BNP Paribas Bangkok Branch
Report and financial statements
31 December 2024

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Independent Auditor's Report

To the Shareholders of BNP Paribas Bangkok Branch

Opinion

I have audited the accompanying financial statements of BNP Paribas Bangkok Branch ("the Bank"), which comprise the statement of financial position as at 31 December 2024, and the related statements of comprehensive income, changes in equity of head office and other branches of the same juristic person, and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively "the financial statements").

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

Basis for Opinion

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

Other Matter

The financial statements of BNP Paribas Bangkok Branch for the year ended 31 December 2023, presented herein as comparative information, were audited by another auditor who, under her report dated 10 April 2024, expressed an unmodified opinion on those financial statements.

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Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Bongkot Kriangphanamorn
Certified Public Accountant (Thailand) No. 6777

EY Office Limited
Bangkok: 11 April 2025

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BNP Paribas Bangkok Branch

Statements of financial position

As at 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Assets			
Interbank and money market items - net	*8*	7,325,923	15,931,024
Financial assets measured at fair value through profit or loss	*9*	2,688,359	630,395
Derivative assets	*10*	39,246,154	44,259,657
Investments - net	*11*	19,115,954	19,611,130
Loans to customers and accrued interest receivables - net	*12*	14,555,232	11,197,390
Leasehold improvement and equipment - net	*14*	53,226	64,965
Intangible assets - net	*15*	6,531	8,225
Deferred tax assets - net	*16.1*	12,457	22,391
Account receivables for investments		548,943	1,542,225
Receivables on credit support for derivative contracts		239,609	-
Accrued interest from investments		59,895	173,412
Other assets	*17*	33,498	51,442
Total assets		83,885,781	93,492,256

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

BNP Paribas Bangkok Branch

Statements of financial position (continued)

As at 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Liabilities and equity of head office and other branches under the same entity			
Liabilities			
Deposits	*19*	22,986,485	23,858,155
Interbank and money market items	*20*	3,402,526	679,674
Liabilities payable on demand		48,642	75,450
Financial liabilities measured at fair value through profit or loss	*21*	607,249	-
Derivative liabilities	*10*	41,620,358	48,566,232
Provisions	*22*	53,289	66,302
Account payables for investments		28,747	1,492,561
Accrued expenses		246,139	374,229
Payables on credit support for derivative contracts		1,051,416	2,418,129
Other liabilities		47,277	45,260
Total liabilities		70,092,128	77,575,992
Equity of head office and other branches of the same juristic person			
Fund remitted into Thailand for maintaining assets under law		12,394,461	12,394,461
Foreign crrency translation adjustments		(511,817)	(144,398)
		11,882,644	12,250,063
Net balance of inter-office accounts with head office and other branches of the same juristic person		1,108,022	2,274,364
Other components of head office and other branches under the same juristic person		2,530	664
Retained earnings		800,457	1,391,173
Total equity of head office and other branches under the same entity		13,793,653	15,916,264
Total liabilities and equity of head office and other branches under the same entity		83,885,781	93,492,256

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

(Somlak Tinmanee)
Chief Executive Officer

(Daniel Jean Dalban)
Chief Operating Officer

BNP Paribas Bangkok Branch

Statements of comprehensive income

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Profit or loss:			
Interest income	*24*	1,317,263	1,374,862
Interest expenses	*25*	(1,339,871)	(1,200,522)
Net interest income		(22,608)	174,340
Fees and service income		52,960	60,891
Fees and service expenses		(59,377)	(64,398)
Net fees and service income	*26*	(6,417)	(3,507)
Net gain on financial instruments measured at fair value through profit or loss	*27*	1,103,534	1,455,397
Other operating income		7,182	5,547
Total operating income		1,081,691	1,631,777
Operating expenses			
Employee expenses		302,687	354,313
Premises and equipment expenses		63,055	75,367
Taxes and duties		21,939	23,919
Cost sharing from financial instruments - net		72,285	94,191
Others expenses		303,912	248,837
Total operating expenses		763,878	796,627
Expected credit loss (reversal)	*28*	(20,001)	(271,599)
Profit before income tax expenses		337,814	1,106,749
Income tax expenses	*16.2*	(76,217)	(217,414)
Profit for the year		261,597	889,335

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

BNP Paribas Bangkok Branch

Statements of comprehensive income (continued)

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Gain (loss) on investments in debt instruments at fair value through other comprehensive income		2,332	(6,190)
Income tax relating to components of other comprehensive income (loss)	*16.3*	(466)	1,238
Items to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		1,866	(4,952)
Other comprehensive income not be reclassified to profit or loss in subsequent periods			
Actuarial gain (loss) on defined benefit plan		11,481	(1,812)
Income tax relating to components of other comprehensive income (loss)	*16.3*	(2,296)	362
Items not to be reclassified to profit or loss in subsequent periods - net of income tax		9,185	(1,450)
Other comprehensive income for the year (loss)		11,051	(6,402)
Total comprehensive income for the year		272,648	882,933

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

BNP Paribas Bangkok Branch

Statements of changes in equity of head office and other branches of the same juristic person

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Funds remitted into Thailand for maintaining assets under law	Foreign currency translation adjustments	Net balance of inter-office accounts with head office and other branches of the same juristic person	Other components of head office and other branches of the same juristic person - Gain (loss) on investments in debt instruments at fair value through other comprehensive income	Retained earnings	Total
Balance as at 1 January 2023	12,164,171	(13,093)	7,579,656	5,616	1,504,788	21,241,138
Increase during the year	230,290	-	-	-	-	230,290
Transfer retained earnings to the head office	-	-	-	-	(1,001,500)	(1,001,500)
Transactions with inter-office accounts with head office and other branches of the same juristic person	-	-	(5,305,292)	-	-	(5,305,292)
Foreign currency translation adjustments during the year	-	(131,305)	-	-	-	(131,305)
Net profit for the year	-	-	-	-	889,335	889,335
Other comprehensive income (loss)	-	-	-	(4,952)	(1,450)	(6,402)
Balance as at 31 December 2023	12,394,461	(144,398)	2,274,364	664	1,391,173	15,916,264
Balance as at 1 January 2024	12,394,461	(144,398)	2,274,364	664	1,391,173	15,916,264
Transfer retained earnings to the head office	-	-	-	-	(861,498)	(861,498)
Transactions with inter-office accounts with head office and other branches of the same juristic person	-	-	(1,166,342)	-	-	(1,166,342)
Foreign currency translation adjustments during the year	-	(367,419)	-	-	-	(367,419)
Net profit for the year	-	-	-	-	261,597	261,597
Other comprehensive income	-	-	-	1,866	9,185	11,051
Balance as at 31 December 2024	12,394,461	(511,817)	1,108,022	2,530	800,457	13,793,653

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

BNP Paribas Bangkok Branch

Statements of cash flows

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Cash flows from operating activities			
Profit from operations before income tax		337,814	1,106,749
Adjustments to reconcile profit (loss) from operations before income tax			
to net cash provided by (used in) operating activities			
Depreciation and amortisation		32,633	24,120
Loss on write-off fixed assets		-	3,519
Gain on desposal of equipment		-	(2)
Expected credit loss (reversal)		(20,001)	(271,599)
Premium (discount) on debt securities		(43,022)	2,003
(Gain) loss on sales of investment in secruities		(100,684)	141,911
Unrealised gain on foreign excehante rate - net		(367,720)	(119,038)
(Gain) loss on financial intrument measured at fair value			
through profit or loss - net		(1,932,370)	6,799,628
Employee benefit expenses		8,228	9,615
Interest income		(1,317,263)	(1,374,862)
Interest expenses		1,339,871	1,200,522
Interest received		1,428,503	1,224,647
Interest paid		(1,324,289)	(1,533,507)
Income tax paid (received)		21,569	(93,641)
Profit (loss) from operations before changes			
in operating assets and liabilities		(1,936,731)	7,120,065
Decrease (increase) in operating assets			
Interbank and money market items		6,411,073	(823,492)
Financial assets measured at fair value through profit or loss		(1,957,280)	(563,103)
Loans to customers		(3,339,288)	2,145,220
Account receivables for investments		993,283	1,690,484
Receivables on credit support for derivative contracts		(239,609)	73,734
Other assets		1,235	(47,309)

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

BNP Paribas Bangkok Branch

Statements of cash flows (continued)

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Note	2024	2023
Increase (decrease) in operating liabilities			
Deposits		(871,670)	(178,470)
Interbank and money market items		2,722,852	102,605
Liabilities payable on demand		(26,808)	19,921
Financial liabilities measured at fair value through profit or loss		607,249	-
Provision for long-term employee benefits		(2,275)	(4,561)
Account payables for investments		(1,463,814)	(1,792,043)
Accrued expenses		(144,931)	275,599
Payables on credit support for derivative contracts		(1,366,713)	(106,311)
Other liabilities		(64,956)	(159,286)
Net balance of inter-office accounts with head office and other branches of the same juristic person		(1,275,315)	(4,909,374)
Net cash from (used in) operating activities		(1,953,698)	2,843,679
Cash flows from investing activities			
Cash paid for purchases of investments in debt securities		(18,610,737)	(16,590,890)
Proceeds from sales of investments in debt securities		19,151,268	16,684,830
Cash paid for purchases of leasehold improvement and equipment and computer software		(2,492)	(63,018)
Proceeds from sales of leasehold improvement and equipment		-	321
Net cash from investing activities		538,039	31,243
Cash flows from financing activities			
Increase in fund remitted into Thailand for maintaining assets under law	7	-	230,290
Fund remittance to Head Office	7	(861,498)	(1,001,500)
Cash paid for repayment of lease liabilities	7	(17,297)	(9,710)
Net cash used in financing activities		(878,795)	(780,920)
Net increase (decrease) in cash and cash equivalents		(2,294,454)	2,094,002
Cash and cash equivalents as at 1 January		3,636,447	1,542,445
Cash and cash equivalents as at 31 December		1,341,993	3,636,447
Cash and cash equivalents:			
Interbank and money market items		1,296,614	3,487,306
Net balance of inter-office accounts with head office and other branches of the same juristic person		45,379	149,141
Total cash and cash equivalents		1,341,993	3,636,447

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

BNP Paribas Bangkok Branch

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BNP Paribas Bangkok Branch

Notes to the financial statements

For the year ended 31 December 2024

1. General information

BNP Paribas Bangkok Branch (the "Bank") is a segment of BNP Paribas which was incorporated in France (the "Head Office"). The address of BNP Paribas' registration in Thailand, as a branch, is 548, 41st floor, One City Centre, Phloen Chit Road, Lumpini, Pathumwan, Bangkok.

The Bank operates a Bangkok Branch. The Bank was granted a banking license by the Bank of Thailand on 6 November 1996.

2. Basis of financial statements preparation

The Bank is a part of BNP Paribas, SA. and is not a separately incorporated legal entity. The accompanying financial statements of BNP Paribas, Bangkok Branch have been prepared from the records of the Bank and reflect only transactions records locally.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in notes to the financial statements regarding the accounting policies.

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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

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

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

4. Accounting policies

4.1 Revenue recognition

(a) Interest income

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

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

(b) Fees and service income

Fee and service income other than those that are an integral part of EIR, is recognised based on contracts with customers in the amount of consideration it expects to receive upon the control of service. The timing of recognition is dependent on whether the Bank satisfy a performance obligation by providing service to a customer over time or at a point in time.

(c) Gain (loss) from financial instruments measured at fair value through profit or loss

Gain (loss) from financial instruments measured at fair value through profit or loss consists of gain (loss) on trading and foreign exchange transactions, gain (loss) from changes in fair value of derivatives and financial assets measured at fair value through profit or loss, and gain (loss) from sales of financial assets measured at fair value through profit or loss and derivatives. The Bank recognises them as income or expenses on the transaction date.

4.2 Expense recognition

(a) Interest expenses

Interest expenses are recognised on an accrual basis using the effective interest method.

(b) Fees and service expenses

Fees and service expenses are recognised as expenses on an accrual basis. Except, fee expenses for included in the effective interest calculation.

4.3 Cash

Cash represents cash in hand and cash on collection.

4.4 Securities purchased under resale agreements

The Bank has securities purchased under resale agreements according to private repurchase transactions at certain dates, times and at fixed price. Amounts paid for the securities purchased under resale agreement are presented under the caption of "Interbank and money market items (assets)" in the statement of financial position. Securities under resale agreement are treated as collaterals.

4.5 Financial assets - Investments

The Bank classifies its investments as debt or equity securities financial assets as follows:

Financial assets - debt securities

The Bank classifies its investments in debt securities as financial assets subsequently measured at amortised cost or fair value in accordance with the Bank's business model in managing the financial assets and according to the contractual cash flows characteristics of the financial assets, based on the facts and circumstances as of the date these financial reporting standards were initially adopted or at the acquisition date, as follows:

(a) Financial assets measured at fair value through profit or loss

Investments in debt instruments held within a business model whose objective is not to hold financial assets in order to collect contractual cash flows, or the contractual terms of the financial assets represent contractual cash flows that are not solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at fair value through profit or loss. These financial assets are initially recognised at fair value.

After initial recognition, unrealised gain or loss from changes in fair value is recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through profit or loss are presented in the statement of financial position at fair value.

(b) Financial assets measured at fair value through other comprehensive income

Investments in debt instruments whose both of the following conditions are met: the financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at fair value through other comprehensive income. These financial assets are initially recognised at fair value.

After initial recognition, unrealised gain or loss from changes in fair value is presented as a separate item in other comprehensive income. The expected credit loss and interest income calculated using the effective interest method are recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through other comprehensive income are presented in the statement of financial position at fair value.

(c) Financial assets measured at amortised cost

Investments in debt instruments whose both of the following conditions are met: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at amortised cost.

At the end of reporting period, investments in debt instruments measured at amortised cost are presented in the statement of financial position net of allowance for expected credit loss (if any).

Fair value

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

Income on investments and disposals of investments

Interest income on investments is recognised in profit or loss.

Gain or loss on disposals of investments is recognised in profit or loss on the transaction date.

The weighted average method is used for computation of the cost of investments.

Recognition

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

4.6 Classification and measurement of financial liabilities

The Bank classifies and recognises its financial liabilities at amortised cost, except for financial liabilities that are measured at fair value through profit or loss and derivative liabilities that are measured at fair value through profit or loss.

4.7 Loans to customers

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

4.8 Allowance for expected credit loss on financial assets

The Bank recognises allowance for expected credit loss for all financial assets that are debt securities i.e. interbank and money market items (assets), loans to customers, receivables on credit support for derivative contracts, together with loan commitments and financial guarantee contracts, which are classified at amortised cost or at fair value through other comprehensive income, based on the General Approach. The Bank classifies its financial assets into three groups based on the changes in credit risk since initial recognition as follows:

Group 1: Financial assets with no significant increase in credit risk (Performing)

For financial assets with no significant increase in credit risk since the initial recognition date, the Bank recognises allowance for expected credit loss at an amount equal to 12-month expected credit loss. For financial assets with maturity of less than 12 months, the Bank uses a probability of default that corresponds to remaining terms of the contract.

Group 2: Financial assets with significant increase in credit risk (Under-Performing)

For financial assets with significant increase in credit risk since the initial recognition date but that are not credit-impaired, the Bank recognises allowance for expected credit loss at an amount equal to expected credit loss over the expected lifetime of the financial assets.

Stage 3: Financial assets that are credit-impaired (Non-Performing)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of those assets have occurred. The Bank recognises allowance for expected credit loss at an amount equal to expected credit loss over the expected lifetime of the financial assets.

At the end of reporting period, the Bank assesses whether there has been a significant increase in credit risk of financial assets since the initial recognition by comparing the risk of expected default on the financial assets as at the reporting date with the risk of default as at the initial recognition date. In determining whether credit risk has increased significantly since initial recognition, the Bank uses internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of financial assets such as arrears of over 30 days past due, loans under the Watch list, loans in performance monitoring period (Forbearance flag) and changes of internal credit rating of the borrower since initial recognition, etc.

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

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

In subsequent periods, if the credit quality of financial assets improves and it is assessed that there is no longer significant increase in credit risk from the initial recognition date that was assessed in the previous period, the Bank will change from recognising expected credit loss over the expected lifetime to recognising the 12-month expected credit loss.

Expected credit loss is the probability estimate of expected credit loss over the lifetime of a financial instrument, taking into account the present value of all cash flows that are expected not to be recoverable. This is determined with reference to historical loss experience data grouped by asset on the basis of shared credit risk characteristics and adjusted for current observable data, as well as forward-looking information that is supportable and reasonable. It also involves the appropriate exercise of judgement to estimate the amount of expected credit loss, using current macroeconomic data and macroeconomic forecasts, and also determines probability-weights for each scenario (base scenario, upturn scenario and downturn scenario) for the purpose of calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant macroeconomic changes affect expected credit loss. The Bank has established a process to review and monitor the methodologies, assumptions, and forward-looking macroeconomic scenarios on an annual basis.

The measurement of expected credit loss on loan commitments is the present value difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive. The measurement of expected credit loss on financial guarantees is based on the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

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

Debts that are determined to be irrecoverable are written off in the year in which the decision is taken. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Bank's procedures for recovery of amount due.

4.9 Leasehold improvement and equipment

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

Depreciation is calculated by reference to costs on a straight-line basis over the following estimated useful lives of the assets.

Leasehold improvement	-	5 years or remaining lease term
Furniture, fixtures and office equipment	-	3 - 5 years

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

4.10 Intangible assets

Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss. These costs are amortised over their estimated useful life 5 - 10 years.

4.11 Right-of-use assets/lease liabilities

At inception of contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Bank applies a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. At the commencement date of the lease, the Bank recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

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

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term, as follows:

Rental building	-	3 years

Lease liabilities

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

Lease liabilities is included in "other liabilities" in the statement of financial position.

Short-term leases and leases of low-value assets

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

4.12 Derivatives

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Bank has both legal right and intention to offset.

Embedded derivatives

Embedded derivatives are a component of a hybrid contract that also includes a non-derivative host - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of TFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value where appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of TFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Bank generally designates the whole hybrid contract at fair value through profit or loss.

4.13 Impairment of non-financial assets

The carrying amounts of the Bank's assets are reviewed at each reporting date to determine whether there are any indications of impairment. If any indications exist, the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

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

The impairment loss is recognised in profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.14 Provisions

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

4.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Bank and its employees have jointly established a provident fund. The fund is monthly contributed by the employees and by the Bank. The fund's assets are held in a separate trust fund and the Bank's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term benefits

The Bank has obligations in respect of the severance payments it must make to employees upon retirement under labour law. The Bank treats these payments as a defined benefit plan for employees. In addition, the Bank provides other long-term employee benefits plan, naming long service awards.

The obligation under the defined benefit plan and other long-term employee benefits plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from defined benefit plan is recognised immediately in other comprehensive income, while actuarial gain and loss from other long-term benefits is recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting changes in benefits that relate to past service or gain or loss on curtailment are recognised immediately in profit or loss.

4.16 Foreign currency translation

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

Items denominated in foreign currencies are translated into Thai Baht at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities are translated by using the reference exchange rates of the BoT as at the reporting date.

Foreign currency differences are recognised in profit or loss.

4.17 Share-based payment

Share-based payment transactions are payments based the value of BNP Paribas's shares (Head Office). The Bank grants employees the deferred share-based or share price-linked cash settled compensation plans.

The expense related to these plans in recognised in the year which the employee rendered the corresponding services. If the payment is explicitly subject to the employee's continued presence at the vesting date, the service is presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period.

4.18 Income tax

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

Current income tax

Current income tax is the expected tax to be paid to tax authorities determined based on the taxable profits in accordance with tax laws.

Deferred income tax

Deferred income tax is recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts as at the end of each reporting period, using the tax rate enacted at the end of the reporting period.

The Bank recognises deductible temporary differences as deferred tax assets if it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised. The Bank recognises all taxable temporary differences as deferred tax liabilities.

The Bank records deferred tax directly to equity of head office and other branches of the same juristic person if the tax relates to items that are recorded directly to equity of head office and other branches of the same juristic person.

At each reporting date, the Bank reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

4.19 Offsetting of financial assets and financial liabilities

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

4.20 Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when the Bank has transferred substantially all risks and rewards of ownership. If the Bank neither transfers nor retains substantially all risks and rewards of ownership of such financial assets, and retains control of such financial assets, the Bank continues to recognise the financial assets to the extent of its continuing involvement.

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

4.21 Related party transactions

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

They also include individuals or enterprises which directly or indirectly own a voting interest in the Bank that gives them significant influence over the Bank, key management personnel, directors, and officers with authority in the planning and direction of the Bank's operations.

4.22 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

5.1 Recognition and derecognition of assets and liabilities

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

5.2 Allowance for expected credit loss

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

5.3 Fair value of financial instruments

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

5.4 Leasehold improvement and equipment and depreciation

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

In addition, the management is required to assess whether there are indicators of the impairment of leasehold improvement and equipment on a periodical basis, and record impairment loss when it is determined that the recoverable amounts are lower than the carrying amounts. This requires judgement in terms of forecasting future revenues and expenses relating to the assets subject to the review.

5.5 Leases

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

In addition, the management is required to exercise judgement in estimating the incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.6 Deferred tax assets

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

5.7 Post-employment benefits

Obligations under the defined benefit plan and other long-term employee benefits are determined by using actuarial technique. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate, staff turnover rate, etc.

6. Classification of financial assets and financial liabilities

(Unit: Thousand Baht)

	2024			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets				
Interbank and money market items - net	-	-	7,325,923	7,325,923
Financial assets measured at fair value through profit and loss	2,688,359	-	-	2,688,359
Derivative assets	39,246,154	-	-	39,246,154
Investments - net	-	4,557,192	14,558,762	19,115,954
Loans to customers and accrued interest receivables - net	-	-	14,555,232	14,555,232
Account receivables for investments	-	-	548,943	548,943
Receivables on credit support for derivative contracts	-	-	239,609	239,609
Financial liabilities				
Deposits	-	-	22,986,485	22,986,485
Interbank and money market items	-	-	3,402,526	3,402,526
Liabilities payable on demand	-	-	48,642	48,642
Financial liabilities measured at fair value through profit or loss	607,249	-	-	607,249
Derivative liabilities	41,620,358	-	-	41,620,358
Account payables for investments	-	-	28,747	28,747
Payables on credit support for derivative contracts	-	-	1,051,416	1,051,416

(Unit: Thousand Baht)

	2023			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets				
Interbank and money market items - net	-	-	15,931,024	15,931,024
Financial assets measured at fair value through profit and loss	630,395	-	-	630,395
Derivative assets	44,259,657	-	-	44,259,657
Investments - net	-	3,756,763	15,854,367	19,611,130
Loans to customers and accrued interest receivables - net	-	-	11,197,390	11,197,390
Account receivables for investments	-	-	1,542,225	1,542,225
Financial liabilities				
Deposits	-	-	23,858,155	23,858,155
Interbank and money market items	-	-	679,674	679,674
Liabilities payable on demand	-	-	75,450	75,450
Derivative liabilities	48,566,232	-	-	48,566,232
Account payables for investments	-	-	1,492,561	1,492,561
Payables on credit support for derivative contracts	-	-	2,418,129	2,418,129

7. Additional information of cash flows

The changing of arising from financing activities for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	As at 1 January 2024	Cash flows	Non-cash changes	As at 31 December 2024
Fund remitted into Thailand for maintaining assets under law	12,394,461	-	-	12,394,461
Lease liabilities	42,019	(17,297)	790	25,512
Retained earnings	1,391,173	(861,498)	257,849	787,524

(Unit: Thousand Baht)

	As at 1 January 2023	Cash flows	Non-cash changes	As at 31 December 2023
Fund remitted into Thailand for maintaining assets under law	12,164,171	230,290	-	12,394,461
Lease liabilities	1,061	(9,710)	50,668	42,019
Retained earnings	1,504,788	(1,001,500)	887,885	1,391,173

8. Interbank and money market items (assets)

As at 31 December 2024 and 2023, interbank and money market items (assets) are as follows:

(Unit: Thousand Baht)

	2024			2023		
	At call	Term	Total	At call	Term	Total
Domestic						
Bank of Thailand	284,521	900,000	1,184,521	283,337	3,000,000	3,283,337
Commercial banks	12,047	700,000	712,047	15,773	3,600,000	3,615,773
Specialised financial institutions	-	-	-	-	4,800,000	4,800,000
Other financial institutions	-	5,325,000	5,325,000	-	3,780,000	3,780,000
Total	296,568	6,925,000	7,221,568	299,110	15,180,000	15,479,110
Add: Accrued and undue interest receivables	-	4,320	4,320	-	7,772	7,772
Less: Allowance for expected credit loss	(11)	-	(11)	(2)	-	(2)
Total domestic items	296,557	6,929,320	7,225,877	299,108	15,187,772	15,486,880
Foreign						
Singapore Dollars	40,086	-	40,086	16,889	-	16,889
Swedish Kroners	1,495	-	1,495	1,572	-	1,572
Danish Kroners	10,242	-	10,242	5,795	-	5,795
Australian Dollars	4,210	-	4,210	124,597	-	124,597
US Dollars	-	-	-	-	258,469	258,469
Other currencies	44,014	-	44,014	39,344	-	39,344
Total foreign items	100,047	-	100,047	188,197	258,469	446,666
Less: Deferred income	-	-	-	-	(2,396)	(2,396)
Less: Allowance for expected credit loss	(1)	-	(1)	(1)	(125)	(126)
Total foreign items	100,046	-	100,046	188,196	255,948	444,144
Total domestic and foreign items	396,603	6,929,320	7,325,923	487,304	15,443,720	15,931,024

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

(Unit: Thousand Baht)

	2024	2023
Government and state enterprises securities	2,688,359	630,395
Total	2,688,359	630,395

10. Derivative assets/liabilities

Derivative held for trading

As at 31 December 2024 and 2023, fair value and notional amount, classified by types of risks, are as follows:

(Unit: Thousand Baht)

	2024			2023		
	Fair value		Notional	Fair value		Notional
Type of risks	Assets	Liabilities	amount [1]	Assets	Liabilities	amount [1]
Exchange rate risk	32,164,129	33,783,883	1,473,311,065	36,691,446	40,009,715	1,499,509,771
Interest rate risk	6,140,428	6,897,014	1,786,106,413	7,134,492	8,124,800	2,067,126,206
Equity risk	941,597	939,461	28,732,544	433,719	431,717	11,049,705
Total	39,246,154	41,620,358	3,288,150,022	44,259,657	48,566,232	3,577,685,682

[1] Disclosed only in case that the Bank has an obligation to pay.

As at 31 December 2024 and 2023, proportions of the notional amount of derivative transactions, classified by types of counterparties, are as follows:

(Unit: Percentage)

	2024	2023
Counterparties:		
Financial institutions	75	73
Group companies	19	21
Third parties	6	6
Total	100	100

11. Investments

11.1 Classified by type of investment

(Unit: Thousand Baht)

	2024	2023
	Fair value/ Amortised cost	Fair value/ Amortised cost
Investments in debt securities measured at fair value through other comprehensive income		
Government and state enterprises securities	4,557,192	3,756,763
Total	4,557,192	3,756,763
Allowance for expected credit losses	-	-
Investment in debt securities measured at amortised cost		
Government and state enterprise securities	14,558,762	15,854,367
Less: Allowance for expected credit losses	-	-
Total	14,558,762	15,854,367
Total investment - net	19,115,954	19,611,130

11.2 Gains on investments in debt instruments at fair value through other comprehensive income

(Unit: Thousand Baht)

	2024	2023
Beginning balance	664	5,616
Add (less): Remeasuring investment during the years	2,332	(6,190)
Add (less): Relating income tax	(466)	1,238
Ending balance	2,530	664

12. Loans to customers and accrued interest receivables

12.1 Classified by loan types

(Unit: Thousand Baht)

	2024	2023
Overdrafts	-	74,378
Loans	14,527,848	11,118,643
Less: Deferred income	(7,636)	(12,096)
Loans to customers net of deferred income	14,520,212	11,180,925
Add: Accrued and undue interest receivables	65,409	59,555
Loans to customers net of deferred income and accrued interest receivables	14,585,621	11,240,480
Less: Allowance for expected credit loss	(30,389)	(43,090)
Loans to customers and accrued interest receivables - net	14,555,232	11,197,390

12.2 Classified by currencies and residence of debtors

(Unit: Thousand Baht)

	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	13,341,995	28,197	13,370,192	10,615,999	123,261	10,739,260
US Dollars	1,079,843	68,899	1,148,742	368,286	73,379	441,665
Others	1,278	-	1,278	-	-	-
Total loans to customers net of deferred income	14,423,116	97,096	14,520,212	10,984,285	196,640	11,180,925

12.3 Classified by loan classification

(Unit: Thousand Baht)

	2024	
	Loans to customers net of deferred income and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	14,488,525	30,329
Financial assets with significant increase in credit risk (Under-Performing)	97,096	60
Financial assets that are credit-impaired (Non-Performing)	-	-
Total	14,585,621	30,389

(Unit: Thousand Baht)

	2023	
	Loans to customers net of deferred income and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	11,117,344	37,396
Financial assets with significant increase in credit risk (Under-Performing)	123,136	5,694
Financial assets that are credit-impaired (Non-Performing)	-	-
Total	11,240,480	43,090

12.4 Troubled debt restructurings

The Bank has no receivables which have been restructured during the years ended 31 December 2024 and 2023.

For the years ended 31 December 2024 and 2023, the Bank had no loss from debt restructuring and interest received from restructured customer.

13. Allowance for expected credit loss

(Unit: Thousand Baht)

	For the year ended 31 December 2024			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Interbank and money market items (assets)				
Beginning balance	128	-	-	128
Changes from revaluation of allowance for credit loss	9	-	-	9
Derecognition of financial assets	(125)	-	-	(125)
Ending balance	12	-	-	12
Loans to customers and accrued interest receivables				
Beginning balance	37,396	5,694	-	43,090
Changes from transfers among stages	5,688	(5,688)	-	-
Changes from revaluation of allowance for credit loss	(12,273)	54	-	(12,219)
New financial assets purchased or acquired	19,050	-	-	19,050
Derecognition of financial assets	(19,532)	-	-	(19,532)
Ending balance	30,329	60	-	30,389

(Unit: Thousand Baht)

	For the year ended 31 December 2023			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Interbank and money market items (assets)				
Beginning balance	2,023	-	-	2,023
Changes from revaluation of allowance for credit loss	126	-	-	126
Derecognition of financial assets	(2,021)	-	-	(2,021)
Ending balance	128	-	-	128
Loans to customers and accrued interest receivables				
Beginning balance	99,661	198,687	-	298,348
Changes from transfers among stages	12,437	(12,437)	-	-
Changes from revaluation of allowance for credit loss	(49,190)	(15,376)	-	(64,566)
New financial assets purchased or acquired	7,440	-	-	7,440
Derecognition of financial assets	(32,952)	(165,180)	-	(198,132)
Ending balance	37,396	5,694	-	43,090

14. Leasehold improvement and equipment

Movement of leasehold improvement and equipment for the years ended 31 December 2024 and 2023 are summarised as follows:

(Unit: Thousand Baht)

	Leasehold improvement	Furniture, fixtures and equipment	Total
Cost:			
1 January 2023	10,312	86,827	97,139
Acquisitions	34,938	24,072	59,010
Disposals and write-off	(10,312)	(34,242)	(44,554)
31 December 2023	34,938	76,657	111,595
Acquisitions	-	2,492	2,492
Disposals and write-off	-	(976)	(976)
31 December 2024	34,938	78,173	113,111
Accumulated depreciation:			
1 January 2023	6,978	69,399	76,377
Depreciation charged for the year	2,224	8,744	10,968
Accumulated depreciation on disposals and write-off	(7,854)	(32,861)	(40,715)
31 December 2023	1,348	45,282	46,630
Depreciation charged for the year	3,494	10,737	14,231
Accumulated depreciation on disposals and write-off	-	(976)	(976)
31 December 2024	4,842	55,043	59,885
Net book value:			
31 December 2023	33,590	31,375	64,965
31 December 2024	30,096	23,130	53,226
Depreciation for the years ended 31 December:			
2023			10,968
2024			14,231

As at 31 December 2024 and 2023, certain leasehold improvement and equipment are fully depreciated but are still in use. The gross carrying amount before deducting depreciation, of these assets amount to approximately Baht 34.56 million and Baht 25.94 million, respectively.

15. Intangible assets - net

	(Unit: Thousand Baht)
	Computer softwares
Cost:	
1 January 2023	25,564
Additions	4,008
Disposal and write-off	(7,100)
31 December 2023	22,472
31 December 2024	22,472
Accumulated amortisation:	
1 January 2023	18,431
Amortisation for the year	2,916
Accumulated amortisation on disposal and write-off	(7,100)
31 December 2023	14,247
Amortisation for the year	1,694
31 December 2024	15,941
Net book value:	
31 December 2023	8,225
31 December 2024	6,531
Amortisation expenses for the years ended 31 December:	
2023	2,916
2024	1,694

As at 31 December 2024 and 2023, certain items of computer software have been fully amortised but are still in use. The gross carrying amount before deducting amortisation, of these assets amount to approximately Baht 12.05 million and Baht 12.00 million, respectively.

16. Deferred tax assets and liabilities/income tax expanses

16.1 Deferred tax assets

Deferred tax assets as at 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Deferred tax assets	16,679	23,371
Deferred tax liabilities	(4,222)	(980)
Deferred tax assets - net	12,457	22,391

Movements of deferred tax assets during the years are as follows:

(Unit: Thousand Baht)

	As at 1 January 2024	Reported in Profit or loss	Reported in Other comprehensive income	As at 31 December 2024
Deferred tax assets				
Provisions	13,260	(306)	(2,296)	10,658
Leases	50	40	-	90
Others	10,061	(4,130)	-	5,931
Total	23,371	(4,396)	(2,296)	16,679
Deferred tax liabilities				
Investments	(980)	(2,776)	(466)	(4,222)
Total	(980)	(2,776)	(466)	(4,222)
Deferred tax assets - net	22,391	(7,172)	(2,762)	12,457

(Unit: Thousand Baht)

	As at 1 January 2023	Reported in Profit or loss	Reported in Other comprehensive income	As at 31 December 2023
Deferred tax assets				
Provisions	12,323	575	362	13,260
Leases	(164)	214	-	50
Others	5,063	4,998	-	10,061
Total	17,222	5,787	362	23,371
Deferred tax liabilities				
Investments	(1,777)	(441)	1,238	(980)
Total	(1,777)	(441)	1,238	(980)
Deferred tax assets - net	15,445	5,346	1,600	22,391

16.2 Income tax expenses

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

(Unit: Thousand Baht)

	For the years ended 31 December 2024	2023
Current income tax:		
Current income tax charge for the year	66,207	222,760
Adjustment in respect of income tax of previous year	2,838	-
Deferred income tax:		
Deferred tax on temporary differences and reversal of temporary differences	7,172	(5,346)
Income tax expenses reported in profit or loss	76,217	217,414

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

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Accounting profit before income tax expenses	337,814	1,106,749
Applicable tax rate	20%	20%
Accounting profit before income tax expenses multiplied by applicable tax rate	67,563	221,350
Adjustment in respect of income tax of previous year	2,838	-
Tax effect of tax-exempted revenues and non-deductible expenses and other adjustments	5,816	(3,936)
Income tax expenses reported in profit or loss	76,217	217,414
Weighted average tax rate (percent)	22.56	19.64

16.3 The amount of income tax recognised in other comprehensive income for the years ended 31 December 2024 and 2023 is summarised below:

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Deferred income tax relating to:		
(Gain) loss on valuation of investments in debt securities measured at fair value through other comprehensive income	(466)	1,238
Actuarial (gain) loss	(2,296)	362
Total	(2,762)	1,600

17. Other assets

(Unit: Thousand Baht)

	2024	2023
Deposits	4,701	4,701
Right-of-use assets (Note 18)	25,063	41,772
Others	3,734	4,969
Total	33,498	51,442

18. Leases

The Bank has lease contracts for property use in its operations. Leases generally have lease term 3 years.

18.1 Right-of-use assets

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

(Unit: Thousand Baht)

	Building
Cost:	
1 January 2023	33,870
Additions	50,126
Contract termination	(33,870)
31 December 2023	50,126
31 December 2024	50,126
Accumulated depreciation:	
1 January 2023	31,988
Depreciation charged during the year	10,236
Contract termination	(33,870)
31 December 2023	8,354
Depreciation charged during the year	16,709
31 December 2024	25,063
Net book value:	
31 December 2023	41,772
31 December 2024	25,063

18.2 Lease liabilities

(Unit: Baht)

	2024	2023
Lease liabilities	25,946	43,244
Less: Deferred interest	(434)	(1,225)
Total lease liabilities	25,512	42,019

Movements of lease liabilities during the years ended 31 December 2024 and 2023 is as follows:

(Unit: Baht)

	For the years ended 31 December	
	2024	2023
Balance at beginning of year	42,019	1,061
New lease agreement	-	50,126
Interest expense	790	542
Repayment	(17,297)	(9,710)
Balance at end of year	25,512	42,019

The maturity analysis of lease payments is disclosed in Note 34.3 under the liquidity risk.

18.3 Expenses related leases which was recognised in profit or loss

(Unit: Baht)

	For the years ended 31 December	
	2024	2023
Depreciation of right-of-use assets	16,709	10,236
Interest expenses on lease liabilities	790	542
Total	17,499	10,778

18.4 Others

The Company had total cash outflows for leases during the year ended 31 December 2024 of Baht 17.30 million (2023: 9.71 million). This includes cash outflows from leases of low value assets.

19. Deposits

19.1 Classified by types of deposits

(Unit: Thousand Baht)

	2024	2023
Current accounts	7,033,382	4,072,514
Savings accounts	8,866,781	7,441,067
Fixed accounts terms	7,086,322	12,344,574
Total deposits	22,986,485	23,858,155

19.2 Classified by currencies and residence of depositors

(Unit: Thousand Baht)

	2024			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	17,253,137	155,802	17,408,939	19,876,703	152,686	20,029,389
US Dollars	5,207,881	7,032	5,214,913	3,418,605	24,696	3,443,301
Others	362,633	-	362,633	385,465	-	385,465
Total deposits	22,823,651	162,834	22,986,485	23,680,773	177,382	23,858,155

20. Interbank and money market items (liabilities)

(Unit: Thousand Baht)

	2024			2023		
	At call	Term	Total	At call	Term	Total
Domestic						
Commercial banks	-	2,780,382	2,780,382	-	-	-
Other financial institutions	90,077	532,067	622,144	178,188	501,486	679,674
Total	90,077	3,312,449	3,402,526	178,188	501,486	679,674

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

(Unit: Thousand Baht)

	2024	2023
Financial assets held for trading		
Provision for returning securities	607,249	-
Total	607,249	-

22. Provisions

(Unit: Thousand Baht)

	2024	2023
Provision for long-term employee benefits	47,623	53,151
Allowance for expected credit loss on loan commitments and financial guarantee contracts	5,666	13,151
Total provisions	53,289	66,302

22.1 Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Provision for post-employee benefit	42,620	47,991
Provision for long-serviced award benefit	5,003	5,160
Total	47,623	53,151

22.1.1 Provisions for post-employee benefits

Movement of in provisions for post-employee benefits for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Provisions for post-employee benefits at beginning of the year	47,991	42,710
Included in profit or loss		
Current service cost	6,752	6,596
Interest cost	1,250	1,314
Included in other comprehensive income		
Actuarial (gain) loss arising from		
Demographic assumption changes	3	-
Financial assumption changes	1,007	1,812
Experience adjustments	(12,491)	-
Employee benefits paid during the year	(1,892)	(4,441)
Provisions for post-employee benefits at end of the year	42,620	47,991

Significant assumptions used in the actuarial calculation are summarised as follows:

(Unit: Percentage per year)

	2024	2023
Discount rate	2.4%	2.7%
Future salary growth rate	4.0%	4.0%
Retirement age	60 years old	60 years old

Sensitivity analysis

Reasonably possible changes at the reporting date to the individual actuarial assumptions, holding other assumptions constant, would have affected provision for post-employee benefit as at 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

Key assumptions	Effect increase (decrease) on provision for post-employee benefit	
	2024	2023
Salary incremental rates increased by 1%	3,593	4,133
Salary incremental rates decreased by 1%	(3,177)	(3,673)
Discount rates increased by 1%	(3,194)	(3,713)
Discount rates decreased by 1%	3,691	4,272

As at 31 December 2024, the Bank expects to pay long-term employee benefits during the next year of Baht 1.09 million (2023: Baht 1.95 million).

As at 31 December 2024, the weighted average duration of the liabilities of the long-term employee benefits is 8 years (2023: 8 years).

22.1.2 Provision for long-serviced award benefits

Movements of provision for long-serviced award benefit for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Provision for long-serviced award benefit at beginning of the year	5,160	3,575
Included in profit or loss		
Current service costs	779	639
Interest costs	129	105
Actuarial (gain) loss arising from		
Demographic assumption changes	9	-
Financial assumption changes	1,262	961
Experience adjustments	(1,953)	-
Benefits paid	(383)	(120)
Provision for long-serviced award benefit at end of the year	5,003	5,160

Significant assumptions used in the actuarial calculation are summarised as follows:

(Unit: Percentage per year)

	2024	2023
Discount rate	2.4%	2.7%
Gold price inflation rate	5.0%	5.0%
Retirement age	60 years old	60 years old

Sensitivity analysis

Reasonably possible changes at the reporting date to the individual actuarial assumptions, holding other assumptions constant, would have affected provision for long-serviced award benefits as at 31 December 2024 and 2023, are as follows:

(Unit: Thousal Baht)

Key assumptions	Effect increase (decrease) on provision for long-serviced award benefits	
	2024	2023
Discount rates increased by 1%	(310)	(349)
Discount rates decreased by 1%	350	395

As at 31 December 2024, the Bank expects to pay long-term employee benefits during the next year of Baht 0.51 million (2023: Baht 0.72 million).

As at 31 December 2024, the weighted average duration of the liabilities of the long-term employee benefits is 8 years (2023: 8 years).

22.2 Allowance for expected credit loss on loan commitments and financial guarantee contracts

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

(Unit: Thousand Baht)

	2024	
	Loan commitments and financial guarantee contracts	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	19,907,583	5,346
Financial assets with significant increase in credit risk (Under-Performing)	370,108	320
Financial assets that are credit-impaired (Non-Performing)	-	-
Total	20,277,691	5,666

(Unit: Thousand Baht)

	2023	
	Loan commitments and financial guarantee contracts	Allowance for expected credit loss
Financial assets with significant increase in credit risk (Performing)	6,519,477	2,426
Financial assets with no significant increase in credit risk (Under-Performing)	1,247,579	10,725
Financial assets that are credit-impaired (Non-Performing)	-	-
Total	7,767,056	13,151

Changes in allowance for expected credit loss on loan commitments and financial guarantee contracts are as follows:

(Unit: Thousand Baht)

	2024			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Beginning balance	2,426	10,725	-	13,151
Changes from transfers among stages	4,296	(4,296)	-	-
Changes from revaluation of allowance for expected credit loss	(4,653)	(5,859)	-	(10,512)
Newly issued loan commitments and financial guarantees	4,318	-	-	4,318
Derecognition	(1,041)	(250)	-	(1,291)
Ending balance	5,346	320	-	5,666

(Unit: Thousand Baht)

	2023			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Beginning balance	6,819	8,508	-	15,327
Changes from transfers among stages	(1,997)	1,997	-	-
Changes from revaluation of allowance for expected credit loss	(2,400)	2,438	-	38
Newly issued loan commitments and financial guarantees	59	-	-	59
Derecognition	(55)	(2,218)	-	(2,273)
Ending balance	2,426	10,725	-	13,151

23. Capital funds

23.1 The Bank maintains capital funds in accordance with Section 32 of the Financial Institution Business Act. B.E. 2551, whereby capital funds are to be maintained at a percentage of risk-weighted assets in accordance with the criteria, methodologies, and conditions prescribed by the BoT. As at 31 December 2024 and 2023, these can be summarised as follows:

(Unit: Thousand Baht)

	2024	2023
Total Asset maintained under Section 32	12,767,304	12,805,702
Total fund of maintenance of assets under Section 32 and net balance of inter-office accounts		
Net capital for maintenance of assets under Section 32	11,882,644	12,250,063
Net balance of inter-office accounts which the branch is the debtor to the head office and other branches located in other countries, the parent company and subsidiaries of the head office	1,108,022	2,274,364
Total	12,990,666	14,524,427
Regulatory capital fund before deduction	11,882,644	12,250,063
Deductible amount	6,531	8,225
Total capital fund under low	11,876,113	12,241,838
Total capital funds to risk assets ratio (%)	16.83	18.15
Bank of Thailand regulatory capital ratio requirement (%)	11.00	11.00
Capital after deducting capital add-on arising from Single Lending Limit *	11,876,113	12,241,838
Capital ratio after deducting capital add-on (%) *	16.83	18.15

* Effective in January 2015.

As at 31 December 2024 and 2023, the Bank has applied the calculation for credit risk capital and market risk capital under "the Standardised Approach (SA)" and operational risk capital under "Basic Indicator Approach (BIA)" in accordance with the BoT's notification.

In accordance with the BoT's Notifications No. Sor Nor Sor. 4/2556 dated 2 May 2013 and No. Sor Nor Sor. 14/2562 dated 7 May 2019 regarding "Public Disclosure of Capital Maintenance for Commercial Banks", the Bank will disclose its capital maintenance information as at 31 December 2024 on its website at www.bnpparibas.co.th within April 2025.

23.2 Fund remitted into Thailand for maintaining assets under law

Movements in the value of fund remitted into Thailand for maintaining assets under law for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Beginning balance	12,250,063	12,151,078
Increase during the years	-	230,290
Loss on exchange rate	(367,419)	(131,305)
Ending balance	11,882,644	12,250,063

24. Interest income

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Interbank and money market items	328,869	433,989
Investments and trading transactions	36,677	51,676
Investment in debt securities	472,078	379,002
Loans to customers	478,057	509,389
Others	1,582	806
Total interest income	1,317,263	1,374,862

25. Interest expenses

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Deposits	409,711	308,707
Interbank and money market items	776,861	762,282
Contributions to the Deposit Protection Agency and the Financial Institutions Development Fund	92,456	87,811
Others	60,843	41,722
Total interest expenses	1,339,871	1,200,522

26. Net fees and service income (expense)

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Fees and service income		
- Acceptances, aval and guarantees	24,190	33,625
- Others	28,770	27,266
Total fees and service income	52,960	60,891
Fees and service expenses	(59,377)	(64,398)
Net fees and service income (expense)	(6,417)	(3,507)

27. Net gain on financial instruments measured at fair value through profit or loss

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Gain (loss) on trading and foreign exchange transaction		
- Foreign currencies and foreign currency-related derivatives	(145,598)	1,859,755
- Interest rate-related derivatives	1,092,316	(292,878)
- Equity derivatives	42,018	28,068
- Debt securities	114,798	(139,548)
Net gain on financial instruments measured at fair value through profit or loss	1,103,534	1,455,397

28. Expected credit loss (reversal)

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Interbank and money market items	(134)	(4,223)
Loans to customers	(12,964)	(264,664)
Loan commitments and financial guarantee contracts	(6,903)	(2,712)
Total expected credit loss (reversal)	(20,001)	(271,599)

29. Share-based payment

The Bank set up share-based payment for certain employees, the Bank grants employees the share price-linked cash settled compensation plans which are linked to the share price of BNP Paribas shares (Head Office).

Expenses of share-based payment for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Thousand Baht)

	2024	2023
Expense of share-based payment	4,955	23,059
Total	4,955	23,059

30. Commitments and contingent liabilities

30.1 Contingent liabilities

As at 31 December 2024 and 2023, the Bank has commitments and contingent liabilities which were incurred in the normal of business are as follows:

(Unit: Thousand Baht)

	2024			2023		
	Thai Baht	Foreign currency	Total	Thai Baht	Foreign currency	Total
Letters of credit	1	248,965	248,966	-	23,878	23,878
Guarantees on loans	-	-	-	700	-	700
Liabilities under unmatured bills	2,572,488	392,872	2,965,360	-	14,018	14,018
Other commitments	15,225,915	1,837,450	17,063,365	5,064,708	2,663,752	7,728,460

30.2 Commitments under lease and service agreements

As at 31 December 2024 and 2023, the Bank has commitments under lease and service agreements for which the terms 5 years, which are not recognised as right-of-use assets. Under the terms of the above lease and service agreements, the Bank has future minimum payment required under the agreements as follows:

(Unit: Thousand Baht)

Payment within	2024	2023
Not over 1 year	1,842	1,843
Over 1 year to 5 years	4,819	6,661
	6,661	8,504

Minimum lease payment recognised as expenses for the years ended 31 December 2024 and 2023 are Baht 1.84 million and Baht 1.74 million, respectively.

30.3 Litigation

As at 31 December 2024 and 2023, there were lawsuits under court proceeding. The Bank believes that the final judgement of such proceedings will not materially affect the Bank's financial position and performance.

31. Related party transactions

Enterprises or individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control, the Bank, including holding companies, subsidiaries and fellow subsidiaries are related parties. Associates and individuals owning, directly or indirectly, an interest in the voting rights 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 companies associated with these individuals also constitute related parties.

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

The significant related party transactions made with Head Office and other branches of the same juristic person, subsidiaries, and associated of BNP Paribas are as follows:

(Unit: Thousand Baht)

	As at 31 December	
	2024	2023
Statements of financial positions		
Assets		
Interbank and money market items - net	633,576	585,065
Liabilities		
Interbank and money market items - net	1,184,132	2,419,535
Accrued expenses	647,542	618,082
Fund remitted into Thailand for maintaining assets under law	11,882,644	12,250,063
Contingencies	736,654,662	910,467,264

(Unit: Thousand Baht)

	For the years ended 31 December	
	2024	2023
Statements of comprehensive income		
Interest income	24,560	70,066
Other income	7,182	5,547
Interest expenses	693,124	668,306
Other operating expenses		
Cost sharing from financial instruments - net	72,285	94,191
Intercomapny service fee	229,320	192,615
Management remuneration		
Short-term benefits	67,809	70,112
Loan-term benefits	1,912	1,845

Transactions between the Bank and related parties are priced at and contained similar conditions as with the Bank's general customers and conformed to normal banking practice.

Net (profit) cost sharing from financial instrument includes the sharing of revenues and expenses between related parties, which may be cross-border, of the capital market activities. All these related parties will have a number of functions which can be categorised as trading, sales and marketing, management and support functions, involved in these capital market activities. The (profit) cost sharing principles of these agreements are based on Organisation for Economic Co-operation and Development (OECD) guidelines and applied arm's length remunerations of all parties.

The Bank has not extended extraordinary monetary and non-monetary benefits to the Bank's executives at the level of Managing Director and higher, except for ordinary benefits to the executives such as salary, benefits, bonus (if any) and employee benefits. The Bank has not sold, given or leased any properties to the Managing Director and higher or their related parties or has not purchased or leased any assets from those persons included contingency benefits from employment agreements compensation and other benefit from those persons.

32. Segment information

The Bank does not present the financial position and results of operations classified by domestic and foreign businesses in the financial statements because the Bank is engaged only in one domestic business in Thailand.

33. Risk management

Financial risk management policies

Risk management is key in the business of banking. At BNP Paribas, operating methods and procedures throughout the organisation are geared towards effectively addressing this matter. The entire process is supervised primarily by the Group Risk Management Department (GRM), which is responsible for measuring and controlling risks at Group level. GRM is independent from the core businesses, business lines and territories and reports directly to Group Executive Management.

The risk categories reported by the Bank evolve in line with methodological developments and regulatory requirements.

The most important risks the Bank is exposed to are credit risk, market risk and liquidity risk. These 3 categories of risks are further described below:

33.1 Credit risk

Credit risk is the risk of incurring an economic loss on loans and receivables (existing or potential due to prior commitments) resulting from a change in the credit quality of the Bank's debtors, which can ultimately result in default. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment.

Counterparty risk is the demonstration of credit risk in market, investment and/or payment transactions that potentially expose the Bank to the default risk of the counterparty. It is a bilateral risk on a counterparty with whom a transaction is entered into and of which the amount may vary over time, in line with market parameter that impact the value of the relevant market instrument.

The Bank adopts a Global Credit Risk Policy & Procedures ("Credit Risk Policy") that is detailed in accordance with the Bank of Thailand's Regulation. The credit risk policy provides guidance on credit risk management and also defines the responsibilities of each of the parties involved in credit risk management.

The maximum exposure to credit risk

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

For financial guarantees granted, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the guarantees are called upon.

For loan commitments that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

Collateral and any arrangements to increase creditability

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

(Unit: Million Baht)

	Exposure to credit risk with collateral		
	2024	2023	Type of collateral
Interbank and money market (assets)	6,025	12,180	Government and state enterprises securities

Credit quality analysis

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

(Unit: Million Baht)

	2024			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Interbank and money market items (assets)				
Not overdue	7,326	-	-	7,326
Total	7,326	-	-	7,326
Less: Allowance for expected credit loss	-	-	-	-
Net book value	7,326	-	-	7,326

(Unit: Million Baht)

	2024			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Investments in debt securities measured at fair value through other comprehensive income and investment in debt securities measured at amortised cost				
Investment grade	19,116	-	-	19,116
Total	19,116	-	-	19,116
Allowance for expected credit loss	-	-	-	-
Net book value	19,116	-	-	19,116
Loans to customers and accrued interest receivables				
Not overdue	14,489	97	-	14,586
Total	14,489	97	-	14,586
Less: Allowance for expected credit loss	(30)	(1)	-	(31)
Net book value	14,459	96	-	14,555

(Unit: Million Baht)

	2023			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Interbank and money market items (assets)				
Not overdue	15,931	-	-	15,931
Total	15,931	-	-	15,931
Less: Allowance for expected credit loss	-	-	-	-
Net book value	15,931	-	-	15,931
Investments in debt securities measured at fair value through other comprehensive income and investment in debt securities measured at amortised cost				
Investment grade	19,611	-	-	19,611
Total	19,611	-	-	19,611
Allowance for expected credit loss	-	-	-	-
Net book value	19,611	-	-	19,611
Loans to customers and accrued interest receivables				
Not overdue	11,117	123	-	11,240
Total	11,117	123	-	11,240
Less: Allowance for expected credit loss	(37)	(6)	-	(43)
Net book value	11,080	117	-	11,197

33.2 Market risk

Market risk is the risk of incurring an economic loss as a result of adverse changes in market parameter, whether directly observable or not. Observable market parameter include, but are not limited to, foreign exchange rates, interest rate, price of security and commodity, price of derivatives, and other parameters that can be directly inferred from them, such as Credit spread, Implied volatility or Implied correlation. Non-observable market parameters are those based on working assumptions such as parameters contained in models or based on statistical analysis.

The Group Risk Management (GRM)'s responsibility in terms of market risk management is to define, measure and analyse sensitivities and risk factors, and to measure and control Value at Risk (VaR) to ensure that all business activity complies with the approved limit

The interest rate risk and the foreign exchange rate risk are the key market risks of the Bank.

(a) Interest rate risk

Interest rate risk arises from a change in interest rates to have an adverse effect on the value of the Bank's financial instrument or may cause volatility on net interest earnings or cost of the Bank in the current and future years.

Details of interest rate risk based on the period to the earlier of the contractual repricing date or maturity date as at 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	2024					
	0 - 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	Total
Financial assets						
Interbank and money market items	6,925	-	-	-	401	7,326
Financial assets measured at fair value through profit or loss	2,661	27	-	-	-	2,688
Investments	13,671	4,154	1,291	-	-	19,116
Loans to customers and accrued interest receivables	13,073	1,482	-	-	-	14,555
Account receivables for investments	-	-	-	-	549	549
Receivables on credit support for derivative contracts	-	-	-	-	239	239
Financial liabilities						
Deposits	15,681	272		-	7,033	22,986
Interbank and money market items	2,781	-	532	-	90	3,403
Lease liabilities	4	13	9	-	-	26
Account payables for investments	-	-	-	-	29	29
Payables on credit support for derivative contracts	-	-	-	-	1,051	1,051

(Unit: Million Baht)

	2023					
	0 - 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	Total
Financial assets						
Interbank and money market items	15,438	-	-	-	493	15,931
Financial assets measured at fair value through profit or loss	630	-	-	-	-	630
Investments	18,043	1,568	-	-	-	19,611
Loans to customers and accrued interest receivables	8,494	2,703	-	-	-	11,197
Account receivables for investments	-	-	-	-	1,542	1,542
Financial liabilities						
Deposits	19,785	-	-	-	4,073	23,858
Interbank and money market items	-	-	502	-	178	680
Lease liabilities	4	12	26	-	-	42
Account payables for investments	-	-	-	-	1,493	1,493
Payables on credit support for derivative contracts	-	-	-	-	2,418	2,418

Interest rate sensitivity analysis

Interest rate risks related to banking activities are managed by the cross- functional ALM-Treasury Department under the supervision of Assets and Liabilities Committee (ALCO). The interest rate risk is analyses in terms of interest rate gaps, sensitivity analysis of net interest income to interest rate change, and sensitivity of the value of net assets of the banking activities to interest rate change. The methods used in sensitivity analysis do not change from the previous period. The sensitivity analysis result is well below threshold used by Bank of Thailand.

(b) Foreign exchange rate risk

Foreign exchange rate risk is the risk that occurs from changes in exchange rates which may affect the value of the Bank's financial instruments or may cause volatility in the Bank's earnings or cost of funds (Note 8 and 19).

33.3 Liquidity risk

Liquidity risk is the risk of the Bank being unable to fulfill current or future foreseen or unforeseen cash or collateral requirements without affecting routine transactions or its financial position.

The Bank manages its liquidity position through a global liquidity policy approved by Group Executive Management and also complies with the Bank of Thailand's liquidity reserve regulations. The objective of the Group's liquidity management is to secure a balanced financing mix to support the Bank's development strategy, ensure that the Bank is always in a position to discharge its obligations to its customer, ensure that it does not trigger a systemic crisis solely by its own action, to comply with the standards set by the local banking supervisor, to keep the cost of refinancing as low as possible; and to cope with any liquidity crisis.

Group ALM Committee authorises implementation of the liquidity risk management policy. Responsibility for implementing the policy at both central and individual entity level has been delegated to ALM-Treasury Committee. In addition, Group Risk Management (GRM) provides second-line control on risk indicators including regularly monitor the liquidity stress test.

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

(Unit: Million Baht)

	2024						
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Interbank and money market items	397	6,929	-	-	-	-	7,326
Financial assets measured at fair value through profit or loss	2,177	484	27	-	-	-	2,688
Derivative assets	-	10,677	7,802	13,051	7,716	-	39,246
Investments	-	-	14,836	4,280	-	-	19,116
Loans to customers and accrued interest receivables	6,581	5,878	1,381	565	150	-	14,555
Account receivables for investments	-	549	-	-	-	-	549
Receivables on credit support for derivative contracts	23	216	-	-	-	-	239
Financial liabilities							
Deposits	21,501	1,213	272	-	-	-	22,986
Interbank and money market items	90	2,781	-	532	-	-	3,403
Liabilities payable on demand	49	-	-	-	-	-	49
Financial liabilities measured at fair value through profit or loss	-	607	-	-	-	-	607
Derivative liabilities	-	11,744	7,634	12,694	9,548	-	41,620
Lease liabilities	-	4	13	9	-	-	26
Account payables for investments	-	29	-	-	-	-	29
Payables on credit support for derivative contracts	-	1,051	-	-	-	-	1,051
Off-balance items - obligations							
Loan commitments	944	3,700	1,099	438	14,097	-	20,278

(Unit: Million Baht)

	2023						
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Interbank and money market items	487	15,444	-	-	-	-	15,931
Financial assets measured at fair value through profit or loss	517	113	-	-	-	-	630
Derivative assets	-	6,716	17,145	14,471	5,927	-	44,259
Investments	-	6,120	11,600	1,891	-	-	19,611
Loans to customers and accrued interest receivables	1,577	6,566	1,864	1,190	-	-	11,197
Account receivables for investments	-	1,542	-	-	-	-	1,542
Financial liabilities							
Deposits	21,275	2,583	-	-	-	-	23,858
Interbank and money market items	178	-	-	502	-	-	680
Liabilities payable on demand	75	-	-	-	-	-	75
Derivative liabilities	-	9,338	15,662	16,187	7,379	-	48,566
Lease liabilities	-	4	12	26	-	-	42
Account payables for investments	-	1,493	-	-	-	-	1,493
Payables on credit support for derivative contracts	-	2,418	-	-	-	-	2,418
Off-balance items - obligations							
Loan commitments	2,432	184	596	1,414	3,141	-	7,767

The BoT's Notification No.Sor Nor Sor. 2/2561, dated 25 January 2018, requires the Bank to disclose its Liquidity Coverage Ratio (LCR) on the Bank's website. The Bank will disclose the LCR as at 31 December 2024 at www.bnpparibas.co.th with in April 2025.

34. Fair value of financial assets and liabilities

As at 31 December 2024 and 2023, the Bank has financial assets and liabilities measured at fair value or measured at amortised cost for which fair value is disclosed, using different levels of inputs as follows:

(Unit: Million Baht)

	2024				
	Fair value				Carrying
	Level 1	Level 2	Level 3	Total	value
Financial assets measured at fair value					
Financial assets measured at fair value through profit and loss	-	2,688	-	2,688	2,688
Derivative assets	-	39,246	-	39,246	39,246
Investments measured at fair value through other comprehensive income	-	4,557	-	4,557	4,557
Financial liabilities measured at fair value					
Financial liabilities measured at fair value through profit and loss	-	607	-	607	607
Derivative liabilities	-	41,620	-	41,620	41,620
Financial assets for which fair value were disclosed					
Investment in debt securities measured at amortised cost	-	14,561	-	14,561	14,559

(Unit: Million Baht)

	2023				
	Fair value				Carrying
	Level 1	Level 2	Level 3	Total	value
Financial assets measured at fair value					
Financial assets measured at fair value through profit and loss	-	630	-	630	630
Derivative assets	-	44,260	-	44,260	44,260
Investments measured at fair value through other comprehensive income	-	3,757	-	3,757	3,757
Financial liabilities measured at fair value					
Derivative liabilities	-	48,566	-	48,566	48,566
Financial assets for which fair value were disclosed					
Investment in debt securities measured at amortised cost	-	15,852	-	15,852	15,854

In addition to investment in debt securities measured at amortised cost, the Bank has other financial assets and liabilities presented at amortised cost but are subject to disclosure at fair value, for which fair value is not materially different from the carrying value since the majority of the financial assets and liabilities have short-term maturities or carry interest at rates close to the market interest rates.

The Bank estimates the fair value of financial assets and liabilities based on the following criteria:

(a) Financial assets or liabilities with short-term maturities or financial assets bearing interest at rates comparable to market rates consist of cash, interbank and money market items (assets), loan to customers, account receivables/payables for investments, other assets, deposit, interbank and money market items liabilities payable on demand, and other liabilities. The fair value of such assets and liabilities are estimated at the book value presented in the statement of financial position.

(b) Financial assets measured at fair value through profit or loss/Investments

Fair values for debt securities is determined by using the Government Bond Yield Curve or the bid price from Thai Bond Market Association as of the reporting date. If not available, the Government Bond Yield Curve for the same period is used, adjusted by an appropriate risk premium.

(c) Derivative assets/liabilities

Fair value of derivatives financial instruments is determined by using the valuation techniques incorporating observable market data. The Bank uses a variety of methods and makes assumption that based on market conditions existing at the end of the reporting period. These valuation techniques are primarily market and income approaches encompassing generally accepted models, such as the estimated discounted cash flows, are used to determine fair value of the financial instrument.

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

35. Approval of financial statements

These financial statements were authorised for issue by the Bank's management on 11 April 2025.