

TISCO Financial Group Public Company Limited
and its subsidiary companies
Review report and interim financial information
31 March 2023



EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลครัชดา
193/136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0789-90
ey.com

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TISCO Financial Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TISCO Financial Group Public Company Limited and its subsidiaries as at 31 March 2023, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the three-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 TISCO Financial Group Public Company Limited for the same period (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 and the Bank of Thailand's regulations. 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 and the Bank of Thailand's regulations.

Saranya Pludsri
Certified Public Accountant (Thailand) No. 6768

EY Office Limited
Bangkok: 11 May 2023

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash		1,046,949	1,005,066	70	70
Interbank and money market items - net	3.1, 3.8	45,790,979	40,272,419	44,415	27,253
Financial assets measured at fair value through profit or loss	3.2	2,329,869	2,172,386	986,117	954,994
Derivatives assets	3.3	-	147,489	-	-
Investments - net	3.4, 3.8	4,383,067	3,989,884	619,833	202,271
Investments in subsidiaries and joint venture - net	3.5	872,452	872,808	20,069,253	20,069,244
Loans to customers and accrued interest receivables	3.6, 3.8				
Loans to customers		237,307,981	236,240,839	3,960,000	4,290,000
Accrued interest receivables and undue interest income		1,728,186	1,722,316	-	-
Total loans to customers and accrued interest receivables		239,036,167	237,963,155	3,960,000	4,290,000
Less: Deferred revenue		(17,208,816)	(17,237,040)	-	-
Less: Allowance for expected credit loss	3.7	(11,643,887)	(11,844,732)	(5,148)	(5,577)
Total loans to customers and accrued interest receivables - net		210,183,464	208,881,383	3,954,852	4,284,423
Properties foreclosed - net		21,072	6,550	-	-
Investment properties		27,058	27,058	910,728	910,728
Premises and equipment - net		2,806,735	2,786,274	753,498	758,081
Right-of-use assets - net		802,052	753,866	251	321
Intangible assets - net		90,912	99,603	56,829	62,682
Deferred tax assets	3.19	863,977	830,504	225,133	234,704
Securities and derivatives business receivables - net		823,180	611,384	-	-
Dividend receivables from subsidiaries and joint venture		9,219	-	9,219	5,286,999
Other assets	3.9	3,175,671	2,957,763	230,373	242,210
Total assets		273,226,656	265,414,437	27,860,571	33,033,980

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and equity					
Liabilities					
Deposits	3.10	196,682,671	188,265,809	-	-
Interbank and money market items		7,156,084	6,195,459	-	550,000
Liabilities payable on demand		169,695	256,708	-	-
Derivatives liabilities	3.3	72,717	-	-	-
Debts issued and borrowings	3.11	10,966,122	15,756,919	3,090,000	7,880,000
Lease liabilities		736,771	700,258	261	332
Provisions	3.12	1,828,754	1,712,266	295,136	287,935
Securities and derivatives business payables - net		1,898,636	1,246,559	-	-
Accrued interest payable		717,729	559,568	2,787	14,528
Income tax payable		1,208,330	830,031	-	-
Other liabilities	3.13	7,189,983	7,100,237	1,453,120	1,438,918
Total liabilities		228,627,492	222,623,814	4,841,304	10,171,713

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Equity					
Share capital					
Registered					
33,858 preference shares of Baht 10 each		339	339	339	339
800,669,437 ordinary shares of Baht 10 each		8,006,694	8,006,694	8,006,694	8,006,694
		<u>8,007,033</u>	<u>8,007,033</u>	<u>8,007,033</u>	<u>8,007,033</u>
Issued and paid-up					
9,859 preference shares of Baht 10 each		99	99	99	99
800,645,624 ordinary shares of Baht 10 each		8,006,456	8,006,456	8,006,456	8,006,456
		8,006,555	8,006,555	8,006,555	8,006,555
Share premium					
Share premium on preference shares		-	-	87	87
Share premium on ordinary shares		1,018,408	1,018,408	7,031,436	7,031,436
		1,018,408	1,018,408	7,031,523	7,031,523
Other components of equity		1,845,764	1,831,007	320,986	306,770
Retained earnings					
Appropriated - statutory reserve		801,000	801,000	801,000	801,000
Unappropriated		32,924,093	31,130,416	6,859,203	6,716,419
Equity attributable to equity holders of the Company		44,595,820	42,787,386	23,019,267	22,862,267
Non-controlling interests of the subsidiaries		3,344	3,237	-	-
Total equity		<u>44,599,164</u>	<u>42,790,623</u>	<u>23,019,267</u>	<u>22,862,267</u>
Total liabilities and equity		<u>273,226,656</u>	<u>265,414,437</u>	<u>27,860,571</u>	<u>33,033,980</u>

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



Mr. Sakchai Peechapat
(Group Chief Executive)



บริษัท ทีเอสซีไฟแนนเชียลกรุป จำกัด (มหาชน)
TISCO Financial Group Public Company Limited



Mr. Metha Pingsuthiwong
(Chief Operating Officer)

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 31 March 2023**

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Interest income	3.15	4,134,440	3,556,193	25,317	15,125
Interest expenses	3.16	(847,479)	(494,918)	(19,790)	(7,049)
Net interest income		3,286,961	3,061,275	5,527	8,076
Fee and service income		1,378,452	1,403,637	-	-
Fee and service expenses		(111,959)	(129,362)	(3,167)	(2,703)
Net fee and service income	3.17	1,266,493	1,274,275	(3,167)	(2,703)
Net gain (loss) on financial instruments measured at fair value through profit or loss		17,789	(32,182)	31,123	(36,433)
Net gain (loss) on investments		1,914	(1,608)	-	3
Share of profit from investments accounted for under equity method	3.5.2	10,123	13,388	-	-
Dividend income		33,041	33,251	9,219	-
Penalty fee income from loans		36,607	40,080	-	-
Intercompany supporting fee income	3.20	-	-	552,991	532,535
Other operating income		17,573	27,026	20,537	19,136
Total operating income		4,670,501	4,415,505	616,230	520,614
Operating expenses					
Employee expenses		1,570,106	1,510,084	228,556	187,642
Directors' remuneration		5,048	5,230	5,048	5,230
Premises and equipment expenses		374,808	321,928	195,647	171,349
Taxes and duties		76,005	62,089	80	2,159
Other operating expenses		255,701	196,048	10,124	11,493
Total operating expenses		2,281,668	2,095,379	439,455	377,873
Expected credit loss	3.18	155,392	85,332	394	1,038
Profit from operations before income tax expenses		2,233,441	2,234,794	176,381	141,703
Income tax expenses	3.19	440,744	439,195	33,805	28,853
Profit for the period		1,792,697	1,795,599	142,576	112,850

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

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the three-month period ended 31 March 2023**

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

Note	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain (loss) on valuation of investments in debt instruments measured at fair value through other comprehensive income				
	21,144	(1,960)	17,977	(20)
Share of other comprehensive income of joint venture -				
Cash flow hedges of joint venture (loss)	3.5.2	(1,259)	4,246	-
Income tax effects	(4,229)	392	(3,595)	4
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax (loss)				
	15,656	2,678	14,382	(16)
Other comprehensive income for the period (loss)				
	15,656	2,678	14,382	(16)
Total comprehensive income for the period				
	1,808,353	1,798,277	156,958	112,834
Profits attributable to				
Equity holders of the Company				
	1,792,580	1,795,491	142,576	112,850
Non-controlling interests of the subsidiaries				
	117	108		
	1,792,697	1,795,599		
Total comprehensive income attributable to				
Equity holders of the Company				
	1,808,236	1,798,169	156,958	112,834
Non-controlling interests of the subsidiaries				
	117	108		
	1,808,353	1,798,277		
Earnings per share of equity holders of the Company				
Basic earnings per share (Baht per share)				
	2.24	2.24	0.18	0.14

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

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries**Statement of cash flows****For the three-month period ended 31 March 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit from operations before income tax	2,233,441	2,234,794	176,381	141,703
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	132,882	131,210	21,696	26,219
Expected credit loss	523,884	528,256	394	1,038
Other provisions	39,380	-	-	-
Share of profit from investments accounted for under equity method	(10,123)	(13,388)	-	-
Allowance for impairment of properties foreclosed (reversal)	(148)	(255)	-	-
Gain on disposal of investments in securities	(276)	(46)	-	-
Unrealised loss on foreign exchange transactions and trading derivatives	263,471	5,019	20,213	6,874
(Gain) loss on financial instruments measured at fair value through profit or loss	(45,075)	31,401	(51,336)	29,559
Gain on disposal/write-off of equipment, vehicles and intangible assets	(956)	(666)	(956)	-
Gain on disposal of properties foreclosed	(8,207)	(14,153)	-	-
Employee benefit expenses (income)	70,949	21,168	7,903	(53)
(Increase) decrease in accrued income	24,868	(6,309)	(5,066)	1,250
Increase in accrued expenses	545,386	445,705	91,161	53,515
Net interest income	(3,286,961)	(3,061,275)	(5,527)	(8,076)
Dividend income	(33,041)	(33,251)	(9,219)	-
Cash received on interest income	4,088,966	3,580,386	24,363	14,311
Cash paid on interest expenses	(449,068)	(386,919)	(31,528)	(14,686)
Cash received on dividend income	22,771	32,051	5,286,999	4,590,530
Cash paid on income tax	(90,331)	(92,016)	(17,418)	(16,900)
Profit from operating activities before changes in operating assets and liabilities	4,021,812	3,401,712	5,508,060	4,825,284
Operating assets (increase) decrease				
Interbank and money market items	(5,518,549)	(2,023,393)	(16,981)	(3,462)
Loans to customers	(1,832,900)	(1,373,390)	330,000	(230,000)
Securities and derivatives business receivables	(211,796)	304,393	-	-
Receivables from clearing house	(442,667)	(9,790)	-	-
Properties foreclosed	(14,374)	33,186	-	-
Other assets	230,382	29,524	6,484	4,512

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

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the three-month period ended 31 March 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Operating liabilities increase (decrease)				
Deposits	8,416,862	4,893,034	-	-
Interbank and money market items	960,625	(259,336)	(550,000)	(565,000)
Liabilities payable on demand	(87,013)	(54,510)	-	-
Securities and derivatives business payables	652,077	(295,199)	-	-
Short-term debts issued and borrowings	(4,790,797)	(3,315,000)	(4,790,000)	(3,315,000)
Payables to clearing house	1,383	370	-	-
Provision for long-term employee benefits	(11,136)	(7,994)	(702)	(597)
Other liabilities	(663,744)	(346,364)	(76,959)	(100,352)
Net cash flows from operating activities	710,165	977,243	409,902	615,385
Cash flows from investing activities				
Cash paid for purchase of investments in securities	(3,487,383)	(4,682,666)	(399,585)	(604,836)
Cash received from disposal of investments in securities	2,981,748	4,215,949	-	-
Cash paid for purchase of building improvements, equipment and vehicles	(70,550)	(22,219)	(11,446)	(7,252)
Cash paid for purchase of intangible assets	(817)	(3,296)	(58)	(3,054)
Cash received from disposal of equipment and vehicles	1,270	675	1,270	-
Cash paid for acquisition of investments in subsidiaries	-	-	(10)	(100)
Net cash flows used in investing activities	(575,732)	(491,557)	(409,829)	(615,242)
Cash flows from financing activities				
Cash received from issuance of long-term debentures	-	2,800,000	-	-
Cash paid for redemption of long-term debentures	-	(3,220,000)	-	-
Cash paid on lease liabilities	(92,550)	(74,627)	(73)	(73)
Net cash flows used in financing activities	(92,550)	(494,627)	(73)	(73)
Net increase (decrease) in cash	41,883	(8,941)	-	70
Cash at beginning of the period	1,005,066	1,103,425	70	-
Cash at end of the period	1,046,949	1,094,484	70	70
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Right-of-use assets	123,716	53,809	-	-
Transfer-in of properties foreclosed in settlement of loans to customers	348,989	474,051	-	-

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

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of changes in equity (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Separate financial statements									
					Other components of equity					
	Issued and paid-up		Share premium		Surplus on changes in value of investments measured at fair value through other comprehensive income	Surplus on revaluation of assets	Total	Retained earnings		
	Preference shares	Ordinary shares	Preference shares	Ordinary shares				Appropriated	Unappropriated	Total
Balance as at 1 January 2022	99	8,006,456	87	7,031,436	2,457	304,985	307,442	801,000	6,673,994	22,820,514
Profit for the period	-	-	-	-	-	-	-	-	112,850	112,850
Other comprehensive income for the period (loss)	-	-	-	-	(16)	-	(16)	-	-	(16)
Total comprehensive income for the period (loss)	-	-	-	-	(16)	-	(16)	-	112,850	112,834
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(166)	(166)	-	207	41
Balance as at 31 March 2022	99	8,006,456	87	7,031,436	2,441	304,819	307,260	801,000	6,787,051	22,933,389
Balance as at 1 January 2023	99	8,006,456	87	7,031,436	2,457	304,313	306,770	801,000	6,716,419	22,862,267
Profit for the period	-	-	-	-	-	-	-	-	142,576	142,576
Other comprehensive income for the period	-	-	-	-	14,382	-	14,382	-	-	14,382
Total comprehensive income for the period	-	-	-	-	14,382	-	14,382	-	142,576	156,958
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(166)	(166)	-	208	42
Balance as at 31 March 2023	99	8,006,456	87	7,031,436	16,839	304,147	320,986	801,000	6,859,203	23,019,267

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

TISCO Financial Group Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2023

1. Basis for preparation and presentation of financial statements and significant accounting policies

1.1 Basis for preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting and with reference to the regulations stipulated by the Bank of Thailand (“BOT”), with the Group choosing to present condensed interim financial information. 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, and their presentation has been made in compliance with the BOT’s Notification No. Sor Nor Sor. 21/2561 regarding “Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups”, dated 31 October 2018.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, it focuses on new activities, events and circumstances so as not to duplicate information previously reported. This 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 statutory financial information of the Group. The interim financial information in English language has been translated from the Thai language interim financial information.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is impacting various businesses and industries both directly and indirectly. This situation could create uncertainties and may be impacting the operating results and cash flows in the future. 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 has used estimates and judgement in various matters in order to continuously assess the impact as the situation evolves.

1.3 Basis for preparation of interim consolidated financial statements

The basis of interim consolidation is the same as that for the consolidated financial statements for the year ended 31 December 2022 with no change in the composition of the subsidiaries during the current period.

1.4 Separate financial statements

The Company prepares the separate financial statements which present investments in subsidiaries and joint venture under the cost method.

1.5 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal year beginning on or after 1 January 2023 do not have any significant impact on the Group's financial statements.

1.6 Accounting guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19

The Federation of Accounting Professions has announced Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with guidelines of the BOT. The accounting guidance is applicable for provisions of assistance to such debtors made during the period from 1 January 2022 to 31 December 2023 or until the BOT makes changes.

Under this accounting guidance, the Group may elect to adopt accounting treatments consistent with the circular of the BOT No. BOT.RPD2.C. 802/2564 dated 3 September 2021 "Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)". The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

1. Debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension (Assistance type 1). For this type of debt restructuring, the Group may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions, whereby:
 - Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1), provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.

- Non-performing loans (NPL) are classified as performing loans or Stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - Additional loans provided to a debtor for use as additional working capital or to increase liquidity to enable the debtor to continue its business operations during the debt restructuring are classified as performing loans or Stage 1 if the debtor is considered able to comply with the debt restructuring agreement.
 - Loans are classified as loans with significant increase in credit risk (Under-performing or Stage 2) only when principal or interest payments are more than 30 days past due or 1 month past due, counting from the due date.
 - A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
2. Debt restructuring involving only a payment timeline extension, e.g. an extension of payment period, a provision of grace period on principal and/or interest payments, a conversion of short-term debts into long-term debts (Assistance type 2). For this type of debt restructuring, the Group is required to perform staging assessment and set aside provisions in accordance with the relevant financial reporting standards. However, the Group may elect to adopt treatments regarding significant increase in credit risk according to the appendix to the circular of the BOT No. BOT.RPD2.C. 802/2564 to assess whether a debtor is to move to under-performing stage or Stage 2.

For both types of assistance, the Group may determine expected credit loss based on the outstanding balance of the drawn down portion only.

The Group provided both types of assistance to debtors. However, it has elected to comply with the staging assessment and the setting aside of provisions in accordance with the relevant financial reporting standards, and has only adopted treatments regarding significant increase in credit risk according to the appendix to the circular of the BOT as mentioned above to assess whether a debtor is to move to under-performing stage or Stage 2 only for some types of loans.

2. General information

2.1 The Company's information

TISCO Financial Group Public Company Limited (“the Company”) is a holding company and is the parent company of TISCO Group. Its registered address is 48/49 TISCO Tower, 21st Floor, North Sathorn Road, Silom, Bangrak, Bangkok.

2.2 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies, individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

The Company has significant business transactions with related parties. These transactions have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties, which are in reference to the terms and prices as charged to other customers.

3. Supplemental information

3.1 Interbank and money market items (assets)

As at 31 March 2023 and 31 December 2022, interbank and money market items in the consolidated financial statements include securities purchases under resale agreements according to private repurchase transactions made by the subsidiary company operating a banking business, with the securities received under the resale agreements being used as collateral, as detailed below.

	(Unit: Thousand Baht)	
	Securities purchased under resale agreements according to private repurchase transactions as at	
	31 March 2023	31 December 2022
Commercial banks	17,200,000	18,600,000
Specialised Financial Institutions	25,500,000	17,900,000

Fair value of securities received as collateral is as follows:

	(Unit: Thousand Baht)	
	Fair value of securities received as collateral as at	
	31 March 2023	31 December 2022
Commercial banks	17,314,500	18,733,000
Specialised Financial Institutions	26,613,700	18,167,700

(Unaudited but reviewed)

In addition, as at 31 March 2023 and 31 December 2022, interbank and money market items include insurance premiums received by the Group from the insured, amounting to Baht 279 million and Baht 317 million, respectively, that the Group has to remit to insurance companies. The Group cannot use, exploit, or deduct any expenses from these premiums, as specified in the broker appointment contract.

3.2 Financial assets measured at fair value through profit or loss

(Unit: Thousand Baht)

Investments	Consolidated financial statements as at			
	31 March 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Others				
Domestic marketable equity instruments	225,710	324,143	93,088	196,089
Foreign marketable equity instruments	293,082	222,091	293,082	229,016
Domestic non-marketable equity instruments	231,289	963,500	231,289	963,500
Other securities - domestic unit trusts	54,856	56,109	54,856	57,803
Other securities - foreign unit trusts	803,120	764,026	803,120	725,978
	<u>1,608,057</u>	<u>2,329,869</u>	<u>1,475,435</u>	<u>2,172,386</u>
Add: Allowance for changes in value	<u>721,812</u>		<u>696,951</u>	
Total	<u>2,329,869</u>		<u>2,172,386</u>	

(Unit: Thousand Baht)

Investments	Separate financial statements as at			
	31 March 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Others				
Foreign marketable equity instruments	293,082	222,091	293,082	229,016
Other securities - foreign unit trusts	803,120	764,026	803,120	725,978
	<u>1,096,202</u>	<u>986,117</u>	<u>1,096,202</u>	<u>954,994</u>
Less: Allowance for changes in value	<u>(110,085)</u>		<u>(141,208)</u>	
Total	<u>986,117</u>		<u>954,994</u>	

3.3 Derivatives assets/derivatives liabilities

The subsidiary operating a banking business entered into foreign exchange contracts to manage the risk associated with financial assets, as follows:

(Unit: Thousand Baht)

Type of risks	Consolidated financial statements as at					
	31 March 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Exchange rate	-	72,717	1,709,236	147,489	-	1,739,526
Total	-	72,717	1,709,236	147,489	-	1,739,526

All counterparties of these derivatives transactions are financial institutions.

3.4 Investments

3.4.1 Investments classified by type of investments

As at 31 March 2023 and 31 December 2022, investments classified by type of investments are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements as at			
	31 March 2023		31 December 2022	
	Amortised cost	Fair value	Amortised cost	Fair value
Investments in debt instruments measured at fair value through other comprehensive income				
Government and state enterprise securities				
	4,136,862	4,136,245	3,763,317	3,763,243
Private sector debt securities				
	423,121	246,822	423,121	226,641
	4,559,983	4,383,067	4,186,438	3,989,884
Less: Allowance for changes in value	(176,916)		(196,554)	
Total	4,383,067		3,989,884	
Allowance for expected credit loss	199,921		199,921	
Investments in debt instruments measured at amortised cost				
Investments in receivables				
	8,892		8,896	
Less: Allowance for expected credit loss	(8,892)		(8,896)	
Total	-		-	
Total investments	4,383,067		3,989,884	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements as at			
	31 March 2023		31 December 2022	
	Amortised cost	Fair value	Amortised cost	Fair value
Investments in debt instruments measured at fair value through other comprehensive income				
Government and state enterprise securities	399,585	399,551	-	-
Private sector debt securities	371,662	220,282	371,662	202,271
	771,247	619,833	371,662	202,271
Less: Allowance for changes in value	(151,414)		(169,391)	
Total investments	619,833		202,271	
Allowance for expected credit loss	172,461		172,461	

3.4.2 Investments subject to restrictions

(Unit: Million Baht)

Type of investments	Consolidated financial statements as at		Type of restrictions
	31 March 2023	31 December 2022	
Government debt securities	2	2	Pledge for electricity usage

3.4.3 Investments in companies with weak financial positions and poor operating results

As at 31 March 2023 and 31 December 2022, investments in securities of the Group include investments in securities issued by companies with weak financial positions and poor operating results as follows:

(Unit: Thousand Baht)

	Consolidated financial statements as at					
	31 March 2023			31 December 2022		
	Cost	Fair value	Allowance for expected credit loss	Cost	Fair value	Allowance for expected credit loss
Companies having problems with debt repayment or in default	423,121	246,822	199,921	423,121	226,641	199,921

(Unit: Thousand Baht)

	Separate financial statements as at					
	31 March 2023			31 December 2022		
	Cost	Fair value	Allowance for expected credit loss	Cost	Fair value	Allowance for expected credit loss
Companies having problems with debt repayment or in default	371,662	220,282	172,461	371,662	202,271	172,461

3.5 Investments in subsidiaries and joint venture

(Unit: Thousand Baht)

	Consolidated financial statements as at		Separate financial statements as at	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Investments in subsidiaries	-	-	19,996,008	19,995,999
Investments in joint venture	872,452	872,808	73,245	73,245
	<u>872,452</u>	<u>872,808</u>	<u>20,069,253</u>	<u>20,069,244</u>

3.5.1 Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Type of investments	Separate financial statements					
		Percentage of holding as at		Investment value - cost method as at		Dividend received for the three-month periods ended	
		31	31	31	31	31	31
		March	December	March	December	March	March
		2023	2022	2023	2022	2023	2022
		(%)	(%)				
<u>Subsidiaries directly held by the Company</u>							
TISCO Bank Public Company Limited	Ordinary shares	99.99	99.99	17,641,320	17,641,310	-	-
TISCO Securities Co., Ltd.	Ordinary shares	99.99	99.99	1,075,065	1,075,065	-	-
TISCO Asset Management Co., Ltd.	Ordinary shares	99.99	99.99	110,075	110,075	-	-
Hi-Way Co., Ltd.	Preference shares	99.99	99.99	2,866	2,866	-	-
	Ordinary shares	99.99	99.99	770,053	770,053	-	-
TISCO Information Technology Co., Ltd.	Ordinary shares	99.99	99.99	22,117	22,117	-	-
TISCO Insurance Solution Co., Ltd.	Ordinary shares	99.99	99.99	136,655	136,655	-	-
Primus Leasing Co., Ltd (In the process of liquidation)	Ordinary shares	99.99	99.99	141,521	141,521	-	-
TISCO Learning Center Co., Ltd.	Ordinary shares	99.99	99.99	5,000	5,000	-	-
All-Ways Co., Ltd.	Ordinary shares	99.99	99.99	200,000	200,000	-	-
				20,104,672	20,104,662	-	-
				<u>(108,664)</u>	<u>(108,663)</u>		
Less: Allowance for impairment							
Investments in subsidiaries - net				<u>19,996,008</u>	<u>19,995,999</u>		

3.5.2 Investments in joint venture

a) Details of investments in joint venture

Investments in joint venture (TISCO Tokyo Leasing Co., Ltd., which is engaged in leasing business) represent investments in ordinary shares of an entity which is jointly controlled by the Company and another company. Details of these investments are as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements					
	Shareholding percentage		Cost		Carrying amounts based on equity method	
	as at		as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(%)	(%)				
TISCO Tokyo Leasing Co., Ltd.	49.00	49.00	73,245	73,245	872,452	872,808

(Unit: Thousand Baht)

Jointly controlled entity	Separate financial statements			
	Shareholding percentage		Cost	
	as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(%)	(%)		
TISCO Tokyo Leasing Co., Ltd.	49.00	49.00	73,245	73,245

b) Share of comprehensive income and dividend received

During the periods, the Company recognised its share of comprehensive income from investments in joint venture in the consolidated financial statements and recognised dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements				Separate financial statements	
	Share of profit from investments in joint venture for the three-month periods ended 31 March		Share of other comprehensive income from investments in joint venture for the three-month periods ended 31 March		Dividend received for the three-month periods ended 31 March	
	2023	2022	2023	2022	2023	2022
	TISCO Tokyo Leasing Co., Ltd.	10,123	13,388	(1,259)	4,246	9,219

3.6 Loans to customers and accrued interest receivables**3.6.1** Classified by type of loans to customers

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	31 March	31 December
	2023	2022
Loans to customers		
Overdrafts	6,880	6,880
Loans	109,008,785	107,059,124
Hire purchase receivables	128,292,316	129,174,835
Less: Deferred revenue	(17,208,816)	(17,237,040)
Total loans to customers	220,099,165	219,003,799
Add: Accrued interest receivables and undue interest income	1,728,186	1,722,316
Total loans to customers and accrued interest receivables	221,827,351	220,726,115
Less: Allowance for expected credit loss	(11,643,887)	(11,844,732)
Loans to customers and accrued interest receivables - net	<u>210,183,464</u>	<u>208,881,383</u>

(Unit: Thousand Baht)

	Separate financial statements as at	
	31 March	31 December
	2023	2022
Loans to customers		
Loans	3,960,000	4,290,000
Less: Allowance for expected credit loss	(5,148)	(5,577)
Loans to customers and accrued interest receivables - net	<u>3,954,852</u>	<u>4,284,423</u>

(Unaudited but reviewed)

3.6.2 Classified by loan classification

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Loans to customers and accrued interest receivables				
Loans of the subsidiary operating a banking business	215,177,207	214,664,634	-	-
Loans of other subsidiaries	6,650,144	6,611,481	-	-
Loans of the Company	3,960,000	4,290,000	3,960,000	4,290,000
Less: Elimination	(3,960,000)	(4,840,000)	-	-
Total	221,827,351	220,726,115	3,960,000	4,290,000

3.6.2.1 Classified by loan classification of the subsidiary operating a banking business

(Unit: Thousand Baht)

	As at			
	31 March 2023		31 December 2022	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	190,219,290	6,441,870	189,142,376	6,631,970
Financial assets with significant increase in credit risk (Under-performing)	20,808,538	2,672,780	21,495,534	2,758,059
Financial assets that are credit-impaired (Non-performing)	4,149,379	1,392,371	4,026,724	1,292,530
Total	215,177,207	10,507,021	214,664,634	10,682,559

The subsidiary operating a banking business has continuously provided additional assistance to affected debtors in accordance with circulars of the BOT regarding the provision of financial assistance to debtors affected by COVID-19 since 2020 until present. As at 31 March 2023, the subsidiary's outstanding loan balance under the relief measures totalled Baht 6,184 million, for which the subsidiary complies with the staging assessment and the setting aside of provision in accordance with the relevant financial reporting standards.

(Unaudited but reviewed)

3.6.2.2 Classified by loan classification of other subsidiaries

(Unit: Thousand Baht)

	As at			
	31 March 2023		31 December 2022	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	4,702,517	328,432	4,621,895	359,686
Financial assets with significant increase in credit risk (Under-performing)	1,097,333	300,569	1,133,543	311,612
Financial assets that are credit-impaired (Non-performing)	850,294	507,865	856,043	493,471
Total	6,650,144	1,136,866	6,611,481	1,164,769

3.6.2.3 Classified by loan classification of the Company

(Unit: Thousand Baht)

	As at			
	31 March 2023		31 December 2022	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	3,960,000	5,148	4,290,000	5,577
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	-	-	-
Total	3,960,000	5,148	4,290,000	5,577

3.6.3 Classified by loan classification and type of debtors

As at 31 March 2023 and 31 December 2022, loans to customers of the subsidiary operating a banking business classified by loan classification and type of debtors are as follows:

(Unit: Million Baht)

	As at 31 March 2023							
	Hire purchase receivables		Loan against auto license receivables		Other loans		Total	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	93,095	2,886	26,609	1,146	70,515	2,410	190,219	6,442
Financial assets with significant increase in credit risk (Under-performing)	12,046	1,311	5,551	637	3,212	725	20,809	2,673
Financial assets that are credit-impaired (Non-performing)	2,044	655	935	382	1,170	355	4,149	1,392
Total	107,185	4,852	33,095	2,165	74,897	3,490	215,177	10,507

(Unit: Million Baht)

	As at 31 December 2022							
	Hire purchase receivables		Loan against auto license receivables		Other loans		Total	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	93,434	3,018	25,506	1,124	70,202	2,490	189,142	6,632
Financial assets with significant increase in credit risk (Under-performing)	12,536	1,342	5,221	570	3,739	846	21,496	2,758
Financial assets that are credit-impaired (Non-performing)	2,098	652	772	297	1,157	344	4,027	1,293
Total	108,068	5,012	31,499	1,991	75,098	3,680	214,665	10,683

3.6.4 Hire purchase receivables

As at 31 March 2023, receivables of the subsidiaries under hire purchase agreements amount to Baht 112,327 million (31 December 2022: Baht 113,213 million) and mostly comprise hire purchase agreements for cars. The terms of the agreements are generally between 1 to 8 years, and under most agreements interest is charged at a fixed rate as specified in agreements.

(Unit: Million Baht)

Consolidated financial statements as at 31 March 2023					
Amounts of installments due under the long-term lease agreements					
	Not over 1 year	Over 1 year but not over 5 years	Over 5 years	Financial assets that are credit-impaired	Total
Gross investment in the agreements	40,091	76,861	3,810	7,530	128,292
Less: Deferred revenue ⁽¹⁾	(5,011)	(6,635)	(148)	(4,949)	(16,743)
Present value of minimum lease payment from agreements	35,080	70,226	3,662	2,581	111,549
Accrued interest receivables	623	-	-	155	778
Total	35,703	70,226	3,662	2,736	112,327
Allowance for expected credit loss					(5,748)
Net hire purchase receivables					106,579

(1) Net of deferred commissions and direct expenses incurred at the initiation of hire purchase.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022					
Amounts of installments due under the long-term lease agreements					
	Not over 1 year	Over 1 year but not over 5 years	Over 5 years	Financial assets that are credit-impaired	Total
Gross investment in the agreements	40,353	77,399	3,911	7,512	129,175
Less: Deferred revenue ⁽¹⁾	(5,067)	(6,686)	(152)	(4,873)	(16,778)
Present value of minimum lease payment from agreements	35,286	70,713	3,759	2,639	112,397
Accrued interest receivables	653	-	-	163	816
Total	35,939	70,713	3,759	2,802	113,213
Allowance for expected credit loss					(5,956)
Net hire purchase receivables					107,257

(1) Net of deferred commissions and direct expenses incurred at the initiation of hire purchase.

(Unaudited but reviewed)

3.6.5 Troubled debt restructuring of the subsidiary operating a banking business

As at 31 March 2023 and 31 December 2022, the subsidiary operating a banking business has outstanding balances with troubled debt restructuring debtors as follows:

	As at			
	31 March 2023		31 December 2022	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	1,489	1,038	1,531	1,021

3.7 Allowance for expected credit loss

As at 31 March 2023, the Group has allowance for expected credit loss classified by type of financial assets as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	For the three-month period ended 31 March 2023				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	
Interbank and money market items (assets)					
Balance - beginning of period	735	-	-	-	735
Changes from revaluation of allowance for credit loss	180	-	-	-	180
Balance - end of period	915	-	-	-	915
Investments in debt instruments measured at fair value through other comprehensive income					
Balance - beginning of period	-	-	199,921	-	199,921
Changes from revaluation of allowance for credit loss	-	-	-	-	-
Balance - end of period	-	-	199,921	-	199,921

(Unit: Thousand Baht)

Consolidated financial statements					
For the three-month period ended 31 March 2023					
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	Total
Investments in debt instruments					
measured at amortised cost					
Balance - beginning of period	-	-	8,896	-	8,896
Changes from revaluation of allowance for credit loss	-	-	(4)	-	(4)
Balance - end of period	-	-	8,892	-	8,892
Loans to customers and accrued interest receivables					
Balance - beginning of period	6,989,062	3,069,670	1,786,000	-	11,844,732
Changes from transfers among stages	82,004	(195,458)	113,454	-	-
Changes from revaluation of allowance for credit loss	(863,588)	114,425	815,266	-	66,103
New financial assets purchased or acquired	732,250	61,141	9,066	-	802,457
Derecognition	(169,426)	(76,429)	(81,104)	-	(326,959)
Write-off	-	-	(742,446)	-	(742,446)
Balance - end of period	6,770,302	2,973,349	1,900,236	-	11,643,887
Other assets - accrued interest receivables on investments					
Balance - beginning of period	-	-	5,173	-	5,173
Changes from revaluation of allowance for credit loss	-	-	912	-	912
Balance - end of period	-	-	6,085	-	6,085
Other assets - other receivables					
Balance - beginning of period	-	-	-	21,345	21,345
Changes from revaluation of allowance for credit loss	-	-	-	4,395	4,395
Derecognition	-	-	-	(1,378)	(1,378)
Write-off	-	-	-	(1,705)	(1,705)
Balance - end of period	-	-	-	22,657	22,657

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements				
For the three-month period ended 31 March 2023				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Interbank and money market items (assets)				
Balance - beginning of period	14	-	-	14
Changes from revaluation of allowance for credit loss	10	-	-	10
Balance - end of period	24	-	-	24
Investments in debt instruments measured at fair value through other comprehensive income				
Balance - beginning of period	-	-	172,461	172,461
Changes from revaluation of allowance for credit loss	-	-	-	-
Balance - end of period	-	-	172,461	172,461
Loans to customers and accrued interest receivables				
Balance - beginning of period	5,577	-	-	5,577
Changes from revaluation of allowance for credit loss	(429)	-	-	(429)
Balance - end of period	5,148	-	-	5,148
Other assets - accrued interest receivables on investments				
Balance - beginning of period	-	-	4,617	4,617
Changes from revaluation of allowance for credit loss	-	-	813	813
Balance - end of period	-	-	5,430	5,430

3.8 Classification of assets

3.8.1 Classification of assets under the BOT's guidelines

As at 31 March 2023 and 31 December 2022, classification of financial assets is as follows:

(Unit: Thousand Baht)

Consolidated financial statements as at 31 March 2023					
Financial assets					
	Debt instruments measured at fair value through other comprehensive income		Debt instruments measured at amortised cost	Loans to customers and accrued interest receivables	
	Interbank and money market items	Interbank and money market items		Total	Total
Financial assets with no significant increase in credit risk (Performing)	45,791,894	4,136,245	-	194,921,807	244,849,946
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	21,905,871	21,905,871
Financial assets that are credit-impaired (Non-performing)	-	246,822	8,892	4,999,673	5,255,387
Total	45,791,894	4,383,067	8,892	221,827,351	272,011,204

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2022					
Financial assets					
	Debt instruments measured at fair value through other comprehensive income		Debt instruments measured at amortised cost	Loans to customers and accrued interest receivables	
	Interbank and money market items	Interbank and money market items		Total	Total
Financial assets with no significant increase in credit risk (Performing)	40,273,154	3,763,243	-	193,214,271	237,250,668
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	22,629,077	22,629,077
Financial assets that are credit-impaired (Non-performing)	-	226,641	8,896	4,882,767	5,118,304
Total	40,273,154	3,989,884	8,896	220,726,115	264,998,049

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements as at 31 March 2023				
Financial assets				
Debt instruments measured at fair value				
Interbank and money market items	through other comprehensive income	Loans to customers and accrued interest receivables	Total	
Financial assets with no significant increase in credit risk (Performing)	44,439	399,551	3,960,000	4,403,990
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	220,282	-	220,282
Total	44,439	619,833	3,960,000	4,624,272

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2022				
Financial assets				
Debt instruments measured at fair value				
Interbank and money market items	through other comprehensive income	Loans to customers and accrued interest receivables	Total	
Financial assets with no significant increase in credit risk (Performing)	27,267	-	4,290,000	4,317,267
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	202,271	-	202,271
Total	27,267	202,271	4,290,000	4,519,538

3.8.2 Loans to customers with weak financial position and poor operating results of the subsidiary operating a banking business

	Number of debtors				Loans to customers and accrued interest receivables				Collateral value				Allowance for expected credit loss provided in the accounts			
	as at		as at		as at		as at		as at		as at		as at			
	31	31	31	31	31	31	31	31	31	31	31	31	31	31		
	March	December	March	December	March	December	March	December	March	December	March	December	March	December		
2023		2022		2023		2022		2023		2022		2023		2022		
				(Million Baht)		(Million Baht)		(Million Baht)		(Million Baht)		(Million Baht)		(Million Baht)		
1. Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET and under rehabilitation	1	1	374	387	290	292	374	387								
2. Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET	11	11	1,637	1,784	892	908	101	185								
Total	12	12	2,011	2,171	1,182	1,200	475	572								

3.9 Other assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Receivables from clearing house	1,083,660	640,993	-	-
Value added tax - net	458,290	517,112	5,568	5,978
Accrued interest receivables	9,283	2,456	-	-
Fee and service receivables	480,440	505,308	125,114	120,048
Refundable income tax and prepaid income tax	15,313	24,931	11,779	22,150
Deposits	88,540	85,212	90	90
Other receivables	637,161	727,205	-	-
Other assets	402,984	454,546	87,822	93,944
Total other assets	3,175,671	2,957,763	230,373	242,210

3.10 Deposits

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	31 March 2023	31 December 2022
Deposits		
Current accounts	1,639,162	1,820,826
Saving accounts	38,178,433	42,929,520
Fixed accounts		
- not over 6 months	15,761,614	12,296,262
- over 6 months but not over 1 year	17,205,996	15,578,457
- over 1 year	21,668,478	15,050,668
Certificates of deposits/negotiable certificates of deposits	102,228,988	100,590,076
Total	<u>196,682,671</u>	<u>188,265,809</u>

3.11 Debts issued and borrowings

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<u>Domestic borrowings</u>				
Subordinated unsecured debentures	5,040,000	5,040,000	-	-
Unsubordinated unsecured debentures	5,890,000	10,680,000	3,090,000	7,880,000
Bills of exchange	36,122	36,122	-	-
Promissory notes	-	797	-	-
Total	<u>10,966,122</u>	<u>15,756,919</u>	<u>3,090,000</u>	<u>7,880,000</u>

3.11.1 Subordinated unsecured debentures

As at 31 March 2023 and 31 December 2022, the subsidiary operating a banking business has long-term subordinated unsecured debentures with an early redemption right in accordance with the BOT's regulations as follows:

Issued year	Units as at		Face value (Baht per unit)	Balance as at		Maturity in the year	Interest rate
	31 March 2023	31 December 2022		31 March 2023	31 December 2022		
	(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2019	1.20	1.20	1,000	1,200	1,200	2029	4.00 percent per annum
2019	1.20	1.20	1,000	1,200	1,200	2029	4.00 percent per annum
2020	1.25	1.25	1,000	1,250	1,250	2030	3.50 percent per annum
2020	0.69	0.69	1,000	690	690	2030	3.15 percent per annum
2021	0.70	0.70	1,000	700	700	2031	3.25 percent per annum
Total				5,040	5,040		

3.11.2 Unsubordinated unsecured debentures

As at 31 March 2023 and 31 December 2022, the Group has short-term and long-term unsubordinated unsecured debentures as follows:

Issued year	Type of debentures	Units ⁽¹⁾ as at		Balance as at				Maturity in the year	Interest rate
				Consolidated financial statements		Separate financial statements			
		31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022		
		(Million units)	(Million units)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)		
2022	Short-term debenture	-	7.88	-	7,880	-	7,880	2023	1.35 - 1.65 percent per annum
2023	Short-term debenture	3.09	-	3,090	-	3,090	-	2023	1.95 - 2.00 percent per annum
2022	Long-term debenture	2.80	2.80	2,800	2,800	-	-	2024	1.25 percent per annum
Total				5,890	10,680	3,090	7,880		

(1) Face value per unit of debentures is Baht 1,000.

3.11.3 Bills of exchange

Bills of exchange comprise bills of exchange that mature at call and bear interest at a fixed rate of 2.50 percent per annum.

(Unaudited but reviewed)

3.12 Provisions

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Allowance for expected credit loss on loan commitments and financial guarantees	26,852	9,556	-	-
Provision for long-term employee benefits	1,762,522	1,702,710	295,136	287,935
Other provisions	39,380	-	-	-
Total provisions	1,828,754	1,712,266	295,136	287,935

3.13 Other liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at		as at	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Payables to clearing house	1,569	186	-	-
Withholding income tax and other tax payables	206,573	501,797	22,924	100,273
Accrued insurance premium	394,416	541,440	-	-
Deferred income	1,319,383	1,393,492	-	-
Accrued expenses	3,945,313	3,399,927	1,429,705	1,338,544
Suspense creditors	792,390	803,371	-	-
Other liabilities	530,339	460,024	491	101
Total other liabilities	7,189,983	7,100,237	1,453,120	1,438,918

The above accrued expenses include accrued bonus expenses which are remunerations paid to employees and management based on annual performance. These accrued bonus expenses include costs of annual bonus that are determined with reference to the Company's share price, paid to employees whose performance impacts the Company's operating results, as an incentive to work effectively and to build loyalty to the Company. This vested bonus is continuously set aside for payment five years later. It is paid in cash and partly determined based on the average daily price of the Company's shares over the period of five years from grant date to settlement date. As of 31 March 2023 and 31 December 2022, the Group has accrued bonus under this scheme amounting to Baht 412 million and Baht 376 million, respectively (Separate financial statements: Baht 195 million and Baht 176 million, respectively) and recognised expenses in profit or loss during the three-month periods ended 31 March 2023 and 2022 amounting to Baht 36 million and Baht 43 million, respectively (Separate financial statements: Baht 18 million and Baht 21 million, respectively).

3.14 Capital funds

The primary objectives of the Group's capital management are to maintain its ability to continue as a going concern and to maintain capital adequacy ratio in accordance with the regulations of the BOT.

The Group maintains capital adequacy ratio in compliance with Basel III principles by implementing capital to risk assets requirement based on Internal Ratings-Based Approach (IRB) for hire purchase receivables, loan against auto license receivables, corporate lending and SME business loans that are qualified to the specified requirements, and for equity exposure and other assets. For such loans that are not qualified to the requirements and other loans, the Standardized Approach (SA) is implemented to maintain capital adequacy ratio.

Regarding Capital funds as at 31 March 2023 and 31 December 2022, the Financial Business Group has allocated the additional reserve from loan classification as part of regulatory capital funds. Such reserve has been allocated to Tier 1 capital and Tier 2 capital based on methods under the BOT's regulations.

Capital funds of the Financial Business Group (under Basel III principles) are as follows:

	(Unit: Thousand Baht)	
	As at	
	31 March 2023	31 December 2022
<u>Common Equity Tier I capital</u>		
Issued and paid-up share capital	8,006,456	8,006,456
Premium on share capital	1,018,408	1,018,408
Statutory reserve	801,000	801,000
Net profits after appropriation	21,739,012	21,739,012
Other components of equity	1,845,764	1,831,007
Less: Deductions from Common Equity Tier I items	(1,052,461)	(1,023,648)
Total Common Equity Tier I capital	32,358,179	32,372,235
<u>Financial Instrument Tier I capital</u>		
Issued and paid-up share capital - non-cumulative preference shares	99	99
Total Tier I capital	32,358,278	32,372,334
<u>Tier II capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	783,341	786,626
Reserve for loans classified as normal	723,755	720,745
Total Tier II capital	6,547,096	6,547,371
Total capital funds	38,905,374	38,919,705

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	31 March 2023		31 December 2022	
	Financial Business Group	Requirement	Financial Business Group	Requirement
Common Equity Tier I capital to risk assets	17.17	7.00	17.15	7.00
Tier I capital to risk assets	17.17	8.50	17.15	8.50
Total capital to risk assets	20.64	11.00	20.62	11.00

Capital funds of the TISCO Bank (under Basel III principles) are as follows:

(Unit: Thousand Baht)

	As at	
	31 March 2023	31 December 2022
<u>Common Equity Tier I capital</u>		
Issued and fully paid-up share capital	9,215,676	9,215,676
Premium on share capital	2,543,024	2,543,024
Statutory reserve	984,000	984,000
Net profits after appropriation	20,417,489	20,417,489
Other components of equity	301,843	300,977
Less: Deductions from Common Equity Tier I items	(267,933)	(229,831)
Total Common Equity Tier I capital	33,194,099	33,231,335
<u>Financial Instrument Tier I capital</u>		
Issued and fully paid-up share capital - non-cumulative preference shares	1	1
Total Tier I capital	33,194,100	33,231,336
<u>Tier II Capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	761,936	765,917
Reserve for loans classified as normal	516,887	520,205
Total Tier II capital	6,318,823	6,326,122
Total capital funds	39,512,923	39,557,458

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	31 March 2023		31 December 2022	
	TISCO Bank	Requirement	TISCO Bank	Requirement
Common Equity Tier I capital to risk assets	19.72	7.00	19.63	7.00
Tier I capital to risk assets	19.72	8.50	19.63	8.50
Total capital to risk assets	23.47	11.00	23.37	11.00

To comply with the Notification of the BOT No. Sor Nor Sor. 15/2562 regarding “Public Disclosure of Capital Maintenance for Financial Business Group (No.2)”, the Company has disclosed capital maintenance information of the Financial Business Group as at 31 December 2022 on its website (www.tisco.co.th) in April 2023.

3.15 Interest income

Interest income in the statements of comprehensive income for the three-month periods ended 31 March 2023 and 2022 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Interbank and money market items	140,275	35,030	191	77
Investments in debt securities	23,104	22,294	2,411	1,043
Loans to customers	2,254,051	1,695,544	22,715	14,005
Hire purchase receivables	1,717,010	1,803,325	-	-
Total interest income	4,134,440	3,556,193	25,317	15,125

Interest income for the three-month periods ended 31 March 2023 and 2022 included interest income on credit-impaired financial assets amounting to Baht 87 million and Baht 69 million, respectively. The subsidiaries fully recognised expected credit loss on such interest income.

3.16 Interest expenses

Interest expenses in the statements of comprehensive income for the three-month periods ended 31 March 2023 and 2022 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Deposits	533,136	307,771	-	-
Interbank and money market items	6,058	5,311	720	407
Contribution fee to the Deposit Protection Agency and the Bank of Thailand	228,015	103,749	-	-
Issued debt securities				
- Subordinated debentures	45,428	56,710	-	-
- Unsubordinated debentures	27,698	16,146	19,068	6,639
Borrowings	224	225	-	-
Others	6,920	5,006	2	3
Total interest expenses	847,479	494,918	19,790	7,049

3.17 Net fee and service income

Net fee and service income in the statements of comprehensive income for the three-month periods ended 31 March 2023 and 2022 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Fee and service income				
- Acceptance, aval and guarantees	6,230	4,430	-	-
- Insurance service	615,287	604,159	-	-
- Brokerage fee	194,234	231,371	-	-
- Fund management	345,810	350,787	-	-
- Others	216,891	212,890	-	-
Total fee and service income	1,378,452	1,403,637	-	-
Fee and service expenses				
- Information service expenses	(4,393)	(4,669)	-	-
- Others	(107,566)	(124,693)	(3,167)	(2,703)
Total fee and service expenses	(111,959)	(129,362)	(3,167)	(2,703)
Net fee and service income	1,266,493	1,274,275	(3,167)	(2,703)

3.18 Expected credit loss

Expected credit loss and gain or loss from the modification of terms of financial assets in the statements of comprehensive income for the three-month periods ended 31 March 2023 and 2022 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Expected credit loss				
- Interbank and money market items	180	241	10	2
- Investments in debt instruments measured at amortised cost (reversal)	(4)	(3,051)	-	-
- Investments in debt instruments measured at fair value through other comprehensive income and accrued interest receivables	912	923	813	737
- Loans to customers (reversal)	173,698	91,678	(429)	299
- Other receivables	1,368	340	-	-
Gain from the modification of terms				
- Loans to customers	(38,058)	(5,986)	-	-
Loan commitments and financial guarantees	17,296	1,187	-	-
Total	155,392	85,332	394	1,038

3.19 Income tax expenses

Income tax expenses of the Group for the three-month periods ended 31 March 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Current income tax:				
Income tax expenses for the period	478,248	443,838	27,788	37,518
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	(37,504)	(4,643)	6,017	(8,665)
Income tax expenses reported in the statement of comprehensive income	<u>440,744</u>	<u>439,195</u>	<u>33,805</u>	<u>28,853</u>

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month periods ended 31 March 2023 and 2022 is as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Accounting profit before tax	<u>2,233,441</u>	<u>2,234,794</u>	<u>176,381</u>	<u>141,703</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	446,688	446,959	35,276	28,341
Income tax effects:				
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	(4,190)	(3,728)	(1,471)	512
Others	(1,754)	(4,036)	-	-
Income tax expenses reported in the statement of comprehensive income	<u>440,744</u>	<u>439,195</u>	<u>33,805</u>	<u>28,853</u>
Weighted average tax rate	19.73%	19.65%	19.17%	20.36%

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at		Changes in deferred tax assets/liabilities reported in profit or loss for the three-month periods ended 31 March	
	31 March	31 December	2023	2022
	2023	2022	2023	2022
Allowance for expected credit loss	281,396	283,298	(1,902)	(8,905)
Allowance for impairment of investments	24,321	24,321	-	-
Allowance for impairment of properties foreclosed	1	30	(29)	(950)
Non-accrual of interest income	4,082	4,082	-	-
Depreciation of assets	(50,317)	(60,978)	10,661	3,598
Gain on changes in fair value of investment properties	(4,073)	(4,073)	-	-
Surplus on revaluation of assets	(293,464)	(293,662)	-	-
Surplus on changes in value of investments	(4,495)	(268)	-	-
Gain on changes in value of investments	(128,054)	(119,038)	(9,016)	6,280
Deferred commissions and direct expenses incurred at the initiation of hire purchase	(92,701)	(107,603)	14,902	26,976
Unearned interest income on hire purchase	9,448	13,226	(3,778)	(9,698)
Loss on disposal of properties foreclosed	53,625	48,520	5,105	(14,564)
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	594,477	594,477	-	-
Employee benefit expenses	350,669	338,750	11,921	2,652
Others	97,627	87,987	9,640	(746)
Deferred tax assets	863,977	830,504	37,504	4,643

As at 31 March 2023 and 31 December 2022, a subsidiary has unused tax loss totalling Baht 49 million and Baht 53 million, respectively, on which deferred tax assets have not been recognised as the subsidiary believes that future taxable profits may not be sufficient to allow utilisation of the tax loss. The unused tax loss will expire by 2023 - 2025.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	As at		31 March	
	31 March	31 December	2023	2022
	2023	2022	2023	2022
Allowance for expected credit loss	36,613	36,534	79	207
Allowance for impairment of investments	21,732	21,732	-	-
Depreciation of assets	(42,171)	(44,747)	2,576	2,516
Gain on changes in fair value of investment properties	(92,082)	(92,082)	-	-
Surplus on revaluation of assets	(76,037)	(76,078)	-	-
Surplus on changes in value of investments	(4,209)	(614)	-	-
Loss on changes in value of investments	39,094	49,361	(10,267)	5,913
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	260,574	260,574	-	-
Employee benefit expenses	59,027	57,587	1,440	(131)
Others	1,157	1,002	155	160
Deferred tax assets	225,133	234,704	(6,017)	8,665

3.20 Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions were concluded on bases agreed upon between the Company and those related parties, and there were no significant changes in the relationship with the related parties or in the pricing policies.

(Unaudited but reviewed)

As at 31 March 2023 and 31 December 2022, the balances of accounts between the Company and its related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	31 March 2023	31 December 2022
<u>Outstanding balances</u>		
Joint venture company		
Dividend receivables	9,219	-
Deposits	2,557	2,808
Commitments - financial guarantees	8,000	8,000
Management - departmental managers upward		
Loans ⁽¹⁾	16,563	18,836
Directors and management - departmental managers upward		
Deposits	518,040	500,148
Companies which directors or their related persons have significant influence over		
Deposits	597,690	796,166
Related persons of directors and key management		
Deposits	61,487	62,162

(1) Including employee welfare loans and normal loans

(Unit: Thousand Baht)

	Separate financial statements as at	
	31 March 2023	31 December 2022
<u>Outstanding balances</u>		
Subsidiaries		
(Eliminated from the consolidated financial statements)		
Interbank and money market items - net (assets)		
TISCO Bank Public Company Limited	44,040	27,255
Loans to customers		
Hi-way Co., Ltd.	3,960,000	4,290,000
Dividend receivables		
TISCO Bank Public Company Limited	-	3,372,521
TISCO Securities Co., Ltd.	-	140,000
TISCO Asset Management Co., Ltd.	-	619,996
Hi-Way Co., Ltd.	-	672,000
TISCO Insurance Solution Co., Ltd.	-	309,989
TISCO Information Technology Co., Ltd.	-	129,996
TISCO Learning Center Co., Ltd.	-	42,497
Other assets		
TISCO Bank Public Company Limited	125,500	119,625
TISCO Learning Center Co., Ltd.	531	465
Interbank and money market items (liabilities)		
TISCO Bank Public Company Limited	-	550,000
Other liabilities		
TISCO Bank Public Company Limited	55	-
TISCO Learning Center Co., Ltd.	724	205
Join venture company		
Dividend receivables	9,219	-

(Unaudited but reviewed)

The Company has credit line obligations granted to companies in the Group, consisting of TISCO Securities Co., Ltd., TISCO Asset Management Co., Ltd., Hi-Way Co., Ltd., TISCO Information Technology Co., Ltd., TISCO Insurance Solution Co., Ltd. and All-Ways Co., Ltd. As at 31 March 2023 and 31 December 2022, total credit lines granted to all companies in the Group must not exceed Baht 12,000 million.

Loans to related companies

As at 31 March 2023, the balance of loans between the Company and its related companies and its movements are as follows:

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2023			Balance - end of period
	Balance - beginning of period	Increase	Decrease	
Subsidiaries				
Loans				
Hi-Way Co., Ltd.	4,290,000	-	(330,000)	3,960,000

Borrowings from related companies

As at 31 March 2023, the balance of borrowings between the Company and its related companies (Interbank and money market items) and its movements are as follows:

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2023			Balance - end of period
	Balance - beginning of period	Increase	Decrease	
Subsidiaries				
Borrowings				
TISCO Bank Public Company Limited	550,000	-	(550,000)	-

(Unaudited but reviewed)

During the periods, the Company had significant business transactions with related parties. Significant related party transactions are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
<u>Transactions occurred during the periods</u>				
Joint venture company				
Other income	2,425	2,118	-	-
Subsidiaries				
Interest income	-	-	22,905	14,081
Risk and financial management fee income, human resources management fee income and office administration fee income	-	-	552,991	532,535
Rental income	-	-	18,608	18,608
Computer system advisory service expenses	-	-	96,500	92,500
Training expenses	-	-	2,777	2,502
Interest expenses	-	-	720	407
Other expenses	-	-	528	527

Directors' and key management's benefits

During the three-month periods ended 31 March 2023 and 2022, the Group had short-term benefit expenses and post-employment benefit expenses to its directors and key management as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2023	2022	2023	2022
Short-term benefits	91	86	46	44
Post-employment benefits	17	16	8	8
Total	108	102	54	52

3.21 Segment information

The Group is organised into business units based on its products and services. During the current period, there was no change in the composition of the reporting segments.

Revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2023 and 2022 is as follows:

(Unit: Million Baht)

	For the three-month period ended 31 March 2023						
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Revenue:							
External customers	4,036	203	396	36	4,671	-	4,671
Inter-segment	239	1	(15)	899	1,124	(1,124)	-
Total revenue	<u>4,275</u>	<u>204</u>	<u>381</u>	<u>935</u>	<u>5,795</u>	<u>(1,124)</u>	<u>4,671</u>
Operating results:							
Net interest income	3,270	9	1	7	3,287	-	3,287
Net fee and service income	926	199	380	314	1,819	(553)	1,266
Other operating income	79	(4)	-	614	689	(571)	118
Total operating income	<u>4,275</u>	<u>204</u>	<u>381</u>	<u>935</u>	<u>5,795</u>	<u>(1,124)</u>	<u>4,671</u>
Premises and equipment expenses and amortisation	(392)	(21)	(8)	(240)	(661)	276	(385)
Other operating expenses	(1,993)	(121)	(167)	(463)	(2,744)	846	(1,898)
Expected credit loss	(151)	-	-	-	(151)	(4)	(155)
Total operating expenses	<u>(2,536)</u>	<u>(142)</u>	<u>(175)</u>	<u>(703)</u>	<u>(3,556)</u>	<u>1,118</u>	<u>(2,438)</u>
Segment profit before income tax expenses	<u>1,739</u>	<u>62</u>	<u>206</u>	<u>232</u>	<u>2,239</u>	<u>(6)</u>	<u>2,233</u>
Income tax expenses							(441)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							<u>1,792</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 31 March 2022

	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Revenue:							
External customers	3,822	225	391	(23)	4,415	-	4,415
Inter-segment	240	-	(12)	831	1,059	(1,059)	-
Total revenue	<u>4,062</u>	<u>225</u>	<u>379</u>	<u>808</u>	<u>5,474</u>	<u>(1,059)</u>	<u>4,415</u>
Operating results:							
Net interest income	3,049	3	1	8	3,061	-	3,061
Net fee and service income	911	221	378	285	1,795	(521)	1,274
Other operating income	102	1	-	515	618	(538)	80
Total operating income	<u>4,062</u>	<u>225</u>	<u>379</u>	<u>808</u>	<u>5,474</u>	<u>(1,059)</u>	<u>4,415</u>
Premises and equipment expenses and amortisation	(363)	(20)	(7)	(208)	(598)	262	(336)
Other operating expenses	(1,881)	(128)	(158)	(401)	(2,568)	809	(1,759)
Expected credit loss	(83)	-	-	(1)	(84)	(1)	(85)
Total operating expenses	<u>(2,327)</u>	<u>(148)</u>	<u>(165)</u>	<u>(610)</u>	<u>(3,250)</u>	<u>1,070</u>	<u>(2,180)</u>
Segment profit before income tax expenses	<u>1,735</u>	<u>77</u>	<u>214</u>	<u>198</u>	<u>2,224</u>	<u>11</u>	2,235
Income tax expenses							(439)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							<u>1,796</u>

(Unaudited but reviewed)

Total assets information regarding the Group's operating segments as at 31 March 2023 and 31 December 2022 is as follows:

(Unit: Million Baht)

As at 31 March 2023							
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Segment total assets	264,904	3,581	1,123	28,706	298,314	(25,087)	273,227
Premises and equipment - net	894	22	241	770	1,927	880	2,807

(Unit: Million Baht)

As at 31 December 2022							
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Segment total assets	258,872	3,111	1,534	33,943	297,460	(32,046)	265,414
Premises and equipment - net	865	23	242	774	1,904	882	2,786

3.22 Commitments and contingent liabilities

3.22.1 Avals, guarantees and commitments

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	31 March 2023	31 December 2022
Avals to bills	230,502	182,479
Other guarantees	1,764,887	1,840,962
Foreign exchange contracts	1,709,236	1,739,526
Others	2,791,585	3,008,291
Total	6,496,210	6,771,258

3.22.2 Litigation

As at 31 March 2023 and 31 December 2022, the subsidiaries have been sued for compensation totalling approximately Baht 204 million and Baht 228 million, respectively. Final judgements have not yet been reached in respect of these cases. The management of the Group believes that no material loss will be incurred as a result of the mentioned lawsuits. The management has exercised judgements in assessing the possible loss to the Group and recorded the amount under "Provisions" as presented in Note 3.12 to the interim financial statements.

3.22.3 Other commitments

The subsidiaries have commitments in relation to computer service agreements, whereby they are to pay both fixed fees and service fees which vary according to the quantity and type of services, as stipulated in the agreements.

3.23 Fair value of financial instruments

3.23.1 As at 31 March 2023 and 31 December 2022, the Group has financial assets and liabilities that are measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 March 2023				
	Book value	Fair value			
	Level 1	Level 2	Level 3	Total	
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit for loss					
Equity instruments	1,510	546	-	964	1,510
Unit trusts	820	764	56	-	820
Investments - debt instruments	4,383	-	4,136	247	4,383
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
Foreign exchange contracts	73	-	73	-	73

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	Book value	Fair value			
	Level 1	Level 2	Level 3	Total	
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss					
Equity instruments	1,389	425	-	964	1,389
Unit trusts	784	726	58	-	784
Derivatives assets					
Foreign exchange contracts	147	-	147	-	147
Investments - debt instruments	3,990	-	3,763	227	3,990

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements				
	As at 31 March 2023				
	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					
Equity instruments	222	222	-	-	222
Unit trusts	764	764	-	-	764
Investments - debt instruments	620	-	400	220	620

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2022				
	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					
Equity instruments	229	229	-	-	229
Unit trusts	726	726	-	-	726
Investments - debt instruments	202	-	-	202	202

Apart from the above financial assets and liabilities presented at fair value, the Group has other financial assets and liabilities presented at cost but are subject to disclosure at fair value. However, since the majority of the Group's financial assets and liabilities are short-term in nature or carrying interest at rates close to the market interest rates, fair value of financial instruments carried at cost is not expected to be materially different from the amounts presented in the statement of financial position, except for the following financial assets and liabilities for which book value is materially different from fair value.

(Unit: Million Baht)

	Consolidated financial statements as at			
	31 March 2023		31 December 2022	
	Book value	Fair value	Book value	Fair value
<u>Financial assets</u>				
Loans to customers and accrued interest receivables				
	210,183	214,372	208,881	214,992
<u>Financial liabilities</u>				
Debts issued and borrowings	10,966	10,607	15,757	15,368

For separate financial statements, since the majority of the Company's financial assets and liabilities are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

During the current period, there were no changes in approaches or assumptions used in determining fair value of financial instruments and there were no transfers within the fair value hierarchy.

4. Subsequent events

On 17 April 2023, the 2023 Annual General Meeting of the shareholders of the Company passed a resolution approving a dividend payment of Baht 7.75 per share to holders of both ordinary shares and preference shares listed in the share register as at 24 April 2023 in respect of the operating results for the year 2022. The dividend is to be paid on 10 May 2023 and will be recorded in the accounts in the second quarter of year 2023.

5. Reclassification

The Group has reclassified some items in the statement of comprehensive income for the three-month period ended 31 March 2022 in order to correspond to the classification in the current period. The reclassification does not impact profit or equity as previously reported, as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	For the three-month period ended 31 March 2022	
	As reclassified	As previously reported
Statement of comprehensive income		
Net fee and service income		
Fee and service income	1,403,637	1,407,396
Operating expenses		
Other operating expenses	196,048	199,807

6. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Audit Committee on 11 May 2023.