

Thanachart Capital Public Company Limited
and its subsidiaries
Review report and interim financial information
30 June 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thanachart Capital Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of Thanachart Capital Public Company Limited and its subsidiaries as at 30 June 2021, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2021 and the consolidated statements of changes in equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Thanachart Capital Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Emphasis of Matter

I draw attention to Notes 1.2 and 10.2 to the interim consolidated financial statements regarding the COVID-19 pandemic is impacting various businesses and industries. This situation could create uncertainties, and may effect the future operating results of the Group. Moreover, due to the impact of this situation, in preparing the interim financial statements the Group has elected to adopt the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy issued by the Federation of Accounting Professions. Besides, Note 3 to the interim consolidated financial statements regarding the change in accounting policy related to the presentation of investments in subsidiaries and associates in the separate financial statements from cost method to equity method. My conclusion is not modified in respect of this matter.

Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 10 August 2021

Thanachart Capital Public Company Limited and its subsidiaries

Statements of financial position

As at 30 June 2021

(Unit: Thousand Baht)

	Consolidated		Separate			
	financial statements		financial statements			
	30 June	31 December	30 June	31 December	1 January	
Note	2021	2020	2021	2020	2020	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)	(Restated)	
Assets						
Cash	6,394	2,471	10	-	-	
Interbank and money market items - net						
- deposits at financial institutions	8,852,175	7,811,600	1,049,596	171,951	29,841	
Financial assets measured at fair value through profit or loss	5	2,921,293	3,356,589	222,566	1,217,639	3,335,666
Derivatives assets	6	312,507	145,444	311,557	142,100	-
Investments - net	7	16,795,659	21,650,020	4,659,433	8,697,046	19,387,756
Investments in subsidiaries	8	-	-	13,353,304	14,169,912	17,988,310
Investments in associated companies and joint venture	9	50,508,429	48,006,971	50,508,429	48,006,971	45,476,877
Loans to customers and accrued interest receivables - net	10	53,294,050	50,250,543	3,194,627	803,616	795,411
Property foreclosed - net	12	3,080,003	3,054,027	1,603,237	1,597,510	1,605,814
Land, premises, equipment and right-of-use assets - net		831,597	677,699	171,559	138,665	156,792
Intangible assets - net		226,852	163,898	1,746	870	640
Deferred tax assets	13	878,119	917,113	-	-	-
Receivables from purchase and sale of securities		1,090,314	1,246,888	-	-	764,570
Other assets - net	14	2,535,387	3,472,371	805,598	76,092	88,683
Total assets		141,332,779	140,755,634	75,881,662	75,022,372	89,630,360

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

Thanachart Capital Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 30 June 2021

(Unit: Thousand Baht)

Note	Consolidated		Separate		
	financial statements		financial statements		
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	1 January 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited) (Restated)	(Restated)
Liabilities and equity					
Interbank and money market items					
- borrowings from financial institutions	16	15,900,862	13,312,347	-	-
Derivatives liabilities	6	16,344	14,219	-	-
Debts issued and borrowings	17	32,829,048	33,887,024	10,700,000	10,700,000
Provisions	18	396,783	410,153	66,756	58,513
Deferred tax liabilities	13	281,854	225,797	228,678	178,258
Insurance contracts liabilities	19	11,433,738	12,231,053	-	-
Dividend payable		-	-	-	4,582,651
Payables from purchase and sale of securities		1,985,520	2,083,488	619,885	-
Other liabilities	20	5,792,276	5,823,399	783,436	774,997
Total liabilities		68,636,425	67,987,480	12,398,755	11,711,768
Equity					
Share capital					
Registered, issued and paid-up					
13,156 preferred shares of Baht 10 each		132	132	132	132
1,165,116,547 common shares of Baht 10 each		11,651,165	11,651,165	11,651,165	11,651,165
		11,651,297	11,651,297	11,651,297	11,651,297
Premium on common share		2,065,645	2,065,645	2,065,645	2,065,645
Other components of equity	22	(2,906,446)	(2,701,100)	(2,906,446)	(2,701,100)
Retained earnings					
Appropriated - statutory reserve		1,277,830	1,277,830	1,277,830	1,277,830
- treasury shares reserve	21	5,863,053	5,863,053	5,863,053	5,863,053
Unappropriated		51,394,581	51,016,932	51,394,581	51,016,932
Less: Treasury shares - common shares	21	(5,863,053)	(5,863,053)	(5,863,053)	(5,863,053)
Equity attributable to owners of the Company		63,482,907	63,310,604	63,482,907	63,310,604
Non-controlling interests		9,213,447	9,457,550	-	-
Total equity		72,696,354	72,768,154	63,482,907	66,187,448
Total liabilities and equity		141,332,779	140,755,634	75,881,662	89,630,360

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

Directors

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of comprehensive income
For the three-month period ended 30 June 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated		Separate		
	financial statements		financial statements		
	2021	2020	2021	2020	
				(Restated)	
Profit or loss					
Interest income	24	988,477	1,027,887	34,702	24,226
Interest expenses	25	(335,342)	(423,288)	(106,153)	(142,438)
Net interest income		653,135	604,599	(71,451)	(118,212)
Fees and service income		470,628	384,903	274	51
Fees and service expenses		(121,598)	(85,638)	(514)	(322)
Net fees and service income	26	349,030	299,265	(240)	(271)
Gain on financial instruments measured at					
fair value through profit or loss	27	174,603	70,279	133,709	22,323
Gain on investments	28	15,024	6,295	57	-
Gain on debt settlement/assets transferred for debt settlement		197,491	286	18,953	483
Gain (loss) on property foreclosed and other assets		10,073	42,114	(2,938)	360
Share of profit from investments accounted for under					
equity method - subsidiaries		-	-	596,153	460,296
Share of profit from investments accounted for under					
equity method - associated companies and joint venture		488,622	672,213	488,622	672,213
Insurance/Life insurance income	29	2,045,179	1,882,265	-	-
Dividend income		82,312	231,363	52,211	147,446
Other operating income		109,513	117,076	55,996	15,399
Total operating income		4,124,982	3,925,755	1,271,072	1,200,037
Insurance/Life insurance expenses	30	(1,487,372)	(1,303,044)	-	-
Net operating income		2,637,610	2,622,711	1,271,072	1,200,037
Other operating expenses					
Employee's expenses		518,521	457,951	57,217	40,480
Directors' remuneration		46,376	12,821	35,789	4,010
Premises and equipment expenses		67,788	60,432	7,922	5,683
Taxes and duties		6,197	4,379	551	305
Other expenses		169,035	144,739	15,329	11,917
Total other operating expenses		807,917	680,322	116,808	62,395
Expected credit loss	31	139,558	215,864	21,124	5,104
Profit before income tax		1,690,135	1,726,525	1,133,140	1,132,538
Income tax	13.2	(253,122)	(375,508)	(26,196)	(103,169)
Profit for the period		1,437,013	1,351,017	1,106,944	1,029,369

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the three-month period ended 30 June 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated		Separate	
	2021	2020	2021	2020
				(Restated)
Other comprehensive income				
<i>Transactions that will be reclassified subsequently to profit or loss</i>				
Gain (loss) on debt securities measured at fair value				
through other comprehensive income	10,641	(49,070)	1,139	341
Share of other comprehensive income of subsidiaries (loss)	-	-	5,044	(22,851)
Share of other comprehensive income of associated companies				
and joint venture (loss)	(5,894)	(33,975)	(5,894)	(33,975)
Income tax relating to components of other comprehensive income (loss)	1,873	9,091	(228)	(68)
	<u>6,620</u>	<u>(73,954)</u>	<u>61</u>	<u>(56,553)</u>
<i>Transactions that will never be reclassified subsequently to profit or loss</i>				
Gain (loss) on investments in equity designated to be measured at				
fair value through other comprehensive income	(59,165)	91,198	4,964	52,034
Share of other comprehensive income of subsidiaries (loss)	-	-	(35,945)	10,051
Share of other comprehensive income of associated companies				
and joint venture (loss)	2,980	(169,823)	2,980	(169,823)
Actuarial gain on defined benefit plan	-	65,955	-	11,094
Income tax relating to components of other comprehensive income (loss)	5,687	(29,600)	(3,109)	(10,407)
	<u>(50,498)</u>	<u>(42,270)</u>	<u>(31,110)</u>	<u>(107,051)</u>
Total other comprehensive income (loss)	<u>(43,878)</u>	<u>(116,224)</u>	<u>(31,049)</u>	<u>(163,604)</u>
Total comprehensive income	<u>1,393,135</u>	<u>1,234,793</u>	<u>1,075,895</u>	<u>865,765</u>
Total profit attributable to:				
The Company	1,106,944	1,029,369	1,106,944	1,029,369
Non-controlling interests	330,069	321,648		
	<u>1,437,013</u>	<u>1,351,017</u>		
Total comprehensive income attributable to:				
The Company	1,075,895	865,765	1,075,895	865,765
Non-controlling interests	317,240	369,028		
	<u>1,393,135</u>	<u>1,234,793</u>		
Earnings per share of the Company				
Basic earnings per share (Baht per share)	1.06	0.98	1.06	0.98
Diluted earnings per share (Baht per share)	1.06	0.98	1.06	0.98

32

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of comprehensive income
For the six-month period ended 30 June 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated financial statements		Separate financial statements		
	2021	2020	2021	2020	
				(Restated)	
Profit or loss					
Interest income	24	1,962,321	2,162,757	61,833	70,469
Interest expenses	25	(670,336)	(830,075)	(211,172)	(297,572)
Net interest income		1,291,985	1,332,682	(149,339)	(227,103)
Fees and service income		985,373	809,519	847	363
Fees and service expenses		(242,443)	(199,729)	(526)	(627)
Net fees and service income	26	742,930	609,790	321	(264)
Gain (loss) on financial instruments measured at fair value through profit or loss	27	261,226	(96,701)	178,016	13,120
Gain on investments	28	15,864	3,750,576	57	2,808
Gain on debt settlement/assets transferred for debt settlement		215,923	75,033	37,325	35,866
Gain on property foreclosed and other assets		26,222	171,306	22,470	105,238
Share of profit from investments accounted for under equity method - subsidiaries		-	-	1,124,768	3,853,286
Share of profit from investments accounted for under equity method - associated companies and joint venture		1,088,490	1,625,919	1,088,490	1,625,919
Insurance/Life insurance income	29	4,047,741	3,748,316	-	-
Dividend income		105,262	263,013	53,831	156,686
Other operating income		215,541	222,485	74,139	21,898
Total operating income		8,011,184	11,702,419	2,430,078	5,587,454
Insurance/Life insurance expenses	30	(2,767,878)	(2,747,515)	-	-
Net operating income		5,243,306	8,954,904	2,430,078	5,587,454
Other operating expenses					
Employee's expenses		1,040,858	902,735	107,135	77,489
Directors' remuneration		62,605	23,770	39,849	7,680
Premises and equipment expenses		128,504	120,295	13,826	10,959
Taxes and duties		10,408	10,888	1,651	1,872
Other expenses		323,015	314,690	25,981	30,006
Total other operating expenses		1,565,390	1,372,378	188,442	128,006
Expected credit loss	31	236,247	371,016	22,619	13,997
Profit before income tax		3,441,669	7,211,510	2,219,017	5,445,451
Income tax	13.2	(483,899)	(1,258,856)	(33,952)	(100,498)
Profit for the period		2,957,770	5,952,654	2,185,065	5,344,953

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of comprehensive income (continued)
For the six-month period ended 30 June 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated		Separate	
	2021	2020	2021	2020
				(Restated)
Other comprehensive income				
<i>Transactions that will be reclassified subsequently to profit or loss</i>				
Loss on debt securities measured at fair value				
through other comprehensive income	(43,053)	(38,653)	(1,447)	(118)
Share of other comprehensive income of subsidiaries (loss)	-	-	(19,065)	(15,768)
Share of other comprehensive income of associated companies				
and joint venture (loss)	(47,910)	(22,713)	(47,910)	(22,713)
Income tax relating to components of other comprehensive income	5,913	7,893	289	24
	<u>(85,050)</u>	<u>(53,473)</u>	<u>(68,133)</u>	<u>(38,575)</u>
<i>Transactions that will never be reclassified subsequently to profit or loss</i>				
Gain (loss) on investments in equity designated to be measured at fair value				
through other comprehensive income	(36,483)	(1,305,780)	73,202	(666,546)
Share of other comprehensive income of subsidiaries (loss)	-	-	(50,183)	(374,225)
Share of other comprehensive of associated companies				
and joint venture (loss)	55,060	(206,048)	55,060	(206,048)
Actuarial gain on defined benefit plan	679	65,955	-	11,094
Income tax relating to components of other comprehensive income (loss)	(2,773)	215,202	(16,757)	133,309
	<u>16,483</u>	<u>(1,230,671)</u>	<u>61,322</u>	<u>(1,102,416)</u>
Total other comprehensive income (loss)	<u>(68,567)</u>	<u>(1,284,144)</u>	<u>(6,811)</u>	<u>(1,140,991)</u>
Total comprehensive income	<u>2,889,203</u>	<u>4,668,510</u>	<u>2,178,254</u>	<u>4,203,962</u>
Total profit attributable to:				
The Company	2,185,065	5,344,953	2,185,065	5,344,953
Non-controlling interests	772,705	607,701		
	<u>2,957,770</u>	<u>5,952,654</u>		
Total comprehensive income attributable to:				
The Company	2,178,254	4,203,962	2,178,254	4,203,962
Non-controlling interests	710,949	464,548		
	<u>2,889,203</u>	<u>4,668,510</u>		
Earnings per share of the Company				
Basic earnings per share (Baht per share)	2.08	4.94	2.08	4.94
Diluted earnings per share (Baht per share)	2.08	4.94	2.08	4.94

32

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statements of changes in equity

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

	Consolidated financial statements													
	Equity attributable to the Company's shareholders													
	Other components of equity													
	Issued and paid-up share capital		Premium on common shares	Surplus from the change in the ownership interests		Revaluation surplus on investments	Revaluation surplus on assets	Share of other comprehensive income of associated companies and joint venture (loss)	Share of surplus from the change in the ownership interests in subsidiaries of an associate	Retained earnings			Treasury shares	Non-controlling interests
Preferred shares	Common shares	in investments in subsidiaries/ an associated company			Appropriated					Statutory reserve	Treasury shares reserve	Unappropriated		
Balance as at 1 January 2020	132	11,651,165	2,065,645	(4,408,409)	1,356,465	64,202	646,286	80,810	1,277,830	999,964	53,453,322	(999,964)	8,234,967	74,422,415
Dividend paid (Note 23)	-	-	-	-	-	-	-	-	-	-	(1,887,510)	-	-	(1,887,510)
Reversal of dividend on shares held by shareholders who are not entitled to receive dividend	-	-	-	-	-	-	-	-	-	-	512	-	-	512
Cash payment for treasury shares	-	-	-	-	-	-	-	-	-	-	-	(4,863,089)	-	(4,863,089)
Transfer retained earnings to treasury shares reserve	-	-	-	-	-	-	-	-	-	4,863,089	(4,863,089)	-	-	-
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(306,680)	(306,680)
Surplus from the change in the ownership interests of investments	-	-	-	246,355	-	771	-	-	-	-	(492,314)	-	(149,859)	(395,047)
Transfer gain on investments from equity securities/ amortisation of revaluation surplus on assets to retained earnings	-	-	-	-	713,233	(1,363)	(33,938)	-	-	-	(677,932)	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	5,344,953	-	607,701	5,952,654
Other comprehensive income for the period (loss)	-	-	-	-	(947,030)	-	(208,330)	-	-	-	14,369	-	(143,153)	(1,284,144)
Balance as at 30 June 2020	132	11,651,165	2,065,645	(4,162,054)	1,122,668	63,610	404,018	80,810	1,277,830	5,863,053	50,892,311	(5,863,053)	8,242,976	71,639,111
Balance as at 1 January 2021	132	11,651,165	2,065,645	(4,304,393)	1,071,533	62,735	388,215	80,810	1,277,830	5,863,053	51,016,932	(5,863,053)	9,457,550	72,768,154
Dividend paid (Note 23)	-	-	-	-	-	-	-	-	-	-	(1,887,510)	-	-	(1,887,510)
Reversal of dividend on shares held by shareholders who are not entitled to receive dividend	-	-	-	-	-	-	-	-	-	-	79	-	-	79
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(856,626)	(856,626)
Surplus from the change in the ownership interests in investments	-	-	-	(117,406)	-	344	-	-	-	-	-	-	(98,426)	(215,488)
Surplus from the change in the ownership interests in subsidiaries of an associate	-	-	-	-	-	-	-	(1,458)	-	-	-	-	-	(1,458)
Transfer gain on investments from equity securities/ amortisation of revaluation surplus on assets to retained earnings	-	-	-	-	6,217	(1,378)	(52,744)	-	-	-	47,905	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	2,185,065	-	772,705	2,957,770
Other comprehensive income for the period (loss)	-	-	-	-	(14,639)	-	(24,282)	-	-	-	32,110	-	(61,756)	(68,567)
Balance as at 30 June 2021	132	11,651,165	2,065,645	(4,421,799)	1,063,111	61,701	311,189	79,352	1,277,830	5,863,053	51,394,581	(5,863,053)	9,213,447	72,696,354

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of changes in equity (continued)
For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

	Separate financial statements															
	Other components of equity															
	Issued and paid-up share capital			Surplus from the change in the ownership interests			Share of other comprehensive income of subsidiaries (loss)			Share of surplus from the change in the ownership interests in subsidiaries		Retained earnings			Treasury shares	Total
	Preferred shares	Common shares	Premium on common shares	in investments in subsidiaries/ an associated company	Revaluation surplus on investments - net	Revaluation surplus on assets	income of subsidiaries (loss)	income of associated companies and joint venture (loss)	of an associate	Statutory reserve	Treasury shares reserve	Unappropriated	Treasury shares			
Balance as at 1 January 2020	132	11,651,165	2,065,645	-	654,826	42,906	-	-	-	1,277,830	999,964	58,446,037	(999,964)	74,138,541		
Cumulative effect of change in accounting policy (Note 3)	-	-	-	(4,408,409)	-	-	722,935	646,286	80,810	-	-	(4,992,715)	-	(7,951,093)		
Balance as at 1 January 2020 - as restated	132	11,651,165	2,065,645	(4,408,409)	654,826	42,906	722,935	646,286	80,810	1,277,830	999,964	53,453,322	(999,964)	66,187,448		
Dividend paid (Note 23)	-	-	-	-	-	-	-	-	-	-	-	(1,887,510)	-	(1,887,510)		
Reversal of dividend on shares held by shareholders who are not entitled to receive dividend	-	-	-	-	-	-	-	-	-	-	-	512	-	512		
Cash payment for treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	(4,863,089)	(4,863,089)		
Transfer retained earnings to treasury shares reserve	-	-	-	-	-	-	-	-	-	-	4,863,089	(4,863,089)	-	-		
Surplus from the change in the ownership interests in investments	-	-	-	246,355	-	-	771	-	-	-	-	(492,314)	-	(245,188)		
Transfer gain on investments from equity securities/ amortisation of revaluation surplus on assets to retained earnings	-	-	-	-	396,029	(918)	316,759	(33,938)	-	-	-	(677,932)	-	-		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	5,344,953	-	5,344,953		
Other comprehensive income for the period (loss)	-	-	-	(533,331)	-	-	(413,699)	(208,330)	-	-	-	14,369	-	(1,140,991)		
Balance as at 30 June 2020	132	11,651,165	2,065,645	(4,162,054)	517,524	41,988	626,766	404,018	80,810	1,277,830	5,863,053	50,892,311	(5,863,053)	63,396,135		
Balance as at 1 January 2021	132	11,651,165	2,065,645	-	487,970	41,060	-	-	-	1,277,830	5,863,053	53,078,708	(5,863,053)	68,602,510		
Cumulative effect of change in accounting policy (Note 3)	-	-	-	(4,304,393)	-	-	605,238	388,215	80,810	-	-	(2,061,776)	-	(5,291,906)		
Balance as at 1 January 2021- as restated	132	11,651,165	2,065,645	(4,304,393)	487,970	41,060	605,238	388,215	80,810	1,277,830	5,863,053	51,016,932	(5,863,053)	63,310,604		
Dividend paid (Note 23)	-	-	-	-	-	-	-	-	-	-	-	(1,887,510)	-	(1,887,510)		
Reversal of dividend on shares held by shareholders who are not entitled to receive dividend	-	-	-	-	-	-	-	-	-	-	-	79	-	79		
Surplus from the change in the ownership interests in investments	-	-	-	(117,406)	-	-	344	-	-	-	-	-	-	(117,062)		
Surplus from the change in the ownership interests in subsidiaries of an associate	-	-	-	-	-	-	-	-	(1,458)	-	-	-	-	(1,458)		
Transfer gain on investments from equity securities/ amortisation of revaluation surplus on assets to retained earnings	-	-	-	-	10,584	(913)	(4,832)	(52,744)	-	-	-	47,905	-	-		
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	2,185,065	-	2,185,065		
Other comprehensive income for the period (loss)	-	-	-	-	55,287	-	(69,926)	(24,282)	-	-	-	32,110	-	(6,811)		
Balance as at 30 June 2021	132	11,651,165	2,065,645	(4,421,799)	553,841	40,147	530,824	311,189	79,352	1,277,830	5,863,053	51,394,581	(5,863,053)	63,482,907		

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of cash flows
For the six-month period ended 30 June 2021

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
				(Restated)
Cash flows from operating activities				
Profit before income tax	3,441,669	7,211,510	2,219,017	5,445,451
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities				
Share of profit from investments accounted for under equity method - subsidiaries	-	-	(1,124,768)	(3,853,286)
Share of profit from investments accounted for under equity method - associated companies and joint venture	(1,088,490)	(1,625,919)	(1,088,490)	(1,625,919)
Depreciation and amortisation	102,049	97,188	15,310	11,570
Expected credit loss	236,247	371,016	22,619	13,997
Increase (decrease) in provisions	(11,104)	25,859	6,374	16,559
Increase (decrease) in allowance for impairment of property foreclosed	(34,537)	(56,602)	(30,975)	1,244
Gain and interest income from assets transferred for debt settlement	-	(1,084)	-	-
Decrease in allowance for impairment of other assets	(11,831)	(2,188)	-	-
Gain on financial instruments measured at fair value through profit or loss	(299,599)	(124,473)	(171,603)	(11,464)
Loss (gain) on disposal of equipment and intangible assets	534	1,909	(438)	-
Decrease (increase) in accrued other income	268,938	307,072	(36,521)	(20,452)
	2,603,876	6,204,288	(189,475)	(22,300)
Net interest income	(1,291,985)	(1,332,682)	149,339	227,103
Dividend income	(105,262)	(263,013)	(53,831)	(156,686)
Cash received from interest on operating activities	1,870,364	1,973,536	54,580	25,174
Cash paid for interest on operating activities	(142,004)	(110,765)	-	-
Cash paid for income tax	(757,482)	(351,516)	(2,267)	(2,185)
Profit (loss) from operating activities before changes in operating assets and liabilities	2,177,507	6,119,848	(41,654)	71,106

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the six-month period ended 30 June 2021

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
				(Restated)
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Interbank and money market items	(1,044,854)	(16,893,696)	(877,052)	(5,072,122)
Derivative assets	20,423	7,179	-	-
Financial assets measured at fair value through profit or loss	533,181	110,931	1,046,261	788,600
Loans to customers	(3,495,831)	1,367,589	(2,404,427)	37,733
Property foreclosed	321,201	444,329	25,249	20,007
Receivables from purchase and sale of securities	156,574	754,627	-	763,112
Other assets	597,788	2,899,064	5,261	8,588
Increase (decrease) in operating liabilities				
Interbank and money market items	2,588,515	(6,283,889)	-	-
Derivatives liabilities	2,126	(35,346)	-	-
Payables from purchase and sales of securities	(268,703)	831,721	-	(193,902)
Insurance contract liabilities	(797,315)	(1,008,647)	-	-
Other liabilities	309,203	(878,684)	(35,753)	(50,456)
Net cash flows from (used in) operating activities	1,099,815	(12,564,974)	(2,282,115)	(3,627,334)
Cash flows from investing activities				
Decrease in investments in securities	4,687,186	24,338,244	4,512,045	16,753,331
Cash paid for purchase of investments in subsidiaries, associated companies, and joint venture	(2,370,523)	(1,388,012)	(2,552,900)	(1,388,012)
Cash received from capital return from the subsidiary	-	-	374,969	-
Cash received from interest	108,956	97,990	4,938	3,001
Cash received from dividend	1,024,028	617,060	2,049,380	3,884,131
Cash paid for purchase of premises and equipment/intangible assets	(131,914)	(26,078)	(2,122)	(209)
Cash received from disposal of equipment	1,393	407	1,356	-
Net cash flows from investing activities	3,319,126	23,639,611	4,387,666	19,252,242

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
				(Restated)
Cash flows from financing activities				
Cash received from debts issued and borrowings	4,989,170	13,113,395	-	-
Cash paid for debts issued and borrowings	(6,047,146)	(11,653,715)	-	(4,000,000)
Cash paid for interest expenses on debt issued and borrowings	(558,039)	(695,274)	(210,570)	(284,274)
Cash paid for treasury shares	-	(4,863,089)	-	(4,863,089)
Cash paid to the non-controlling interests from the decrease of registered capital of the subsidiary	(31)	-	-	-
Cash paid for dividend	(1,887,431)	(6,469,649)	(1,887,431)	(6,469,649)
Cash paid for lease liabilities	(54,412)	(54,550)	(7,540)	(7,896)
Cash paid for dividend to non-controlling interests	(857,129)	(451,738)	-	-
Net cash flows used in financing activities	(4,415,018)	(11,074,620)	(2,105,541)	(15,624,908)
Net increase in cash	3,923	17	10	-
Cash at beginning of the period	2,471	2,970	-	-
Cash at end of the period	6,394	2,987	10	-
Supplemental cash flows information				
Non-cash transactions				
Property foreclosed transferred from loans	312,640	309,778	-	-
Payable from purchase of assets	112,412	547	-	-
Right-of-use assets	62,037	23,282	40,378	703
Transfer investments held for minority shareholders to investments in subsidiary and associated companies	-	39,008	-	39,008

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

Thanachart Capital Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and six-month period ended 30 June 2021

1. General information

1.1 General information of the Company

Thanachart Capital Public Company Limited (“the Company”) is incorporated as a public limited company and operated its business in Thailand. The Company is mainly engaged in investment holding and the registered office of the Company is at 444, 16-17th Floor, MBK Tower, Phayathai Road, Wangmai, Pathumwan, Bangkok.

All subsidiaries are registered limited or public limited companies under Thai laws and operate their business in Thailand. The subsidiaries’ business include non-performing assets management business, securities business, leasing and hire purchase business, non-life insurance business, life insurance business, and others.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, impacting various businesses and industries. This situation could create uncertainties and may be impacting the Group’s operating results and cash flows in the future, but the impact cannot be reasonably estimated at this stage. However, the Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and also cash flows management of the Group. Therefore, the management has used estimates and judgements in respect of various matters in order to continuously assess the impact as the situation evolves.

2. Basis for preparation of the financial information

2.1 Basis for preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. The Group choosing to present condensed interim financial information, but however, the Group has presented the statements of financial position, comprehensive income, changes in equity, and cash flows in the same format as that used for the annual financial statements, which are in accordance with the Bank of Thailand (“BOT’s”) Notification relating to the preparation and format of the financial statements of Commercial Banks and holding company of financial business groups, date 31 October 2018 because the major business of the group is asset management.

These interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official financial statements of the Company. The interim financial information in English language have been translated from the Thai language interim financial information.

2.2 Basis of preparation of the interim consolidated financial information

- a) The interim consolidated financial information were prepared on the same basis as the consolidated financial statements for the year ended 31 December 2020. Therefore, the interim consolidated financial information included the financial information of the Company and the following subsidiary companies.

	Percentage of holding by the Company		Percentage of holding by the subsidiaries	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
<u>Subsidiaries directly held by the Company</u>				
NFS Asset Management Co., Ltd.	100.00	100.00	-	-
Thanachart SPV 1 Co., Ltd.	100.00	100.00	-	-
Thanachart Plus Co., Ltd.	100.00	-	-	-
TS Asset Management Co., Ltd.	99.99	99.99	-	-
Thanachart SPV 2 Co., Ltd.	99.98	99.98	-	-
NASSET Property Fund 6	99.80	99.80	-	-
Max Asset Management Co., Ltd.	83.44	83.44	-	-
Thanachart Securities Plc.	50.96	50.96	-	-
Thanachart Insurance Plc.	50.96	50.96	-	-
MBK Life Assurance Plc.	51.00	51.00	-	-
TM Broker Co., Ltd.	51.00	51.00	-	-
MT Service 2016 Co., Ltd.	51.00	51.00	-	-
<u>Subsidiaries indirectly held by the Company</u>				
Ratchthani Leasing Plc.	3.77	3.13	56.02	55.73
Thanachart Group Leasing Co., Ltd.	-	-	100.00	100.00
Thanachart Management and Services Co., Ltd.	-	-	100.00	100.00
Thanachart Training and Development Co., Ltd.	-	-	100.00	100.00
Security Scib Services Co., Ltd.	-	-	100.00	100.00
RTN Insurance Broker Co., Ltd.	-	-	59.79	58.86

- b)** Total assets and net operating income of the subsidiaries that have significant impact to and are included in the consolidated financial statements as at 30 June 2021 and 31 December 2020 and for the six-month periods ended 30 June 2021 and 2020, after eliminating significant intercompany transactions, are as follows:

(Unit: Million Baht)

	Total assets		Net operating income for the six-month periods ended 30 June	
	30 June	31 December		
	2021	2020	2021	2020
Thanachart Securities Plc.	7,946	6,852	875	651
Thanachart Insurance Plc.	14,187	14,855	1,198	1,233
MBK Life Assurance Plc.	6,538	6,883	208	(123)
Ratchthani Leasing Plc.	49,234	47,998	1,426	1,499

- 2.3** The separate financial statements present investments in subsidiary and associated companies under the equity method.

2.4 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal year beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

b) Financial reporting standards that will become effective for fiscal year beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised Financial Reporting Standards which are effective for fiscal years beginning on or after January 1, 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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

2.5 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020 except for the changes in accounting policies related to investments in subsidiaries and associates in the separate financial statements from cost method to equity method

Investments in subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates in the separate financial statements presented under the equity method which are initially recorded at cost and adjusted to reflect proportionate share of the operating result of the subsidiaries and associates.

3. Cumulative effects of change in accounting policy relating to the presentation of investments in subsidiaries and associates in the separate financial statements from cost method to equity method

During the period, the Company has reconsidered and changed its accounting policy related to investments in subsidiaries and associates in the separate financial statements from cost method to equity method.

In making the changes in accounting policy, the Company adjusted the transaction retrospectively for the corresponding amounts as if the Company had applied the equity method to account for investments in subsidiaries and associated companies in the past. The cumulative effect of the change in accounting policy up to the beginning of 2020 is presented in "Cumulative effects of change in accounting policy relating to investments in subsidiaries and associates" in the statement of changes in equity. The amounts of the adjustments affecting the statements of financial position as at 31 December 2020 and 1 January 2020 and the statements of comprehensive income for the three-month and six-month periods ended 30 June 2020 are as follows:

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements	
	31 December 2020	1 January 2020
Statements of financial position		
Decrease in investments in subsidiaries	(6,320)	(7,333)
Increase (decrease) in investments in associated companies	1,028	(618)
Decrease in retained earnings - unappropriated	(2,062)	(4,993)
Decrease in other components of shareholders' equity	(3,230)	(2,958)

(Unit: Million Baht)

	Separate financial statements	
	For the three-month period ended 30 June 2020	For the six-month period ended 30 June 2020
Statements of comprehensive income		
Profit or loss		
Increase in gain on investments	429	454
Increase in share of profit from investments accounted for under equity method - subsidiaries	460	3,853
Increase in share of profit from investments accounted for under equity method - associated companies and joint venture	672	1,626
Decrease in dividend income	(3,376)	(3,727)
Other comprehensive income		
Decrease in share of other comprehensive income of investments in subsidiaries	(13)	(390)
Decrease in share of other comprehensive income of investments in associated companies and joint venture	(203)	(229)
Increase (decrease) in total comprehensive income	(2,031)	1,587
Earnings per share of the Company		
Increase (decrease) in basic earnings per share (Baht per share)	(1.73)	2.04
Increase (decrease) in diluted earnings per share (Baht per share)	(1.73)	2.04

Moreover, as a result of the changes in accounting policy, profit or loss in the separate financial statements for the three-month period ended 30 June 2021 was decreased by Baht 887 million, other comprehensive income decreased by Baht 34 million and earnings per share decreased by Baht 0.84 per share, while for the six-month period ended 30 June 2021 profit or loss was increased by Baht 217 million, other comprehensive income decreased by Baht 62 million and earnings per share increased by Baht 0.21 per share.

4. Classification of financial assets and financial liabilities

(Unit: Million Baht)

	Consolidated financial statements			
	30 June 2021			
	Financial instruments measured at			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<u>Financial assets</u>				
Cash	-	-	6	6
Interbank and money market items - net	-	-	8,852	8,852
Financial assets measured at fair value through profit or loss				
Debt securities	1,048	-	-	1,048
Equity securities	1,873	-	-	1,873
Derivatives assets	313	-	-	313
Investments - net				
Debt securities	-	13,830	43	13,873
Equity securities	-	2,923	-	2,923
Loans to customers and accrued interest receivables - net	7	-	53,287	53,294
Receivables from purchase and sale of securities	-	-	1,090	1,090
Other assets - Receivables to clearing house	-	-	152	152
Other assets - Accrued interest income	-	-	116	116
Other assets - Others	-	-	389	389
<u>Financial liabilities</u>				
Interbank and money market items	-	-	15,901	15,901
Derivatives liabilities	16	-	-	16
Debt issued and borrowings	-	-	32,829	32,829
Payables from purchase and sale of securities	46	-	1,940	1,986
Other liabilities - Accrued interest expenses	-	-	207	207
Other liabilities - Payables to clearing house	-	-	349	349
Other liabilities - Lease liabilities	-	-	435	435

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements				
31 December 2020				
Financial instruments measured at				
	Fair value			
	Fair value	through other	Amortised	
	through profit	comprehensive	cost	Total
	or loss	income		
Financial assets				
Cash	-	-	2	2
Interbank and money market items - net	-	-	7,812	7,812
Financial assets measured at fair value through				
profit or loss				
Debt securities	2,021	-	-	2,021
Equity securities	1,336	-	-	1,336
Derivatives assets	145	-	-	145
Investments - net				
Debt securities	-	19,250	43	19,293
Equity securities	-	2,357	-	2,357
Loans to customers and accrued interest				
receivables - net	12	-	50,239	50,251
Receivables from purchase and sale of securities	-	-	1,247	1,247
Other assets - Receivables to clearing house	-	-	797	797
Other assets - Accrued interest income	-	-	122	122
Other assets - Others	-	-	421	421
Financial liabilities				
Interbank and money market items	-	-	13,312	13,312
Derivatives liabilities	14	-	-	14
Debt issued and borrowings	-	-	33,887	33,887
Payables from purchase and sale of securities	127	-	1,956	2,083
Other liabilities - Accrued interest expenses	-	-	243	243
Other liabilities - Lease liabilities	-	-	435	435

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements

30 June 2021

Financial instruments measured at

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
<u>Financial assets</u>				
Interbank and money market items - net	-	-	1,050	1,050
Financial assets measured at fair value through profit or loss				
Debt securities	98	-	-	98
Equity securities	125	-	-	125
Derivatives assets	312	-	-	312
Investments - net				
Debt securities	-	3,005	-	3,005
Equity securities	-	1,654	-	1,654
Loans to customers and accrued interest receivables - net	-	-	3,195	3,195
Other assets - Accrued interest income	-	-	4	4
Other assets - Capital return from subsidiary	-	-	701	701
Other assets - Others	-	-	71	71
<u>Financial liabilities</u>				
Debt issued and borrowings	-	-	10,700	10,700
Payables from purchase and sale of securities	-	-	620	620
Other liabilities - Accrued interest expenses	-	-	81	81
Other liabilities - Lease liabilities	-	-	94	94

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	31 December 2020			
	Financial instruments measured at			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets				
Interbank and money market items - net	-	-	172	172
Financial assets measured at fair value through profit or loss				
Debt securities	1,101	-	-	1,101
Equity securities	117	-	-	117
Derivatives assets	142	-	-	142
Investments - net				
Debt securities	-	7,202	-	7,202
Equity securities	-	1,495	-	1,495
Loans to customers and accrued interest receivables - net	-	-	804	804
Other assets - Accrued interest income	-	-	7	7
Other assets - Others	-	-	36	36
Financial liabilities				
Debt issued and borrowings	-	-	10,700	10,700
Other liabilities - Accrued interest expenses	-	-	82	82
Other liabilities - Lease liabilities	-	-	66	66

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

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	Fair value	Fair value	Fair value	Fair value
Government and state enterprises securities	76	78	-	-
Private debt securities	822	1,302	50	460
Unit trusts	150	641	48	641
Domestic marketable equity securities	1,523	1,008	-	-
Domestic non-marketable equity securities	350	328	125	117
Total	2,921	3,357	223	1,218

6. Derivatives assets/derivatives liabilities

As at 30 June 2021 and 31 December 2020, the notional amount and the fair value of trading derivatives were classified by type of risk as follows:

(Unit: Million Baht)

Types of risk	Consolidated financial statements					
	30 June 2021			31 December 2020		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Others						
Derivatives for trading	1	2	1,584	3	1	1,169
Derivatives warrants	-	14	1,656	-	13	522
Warrants	312	-	-	142	-	-
Total	313	16	3,240	145	14	1,691

(Unit: Million Baht)

Types of risk	Separate financial statements					
	30 June 2021			31 December 2020		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Others						
Warrants	312	-	-	142	-	-
Total	312	-	-	142	-	-

7. Investments

7.1 Classified by type of investments

As at 30 June 2021 and 31 December 2020, investments classified by type of investments are as follows;

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	Amortised cost/ Fair value	Amortised cost/ Fair value	Amortised cost/ Fair value	Amortised cost/ Fair value
Investments in debt securities measured at amortised cost				
Government and state enterprises securities	43	43	-	-
Less: Allowance for expected credit loss	-	-	-	-
Total	43	43	-	-

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	Amortised cost/ Fair value	Amortised cost/ Fair value	Amortised cost/ Fair value	Amortised cost/ Fair value
Investments in debt securities				
measured at fair value through				
other comprehensive income				
Government and state enterprises securities	10,503	16,047	2,628	6,915
Private debt securities	3,327	3,203	377	287
Total	13,830	19,250	3,005	7,202
Allowance for expected credit loss	310	274	1	1
Investments in equity securities				
designated to be measured at fair				
value through other comprehensive				
income				
Domestic marketable equity securities	2,651	2,072	1,485	1,331
Domestic non-marketable equity securities	272	285	169	164
Total	2,923	2,357	1,654	1,495
Total	16,796	21,650	4,659	8,697

(Unaudited but reviewed)

7.2 During the three-month and six-month periods ended 30 June 2021 and 2020, the Company and its subsidiaries disposed of their investments in equity securities designated to be measured at fair value through other comprehensive income so the change in the fair value of these investments through other comprehensive income are transferred to retained earnings as follows:

(Unit: Million Baht)

Consolidated financial statements								
For the three-month periods ended 30 June								
2021					2020			
Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax) ⁽¹⁾	Reason for written-off	Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax) ⁽¹⁾	Reason for written-off	
Domestic marketable equity securities	78	-	(6)	Disposal	3,834	173	(536)	Disposal
Total	78	-	(6)		3,834	173	(536)	

(1) Only the Company portion

(Unit: Million Baht)

Consolidated financial statements								
For the six-month periods ended 30 June								
2021					2020			
Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax) ⁽¹⁾	Reason for written-off	Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax) ⁽¹⁾	Reason for written-off	
Domestic marketable equity securities	78	-	(6)	Disposal	5,211	173	(713)	Disposal
Total	78	-	(6)		5,211	173	(713)	

(1) Only the Company portion

(Unit: Million Baht)

Separate financial statements								
For the three-month and six-month periods ended 30 June								
2021					2020			
Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax)	Reason for written-off	Fair value at the written-off date	Dividend received	Retained gain (loss) (net of income tax)	Reason for written-off	
Domestic marketable equity securities	13	-	(11)	Disposal	1,850	108	(396)	Disposal
Total	13	-	(11)		1,850	108	(396)	

In addition, during the three-month periods ended 30 June 2021 and 2020, the Company and its subsidiaries received dividends from equity securities designated to be measured at fair value through other comprehensive income by Baht 61 million and Baht 22 million,

respectively (separate financial statements: Baht 48 million and Baht 33 million respectively), and for the six-month periods ended 30 June 2021 and 2020, Baht 70 million and Baht 47 million, respectively (separate financial statements: Baht 50 million and Baht 42 million respectively).

7.3 Investments in companies having problems relating to financial position and operating results

As at 30 June 2021 and 31 December 2020, investments in securities of subsidiaries included investments in two companies having problems relating to financial position and operating results, amounting to Baht 307 million and Baht 272 million, respectively. The subsidiaries have already set aside allowance for expected credit loss for the full amount.

8. Investments in subsidiaries

8.1 Separate financial statements

As at 30 June 2021 and 31 December 2020, investments in subsidiaries in the separate financial statements consist of investments in ordinary shares as follow:

(Unit: Million Baht)

Company's name	Separate financial statements							
	Paid-up share capital		Percentage of holding (%)		Value of investments			
					Cost method		Equity method	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Subsidiaries								
NFS Asset Management Co., Ltd.	175	175	100.00	100.00	175	175	548	468
Thanachart SPV 1 Co., Ltd.	12,704	12,704	100.00	100.00	12,704	12,704	5,795	5,863
Thanachart Plus Co., Ltd.	25	-	100.00	-	250	-	251	-
TS Asset Management Co., Ltd.	125	500	99.99	99.99	459	834	361	724
Thanachart SPV 2 Co., Ltd.	233	934	99.98	99.98	709	1,409	446	1,124
NASSET Property Fund 6	121	121	99.80	99.80	4	4	90	89
Max Asset Management Co., Ltd.	40	40	83.44	83.44	33	33	288	302
Thanachart Securities Plc.	3,000	3,000	50.96	50.96	1,771	1,771	1,870	1,907
Thanachart Insurance Plc.	4,930	4,930	50.96	50.96	2,697	2,697	2,834	2,920
MBK Life Assurance Plc.	1,000	1,000	51.00	51.00	613	613	457	428
TM Broker Co., Ltd.	20	20	51.00	51.00	10	10	15	12
MT Service 2016 Co., Ltd.	50	50	51.00	51.00	26	26	4	4
Ratchthani Leasing Plc.	5,663	5,663	3.77	3.13	815	668	394	329
Total investments in subsidiaries					20,266	20,944	13,353	14,170
Less: Allowance for impairment					(454)	(454)		
Total investments in subsidiaries - net					19,812	20,490		

During January to June 2021, the Company and its subsidiaries purchased additional shares of Ratchthani Leasing Plc. of 53 million ordinary shares totaling Baht 215 million, increasing its shareholding by 0.94 percent (the separated financial statements: the Company purchased 36 million shares totaling Baht 147 million, representing 0.64 percent).

(Unaudited but reviewed)

On May 2021, the Company invested Baht 250 million in 25 million ordinary shares of Thanachart Plus Co. Ltd., representing a 100 percent shareholding. As a result, the Company recognised its investment in Thanachart Plus Co., Ltd. as investment in a subsidiary.

During the six-month period ended 30 June 2021, the following subsidiaries decreased their registered capital by a combined total of Baht 1,076 million.

Company's name	Amount	Value of investments
	(Shares)	(Million Baht)
<u>Subsidiary companies</u>		
Thanachart SPV 2 Co.,Ltd.	70,065,628	701
TS Asset Management Co., Ltd.	37,496,862	375

Receipt of these capital returns has no effect on the proportionate shareholdings.

8.2 Share of profit from investments in subsidiaries

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company recognised share of profit (loss) from investments in subsidiaries for the separate financial statements as follows:

(Unit: Million Baht)

Subsidiaries	Separate financial statements					
	For the three-month periods ended 30 June					
	Share of profit (loss)		Share of other		Dividend received	
	2021	2020	2021	2020	2021	2020
NFS Asset Management Co., Ltd.	92	(12)	(16)	(58)	-	-
Thanachart SPV 1 Co., Ltd.	241	241	-	(1)	508	315
Thanachart Plus Co., Ltd.	1	-	-	-	-	-
TS Asset Management Co., Ltd.	39	25	-	-	-	-
Thanachart SPV 2 Co., Ltd.	37	55	(1)	(4)	27	2,707
NASSET Property Fund 6	-	-	-	-	-	-
Max Asset Management Co., Ltd.	(3)	(6)	-	1	-	-
Thanachart Securities Plc.	90	66	-	-	230	-
Thanachart Insurance Plc.	110	153	(13)	39	254	-
MBK Life Assurance Plc.	(28)	(78)	-	8	-	-
TM Broker Co., Ltd.	2	-	-	1	-	-
MT Service 2016 Co., Ltd.	(1)	-	-	1	-	-
Ratchthani Leasing Plc.	16	16	-	-	34	-
Total	596	460	(30)	(13)	1,053	3,022

(Unaudited but reviewed)

(Unit: Million Baht)

Subsidiaries	Separate financial statements					
	For the six-month periods ended 30 June					
	Share of profit (loss)		Share of other comprehensive income (loss)		Dividend received	
	2021	2020	2021	2020	2021	2020
NFS Asset Management Co., Ltd.	85	(18)	(5)	(59)	-	-
Thanachart SPV 1 Co., Ltd.	478	509	-	(1)	508	315
Thanachart Plus Co., Ltd.	1	-	-	-	-	-
TS Asset Management Co., Ltd.	36	28	-	-	24	146
Thanachart SPV 2 Co., Ltd.	51	3,088	(1)	(182)	27	2,707
NASSET Property Fund 6	1	-	-	-	-	-
Max Asset Management Co., Ltd.	(14)	8	-	1	-	-
Thanachart Securities Plc.	192	123	-	-	230	122
Thanachart Insurance Plc.	200	246	(32)	(99)	254	75
MBK Life Assurance Plc.	60	(144)	(31)	(52)	-	-
TM Broker Co., Ltd.	3	-	-	1	-	-
MT Service 2016 Co., Ltd.	-	-	-	1	-	-
Ratchthani Leasing Plc.	32	13	-	-	34	8
Total	1,125	3,853	(69)	(390)	1,077	3,373

9. Investments in associated companies and joint venture

As at 30 June 2021 and 31 December 2020, investment in associated companies and joint venture consists of investments in ordinary shares of the following companies which operate in Thailand as follow:

Company's name	(Unit: Million Baht)					
	Percentage of holding (%)		Value of investments			
	30 June 2021	31 December 2020	Cost method		Equity method	
			30 June 2021	31 December 2020	30 June 2021	31 December 2020
Associated companies						
TMBThanachart Bank Plc ⁽²⁾	22.20	20.11	44,402	42,076	46,596	44,061
MBK Plc.	22.24	22.42	1,704 ⁽¹⁾	1,704 ⁽¹⁾	3,909	3,943
Joint Venture						
TM Communications and Brand Management Co., Ltd.	50.00	50.00	3	3	3	3
Total investments in associated companies and joint venture			46,109	43,783	50,508	48,007

(1) As at 30 June 2021 and 31 December 2020, value of investments in associated company - MBK Plc. under the cost method in consolidated financial statements are Baht 1,704 million (after deducting intergroup transactions) and in the separate financial statements are Baht 4,900 million.

(2) TMBThanachart Bank Plc. changed its name from TMB Bank Plc. since 12 May 2021.

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements and separate financial statements

For the three-month periods ended 30 June

Company's name	Share of profit (loss)		Share of other comprehensive income (loss)		Share of surplus from the change in the ownership interests in subsidiaries of an associate		Dividend received	
	2021	2020	2021	2020	2021	2020	2021	2020
<u>Associated companies</u>								
TMBThanachart Bank Plc.	542	623	2	(65)	-	-	919	194
MBK Plc.	(54)	49	(5)	(139)	-	-	-	160
<u>Joint Venture</u>								
TM Communications and Brand Management Co., Ltd.	-	-	-	-	-	-	-	-
Total	488	672	(3)	(204)	-	-	919	354

(Unit: Million Baht)

Consolidated financial statements and separate financial statements

For the six-month periods ended 30 June

Company's name	Share of profit (loss)		Share of other comprehensive income (loss)		Share of surplus from the change in the ownership interests in subsidiaries of an associate		Dividend received	
	2021	2020	2021	2020	2021	2020	2021	2020
<u>Associated companies</u>								
TMBThanachart Bank Plc.	1,120	1,461	8	(68)	-	-	919	194
MBK Plc.	(32)	165	(1)	(161)	(1)	-	-	160
<u>Joint Venture</u>								
TM Communications and Brand Management Co., Ltd.	-	-	-	-	-	-	-	-
Total	1,088	1,626	7	(229)	(1)	-	919	354

During the six-month period ended 30 June 2021, the Company purchased 2,009 million additional ordinary shares of TMBThanachart Bank Plc. for Baht 2,326 million (for the three-month period ended 30 June 2021, 982 million ordinary shares were purchased for Baht 1,100 million) resulting in an increase in the Company's shareholding of 2.09 percent, to 22.20 percent as at 30 June 2021. The Company is in the process of determining the net fair value of the identifiable assets and liabilities at the acquisition date of this additional investment in the associated company.

9.1 Summarised financial information of associated companies

- a) Summarised financial information of TMBThanachart Bank Plc. as at 30 June 2021 and 31 December 2020 and for the six-month periods ended 30 June 2021 and 2020 (before eliminations) are as follows:

Paid-up share capital		Total assets		Total liabilities		Total income for the six-month periods ended		Profit for the six-month periods ended		Other comprehensive income for the six-month periods ended	
30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June		30 June		30 June	
						2021	2020	2021	2020	2021	2020
91,589	91,589	1,748,473	1,808,332	1,542,613	1,603,582	42,162	48,148	5,316	7,258	37	(339)

- b) Summarised financial information of MBK Plc. as at 31 March 2021 and 30 September 2020 and for the six-month periods ended 31 March 2021 and 2020 (before eliminations) are as follows:

Paid-up share capital		Total assets ⁽¹⁾		Total liabilities ⁽¹⁾		Total income for the six-month periods ended		Profit for the six-month periods ended		Other comprehensive income for the six-month periods ended	
31 March 2021	30 September 2020	31 March 2021	30 September 2020	31 March 2021	30 September 2020	31 March		31 March		31 March ⁽¹⁾	
						2021	2020	2021	2020	2021	2020
1,695	1,695	62,200	60,253	37,614	36,547	4,640	6,029	(71)	1,318	933	(3,269)

(1) Presents in the amount after adjustment for the effect of differences in accounting policies.

The share of profit (loss) from investments in MBK Plc. accounted for under the equity method was determined based on financial statements of MBK Plc. that were prepared for periods different from those of the Company, due to limited information available, but are prepared for the same length of time and based on the principle of consistency. Therefore, share of profit of the associate under the equity method for the six-month period ended 30 June 2021 was determined based on financial statements that were prepared by the Company's management with reference to financial statements for the six-month period ended 31 March 2021 and adjusted for the effect of differences in accounting policies. In addition, the Company's management considered that the income for the period is not materially different from the income for the six-month period ended 30 June 2021.

c) Fair value of investments in associated companies

As at 30 June 2021 and 31 December 2020, the fair value of investments in associated companies which are listed on the Stock Exchange of Thailand is as follows:

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	30 June 2021	31 December 2020
TMBThanachart Bank Plc.	23,967	20,941
MBK Plc.	5,053	4,749

10. Loans to customers and accrued interest receivables**10.1 Classified by loan type**

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
<u>Loans to customers</u>				
Loans	973	327	1,797	21
Loans purchased of receivables	1,092	1,176	208	210
Notes receivables	7	7	1,307	676
Hire purchase receivables	53,726	52,503	-	-
Financial lease receivables	733	782	-	-
Less: Deferred revenues	(5,358)	(5,306)	-	-
Total loans to customers net of deferred revenues	51,173	49,489	3,312	907
Add: Accrued interest receivables	112	84	32	21
Total loans to customers and accrued interest receivables net of deferred revenues	51,285	49,573	3,344	928
Less: Allowance for expected credit loss	(2,441)	(2,337)	(149)	(124)
Loans to customers and accrued interest receivables - net	48,844	47,236	3,195	804
<u>Securities business receivables</u>				
Credit balances receivables	4,442	3,003	-	-
Other receivables	13	17	-	-
Total securities business receivables	4,455	3,020	-	-
Less: Allowance for expected credit loss	(5)	(5)	-	-
Securities business receivables - net	4,450	3,015	-	-
Total loans to customers and accrued interest receivables - net	53,294	50,251	3,195	804

10.2 Debt restructuring

As at 30 June 2021 and 31 December 2020, the Company and its subsidiaries have restructured receivables balances (principal and accrued interest receivable) as follow:

	Restructured receivables			
	Number of receivables		Outstanding balances	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		Million Baht	Million Baht	
Thanachart Capital Plc.	13	13	14	16
MAX Asset Management Co., Ltd.	46	46	136	141
Other subsidiaries	50	52	83	147

In addition, a subsidiary company has entered into scheme to provides assistance to hire purchase receivables and has applied the Accounting Guidance on “Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations that Affect the Thai Economy” issued by the Federation of Accounting Professions.

As at 30 June 2021, 3.13 percent of hire purchase receivables of that subsidiary were still participating in the scheme. 1.96 percent of those receivables, the subsidiary had negotiated with receivables by analysis their status and business and believed that the debtors were able to comply with the debt restructuring agreements, the subsidiary therefore classified them as loans with no significant increase in credit risk (Stage 1) immediately. For the other 1.17 percent of those receivables, the subsidiary moratoriums on principal payment and continued to classify them at the same stage as before they joined the scheme.

10.3 Classified by classification

As at 30 June 2021 and 31 December 2020, the Company and its subsidiaries classified loans and related allowances as summarised below.

(Unit: Million Baht)

	Consolidated financial statements			
	30 June 2021		31 December 2020	
	Loans and accrued interest receivables	Allowance for expected credit loss	Loans and accrued interest receivables	Allowance for expected credit loss
Receivables without a significant increase in credit risk (Performing)	47,341	211	43,987	183
Receivables with a significant increase in credit risk (Under-performing)	5,457	638	5,829	643
Receivables with credit impairment (Non-performing)	1,741	928	1,528	857
Receivables with purchased or originated credit impairment (Non- performing purchased or originated credit impaired)	1,201	669	1,249	659
Total	55,740	2,446	52,593	2,342

(Unit: Million Baht)

	Separate financial statements			
	30 June 2021		31 December 2020	
	Loans and accrued interest receivables	Allowance for expected credit loss	Loans and accrued interest receivables	Allowance for expected credit loss
Receivables without a significant increase in credit risk (Performing)	3,082	20	676	7
Receivables with a significant increase in credit risk (Under-performing)	-	-	-	-
Receivables with credit impairment (Non-performing)	22	19	22	19
Receivables with purchased or originated credit impairment (Non- performing purchased or originated credit impaired)	240	110	230	98
Total	3,344	149	928	124

10.4 Hire purchase/financial lease receivables classified by aging

As at 30 June 2021 and 31 December 2020, the subsidiaries, which are engaged in hire purchases and financial leases businesses, have hire purchase and financial lease receivables. These mostly comprise hire purchase agreements or financial lease agreements for cars, trucks and motorcycles. The terms of the agreements are generally between 2 and 5 years and they carry interest at fixed rates stipulated in the agreements.

(Unit: Million Baht)

	Consolidated financial statements			
	30 June 2021			
	Amounts due under lease agreements			
	Not over			
	1 year ⁽¹⁾	1 - 5 years	Over 5 years	Total
Gross investment in the lease	22,039	32,388	32	54,459
Less: Unearned finance income ⁽²⁾	(2,792)	(2,565)	(1)	(5,358)
Present value of minimum lease payments				
receivables	19,247	29,823	31	49,101
Allowance for expected credit loss				(1,752)
Hire purchase/financial lease receivables - net				47,349

(1) Hire purchase and financial lease receivables due within one year, included credit impair receivables

(2) Net of deferred initial direct costs of hire purchase

(Unit: Million Baht)

	Consolidated financial statements			
	31 December 2020			
	Amounts due under lease agreements			
	Not over			
	1 year ⁽¹⁾	1 - 5 years	Over 5 years	Total
Gross investment in the lease	21,618	31,647	20	53,285
Less: Unearned finance income ⁽²⁾	(2,792)	(2,513)	(1)	(5,306)
Present value of minimum lease payments				
receivables	18,826	29,134	19	47,979
Allowance for expected credit loss				(1,659)
Hire purchase/financial lease receivables - net				46,320

(1) Hire purchase and financial lease receivables due within one year included credit impair receivables

(2) Net of deferred initial direct costs of hire purchase

(Unaudited but reviewed)

As at 30 June 2021 and 31 December 2020, hire purchase and financial lease receivables balances and allowance for expected credit loss of that subsidiary are classified by risk credits as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	30 June 2021		31 December 2020	
	Accounts receivable - net of unearned financial income	Allowance for expected credit loss	Accounts receivable - net of unearned financial income	Allowance for expected credit loss
Receivables without a significant increase in credit risk (Performing)	41,931	210	40,650	183
Receivables with a significant increase in credit risk (Under-performing)	5,457	638	5,829	643
Receivables with credit impairment (Non-performing)	1,713	904	1,500	833
Total	49,101	1,752	47,979	1,659

10.5 Loans to companies which have settlement problems

As at 30 June 2021 and 31 December 2020, loans and accrued interest receivables of the Company and its subsidiaries included amounts due from companies with weak financial positions and poor operating results, as follows:

	Consolidated financial statements							
	Number of debtors		Debt balances		Collateral value		Allowance for expected credit loss provided in the accounts	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
1. Listed companies possible to delisting from the SET	-	1	-	1	-	1	-	-
2. Non - listed companies with similar operating results and financial position to listed companies possible to delisting from the SET	15	15	5	5	-	7	5	5
3. Companies which have loan settlement problems or have defaulted on the repayment ⁽¹⁾	615	592	1,576	1,476	316	341	747	746

(1) Loans to companies which have settlement problems do not include hire purchase receivables that received assistance from the subsidiary who are affected by a situation that affects by the Thai economy and are still classified as a Stage 1 and Stage 2.

Separate financial statements

	Number of debtors		Debt balances		Collateral value		Allowance for expected credit loss provided in the accounts	
	30	31	30	31	30	31	30	31
	June	December	June	December	June	December	June	December
	2021	2020	2021	2020	2021	2020	2021	2020
		Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
1. Companies which have loan settlement problems or have defaulted on the repayment	71	71	101	98	42	38	72	68

11. Allowance for expected credit loss

Movement of allowance for expected credit loss for the six-month period ended 30 June 2021 are as follows:

(Unit: Million Baht)

Consolidated financial statements						
For the six-month period ended 30 June 2021						
Allowance for expected credit loss						
Financial assets with credit risk						
	Stage 1 ⁽¹⁾	Stage 2 ⁽²⁾	Stage 3 ⁽³⁾	POCI ⁽⁴⁾	Simplified ⁽⁵⁾	Total
Interbank and money market items (assets)						
Beginning balance	3	-	-	-	-	3
Increase during the period due to re-measurement/reclassification/purchase/acquisition	1	-	-	-	-	1
Ending balance	4	-	-	-	-	4
Investments in debt securities measured at fair value through other comprehensive income						
Beginning balance	1	1	272	-	-	274
Increase (decrease) during the period due to re-measurement/reclassification/purchase/acquisition	2	(1)	35	-	-	36
Ending balance	3	-	307	-	-	310

(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)

(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)

(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)

(5) Financial assets for which simplified approach is applied (Simplified)

(Unit: Million Baht)

Consolidated financial statements						
For the six-month period ended 30 June 2021						
Allowance for expected credit loss						
Financial assets with credit risk						
	Stage 1 ⁽¹⁾	Stage 2 ⁽²⁾	Stage 3 ⁽³⁾	POCI ⁽⁴⁾	Simplified ⁽⁵⁾	Total
Loans to customers and accrued interest receivables						
Beginning balance	183	643	857	659	-	2,342
Increase (decrease) during the period due to re-measurement/reclassification/purchase/acquisition	28	(5)	301	10	-	334
Written-off	-	-	(108)	-	-	(108)
Transfer assets type	-	-	(122)	-	-	(122)
Ending balance	<u>211</u>	<u>638</u>	<u>928</u>	<u>669</u>	<u>-</u>	<u>2,446</u>
Other assets						
Beginning balance	-	1	977	-	36	1,014
Decrease during the period due to re-measurement/reclassification/purchase/acquisition	-	-	(73)	-	(6)	(79)
Written-off	-	-	(6)	-	-	(6)
Transfer assets type	-	-	122	-	-	122
Ending balance	<u>-</u>	<u>1</u>	<u>1,020</u>	<u>-</u>	<u>30</u>	<u>1,051</u>

(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)

(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)

(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)

(5) Financial assets for which simplified approach is applied (Simplified)

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements					
	For the six-month period ended 30 June 2021					
	Allowance for expected credit loss					
	Financial assets with credit risk					
	Stage 1 ⁽¹⁾	Stage 2 ⁽²⁾	Stage 3 ⁽³⁾	POCI ⁽⁴⁾	Simplified ⁽⁵⁾	Total
Investments in debt securities						
measured at fair value through						
other comprehensive income						
Beginning balance	1	-	-	-	-	1
Increase during the period due to re-measurement/reclassification/ purchase/acquisition	-	-	-	-	-	-
Ending balance	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
Loans to customers and accrued						
interest receivables						
Beginning balance	7	-	19	98	-	124
Increase during the period due to re-measurement/reclassification/ purchase/acquisition	13	-	-	12	-	25
Ending balance	<u>20</u>	<u>-</u>	<u>19</u>	<u>110</u>	<u>-</u>	<u>149</u>
Other assets						
Beginning balance	-	-	5	-	-	5
Decrease during the period due to re-measurement/reclassification/ purchase/acquisition	-	-	(3)	-	-	(3)
Ending balance	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>

(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)

(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)

(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)

(5) Financial assets for which simplified approach is applied (Simplified)

12. Property foreclosed

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Immovable assets	4,590	4,612	2,813	2,839
Movable assets	116	102	-	-
Total	4,706	4,714	2,813	2,839
Less: Allowance for impairment	(1,626)	(1,660)	(1,210)	(1,241)
Property foreclosed - net	<u>3,080</u>	<u>3,054</u>	<u>1,603</u>	<u>1,598</u>

13. Deferred tax assets/liabilities and income tax**13.1 Deferred tax assets/liabilities**

As at 30 June 2021 and 31 December 2020, deferred tax assets/liabilities are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Deferred tax assets	878	917	-	-
Deferred tax liabilities	(282)	(226)	(229)	(178)
Net	596	691	(229)	(178)

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	30 June	31 December	Changes of deferred tax assets / liabilities recognised in profit or loss for the six-month periods ended 30 June	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit loss	592	582	31	18
Allowance for impairment of properties foreclosed	7	7	-	(8)
Employee benefits	59	57	2	(2)
Accrued expenses	14	11	3	(1)
Insurance contract liabilities	324	375	(51)	(33)
Financial lease liabilities / other liabilities	-	1	(1)	1
Others	42	42	-	(3)
Deferred tax assets	1,038	1,075	(16)	(28)
Deferred tax liabilities				
Deferred commissions and direct expenses incurred at the initiation of hire purchase	(115)	(115)	-	11
Unrealised gain from measurement of investments	(208)	(195)	(19)	(89)
Unrealised gain from measurement of derivatives	(71)	(33)	(37)	22
Surplus on revaluation of assets	(20)	(20)	-	-
Others	(28)	(21)	(7)	(3)
Deferred tax liabilities	(442)	(384)	(63)	(59)
Net	596	691	(79)	(87)

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
			Changes of deferred tax assets / liabilities recognised in profit or loss for the six-month periods ended 30 June	
	30 June 2021	31 December 2020	2021	2020
Deferred tax liabilities				
Unrealised gain from measurement of investments	(156)	(139)	-	(101)
Unrealised gain from measurement of derivatives	(62)	(28)	(34)	-
Surplus on revaluation of assets	(10)	(10)	-	-
Others	(1)	(1)	-	1
Deferred tax liabilities	(229)	(178)	(34)	(100)

As at 30 June 2021 and 31 December 2020, the Company and its subsidiaries have deductible temporary differences and unused tax loss totaling Baht 4,624 million and Baht 4,719 million, respectively (separate financial statements: Baht 2,879 million and Baht 2,873 million, respectively) on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow full utilisation of the temporary differences and unused tax loss.

The above tax benefits not recognised in the financial statements include unused tax loss amounting to Baht 1,896 million in the consolidated financial statements and Baht 1,384 million in the separate financial statement which will be expired by 2021 - 2026.

13.2 Income tax

Income tax expenses for the three-month and six-month periods ended 30 June 2021 and 2020 can be summarised as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Corporate income tax for the period	198	187	-	-
Adjustment in respect of income tax from previous year	2	5	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	55	117	26	103
Relating to disposals of equity instruments designated to be measured at fair value through other comprehensive income during the period	(2)	67	-	-
Income tax expenses reported in statements of comprehensive income	253	376	26	103

	(Unit: Million Baht)			
	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Corporate income tax for the period	405	1,101	-	-
Adjustment in respect of income tax from previous year	2	5	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	79	87	34	100
Relating to disposals of equity instruments designated to be measured at fair value through other comprehensive income during the period	(2)	66	-	-
Income tax expenses reported in statements of comprehensive income	484	1,259	34	100

(Unaudited but reviewed)

Reconciliations between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month and six-month periods ended 30 June 2021 and 2020 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	1,690	1,727	1,133	1,133
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	338	345	227	227
Adjustment in respect of income tax from previous year	2	5	-	-
Effects of non-taxable revenue and non-deductible expenses - net	(101)	(237)	(217)	(320)
Expense treated as non-deductible which are temporary differences and not expected to utilised (reversal)	14	263	16	196
Income tax expenses reported in statements of comprehensive income	253	376	26	103

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	3,442	7,212	2,219	5,445
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	688	1,442	444	1,089
Adjustment in respect of income tax from previous year	2	5	-	-
Effects of non-taxable revenue and non-deductible expenses - net	(217)	(455)	(440)	(1,189)
Expense treated as non-deductible which are temporary differences and not expected to utilised (reversal)	11	267	30	200
Income tax expenses reported in statements of comprehensive income	484	1,259	34	100

14. Other assets

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Accrued premium insurance	428	670	-	-
Accrued income	49	47	65	29
Estimated insurance claims recoveries	225	262	-	-
Receivable from clearing house	152	797	-	-
Prepaid brokerage fee	279	275	-	-
Prepaid expenses	215	136	9	8
Reinsurance assets	459	608	-	-
Corporate income tax refundable	101	97	20	18
Accrued interest and dividend receivables	119	130	4	7
Other receivables	21	31	5	8
VAT refundable	80	36	-	-
Other receivables - VAT paid in advance for customers	63	62	-	-
Deposits	29	31	4	4
Other receivables - Hire purchase receivables	976	930	-	-
Other receivables - Capital return from subsidiary	-	-	701	-
Others	394	375	-	7
Total	3,590	4,487	808	81
Less: Allowance for impairment	(4)	(1)	-	-
Allowance for expected credit loss	(1,051)	(1,014)	(2)	(5)
Other assets - net	2,535	3,472	806	76

15. Classification of assets

As at 30 June 2021 and 31 December 2020, the financial assets are classified as follows:

(Unit: Million Baht)

Consolidated financial statements							
30 June 2021							
Financial assets							
	Interbank and money market items	Debt securities measured at fair value through other comprehensiv e income	Debt securities measured at amortised cost	Loans to customers and accrued interest receivables	Receivables from purchase and sale of securities	Other assets	Total
Financial assets							
classified by credit risk							
Stage 1 ⁽¹⁾	8,856	13,830	43	47,341	1,090	383	71,543
Stage 2 ⁽²⁾	-	-	-	5,457	-	31	5,488
Stage 3 ⁽³⁾	-	-	-	1,741	-	1,021	2,762
POCI ⁽⁴⁾	-	-	-	1,201	-	-	1,201
Simplified ⁽⁵⁾	-	-	-	-	-	273	273
Total	8,856	13,830	43	55,740	1,090	1,708	81,267

*(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)**(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)**(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)**(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)**(5) Financial assets for which simplified approach is applied (Simplified)*

(Unit: Million Baht)

Consolidated financial statements							
31 December 2020							
Financial assets							
	Interbank and money market items	Debt securities measured at fair value through other comprehensiv e income	Debt securities measured at amortised cost	Loans to customers and accrued interest receivables	Receivables from purchase and sale of securities	Other assets	Total
Financial assets							
classified by credit risk							
Stage 1 ⁽¹⁾	7,815	19,211	43	43,987	1,247	1,084	73,387
Stage 2 ⁽²⁾	-	39	-	5,829	-	31	5,899
Stage 3 ⁽³⁾	-	-	-	1,528	-	978	2,506
POCI ⁽⁴⁾	-	-	-	1,249	-	-	1,249
Simplified ⁽⁵⁾	-	-	-	-	-	261	261
Total	7,815	19,250	43	52,593	1,247	2,354	83,302

*(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)**(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)**(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)**(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)**(5) Financial assets for which simplified approach is applied (Simplified)*

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements							
30 June 2021							
Financial assets							
	Interbank and money market items	Debt securities measured at fair value through other comprehensiv e income	Debt securities measured at amortised cost	Loans to customers and accrued interest receivables	Receivables from purchase and sale of securities	Other assets	Total
Financial assets							
classified by credit risk							
Stage 1 ⁽¹⁾	1,050	3,005	-	3,082	-	776	7,913
Stage 2 ⁽²⁾	-	-	-	-	-	-	-
Stage 3 ⁽³⁾	-	-	-	22	-	2	24
POCI ⁽⁴⁾	-	-	-	240	-	-	240
Total	1,050	3,005	-	3,344	-	778	8,177

(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)

(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)

(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)

(Unit: Million Baht)

Separate financial statements							
31 December 2020							
Financial assets							
	Interbank and money market items	Debt securities measured at fair value through other comprehensiv e income	Debt securities measured at amortised cost	Loans to customers and accrued interest receivables	Receivables from purchase and sale of securities	Other assets	Total
Financial assets							
classified by credit risk							
Stage 1 ⁽¹⁾	172	7,202	-	676	-	43	8,093
Stage 2 ⁽²⁾	-	-	-	-	-	-	-
Stage 3 ⁽³⁾	-	-	-	22	-	5	27
POCI ⁽⁴⁾	-	-	-	230	-	-	230
Total	172	7,202	-	928	-	48	8,350

(1) Stage 1: Financial assets without a significant increase in credit risk (12-mth ECL)

(2) Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

(3) Stage 3: Financial assets that are credit impaired (Lifetime ECL - credit impaired)

(4) POCI: Financial assets that are credit impaired when purchased or originated (Purchased and originated credit-impaired)

16. Interbank and money market items - borrowings from financial institutions

(Unit: Million Baht)

	Consolidated financial statements	
	30 June 2021	31 December 2020
Bill of Exchange	9,051	4,872
Long-term loans	4,450	5,450
Promissory notes	2,400	2,990
Total	15,901	13,312

Some of long-term borrowings and borrowings in the form of promissory notes under these loan agreements require the subsidiary to comply with terms and conditions specified in the loan agreements, such as maintenance of a debt to equity ratio.

17. Debt issued and borrowings

As at 30 June 2021 and 31 December 2020, the balance of domestic debt issued and borrowings, stated in Baht, are as follows:

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face Value per unit	Issuance unit		Consolidated financial statements		Separate financial statements	
						30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
				(Percent per annum)	(Baht)	(Thousand unit)	(Thousand unit)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
1	Unsubordinated debentures	Year 2012	Year 2022	4.60	1,000	3,000	3,000	3,000	3,000	3,000	3,000
2	Unsubordinated debentures	Year 2013	Year 2023	4.85, 5.00	1,000	1,800	1,800	1,800	1,800	1,800	1,800
3	Unsubordinated debentures	Year 2013	Year 2025	4.95	1,000	900	900	900	900	900	900
4	Unsubordinated debentures	Year 2018	Year 2021	2.31, 2.70	1,000	70	1,970	70	1,970	-	-
5	Unsubordinated debentures	Year 2018	Year 2021	2.30, 2.50	1,000	610	1,110	610	1,110	-	-
6	Unsubordinated debentures	Year 2019	Year 2021	2.65, 2.66	1,000	-	675	-	675	-	-
7	Unsubordinated debentures	Year 2019	Year 2022	2.94, 3.30	1,000	3,815	3,815	3,685	3,685	-	-
8	Unsubordinated debentures	Year 2019	Year 2021	2.57, 2.67, 2.68, 2.99	1,000	845	1,865	845	1,865	-	-
9	Unsubordinated debentures	Year 2019	Year 2022	2.96, 3.00, 3.10	1,000	1,995	1,995	1,995	1,995	-	-
10	Unsubordinated debentures	Year 2019	Year 2023	3.40	1,000	486	486	456	456	-	-
11	Unsubordinated debentures	Year 2019	Year 2024	3.50	1,000	594	594	554	554	-	-
12	Unsubordinated debentures	Year 2019	Year 2029	3.01	1,000	5,000	5,000	5,000	5,000	5,000	5,000

(Unaudited but reviewed)

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face Value per unit	Issuance unit		Consolidated financial statements		Separate financial statements	
						30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
						(Baht)	(Thousand unit)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
13	Unsubordinated debentures	Year 2020	Year 2023	2.65,3.20	1,000	5,439	5,439	4,939	4,909	-	-
14	Unsubordinated debentures	Year 2020	Year 2024	2.80	1,000	2,000	2,000	2,000	2,000	-	-
15	Unsubordinated debentures	Year 2020	Year 2023	2.65	1,000	200	200	200	200	-	-
16	Unsubordinated debentures	Year 2020	Year 2025	3.40	1,000	1,593	1,593	1,548	1,548	-	-
17	Unsubordinated debentures	Year 2020	Year 2026	3.50	1,000	700	700	657	657	-	-
18	Unsubordinated debentures	Year 2020	Year 2027	3.70	1,000	1,300	1,300	1,300	1,300	-	-
19	Unsubordinated debentures	Year 2021	Year 2024	2.00	1,000	3,000	-	3,000	-	-	-
20	Structured notes		Year 2021					17	10	-	-
21	Promissory notes		At call	5.125				52	52	-	-
22	Promissory notes		Year 2022 - 2023	3.30				201	201	-	-
Total debt issued and borrowings								32,829	33,887	10,700	10,700

Instruments 1) to 3) and 12) are name-registered, unsubordinated, unsecured debenture with no debentures holders' representative, paying interest semi-annually.

Instruments 4), 8), 9), 13), 14) and 16) to 19) are name-registered, unsubordinated, unsecured debentures with no debenture holders' representative, paying interest semi-annually. The subsidiary has to comply with the terms and conditions specified in the loan agreement, such as maintenance of a debt to equity ratio.

Instruments 5) to 7), 10), 11) and 15) are name-registered, unsubordinated, unsecured debentures with no debenture holders' representative, paying interest quarterly. The subsidiary has to comply with the terms and conditions specified in the loan agreement, such as maintenance of a debt to equity ratio.

(Unaudited but reviewed)

18. Provisions

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Employee benefits payable	386	401	62	56
Dismantling cost provision	11	9	5	3
Total	397	410	67	59

19. Insurance contract liabilities

(Unit: Million Baht)

	Consolidated financial statements					
	30 June 2021			31 December 2020		
	Insurance contract liabilities	Reinsurance assets	Net	Insurance contract liabilities	Reinsurance assets	Net
Life policy reserves for long-term insurance contracts	5,395	-	5,395	5,812	-	5,812
Loss reserves and outstanding claims	1,736	(146)	1,590	1,839	(210)	1,629
Unearned premium reserves	4,212	(313)	3,899	4,483	(398)	4,085
Unpaid policy benefits	12	-	12	15	-	15
Other liabilities under insurance policies	79	-	79	82	-	82
Total	11,434	(459)	10,975	12,231	(608)	11,623

(Unaudited but reviewed)

19.1 Life policy reserves for long-term insurance contracts

(Unit: Million Baht)

	Consolidated financial statements	
	For the six-month	For the year ended
	period ended 30 June 2021	31 December 2020
Balance - beginning of the period	5,812	6,770
Insurance policy reserves increased (decreased) from new policies and enforced policies	(32)	72
Insurance policy reserves decreased from benefit paid, lapse, surrender and others	(374)	(1,319)
Assumptions changes	(88)	179
Experience adjustments	77	110
Balance - end of the period	<u>5,395</u>	<u>5,812</u>

19.2 Loss reserves and outstanding claims

(Unit: Million Baht)

	Consolidated financial statements	
	For the six-month	For the year ended
	period ended 30 June 2021	31 December 2020
Balance - beginning of the period	1,839	1,880
Claim expenses for the period	2,218	4,611
Change in loss reserves and outstanding in claims and assumptions	174	205
Claim expenses paid during the period	(2,495)	(4,857)
Balance - end of the period	<u>1,736</u>	<u>1,839</u>

19.3 Unearned premium reserves

(Unit: Million Baht)

	Consolidated financial statements	
	For the six-month	For the year ended
	period ended 30 June 2021	31 December 2020
Balance - beginning of the period	4,483	4,365
Premium written for the period	4,102	8,848
Premium earned during the period	(4,373)	(8,730)
Balance - end of the period	<u>4,212</u>	<u>4,483</u>

20. Other liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Other payables	1,025	765	513	508
Suspense cash received from accounts receivables	221	130	-	-
Income received in advance	39	13	15	-
Accrued interest expenses	207	243	81	82
Corporate income tax payable	375	743	-	-
Accrued personnel expenses	334	417	42	71
Accrued other expenses	379	438	5	13
Insurance premium received in advance	1,565	1,550	-	-
Due to reinsures	608	719	-	-
Payable to clearing house	349	-	-	-
Lease liabilities	435	435	94	66
Others	255	371	33	35
Total other liabilities	5,792	5,824	783	775

21. Share capital/Treasury shares

During the three-month and six-month period ended 30 June 2021, there is no conversion of preferred shares to the Company's common shares. Therefore, as at 30 June 2021, 13,156 preferred shares remained unconverted. Each preferred share can convert to 1 common share. The conversion right is unconditional and does not expire.

As at 30 June 2021 and 31 December 2020, there are 116,512,970 treasury shares with a total value of Baht 5,863 million, which reaches the limit of the budget approved by the Board of Directors. The repurchase program requires that the treasury shares be sold within 3 years from the repurchase date. Moreover, the Company has allocated retained earnings as a treasury share reserve.

22. Other components of equity

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
				(Restated)
Surplus from the change in the ownership interests of investments in subsidiaries/ an associated company	(4,422)	(4,305)	(4,422)	(4,305)
Revaluation surplus on investments				
Debt instruments	176	169	4	5
Equity instruments	1,341	1,264	707	620
Total	1,517	1,433	711	625
Revaluation deficit on investments				
Debt instruments	(172)	(141)	-	-
Equity instruments	(136)	(79)	(18)	(15)
Total	(308)	(220)	(18)	(15)
Total revaluation surplus on investments	1,209	1,213	693	610
Less: Effect of deferred tax	(146)	(141)	(139)	(122)
Net revaluation surplus on investments	1,063	1,072	554	488
Revaluation surplus on assets	77	78	50	51
Less: Effect of deferred tax	(15)	(15)	(10)	(10)
Net revaluation surplus on assets	62	63	40	41
Share of other comprehensive income of subsidiaries companies	-	-	531	606
Share of other comprehensive income of associated companies and joint venture	311	388	311	388
Share of surplus from the change in the ownership interests in subsidiaries of an associated companies	79	81	79	81
Total	(2,907)	(2,701)	(2,907)	(2,701)

23. Dividends

During the six-month periods ended 30 June 2021 and 2020, the Company has dividend payment as below.

Dividends	Approved by	Dividend payment	Dividend per share	Payment date
		Million Baht	Baht	
Interim dividend of 2020	The Company's Board of Director Meeting on 19 April 2021	1,888	1.80	19 May 2021
Interim dividend of 2019	The Company's Board of Director Meeting on 30 March 2020	1,888	1.80	28 April 2020

24. Interest income

Interest income for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

	(Unit: Million Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interbank and money market items				
- deposits at financial institutions	24	45	6	5
Financial assets measured at fair value through profit or loss	8	22	-	-
Investments in debt securities measured at amortised cost	-	9	-	-
Investments in debt securities measured at fair value through other comprehensive income	32	47	3	5
Loans to customers	81	53	26	14
Hire purchase and financial lease	843	852	-	-
Total	988	1,028	35	24

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interbank and money market items				
- deposits at financial institutions	48	75	11	6
Financial assets measured at fair value through profit or loss	17	48	1	-
Investments in debt securities measured at amortised cost	1	10	-	-
Investments in debt securities measured at fair value through other comprehensive income	65	141	8	35
Loans to customers	145	115	42	29
Hire purchase and financial lease	1,686	1,774	-	-
Total	1,962	2,163	62	70

25. Interest expenses

Interest expenses for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interbank and money market items				
- borrowings from financial institutions	70	61	-	-
Debt issued and borrowings				
- Unsubordinated debentures/Short-term debentures	256	352	105	142
- Others	3	2	-	-
Borrowings cost	3	5	-	-
Others	3	3	1	-
Total	335	423	106	142

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interbank and money market items				
- borrowings from financial institutions	134	126	-	-
Debt issued and borrowings				
- Unsubordinated debentures/Short-term debentures	518	670	209	284
- Others	5	19	-	12
Borrowings cost	7	9	1	1
Others	6	6	1	-
Total	670	830	211	297

26. Fees and service income

Fees and service income for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Fees and service income				
Brokerage fee from securities and derivatives	330	288	-	-
Hire purchase fee income	37	41	-	-
Insurance brokerage fee income	59	41	-	-
Others	44	15	-	-
Total fees and service income	470	385	-	-
Fees and service expenses	(121)	(86)	-	-
Net fees and service income	349	299	-	-

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Fees and service income				
Brokerage fee from securities and derivatives	700	594	-	-
Hire purchase fee income	79	81	-	-
Insurance brokerage fee income	113	106	-	-
Others	93	29	1	-
Total fees and service income	985	810	1	-
Fees and service expenses	(242)	(200)	(1)	-
Net fees and service income	743	610	-	-

27. Gain (loss) on financial instruments measured at fair value through profit or loss

Gain (loss) on financial instruments measured at fair value through profit or loss for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Debt securities	6	(26)	-	-
Equity securities	(111)	218	8	18
Unit trusts	-	4	1	4
Derivatives	279	(126)	125	-
Total	174	70	134	22

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Debt securities	(1)	(37)	(4)	-
Equity securities	172	(220)	8	18
Unit trusts	2	(5)	3	(5)
Derivatives	88	165	171	-
Total	261	(97)	178	13

28. Gain on investments

Gain on investments for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Gain on disposal				
Investments in debt securities measured at fair value through other comprehensive income	15	6	-	-
Total	15	6	-	-

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Gain on disposal of investments - Asset classified as held for sale	-	3,737	-	-
Gain on disposal				
Investments in debt securities measured at fair value through other comprehensive income	16	13	-	3
Total	16	3,750	-	3

29. Insurance/Life insurance income

Insurance/life insurance income for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month		For the six-month	
	period ended 30 June		period ended 30 June	
	2021	2020	2021	2020
Gross premium written	2,008	1,951	4,211	4,328
Less : Premium ceded to reinsurers	(162)	(280)	(350)	(619)
Net insurance premium income	1,846	1,671	3,861	3,709
Less: Unearned premium reserve decreased from previous year	199	211	187	39
Total	2,045	1,882	4,048	3,748

30. Insurance/Life insurance expenses

Insurance/Life insurance expenses for the three-month and six-month periods ended 30 June 2021 and 2020 consisted of the following:

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month		For the six-month	
	period ended 30 June		period ended 30 June	
	2021	2020	2021	2020
Gross claim and loss adjustment expenses	1,056	1,024	2,183	2,195
Less: Claims recovery from reinsurers	(108)	(204)	(259)	(457)
Benefit payments under life policies and claims	209	424	401	950
Commissions and brokerages expenses	288	300	611	668
Less: Commissions and brokerages income from reinsurers	(43)	(96)	(90)	(177)
Long-term insurance policy reserves decreased	(89)	(272)	(418)	(712)
Other underwriting expenses	174	127	340	280
Total	1,487	1,303	2,768	2,747

31. Expected credit loss

Expected credit loss for the three-month and six-month periods ended 30 June 2021 and 2020 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Expected credit loss				
Interbank and money market items	-	1	-	-
Investments in debt securities measured at fair value through other comprehensive income	35	142	-	1
Loans to customers and accrued interest receivables	179	73	21	4
Other assets	(75)	-	-	-
Total	139	216	21	5

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Expected credit loss				
Interbank and money market items	1	-	-	-
Investments in debt securities measured at fair value through other comprehensive income	36	147	-	2
Loans to customers and accrued interest receivables	278	226	25	12
Other assets	(79)	(2)	(3)	-
Total	236	371	22	14

32. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares issued during the period, netting of treasury shares held by the Company.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the total sum of the weighted average number of common shares outstanding during the period, netting of treasury shares held by the Company, and the weighted average number of common shares that would be required to be issued to convert all potential common shares to common shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential common shares were issued.

(Unaudited but reviewed)

Consolidated and separate financial statements						
For the three-month periods ended 30 June						
	Profit for the periods		Weighted average number of common shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to the Company	1,106,944	1,029,369	1,048,604	1,048,604	1.06	0.98
Effect of dilutive securities						
Preferred shares convertible to common shares	-	-	13	13		
Diluted earnings per share						
Profit of common shareholders assuming conversion of dilutive securities	<u>1,106,944</u>	<u>1,029,369</u>	<u>1,048,617</u>	<u>1,048,617</u>	<u>1.06</u>	<u>0.98</u>

Consolidated and separate financial statements						
For the six-month periods ended 30 June						
	Profit for the periods		Weighted average number of common shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to the Company	2,185,065	5,344,953	1,048,604	1,082,606	2.08	4.94
Effect of dilutive securities						
Preferred shares convertible to common shares	-	-	13	13		
Diluted earnings per share						
Profit of common shareholders assuming conversion of dilutive securities	<u>2,185,065</u>	<u>5,344,953</u>	<u>1,048,617</u>	<u>1,082,619</u>	<u>2.08</u>	<u>4.94</u>

33. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with its related parties. These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Company and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policy (For the period 2021)
	Consolidated financial statements		Separate financial statements		
	2021	2020	2021	2020	
<u>Transactions occurred during the periods</u>					
Subsidiary companies					
Purchase of debt securities	-	-	-	43	At market price
Invested in common share of subsidiary companies	-	-	250	153	At the amount agreed under the contract
Capital returned from subsidiary companies (2021: No gain)	-	-	1,076	-	At the net assets value
Interest income	-	-	16	10	At interest rate of 1.255 - 5.125 percent per annum
Rental and other service income	-	-	55	15	At the rate agreed under the contracts
Associated companies					
Invested in common share of associates and joint venture	-	-	1,100	3	At the amount agreed under the contract
Interest income	1	-	-	-	At interest rate of 0.05 - 4.00 percent per annum
Insurance/life insurance income	33	20	-	-	At the rate agreed under the contracts
Other income	-	4	-	-	
Interest expenses	4	1	-	-	At interest rate of 1.12 - 5.125 percent per annum
Dividend payment	-	-	234	234	As declared
Insurance/life insurance expenses	208	2	-	-	At the rate agreed under the contracts
Other expenses	16	16	7	4	
Related companies					
Purchase of debt securities	2,675	1,627	2,030	304	At market price
Sales of debt securities	796	-	245	-	At market price
Interest income	9	32	6	5	At interest rate of 0.05 - 0.55 percent per annum
Dividend income	57	48	50	48	As declared
Insurance/life insurance income	10	15	-	-	At the rate agreed under the contracts
Other income	39	23	2	-	
Interest expenses	-	1	-	-	
Dividend payment	464	190	-	-	As declared
Project management expenses	5	6	3	3	At the contract price calculated by reference to estimated usage time
Insurance/life insurance income	44	127	-	-	At the rate agreed under the contracts
Other expenses	56	223	1	-	

	For the six-month periods ended 30 June				Transfer pricing policy (For the period 2021)
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2021	2020	2021	2020	
Transactions occurred during the periods					
Subsidiary companies					
Purchase of debt securities	-	-	-	43	At market price
Invested in common share of subsidiary companies	-	-	397	544	At the amount agreed under the contract
Capital returned from subsidiary companies (2021: No gain)	-	-	1,076	-	At the net assets value
Interest income	-	-	26	20	At interest rate of 1.255 - 5.125 percent per annum
Rental and other service income	-	-	73	21	At the rate agreed under the contracts
Other expenses	-	-	-	1	
Associated companies and joint venture					
Invested in common share of associates and joint venture	-	-	2,326	884	At the amount agreed under the contract
Interest income	2	-	-	-	At interest rate of 0.05 - 4.00 percent per annum
Insurance/life insurance income	36	20	-	-	At the rate agreed under the contracts
Other income	-	4	-	-	
Interest expenses	5	2	-	-	At interest rate of 1.12 - 5.125 percent per annum
Dividend payment	-	-	234	234	As declared
Insurance/life insurance expenses	450	2	-	-	At the rate agreed under the contracts
Other expenses	29	28	11	7	
Related companies					
Purchase of debt securities	5,134	12,930	2,330	1,873	At market price
Sales of debt securities	906	11,312	245	10,176	At market price
Interest income	16	46	11	6	At interest rate of 0.05 - 0.55 percent per annum
Dividend income	57	48	50	48	As declared
Insurance/life insurance income	25	44	-	-	At the rate agreed under the contracts
Other income	75	48	3	-	
Interest expenses	3	2	-	-	At interest rate of 0.89 - 1.34 percent per annum
Dividend payment	464	190	-	-	As declared
Project management expenses	11	12	6	6	At the contract price calculated by reference to estimated usage time
Insurance/life insurance expenses	115	135	-	-	At the rate agreed under the contracts
Other expenses	110	539	1	2	

(Unaudited but reviewed)

The outstanding balances of the above transactions during the six-month periods ended 30 June 2021 and 2020 have been shown at the average balance at the end of each month as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Subsidiary companies</u>				
Loans to customers	-	-	1,226	699
<u>Associated companies</u>				
Interbank and money market items (assets)	81	143	3	-
Investments in debt securities	187	-	-	-
Interbank and money market items (liabilities)	757	-	-	-
Debt issued and borrowings	214	52	-	-
<u>Related companies</u>				
Interbank and money market items (assets)	5,710	8,776	4,000	2,112
Investments in debt securities	7	185	-	-
Interbank and money market items (liabilities)	431	205	-	-

As at 30 June 2021 and 31 December 2020, the significant outstanding balances of the transactions with subsidiaries, associated, and related companies are as follows:

	(Unit: Million Baht)					
	Consolidated financial statements					
	30 June 2021					
	Assets			Liabilities		
	Interbank and money market items	Loans to customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities
<u>Associated companies and joint venture</u>						
TMBThanachart Bank Plc.	171	-	235	2,300	-	89
MBK Plc.	-	-	11	-	48	107
TM Communications and Brand Management Co., Ltd.	-	-	-	-	-	4
<u>Related companies</u>						
Thanachart Bank Plc.	2,754	-	31	-	-	13
Other related companies	5	-	106	-	-	257
	<u>2,930</u>	<u>-</u>	<u>383</u>	<u>2,300</u>	<u>48</u>	<u>470</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements						
31 December 2020						
Assets			Liabilities			
Interbank and money market items	Loans to customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities	
Associated companies and joint venture						
TMBThanachart Bank Plc.	52	-	190	-	-	71
MBK Plc.	-	-	11	-	48	134
TM Communication and Brand Management Co., Ltd.	-	-	-	-	-	2
Related companies						
Thanachart Bank Plc.	2,070	-	14	1,000	-	5
Other related companies	-	-	60	-	-	238
	<u>2,122</u>	<u>-</u>	<u>275</u>	<u>1,000</u>	<u>48</u>	<u>450</u>

(Unit: Million Baht)

Separate financial statements						
30 June 2021						
Assets			Liabilities			
Interbank and money market items	Loans to customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities	
Subsidiary companies						
NFS Asset Management Co., Ltd.	-	422	33	-	-	-
Max Asset Management Co., Ltd.	-	244	5	-	-	-
TS Asset Management Co., Ltd.	-	200	13	-	-	-
TM Broker Co., Ltd.	-	3	1	-	-	-
MBK Life Assurance Plc.	-	-	3	-	-	-
Ratchthani Leasing Plc.	-	-	246	-	-	-
Thanachart Securities Plc.	-	1,300	52	-	-	220
Thanachart Insurance Plc.	-	-	5	-	-	-
Security Scib Services Co., Ltd.	-	-	1	-	-	-
Thanachart Management and Service Co., Ltd.	-	-	1	-	-	-
Thanachart SPV1 Co.,Ltd.	-	500	-	-	-	-
Thanachart SPV2 Co.,Ltd.	-	-	701	-	-	-
Thanachart Plus Co.,Ltd.	-	200	-	-	-	-
Associated companies and joint venture						
TMBThanachart Bank Plc.	3	-	-	-	-	-
MBK Plc.	-	-	3	-	-	98
TM Communication and Brand Management Co., Ltd	-	-	-	-	-	2
Related companies						
Thanachart Bank Plc.	1,046	-	-	-	-	1
	<u>1,049</u>	<u>2,869</u>	<u>1,064</u>	<u>-</u>	<u>-</u>	<u>321</u>

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements						
31 December 2020						
Assets			Liabilities			
Interbank and money market items	Loans to		Interbank and money market items	Debt issued		Other liabilities
	customers and interest receivables	Other assets		and borrowings		
Subsidiary companies						
NFS Asset Management Co., Ltd.	-	422	4	-	-	-
Max Asset Management Co., Ltd.	-	244	3	-	-	-
TS Asset Management Co., Ltd.	-	-	2	-	-	-
TM Broker Co., Ltd.	-	3	1	-	-	-
MBK Life Assurance Plc.	-	-	6	-	-	-
Ratchthani Leasing Plc.	-	-	247	-	-	-
Thanachart SPV 1 Co., Ltd.	-	-	1	-	-	-
Thanachart SPV 2 Co., Ltd.	-	-	1	-	-	-
Thanachart Securities Plc.	-	-	2	-	-	-
Thanachart Insurance Plc.	-	-	5	-	-	-
Security Scib Services Co., Ltd.	-	-	3	-	-	-
Associated company						
MBK Plc.	-	-	3	-	-	66
Related companies						
Thanachart Bank Plc.	172	-	-	-	-	-
	<u>172</u>	<u>669</u>	<u>278</u>	<u>-</u>	<u>-</u>	<u>66</u>

As at 30 June 2021 and 31 December 2020, the Company has loans to subsidiary companies as follows:

		(Unit: Million Baht)	
		Outstanding balances	
		30 June	31 December
Company's name	Interest rate	2021	2020
(For the period 2021)			
NFS Asset Management Co., Ltd.	MLR of Thanachart Bank - 1%	422	422
Max Asset Management Co., Ltd.	MLR of Thanachart Bank - 1%	244	244
TM Broker Co., Ltd.	MLR of Thanachart Bank - 1%	3	3
TS Asset Management Co., Ltd.	MLR of Thanachart Bank - 1%	200	-
Thanachart SPV 1 Co., Ltd.	MLR of Thanachart Bank - 1%	500	-
Thanachart Plus Co., Ltd.	MLR of Thanachart Bank - 1%	200	-
Thanachart Securities Plc.	1.255 % , 1.374 %	1,300	-
Total		<u>2,869</u>	<u>669</u>

As at 30 June 2021, the Company and its subsidiaries have investments in related companies in which they are related by means of members of their management being shareholders and/or directors of those companies amounting to Baht 1,873 million (separate financial statements: Baht 1,639 million) (31 December 2020: Baht 1,762 million in the consolidated financial statements and Baht 1,544 million in the separate financial statements).

Directors and management's remuneration

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company and its subsidiaries recorded the following benefits to their key management personnel, including directors:

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	113	63	59	27
Post-employment benefits	2	2	1	1
	<u>115</u>	<u>65</u>	<u>60</u>	<u>28</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	195	142	86	53
Post-employment benefits	4	4	1	1
	<u>199</u>	<u>146</u>	<u>87</u>	<u>54</u>

34. Financial information classified by operating segments

The Company and its subsidiaries' operations involve 6 principal segments: (1) Company; (2) Securities business; (3) Life insurance business; (4) Non-life insurance business; (5) Asset management business; and (6) Hire purchase and leasing business.

The chief operating decision maker reviews the operating results of each segment separately in order to make decisions on the allocation of resources to each operating segment and to assess performance. The Company and its subsidiaries measure segment performance based on net income generated by each segment.

Financial information of the Company and its subsidiaries presented by operating segments are as follows:

(Unit: Million Baht)

For the three-month period ended 30 June 2021

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire purchase and leasing business	Other business	Eliminations	Consolidated
Net interest income	(71)	42	26	30	6	617	3	-	653
Other operating income	1,342	370	(46)	576	187	206	658	(1,309)	1,984
Other operating expenses	(117)	(213)	(36)	(303)	(58)	(111)	(34)	64	(808)
Expected credit loss	(21)	-	2	(33)	14	(116)	(1)	16	(139)
Profit (loss) before income tax	1,133	199	(54)	270	149	596	626	(1,229)	1,690
Income tax	(26)	(40)	(1)	(56)	(23)	(92)	(15)	-	(253)
Profit (loss) before non-controlling interests	1,107	159	(55)	214	126	504	611	(1,229)	1,437

(Unit: Million Baht)

For the three-month period ended 30 June 2020

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire purchase and leasing business	Other business	Eliminations	Consolidated
Net interest income	(118)	40	41	50	6	571	15	-	605
Other operating income	1,318	309	(53)	662	29	239	111	(597)	2,018
Other operating expenses	(63)	(189)	(34)	(258)	(16)	(106)	(37)	23	(680)
Expected credit loss	(5)	-	(67)	(79)	(11)	(57)	-	3	(216)
Profit (loss) before income tax	1,132	160	(113)	375	8	647	89	(571)	1,727
Income tax	(103)	(31)	(41)	(76)	-	(114)	(11)	-	(376)
Profit (loss) before non-controlling interests	1,029	129	(154)	299	8	533	78	(571)	1,351

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month period ended 30 June 2021

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire		Eliminations	Consolidated
						purchase and leasing business	Other business		
Net interest income	(149)	79	54	59	12	1,232	5	-	1,292
Other operating income	2,579	795	88	1,074	188	297	750	(1,820)	3,951
Other operating expenses	(188)	(425)	(70)	(613)	(72)	(219)	(67)	89	(1,565)
Expected credit loss	(23)	-	1	(27)	-	(202)	-	15	(236)
Profit (loss) before income tax	2,219	449	73	493	128	1,108	688	(1,716)	3,442
Income tax	(34)	(90)	-	(101)	(23)	(212)	(24)	-	(484)
Profit (loss) before non-controlling interests	2,185	359	73	392	105	896	664	(1,716)	2,958

(Unit: Million Baht)

For the six-month period ended 30 June 2020

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire		Eliminations	Consolidated
						purchase and leasing business	Other business		
Net interest income	(227)	85	87	101	15	1,243	29	-	1,333
Other operating income	5,814	570	(223)	1,110	70	359	4,261	(4,339)	7,622
Other operating expenses	(128)	(355)	(68)	(527)	(33)	(220)	(79)	38	(1,372)
Expected credit loss	(14)	-	(67)	(81)	(25)	(187)	-	3	(371)
Profit (loss) before income tax	5,445	300	(271)	603	27	1,195	4,211	(4,298)	7,212
Income tax	(100)	(60)	(14)	(122)	(6)	(226)	(731)	-	(1,259)
Profit (loss) before non-controlling interests	5,345	240	(285)	481	21	969	3,480	(4,298)	5,953

The segment assets of the Company and its subsidiaries as at 30 June 2021 and 31 December 2020 are as follows:

(Unit: Million Baht)

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire		Eliminations	Consolidated
						purchase and leasing business	Other businesses		
Segment assets									
As at 30 June 2021	75,882	8,174	6,720	14,640	2,335	49,542	15,337	(31,297)	141,333
As at 31 December 2020	75,022	6,852	7,064	15,342	2,318	48,305	14,729	(28,876)	140,756

35. Encumbrance of assets

As at 30 June 2021 and 31 December 2020, the Company and its subsidiaries have the following encumbrance assets, presented at book value as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Interbank and money market items (assets)				
Placed at insurance registrar	400	1,530	-	-
Placed at court	1	1	-	-
Placed at the Office of Insurance Commission	4	4	-	-
Placed for EDC machine	1	1	-	-
Investments in securities				
Placed at insurance registrar	1,945	847	-	-
Property foreclosed				
Immovable assets subject to buyback options or first rights refusal	4	4	-	-
Immovable assets subject to purchase or sell agreements with clients but currently being settled in installments or through transfer of ownership	152	18	-	-
Total	2,507	2,405	-	-

36. Commitments and contingent liabilities

As at 30 June 2021 and 31 December 2020, significant commitments and contingent liabilities consisted of:

36.1 Commitments

As at 30 June 2021, the Company had letter of guarantees issued by banks on behalf of the Company amounting approximately Baht 1 million placed for electricity usage, and a subsidiary has issued letters of guarantee to investigating officers, public prosecutors, courts or persons authorised to grant provisional releases, as bonds for insured parties that have been charged or are defendants in various cases, in the amount of approximately Baht 9 million.

In addition, the subsidiaries have commitments in respect of derivative contracts as mentioned in Note 6 to the interim financial statements.

36.2 As at 30 June 2021, the Company and its subsidiaries have commitments to pay the service fees in relation to property foreclosed, information technology system services and other services, including commitments in respect of office rental and service fee (portion not recorded as lease liabilities) as follows:

Year	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Other companies	Other companies
2021	108	7
2022	40	-
2023 onward	139	-

37. Contingent liabilities/litigation

As at 30 June 2021, the Company and its subsidiaries have contingent liabilities amounting to approximately Baht 159 million (separate financial statements: Baht 44 million) in respect of litigation. However, the Company's and its subsidiaries' management have already made certain provisions for contingent loss, and for the remaining portion the Company's and its subsidiaries' management believes that no loss will result and therefore no liabilities are currently recorded.

38. Financial instruments**38.1 Fair value of financial instruments**

A comparison of the fair value of financial instruments and their carrying amounts as at 30 June 2021 and 31 December 2020, is as follows:

	Consolidated financial statements			
	30 June 2021		31 December 2020	
	Book value	Fair value	Book value	Fair value
<u>Financial assets measured at fair value</u>				
Financial assets measured at fair value through profit or loss	2,921	2,921	3,357	3,357
Derivatives assets	313	313	145	145
Investments in debt securities measured at fair value through other comprehensive income	13,830	13,830	19,250	19,250
Investments in equity securities designated at fair value through other comprehensive income	2,923	2,923	2,357	2,357
<u>Financial liabilities measured at fair value</u>				
Derivatives liabilities	16	16	14	14
<u>Non-financial assets measured at fair value</u>				
Land, premises and equipment - land and premises	174	174	181	181
<u>Financial assets and liabilities not measured at fair value</u>				
Cash	6	6	2	2
Interbank and money market items (assets)	8,852	8,852	7,812	7,812
Loans to customers and accrued interest receivables	53,294	52,736	50,251	49,687
Receivables from purchase and sale of securities	1,090	1,090	1,247	1,247
Other assets - Receivables from clearing house	152	152	797	797
Other assets - Accrued interest receivables	116	116	122	122
Other assets - Others	389	389	421	421
Interbank and money market item (liabilities)	15,901	15,925	13,312	13,348
Debts issued and borrowings	32,829	33,483	33,887	34,401
Payables from purchase and sale of securities	1,986	1,986	2,083	2,083
Other liabilities - Accrued interest payables	207	207	243	243
Other liabilities - Payables to clearing house	349	349	-	-
Other liabilities - Lease liabilities	435	435	435	435

(Unaudited but reviewed)

	Separate financial statements			
	30 June 2021		31 December 2020	
	Book value	Fair value	Book value	Fair value
<u>Financial assets measured fair value</u>				
Financial assets measured at fair value through				
profit or loss	223	223	1,218	1,218
Derivatives assets	312	312	142	142
Investments in debt securities measured				
at fair value through other comprehensive income	3,005	3,005	7,202	7,202
Investments in equity securities designated				
at fair value through other comprehensive income	1,654	1,654	1,495	1,495
<u>Non-financial assets measured at fair value</u>				
Land, premises and equipment - land and premises	62	62	64	64
<u>Financial assets and liabilities not measured at fair value</u>				
Interbank and money market items (assets)	1,050	1,050	172	172
Loans to customers and accrued interest receivables	3,195	3,195	804	804
Other assets - Accrued interest receivables	4	4	7	7
Other assets - Capital return from subsidiary	701	701	-	-
Other assets - Others	71	71	36	36
Debt issued and borrowings	10,700	10,873	10,700	11,118
Payables from purchase and sale of securities	620	620	-	-
Other liabilities - Accrued interest expenses	81	81	82	82
Other liabilities - Lease liabilities	94	94	66	66

38.2 Fair value hierarchy

As at 30 June 2021 and 31 December 2020, the Company and its subsidiaries had financial assets and financial liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	30 June 2021					
	Book value	Fair value				
	Total	Level 1	Level 2	Level 3		
<u>Financial assets measured at fair value</u>						
Financial assets measured at fair value through profit or loss	2,921	2,921	1,523	1,048	350	
Derivatives assets	313	313	313	-	-	
Investments in debt securities measured at fair value through other comprehensive income	13,830	13,830	-	13,830	-	
Investments in equity securities designated to be measured at fair value through other comprehensive income	2,923	2,923	2,651	-	272	
<u>Financial liabilities measured at fair value</u>						
Derivatives liabilities	16	16	16	-	-	

(Unit: Million Baht)

	Consolidated financial statements					
	31 December 2020					
	Book value	Fair value				
	Total	Level 1	Level 2	Level 3		
<u>Financial assets measured at fair value</u>						
Financial assets measured at fair value through profit or loss	3,357	3,357	1,008	2,021	328	
Derivative assets	145	145	145	-	-	
Investments in debt securities measured at fair value through other comprehensive income	19,250	19,250	-	19,250	-	
Investments in equity securities designated to be measured at fair value through other comprehensive income	2,357	2,357	2,072	-	285	
<u>Financial liabilities measured at fair value</u>						
Derivatives liabilities	14	14	14	-	-	

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements				
	30 June 2021				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss	223	223	-	98	125
Derivatives assets	312	312	312	-	-
Investments in debt securities measured at fair value through other comprehensive income	3,005	3,005	-	3,005	-
Investments in equity securities designated to be measured at fair value through other comprehensive income	1,654	1,654	1,485	-	169

(Unit: Million Baht)

	Separate financial statements				
	31 December 2020				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss	1,218	1,218	-	1,101	117
Derivative assets	142	142	142	-	-
Investments in debt securities measured at fair value through other comprehensive income	7,202	7,202	-	7,202	-
Investments in equity securities designated to be measured at fair value through other comprehensive income	1,495	1,495	1,331	-	164

During the current period, the Company and its subsidiaries did not transfer any items among fair value hierarchy levels.

39. Reclassification of accounts

The Company and its subsidiaries reclassified certain accounts in the statements of comprehensive income for the three-month and six-month periods 30 June 2020, restated for comparative purposes, to be consistent with the current period's accounting classification. These reclassifications do not have any impact on previously reported profit or equity.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June 2020			
	Consolidated financial statements		Separate financial statements	
		Previously		Previously
	Reclassified	reported	Reclassified	reported
Interest expenses	423,288	420,353	142,438	142,008
Fees and service expenses	85,638	65,035	322	322
Insurance/Life insurance expenses	1,303,044	1,301,738	-	-
Other expenses	144,739	168,763	11,917	12,347
Expected credit loss	215,864	216,684	5,104	5,104

(Unit: Thousand Baht)

	For the six-month periods ended 30 June 2020			
	Consolidated financial statements		Separate financial statements	
		Previously		Previously
	Reclassified	reported	Reclassified	reported
Interest expenses	830,075	824,083	297,572	296,695
Fees and service expenses	199,729	137,459	627	627
Insurance/Life insurance expenses	2,747,515	2,747,293	-	-
Other expenses	314,690	380,989	30,006	30,883
Expected credit loss	371,016	373,201	13,997	13,997

40. Events after the reporting period

On 7 July 2021, the Board of Directors of the Company approved the purchase of 49-percent interests in MBK Life Assurance Public Company Limited, TM Broker Company Limited and MT Service 2016 Company Limited from MBK Public Company Limited, at a total price of Baht 487 million. As a result, the Company's shareholding in those subsidiary companies stands at 100 percent.

41. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 10 August 2021.