Press Release: January 19, 2024

SCBX ANNOUNCED 2023 NET PROFIT OF BAHT 43.5 BILLION

Bangkok: SCB X Public Company Limited (SCBX) has reported a consolidated net profit of Baht 43.5 billion in 2023, a 15.9% yoy increase.

Total operating income rose by 10.8% yoy to Baht 171.1 billion. Operating expenses increased by 2.7% yoy to Baht 71.8 billion, leading to a significant decrease in the cost-to-income ratio to 42%, down from the previous year's 45.2%. This reflects our commitment to effective cost management and the ongoing effort to increase operational efficiency.

The company set aside provisions of Baht 43.6 billion for 2023, a 28.9% yoy increase, as a prudent response to preemptively provide a cushion for global geopolitical uncertainties and an uneven economic recovery in Thailand. The non-performing loan (NPL) coverage ratio remained at 160%, consistent with last year's level.

Overall asset quality is well under control. The NPL ratio was 3.4% at the end of 2023, slightly higher than the 3.3% recorded at the end of 2022. The capital adequacy ratio remained strong at 18.8% and the Return on Equity (ROE) at the end of 2023 stood at 9.3%.

Arthid Nanthawithaya, Chief Executive Officer of SCBX, commented:

"In 2023, SCBX focused on providing assistance to customers who continue to be affected by the COVID-19 crisis. Amid uneven domestic economic recovery, high household debt, and rising external risks, the company grew its unsecured consumer loans by 24% from the previous year, with outstanding loans in this segment amounting to approximately Baht 165 billion. This was in response to the Thai government's policy on financial inclusion for low-income segment. In addition, the company was actively promoting convenient accessibility through our digital channels for retail investors to purchase SCBX's debentures which offered a stable-return alternative despite highly volatile capital market conditions.

In the next phase of our strategy, the company will focus on improving efficiency, appropriately managing costs, developing technological capabilities, and enhancing financial stability. This approach aims to position SCBX as a key engine of economic development, expanding services to our customers, and creating shareholder value."

SCBX – Financial Highlight

(Consolidated)

Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Income	**171,103**	**154,420**	10.8%	**42,543**	-1.8%	11.2%
NII	124,682	107,865	15.6%	33,413	6.0%	13.9%
Fee and others	43,083	44,866	-4.0%	10,013	-7.2%	-4.5%
Investment and trading income	3,338	1,689	97.6%	-883	NM	NM
Operating Expenses	**71,781**	**69,874**	2.7%	**19,517**	5.6%	-6.4%
Pre-Provision Operating Profit	**99,323**	**84,547**	17.5%	**23,026**	-7.4%	32.3%
Expected credit loss	43,600	33,829	28.9%	9,330	-23.8%	31.8%
Net Profit	**43,521**	**37,546**	15.9%	**10,995**	13.8%	53.9%
Loans	2,426,563	2,377,214	2.1%	2,426,563	-1.2%	2.1%
Total Assets	3,438,722	3,454,452	-0.5%	3,438,722	-2.8%	-0.5%
Deposits	2,442,860	2,555,800	-4.4%	2,442,860	-4.1%	-4.4%
ROE	9.3%	8.3%	1.0%	9.3%	1.0%	3.1%
ROA	1.3%	1.1%	0.2%	1.3%	0.2%	0.5%
NIM on Earning Assets	3.73%	3.29%	0.44%	3.96%	0.22%	0.42%
Cost to Income Ratio	42.0%	45.2%	-3.2%	45.9%	3.2%	-8.6%
Loan to Deposit Ratio	99.3%	93.0%	6.3%	99.3%	2.9%	6.3%
NPL%	3.44%	3.34%	0.10%	3.44%	0.14%	0.10%
NPLs	96,832	95,329	1.6%	96,832	1.3%	1.6%
Coverage Ratio (Total Allowance to NPLs)	159.9%	159.7%	0.2%	159.9%	-7.3%	0.2%
CAR	18.8%	18.9%	-0.1%	18.8%	0.1%	-0.1%
Regulatory Capital	443,680	434,907	2.0%	443,680	-0.0%	2.0%

Management Discussion and Analysis

For the fourth quarter and the year ended December 31, 2023

Executive Summary

In 2023, we began our first full year operations under the SCBX group structure. In terms of financial performance, we continued to deliver solid growth performance with consolidated net profit of Baht 43.5 billion, a 15.9% increase from the previous year. 4Q23 net profit came in at Baht 11.0 billion, representing a 53.9% rise yoy. Such results were driven by higher net interest income, investment income, and rigorous cost control, despite higher-than-expected credit cost and soft fee income. By business portfolio contribution, SCB Bank (Gen 1) remained the core profit growth contributor to group performance, while consumer finance group (Gen 2) recorded small profit and digital platform & ecosystem group (Gen 3) was steadfast in its discipline to establishing best-in-class platforms with clear path towards profitability. We continued our commitment to improve group capital structure and raised ROE to 9.3%.

We remained committed to our strategy to become a leading regional fintech group. In 2023, we set up Cloud Center of Excellence (COE) and Cyber COE to centrally manage critical technology capabilities. With significant amount of data across the group still on premise, Cloud COE will play a critical role in driving data and cost efficiency over the years. The mandate of Cyber COE is to implement state-of-the-art cyber security system.

Let's now turn to outlook for 2024. We are entering Phase 2 of our five-year journey outlined in our strategy, with Phase 1 focusing on building core tech and operating model. Phase 2 is about growing business with scale and synergy over the next few years. For 2024 specifically, we expect main growth to come from Gen 2 businesses driven by AutoX (loan growth and economy of scale) and CardX (credit cost reduction and efficiency improvement). Gen 1 or SCB Bank will continue to deliver solid growth though the pace of growth would soften from 2023 as interest rates peak. Gen 3 companies as a group will transform towards profitability path where burning platform business model under Robinhood platform will be reduced significantly, while ensuring the path to profitability in the long run.

In terms of new business, we will continue to look for regional expansion opportunity. Our plan is to target well-run businesses in the region that offer immediate earnings and synergy to build on our international capabilities. Capital efficiency management will remain high on our agenda and we remain committed to delivering superior return to shareholders.

For 2024, SCBX has established performance targets, including loan growth of 3-5%, net interest margin of 3.7-3.9%, net fee income growth of low-mid single digits, cost to income ratio of 43-45%, and credit cost of 160-180bps.

2023 operating performance

In the past year, Thailand has encountered a mix of challenges and opportunities. The economy, rebounding from the global pandemic's impact, has shown gradual improvements in key economic indicators. The government's initiatives to boost domestic demand and invest in infrastructure projects have played a crucial role in bolstering economic resilience. However, external factors such as global trade tensions, geopolitical uncertainties, and fluctuations in commodity prices have introduced additional complexities. Despite these challenges, SCBX has adeptly navigated the Thai market, capitalizing on emerging opportunities and adjusting to evolving consumer behaviors.

In 2023, SCBX reported a consolidated net profit of Baht 43.5 billion, representing a 15.9% increase from the previous year. This growth was largely due to an increase in net interest income, resulting from a wider net interest margin (NIM), despite higher expected credit losses. Fee income decreased year-over-year, mainly due to a decline in bancassurance/insurance revenue caused by the expiration of performance-linked bonus payment. Investment income also increased year-over-year, primarily due to higher mark-to-market gains from the investment portfolio. The cost-to-income ratio was 42.0%, better than the full-year guidance, mainly due to several rigorous cost control measures.

We adopted a prudent approach and set aside expected credit losses (ECL) of Baht 43.6 billion or 182 bps of total loans. Asset quality remained stable with NPL level of 3.44% and a robust coverage ratio at 159.9%. The Group's loan growth of 2.1% yoy was primarily driven by SCB Bank's housing loans and our portfolio company's auto title loans.

2024 SCBX Strategy

After a full year of journey operating as SCBX company, we realized that the SCBX structure has provided us with unique insights into operational issues that would have otherwise gone unnoticed. As we reflect on these lessons, we are committed to using them to strengthen our organization and continue our journey towards becoming a leading tech company.

Over the course of 2023, we have laid the foundation in our organization focusing on building core tech and data capabilities. In addition, we established Cloud and Cyber COEs to address efficiency of the group. We are excited to enter the next growth phase of SCBX, where we will deliver solid earnings from our core banking business, expand our consumer finance and digital lending offerings, and explore opportunities for regional business.

Our strategic priorities in 2024 remain focused on strengthening group efficiency and uplifting capabilities. Our commitment and priority for 2024 include;

1) **Growth:** Continue to drive business/ growth in our subsidiary business in core banking (Gen 1), consumer/ digital lending (Gen 2). Gen 1 will remain our core contribution with improved efficiency. Gen 2 is ready to deliver the right track of profitability.

2) **Shift to profit-oriented model for Gen 3:** The only cash burning business model is with Robinhood platform. We plan to shift the business model of Robinhood towards profit-oriented business model whereby subsidy will be phased out substantially.

3) **Drive efficiency:** Continue to invest in technology capability to increase efficiency.

Cloud COE to provide services to enable all SCBX subsidiaries to transform their current cloud solutions as well as increasing group wide alignment regarding cloud infrastructure. Cloud COE will provide centralized governance for industry latest cloud services, tools, and policy compliance/adoption. We expect 20% OPEX saving in the next 5 years with improving tech resilience.

Cyber COE to enhance the governance and oversight and ensure compliance to all standards. It will lift cyber capabilities for the group where SCBX group and its subsidiary companies will benefit from economy of scale, and maximizing new technology, data and automation. Cyber COE will also help the group to manage and avoid double spending.

Data COE to leveraging group data as an asset and enhance group data capabilities, promoting collaboration and insights and paving the way to becoming AI-first organization. We are currently under group data transformation, a critical enabler for advanced analytics and AI unlocks.

Action plans and targets for 2024

Gen 1

Gen 1 focuses on loan optimization, cost efficiency, and asset quality management, and benefit from the upward interest rate trend which has already peaked in 2023, but face challenges from the unfavorable investment condition and the fragile macro environment.

SCB Bank

After the Covid-19 crisis, the banking business in 2023 grew in line with the economic recovery, supported by the tourism sector that continues to rise as Thailand has opened the country for a full year, including the expansion of consumption and private investment. In 2023, The net profit of the Bank strongly increased primarily due to favorable net interest income growth, wider net interest margins, rising interest rate trends, and better pricing management. Non-interest income slightly increased supported by strong trade and transactional fee income. However, non-interest income from wealth management fees continued to see pressures due to unfavorable market conditions.

Throughout 2023, there were crises arising from external factors such as the Chinese economic slowdown, climate change, and geopolitical tensions like the China-US competition and the Russian-Ukrainian war. These prolonged challenges, marked by higher energy costs and increasing interest rates, have impacted the economy. Despite challenges, the Bank has delivered strong operating results and sustained growth, prioritizing quality. Amid solid financial performance, the Bank has built backend system to support increasing digital revenue journey, and to uplift digital products to be on part with market. The Bank has also kicked off key strategic initiatives to maintain its leading position in trade finance, sustainable finance, wealth and omnichannel transformation. This resulted in double digital revenue from 2022. The Bank also strengthened its core foundations such as core bank modernization, migrating Easy platform to cloud. This resulted in 5 times less downtime compared to 2022, while increasing SCB EASY application users from 14.1 million at the end of 2022 to 14.9 million by the end of 2023, with a monthly usage ratio of 82%.

For 2024, the Bank has set a strategic objective of becoming a “Better Bank” with the aspiration to be a universal digital bank with number one in wealth management, offering seamless experiences across all channels to customers. The journey to become “Digital Bank with Human Touch” will continue whereby the Bank will utilize AI touchpoints and focus on customer centric operating model, paving way to smart chatbot and full suites of digital products in the coming year. The Bank has set ambitious targets for 2024, including double of digital revenue from 2023, mid-teen percentage growth in wealth business investment fee, double digit ROE, a cost-to-income ratio at 38%, remaining unchanged from the previous year, and optimizing the loan-to-deposit ratio in the range of 95-98%.

Highlights of the Bank’s endeavors in 2024 are as follows:

- **Establishing the approach of a "Digital Bank with a Human Touch**," the Bank aims to understand customers deeply through data, tapping into their emotions. The Bank will enhance 3 key aspects, namely, personalized finance, digitalization and omni-channel experience, to seamlessly connected service experience across all channels for customers.
- **Focusing on a balanced lending portfolio and managing risk-adjusted returns**, the Bank’s focus will be on segments with high margin and relatively low risks while maintaining a cautious approach in high-risk segments. The Bank will remain selective with pricing discipline in new loan booking. The Bank aims to generate strong returns with stringent risk control. Operating costs will be managed prudently, with emphasis on high-quality customers, to enhance asset quality amid high-interest rates and economic uncertainties.
- **Repositioning wealth management**, the Bank set the vision to become no.1 wealth AUM by 2026, aiming at 10% revenue CAGR in the next 3 years. The focus is on upgrading services to provide holistic solutions for both personal wealth management and business needs. We will uplift RM productivity and leverage digital tools to expand coverage, together with integrate coverage model to be customer centric. We will also strengthen product and advisory suite, and personalize engagement with customers.
- **Digitizing work processes and boosting sales through digital channels**. The Bank will implement AI/ML for targeted marketing, pre-qualified leads and underwriting model, together with utilizing digital channel to uplift revenue, and reduce operating costs. With such approach, the Bank aims to double digital revenue this year and next, and will make digital revenue a significant portion in total revenue.

Gen 2

Over the course of 2023, Gen 2 pursued growth in new segments and achieved strong loan growth and revenue. Gen 2 also turned from loss to profit with the help of AutoX, MONIX, and Abacus. AutoX and MONIX have shown excellent execution track record in growing loan book and yet keeping asset quality well under control. Issues at CardX has been resolved and stabilized, CardX is working toward improvement in end to end credit underwriting and risk management. In 2024, Gen 2 business is ready to deliver meaningful profit growth.

CardX

CardX delivered strong top-line and operating profit in 2023, however, the net profit of CardX was notably impacted by higher credit costs resulting from weak macro conditions and complications in system migration.

During the second half of 2023, one of CardX's focus was on resolving the issues associated with the system migration. This involved implementing various measures such as reviewing and improving data quality and verifying the integrity of the technical infrastructure to ensure system's reliability and accuracy. The outcome was satisfactory, where operational issue has been stabilized.

In 2024, CardX will focus on building foundation to ensure sustainable growth by enabling dynamic underwriting and portfolio risk management, and improving the collection capabilities to turnaround the operations and achieve profitability. With these initiatives, the company will strengthen portfolio and client selection criteria by acquiring favorable customer segmentation, launching cross-selling and augmenting fee income through targeted campaigns focused on spending categories with the objective to enhance CardX's relevancy to customers' lifestyle.

With systematic challenge in consumers' credit outlook, evidence by household debt and NPL level, CardX will continuously emphasize on assets quality with cautious underwriting criteria. This leads us to believe that CardX operation and its credit cost should continue to show improvement. Moreover, we will continue to drive for better operational efficiency to achieve higher and sustainable profitability.

In 2024, CardX is targeting an expansion of its customer base to 2 million while maintaining flat year-on-year loan growth. The key focus is on achieving profitability through a substantial reduction in credit costs. Additionally, CardX will emphasize its credit card business, with a targeted credit card spend growth of 15%.

AutoX

AutoX marked a successful year in 2023 as it has already contributed net profit to SCBX group. Apart from solid loan growth, the company significantly expanded its insurance brokerage business, demonstrating continuous growth. With a nationwide presence of 1,803 branches, AutoX boasts a high branch productivity rate for acquiring new loans. Operational efficiency and robust asset quality were pivotal to our success, evident from our low Non-Performing Loan (NPL) ratio of 0.8%.

Looking forward to 2024, AutoX aims to expand its loan portfolio and create new revenue streams by developing tailored lending and insurance products aligned with customer needs. The company anticipates expanding to 2,200 outlets nationwide by year-end.

In addition to our growth focus, AutoX remains dedicated to nurturing a healthy-quality portfolio with an effective risk management policy. We plan to enhance customer risk scoring and optimize our collection model by leveraging artificial intelligence (AI) and machine learning analytics (ML).

AutoX is strategically gearing up for substantial growth in 2024, primarily through strengthening and optimizing existing distribution network to increase productivity and efficiency. With a loan target of Baht 50 billion, the company positions itself strategically for success. Additionally, AutoX aims to achieve a significant surge in both loan growth and insurance sales by targeting 4,500 salespersons, with 80% specializing in insurance-licensed sales. This reflects AutoX's commitment not only to expansion but also to diversifying and fortifying its market presence.

Gen 3

Gen 3 business as a group has shifted gear from cash-burning business model to profit-oriented ones. In 2024, Gen 3 remains steadfast in its commitment to improving efficiency and building a best-in-class platform. InnovestX will continue to improve its market positioning through innovation amid market volatility. Robinhood Platform is dedicated to achieving net profitability by 2027 with discipline imposed on cutting down significantly on subsidy.

InnovestX

Market volatility made 2023 a challenging year for the core brokerage business of InnovestX. InnovestX continues to strive as a leading securities company in Thailand, and are proud with many recognition from industry such as “Best Innovative Company Awards” and “Outstanding Securities Company Awards” from SET Awards 2023, “Best Analysis Awards” from IAA, and “Best securities company in Thailand” from FinanceAsia and World Business Outlook.

In 2023, InnovestX continued to enhance its technology capabilities and initiated partnership with TradingView by being the first brokerage house in Thailand that enabled investors who use TradingView to execute trade immediately using InnovestX as a broker. Seamless integration was introduced first on Thai stock, with more assets class to follow. InnovestX application gained recognition from investors, as evidenced by awards from well-known local and global institutions.

While uncertainties will persist for investors in 2024, InnovestX has a clear target to gain market shares, particularly from frequent traders. The company aims to elevate trading experience through ongoing enhancements of web and mobile platform, including the introduction of new products and powerful tools to make investment journey smoother, more informed. Moreover, the company will further solidify its position as a leading institutional brokerage house through impactful collaborations, unparalleled expertise, and strong trust and engagement.

InnovestX sets ambitious targets for 2024, aiming to achieve more than Baht 3 billion in revenue. The company also aspires to secure a 7% market share, positioning itself among the top three brokers in terms of revenue. Additionally, InnovestX targets a substantial growth in its customer base, aiming to reach 350,000 annual paying customers. These objectives underscore InnovestX's commitment to financial success, market leadership, and expanding its clientele.

Purple Ventures

Purple Ventures operates Thailand’s Robinhood App. In 2023, the company launched several new important lifestyle services, including delivery (Robinhood Express), ride-hailing (Robinhood Ride), electric vehicles (EV) subscription (Robinhood EV), and financial services for our riders (Robinhood Finance). Robinhood is directing its efforts towards enhancing monetization by experimenting and expanding new business models like electric vehicles and ride-hailing.

Despite a slowdown in food delivery business due to softening market conditions, the company managed to maintain its market share and at the same time significantly reduce subsidy per order by 60% year over year for 2 consecutive years. The company also gained meaningful traction on new businesses launched in 2023 (Ride hailing, Express, Finance, and EV), providing customers with a diverse range of high-quality offerings. The company added close to a million new users, while increasing the number of registered merchants to 380k. With the advent of Robinhood Ride, the rider/driver ecosystem has developed meaningfully as well. In 2023, Robinhood Finance proved to be a highly effective model for Robinhood to enter into lending services.

Looking ahead to 2024, the priority focus will be on sustainable growth by strengthening the super app services and underlying technologies. *Food and Mart* will be to continue to reduce subsidy in a meaningful and fair way in our effort to sustainably support our smaller merchants and riders in our ecosystem in the long term. *Robinhood Ride* will continue to make headway into the industry and aims to be top of mind for our consumers and drivers through quality and fair price. *Robinhood Finance* will extend financial services to the underserved as a positive influence in solving informal loan issues. *Robinhood EV*'s focus will be to scale the business to capture more market by maintaining premium yet affordable positioning and branding to support the path to Net Zero. The company targets to achieve net profit breakeven by 2027.

In 2024, Robinhood targets a broad user base, aiming for 4.9 million registered users. The company also sets ambitious financial goals, with a target GMV of Baht 9 billion and a gross revenue target of Baht 1.5 billion. Robinhood’s net loss for 2024 will not be more than that of 2023, highlighting a commitment to continuous improvement.

SCB 10X

SCB 10X has fully deployed its capital and has exited some positions. The company is monitoring market conditions for further exits. The investment portfolio of SCB 10X has been generating sustainable return for the Group. At the end of December 2023, SCB 10X had USD 525 million in AUM. IRR on deployed capital was 16.1% as of December 2023. SCB 10X remains vigilant, poised to make strategic decisions in response to evolving market dynamics. SCB 10X continues to navigate the financial landscape with a focus on maximizing returns for the Group.

2024 Guidance

The Thai economy is projected to grow at a rate of 3.0% by 2024, with export expansion being a key driver due to the increase in global trade growth. Private investment is also expected to recover, supported by a rise in investment promotion applications and government policies aimed at encouraging investment.

SCBX has established several targets for its overall performance. The company aims for a loan growth of 3-5%, in line with the economic recovery. The net interest margin (NIM) is expected to be between 3.7-3.9%, based on no policy rate change in 2024, driven by high yield loans in Gen 2 and balance sheet efficiency improvement at the Bank. Net fee income growth is projected to be in the low-mid single digits, primarily driven by the wealth business, bancassurance as well as higher fee contribution from Gen 2 business. However, fee income from the capital market remains uncertain due to weak market activities. The cost to income ratio is targeted to be in the range of 43-45%, with a continued emphasis on cost discipline despite expenses associated with strategic projects in Cyber Security and Cloud COEs and others. The credit cost is projected to be between 160-180bps, taking into account proactive measures, a robust risk management framework, and effective credit cost management practices and a robust collection strategy. This guidance is subject to change due to economic uncertainties and unforeseen future events.

2024 Targets	**SCBX** (Consolidated)
Loan Growth	3-5%
Net Interest Margin (NIM)	3.7-3.9%
Net Fee Income Growth	Low-mid single digit
Cost to Income Ratio	43-45%
Credit cost (bps)	160-180bps

SCBX Performance in 4Q23 and 2023 (consolidated)

SCBX reported an unaudited consolidated **net profit** of Baht 43,521 million for 2023, indicating a 15.9% increase yoy from Baht 37,546 million in 2022. This increase was primarily attributed to higher net interest income (NII), despite higher expected credit losses and increased operating expenses (OPEX).

In the fourth quarter of 2023, net profit increased 53.9% yoy to Baht 10,995 million. This growth was primarily attributed to higher net interest income and reduced OPEX, partially offset by an increase in expected credit loss.

On a **quarter-on-quarter** basis, the net profit increased by 13.8% primarily driven by lower expected credit loss and higher NII. This growth was partially offset by reduced investment and trading income, lower fees and other income, and higher OPEX.

Table 1. Net Profit and Total Comprehensive Income

Consolidated Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Net interest income	124,682	107,865	15.6%	33,413	6.0%	13.9%
Fee and others	43,083	44,866	-4.0%	10,013	-7.2%	-4.5%
Investment and trading income	3,338	1,689	97.6%	(883)	NM	NM
Total operating income	171,103	154,420	10.8%	42,543	-1.8%	11.2%
Operating expenses	71,781	69,874	2.7%	19,517	5.6%	-6.4%
Pre-provision operating profit	**99,323**	**84,547**	**17.5%**	**23,026**	**-7.4%**	**32.3%**
Expected credit loss	43,600	33,829	28.9%	9,330	-23.8%	31.8%
Income tax	11,955	13,592	-12.1%	2,628	-9.1%	-21.1%
Non-controlling interests	247	(421)	NM	73	32.8%	NM
Net profit (attributable to shareholders of the Company)	**43,521**	**37,546**	**15.9%**	**10,995**	**13.8%**	**53.9%**
Other comprehensive income (loss)	51	877	-94.2%	692	NM	-65.0%
Total comprehensive income	**43,572**	**38,423**	**13.4%**	**11,687**	**24.8%**	**28.1%**
ROAE	9.3%	8.3%		9.3%		
ROAA	1.3%	1.1%		1.3%		

NM denotes “not meaningful”

Income statement for the fourth quarter and the year ended December 31, 2023 (Consolidated basis)

Table 2. Net interest income

Consolidated Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Interest income	**161,121**	**126,993**	**26.9%**	**43,436**	**5.8%**	**24.5%**
Loans	132,719	106,671	24.4%	35,438	4.5%	23.0%
Interbank and money market	9,824	3,978	147.0%	2,960	18.8%	96.1%
Hire purchase	10,114	11,339	-10.8%	2,450	-2.1%	-9.6%
Investments	8,161	4,870	67.6%	2,480	20.0%	35.8%
Others	304	135	124.4%	109	6.1%	113.0%
Interest expenses	**36,439**	**19,127**	**90.5%**	**10,023**	**5.1%**	**80.2%**
Deposits	15,349	9,600	59.9%	4,737	17.2%	81.5%
Interbank and money market	4,969	1,405	253.7%	1,056	-20.6%	81.9%
Borrowings	3,991	1,859	114.7%	1,197	4.6%	62.7%
Contribution to the Deposit Protection Agency & FIDF	11,710	6,057	93.3%	2,912	0.4%	91.2%
Others	419	206	103.4%	120	-1.0%	7.3%
Net interest income	**124,682**	**107,865**	**15.6%**	**33,413**	**6.0%**	**13.9%**

- **In 2023, net interest income** increased by 15.6% yoy, amounting to Baht 124,682 million. This growth was propelled by a 44 basis points expansion in NIM and a 2.1% yoy increase in loan volume.
- **In the fourth quarter of 2023**, net interest income increased 13.9% yoy to Baht 33,413 million, attributable to a 42 bps improvement in NIM coupled with a 2.1% yoy growth in loans.
- On a **quarter-on-quarter** basis, net interest income increased by 6.0%, primarily due to a widened NIM by 22 bps despite a 1.2% contraction in loans.

Table 3. Yield and cost of funding

Consolidated Unit: Percentage	2023	2022	4Q23	3Q23	2Q23	1Q23	4Q22
Net interest margin	3.73%	3.29%	3.96%	3.74%	3.70%	3.46%	3.54%
Yield on earning assets	4.81%	3.87%	5.15%	4.87%	4.75%	4.44%	4.21%
Yield on loans	5.95%	5.04%	6.21%	5.97%	5.85%	5.57%	5.34%
Yield on interbank and money market	2.05%	0.70%	2.59%	2.06%	1.89%	1.54%	1.22%
Yield on investment	1.75%	1.31%	2.08%	1.85%	1.75%	1.64%	1.60%
Cost of funds[1/]	1.31%	0.69%	1.42%	1.35%	1.26%	1.17%	0.80%
Cost of deposits[2/]	1.08%	0.62%	1.22%	1.10%	1.03%	0.94%	0.65%

Note Profitability ratios use the average beginning and ending balances as the denominator.

[1/] Cost of funds = Interest expenses (including contributions to DPA & FIDF) / Average interest-bearing liabilities.

[2/] Cost of deposits includes contributions to the Deposit Protection Agency and FIDF fees.

In 2023, NIM expanded by 44 bps yoy to 3.73% primarily attributed to increases in interbank yield (+135 bps), loan yield (+91 bps) and investment yield (+44 bps). This positive trend occurred despite a rise in funding cost (+62 bps). The higher yields were a consequence of 5 policy rate hikes, upward revisions of lending rates by the Bank, a larger volume of high-yield loans; and pricing discipline on new bookings. The cost of funds increased mainly because of a 23 bps rise in FIDF fee and higher cost of deposits.

In the fourth quarter of 2023, NIM increased by 42 bps yoy and 22 bps qoq, driven by higher yields on interbank, loans and investment as mentioned earlier. However, this positive trend was partially offset by an uptick in the cost of funds, stemming from increased deposit costs and higher borrowing expenses related to the issuance of SCBX debentures. For a detailed breakdown of loan yields by segment/product, please refer to Additional Financial Information on page 20.

Table 4. Fee and others

Consolidated Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Transactional banking *	12,251	10,453	17.2%	3,116	11.5%	18.6%
Lending related **	6,870	5,612	22.4%	1,578	-15.6%	10.8%
Wealth management ***	7,597	7,838	-3.1%	1,859	-1.0%	12.1%
Bancassurance/Insurance	11,490	15,125	-24.0%	2,014	-31.3%	-43.3%
Others	4,875	5,839	**-16.5%**	1,445	9.4%	18.4%
Fee and others	**43,083**	**44,866**	**-4.0%**	**10,013**	**-7.2%**	**-4.5%**

* Including transactional fees, trades, and FX income

** Including loan-related and credit card fees

*** Including income from fund management, securities business, and others

- **Fee and others** decreased by 4.0% yoy to Baht 43,083 million in 2023. This decline was primarily attributed to a decrease in bancassurance fees resulting from the expiration of performance-linked bonus payment as well as lower fees from wealth management. Despite the decrease in these areas, there was an improvement yoy in 2023, driven by transactional banking and lending-related fees.
- **In the fourth quarter of 2023**, fee and others fell 4.5% yoy to Baht 10,013 million largely due to lower fees from bancassurance as mentioned above.
- On a **quarter-on-quarter** basis, fee and others decreased 7.2% largely due to lower bancassurance fees resulting from the seasonal decrease in fees in the last quarter of the year, as well as lower lending-related fees.

Table 5. Investment and trading income

Consolidated Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Investment and trading income	**3,338**	**1,689**	**97.6%**	**(883)**	**NM**	**NM**

NM denotes “not meaningful”

- In 2023, **investment and trading income** increased by 97.6% yoy to Baht 3,338 million, largely due to higher mark-to-market gains from the investment portfolio.
- **In the fourth quarter of 2023**, the Company recorded investment and trading loss of Baht 883 million due to FX loss from investment revaluation.
- On a **quarter-on-quarter** basis, investment and trading loss as mentioned above.

Table 6. Operating expenses

Consolidated

Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Employee expenses	33,621	31,219	7.7%	8,279	-2.0%	0.7%
Premises and equipment expenses	11,660	11,511	1.3%	3,112	0.1%	-5.9%
Taxes and duties	4,995	4,400	13.5%	1,378	29.4%	-3.1%
Directors' remuneration	175	274	-36.0%	62	9.9%	-16.7%
Other expenses	21,329	22,470	-5.1%	6,686	15.1%	-14.6%
Total operating expenses	**71,781**	**69,874**	**2.7%**	**19,517**	**5.6%**	**-6.4%**
Cost to income ratio	**42.0%**	**45.2%**		**45.9%**		

- In 2023, **operating expenses** increased by 2.7% yoy, amounting to Baht 71,781 million. This rise was mainly attributable to an uptick in staff costs, driven by an increase in the number of staff to support growing business. Additionally, there were elevated costs associated with the expansion of premises and equipment, linked to the outlet expansion of a portfolio company.
- **In the fourth quarter of 2023**, operating expenses decreased by 6.4% yoy to Baht 19,517 million largely due to lower other expenses.
- On a **quarter-on-quarter** basis, operating expenses increased by 5.6%, primarily due to the seasonality in marketing and promotion expenses, which typically rise in the last quarter of the year.

For 2023, the cost-to-income ratio decreased to 42.0%, compared to 45.2% in 2022 which was well above full-year guidance of mid-40s, primarily due to effective cost control measures. In 4Q23, cost-to-income ratio rose to 45.9% from 42.7% in 3Q23 but fell from 54.5% in 4Q22. The company will continue to maintain a strong focus on cost discipline.

Table 7. Expected credit loss (ECL)

Consolidated

Unit: Baht million	2023	2022	% yoy	4Q23	% qoq	% yoy
Expected credit loss	43,600	33,829	28.9%	9,330	-23.8%	31.8%
Credit cost (bps)	182	145		153		

- In 2023, **expected credit losses** increased to Baht 43,600 million (182 bps of total loans) to preemptively provide as a cushion for overall uneven economic recovery. The amount not only reflected the pro-cyclicality of forward-looking Expected Credit Loss (ECL) models under the TFRS 9 framework, but also included management overlays set accordingly to current economic uncertainties.

Balance sheet as of December 31, 2023 (Consolidated basis)

As of December 31, 2023, the Company's total assets fell by 0.5% yoy to Baht 3,439 billion primarily due to a decrease in interbank and money market items, despite a 2.1% yoy growth in loans. Details on the consolidated balance sheet are provided in the following sections:

Table 8. Loans by segment

Consolidated Unit: Baht million	Dec 31, 23	Dec 31, 22	% yoy	Sep 30, 23	% qoq
Corporate	843,755	857,736	-1.6%	875,349	-3.6%
SME	413,208	407,355	1.4%	419,679	-1.5%
Retail	995,902	975,946	2.0%	994,375	0.2%
Housing loans*	761,724	729,555	4.4%	757,832	0.5%
Auto loans	172,548	188,765	-8.6%	175,313	-1.6%
Unsecured loans	40,117	45,026	-10.9%	39,836	0.7%
Other loans	21,513	12,599	70.8%	21,393	0.6%
Loans under subsidiaries	173,698	136,178	27.6%	166,245	4.5%
CardX	115,255	114,044	1.1%	116,230	-0.8%
AutoX	33,888	7,495	352.1%	26,345	28.6%
Other subsidiaries	24,555	14,639	67.7%	23,670	3.7%
Total loans **	**2,426,563**	**2,377,215**	**2.1%**	**2,455,648**	**-1.2%**

* Including all home mortgage loans, some of which are from segments

** Total loan excluded unamortized modification loss

NM denotes "not meaningful"

Total loans increased 2.1% yoy but fell 1.2% qoq at the end of December 2023. Changes in loan volume by customer segment are as follows:

- **Corporate** loans decreased by 1.6% yoy and 3.6% qoq. The decrease was largely due to loan repayments from large corporates.
- **SME** loans grew 1.4% yoy but fell 1.5% qoq. The increase was from targeted lending to existing high-quality SME customers.

- **Retail** loans increased 2.0% yoy and 0.2% qoq. Below are details of changes in loan volume by sub-segment.
  - **Housing loans** increased 4.4% yoy and 0.5% qoq given continued demand in high-end housing developments.
  - **Auto loans** fell 8.6% yoy and 1.6% qoq largely from loan repayments of used cars.
- **Loans under subsidiaries,** including loans extended by CardX, AutoX, MONIX, Abacus digital, InnovestX and Purple Ventures increased significantly by 27.6% yoy and 4.5% qoq to Baht 173,698 million.
  - **CardX loans** (personal loans and credit card receivables) increased 1.1% yoy but decreased 0.8% qoq, amounting to Baht 115,255 million at the end of December 2023. The qoq decline was attributed to the slowdown in new personal lending.
  - **AutoX loans** increased significantly by 352.1% yoy and 28.6% qoq, amounting to Baht 33,888 million from the strong performance from both outlet and agency channels as well as strong market penetration.

Table 9. Deposits breakdown

Consolidated Unit: Baht million	Dec 31, 23	Dec 31, 22	% yoy	Sep 30, 23	% qoq
Demand	131,169	122,346	7.2%	135,473	-3.2%
Savings	1,820,111	1,984,751	-8.3%	1,929,132	-5.7%
Fixed	491,580	448,703	9.6%	482,208	1.9%
Less than 6 months	75,730	95,626	-20.8%	83,301	-9.1%
6 months and up to 1 year	116,747	140,843	-17.1%	118,948	-1.9%
Over 1 year	299,103	212,234	40.9%	279,960	6.8%
Total deposits	**2,442,860**	**2,555,800**	**-4.4%**	**2,546,813**	**-4.1%**
CASA - Current & Savings Accounts (%)	79.9%	82.4%		81.1%	
Gross loans to deposits ratio (Bank only)	94.5%	89.5%		91.8%	
Liquidity ratio (Bank-only)	31.8%	34.6%		33.2%	

As of December 31, 2023, total **deposits** decreased 4.4% yoy and 4.1% qoq. The decline in deposits was primarily from savings deposits, resulting in a decrease in the CASA mix to 79.9% at the end of December 2023 from 82.4% at the end of last year. The gross loans to deposits ratio (at a bank-only level) increased to 94.5% from 89.5% at the end of December 2022 due to loan-to-deposit optimization.

The Bank's daily liquidity ratio of 31.8%, as measured by total liquid assets to total deposits (at a bank-only level), was well above the 20% minimum threshold.

Table 10. Investment Classification

Consolidated
Unit: Baht million

Investments	Dec 31, 23	Dec 31, 22	% yoy	Sep 30, 23	% qoq
Financial assets measured at FVTPL	92,534	62,326	48.5%	99,931	-7.4%
Investments in debt securities measured at amortised cost	209,930	211,019	-0.5%	209,193	0.4%
Investments in debt securities measured at FVOCI	174,495	178,016	-2.0%	165,633	5.4%
Investments in equity securities measured at FVOCI	1,737	1,636	6.2%	1,718	1.1%
Net investment *	**386,162**	**390,671**	**-1.2%**	**376,544**	**2.6%**
Investment in associates	1,970	1,206	63.4%	1,840	7.1%
Total	**480,667**	**454,203**	**5.8%**	**478,315**	**0.5%**

* Net investments comprise investments measured at amortized cost and measured at FVOCI

Investments at the end of December 2023 increased 5.8% yoy and 0.5% qoq. The yoy increase was mainly due to higher financial assets (government bonds) measured at FVTPL and partly from foreign debt instruments measured at FVTPL. The qoq increase was primarily due to higher net investment from government bonds and foreign debentures measured at FVOCI.

Statutory Capital

The new entity, SCBX Financial Group, is subject to the same regulations as the Bank, namely the BOT's consolidated supervision guidelines, and must maintain the same minimum capital requirements including additional buffers. The required additional buffers consist of a 2.5% conservation buffer to be held in CET1 and a 1% Domestic Systemically Important Banks (D-SIBs) buffer.

SCBX Financial Group follows prudent approach to capital management by maintaining capital well above the minimum regulatory requirements and ensuring adequate loan loss provisions. This additional cushion allows SCBX Financial Group to better handle unforeseen events and absorb any emerging risks that may arise from new businesses in the future.

Capital positions of SCBX Financial Group and the Bank at the end of December 2023 under the Basel III framework are shown in the below table.

Table 11. Total Regulatory Capital

	SCBX (Consolidated)			SCB Bank (Bank-only)		
Unit: Baht million, %	Dec 31, 23	Sep 30, 23	Dec 31, 22	Dec 31, 23	Sep 30, 23	Dec 31, 22
Statutory Capital						
Common Equity Tier 1	415,913	415,949	408,287	361,170	359,517	344,932
Tier 1 capital	417,535	417,360	409,359	361,170	359,517	344,932
Tier 2 capital	26,144	26,442	25,548	23,499	23,806	24,250
Total capital	**443,680**	**443,802**	**434,907**	**384,669**	**383,323**	**369,182**
Risk-weighted assets	2,358,515	2,378,723	2,306,339	2,135,900	2,169,158	2,220,000
Capital Adequacy Ratio	**18.8%**	**18.7%**	**18.9%**	**18.0%**	**17.7%**	**16.6%**
Common Equity Tier 1	17.6%	17.5%	17.7%	16.9%	16.6%	15.5%
Tier 1 capital	17.7%	17.6%	17.8%	16.9%	16.6%	15.5%
Tier 2 capital	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%

Consolidated common equity Tier 1/Tier 1 capital of SCBX Financial Group relatively flat yoy to 17.6% at the end of December 2023 mainly from appropriation of net profit which was partly offset by a dividend payment. On the Bank-only basis, common equity Tier 1/Tier 1 capital increased yoy to 16.9%. The dividend payment from SCB Bank to SCBX for funding purposes is considered an intra-group transaction and thus will only affect the capital position of the Bank but not of SCBX.

Asset Quality

At the end of December 2023, **gross NPLs** (on a consolidated basis) increased 1.6% yoy and 1.3% qoq to Baht 96.8 billion. Gross NPL ratio increased to 3.44% from 3.30% at the end of September 2023. The Bank's NPL increased qoq mainly due to the SME segment and housing loans, while NPLs for CardX showed an improvement qoq.

At the end of December 2023, the Group’s **coverage ratio** fell to 159.9%, down 7.3% qoq largely from an increase of NPLs. The Group’s total loan loss reserve as a percentage of total loans (LLR %) remained strong at 6.1%.

Table 12. Asset quality

Unit: Baht million, %	Dec 31, 23	Sep 30, 23	Dec 31, 22
SCBX (Consolidated)			
Non-Performing Loans (Gross NPLs)	96,832	95,576	95,329
Gross NPL ratio	3.44%	3.30%	3.34%
Total allowance*	154,839	159,833	152,265
Total allowance to NPLs (Coverage ratio)	159.9%	167.2%	159.7%
Credit cost (Quarterly, bps)	153	201	120
SCB Bank (Bank-only)			
Non-Performing Loans (Gross NPLs)	88,544	87,156	90,550
Gross NPL ratio	3.27%	3.12%	3.25%

* Total allowance includes loans, interbank and loan commitments, and financial guarantee contracts.

Loan Classification and Allowance for Expected Credit Losses

Under TFRS 9, loans are classified into 3 stages based on changes in credit quality since initial recognition. Loans and allowance for expected credit losses at the end of December 2023, September 2023, and December 2022 were classified as follows:

Table 13. Loans and allowances for expected credit losses by stages

Consolidated Unit: Baht million	Dec 31, 23		Sep 30, 23		Dec 31, 22	
	Loans and interbank	ECL*	Loans and interbank	ECL*	Loans and interbank	ECL*
Stage 1 (Performing)	2,545,602	45,918	2,630,812	50,472	2,584,089	45,792
Stage 2 (Underperforming)	175,072	50,193	169,070	48,832	178,753	48,646
Stage 3 (Non-performing)	96,832	58,727	95,576	60,529	95,329	57,827
Total	**2,817,507**	**154,839**	**2,895,458**	**159,833**	**2,858,171**	**152,265**

* Including ECL for loans, interbank and loan commitments, and financial guarantee contracts.

Sources and Uses of Funds

As of December 31, 2023, deposits accounted for 71.0% of SCBX's funding base. Other major sources of funds were: 14.1% from shareholders' equity, 6.4% from interbank borrowings, and 3.2% from debt issuance. Uses of funds for this same period were: 70.6% for loans, 12.7% for interbank and money market lending, 14.0% for investments in securities, and 1.2% held in cash.

Segment Performance

2023 Operational Performance

Unit: Baht billion	Total operating income	% portion	Cost income ratio	Credit cost	Net profit (loss)	% portion	Total loans
Gen 1 - Banking Services*	143.4	81%	38%	1.2%	49.4	103%	2,321
Gen 2 - Consumer & Digital Financial Services*	27.5	16%	41%	10.4%	0.7	1%	165
Gen 3 - Platforms & Digital Assets*	6.2	3%	131%	-	(2.2)	-5%	3
Inter Transaction and others	(6.0)		-	-	(4.4)		(62)
Total	**171.1**		42%	1.82%	**43.5**		**2,427**

* Before deducting intercompany transactions

Gen 1 - Banking Services

<u>2023 Performance</u>

- **Net interest income** in 2023 increased significantly yoy to Baht 103.9 billion, driven by a NIM expansion (+43 bps) and selective loan growth of 0.6%.
- **Non-interest income** was relatively flat yoy to Baht 39.5 billion. This was primarily due to an increase in investment and trading income, lending-related fees and transactional fees. Meanwhile, the growth in wealth management fees remained unchanged yoy. Organic bancassurance fees (excluding performance-linked compensation) experienced strong yoy growth, largely driven by the solid sales force of the Bank and its subsidiary, SCB Protect.
- **Total operating income** stood at Baht 143.4 billion mainly driven by a robust NII.
- **OPEX** increased slightly yoy to Baht 54.1 billion due to effective cost management. The Bank will maintain a key focus on cost discipline, resulting in a cost-to-income ratio of 38% in 2023.
- **Net profit** in 2023 stood at Baht 49.4 billion which corresponds to 11.7% of ROE.
- **Loan** growth of 0.6% yoy was driven by housing loan. The Bank continued its growth with quality strategy to optimize returns within its risk tolerance.
- **NPL** increased slightly to 3.29% at the end of December 2023, up from 3.27% at the end of 2022. At the end of December 2023, the Bank’s coverage ratio remained high at 154.9%

Gen 2 – Consumer & Digital Financial Services

<u>2023 Performance</u>

- Total operating income was Baht 27.5 billion which accounted for 16% of total Group operating income. Revenue from Gen 2 was mainly from NII largely from unsecured personal loans, auto title loans and digital loans.
- OPEX increased yoy largely to support the business growth in Gen 2. Meanwhile, cost-to-income ratio stood at 41%.

- With the nature of the unsecured lending business, including nano loans and auto title loans, which carry high-risk, high-return potential, unsecured personal loans face challenges stemming from an uneven economic recovery, resulting in a high level of credit costs at 10.4%. Nevertheless, there have been noticeable improvements in credit costs since 3Q23.
- Gen 2 companies reported net profit of Baht 0.7 billion in 2023.
- Total loans for Gen 2 increased 29% yoy to Baht 171 billion, primarily driven by the growth in AutoX, CardX and digital loans provided by MONIX and Abacus.
- NPLs decreased qoq mainly due to an improvement at CardX.

Gen 3 – Platforms & Digital Assets

2023 Performance

- Total operating income was Baht 6.2 billion, mostly contributed from fee income and investment income which accounted for 3% of total Group operating income.
- Despite the cost-income ratio for Gen 3 remaining at a high level of 131% in 2023 due to weak revenue, the Gen 3 business is actively working to enhance its revenue streams through new ventures, such as ride-hailing, while concurrently reducing subsidies for food delivery orders.
- In 2023, Gen 3 companies reported a net loss of Baht 2.2 billion.

Credit Ratings

Credit Ratings of SCB X Public Company Limited	December 31, 2023
Moody's Investors Service	
Issuer Rating (Local and Foreign Currency)	Baa2
Outlook	Stable
Fitch Ratings	
Long Term Issuer Default Rating	BBB
Short Term Issuer Default Rating	F3
Outlook	Stable
Viability Rating	bbb
Government Support Rating	bbb-
Senior Unsecured (National Long-Term Rating)	AA+(tha)
Senior Unsecured (National Short-Term Rating)	F1+(tha)

Additional Financial Information

Consolidated Unit: Baht million, %	Dec 31, 23	Dec 31, 22	% yoy	Sep 30, 23	% qoq
Total loans	**2,426,563**	**2,377,215**	2.1%	**2,455,648**	-1.2%
Add Accrued interest receivables and undue interest receivables	23,467	19,523	20.2%	22,763	3.1%
Total loans and accrued interest receivables and undue interest receivables	**2,450,030**	**2,396,738**	2.2%	**2,478,411**	-1.1%
Less Unamortised modification losses	990	3,336	-70.3%	2,073	-52.2%
Less Allowance for expected credit loss	147,995	145,554	1.7%	152,908	-3.2%
Total loans and accrued interest receivables, net	**2,301,044**	**2,247,848**	2.4%	**2,323,430**	-1.0%
Debt issued and borrowings	**109,911**	**71,996**	**52.7%**	**112,901**	**-2.6%**
Debentures	84,215	51,824	62.5%	86,547	-2.7%
Structured notes	26,353	21,628	21.8%	28,323	-7.0%
Others	16	50	-68.0%	21	-23.8%
Hedge accounting adjustment	(673)	(1,506)	NM	(1,990)	NM

	4Q23	3Q23	4Q22	2023	2022
Share Information					
EPS (Baht)	3.27	2.87	2.12	12.93	11.12
BVPS (Baht)	141.99	138.51	136.98	141.99	136.98
Closing price (Baht)	106.00	102.50	107.00	106.00	107.00
Shares outstanding (Million shares)	3,367	3,367	3,367	3,367	3,367
Market capitalization (Baht billion)	356.9	345.1	360.3	356.9	360.3
Yield on loans by segment					
Yield on loans	**6.21%**	**5.97%**	**5.34%**	**5.95%**	**5.04%**
Corporate	4.96%	4.46%	3.60%	4.45%	3.31%
SME	7.46%	7.33%	6.37%	7.35%	6.17%
Retail	5.23%	5.18%	5.07%	5.20%	4.97%
Housing loans	4.81%	4.71%	4.59%	4.73%	4.56%
Auto loans	5.61%	5.60%	5.63%	5.58%	5.54%
CardX [1/]	15.14%	14.82%	15.27%	14.93%	14.00%
AutoX [2/]	20.0%	20.2%	20.4%	20.1%	-
Gross NPL ratio by segment/product					
Corporate	2.1%	2.5%	3.0%	2.1%	3.0%
SME	10.8%	9.9%	10.7%	10.8%	10.7%
Retail	2.7%	2.4%	2.3%	2.7%	2.3%
Housing loans	2.7%	2.4%	2.3%	2.7%	2.3%
Auto loans	2.7%	2.5%	2.2%	2.7%	2.2%
CardX [1/]	5.6%	5.8%	3.1%	5.6%	3.1%
AutoX	0.8%	0.8%	0.1%	0.8%	0.1%
New NPLs by segment and by product (Bank-only)					
Total loans	**0.69%**	**0.56%**	**0.61%**	**2.24%**	**1.91%**
Corporate	0.05%	0.09%	0.33%	0.24%	0.39%
SME	1.71%	0.95%	0.80%	3.95%	2.72%
Housing loans	0.71%	0.65%	0.51%	2.57%	1.77%
Auto loans	2.33%	2.49%	1.94%	9.43%	6.85%
New NPLs (Baht billion)	**18.2**	**15.3**	**16.5**	**59.2**	**54.7**
NPL reduction methodology					
NPL sales (Baht billion)	2.4	4.2	2.8	12.4	19.2
Write off (Baht billion)	13.9	7.7	4.6	33.6	21.8

[1/] Data for 2022 were restated to furnish comparative information.

[2/] Calculated based on daily average data

NM denotes "not meaningful"

Appendix

SCB's interest rates and BOT's policy rate

SCB Interest Rates	Feb 9, 21	Mar 12, 21	Oct 4, 22	Dec 7, 22	Jan 3, 23	Jan 30, 23	Apr 7, 23	Jun 9, 23	Oct 3, 23
Lending rate (%)									
MLR	5.25	5.25	5.50	5.75	6.15	6.35	6.60	6.80	7.050
MOR	5.845	5.845	6.095	6.345	6.745	6.895	7.145	7.325	7.575
MRR	5.995	5.995	5.995	6.12	6.52	6.62	6.87	7.05	7.30
Deposit rate* (%)									
Savings rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.30	0.30
3-month deposits	0.37	0.32	0.47	0.62	0.62	0.77	0.82	0.92	1.10
6-month deposits	0.45	0.40	0.55	0.70	0.70	0.85	0.95	1.05	1.25
12-month deposits	0.45	0.40	0.70	1.00	1.00	1.15	1.35	1.45	1.70

* Excluding special campaigns, which generally offer significantly higher rates but have different terms and conditions for 3, 6, and 12 month term deposits.

	May 20, 20	Aug 10, 22	Sep 28, 22	Nov 30, 22	Jan 25, 23	Mar 29, 23	May 31, 23	Aug 2, 23	Sep 27, 23
Policy rate (%)	0.50	0.75	1.00	1.25	1.50	1.75	2.00	2.25	2.50

SCBX's interest expenses

SCBX (Separate financial statements) Unit: Baht million	2023	2022	4Q23	3Q23	2Q23	1Q23
Interest expenses						
Interbank and money market items	2,430	154	679	498	656	597
Other debentures	831	-	398	398	34	-
Total	**3,261**	**154**	**1,077**	**896**	**690**	**597**