	-	-	8,963,674	10,538,995
Investments in securities, net	8,799,416	2,647,983	6,919,143	12,001,411	-	245,369	30,613,322
Loans	178,304,270	44,797,209	126,776,996	15,137,598	12,215,134	2,120,845	379,352,052
Financial liabilities							
Deposits	230,374,845	67,905,308	32,668,500	-	-	960,595	331,909,248
Interbank and money market items	13,409,618	1,126,710	4,266,220	-	-	698,262	19,500,810
Liabilities payable on demand	-	-	-	-	-	339,834	339,834
Derivatives liabilities	1,173,887	432,256	-	-	-	7,713,355	9,319,498
Debt issued and borrowings	23,615,774	20,585,938	7,126,217	8,392,000	-	-	59,719,929
Lease liabilities	-	8,559	127,613	922,847	-	-	1,059,019

The average balances of significant performing financial assets and financial liabilities, including the average interest are summarised as follows;

Consolidated		
For the year ended 31 December 2023		
	Average outstanding balances Thousand Baht	Average rate %
Significant performing financial assets		
Interbank and money market items, net	57,155,553	1,280,867
Investments in securities	45,967,864	937,259
Loans	390,221,670	28,405,438
	493,345,087	30,623,564
Significant financial liabilities		
Deposits	346,752,697	5,003,826
Interbank and money market items, net	21,430,357	439,516
Debt issued and borrowings	67,867,552	1,104,210
	436,050,606	6,547,552

Consolidated			
For the year ended 31 December 2022			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	55,108,803	603,776	1.10
Investments in securities	51,581,612	456,184	0.88
Loans	342,612,511	22,572,384	6.59
	449,302,926	23,632,344	5.26
Significant financial liabilities			
Deposits	318,530,681	2,878,280	0.90
Interbank and money market items, net	19,437,692	190,212	0.98
Debt issued and borrowings	54,897,804	616,095	1.12
	392,866,177	3,684,587	0.94
Separate			
For the year ended 31 December 2023			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	55,576,054	1,167,035	2.10
Investments in securities	34,474,598	833,655	2.42
Loans	392,138,614	27,858,558	7.10
	482,189,266	29,859,248	6.19
Significant financial liabilities			
Deposits	347,312,125	5,004,181	1.44
Interbank and money market items, net	21,774,456	435,169	2.00
Debt issued and borrowings	65,121,782	1,065,714	1.64
	434,208,363	6,505,064	1.50
Separate			
For the year ended 31 December 2022			
	Average outstanding balances Thousand Baht	Interest Thousand Baht	Average rate %
Significant performing financial assets			
Interbank and money market items, net	56,565,763	638,842	1.13
Investments in securities	33,155,787	411,818	1.24
Loans	344,776,235	22,524,506	6.53
	434,497,785	23,575,166	5.43
Significant financial liabilities			
Deposits	319,063,122	2,878,539	0.90
Interbank and money market items, net	19,246,588	183,505	0.95
Debt issued and borrowings	49,324,580	569,385	1.15
	387,634,290	3,631,429	0.94

Interest/profit rate sensitivity

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

	Consolidated			
	31 December 2023		31 December 2022	
	+ 1 basis point	- 1 basis point	+ 1 basis point	- 1 basis point
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Impact on profit after taxation	28,900	(28,900)	27,502	(27,502)
Impact on equity	22,319	(22,319)	22,853	(22,853)

	Separate			
	31 December 2023		31 December 2022	
	+ 1 basis point	- 1 basis point	+ 1 basis point	- 1 basis point
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Impact on profit after taxation	28,900	(28,900)	27,502	(27,502)
Impact on equity	22,319	(22,319)	22,853	(22,853)

4.2.2 Foreign exchange rate risk

Foreign exchange rate risk refers to the loss affecting income and/or equity from exchange rate fluctuations that affect foreign currency transactions and foreign currency assets and liabilities.

The Bank sets and controls the risk of trading intent transactions that exposed to foreign exchange rate risk to be within an acceptable level. The transactions include foreign currency bonds, FX spot, FX derivatives, and cross currency swap. For other assets and liabilities, the Bank regularly hedges against the foreign exchange rate risk by using forward and swap contracts. Therefore, the Bank's overall foreign exchange rate risk is relatively low.

The subsidiaries have strategies, which invest abroad and do not intent to expose to foreign exchange rate risk. As such, the subsidiaries also use forward and swap contracts to hedge the risk. However, the foreign exchange rate risk may remain for some investment strategies, since the amount of these investment strategies is considered as very small or the investments are exposed to foreign exchange rate risk in low liquidity currencies. In some cases, the subsidiaries will hedge the risk by taking an opposite position in another currency which is positively correlated with the target currency (i.e., cross hedging).

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

The balances of financial assets and liabilities denominated in foreign currencies other than the functional currency as at 31 December 2023 and 31 December 2022 are summarised as follows;

Consolidated							
31 December 2023							
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	4,111,579	31,277	16,940	22,525	167,263	282,215	4,631,799
Financial assets measured at fair value through profit or loss	2,544	-	-	-	-	-	2,544
Investments in securities, net	-	865,597	-	-	-	101,258	966,855
Loans to customers and accrued interest receivables	11,284,620	-	116,572	177,744	-	-	11,578,936
Account receivables from clearing house and broker - dealers	512,832	158	-	1,681	-	80,877	595,548
Securities and derivative business Receivables	126,215	-	-	782	-	2,855	129,852
Total financial assets	16,037,790	897,032	133,512	202,732	167,263	467,205	17,905,534
Financial liabilities							
Deposits	8,970,419	26,174	12,196	11,053	170,348	71,882	9,262,072
Interbank and money market items, net	6,962,268	-	-	189	-	239	6,962,696
Debt issued and borrowings	-	-	-	2,091,504	23,206,987	-	25,298,491
Account payable to clearing house and broker - dealers	51,147	-	-	250	-	2,428	53,825
Securities and derivative business Payables	437,246	-	-	1,299	-	1,419	439,964
Total financial liabilities	16,421,080	26,174	12,196	2,104,295	23,377,335	75,968	42,017,048
Foreign currency position of items recognised on the statements of financial position, net	(383,290)	870,858	121,316	(1,901,563)	(23,210,072)	391,237	(24,111,514)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	285,576	(51,396)	(99,319)	2,324,681	23,213,305	2,370	25,675,217
Consolidated							
31 December 2022							
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	6,189,844	6,787	5,626	47,740	83,751	174,694	6,508,442
Investments in securities, net	-	274,523	-	-	-	72,212	346,735
Loans to customers and accrued interest receivables	8,224,068	-	351,791	-	-	-	8,575,859
Account receivables from clearing house and broker - dealers	222,068	17	-	-	-	9,691	231,776
Securities and derivative business Receivables	132,509	-	-	-	-	881	133,390
Total financial assets	14,768,489	281,327	357,417	47,740	83,751	257,478	15,796,202
Financial liabilities							
Deposits	1,363,057	28	-	17,118	34,847	156,242	1,571,292
Interbank and money market items, net	3,801,898	-	-	-	-	-	3,801,898
Debt issued and borrowings	-	-	-	7,095,326	7,384,885	-	14,480,211
Account payable to clearing house and broker - dealers	128,596	-	-	-	-	68	128,664
Securities and derivative business Payables	100,816	-	-	-	-	1,102	101,918
Total financial liabilities	5,394,367	28	-	7,112,444	7,419,732	157,412	20,083,983
Foreign currency position of items recognised on the statements of financial position, net	9,374,122	281,299	357,417	(7,064,704)	(7,335,981)	100,066	(4,287,781)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	(8,457,863)	(158)	(348,620)	6,994,576	7,342,788	(13,296)	5,517,427

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate							
31 December 2023							
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	4,078,751	31,267	16,940	20,455	167,263	278,560	4,593,236
Loans to customers and accrued interest receivables	11,284,620	-	116,572	177,744	-	-	11,578,936
Total financial assets	15,363,371	31,267	133,512	198,199	167,263	278,560	16,172,172
Financial liabilities							
Deposits	8,970,419	26,174	12,196	11,053	170,348	71,882	9,262,072
Interbank and money market items, net	6,962,268	-	-	189	-	239	6,962,696
Debt issued and borrowings	-	-	-	2,091,504	23,206,987	-	25,298,491
Total financial liabilities	15,932,687	26,174	12,196	2,102,746	23,377,335	72,121	41,523,259
Foreign currency position of items recognised on the statements of financial position, net	(569,316)	5,093	121,316	(1,904,547)	(23,210,072)	206,439	(25,351,087)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	285,576	(51,396)	(99,319)	2,324,681	23,213,305	2,370	25,675,217
Separate							
31 December 2022							
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	Australian Dollar Thousand Baht	Euro Thousand Baht	Yen Thousand Baht	Others Thousand Baht	Total Thousand Baht
Financial assets							
Interbank and money market items, net	6,169,868	6,781	5,626	46,019	83,751	174,558	6,486,603
Loans to customers and accrued interest receivables	8,224,068	-	351,791	-	-	-	8,575,859
Total financial assets	14,393,936	6,781	357,417	46,019	83,751	174,558	15,062,462
Financial liabilities							
Deposits	1,363,057	28	-	17,118	34,847	156,242	1,571,292
Interbank and money market items, net	3,801,898	-	-	-	-	-	3,801,898
Debt issued and borrowings	-	-	-	7,095,326	7,384,885	-	14,480,211
Total financial liabilities	5,164,955	28	-	7,112,444	7,419,732	156,242	19,853,401
Foreign currency position of items recognised on the statements of financial position, net	9,228,981	6,753	357,417	(7,066,425)	(7,335,981)	18,316	(4,790,939)
Foreign currency position of items in the statements of financial position, net (Forward exchange contracts and cross currency swaps)	(8,457,863)	(158)	(348,620)	6,994,576	7,342,788	(13,296)	5,517,427

Foreign exchange risk sensitivity analysis

The following table sets out the analysis of the exposure to assess the impact of a 1% change in exchange rate to the profit after taxation and share's holder equity.

		Consolidated	
		31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht
+ 1%			
US Dollar		40,084	(735)
Singapore Dollar		8,183	2,743
Australian Dollar		(824)	32
Euro		2,026	69,976
Yen		2,128	73,359
Others		3,374	685
		54,971	146,060
- 1%			
US Dollar		(40,084)	735
Singapore Dollar		(8,183)	(2,743)
Australian Dollar		824	(32)
Euro		(2,026)	(69,976)
Yen		(2,128)	(73,359)
Others		(3,374)	(685)
		(54,971)	(146,060)
		Separate	
		31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht
+ 1%			
US Dollar		38,224	(2,186)
Singapore Dollar		(474)	(2)
Australian Dollar		(824)	32
Euro		1,996	69,959
Yen		2,128	73,359
Others		1,526	(133)
		42,576	141,029
- 1%			
US Dollar		(38,224)	2,186
Singapore Dollar		474	2
Australian Dollar		824	(32)
Euro		(1,996)	(69,959)
Yen		(2,128)	(73,359)
Others		(1,526)	133
		(42,576)	(141,029)

4.2.3 Equity price risk

Equity price risk refers to the loss affecting income and/or equity from a movement in equity price.

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term investments. For trading book, the bank can invest in equity securities and/or equity derivative. In managing equity position risk, which is held, according to initial intention, as long-term, the Bank monitors and regularly reports the equity price risk.

The majority of Bank's equity position is in the subsidiaries, and unit trusts, which manage the Bank's assets. The remaining portion consists of equities listed in The Stock Exchange of Thailand, and those obtained from debt restructuring.

The equity position in the banking book of the capital market business is managed by the direct investment department of KKPS, which focuses on a long-term investment based on the business intrinsic value by employing value-based investment approach. In a search for investment opportunities, the direct investment department performs in-depth analysis, and covers essential aspects related to sustainable growth of the business opportunity, such as, attractiveness, industry's trend, business model, sustainable competitiveness, talent and transparency of executives, including the structure that encourages good governance. However, every transaction of the direct investment department must be approved from the Investment Committee (IC) before investing and be controlled and monitored transactions under the framework which approved by the risk management department.

Equity price risk sensitivity analysis

The table below summarizes the impact of increases/decreases of these equity indices on the group's equity and post-tax profit for the period. The analysis is based on the assumption that the equity prices had increased by 1% respectively or decreased by 1% with all other variables held constant.

	Consolidated			
	31 December 2023		31 December 2022	
	equity prices increase by 1% Thousand Baht	equity prices decreased by 1% Thousand Baht	equity prices increase by 1% Thousand Baht	equity prices decreased by 1% Thousand Baht
Impact on profit after taxation	10,781	(8,753)	10,256	(8,648)
Impact on equity	29,689	(27,661)	25,486	(23,878)

4.3 Liquidity risk

Liquidity risk is the risk of the Bank not being able to fulfill its obligation of repayment as it is unable to promptly convert its assets into cash, unable to raise sufficient funds in time or able to at a high cost which may affect the Bank's income and capital.

The Bank has established the Money Desk Sub-Committee to analyse and track cash inflows and outflows as well as closely monitor the Bank's liquidity to comply with the Bank's risk limits. The committee will regularly convene at least once every two weeks under the supervision of the Asset and Liability Management Committee (ALCO). The treasury department plays a key role in the implementation of the Bank's liquidity management to maintain an appropriate level of liquidity. Additionally, the risk management department monitors and controls the position of liquidity risk and regularly reports to the Risk Oversight Committee (ROC) and the Board of Directors.

The Bank also sets liquidity risk management policy and procedure in accordance with the Bank's strategy and the BOT's financial institution liquidity management framework. The main policies are as follows;

- Maintenance of liquidity ratio under both Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) regulated by BOT and at an appropriate level
- Control of liabilities and assets maturity mismatch at an acceptable level
- Diversification of liability types
- Expansion of deposit base while considering customer concentration in each type of deposit and maturity
- Provision of contingent liquidity reserves

Significant assets and liabilities of the Group analysed by relevant maturity groupings are as follows;

	Consolidated					
	31 December 2023					
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,596	1,381,596
Interbank and money market items	11,411,539	48,587,935	842,280	1,200,439	5,834	62,048,027
Financial assets measured at fair value through profit or loss	-	16,035,387	-	-	-	16,035,387
Derivatives assets	-	6,761,455	1,018,302	282,696	-	8,062,453
Investments in securities, net	-	7,335,124	14,450,269	12,812,608	1,663,569	36,261,570
Hire-purchase receivables	33,581	2,381,097	95,367,703	91,789,379	-	189,571,760
Finance lease receivables	52,262	12,759	538,700	-	-	603,721
Loans and receivables	2,554,817	32,194,534	74,267,194	98,806,657	-	207,823,202
Accounts receivable from clearing house and broker - dealers	-	1,954,980	-	-	-	1,954,980
Securities and derivative business receivables	-	5,528,970	-	-	-	5,528,970
Total financial assets	14,052,199	120,792,241	186,484,448	204,891,779	3,050,999	529,271,666
Financial liabilities						
Deposits	128,301,605	195,970,758	34,630,149	-	-	358,902,512
Interbank and money market items	5,158,595	14,204,365	3,672,121	-	-	23,035,081
Liabilities payable on demand	483,354	-	-	-	-	483,354
Financial liabilities designated at fair value through profit or loss	-	1,332,833	-	-	-	1,332,833
Derivatives liabilities	-	7,297,660	977,888	227,129	-	8,502,677
Debt issued and borrowings	-	56,889,965	2,908,014	9,102,000	-	68,899,979
Lease liabilities	-	34,272	75,164	72,572	-	182,008
Accounts payable to clearing house and broker - dealers	-	151,102	-	-	-	151,102
Securities and derivative business payables	-	6,894,432	-	-	-	6,894,432
Total financial liabilities	133,943,554	282,775,387	42,263,336	9,401,701	-	468,383,978

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Consolidated						
31 December 2022						
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,242	1,000,242
Interbank and money market items	8,493,740	24,064,366	10,880,934	2,311,600	5,834	45,756,474
Financial assets measured at fair value through profit or loss	-	18,702,990	-	-	-	18,702,990
Derivatives assets	-	9,227,181	1,013,984	296,850	-	10,538,015
Investments in securities, net	-	11,675,962	6,919,143	12,001,411	1,251,175	31,847,691
Hire-purchase receivables	26,567	2,364,632	90,238,758	96,089,280	-	188,719,237
Finance lease receivables	62,658	10,625	349,584	-	-	422,867
Loans and receivables	11,866,363	28,774,040	62,053,378	85,611,451	-	188,305,232
Accounts receivable from clearing house and broker - dealers	-	1,275,894	-	-	-	1,275,894
Securities and derivative business receivables	-	7,976,075	-	-	-	7,976,075
Total financial assets	20,449,328	104,071,765	171,455,781	196,310,592	2,257,251	494,544,717
Financial liabilities						
Deposits	196,056,124	102,386,337	33,021,539	-	-	331,464,000
Interbank and money market items	1,793,533	12,813,259	3,790,255	1,778,073	-	20,175,120
Liabilities payable on demand	339,834	-	-	-	-	339,834
Financial liabilities designated at fair value through profit or loss	-	3,556,542	-	-	-	3,556,542
Derivatives liabilities	-	8,009,199	1,024,168	294,784	-	9,328,151
Debt issued and borrowings	-	45,841,186	7,121,046	8,392,000	-	61,354,232
Lease liabilities	-	8,644	127,613	74,366	-	210,623
Accounts payable to clearing house and broker - dealers	-	164,038	-	-	-	164,038
Securities and derivative business payables	-	8,179,754	-	-	-	8,179,754
Total financial liabilities	198,189,491	180,958,959	45,084,621	10,539,223	-	434,772,294
Separate						
31 December 2023						
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,440	1,381,440
Interbank and money market items	8,493,115	48,587,935	842,280	1,200,439	-	59,123,769
Financial assets measured at fair value through profit or loss	-	9,391,224	-	-	-	9,391,224
Derivatives assets	-	6,737,965	1,018,302	282,696	-	8,038,963
Investments in securities, net	-	7,106,064	14,450,269	12,812,608	263,461	34,632,402
Hire-purchase receivables	33,581	2,381,097	95,367,703	91,789,379	-	189,571,760
Finance lease receivables	52,262	12,759	538,700	-	-	603,721
Loans and receivables	2,554,817	34,505,274	74,267,194	98,455,847	-	209,783,132
Total financial assets	11,133,775	108,722,318	186,484,448	204,540,969	1,644,901	512,526,411
Financial liabilities						
Deposits	128,916,358	195,970,758	34,630,149	-	-	359,517,265
Interbank and money market items	6,069,558	14,389,790	3,672,121	-	-	24,131,469
Liabilities payable on demand	483,354	-	-	-	-	483,354
Derivatives liabilities	-	7,291,793	977,888	227,129	-	8,496,810
Debt issued and borrowings	-	54,868,047	2,908,014	9,102,000	-	66,878,061
Lease liabilities	-	34,272	75,164	967,596	-	1,077,032
Total financial liabilities	135,469,270	272,554,660	42,263,336	10,296,725	-	460,583,991
Separate						
31 December 2022						
	On demand Thousand Baht	Within 1 year Thousand Baht	Over 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	No maturity Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,086	1,000,086
Interbank and money market items	10,955,142	24,064,366	10,880,934	2,311,600	-	48,212,042
Financial assets measured at fair value through profit or loss	-	3,359,880	-	-	-	3,359,880
Derivatives assets	-	9,228,161	1,013,984	296,850	-	10,538,995
Investments in securities, net	-	11,447,399	6,919,143	12,001,411	245,369	30,613,322
Hire-purchase receivables	26,567	2,364,632	90,238,758	96,089,280	-	188,719,237
Finance lease receivables	62,658	10,625	349,584	-	-	422,867
Loans and receivables	11,866,363	31,095,543	62,053,378	85,194,664	-	190,209,948
Total financial assets	22,910,730	81,570,606	171,455,781	195,893,805	1,245,455	473,076,377
Financial liabilities						
Deposits	196,501,372	102,386,337	33,021,539	-	-	331,909,248
Interbank and money market items	2,057,359	11,875,123	3,790,255	1,778,073	-	19,500,810
Liabilities payable on demand	339,834	-	-	-	-	339,834
Derivatives liabilities	-	8,000,546	1,024,168	294,784	-	9,319,498
Debt issued and borrowings	-	44,206,883	7,121,046	8,392,000	-	59,719,929
Lease liabilities	-	8,559	127,613	922,847	-	1,059,019
Total financial liabilities	198,898,565	166,477,448	45,084,621	11,387,704	-	421,848,338

4.4 Fair value

The methodology of fair value measurement is depended on the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If, however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique and complied with related authorities' regulations.

The Group holds derivatives for trading intent, and servicing customers, including for a purpose of managing the Bank and subsidiaries' assets and liabilities. This includes interest rate swaps, cross currency swaps, FX derivatives, and equity derivatives.

Additionally, the Group does not control only the market risk of the derivatives to be within an acceptable level, but also the counterparty credit risks by setting-up and controlling transaction limits based on the normal lending procedures.

5 Estimates and assumptions

Preparation of the financial statements in conformity with the Thai Financial Reporting Standards requires management to make estimates and assumptions in certain circumstances, affecting reported amounts of revenue, expenses, assets and liabilities, the disclosure of contingent assets and liabilities. Actual results could differ from these estimates. The significant areas requiring management to make judgments and estimates that affect reported amounts and disclosures are as follows;

5.1 Measurement allowance of expected credit loss

Expected credit losses are a probability-weighted estimate of credit losses over the expected life of the financial instrument. A cash shortfall is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive discounted at the original effective interest rate for the financial assets that are not purchased or originated credit-impaired financial assets or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets. The Group estimates cash flows by considering all contractual terms of the financial assets through the expected life of that financial assets.

The cash flows that are considered shall include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. There is a presumption that the expected life of a financial assets can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the expected life of a financial assets, the Group uses the remaining contractual term of the financial assets.

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

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

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

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

5.2 Goodwill

Goodwill is tested for impairment using a fair value method of present value of dividend discount model on an annual basis.

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 Group 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, market approach, and income approach for buildings. The valuation involves certain assumptions and estimates as described in Note 16 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.

6 Interbank and money market items, net (assets)

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Domestic				
The Bank of Thailand and FIDF	4,725,740	14,028,124	4,725,740	14,028,124
Commercial Banks	35,426,876	16,867,591	32,535,424	15,292,494
Special purpose financial institutions	17,501,253	9,501,254	17,501,253	9,501,254
Other financial institutions	600,000	585,170	600,791	4,635,171
Total	58,253,869	40,982,139	55,363,208	43,457,043
<u>Add</u> Accrued interest receivables and undue interest receivable	33,250	34,335	32,353	32,396
<u>Less</u> Expected credit losses	(6,423)	(666)	(6,423)	(1,863)
Total domestic items	58,280,696	41,015,808	55,389,138	43,487,576
Foreign				
US Dollar	3,189,188	4,377,504	3,175,355	4,361,825
Euro	22,114	47,727	20,455	46,019
Other currencies	487,448	269,826	485,090	269,817
Total	3,698,750	4,695,057	3,680,900	4,677,661
<u>Add</u> Accrued interest receivables and undue interest receivable	51,984	29,653	37,133	29,653
<u>Less</u> Expected credit losses	(1,997)	(8,169)	(1,997)	(8,169)
Total foreign items	3,748,737	4,716,541	3,716,036	4,699,145
Total	62,029,433	45,732,349	59,105,174	48,186,721

7 Derivatives

7.1 Derivatives for trading

Derivatives for trading as at 31 December 2023 and 2022 are as follows;

Type of risk	Consolidated					
	31 December 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets Thousand Baht	Liabilities Thousand Baht		Assets Thousand Baht	Liabilities Thousand Baht	
Exchange rate	6,649,780	7,381,612	540,843,313	9,499,415	8,234,996	494,015,757
Interest rate	1,370,947	1,098,463	358,942,798	1,013,565	706,859	206,125,057
Equity price	41,726	22,602	1,819,276	25,035	386,296	3,062,586
Debt securities	-	-	-	-	-	451,952
Total	8,062,453	8,502,677	901,605,387	10,538,015	9,328,151	703,655,352

Type of risk	Separate					
	31 December 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets Thousand Baht	Liabilities Thousand Baht		Assets Thousand Baht	Liabilities Thousand Baht	
Exchange rate	6,649,924	7,382,619	541,170,466	9,499,544	8,234,996	494,061,360
Interest rate	1,370,947	1,098,463	358,942,798	1,013,565	706,859	206,125,057
Equity price	18,092	15,728	619,727	25,886	377,643	2,591,326
Debt securities	-	-	-	-	-	451,952
Total	8,038,963	8,496,810	900,732,991	10,538,995	9,319,498	703,229,695

As at 31 December 2023 and 2022, the proportion, determined based on the notional amount, of derivatives for trading transactions divided by type of counterparty are as follows;

	Consolidated	
	31 December 2023 %	31 December 2022 %
Financial institutions	81.36	81.90
Third parties	18.64	18.10
Total	100.00	100.00

	Separate	
	31 December 2023 %	31 December 2022 %
Financial institutions	81.42	81.91
Third parties	18.52	18.06
Subsidiaries	0.06	0.03
Total	100.00	100.00

8 Financial assets measured at fair value through profit or loss

	Consolidated	
	Fair value	Fair value
	31 December 2023	31 December 2022
	Thousand	Thousand
	Baht	Baht
Government and state enterprise securities	8,848,279	993,585
Private sector's debt securities	1,617,327	1,321,755
Domestic marketable equity securities	5,567,237	16,387,650
Foreign marketable equity securities	2,544	-
Total	16,035,387	18,702,990
	Separate	
	Fair value	Fair value
	31 December 2023	31 December 2022
	Thousand	Thousand
	Baht	Baht
Government and state enterprise securities	8,848,279	993,585
Private sector's debt securities	397,828	121,215
Domestic marketable equity securities	145,117	2,245,080
Total	9,391,224	3,359,880

9 Investments, net

9.1 Classification of investments

	Consolidated	
	Amortised cost	Amortised cost
	31 December 2023	31 December 2022
	Thousand	Thousand
	Baht	Baht
Investments in debt instruments measured at amortised cost		
Government and state enterprise securities	16,036,002	8,761,806
Total	16,036,002	8,761,806
<u>Less</u> Allowance for expected credit losses	-	-
Total	16,036,002	8,761,806
	Consolidated	
	Fair value	Fair value
	31 December 2023	31 December 2022
	Thousand	Thousand
	Baht	Baht
Investments in debt instruments measured at fair value through other comprehensive income		
Government and state enterprise securities	18,266,260	21,392,318
Private sector's debt securities	295,739	442,392
Total	18,561,999	21,834,710
Allowance for expected credit losses	(1,221)	(1,811)

	Consolidated			
	31 December 2023		31 December 2022	
	Fair value Thousand Baht	Dividend Income Thousand Baht	Fair value Thousand Baht	Dividend Income Thousand Baht
Investments in equity instruments designated at fair value through other comprehensive income				
Domestic marketable equity securities	46,287	4,407	200,016	10,098
Foreign marketable equity securities	101,257	3,123	72,212	11,582
Domestic non-marketable equity security	650,427	-	704,424	-
Foreign non-marketable equity security	865,597	-	274,523	-
Total	1,663,568	7,530	1,251,175	21,680
Total investment, net	36,261,569	7,530	31,847,691	21,680

	Separate	
	Amortised cost	Amortised cost
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at amortised cost		
Government and state enterprise securities	15,806,942	8,533,243
Total	15,806,942	8,533,243
<u>Less</u> Allowance for expected credit losses	-	-
Total	15,806,942	8,533,243

	Separate	
	Fair value	Fair value
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Investments in debt instruments measured at fair value through other comprehensive income		
Government and state enterprise securities	18,266,260	21,392,318
Private sector's debt securities	295,739	442,392
Total	18,561,999	21,834,710
Allowance for expected credit losses	(1,221)	(1,811)

	Separate			
	31 December 2023		31 December 2022	
	Fair value Thousand Baht	Dividend Income Thousand Baht	Fair value Thousand Baht	Dividend Income Thousand Baht
Investments in equity instruments designated at fair value through other comprehensive income				
Domestic marketable equity securities	7,850	-	10,188	-
Domestic non-marketable equity security	255,611	-	235,181	-
Total	263,461	-	245,369	-
Total investment, net	34,632,402	-	30,613,322	-

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

During the year ended 31 December 2023 and 2022, the Group has derecognised investments in equity instruments designated at fair value through other comprehensive income as following detail:

Consolidated			
31 December 2023			
Fair value at the date of the derecognition	Dividends received	Retained earnings or losses due to the derecognition	Explanation for the derecognition
Thousand Baht	Thousand Baht	Thousand Baht	
Investment that are derecognised			
Domestic marketable equity Securities	194,914	7,451	78,839
			Sell according to the Investment policy of the Investment committee
Total	194,914	7,451	78,839
Consolidated			
31 December 2022			
Fair value at the date of the derecognition	Dividends received	Retained earnings or losses due to the derecognition	Explanation for the derecognition
Thousand Baht	Thousand Baht	Thousand Baht	
Investments that are derecognised			
Domestic marketable equity securities	171,253	97	91,605
			Sell according to the Investment policy of the investment committee
Foreign marketable equity securities	439,122	9,371	195,032
			Sell according to the Investment policy of the investment committee
Domestic non-marketable equity security	26	-	5
			Sell according to the Investment policy of the Investment committee
Total	610,401	9,468	286,642
Separate			
31 December 2023			
Fair value at the date of the derecognition	Dividends received	Retained earnings or losses due to the derecognition	Explanation for the derecognition
Thousand Baht	Thousand Baht	Thousand Baht	
Investments that are derecognised			
Domestic marketable equity securities	-	-	-
			Sell according to the Investment policy of the Investment committee
Total	-	-	-
Separate			
31 December 2022			
Fair value at the date of the derecognition	Dividends received	Retained earnings or losses due to the derecognition	Explanation for the derecognition
Thousand Baht	Thousand Baht	Thousand Baht	
Investments that are derecognised			
Domestic marketable equity securities	325	-	120
			Sell according to the Investment policy of the investment committee
Domestic non-marketable equity security	26	-	5
			Sell according to the Investment policy of the Investment committee
Total	351	-	125

9.2 Investments in securities with holdings of 10% upwards

Investments in securities in which the Group hold 10% upwards of the paid-up capital in each entity, classified by industry are as follows:

Business type	Consolidated			
	31 December 2023		31 December 2022	
	Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %
Holding Business	971,522,178	36.13	457,642,033	18.48
Leasing	63,622,845	10.00	63,814,054	10.00

Business type	Separate			
	31 December 2023		31 December 2022	
	Investment amount at fair value Baht	Holding %	Investment amount at fair value Baht	Holding %
Leasing	63,622,845	10.00	63,814,054	10.00

9.3 Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income

Recognition of transaction in profit or loss and other comprehensive income for debt instruments measured at fair value through other comprehensive income for the year ended 31 December 2023 and 31 December 2022 are as follow:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Gain (loss) from changes in value of investments in debt instruments measured at FVOCI	(79,555)	(156,681)	(79,555)	(158,681)
Loss (gain) realised from sale of investments in debt instruments measured at FVOCI	12,080	3,707	12,080	3,707
	(67,475)	(154,974)	(67,475)	(154,974)

10 Investments in subsidiaries, net

As at 31 December 2023 and 2022, the Bank has investments in subsidiaries as follows;

			Separate				
			31 December 2023				
			Cost method				
Business type	Securities investment type		Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %	Dividend received Thousand Baht
KKP Capital Public Company Limited	Holding Company	Ordinary shareholder	7,179,319	-	7,179,319	99.98	946,188
Asia Recovery 1 Fund	Investments*	Unit trust	92,088	-	92,088	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	-	-	-	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	553,503	-	553,503	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,340,428	(571,866)	768,562	95.72	-
Gamma Capital Fund	Investments*	Unit trust	97,540	-	97,540	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,404	-	206,404	91.34	-
			9,634,810	(571,866)	9,062,944		946,188

* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

During the year ended 31 December 2023, the Bank recognised a share-based payment plan which receives services from employees of subsidiaries as investment in subsidiaries in the amount of Baht 9 million.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

			Separate				
			31 December 2022				
			Cost method				
Business type	Securities investment type		Cost Thousand Baht	Impairment Thousand Baht	Net balance Thousand Baht	Holding %	Dividend received Thousand Baht
KKP Capital Public Company Limited	Holding Company	Ordinary shareholder	7,170,621	-	7,170,621	99.98	1,471,848
Asia Recovery 1 Fund	Investments*	Unit trust	192,037	-	192,037	99.95	-
Asia Recovery 2 Fund	Investments*	Unit trust	359,849	-	359,849	99.59	-
Asia Recovery 3 Fund	Investments*	Unit trust	570,723	-	570,723	99.97	-
Thai Restructuring Fund	Investments*	Unit trust	165,528	-	165,528	98.91	-
Bangkok Capital Fund	Investments*	Unit trust	1,379,702	(569,325)	810,377	95.72	-
Gamma Capital Fund	Investments*	Unit trust	247,985	-	247,985	94.03	-
KKP Tower Co., Ltd.	Real estate	Ordinary shareholder	206,398	-	206,398	91.34	-
			10,275,623	(569,325)	9,706,298		1,471,848

* Investments in commercial loans auctioned from Financial Restructuring Authority (FRA).

The liquidation of the capital of the mutual funds

According to the Notifications of the Capital Market Supervisory Board No. Thor Nor. 21/2552 Thor Nor. 22/2552, and Thor Nor. 23/2552: Rules, Conditions and Procedures for Establishment and Management of Mutual Funds for Solving Financial Institutions Problems, it specified that the maturity date of the scheme to be no later than 31 August 2015. Therefore, Asia Recovery Fund 1, Asia Recovery Fund 2, Asia Recovery Fund 3, Thai Restructuring Fund, Bangkok Capital Fund and Gamma Capital Fund are required to be liquidated in accordance with these notifications. The remaining funds are in the process of liquidation.

During the year ended 31 December 2023, the Bank has received capital distribution for liquidation from Asia Recovery 1 Fund, Asia Recovery 2 Fund, Bangkok Capital Fund and Gamma Capital Fund in the amount of Baht 1,017 million (2022: Baht 508 million from Asia Recovery Fund 3, Gamma Capital Fund and Bangkok Capital Fund).

11 Investment property, net

	Consolidated	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Cost	21,894	21,894
<u>Less</u> Accumulated depreciation	(1,856)	(1,673)
Net book amount	20,038	20,221
Opening net book amount	20,221	21,502
Additions	5	1,707
Transferred - in (out)	(3)	(2,690)
Depreciation	(185)	(298)
Closing net book amount	20,038	20,221
Fair value	74,810	74,810

The Group's investment properties were revalued in August 2022 by external appraiser. The fair value of investment properties is based on Income Approach. The fair values are within level 3 of the fair value hierarchy.

Amount recognised in profit or loss that are related to investment property are as follows;

	Consolidated	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Rental income	2,755	-
Direct operating expense arise from investment property that generated rental income	344	472

12 Loans to customers and accrued interest receivables, net

12.1 Classified by product

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loans				
Overdrafts	2,026,485	1,800,718	2,026,485	1,800,718
Loans	205,747,007	186,454,861	207,706,937	188,359,577
Bills	49,710	49,653	49,710	49,653
Hire-purchase receivables	189,571,760	188,719,237	189,571,760	188,719,237
Finance lease receivables	603,721	422,867	603,721	422,867
Total loans net of deferred revenue	397,998,683	377,447,336	399,958,613	379,352,052
<u>Add</u> Accrued interest receivables and undue interest receivable	7,494,657	6,392,112	7,278,196	6,198,913
Total loans and accrued interest receivables net of deferred revenue	405,493,340	383,839,448	407,236,809	385,550,965
<u>Less</u> Allowance for expected credit losses	(20,667,719)	(18,968,927)	(20,626,621)	(18,934,467)
Net loans to customers and accrued interest receivables	384,825,621	364,870,521	386,610,188	366,616,498

12.2 Classified by currency and residence of customers

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Domestic				
Baht	384,608,266	367,206,905	386,568,196	369,111,621
US Dollar	5,006,425	3,006,929	5,006,425	3,006,929
Others	177,591	-	177,591	-
Foreign				
Baht	1,964,005	1,729,894	1,964,005	1,729,894
US Dollar	6,126,254	5,152,922	6,126,254	5,152,922
Others	116,142	350,686	116,142	350,686
Total loans	397,998,683	377,447,336	399,958,613	379,352,052

12.3 Classification by loans classification

	Consolidated	
	31 December 2023	31 December 2022
Loans classification	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht
Financial assets with an insignificant increase in credit risk (Performing financial assets)	360,354,478	346,216,692
Financial assets with a significant increase in credit risk (Under-performing financial assets)	29,544,419	22,757,274
Credit-impaired financial assets (Non-performing financial assets)	14,710,273	13,946,532
Purchased or originated credit-impaired financial assets	884,170	918,950
Total loans and accrued interest receivables	405,493,340	383,839,448
	Separate	
	31 December 2023	31 December 2022
Loans classification	Loans outstanding and interest receivables Thousand Baht	Loans outstanding and interest receivables Thousand Baht
Financial assets with an insignificant increase in credit risk (Performing financial assets)	362,666,745	348,538,817
Financial assets with a significant increase in credit risk (Under-performing financial assets)	29,544,419	22,757,274
Credit-impaired financial assets (Non-performing financial assets)	14,710,273	13,946,532
Purchased or originated credit-impaired financial assets	315,372	308,342
Total loans and accrued interest receivables	407,236,809	385,550,965

12.4 Non-performing loans

The Group has non-performing loans, defined according to the BOT's Notification as loan classified as credit-impaired or purchased or originated credit-impaired financial assets, including interbank and money market items, but excluding accrued interest receivables, as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Non-performing loans (excluding accrued interest receivables)	13,219,575	13,031,022	12,868,766	12,614,235
Percentage of non-performing loans to total loans (including loans to financial institutions)	2.95	3.16	2.86	3.01

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

12.5 Movement in the gross carrying amount of loans that contributed to changes in the ECL

Consolidated					
31 December 2023					
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2023	346,216,691	22,757,274	13,946,532	918,951	383,839,448
Change due to reclassification	(31,404,836)	11,488,982	19,915,854	-	-
Change due to collection and modification	(39,948,928)	(3,265,318)	(7,714,757)	(34,781)	(50,963,784)
Newly acquired or purchased financial assets	128,764,756	3,939	1,612	-	128,770,307
Derecognised financial assets	(43,189,037)	(1,376,309)	(5,195,015)	-	(49,760,361)
Write-off	(84,168)	(64,149)	(6,243,953)	-	(6,392,270)
As of 31 December 2023	380,354,478	29,544,419	14,710,273	884,170	405,493,340
Consolidated					
31 December 2022					
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2022	287,141,020	17,018,788	10,637,842	855,256	315,652,906
Change due to reclassification	(26,537,914)	10,819,855	15,718,059	-	-
Change due to collection and modification	(20,624,515)	(2,707,295)	(5,678,031)	63,695	(28,946,146)
Newly acquired or purchased financial assets	139,688,517	25,116	15,146	-	139,728,779
Derecognised financial assets	(33,412,877)	(2,313,771)	(2,595,513)	-	(38,322,161)
Write-off	(37,540)	(85,419)	(4,150,971)	-	(4,273,930)
As of 31 December 2022	346,216,691	22,757,274	13,946,532	918,951	383,839,448
Separate					
31 December 2023					
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2023	348,538,816	22,757,274	13,946,533	308,342	385,550,965
Change due to reclassification	(31,404,836)	11,488,982	19,915,854	-	-
Change due to collection and modification	(39,958,786)	(3,265,318)	(7,714,758)	7,030	(50,931,832)
Newly acquired or purchased financial assets	128,764,756	3,939	1,612	-	128,770,307
Derecognised financial assets	(43,189,037)	(1,376,309)	(5,195,015)	-	(49,760,361)
Write-off	(84,168)	(64,149)	(6,243,953)	-	(6,392,270)
As of 31 December 2023	362,666,745	29,544,419	14,710,273	315,372	407,236,809
Separate					
31 December 2022					
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2022	289,509,004	17,018,788	10,637,842	302,423	317,468,057
Change due to reclassification	(26,537,914)	10,819,855	15,718,059	-	-
Change due to collection and modification	(20,670,375)	(2,707,295)	(5,678,030)	5,919	(29,049,781)
Newly acquired or purchased financial assets	139,688,518	25,116	15,146	-	139,728,780
Derecognised financial assets	(33,412,877)	(2,313,771)	(2,595,513)	-	(38,322,161)
Write-off	(37,540)	(85,419)	(4,150,971)	-	(4,273,930)
As of 31 December 2022	348,538,816	22,757,274	13,946,533	308,342	385,550,965

13 Hire-purchase and finance lease receivables

Receivables of the Group under hire-purchase and finance lease agreements and mostly comprise hire-purchase agreements for cars, machine and equipment for business operation. The terms of the agreements are generally between 1 to 7 years and under most agreements, interest is charged at a fixed rate as specified in agreements.

Consolidated and Separate				
31 December 2023				
Amount due under lease agreements				
Less than 1 year Thousand Baht	Within 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Gross investment in the agreements	2,560,791	109,531,533	120,383,235	232,475,559
<u>Less</u> Unearned income				(42,300,078)
Present value of minimum lease payment per agreement				190,175,481
<u>Less</u> Allowance for expected credit losses				(12,277,594)
Hire-purchase and finance lease receivables, net				177,897,887

Consolidated and Separate				
31 December 2022				
Amount due under lease agreements				
Less than 1 year Thousand Baht	Within 1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Gross investment in the agreements	2,473,247	104,494,370	123,363,908	230,331,525
<u>Less</u> Unearned income				(41,189,421)
Present value of minimum lease payment per agreement				189,142,104
<u>Less</u> Allowance for expected credit losses				(10,711,046)
Hire-purchase and finance lease receivables, net				178,431,058

14 Allowance for expected credit losses

Consolidated						
31 December 2023						
Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit- impaired financial assets Thousand Baht	Purchased or originated credit- impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht	
Interbank and money market items						
As at 1 January 2023	8,835	-	-	-	-	8,835
Change due to new estimation of credit loss	(1,256)	-	-	-	-	(1,256)
Newly acquired or purchased financial assets	19,800	-	-	-	-	19,800
Derecognised financial assets	(18,959)	-	-	-	-	(18,959)
As at 31 December 2023	8,420	-	-	-	-	8,420
Loans						
As at 1 January 2023	8,392,256	3,807,580	5,958,190	56,101	754,800	18,968,927
Change due to reclassification	373,757	(3,389,273)	3,015,516	-	-	-
Change due to new estimation of credit loss	(4,627,447)	5,693,094	5,892,513	15,325	-	6,973,485
Newly acquired or purchased financial assets	4,257,022	854	855	-	-	4,258,731
Derecognised financial assets	(749,640)	(189,781)	(4,726,619)	-	-	(5,666,040)
Write-off	(4,266)	(14,373)	(3,093,945)	-	-	(3,112,584)
Amortisation of surplus reserve	-	-	-	-	(754,800)	(754,800)
As at 31 December 2023	7,641,682	5,908,101	7,046,510	71,426	-	20,667,719

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate						
31 December 2023						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Interbank and money market items						
As at 1 January 2023	10,032	-	-	-	-	10,032
Change due to new estimation of credit loss	(2,452)	-	-	-	-	(2,452)
Newly acquired or purchased financial assets	19,800	-	-	-	-	19,800
Derecognised financial assets	(18,959)	-	-	-	-	(18,959)
As at 31 December 2023	8,421	-	-	-	-	8,421
Loans						
As at 1 January 2023	8,393,414	3,807,580	5,958,190	20,483	754,800	18,934,467
Change due to reclassification	373,757	(3,389,273)	3,015,516	-	-	-
Change due to new estimation of credit loss	(4,627,345)	5,693,094	5,892,513	8,585	-	6,966,847
Newly acquired or purchased financial assets	4,257,022	854	855	-	-	4,258,731
Derecognised financial assets	(749,640)	(189,781)	(4,726,619)	-	-	(5,666,040)
Write-off	(4,266)	(14,373)	(3,093,945)	-	-	(3,112,584)
Amortisation of surplus reserve	-	-	-	-	(754,800)	(754,800)
As at 31 December 2023	7,642,942	5,908,101	7,046,510	29,068	-	20,626,621
Consolidated						
31 December 2023						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Securities and derivative business receivables						
As at 1 January 2023	-	-	708,525	-	-	708,525
Change due to reclassification	-	-	-	-	-	-
Change due to new estimation of credit loss	-	-	-	-	-	-
Newly acquired or purchased financial assets	-	-	-	-	-	-
Derecognised financial assets	-	-	-	-	-	-
As at 31 December 2023	-	-	708,525	-	-	708,525
Consolidated and Separate						
31 December 2023						
	Financial assets with an insignificant increase in credit risk Thousand Baht	Financial assets with a significant increase in credit risk Thousand Baht	Credit-impaired financial assets Thousand Baht	Purchased or originated credit-impaired financial assets Thousand Baht	Surplus reserve Thousand Baht	Total Thousand Baht
Other assets						
As at 1 January 2023	1,641	8,274	53,931	-	-	63,846
Change due to reclassification	4,519	(7,654)	3,135	-	-	-
Change due to new estimation of credit loss	(6,713)	20,474	13,929	-	-	27,690
Newly acquired or purchased financial assets	6,262	2,378	88,311	-	-	96,951
Derecognised financial assets	(3,457)	(13,576)	(73,653)	-	-	(90,686)
As at 31 December 2023	2,252	9,896	85,653	-	-	97,801

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Consolidated						
31 December 2022						
Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interbank and money market items						
As at 1 January 2022	12,391	-	-	-	-	12,391
Change due to new estimation of credit loss	(1,768)	-	-	-	-	(1,768)
Newly acquired or purchased financial assets	21,748	-	-	-	-	21,748
Derecognised financial assets	(23,536)	-	-	-	-	(23,536)
As at 31 December 2022	8,835	-	-	-	-	8,835
Loans						
As at 1 January 2022	8,153,465	2,857,114	4,336,418	26,143	1,132,200	16,505,340
Change due to reclassification	1,266,322	(3,581,100)	2,314,778	-	-	-
Change due to new estimation of credit loss	(5,376,840)	4,952,716	3,729,052	29,959	-	3,334,887
Newly acquired or purchased financial assets	4,993,775	2,836	3,709	-	-	5,000,320
Derecognised financial assets	(641,521)	(406,761)	(2,277,420)	(1)	-	(3,325,703)
Write-off	(2,945)	(17,225)	(2,148,347)	-	-	(2,168,517)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
As at 31 December 2022	8,392,256	3,807,580	5,958,190	56,101	754,800	18,968,927
Separate						
31 December 2022						
Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interbank and money market items						
As at 1 January 2022	15,223	-	-	-	-	15,223
Change due to new estimation of credit loss	(3,404)	-	-	-	-	(3,404)
Newly acquired or purchased financial assets	21,749	-	-	-	-	21,749
Derecognised financial assets	(23,536)	-	-	-	-	(23,536)
As at 31 December 2022	10,032	-	-	-	-	10,032
Loans						
As at 1 January 2022	8,155,882	2,857,114	4,336,418	19,851	1,132,200	16,501,465
Change due to reclassification	1,266,322	(3,581,100)	2,314,778	-	-	-
Change due to new estimation of credit loss	(5,378,099)	4,952,716	3,729,052	633	-	3,304,302
Newly acquired or purchased financial assets	4,993,775	2,836	3,709	-	-	5,000,320
Derecognised financial assets	(641,521)	(406,761)	(2,277,420)	(1)	-	(3,325,703)
Write-off	(2,945)	(17,225)	(2,148,347)	-	-	(2,168,517)
Amortisation of surplus reserve	-	-	-	-	(377,400)	(377,400)
As at 31 December 2022	8,393,414	3,807,580	5,958,190	20,483	754,800	18,934,467
Consolidated						
31 December 2022						
Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Securities and derivative business receivables						
As at 1 January 2022	-	-	-	-	-	-
Change due to reclassification	-	-	-	-	-	-
Change due to new estimation of credit loss	-	-	708,525	-	-	708,525
Newly acquired or purchased financial assets	-	-	-	-	-	-
Derecognised financial assets	-	-	-	-	-	-
As at 31 December 2022	-	-	708,525	-	-	708,525

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Consolidated and Separate				
	31 December 2022				
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Purchased or originated credit-impaired financial assets	Surplus reserve
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
					Total
					Thousand Baht
Other assets					
As at 1 January 2022	1,554	5,390	44,131	-	-
Change due to reclassification	3,823	(6,386)	2,563	-	-
Change due to new estimation of credit loss	(5,937)	16,311	11,230	-	-
Newly acquired or purchased financial assets	4,660	1,498	42,865	-	-
Derecognised financial assets	(2,459)	(8,539)	(46,858)	-	-
As at 31 December 2022	1,641	8,274	53,931	-	-

15 Properties foreclosed, net

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Properties foreclosed	9,745,097	8,852,574	10,802,258	9,958,008
<u>Less</u> Provision for diminution in value	(2,504,690)	(3,064,844)	(2,503,567)	(3,064,844)
Net properties foreclosed	7,240,407	5,787,730	8,298,691	6,893,164

The Group acquired properties foreclosed by transferring assets, auction and repossession for the debt settlement.

	Consolidated		
	31 December 2023		
	Immovable assets	Movable assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht
At beginning of year	7,557,035	1,295,539	8,852,574
Additions	1,401,723	7,998,523	9,400,246
Disposals	(208,859)	(8,298,864)	(8,507,723)
At end of year	8,749,899	995,198	9,745,097
<u>Less</u> Provision for diminution in value	(2,474,774)	(29,916)	(2,504,690)
Net properties foreclosed	6,275,125	965,282	7,240,407
	Consolidated		
	31 December 2022		
	Immovable assets	Movable assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht
At beginning of year	6,542,145	478,590	7,020,735
Additions	1,551,036	6,457,199	8,008,235
Disposals	(536,146)	(5,640,250)	(6,176,396)
At end of year	7,557,035	1,295,539	8,852,574
<u>Less</u> Provision for diminution in value	(3,015,874)	(48,970)	(3,064,844)
Net properties foreclosed	4,541,161	1,246,569	5,787,730

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate		
	31 December 2023		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	8,662,469	1,295,539	9,958,008
Additions	1,379,843	7,998,523	9,378,366
Disposals	(235,252)	(8,298,864)	(8,534,116)
At end of year	9,807,060	995,198	10,802,258
<u>Less</u> Provision for diminution in value	(2,473,651)	(29,916)	(2,503,567)
Net properties foreclosed	7,333,409	965,282	8,298,691

	Separate		
	31 December 2022		
	Immovable assets Thousand Baht	Movable assets Thousand Baht	Total Thousand Baht
At beginning of year	7,271,128	478,590	7,749,718
Additions	2,033,294	6,457,199	8,490,493
Disposals	(641,953)	(5,640,250)	(6,282,203)
At end of year	8,662,469	1,295,539	9,958,008
<u>Less</u> Provision for diminution in value	(3,015,874)	(48,970)	(3,064,844)
Net properties foreclosed	5,646,595	1,246,569	6,893,164

Immovable properties foreclosed classified by external and internal appraisers as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Immovable properties foreclosed				
Appraised by external appraisers	8,673,656	7,505,123	9,732,886	8,610,557
Appraised by internal appraisers	76,243	51,912	74,174	51,912
Total	8,749,899	7,557,035	9,807,060	8,662,469

As of 31 December 2023, the Bank had repossessed cars which were still under the redemption option by guarantor in amount of Baht 234 million (2022: Baht 379 million) and immovable assets with buy-back option from properties' owner under measure to promote the acceptance of the transfer of collateral property for debt repayment under the emergency decree on the provision of assistance and rehabilitation of business operators impacted by the spread of the Covid-19 pandemic B.E. 2564 in amount of Baht 2,457million (2022: Baht 2,211 million).

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

16 Land, premises and equipment, net

Consolidated										
31 December 2023										
Cost/appraisal value					Accumulated depreciation					Land, Premises and Equipment, net Thousand Baht
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht			
Land										
Cost	557,370	-	-	557,370	-	-	-	-	-	557,370
Revaluation surplus (year 2022)	2,988,753	-	-	2,988,753	-	-	-	-	-	2,988,753
Premises										
Cost	2,301,139	123,489	-	2,424,628	-	(94,445)	-	(94,445)	-	2,330,183
Revaluation surplus (year 2022)	430,647	-	-	430,647	-	(19,090)	-	(19,090)	-	411,557
Equipment	1,600,414	246,213	(193,703)	1,652,924	(1,216,819)	(156,242)	193,518	(1,179,543)	-	473,381
Furniture and fixtures	1,083,697	330,904	(43,006)	1,371,595	(648,952)	(167,490)	42,563	(773,879)	-	597,716
Vehicles	309,732	16,206	(19,249)	306,689	(202,927)	(39,498)	12,208	(230,217)	-	76,472
Work in progress	208,954	193,287	(401,185)	1,056	-	-	-	-	-	1,056
Total	9,480,706	910,099	(657,143)	9,733,662	(2,068,698)	(476,765)	248,289	(2,297,174)	-	7,436,488
Consolidated										
31 December 2022										
Cost/appraisal value					Accumulated depreciation					Land, Premises and Equipment, net Thousand Baht
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Adjustment For change in accounting policy Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Adjustment For change in accounting policy Thousand Baht	Ending Balance Thousand Baht	
Land										
Cost	557,370	-	-	-	557,370	-	-	-	-	-
Revaluation surplus (year 2022)	-	2,988,753	-	-	2,988,753	-	-	-	-	-
Premises										
Cost	2,575,138	907,100	(5,242)	(1,175,857)	2,301,139	(1,095,224)	(85,875)	5,242	1,175,857	-
Revaluation surplus (year 2022)	-	430,647	-	-	430,647	-	-	-	-	-
Equipment	1,471,060	224,076	(94,722)	-	1,600,414	(1,158,681)	(144,641)	86,503	-	(1,216,819)
Furniture and fixtures	811,733	338,516	(66,552)	-	1,083,697	(624,398)	(88,350)	63,796	-	(648,952)
Vehicles	298,173	51,550	(39,991)	-	309,732	(198,342)	(44,304)	39,719	-	(202,927)
Work in progress	864,058	677,741	(1,332,845)	-	208,954	-	-	-	-	-
Total	6,577,532	5,618,383	(1,539,352)	(1,175,857)	9,480,706	(3,076,645)	(363,170)	195,260	1,175,857	(2,068,698)
Separate										
31 December 2023										
Cost/appraisal value					Accumulated depreciation					Land, Premises and Equipment, net Thousand Baht
Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Additions Thousand Baht	Disposals/ Transfers Thousand Baht	Ending Balance Thousand Baht			
Land										
Cost	94,968	-	-	94,968	-	-	-	-	-	94,968
Revaluation surplus (in 2022)	279,595	-	-	279,595	-	-	-	-	-	279,595
Premises										
Cost	9,924	-	-	9,924	-	(505)	-	(505)	-	9,419
Revaluation surplus (in 2022)	74,922	-	-	74,922	-	(4,235)	-	(4,235)	-	70,687
Equipment	1,238,444	142,084	(148,627)	1,231,901	(952,509)	(99,555)	148,497	(903,567)	-	328,334
Furniture and fixtures	874,670	281,551	(38,801)	1,117,420	(564,089)	(127,567)	38,387	(653,269)	-	464,151
Vehicles	285,036	16,206	(18,057)	283,185	(178,688)	(39,143)	11,015	(206,816)	-	76,369
Work in progress	115,868	88,071	(203,650)	289	-	-	-	-	-	289
Total	2,973,427	527,912	(409,135)	3,092,204	(1,695,286)	(271,005)	197,899	(1,768,392)	-	1,323,812

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate										
	31 December 2022										
	Cost/appraisal value					Accumulated depreciation					
	Beginning Balance	Additions	Disposals/	Adjustment	Ending	Beginning Balance	Additions	Disposals/	Adjustment	Ending	Land, Premises and
	Thousand Baht	Thousand Baht	Transfers/	For change in	Balance	Thousand Baht	Thousand Baht	Transfers/	For change in	Balance	Equipment, net
			Thousand Baht	accounting policy	Thousand Baht			Thousand Baht	accounting policy	Thousand Baht	Thousand Baht
Land											
Cost	94,968	-	-	-	94,968	-	-	-	-	-	94,968
Revaluation surplus (in 2022)	-	279,595	-	-	279,595	-	-	-	-	-	279,595
Premises											
Cost	47,582	8,587	-	(46,245)	9,924	(45,423)	(822)	-	46,245	-	9,924
Revaluation surplus (in 2022)	-	74,922	-	-	74,922	-	-	-	-	-	74,922
Equipment	1,115,937	173,540	(51,033)	-	1,238,444	(907,799)	(95,363)	50,653	-	(952,509)	285,935
Furniture and fixtures	710,526	209,052	(44,908)	-	874,670	(532,488)	(75,002)	43,401	-	(564,089)	310,581
Vehicles	273,478	51,550	(39,992)	-	285,036	(175,190)	(43,217)	39,719	-	(178,688)	106,348
Work in progress	128,349	184,736	(197,217)	-	115,868	-	-	-	-	-	115,868
Total	2,370,840	981,982	(333,150)	(46,245)	2,973,427	(1,660,900)	(214,404)	133,773	46,245	(1,695,286)	1,278,141

Differences arising from revaluation on assets are recognised in accordance with the accounting policy as described in Note 2.12 to the financial statements.

During the year 2022, the Bank arranged for independent professional valuers to appraise the value of land and buildings on an asset-by-asset basis. The fair value of lands and buildings are categorized as Level 3. The basis of the revaluation was as follows:

The depreciated replacement cost approach is used for assets specifically used for the Bank's operation. The market comparison approach is used for general assets 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 summarized below:

	Result to fair value where as an increase in assumption value
Land price per square wah	Increase in fair value (Market comparison approach)
Building construction cost per square meter	Increase in fair value (Depreciated replacement cost approach)
Yield rate	Decrease in fair value (Income approach)

17 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

	Consolidated	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	245,726	282,138
Vehicles	-	-
Total right-of-use assets, net	245,726	282,138
Lease liabilities, net		
Current portion of lease liabilities	140,002	125,783
Non-current portion of lease liabilities	42,006	84,840
Total lease liabilities, net	182,008	210,623

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Right-of-use assets, net		
Building and building improvements, net	1,126,524	1,126,819
Vehicles	-	-
Total right-of-use assets, net	1,126,524	1,126,819
Lease liabilities, net		
Current portion of lease liabilities	194,317	182,521
Non-current portion of lease liabilities	882,715	876,498
Total lease liabilities, net	1,077,032	1,059,019

For the year ended 31 December 2023, additions to the right-of-use assets of the Group and the Bank were Baht 60 million and Baht 229 million, respectively. (During the year ended 31 December 2022, additions to the right-of-use assets of the Group and the Bank were 74 million and Baht 392 million, respectively.)

The statement of profit or loss and other comprehensive income for the year ended included following transactions related to leases.

	Consolidated	
	2023	2022
	Thousand Baht	Thousand Baht
Depreciation charge of right-of-use assets		
Building and building improvements	96,244	112,865
Vehicles	-	209
Total right-of-use assets	96,244	113,074
Finance cost relating to leases	7,194	4,618
Expenses relating to short-term leases (included in premises and equipment expenses)	6,998	5,082
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)	761	573
	Separate	
	2023	2022
	Thousand Baht	Thousand Baht
Depreciation charge of right-of-use assets		
Building and building improvements	221,776	197,919
Vehicles	-	-
Total right-of-use assets	221,776	197,919
Finance cost relating to leases	33,857	21,348
Expenses relating to short-term leases (included in premises and equipment expenses)	6,516	4,604
Expenses relating to leases of low value assets that are not shown above as short-term leases (included in premises and equipment expenses)	146	245

The total cash outflow for leases of the Group and the Bank For the year ended 31 December 2023 were Baht 101 million and Baht 242 million, respectively. (The total cash outflow for leases of the Group and the Bank in 2022 were Baht 113 million and Baht 207 million, respectively.)

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

18 Other intangible assets, net and goodwill

18.1 Other intangible assets, net

Consolidated									
31 December 2023									
	Cost				Accumulated amortisation				Other Intangible Assets, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Software	2,855,862	543,719	(13,441)	3,386,140	(1,711,334)	(249,084)	7,527	(1,952,891)	1,433,249
License fee	500	-	-	500	(249)	(100)	-	(349)	151
Work in progress	243,542	642,816	(611,958)	274,400	-	-	-	-	274,400
Total	3,099,904	1,186,535	(625,399)	3,661,040	(1,711,583)	(249,184)	7,527	(1,953,240)	1,707,800
Consolidated									
31 December 2022									
	Cost				Accumulated amortisation				Other Intangible Assets, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Software	2,557,152	322,869	(24,159)	2,855,862	(1,516,881)	(211,519)	17,066	(1,711,334)	1,144,528
License fee	500	-	-	500	(149)	(100)	-	(249)	251
Work in progress	170,952	488,341	(415,751)	243,542	-	-	-	-	243,542
Total	2,728,604	811,210	(439,910)	3,099,904	(1,517,030)	(211,619)	17,066	(1,711,583)	1,388,321
Separate									
31 December 2023									
	Cost				Accumulated amortisation				Other Intangible Assets, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Software	2,424,620	387,996	(13,440)	2,799,176	(1,380,451)	(198,396)	7,527	(1,571,320)	1,227,856
Work in progress	219,445	459,317	(464,883)	213,879	-	-	-	-	213,879
Total	2,644,065	847,313	(478,323)	3,013,055	(1,380,451)	(198,396)	7,527	(1,571,320)	1,441,735
Separate									
31 December 2022									
	Cost				Accumulated amortisation				Other Intangible Assets, net
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance	Beginning Balance	Additions	Disposals/ Transfers	Ending balance	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Software	2,179,353	258,429	(13,162)	2,424,620	(1,210,534)	(175,988)	6,071	(1,380,451)	1,044,169
Work in progress	156,320	442,667	(379,542)	219,445	-	-	-	-	219,445
Total	2,335,673	701,096	(392,704)	2,644,065	(1,210,534)	(175,988)	6,071	(1,380,451)	1,263,614

18.2 Goodwill

Consolidated				
31 December 2023				
	Cost			
	Beginning balance	Additions	Disposals/ transfers	Ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Goodwill	3,066,035	-	-	3,066,035
Total	3,066,035	-	-	3,066,035
Consolidated				
31 December 2022				
	Cost			
	Beginning balance	Additions	Disposals/ transfers	Ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Goodwill	3,066,035	-	-	3,066,035
Total	3,066,035	-	-	3,066,035

Goodwill arised from the Capital Market segment which was identified as the cash-generating unit (CGUs).

The recoverable amount of this CGU is determined by the Dividend Discount Model. This calculation used the dividend received projection based on financial budgets covering a ten-year period which are referred from the past operating results together with the estimated growth rates of market and the subsidiaries which management believes that ten years period can reflect their business plan. Dividend beyond the ten-year extrapolation uses the estimated dividend growth rate of 4% (31 December 2022: 4%) and the discount rate of 12% per annum (31 December 2022: 12%).

As at 31 December 2023, the recoverable amount using this Dividend Discount Model is greater than the book value amount of Baht 4,280 million (31 December 2022: Baht 5,452 million).

The recoverable amount of such investment is changed from continuing growth in the Capital Market Segment and positive trend in business model of the Capital Market Segment in the future.

19 Deferred income tax, net

Deferred tax assets and deferred tax liabilities as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets	1,717,031	1,431,900	1,429,545	1,215,611
Deferred tax liabilities	(555,218)	(529,924)	-	-
Deferred income tax, net	1,161,813	901,976	1,429,545	1,215,611

Movements in deferred tax assets and deferred tax liabilities during the year were as follows;

	Consolidated			
	Balance as at 1 January 2023	Items as recognised into profit or loss	Items as recognised into other comprehensive income	Balance as at 31 December 2023
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	305,600	(144,267)	-	161,333
Allowance for impairment of investments	115,331	390	118	115,839
Allowance for expected credit losses	22,712	1,306	-	24,018
Allowance for impairment of properties foreclosed	613,397	(112,459)	-	500,938
Provisions	208,502	19,978	(2,591)	225,889
Income received in advance	189,406	8,417	-	197,823
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	43,644	10,168	-	53,812
Depreciation of assets	9,574	(565)	-	9,009
Loss on remeasuring securities measured at FVOCI	100,613	-	3,950	104,563
Unrealised loss on remeasuring FVPL securities	1,248	45,853	-	47,101
Unrealised loss on remeasuring securities borrowing and lending	3,405	(794)	-	2,611
Unused tax losses	73,987	(10,592)	-	63,395
Unrealised loss on remeasuring derivatives	-	127,753	-	127,753
Unrealised loss on revaluation of forward	1,488	(671)	-	817
Others	21,402	7,148	-	28,550
Total	1,961,470	(48,335)	1,477	1,914,612
Deferred tax liabilities				
Premise appraisal surplus	6,664	(303)	-	6,361
Prepaid hire-purchase commission	50,584	(24,268)	-	26,316
Gain on remeasuring securities measured at FVOCI	12,078	-	(12,078)	-
Unrealised gain on remeasuring FVPL securities	86,805	(79,458)	-	7,347
Unrealised gain on remeasuring securities borrowing and lending	-	-	-	-
Unrealised gain on remeasuring derivatives	210,951	(187,569)	-	23,382
Unrealised gain on revaluation of assets	683,880	(2,283)	-	681,597
Others	8,532	(736)	-	7,796
Total	1,059,494	(294,617)	(12,078)	752,799
Deferred income tax, net	901,976	246,282	13,555	1,161,813

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Consolidated			
	Balance as at 1 January 2022 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2022 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	236,793	68,807	-	305,600
Allowance for impairment of investments	117,449	(1,993)	(125)	115,331
Allowance for expected credit losses	23,086	(374)	-	22,712
Allowance for impairment of properties foreclosed	606,144	7,253	-	613,397
Provisions	186,216	22,386	(100)	208,502
Income received in advance	181,711	7,695	-	189,406
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	50,449	(6,805)	-	43,644
Depreciation of assets	10,957	(1,383)	-	9,574
Loss on remeasuring securities measured at FVOCI	66,440	-	34,173	100,613
Unrealised loss on remeasuring FVPL securities	17,179	(15,931)	-	1,248
Unrealised loss on remeasuring securities borrowing and lending	4,274	(869)	-	3,405
Unused tax losses	51,909	22,078	-	73,987
Unrealised loss on remeasuring derivatives	367,158	(367,158)	-	-
Unrealised loss on revaluation of forward	-	1,488	-	1,488
Others	16,616	4,786	-	21,402
Total	2,187,542	(260,020)	33,948	1,961,470
Deferred tax liabilities				
Premise appraisal surplus	10,110	(3,446)	-	6,664
Prepaid hire-purchase commission	96,407	(45,823)	-	50,584
Gain on remeasuring securities measured at FVOCI	42,705	-	(30,627)	12,078
Unrealised gain on remeasuring FVPL securities	291,216	(204,411)	-	86,805
Unrealised gain on remeasuring derivatives	-	210,951	-	210,951
Unrealised gain on revaluation of assets	-	-	683,880	683,880
Others	13,249	(4,717)	-	8,532
Total	453,687	(47,446)	653,253	1,059,494
Deferred income tax, net	1,733,855	(212,574)	(619,305)	901,976
	Separate			
	Balance as at 1 January 2023 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht	Balance as at 31 December 2023 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	163,895	(144,267)	-	19,628
Allowance for impairment of investments	113,864	390	118	114,372
Allowance for expected credit losses	22,712	1,306	-	24,018
Allowance for impairment of properties foreclosed	612,969	(112,255)	-	500,714
Provisions	150,226	13,232	(1,684)	161,774
Depreciation of assets	9,574	(565)	-	9,009
Income received in advance	187,362	8,556	-	195,918
Loss from mutual fund liquidation	251,161	-	-	251,161
Non-accrued interest income	43,644	10,168	-	53,812
Loss on remeasuring securities measured at FVOCI	-	-	1,663	1,663
Unrealised loss on remeasuring FVPL securities	-	47,102	-	47,102
Unrealised loss on remeasuring derivatives	-	127,753	-	127,753
Others	20,359	6,101	-	26,460
Total	1,575,766	(42,479)	97	1,533,384
Deferred tax liabilities				
Prepaid hire-purchase commission	50,583	(24,268)	-	26,315
Gain on remeasuring securities measured at FVOCI	8,096	-	(8,096)	-
Unrealised gain on remeasuring FVPL securities	12,322	(12,322)	-	-
Unrealised gain on remeasuring derivatives	210,206	(210,206)	-	-
Unrealised gain (loss) on revaluation of assets	70,904	(742)	-	70,162
Others	8,044	(682)	-	7,362
Total	360,155	(248,220)	(8,096)	103,839
Deferred income tax, net	1,215,611	205,741	8,193	1,429,545

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate		
	Balance as at 1 January 2022 Thousand Baht	Items as recognised into profit or loss Thousand Baht	Items as recognised into other comprehensive Income Thousand Baht
Deferred tax assets			
Allowance for doubtful accounts	236,793	(72,898)	-
Allowance for impairment of investments	115,982	(1,993)	(125)
Allowance for expected credit losses	23,086	(374)	-
Allowance for impairment of properties foreclosed	605,512	7,457	-
Provisions	133,679	16,547	-
Depreciation of assets	9,823	(249)	-
Income received in advance	179,527	7,835	-
Loss from mutual fund liquidation	251,161	-	-
Non-accrued interest income	50,449	(6,805)	-
Unrealised loss on remeasuring derivatives	200,247	(200,247)	-
Others	15,381	4,978	-
Total	1,821,640	(245,749)	(125)
Deferred tax liabilities			
Prepaid hire-purchase commission	96,406	(45,823)	-
Gain on remeasuring securities measured at FVOCI	39,133	-	(31,037)
Unrealised gain on remeasuring FVPL securities	81,674	(69,352)	-
Unrealised gain on remeasuring derivatives	-	210,206	-
Unrealised gain (loss) on revaluation of assets	-	-	70,904
Others	12,708	(4,664)	-
Total	229,921	90,367	39,867
Deferred income tax, net	1,591,719	(336,116)	(39,992)

Accordingly, the Group used a tax rate of 20% for calculation of deferred income tax for the year ended 31 December 2023 and for the year ended 31 December 2022.

20 Other assets, net

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Interest and dividend income receivables	159,905	104,684	127,865	89,662
Other income receivables	577,185	482,416	125,543	187,974
Prepaid expenses and deferred expenses	170,342	135,997	85,165	78,392
Prepaid output tax for hire-purchase receivables*	98,439	92,448	98,439	92,448
Other receivables, net*	5,933,749	3,723,979	6,888,682	3,585,379
Receivables from trading securities	4,984	629,127	4,984	699,680
Refundable deposit	77,443	88,017	125,740	130,839
Withholding income tax	36,240	35,167	-	-
Input VAT - pending tax invoice	186,213	439,182	142,716	386,394
Others*	568,983	573,871	188,414	195,841
Total other assets	7,813,483	6,304,888	7,787,548	5,446,609

* As at 31 December 2023 these transactions are shown net of total doubtful accounts of Baht 97.80 million in the interim consolidated and the separate financial statements (31 December 2022: Baht 63.85 million).

21 Deposits

21.1 Classified by type of deposit

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current accounts	1,124,152	1,928,539	1,552,688	2,358,289
Savings accounts	127,177,453	194,127,586	127,363,670	194,143,084
Term deposits	230,523,115	135,303,583	230,523,115	135,303,583
NCD	77,792	104,292	77,792	104,292
Total	358,902,512	331,464,000	359,517,265	331,909,248

21.2 Classified by currency and residence of depositors

	Consolidated					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Thai Baht	347,927,409	1,713,031	349,640,440	327,744,454	2,148,254	329,892,708
USD	8,958,637	11,782	8,970,419	1,362,045	1,012	1,363,057
Other	291,653	-	291,653	208,235	-	208,235
Total	357,177,699	1,724,813	358,902,512	329,314,734	2,149,266	331,464,000

	Separate					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Thai Baht	348,542,162	1,713,031	350,255,193	328,189,702	2,148,254	330,337,956
USD	8,958,637	11,782	8,970,419	1,362,045	1,012	1,363,057
Other	291,653	-	291,653	208,235	-	208,235
Total	357,792,452	1,724,813	359,517,265	329,759,982	2,149,266	331,909,248

22 Interbank and money market items, net (liabilities)

	Consolidated	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	2,637,690	1,591,107
Commercial banks	11,203,398	9,370,759
Specific Financial Institution	2,009,657	5,100,475
Other financial institutions	5,473,171	2,384,659
	21,323,916	18,447,000
Foreign		
USD	1,711,165	1,728,120
Total	23,035,081	20,175,120
	Separate	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Domestic		
Bank of Thailand and Financial Institution Development Fund	2,637,690	1,591,107
Commercial banks	11,203,398	8,473,744
Specific Financial Institution	2,009,657	5,100,475
Other financial institutions	6,569,559	2,607,364
	22,420,304	17,772,690
Foreign		
USD	1,711,165	1,728,120
Total	24,131,469	19,500,810

23 Financial liabilities designated at fair value through profit or loss

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Structured debentures	1,332,833	3,556,542	-	-
Total	1,332,833	3,556,542	-	-

Proportion of transactions being classified by type of counterparties

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	%	%	%	%
Third parties	100	100	-	-
Total	100	100	-	-

Financial liabilities designated at fair value that the Company offers are Autocallable structured notes with terms of no longer than 270 days. The underlying assets are securities listed in the Stock Exchange of Thailand and Foreign Stock Exchange. The Company will repay the face value at maturity, unless the knock-out event occurs. The repayment is according to the contracts, either by cash, by delivery of underlying securities that are not issued by the Company, or both cash and securities.

24 Debt issued and borrowings

			Consolidated	
			31 December 2023	31 December 2022
	Currency	Interest rate* %	Thousand Baht	Thousand Baht
		Maturity*		
Senior securities	THB	0.48 - 2.75	22,864,051	30,695,000
	EUR	-	2,091,504	7,095,326
	JPY	0.05 - 0.72	23,206,987	7,384,885
Subordinated bond	THB	3.50 - 4.30	9,102,000	8,392,000
Structured debentures not designated at fair value	THB	0.75 - 2.73	6,081,429	7,787,021
		and linked to equity, fund or, set index price		
Bill of exchange	THB	1.97 – 2.50	5,554,008	-
Total			68,899,979	61,354,232

*Information for the outstanding as of 31 December 2023

			Separate	
			2023	2022
	Currency	Interest rate* %	Thousand Baht	Thousand Baht
		Maturity*		
Senior securities	THB	0.48 - 2.75	22,864,051	30,695,000
	EUR	-	2,091,504	7,095,326
	JPY	0.05 - 0.72	23,206,987	7,384,885
Subordinated bond	THB	3.50 - 4.30	9,102,000	8,392,000
Structured debentures not designated at fair value	THB	0.75 - 2.73	3,989,511	5,492,718
		and linked to equity, fund or, set index price		
Bill of exchange	THB	1.97 – 2.50	5,554,008	-
Borrowing	THB	1.95	70,000	660,000
Total			66,878,061	59,719,929

*Information for the outstanding as of 31 December 2023

25 Provisions

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Expected credit loss of financial guarantee contracts and loan commitments	119,180	112,693	119,677	113,203
Post-employment benefits obligation	1,130,918	1,039,160	761,126	698,590
Others	51,838	55,770	51,838	55,770
Total	1,301,936	1,207,623	932,641	867,563

Post-employment benefits obligation

The Group has post-employment benefits plan under the Thai Labor Protection Act, which is considered as unfunded defined benefit plans.

Movements in the present value of the defined benefit obligation for the year ended 31 December 2023 and 31 December 2022 are as follows;

	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Beginning defined benefit obligation	1,039,160	930,675	698,590	618,977
<u>Recognised within Statement of Profit or Loss:</u>				
Current service cost	104,663	102,925	75,407	74,029
Interest cost	18,925	16,740	12,993	11,438
<u>Recognised within Other comprehensive income:</u>				
<u>Remeasurements:</u>				
Loss (gain) from change in demographic assumptions	9,940	-	7,985	-
Loss (gain) from change in financial assumptions	(88,187)	-	(52,720)	-
Experience (gain) loss	65,292	(501)	36,317	-
<u>Other:</u>				
Defined benefit obligation transferred from subsidiary company	-	-	(8)	(179)
Benefits paid	(18,875)	(10,679)	(17,438)	(5,675)
Ending defined benefit obligation	1,130,918	1,039,160	761,126	698,590

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Financial assumptions				
Discount rate	2.44% - 4.43%	0.53% - 3.57%	2.44% - 4.43%	0.53% - 3.57%
Expected rate of salary increase	3.5% - 11.0%	3.0% - 8.0%	4.5% - 7.0%	4.0% - 6.0%
Turnover rate	0.0% - 30.0%	0.0% - 25.0%	0.0% - 17.0%	0.0% - 20.0%
Retirement age	55 and 60 years	55 and 60 years	55 and 60 years	55 and 60 years

Sensitivity analysis on key assumption changes are as follows;

	Increase (decrease) in defined benefit obligation			
	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Discount rate -1.0%	111,681	101,029	78,583	70,154
Discount rate +1.0%	(96,221)	(87,475)	(67,695)	(60,697)
Expected rate of salary increase -1.0%	(95,914)	(95,681)	(67,402)	(66,182)
Expected rate of salary increase +1.0%	109,011	109,157	76,605	75,529
Turnover rate -20.0%	69,695	74,776	52,510	56,079
Turnover rate +20.0%	(59,379)	(62,103)	(44,611)	(46,218)

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

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

Maturity profile of defined benefit obligation

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Maturity duration of the post-employment benefits (Years)	12 - 25	10 - 16	16	15
Maturity analysis of benefits expected to be paid				
Benefits expected to be paid within 12 months	59,747	65,843	23,954	46,797
Benefits expected to be paid between 1 and 2 years	112,441	83,823	87,474	39,081
Benefits expected to be paid between 2 and 5 years	217,120	226,669	144,071	148,051
Benefits expected to be paid in more than 5 years	4,024,458	2,736,519	2,814,259	1,916,973

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

	Consolidated			
	31 December 2023			
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2023	111,984	709	-	112,693
Change due to reclassification	(100)	100	-	-
Change due to new estimation of credit loss	(37,389)	616	-	(36,773)
Newly acquired or purchased financial assets	105,860	22	-	105,882
Derecognised financial assets	(62,403)	(219)	-	(62,622)
As of 31 December 2023	117,952	1,228	-	119,180
	Consolidated			
	31 December 2022			
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2022	113,417	1,042	-	114,459
Change due to reclassification	(6,622)	6,622	-	-
Change due to new estimation of credit loss	(79,891)	4,503	-	(75,388)
Newly acquired or purchased financial assets	129,503	-	-	129,503
Derecognised financial assets	(44,423)	(11,458)	-	(55,881)
As of 31 December 2022	111,984	709	-	112,693
	Separate			
	31 December 2023			
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2023	112,494	709	-	113,203
Change due to reclassification	(100)	100	-	-
Change due to new estimation of credit loss	(37,402)	616	-	(36,786)
Newly acquired or purchased financial assets	105,860	22	-	105,882
Derecognised financial assets	(62,403)	(219)	-	(62,622)
As of 31 December 2023	118,449	1,228	-	119,677

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate			
	31 December 2022			
	Financial assets with an insignificant increase in credit risk	Financial assets with a significant increase in credit risk	Credit-impaired financial assets	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As of 1 January 2022	113,905	1,042	-	114,947
Change due to reclassification	(6,622)	6,622	-	-
Change due to new estimation of credit loss	(79,869)	4,503	-	(75,366)
Newly acquired or purchased financial assets	129,503	-	-	129,503
Derecognised financial assets	(44,423)	11,458	-	(55,881)
As of 31 December 2022	112,494	709	-	113,203

26 Other accounts payable

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Margin payables	2,020,835	3,081,143	2,020,835	3,081,143
Insurance premium payables	168,195	209,007	168,195	209,007
Dealer payables	420,183	817,967	420,183	817,967
Other refund payables to customers	7,820	6,911	7,820	6,911
Securities payables	4,984	604,657	4,984	604,657
Others	4,388,915	2,058,401	4,257,917	1,809,524
Total	7,010,932	6,778,086	6,879,934	6,529,209

27 Other liabilities

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Accrued bonus	1,791,600	2,027,617	1,018,000	1,215,251
Accrued expenses	1,639,599	1,225,834	1,461,238	1,044,257
Front-end fees	29,017	50,897	29,017	50,897
Other income received in advance	941,012	1,076,092	990,527	1,127,489
Deposits	185,121	121,077	183,013	118,905
Value added tax payable	239,154	171,436	219,172	141,240
Others	461,914	436,184	415,022	332,059
Total other liabilities	5,287,417	5,109,137	4,315,989	4,030,098

28 Warrants

The Group has outstanding warrants to subscribe for ordinary shares to existing shareholders of the Bank, which have been approved by shareholders' meeting. The Group does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in this financial statements.

				As at 18 May 2023	Decrease during the year					As at 31 December 2023
				Outstanding warrant unit	Exercise unit	Exercise ratio for ordinary shares per 1 warrant	Issue of ordinary shares during the period share	Exercise price Baht	Amount Baht	Outstanding warrant unit
Warrants	Allocated to	Issue date	Exercising Date							
KKP W-5	Shareholders	18 May 2023	17 March 2024	70,546,511	-	1	-	70	-	70,546,511
KKP W-6	Shareholders	18 May 2023	17 March 2026	70,546,511	-	1	-	70	-	70,546,511
Total				141,039,022	-		-		-	141,039,022

At the Annual General Meeting of the Shareholders of the Bank held on 20 April 2023, the shareholders passed a resolution to approve the issuance of the Bank's warrants on ordinary shares KKP No.5 ("KKP-W5"), not exceeding 70,562,592 units for offering to existing shareholders, having an exercise period of not exceeding 10 months from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 70 per share, and the Bank's warrants on ordinary shares KKP No.6 ("KKP-W6"), not exceeding 70,562,592 units for offering to existing shareholders, having an exercise period of not exceeding 2 years and 10 months from the initial issuance date, and having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 70 per share.

29 Share capital

On 20 April 2023, the Annual General Meeting of Shareholders for the year 2023 approved the increase in registered capital of Baht 2,011,251,840 from the existing registered capital of Baht 8,467,511,090 to the new registered capital of Baht 10,478,762,930 by issuing 201,125,184 newly issued ordinary shares at a par value of Baht 10 per share and registered with the ministry of commerce on 27 April 2023.

30 Legal reserve

Under the Public Companies Act, the Bank which is the public company is required to set aside as legal reserve at least 5% of its net profit, net of accumulated deficit brought forward (if any), until the reserve is not less than 10% of the registered capital.

During the year of 2023, the Bank allocated additional legal reserve in the amount of Baht 196 million. As at 31 December 2023, the Bank had total legal reserve in the amount of Baht 1,048 million (31 December 2022: Baht 852 million).

31 Capital fund

The minimum capital requirement under the regulation of the Bank of Thailand shows as follow:

Capital funds	Minimum capital requirement ratio (%)	Capital buffer ratio (%)	Minimum capital requirement and capital buffer ratio (%)
Common equity tier 1 capital to risk-weighted assets	4.50	2.50	7.00
Tier 1 capital to risk-weighted assets	6.00	2.50	8.50
Capital funds to risk-weighted assets	8.50	2.50	11.00

The Bank thus conducts the internal capital adequacy assessment process in accordance with the supervisory review process of the Bank of Thailand and monitors on a regular basis to ensure that the current and future capital requirements are aligned with the risk appetite in the Bank.

The Group and the Bank maintain its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand. As at 31 December 2023 and 2022, total capital funds can be categorised as follows:

	Consolidated		Separate	
	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht	31 December 2023 Thousand Baht	31 December 2022 Thousand Baht
Tier 1 capital				
Issued and paid-up capital	8,467,511	8,467,511	8,467,511	8,467,511
Share premium	9,356,233	9,356,233	9,356,233	9,356,233
Legal reserve	1,047,876	852,337	1,047,876	852,337
Retained earnings after appropriation	39,737,668	35,130,515	34,507,234	29,737,886
Other reserve and other provisions	1,959,781	2,008,192	273,054	315,359
Capital deduction items on CET1	(6,521,773)	(5,909,263)	(5,997,018)	(5,614,005)
Total tier 1 capital	54,047,296	49,905,525	47,654,890	43,115,321
Tier 2 capital				
Subordinated debt	9,102,000	8,392,000	9,102,000	8,392,000
Allowance for classified assets of "normal" category	4,321,641	4,001,891	4,190,186	4,017,271
Total tier 2 capital	13,423,641	12,393,891	13,292,186	12,409,271
Total capital fund	67,470,937	62,299,416	60,947,076	55,524,592

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

As at 31 December 2023 and 31 December 2022, capital adequacy ratios maintained by the Bank in accordance with the Notification of the BOT are as follows:

	Capital funds			
	Consolidated		Separate	
	31 December 2023 (%)	31 December 2022 (%)	31 December 2023 (%)	31 December 2022 (%)
Common equity tier 1 capital to risk-weighted assets	13.30	13.32	12.30	11.73
Tier 1 capital to risk-weighted assets	13.30	13.32	12.30	11.73
Capital funds to risk-weighted assets	16.61	16.63	15.73	15.11

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Capital funds less capital add-ons				
Capital funds to risk-weighted assets	67,470,937	62,299,416	60,947,076	55,524,592
Rate of capital funds to risk-weighted assets	16.61	16.63	15.73	15.11

Disclosure of Capital Maintenance information under the Notification of the Bank of Thailand Re: Public Disclosure of Capital Maintenance for Commercial Banks.

Location of disclosure : <https://ir.kkpg.com/en/updates/pillar-disclosure>
Date of disclosure : Within April 2024
Information as at : 31 December 2023

Moreover, the Group has disclosed information related to Liquidity Coverage Ratio as at 31 December 2023 under the Notification of Bank of Thailand, no. Sor Nor Sor 2/2561, as the above location and date of disclosure.

32 Dividend paid

On 21 April 2022, the Annual General Meeting of the Bank's shareholders for the year 2022 approved the resolution regarding the payment of dividend for the year 2021 at the rate of Baht 2.95 per ordinary share, a part of which had been paid as interim dividend at the rate of Baht 0.75 per share on 23 September 2021, amounting to Baht 635,053,319 and the remaining amount will be paid on 19 May 2022 at the rate of Baht 2.20 per share in amounting to Baht 1,861,175,489.

On 25 August 2022, the Board of Directors Meeting of the Bank No. 10/2565 approved the resolution regarding the payment of interim dividend from six-month period operating performance at the rate of Baht 1.75 per ordinary share. The dividend was paid on 22 September 2022 amounting to Baht 1,481,791,253.

On 20 April 2023, the Annual General Meeting of the Bank's shareholders for the year 2023 approved the payment of dividend for the year 2022 at the rate of Baht 3.25 per ordinary share, a part of which had been paid as interim dividend at the rate of Baht 1.75 per share on 22 September 2022, amounting to Baht 1,481,791,253 and the remaining amount will be paid on 18 May 2023 at the rate of Baht 1.50 per share in amounting to Baht 1,270,071,973.

On 24 August 2023, the Board of directors Meeting of the Bank No.9/2023 approved the the resolution regarding the payment of interim dividend at the rate of Baht 1.25 per share, which will be paid on 21 September 2023 in amounting of Baht 1,058,423,224.

33 Other components of equity

Other components of equity for the year ended 31 December 2023 and 2022 are as follows;

	Consolidated					
	Attributable to owners of the parent					
	Other components of equity					
	Other reserve from share-based payments Thousand Baht	Revaluation surplus on assets Thousand Baht	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income Thousand Baht	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income Thousand Baht	Deferred tax relating to components of other comprehensive income (expense) Thousand Baht	Deficit from change in the ownership interest in subsidiaries Thousand Baht
Opening balance as at 1 January 2022	-	-	(16,381)	(139,386)	28,557	(158,337)
Total comprehensive income (expenses)	-	3,184,565	(154,974)	117,681	(629,379)	-
Transfer to retained earnings	-	-	-	(277,702)	55,360	-
Closing balances as at 31 December 2022	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)
Opening balance as at 1 January 2023	-	3,184,565	(171,355)	(299,407)	(545,462)	(158,337)
Share-based payments	20,170	-	-	-	-	-
Total comprehensive income (expenses)	-	-	(67,475)	64,835	612	-
Transfer to retained earnings	-	(19,084)	-	(44,027)	16,138	-
Closing balances as at 31 December 2023	20,170	3,165,481	(238,830)	(278,599)	(528,712)	(158,337)

		Separate			
		Other components of equity			
	Other reserve from share-based payments Thousand Baht	Revaluation surplus on assets Thousand Baht	Revaluation surplus (deficit) on investments in debt instruments measured at fair value through other comprehensive income Thousand Baht	Revaluation surplus (deficit) on investment in equity instruments designated at fair value through other comprehensive income Thousand Baht	Deferred tax relating to components of other comprehensive income (expense) Thousand Baht
Opening balances as at 1 January 2022	-	-	(16,381)	213,233	(39,370)
Total comprehensive income (expenses)	-	354,517	(154,974)	540	(40,017)
Transfer to retained earnings	-	-	-	(126)	25
Closing balances as at 31 December 2022	-	354,517	(171,355)	213,647	(79,362)
Opening balance as at 1 January 2023	-	354,517	(171,355)	213,647	(79,362)
Share-based payments	20,170	-	-	-	-
Total comprehensive income (expenses)	-	(4,235)	(67,475)	18,092	9,877
Transfer to retained earnings	-	-	-	-	847
Closing balances as at 31 December 2023	20,170	350,282	(238,830)	231,739	(68,638)

34 Assets with obligations and restrictions

As 31 December 2023, the Group and the Bank have investments in government securities which are pledged as collaterals for repurchase agreement with fair value of Baht 3,824.63 million (31 December 2022: Baht 4,157.27 million).

35 Advance received from electronic transactions

The BOT Notification No. SOR NOR CHOR 2/2562, dated 20 December 2019, regarding the "Regulations on Service Business Relating to Electronic Fund Transfer" requires the Bank to disclose advances received from electronic fund transfer transactions. As of 31 December 2023, the Bank had no advances received from electronic fund transfer transaction, (31 December 2022: Nil).

36 Commitments and contingent liabilities

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Aval to bills of exchange	373,615	504,556	373,615	504,556
Other contingencies				
- Unused overdraft credit facilities	19,306,606	13,216,089	19,806,606	13,905,119
- Other guarantee	13,971,435	11,698,061	13,971,435	11,698,061
Total	33,651,656	25,418,706	34,151,656	26,107,736

As at 31 December 2023, the Group has other commitments in the form of various agreements relating to computer system and software development and construction agreement of the office building. The Group is obligated to pay a further Baht 43.34 million (31 December 2022: Baht 289.82 million).

37 Earnings per share

Earnings per share in the interim consolidated and the interim separate financial statements for the the year ended 31 December 2023 and 2022 are calculated as follows;

	Consolidated				Separate	
	For the year ended 31 December				For the year ended 31 December	
	Profit for the years		Weighted average number of ordinary shares		Earnings per share	
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Shares	Thousand Shares	Baht	Baht
Basic earnings per share						
Net profit available to ordinary shareholders	5,443,403	7,602,096	846,751	846,751	6.43	8.98
	Consolidated				Separate	
	For the year ended 31 December				For the year ended 31 December	
	Profit for the years		Weighted average number of ordinary shares		Earnings per share	
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Shares	Thousand Shares	Baht	Baht
Basic earnings per share						
Net profit available to ordinary shareholders	4,943,894	8,169,408	846,751	846,751	5.84	9.65

For the year ended 31 December 2023 the Bank did not have dilutive ordinary shares because the exercise price of the outstanding warrants was higher than the average market price of outstanding shares during the year.

38 Information on quality of assets

38.1 Investments in securities

The Bank has investments in debt instruments in companies which were ordered to discontinue their operations and defaulted their debts as at 31 December 2023 and 2022 as follows;

Consolidated and Separate				
31 December 2023				
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht
Company which has defaulted on interest payment Listed company being subject to delisting	Senior securities	1	0.04	-
	Common stocks	1	5.42	7.85
		2	5.46	7.85
				0.04
Consolidated and Separate				
31 December 2022				
Type of investment	Numbers	Cost Million Baht	Market value Million Baht	Provision Million Baht
Company which has defaulted on interest payment Listed company being subject to delisting	Senior securities	1	0.04	-
	Common stocks	1	5.42	10.19
		2	5.46	10.19
				0.04

38.2 Loans and accrued interest receivables

The Group had given loans and accrued interest receivables to companies which faced the financial operational difficulties and provided related allowance for expected credit losses in the interim consolidated and the separate financial statements as follows;

Consolidated			
31 December 2023			
Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	594	7,246,901	8,554,082
	594	7,246,901	8,554,082
			2,774,898

Consolidated				
31 December 2022				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	826	7,367,097	10,347,698	2,370,754
	826	7,367,097	10,347,698	2,370,754
Separate				
31 December 2023				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	572	6,703,054	7,129,023	2,735,021
	572	6,703,054	7,129,023	2,735,021
Separate				
31 December 2022				
	Numbers	Total debts Thousand Baht	Collateral Thousand Baht	Allowance for expected credit losses Thousand Baht
Companies which are under default problem	803	6,778,660	8,566,080	2,336,481
	803	6,778,660	8,566,080	2,336,481

39 Related party transactions

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

In considering each possible related party relationship, attention is directed to the substance of the relationship rather than the legal form.

According to the BOT's Notification Sor Nor Sor. 6/2553 regarding the Guideline on Consolidated Supervision dated on 18 June 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows;

The Inter-Group Transactions in the Financial Business Group Policy

The inter-group transactions shall be the same conditions or criteria, including interest rate or service fee charged, as applied when the Bank enters into the transactions with general customers with the same risk.

The Risk Management for Inter-Group Transactions in the Financial Business Group Policy

To manage the operation and consolidated supervision, the Board of Directors assigned the Risk Oversight Committee to take the policy into action, control and monitor business and supporting unit to conform with the Financial Business Group Policy. Moreover, the Board of Directors shall be informed of the significant risk of the Financial Business Group on a regularly basis.

Furthermore, the Risk Oversight Committee of each company in the Financial Business Group is responsible to perform the risk assessment according to its policy and report the results to the Bank's Risk Oversight Committee on a regularly basis. In case there is any significant change or any circumstance that will impact the current business operation, the Risk Oversight Committee shall report such matters immediately.

The following transactions were carried out with related parties.

39.1 Income

	Consolidated		Separate	
	For the year		For the year	
	ended 31 December		ended 31 December	
	2023	2022	2023	2022
	Million Baht	Million Baht	Million Baht	Million Baht
Interest and dividend income				
Subsidiaries				
KKP Capital PCL.	-	-	949	1,474
Kiatnakin Phatra Securities PCL.	-	-	22	65
KKP Tower Co., Ltd.	-	-	131	104
	-	-	1,102	1,643
Fees and services income				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	56	53
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	20	29
Asia Recovery 2 Fund	-	-	1	1
Asia Recovery 3 Fund	-	-	2	2
Thai Restructuring Fund	-	-	5	5
Bangkok Capital Fund	-	-	5	5
Gamma Capital Fund	-	-	6	6
Directors and management at the position of department head and above including their related persons who have control or significant influences	10	9	-	-
	10	9	95	101
Other operating income				
Subsidiaries				
KKP Capital PCL.	-	-	5	22
Kiatnakin Phatra Securities PCL.	-	-	24	115
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	10	8
KKP Dime Securities Co.,Ltd.	-	-	17	4
KKP Tower Co., Ltd.	-	-	2	-
Bangkok Capital Fund	-	-	1	-
Gamma Capital Fund	-	-	-	21
	-	-	59	170

39.2 Expenses

	Consolidated		Separate	
	For the year		For the year	
	ended 31 December		ended 31 December	
	2023	2022	2023	2022
	Million Baht	Million Baht	Million Baht	Million Baht
Interest and discounts on borrowings				
Subsidiaries				
KKP Capital PCL.	-	-	3	2
Kiatnakin Phatra Securities PCL.	-	-	117	108
KKP Dime Securities Co., Ltd.	-	-	2	-
KKP Tower Co., Ltd.	-	-	25	17
Directors and management at the position of department head and above including their related persons who have control or significant influences	81	24	81	24
	81	24	228	151
Other service expenses				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	350	363
KKP Tower Co., Ltd.	-	-	310	229
KKP Dime Securities Co., Ltd.	-	-	-	(1)
Other related parties	13	73	13	73
	13	73	673	664

39.3 Outstanding balances

	Consolidated		Separate	
	31 December 2023 Million Baht	31 December 2022 Million Baht	31 December 2023 Million Baht	31 December 2022 Million Baht
Loans to financial institutions / Loans				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	-	4,050
KKP Dime Securities Co., Ltd.	-	-	1	15
KKP Tower Co., Ltd.	-	-	2,315	2,326
<u>Less</u> Allowance of expected credit losses	-	-	(1)	(2)
Directors and management at the position of department head and above including their related persons who have control or significant influences	1,662	41	1,662	41
	1,662	41	3,977	6,430
Accrued interest receivables and undue interest receivable				
Subsidiaries				
KKP Capital PCL.	-	-	(2)	(2)
Kiatnakin Phatra Securities PCL.	-	-	-	3
KKP Tower Co., Ltd.	-	-	-	(1)
Directors and management at the position of department head and above including their related persons who have control or significant influences	1	-	1	-
	1	-	(1)	-
Other accounts receivables				
Subsidiaries				
KKP Capital PCL.	-	-	3	4
Kiatnakin Phatra Securities PCL.	-	-	145	212
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	4	4
KKP Dime Securities Co., Ltd.	-	-	1	1
KKP Tower Co., Ltd.	-	-	1	-
Asia Recovery 1 Fund	-	-	100	-
Asia Recovery 2 Fund	-	-	727	-
Bangkok Capital Fund	-	-	38	-
Gamma Capital Fund	-	-	150	-
	-	-	1,169	221
Derivative assets				
Subsidiaries				
Kiatnakin Phatra Securities Co., Ltd.	-	-	6	13
	-	-	6	13
Other assets				
Subsidiaries				
Kiatnakin Phatra Securities Co., Ltd.	-	-	85	-
KKP Tower Co., Ltd.	-	-	847	895
	-	-	932	895

	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Million Baht	Million Baht	Million Baht	Million Baht
Deposits				
Subsidiaries				
KKP Capital PCL.	-	-	15	23
Kiatnakin Phatra Securities PCL.	-	-	428	204
Kiatnakin Phatra Asset Management Co., Ltd.	-	-	25	19
KKP Dime Securities Co., Ltd.	-	-	144	123
Bangkok Capital Fund	-	-	126	121
Gamma Capital Fund	-	-	288	286
KKP Tower Co., Ltd.	-	-	186	15
Directors and management at the position of department head and above including their related persons who have control or significant influences	5,596	4,886	5,596	4,886
	5,596	4,886	6,808	5,677
Debt issued and borrowings				
Subsidiaries				
KKP Capital PCL	-	-	70	660
Kiatnakin Phatra Securities PCL.	-	-	500	-
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	13	4	13	4
	13	4	583	664
Accrued interest expenses				
Directors and management at the position of department head and above including their related persons who have control or significant influences and other related party	16	7	16	7
	16	7	16	7
Derivative liabilities				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	4	1
	-	-	4	1
Other liabilities				
Subsidiaries				
Kiatnakin Phatra Securities PCL.	-	-	359	298
KKP Dime Securities Co., Ltd.	-	-	1	-
KKP Tower Co., Ltd.	-	-	814	877
Other related parties	-	1	-	1
	-	1	1,174	1,176

During the year ended 31 December 2023, a subsidiary under the Capital Market Segment has investment in ordinary shares which have been classified as collateralised investments which are measured at fair value through other comprehensive income. As at 31 December 2023, fair value of the investment was Baht 383 million (31 December 2022: Baht 458 million).

Collateralised investments are securities that a subsidiary under the Capital Market Segment allows the invested company to pledge at the Bank as collateral in loan transaction.

During for the year ended 31 December 2023, the Bank has sold an asset to a director at Baht 2 million (31 December 2022: Baht 6 million).

39.4 Directors and key management compensations

For the year ended 31 December 2023 and 31 December 2022, compensations paid to directors and key management personnel are as follows:

	Consolidated		Separate	
	For the year		For the year	
	ended 31 December		ended 31 December	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Short-term employee benefits	409,992	369,973	299,256	267,334
Post-employment benefits	13,039	13,564	5,953	6,636
Share-based payment benefits	1,363	-	665	-
Total	424,394	383,537	305,874	273,970

40 Benefits paid to directors and executives

The Group has no special benefits given to the directors and executives beyond the general benefits provided such as directors' remuneration, executives' salary and bonus (if any) included ESOP warrants.

41 Share-based payment

On 20 April 2023, the Annual General Meeting of the Bank's shareholders for the year 2023 approved the issuance and allocation of warrants to purchase the newly issued ordinary shares of KKP up to 60,000,000 units offered to the directors, executives, and/or employees of the Bank and its subsidiaries ("KKP ESOP Warrants") at no cost. The terms of KKP ESOP Warrants would be 4 years after the date of issuance, and the exercise ratio would be that 1 unit of warrant was entitled to purchase 1 ordinary share at Baht 72 per share. The Bank granted the KKP ESOP warrants to the directors and employees of the Bank and its subsidiaries on 1 July 2023.

The KKP ESOP Warrant holders can exercise their rights to purchase ordinary shares according to the following conditions:

The first exercise date: 30 June 2025, exercisable amount of not exceeding 30 percent of the total number of KKP ESOP Warrants.

The 2nd exercise date: 30 June 2026, exercisable amount of not exceeding 60 percent of the total number of KKP ESOP Warrants.

The 3rd exercise date: 30 June 2027, exercisable amount of not exceeding 100 percent of the total number of KKP ESOP Warrants.

In case that any KKP ESOP Warrant holder unexercised the KKP ESOP Warrants during each exercisable period, the remaining warrants can be accumulated and exercised during the following exercisable period until the expiration date of the KKP ESOP Warrants.

Measurement of fair value

The fair value of the KKP ESOP Warrants was measured based on Binomial model and Black-Scholes Valuation model.

The significant inputs used in the measurement of the fair values at grant date were as follows:

Weighted average fair value granted during the year	Baht	3.0285
Share price at grant date	Baht	59.75
Exercise price	Baht	72.00
Expected volatility (%)		20.00
Expected dividends (%)		5.00
Risk-free interest rate (%)		2.04
The last exercise date		30 June 2027

The expense recognised from share-based payment transaction for the year ended 31 December 2023 was Baht 20 million for the consolidated financial statements and Baht 11 million for the separate financial statements.

Movements in the number of issued and allotted of KKP ESOP Warrants during the year ended 31 December 2023 are as follows:

	Consolidated and Separate Number of warrants 2023
At 1 January	-
Granted	59,174,200
Forfeited	(1,092,000)
Exercised	-
Expired	-
At 31 December	58,082,200

Movements of reserve form Share-based payment of KKP ESOP Warrants during the year ended 31 December 2023 are summarised below:

	Consolidated and Separate 2023 Thousand Baht
At 1 January	-
Increase	20,170
Exercised during the year	-
At 31 December	20,170

42 Operating segments

The Group discloses operating segments information in accordance with the Thai Financial Reporting Standard No.8 “Operating Segments” and under the same basis as internal management reports presented to the Bank’s chief operating decision maker for resources allocation to and performance evaluation of various segments. Accordingly, the Bank has divided reportable segments in accordance with the new structure of the Kiatnakin Phatra Financial Group and characteristics of segments operating in significantly diverse environment. These operating segments are; Commercial Banking Business, Capital Market Business, and the Debt Restructuring Segment under the Commercial Banking Business. Details of each operating segment are as follows;

- Commercial banking business consists of all commercial banking business and KKP Tower Co., Ltd. except for the Debt restructuring segment
- Capital market business consists of KKP Capital PCL., Kiatnakin Phatra Securities PCL., Kiatnakin Phatra Asset Management Co., Ltd., and KKP DIME Securities Co., Ltd.,
- The Debt restructuring segment

Assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard as adjusted in accordance with internal management accounting rules and practices. Amounts for each business segment are shown after the allocation of certain centralised costs and income between segments. Transactions between segments are eliminated on consolidation.

42.1 Operation result

Operation result classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the years ended 31 December 2023 and 2022 are as follows;

	Consolidated			
	31 December 2023			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Income from external clients				
Interest income, net	21,486	138	670	22,294
Fees and services income, net	2,432	3,041	3	5,476
Other operating income, net	(419)	1,413	(1)	993
Total income from operating	23,499	4,592	672	28,763
Income between segments	1,223	473	-	1,696
Depreciation and amortisation	637	162	17	816
Other expenses	12,021	3,045	12	15,078
Total other operating expenses	12,658	3,207	29	15,894
Expected credit loss (reversal)	6,015	-	67	6,082
Profit from operating before income tax expenses	4,826	1,385	576	6,787
Income tax expenses	1,024	307	-	1,331
Net Income	3,802	1,078	576	5,456

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Consolidated			
	31 December 2022			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Income from external clients				
Interest income, net	18,980	(69)	170	19,081
Fees and services income, net	2,698	3,467	-	6,165
Other operating income, net	1,048	1,238	6	2,292
Total income from operating	22,726	4,636	176	27,538
Income between segments	1,805	474	-	2,279
Depreciation and amortisation	500	126	7	633
Other expenses	8,746	3,560	74	12,380
Total other operating expenses	9,246	3,686	81	13,013
Expected credit loss (reversal)	4,945	-	91	5,036
Profit from operating				
before income tax expenses	8,535	950	4	9,489
Income tax expenses	1,679	194	-	1,873
Net Income	6,856	756	4	7,616

Revenue transactions classified by timing of revenue recognition and operating segments of Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment for the years ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated			
	31 December 2023			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Timing of revenue recognition				
At a point in time	2,227	2,286	-	4,513
Over time	351	1,517	-	1,868

	Consolidated			
	31 December 2022			
	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
Timing of revenue recognition				
At a point in time	3,248	3,228	6	6,482
Over time	353	1,077	-	1,430

Total assets classified by Commercial Banking Business, Capital Market Business and The Debt Restructuring Segment

	Commercial banking business Million Baht	Capital market business Million Baht	Debt restructuring segment Million Baht	Total Million Baht
As at 31 December 2023	521,965	21,174	2,188	545,327
As at 31 December 2022	474,770	30,018	2,849	507,637

42.2 Reconciliation operating segments information

Reconciliation between consolidated income from all segments and income and reconciliation between consolidated profit from all segments and profit from operating before income tax expenses for the year ended 31 December 2023 and 2022 are as follows;

	Consolidated	
	2023 Million Baht	2022 Million Baht
Income		
Consolidated income from all segments	30,459	29,817
Elimination of inter-segment income	(1,696)	(2,279)
Total income	28,763	27,538
Profit		
Consolidated profit from all segments	6,787	9,489
Elimination of inter-segment profit	-	-
Profit from operating before income tax expenses	6,787	9,489

Reconciliation between consolidated assets from all segments and total assets as at 31 December 2023 and 31 December 2022 are as follows;

	Consolidated	
	31 December 2023 Million Baht	31 December 2022 Million Baht
Assets		
Consolidated assets from all segments	545,327	507,637
Elimination of inter-segment assets	-	-
Total assets	545,327	507,637

During the year ended 31 December 2023 and 31 December 2022, there is no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Bank's total revenue.

The Bank and its subsidiaries operate in Thailand only. There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

43 Important positions and performance classified by type of domestic or foreign transactions

43.1 Position classified by type of transaction

	Consolidated					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Total assets	526,105,534	19,221,483	545,327,017	491,715,481	15,921,536	507,637,017
Interbank and money market items, net (Assets)	58,280,696	3,748,737	62,029,433	41,015,809	4,716,541	45,732,350
Financial assets measured at fair value through profit or loss	16,032,843	2,544	16,035,387	18,702,990	-	18,702,990
Investments	35,294,714	966,855	36,261,569	31,500,956	346,735	31,847,691
Loan to customer and accrued interest receivables, net	371,653,475	13,172,146	384,825,621	354,878,008	9,992,513	364,870,521
Deposits	358,902,512	-	358,902,512	331,464,000	-	331,464,000
Interbank and money market items (Liabilities)	21,323,916	1,711,165	23,035,081	18,447,000	1,728,120	20,175,120
Debt issued and borrowings	68,899,979	-	68,899,979	61,354,232	-	61,354,232

	Separate					
	31 December 2023			31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Total assets	512,469,257	17,160,933	529,630,190	472,197,981	15,047,776	487,245,757
Interbank and money market items, net (Assets)	55,389,138	3,716,036	59,105,174	43,487,576	4,699,145	48,186,721
Financial assets measured at fair value through profit or loss	9,391,224	-	9,391,224	3,359,880	-	3,359,880
Investments	34,632,402	-	34,632,402	30,613,322	-	30,613,322
Loan to customer and accrued interest receivables, net	373,438,042	13,172,146	386,610,188	356,623,985	9,992,513	366,616,498
Deposit	359,517,265	-	359,517,265	331,909,248	-	331,909,248
Interbank and money market items (Liabilities)	22,420,304	1,711,165	24,131,469	17,772,690	1,728,120	19,500,810
Debt issued and borrowings	66,878,061	-	66,878,061	59,719,929	-	59,719,929

43.2 Performance classified by type of transaction

	Consolidated					
	For the year ended 31 December 2023			For the year ended 31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Interest income	29,550,193	1,167,249	30,717,442	23,008,385	662,131	23,670,516
Interest expenses	8,423,282	334	8,423,616	4,587,583	1,584	4,589,167
Net interest income	21,126,911	1,166,915	22,293,826	18,420,802	660,547	19,081,349
Net fee and service income	4,503,607	972,873	5,476,480	5,029,229	1,136,230	6,165,459
Other operating income	613,610	378,864	992,474	804,350	1,487,533	2,291,883
Other operating expenses	15,892,515	1,720	15,894,235	13,011,320	1,331	13,012,651
Profit (loss) from continuing operation before expected credit losses and income tax expenses	10,351,613	2,516,932	12,868,545	11,243,061	3,282,979	14,526,040

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate					
	For the year ended 31 December 2023			For the year ended 31 December 2022		
	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht	Domestic Thousand Baht	Foreign Thousand Baht	Total Thousand Baht
Interest income	28,870,988	1,068,310	29,939,298	22,963,813	644,258	23,608,071
Interest expenses	8,488,358	334	8,488,692	4,636,387	1,568	4,637,955
Net interest income	20,382,630	1,067,976	21,450,606	18,327,426	642,690	18,970,116
Net fee and service income	2,469,225	-	2,469,225	2,722,797	-	2,722,797
Other operating income	1,120,329	303,951	1,424,280	1,644,441	1,438,418	3,082,859
Other operating expenses	13,327,120	-	13,327,120	9,941,024	-	9,941,024
Profit (loss) from continuing operation before expected credit losses and income tax expenses	10,645,064	1,371,927	12,016,991	12,753,640	2,081,108	14,834,748

44 Interest income

Interest income for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Interbank and money market items	1,280,867	603,776	1,167,035	638,842
Investment in debt securities	937,259	456,184	833,655	411,818
Loans	12,941,572	8,969,753	13,075,413	9,075,966
Hire-purchase and financial leases	14,759,980	13,423,108	14,759,981	13,423,108
POCI loans	703,886	179,523	23,164	25,432
Others	93,878	38,172	80,050	32,905
Total interest income	30,717,442	23,670,516	29,939,298	23,608,071

45 Interest expenses

Interest expenses for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Deposits	5,003,826	2,878,280	5,004,181	2,878,539
Interbank and money market items	439,516	190,212	435,169	183,505
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,772,465	820,183	1,772,465	820,183
Debt issued				
- Senior securities	707,187	266,728	707,187	266,728
- Subordinated bond	319,785	298,170	319,785	298,170
- Others	77,238	51,197	38,742	4,487
Fees and charges on borrowings	23,681	14,604	132,781	119,536
Others	79,918	69,793	78,382	66,807
Total interest expenses	8,423,616	4,589,167	8,488,692	4,637,955

46 Fees and services income, net

Fees and services income, net for the year ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Fees and services income				
- Brokerage fees	1,538,462	2,160,967	-	-
- Bancassurance fees	1,223,258	1,437,785	1,223,258	1,437,785
- Acceptance, avals and guarantees	146,058	138,711	146,058	138,711
- Others	3,551,950	3,445,859	1,399,859	1,407,937
Total fees and services income	6,459,728	7,183,322	2,769,175	2,984,433
Fees and services expenses				
- Security management fees	569,037	652,698	-	-
- Others	414,211	365,165	299,950	261,636
Total fees and services expenses	983,248	1,017,863	299,950	261,636
Fees and services income, net	5,476,480	6,165,459	2,469,225	2,722,797

47 Gain (loss) on financial instruments measured at fair value through profit or loss, net

Gain (loss) on financial instruments measured at fair value through profit or loss, net for the year ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Gain (loss) on trading and foreign exchange transactions				
- Foreign exchange	1,161,084	342,457	1,167,709	319,158
- Debt securities	173,871	3,723	89,814	(62,052)
- Equity securities	(2,748,845)	2,914,140	(25,426)	771,360
- Derivatives	1,282,906	(2,387,912)	(1,437,099)	(585,142)
Total	(130,984)	872,408	(205,002)	443,324
Gain (loss) on financial instruments designated at fair value through profit or loss				
Changes in fair value				
- Financial liabilities measured at fair value through profit or loss	87,709	(2,158)	-	-
Gain (loss) on derecognition and interest income and interest expense paid	483,922	(39,304)	-	-
Total	571,631	(41,462)	-	-
Grand total	440,647	830,946	(205,002)	443,324

48 Gain (loss) on investments, net

Gain (loss) on investments, net for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gain (loss) on sale of				
- Investment measured at fair value through other comprehensive income	(12,080)	(3,707)	355,049	(3,707)
- Investments in subsidiaries	-	-	1,376	20,647
Total	(12,080)	(3,707)	356,425	16,940
Reversal (loss) on impairment of				
- Investments in subsidiaries	-	-	(2,541)	10,587
Total	-	-	(2,541)	10,587
Total gain (loss) on investments, net	(12,080)	(3,707)	353,884	27,527

The Group recognised loss on impairment due to the carrying value less than the fair value.

49 Other operating income

Other operating income for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Penalty income	161,931	152,222	161,931	152,222
Profit from sales of fixed assets	3,325	19,378	2,942	18,594
Other income	58,908	786,373	118,001	837,463
Total other operating income	224,164	957,973	282,874	1,008,279

50 Other expenses

Other expenses for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated		Separate	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Repossessed cars expenses	463,143	314,821	463,143	314,821
Properties foreclosed expenses	55,888	59,230	55,889	59,230
Transportation expenses	193,110	171,102	178,188	159,383
Advertising and promotion expenses	221,804	195,081	155,102	149,932
Management fee of Mutual funds	6,928	6,390	-	-
Other intangible assets expenses	255,097	218,711	204,309	183,080
Other expenses	1,358,143	1,844,801	1,196,908	996,363
Total other expenses	2,554,113	2,810,136	2,253,539	1,862,809

51 Expected credit losses

Expected credit losses for the years ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Interbank and money market items	(415)	(3,556)	(1,611)	(5,191)
Loans	6,068,382	5,061,196	6,061,951	5,031,605
Modification loss (gain) on loan restructuring	8,046	(20,287)	8,046	(20,287)
Investment in debt instrument measured at fair value through other comprehensive income	(590)	624	(590)	624
Loan commitments and financial guarantees	6,487	(1,766)	6,474	(1,744)
Total	6,081,910	5,036,211	6,074,270	5,005,007

During the year ended 31 December 2023, the recoverable amount of receivables which were already written-off for the year are Baht 1,458 million (31 December 2022: Baht 1,248 million).

52 Income tax expenses

Income tax expenses for the years ended 31 December 2023 and 31 December 2022 are as follows:

	Consolidated		Separate	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current income tax for the period	1,573,054	1,645,050	1,200,820	1,307,926
Adjustment in respect of current income tax of previous period	3,914	15,765	3,748	16,291
Deferred tax	(246,282)	212,574	(205,741)	336,116
Total income tax expenses	1,330,686	1,873,389	998,827	1,660,333

Reconciliation of effective tax rate for the years ended 31 December 2023 and 31 December 2022.

	Consolidated	
	2023 Thousand Baht	2022 Thousand Baht
Profit before income tax expenses	6,786,635	9,489,829
Tax calculated at a tax rate of 20%	1,357,327	1,897,966
Adjustment in respect of current income tax of previous period	3,914	15,765
Income not subjected to tax	(199,426)	(190,205)
Expenses not deductible for tax purpose	169,182	149,869
Deferred tax adjustments in respect of prior year	(311)	(6)
Income tax expenses as statements of profit or loss and other comprehensive income	1,330,686	1,873,389

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

	Separate	
	2023	2022
	Thousand Baht	Thousand Baht
Profit before income tax expenses	5,942,721	9,829,741
Tax calculated at a tax rate of 20%	1,188,544	1,965,948
Adjustment in respect of current income tax of previous period	3,748	16,291
Income not subjected to tax	(329,290)	(456,825)
Expenses not deductible for tax purpose	135,825	134,919
Income tax expenses as statements of profit or loss and other comprehensive income	998,827	1,660,333

The weighted average income tax rate for the year ended 31 December 2023 was 19.61% and 16.81% in the interim consolidated and the separate financial statements, respectively (2022: 19.74% and 16.89%, respectively).

The weighted average income tax rate for the interim consolidated and separate financial statements changed from dividend received transactions.

53 Income tax relating to components of other comprehensive income (loss)

Income tax relating to components of other comprehensive income (expenses) for the years ended 31 December 2023 and 31 December 2022 are as follows;

	Consolidated					
	2023			2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gain (loss) on debt instruments classified at fair value through other comprehensive income	(67,475)	13,495	(53,980)	(154,974)	30,995	(123,979)
Changes in revaluation surplus on assets	-	-	-	3,419,400	(683,880)	2,735,520
Gain (loss) on equity instruments designated at fair value through other comprehensive income	64,837	(12,883)	51,954	117,708	(23,467)	94,241
Remeasurments of post-employment benefit obligations	12,955	(2,591)	10,364	501	(100)	401
Other comprehensive income (loss)	10,317	(1,979)	8,338	3,382,635	(676,452)	2,706,183

	Separate					
	2023			2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gain (loss) on debt instruments classified at fair value through other comprehensive income	(67,475)	13,495	(53,980)	(154,974)	30,995	(123,979)
Changes in revaluation surplus on assets	-	-	-	354,517	(70,904)	283,613
Gain (loss) on equity instruments designated at fair value through other comprehensive income	18,092	(3,618)	14,474	540	(108)	432
Remeasurments of post-employment benefit obligations	8,418	(1,684)	6,734	-	-	-
Other comprehensive income (loss)	(40,965)	8,193	(32,772)	200,083	(40,017)	160,066

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

54 Financial instruments

Measurement basis of financial assets and liabilities

The accounting policies in Note 2 describe how different classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category and by statement of financial position heading.

Consolidated						
31 December 2023						
	At fair value through profit or loss	Designated at fair value through profit or loss	At fair value through other comprehensive income	Designated at fair value through other comprehensive income	Held at Amortised cost	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,596	1,381,596
Interbank and money market items, net	-	-	-	-	62,029,433	62,029,433
Financial assets measured at fair value through profit or loss	16,035,387	-	-	-	-	16,035,387
Derivatives assets	8,062,453	-	-	-	-	8,062,453
Investments, net	-	-	18,561,999	1,663,568	16,036,002	36,261,569
Loans to customers and accrued interest receivables, net	-	-	-	-	384,825,621	384,825,621
Accounts receivable from clearing house and broker - dealers	-	-	-	-	1,954,980	1,954,980
Securities and derivative business receivables	684	-	-	-	5,528,285	5,528,969
Total financial assets	24,098,524	-	18,561,999	1,663,568	471,755,917	516,080,008
Financial liabilities						
Deposits	-	-	-	-	358,902,512	358,902,512
Interbank and money market items, net	-	-	-	-	23,035,081	23,035,081
Liabilities payable on demand	-	-	-	-	483,354	483,354
Financial liabilities measured at fair value through profit or loss	-	1,332,833	-	-	-	1,332,833
Derivatives liabilities	8,502,677	-	-	-	-	8,502,677
Debt issued and borrowings	-	-	-	-	68,899,979	68,899,979
Lease liabilities	-	-	-	-	182,008	182,008
Accounts payable to clearing house and broker - dealers	-	-	-	-	151,102	151,102
Securities and derivative business payables	1,778,468	-	-	-	5,115,964	6,894,432
Total financial liabilities	10,281,145	1,332,833	-	-	456,770,000	468,383,978
Consolidated						
31 December 2022						
	At fair value through profit or loss	Designated at fair value through profit or loss	At fair value through other comprehensive income	Designated at fair value through other comprehensive income	Held at Amortised cost	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,242	1,000,242
Interbank and money market items, net	-	-	-	-	45,732,349	45,732,349
Financial assets measured at fair value through profit or loss	18,702,990	-	-	-	-	18,702,990
Derivatives assets	10,538,015	-	-	-	-	10,538,015
Investments, net	-	-	21,834,710	1,251,175	8,761,806	31,847,691
Loans to customers and accrued interest receivables, net	-	-	-	-	364,870,521	364,870,521
Accounts receivable from clearing house and broker - dealers	-	-	-	-	1,275,894	1,275,894
Securities and derivative business receivables	930	-	-	-	7,975,145	7,976,075
Total financial assets	29,241,935	-	21,834,710	1,251,175	429,615,957	481,943,777
Financial liabilities						
Deposits	-	-	-	-	331,464,000	331,464,000
Interbank and money market items, net	-	-	-	-	20,175,120	20,175,120
Liabilities payable on demand	-	-	-	-	339,834	339,834
Financial liabilities measured at fair value through profit or loss	-	3,556,542	-	-	-	3,556,542
Derivatives liabilities	9,328,151	-	-	-	-	9,328,151
Debt issued and borrowings	-	-	-	-	61,354,232	61,354,232
Lease liabilities	-	-	-	-	210,623	210,623
Accounts payable to clearing house and broker - dealers	-	-	-	-	164,038	164,038
Securities and derivative business payables	2,794,806	-	-	-	5,384,948	8,179,754
Total financial liabilities	12,122,957	3,556,542	-	-	419,092,795	434,772,294

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate						
31 December 2023						
	At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,381,440	1,381,440
Interbank and money market items, net	-	-	-	-	59,105,174	59,105,174
Financial assets measured at fair value through profit or loss	9,391,224	-	-	-	-	9,391,224
Derivatives assets	8,038,963	-	-	-	-	8,038,963
Investments, net	-	-	18,561,999	263,461	15,806,942	34,632,402
Loans to customers and accrued interest receivables, net	-	-	-	-	386,610,188	386,610,188
Total financial assets	17,430,187	-	18,561,999	263,461	462,903,744	499,159,391
Financial liabilities						
Deposits	-	-	-	-	359,517,265	359,517,265
Interbank and money market items, net	-	-	-	-	24,131,469	24,131,469
Liabilities payable on demand	-	-	-	-	483,354	483,354
Derivatives liabilities	8,496,810	-	-	-	-	8,496,810
Debt issued and borrowings	-	-	-	-	66,878,061	66,878,061
Lease liabilities	-	-	-	-	1,077,032	1,077,032
Total financial liabilities	8,496,810	-	-	-	452,087,181	460,583,991
Separate						
31 December 2022						
	At fair value through profit or loss Thousand Baht	Designated at fair value through profit or loss Thousand Baht	At fair value through other comprehensive income Thousand Baht	Designated at fair value through other comprehensive income Thousand Baht	Held at Amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash	-	-	-	-	1,000,086	1,000,086
Interbank and money market items, net	-	-	-	-	48,186,721	48,186,721
Financial assets measured at fair value through profit or loss	3,359,880	-	-	-	-	3,359,880
Derivatives assets	10,538,995	-	-	-	-	10,538,995
Investments, net	-	-	21,834,710	245,369	8,533,243	30,613,322
Loans to customers and accrued interest receivables, net	-	-	-	-	366,616,498	366,616,498
Total financial assets	13,898,875	-	21,834,710	245,369	424,336,548	460,315,502
Financial liabilities						
Deposits	-	-	-	-	331,909,248	331,909,248
Interbank and money market items, net	-	-	-	-	19,500,810	19,500,810
Liabilities payable on demand	-	-	-	-	339,834	339,834
Derivatives liabilities	9,319,498	-	-	-	-	9,319,498
Debt issued and borrowings	-	-	-	-	59,719,929	59,719,929
Lease liabilities	-	-	-	-	1,059,019	1,059,019
Total financial liabilities	9,319,498	-	-	-	412,528,840	421,848,338

55 Offsetting of financial assets and liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset. The column 'net amount' shows the impact on the Group's statement of financial position if all set-off rights were exercised.

Consolidated						
31 December 2023						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts	Gross amount net off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets						
Reverse repurchase agreement	40,731,847	-	40,731,847	-	(40,731,847)	-
Derivatives assets	8,062,453	-	8,062,453	(1,957,390)	-	6,105,063
Total financial assets	48,794,300	-	48,794,300	(1,957,390)	(40,731,847)	6,105,063
Financial liabilities						
Repurchase agreement	3,566,806	-	3,566,806	-	(3,566,806)	-
Derivatives liabilities	8,502,677	-	8,502,677	(258,297)	-	8,244,380
Total financial liabilities	12,069,483	-	12,069,483	(258,297)	(3,566,806)	8,244,380

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Consolidated						
31 December 2022						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts	Gross amount net off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets						
Reverse repurchase agreement	12,500,856	-	12,500,856	-	(12,500,856)	-
Derivatives assets	10,538,015	-	10,538,015	(3,081,143)	-	7,456,872
Total financial assets	23,038,871	-	23,038,871	(3,081,143)	(12,500,856)	7,456,872
Financial liabilities						
Repurchase agreement	4,136,278	-	4,136,278	(289,810)	(3,846,468)	-
Derivatives liabilities	9,328,151	-	9,328,151	(641,311)	-	8,686,840
Total financial liabilities	13,464,429	-	13,464,429	(931,121)	(3,846,468)	8,686,840

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Separate						
31 December 2023						
Effects of offsetting on the financial position			Related amounts not offset			
Gross amounts	Gross amount net off in the financial position	Net amounts presented in the financial position	Cash collateral	Non-cash Collateral *	Net amounts	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets						
Reverse repurchase agreement	40,731,847	-	40,731,847	-	(40,731,847)	-
Derivatives assets	8,038,963	-	8,038,963	(1,957,390)	-	6,081,573
Total financial assets	48,770,810	-	48,770,810	(1,957,390)	(40,731,847)	6,081,573
Financial liabilities						
Repurchase agreement	3,566,806	-	3,566,806	-	(3,566,806)	-
Derivatives liabilities	8,496,810	-	8,496,810	(258,297)	-	8,238,513
Total financial liabilities	12,063,616	-	12,063,616	(258,297)	(3,566,806)	8,238,513

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate						
31 December 2022						
	Effects of offsetting on the financial position			Related amounts not offset		
	Gross amounts Thousand Baht	Gross amount net off in the financial position Thousand Baht	Net amounts presented in the financial position Thousand Baht	Cash collateral Thousand Baht	Non-cash Collateral * Thousand Baht	Net amounts Thousand Baht
Financial assets						
Reverse repurchase agreement	12,500,856	-	12,500,856	-	(12,500,856)	-
Derivatives assets	10,538,995	-	10,538,995	(3,081,143)	-	7,457,852
Total financial assets	23,039,851	-	23,039,851	(3,081,143)	(12,500,856)	7,457,852
Financial liabilities						
Repurchase agreement	4,136,278	-	4,136,278	(289,810)	(3,846,468)	-
Derivatives liabilities	9,319,498	-	9,319,498	(641,311)	-	8,678,187
Total financial liabilities	13,455,776	-	13,455,776	(931,121)	(3,846,468)	8,678,187

* Amount of non-cash collateral is presented less than or equal to offsetting amount of 'net amounts presented in the financial position' and 'amount of cash collateral'.

56 Fair value

56.1 Fair value estimation

The fair value of financial instruments are defined into the following three different levels by valuation method as follows:

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets held by the Group are the last bid prices from the Stock Exchange of Thailand, the closing price from the Stock Exchange in overseas and settlement prices from Futures Exchange. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

The following table presents the financial assets and liabilities that are measured at fair value at 31 December 2023 and 31 December 2022.

	Consolidated				
	31 December 2023				
	Carrying amount	Fair value			Total
	Thousand Baht	Level 1	Level 2	Level 3	Thousand Baht
		Thousand Baht	Thousand Baht	Thousand Baht	
Assets					
Derivatives assets	8,062,453	-	8,062,453	-	8,062,453
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	8,848,279	-	8,848,279	-	8,848,279
Private sector's debt securities	1,617,327	-	1,617,327	-	1,617,327
Domestic marketable equity securities	5,567,237	5,567,237	-	-	5,567,237
Foreign marketable equity securities	2,544	2,544	-	-	2,544
Investment, net					
Government and state enterprise securities	18,266,260	-	18,266,260	-	18,266,260
Private sector's debt securities	295,739	-	295,739	-	295,739
Domestic marketable equity securities	46,287	46,287	-	-	46,287
Foreign marketable equity security	101,257	101,257	-	-	101,257
Domestic non-marketable equity security	650,427	-	11,091	639,336	650,427
Foreign non-marketable equity security	865,597	-	-	865,597	865,597
Securities and derivative business receivables	3,192,073	3,192,073	-	-	3,192,073
Total assets	47,515,480	8,909,398	37,101,149	1,504,933	47,515,480
Liabilities					
Financial liabilities designated at fair value through profit or loss	1,332,833	-	1,332,833	-	1,332,833
Derivatives liabilities	8,502,677	-	8,502,677	-	8,502,677
Securities and derivative business payables	3,682,963	3,682,963	-	-	3,682,963
Total liabilities	13,518,473	3,682,963	9,835,510	-	13,518,473

	Consolidated				
	31 December 2022				
	Carrying amount	Fair value			Total
	Thousand Baht	Level 1	Level 2	Level 3	Thousand Baht
		Thousand Baht	Thousand Baht	Thousand Baht	
Assets					
Derivatives assets	10,538,015	-	10,538,015	-	10,538,015
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	993,585	-	993,585	-	993,585
Private sector's debt securities	1,321,755	-	1,321,755	-	1,321,755
Domestic marketable equity securities	16,387,650	16,387,650	-	-	16,387,650
Investment, net					
Government and state enterprise securities	21,392,318	-	21,392,318	-	21,392,318
Private sector's debt securities	442,392	-	442,392	-	442,392
Domestic marketable equity securities	200,016	200,016	-	-	200,016
Foreign marketable equity security	72,212	72,212	-	-	72,212
Domestic non-marketable equity security	704,424	-	11,091	693,333	704,424
Foreign non-marketable equity security	274,523	-	-	274,523	274,523
Securities and derivative business receivables	2,389,536	2,389,536	-	-	2,389,536
Total assets	54,716,426	19,049,414	34,699,156	967,856	54,716,426
Liabilities					
Financial liabilities designated at fair value through profit or loss	3,556,542	-	3,556,542	-	3,556,542
Derivatives liabilities	9,328,151	-	9,328,151	-	9,328,151
Securities and derivative business payables	2,794,806	2,794,806	-	-	2,794,806
Total liabilities	15,679,499	2,794,806	12,884,693	-	15,679,499

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate					
31 December 2023					
Carrying amount Thousand Baht	Fair value			Total Thousand Baht	
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht		
Assets					
Derivatives assets	8,038,963	-	8,038,963	-	8,038,963
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	8,848,279	-	8,848,279	-	8,848,279
Private sector's debt securities	397,828	-	397,828	-	397,828
Domestic marketable equity securities	145,117	145,117	-	-	145,117
Investments, net					
Government and state enterprise securities	18,266,260	-	18,266,260	-	18,266,260
Private sector's debt securities	295,739	-	295,739	-	295,739
Domestic marketable equity securities	7,850	7,850	-	-	7,850
Domestic non-marketable equity	255,611	-	-	255,611	255,611
Total assets	36,255,647	152,967	35,847,069	255,611	36,255,647
Liabilities					
Derivatives liabilities	8,496,810	-	8,496,810	-	8,496,810
Total liabilities	8,496,810	-	8,496,810	-	8,496,810
Separate					
31 December 2022					
Carrying amount Thousand Baht	Fair value			Total Thousand Baht	
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht		
Assets					
Derivatives assets	10,538,995	-	10,538,995	-	10,538,995
Financial assets measured at fair value through profit or loss					
Government and state enterprise securities	993,585	-	993,585	-	993,585
Private sector's debt securities	121,215	-	121,215	-	121,215
Domestic marketable equity securities	2,245,080	2,245,080	-	-	2,245,080
Investments, net					
Government and state enterprise securities	21,392,318	-	21,392,318	-	21,392,318
Private sector's debt securities	442,392	-	442,392	-	442,392
Domestic marketable equity securities	10,188	10,188	-	-	10,188
Domestic non-marketable equity	235,181	-	-	235,181	235,181
Total assets	35,978,954	2,255,268	33,488,505	235,181	35,978,954
Liabilities					
Derivatives liabilities	9,319,498	-	9,319,498	-	9,319,498
Total liabilities	9,319,498	-	9,319,498	-	9,319,498

There were no transfers between Levels 1 and 2 during the year.

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

The following table presents the financial assets and liabilities that are not measured at fair value at 31 December 2023 and 31 December 2022.

Consolidated					
31 December 2023					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	62,029,433	62,029,433	-	-	62,029,433
Loans to customers and accrued interest receivables, net	384,825,621	-	380,413,148	-	380,413,148
Investments measured at amortised cost	16,036,002	-	16,729,648	-	16,729,648
Account receivable from clearing house and broker - dealers	1,954,980	-	1,954,980	-	1,954,980
Securities and derivative business receivables	2,336,897	-	2,336,897	-	2,336,897
Total assets	467,182,933	62,029,433	401,434,673	-	463,464,106
Liabilities					
Deposits	358,902,512	-	351,589,490	-	351,589,490
Interbank and money market items, net	23,035,081	23,035,081	-	-	23,035,081
Liabilities payable on demands	483,354	-	483,354	-	483,354
Debt issued and borrowings	68,899,979	-	62,092,570	6,077,250	68,169,820
Accounts payable to clearing house and broker - dealers	151,102	-	151,102	-	151,102
Securities and derivative business payables	3,211,469	-	3,211,469	-	3,211,469
Accrued interest payable	1,063,220	-	1,063,220	-	1,063,220
Total liabilities	455,746,717	23,035,081	418,591,205	6,077,250	447,703,536
Consolidated					
31 December 2022					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	45,732,349	45,732,349	-	-	45,732,349
Loans to customers and accrued interest receivables, net	364,870,521	-	325,408,917	-	325,408,917
Investments measured at amortised cost	8,761,806	-	9,258,237	-	9,258,237
Account receivable from clearing house and broker - dealers	1,275,894	-	1,275,894	-	1,275,894
Securities and derivative business receivables	5,586,539	-	5,586,539	-	5,586,539
Total assets	426,227,109	45,732,349	341,529,587	-	387,261,936
Liabilities					
Deposits	331,464,000	-	330,803,283	-	330,803,283
Interbank and money market items, net	20,175,120	20,175,120	-	-	20,175,120
Liabilities payable on demands	339,834	-	339,834	-	339,834
Debt issued and borrowings	61,354,232	-	40,586,033	22,158,153	62,744,186
Accounts payable to clearing house and broker - dealers	164,038	-	164,038	-	164,038
Securities and derivative business payables	5,384,948	-	5,384,948	-	5,384,948
Accrued interest payable	505,437	-	505,437	-	505,437
Total liabilities	419,387,609	20,175,120	377,783,573	22,158,153	420,116,846

Kiatnakin Phatra Bank Public Company Limited and Subsidiaries
Notes to the Consolidated and the Separate Financial Statements
For the year ended 31 December 2023

Separate					
31 December 2023					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	59,105,174	59,105,174	-	-	59,105,174
Loans to customers and accrued interest receivables, net	386,610,188	-	381,072,608	-	381,072,608
Investments measured at amortised cost	15,806,942	-	16,500,588	-	16,500,588
Total assets	461,522,304	59,105,174	397,573,196	-	456,678,370
Liabilities					
Deposits	359,517,265	-	352,204,243	-	352,204,243
Interbank and money market items, net	24,131,469	24,131,469	-	-	24,131,469
Liabilities payable on demands	483,354	-	483,354	-	483,354
Debt issued and borrowings	66,878,061	-	62,092,570	3,985,333	66,077,903
Accrued interest payable	1,063,220	-	1,063,220	-	1,063,220
Total liabilities	452,073,369	24,131,469	415,843,387	3,985,333	443,960,189
Separate					
31 December 2022					
	Carrying amount Thousand Baht	Fair value			Total Thousand Baht
		Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Assets					
Interbank and money market items, net	48,186,721	48,186,721	-	-	48,186,721
Loans to customers and accrued interest receivables, net	366,616,498	-	324,753,235	-	324,753,235
Investments measured at amortised cost	8,533,243	-	9,029,674	-	9,029,674
Total assets	423,336,462	48,186,721	333,782,909	-	381,969,630
Liabilities					
Deposits	331,909,248	-	331,248,530	-	331,248,530
Interbank and money market items, net	19,500,810	19,500,810	-	-	19,500,810
Liabilities payable on demands	339,834	-	339,834	-	339,834
Debt issued and borrowings	59,719,929	-	40,586,033	19,863,850	60,449,883
Accrued interest payable	505,437	-	505,437	-	505,437
Total liabilities	411,975,258	19,500,810	372,679,834	19,863,850	412,044,494

There were no transfers between Levels 1 and 2 during the year.

Other financial instruments not carried at fair value are typically short-term in nature and reprice to current market rate frequently. Accordingly, their carrying amount is a reasonable approximation of fair value. This includes saving deposits and current deposits presented as both interbank and money market assets and liabilities items, account receivable from clearing house and broker-dealers, securities and derivative business receivables, liabilities payable on demand, account payable to cleaning house and broker-dealers and securities and derivative business payables.

Fair value of the following assets and liabilities is estimated for the purpose of disclosure as described below;

Loans to customers and accrued interest receivable, net

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

For fixed rate loans which are not classified as credit-impaired loans, the fair value is equal to the present value of future cash flows discounted by the effective interest of loans with similar features.

For non-performing fixed rate loans, the fair value is equal to the carrying amount.

Interbank and money market items

The interbank and money market items (assets) are loans to financial institutions which are short-term or at call. Accordingly, their carrying amount is a reasonable approximation of fair value.

The interbank and money market items (liabilities) are borrowing and fixed deposits which are short-term. Accordingly, their carrying amount is a reasonable approximation of fair value.

Liabilities payable on demands

The carrying amount of liabilities payable on demands in the statement of financial positions approximates to fair value.

Deposits

For saving and current deposits, the fair value is estimated by using carrying amount.

For fixed deposits and certificate of deposit, the fair value is estimated by using discounted cash flow applying current rates offered for fixed deposits of similar remaining maturities.

Debt issued and borrowings

The fair value of debt issued, and borrowings is estimated by using quoted prices or yields of the Thai Bond Association at the statement of financial positions. In case of there is no active market price or borrowing portion of structured notes, the fair value is estimated by using present value of cash flows discounted by interest rate which reflects the Bank credit risk.

Accrued interest payable

The carrying amount of accrued interest payable in the statement of financial positions approximates to fair value.

Investments measured at amortised cost

The fair value of investments measured at amortised cost is of government securities and private's sector debt securities is estimated by using the average bidding yields and mark-to-market yield of the Thai Bond Association at the statement of financial positions.

56.2 Valuation techniques used to derive Level 2 fair values

Level 2 market derivatives comprises of ;

- Forward foreign exchange contracts and foreign exchange swaps which are fair valued based on forward rate of foreign currency against Thai Baht and discounted with Thai Baht interest rate.
- Interest rate swap and cross currency swap are fair valued based on the cash flows from contract rate (for fixed interest rate) or forward rate (for floating rate) and discounted with interest rate in each currency which can be obtained from observable market.
- Equity linked swap is fair valued based on each component in contracts. For equity component, the fair value is measured by using the last bid price quoted by the Stock Exchange of Thailand. For accrued dividend payable or receivable, the fair value is measured based on the expected cash inflow or outflow. For interest component, the fair value measurement is calculated the same method with interest rate swap contracts.
- The fair value of the option is calculated by using widely accepted model which valuation inputs are mainly observable.

The counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the fair value is known as the credit value adjustment ('CVA').

Level 2 debt investments of marketable securities are fair valued based on the average bidding yields or mark-to-market yield of the Thai Bond Market Association under discounted cash flow model.

56.3 Fair value measurements using significant unobservable inputs (Level 3)

Equity Investment in listed companies

The equity valuation of investment in listed companies are normally determined by the market value. However, one of the foreign marketable equity securities held by the Group has been on trading suspension since May 2021 as the company has been in debt restructuring process due to the effect of Covid-19 pandemic.

The rationale for the write-down could be summarized as follow:

- The company has been on trading suspension since 18 May 2021 until further notice, depending on the relevant authorities' judgement.
- The company might likely go through a lengthy debt restructuring process.
- The situation and outlook of the company are highly uncertain during COVID period when the company's operation should face difficulty, plus the company could not access to additional loans and;
- The latest financial statement available was December 2021, therefore, management could not assess the current situation of the company.

Due to these rationales, the Management took a conservative approach and adjust the valuation the investment in this company from Baht 148.12 million to Baht 0.00.

Non-marketable equity securities

	Non-marketable equity securities			
	Consolidated		Separate	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening balance	967,856	955,136	235,181	231,075
Addition	542,892	-	-	-
Gain (loss) recognised in other comprehensive income	(5,815)	12,720	20,430	4,106
Closing balance	1,504,933	967,856	255,611	235,181

There was no changes in fair value basis and estimation during the period/year.

Convertible Bond

	Consolidated	
	31 December 2023	31 December 2022
	Thousand Baht	Thousand Baht
Opening balance	-	65,853
Disposal	-	(63,795)
Gain (loss) recognised in profit and loss	-	(2,058)
Closing balance	-	-

56.4 Group's valuation processes

Non-marketable equity securities

The Group using 2 methods to measure the fair value of non-marketable equities security as follows:

- Dividend Discount Model and Discounted Cash Flows Model for non-marketable equity securities and the Group expects to receive a return from the investment.
- Reference price from net asset value for non-marketable equity securities and the Group does not expect to receive a return from the investment.

The recoverable amount of these equity investments are determined by the Dividend Discount Model and the Discounted Cash Flows Model. This calculation used the projection based on financial budgets covering a ten year period which are referred from the future business plan of the company together with the estimated growth rates of market and the company which management believes that ten years period can reflect their business plan. The discount rate uses are 12.5% - 14.0% and the dividend and cash flows beyond the ten-year extrapolation uses the estimated growth rate of 2.0% - 2.5% and the recoverable amount is Baht 1,248.81 million.

The change in dividend discount rate and dividend growth rate increased by 1% or decreased by 1% can affect on profit or loss in the consolidated and the separate financial statements as follows:

	Consolidated			
	31 December 2023		31 December 2022	
	Discount Rate Million Baht	Dividend Discount Rate Million Baht	Discount Rate Million Baht	Dividend Discount Rate Million Baht
Rate increased 1%	(139.55)	100.23	(89.29)	47.69
Rate decreased 1%	186.37	(69.91)	106.77	(40.70)

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

	Measurement	Consolidated		Unobservable information
		Fair value	Fair value	
		31 December 2023	31 December 2022	
		Thousand Baht	Thousand Baht	
Investment in security - Non-marketable equity securities	Dividend Discount Model	865,597	274,523	Dividend discount rate and dividend growth rate
	Reference price from net asset value	639,336	693,333	No significant unobservable information
		1,504,933	967,856	
	Measurement	Separate		Unobservable information
		Fair value	Fair value	
		31 December 2023	31 December 2022	
		Thousand Baht	Thousand Baht	
Investment in security - Non-marketable equity securities	Reference price from net asset value	255,611	235,181	No significant unobservable information
		255,611	235,181	

57 Subsequent events

On 22 February 2024, the Board of directors Meeting of the Bank No.2/2024 approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 3.00 per share, a part of which had been paid as interim dividend at the rate of Baht 1.25 per share and the remaining amount will be paid on 16 May 2024 at the rate of Baht 1.75 per share.

On 20 February 2024 the Board of directors Meeting of KKP Capital Public Company Limited (“the subsidiary”) approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 4.50 per share, a part of which had been paid as interim dividend at the rate of Baht 2.50 per share and the remaining amount will be paid on 30 April 2024 at the rate of Baht 2.00 per share.

On 20 February 2024, the Board of directors Meeting of Kiatnakin Phatra Securities Public Company Limited, a subsidiary company of KKP Capital Public Company Limited, approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 4.00 per share, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share and the remaining amount will be paid on 29 April 2024 at the rate of Baht 2.00 per share.

On 19 February 2024, the Board of directors Meeting of Kiatnakin Phatra Asset Management Company Limited, a subsidiary company of KKP Capital Public Company Limited, approved the resolution regarding the payment of dividend for the year of 2023 at the rate of Baht 17.00 per share, a part of which had been paid as interim dividend at the rate of Baht 8.50 per share and the remaining amount will be paid on 25 April 2024 at the rate of Baht 8.50 per share.