

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

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 30 September 2023, the consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2023, the related consolidated statements of changes in equity and cash flows for the nine-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 periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting 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: 10 November 2023

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash		797,640	1,005,066	70	70
Interbank and money market items - net	3.1, 3.8	34,625,980	40,272,419	77,796	27,253
Financial assets measured at fair value through profit or loss	3.2	2,108,436	2,172,386	586,960	954,994
Derivatives assets	3.3	-	147,489	-	-
Investments - net	3.4, 3.8	4,862,503	3,989,884	220,282	202,271
Investments in subsidiaries and joint venture - net	3.5	894,681	872,808	20,069,304	20,069,244
Loans to customers and accrued interest receivables	3.6, 3.8				
Loans to customers		248,969,800	236,240,839	4,640,000	4,290,000
Accrued interest receivables and undue interest income		1,917,765	1,722,316	-	-
Total loans to customers and accrued interest receivables		250,887,565	237,963,155	4,640,000	4,290,000
Less: Deferred revenue		(17,175,717)	(17,237,040)	-	-
Less: Allowance for expected credit loss	3.7	(10,728,387)	(11,844,732)	(6,032)	(5,577)
Total loans to customers and accrued interest receivables - net		222,983,461	208,881,383	4,633,968	4,284,423
Properties foreclosed - net		31,466	6,550	-	-
Investment properties		27,058	27,058	910,728	910,728
Premises and equipment - net		2,940,221	2,786,274	775,108	758,081
Right-of-use assets - net		1,046,298	753,866	678	321
Intangible assets - net		80,881	99,603	49,018	62,682
Deferred tax assets	3.19	892,084	830,504	204,284	234,704
Securities and derivatives business receivables - net		537,618	611,384	-	-
Dividend receivables from subsidiaries		-	-	-	5,286,999
Other assets	3.9	2,104,254	2,957,763	282,998	242,210
Total assets		273,932,581	265,414,437	27,811,194	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 30 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and equity					
Liabilities					
Deposits	3.10	200,797,104	188,265,809	-	-
Interbank and money market items		7,284,082	6,195,459	4,710,000	550,000
Liabilities payable on demand		205,477	256,708	-	-
Derivatives liabilities	3.3	167,034	-	-	-
Debts issued and borrowings	3.11	11,676,122	15,756,919	3,800,000	7,880,000
Lease liabilities		985,581	700,258	682	332
Provisions	3.12	1,948,790	1,712,266	302,047	287,935
Securities and derivatives business payables - net		623,055	1,246,559	-	-
Accrued interest payable		1,152,546	559,568	10,210	14,528
Income tax payable		377,210	830,031	11,833	-
Other liabilities	3.13	8,236,252	7,100,237	1,629,948	1,438,918
Total liabilities		233,453,253	222,623,814	10,464,720	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 30 September 2023

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	30 September 2023 (Unaudited but reviewed)	31 December 2022 (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
	<u>8,006,555</u>	<u>8,006,555</u>	<u>8,006,555</u>	<u>8,006,555</u>
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
	<u>1,018,408</u>	<u>1,018,408</u>	<u>7,031,523</u>	<u>7,031,523</u>
Other components of equity	1,835,131	1,831,007	320,676	306,770
Retained earnings				
Appropriated - statutory reserve	801,000	801,000	801,000	801,000
Unappropriated	28,814,919	31,130,416	1,186,720	6,716,419
	<u>40,476,013</u>	<u>42,787,386</u>	<u>17,346,474</u>	<u>22,862,267</u>
Equity attributable to equity holders of the Company				
Non-controlling interests of the subsidiaries	3,315	3,237	-	-
	<u>40,479,328</u>	<u>42,790,623</u>	<u>17,346,474</u>	<u>22,862,267</u>
Total equity				
Total liabilities and equity	<u>273,932,581</u>	<u>265,414,437</u>	<u>27,811,194</u>	<u>33,033,980</u>

The accompanying notes are an integral part of the financial statements


Mr. Sakchai Peechapat

(Group Chief Executive)



บริษัท ทีเอสซีไฟแนนเชียลกรุ๊ป 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 30 September 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	4,666,384	3,754,617	37,562	16,688
Interest expenses	3.16	(1,109,744)	(533,187)	(47,404)	(17,638)
Net interest income		3,556,640	3,221,430	(9,842)	(950)
Fee and service income		1,305,120	1,360,102	-	-
Fee and service expenses		(107,181)	(102,693)	(2,922)	(4,355)
Net fee and service income	3.17	1,197,939	1,257,409	(2,922)	(4,355)
Net loss on financial instruments measured at fair value through profit or loss		(43,609)	(107,591)	(13,098)	(140,651)
Net gain on investments		773	504	-	-
Share of profit from investments accounted for under equity method	3.5.2	11,059	12,969	-	-
Dividend income		32,073	25,844	4,062	4,495
Penalty fee income from loans		33,010	36,035	-	-
Intercompany supporting fee income	3.20	-	-	613,301	532,979
Other operating income		18,880	21,947	20,949	19,238
Total operating income		4,806,765	4,468,547	612,450	410,756
Operating expenses					
Employee expenses		1,611,030	1,511,282	184,263	150,333
Directors' remuneration		5,620	4,980	5,620	4,980
Premises and equipment expenses		410,163	345,026	212,989	194,253
Taxes and duties		90,385	64,144	206	27
Other operating expenses		211,388	218,299	13,648	12,534
Total operating expenses		2,328,586	2,143,731	416,726	362,127
Expected credit loss	3.18	146,597	118,634	426	1,431
Profit from operations before income tax expenses		2,331,582	2,206,182	195,298	47,198
Income tax expenses	3.19	456,972	432,640	39,409	9,892
Profit for the period		1,874,610	1,773,542	155,889	37,306

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 30 September 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		(8,547)	1,525	-	40
Share of other comprehensive income of joint venture -					
Cash flow hedges of joint venture (loss)	3.5.2	(219)	(74)	-	-
Income tax effects		1,709	(305)	-	(8)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(7,057)	1,146	-	32
Other comprehensive income for the period (loss)		(7,057)	1,146	-	32
Total comprehensive income for the period		<u>1,867,553</u>	<u>1,774,688</u>	<u>155,889</u>	<u>37,338</u>
Profits attributable to					
Equity holders of the Company		1,874,485	1,773,425	<u>155,889</u>	<u>37,306</u>
Non-controlling interests of the subsidiaries		125	117		
		<u>1,874,610</u>	<u>1,773,542</u>		
Total comprehensive income attributable to					
Equity holders of the Company		1,867,428	1,774,571	<u>155,889</u>	<u>37,338</u>
Non-controlling interests of the subsidiaries		125	117		
		<u>1,867,553</u>	<u>1,774,688</u>		
Earnings per share of equity holders of the Company					
Basic earnings per share (Baht per share)		<u>2.34</u>	<u>2.21</u>	<u>0.19</u>	<u>0.05</u>

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****For the nine-month period ended 30 September 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	13,198,282	10,927,302	93,999	48,074
Interest expenses	3.16	(2,935,049)	(1,537,966)	(100,614)	(37,257)
Net interest income		10,263,233	9,389,336	(6,615)	10,817
Fee and service income		3,943,594	4,034,589	-	-
Fee and service expenses		(327,530)	(340,638)	(13,787)	(12,372)
Net fee and service income	3.17	3,616,064	3,693,951	(13,787)	(12,372)
Net gain (loss) on financial instruments measured at fair value through profit or loss		38,981	33,345	(978)	(140,729)
Net gain on investments		4,865	1,530	-	10
Share of profit from investments accounted for under equity method	3.5.2	31,454	41,008	-	-
Dividend income		84,651	72,978	1,918,246	11,783
Penalty fee income from loans		103,867	117,268	-	-
Intercompany supporting fee income	3.20	-	-	1,719,108	1,598,275
Other operating income		77,418	92,942	60,711	57,513
Total operating income		14,220,533	13,442,358	3,676,685	1,525,297
Operating expenses					
Employee expenses		4,783,688	4,558,681	631,300	519,539
Directors' remuneration		17,469	15,928	17,469	15,928
Premises and equipment expenses		1,194,248	1,008,762	610,751	552,967
Taxes and duties		258,817	186,362	4,457	2,265
Other operating expenses		733,575	588,213	39,115	37,763
Total operating expenses		6,987,797	6,357,946	1,303,092	1,128,462
Expected credit loss	3.18	365,068	343,840	2,716	3,479
Profit from operations before income tax expenses		6,867,668	6,740,572	2,370,877	393,356
Income tax expenses	3.19	1,346,343	1,322,886	92,800	79,548
Profit for the period		5,521,325	5,417,686	2,278,077	313,808

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 nine-month period ended 30 September 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		9,019	(15,233)	18,011	-
Share of other comprehensive income of joint venture - Cash flow hedges of joint venture (loss)	3.5.2	(361)	9,320	-	-
Income tax effects		(1,804)	3,047	(3,602)	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		6,854	(2,866)	14,409	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)		(42,022)	167,819	(2,672)	31,180
Income tax effects		8,511	(33,341)	534	(6,236)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(33,511)	134,478	(2,138)	24,944
Other comprehensive income for the period (loss)		(26,657)	131,612	12,271	24,944
Total comprehensive income for the period		5,494,668	5,549,298	2,290,348	338,752
Profits attributable to					
Equity holders of the Company		5,520,953	5,417,349	2,278,077	313,808
Non-controlling interests of the subsidiaries		372	337		
		5,521,325	5,417,686		
Total comprehensive income attributable to					
Equity holders of the Company		5,494,296	5,548,961	2,290,348	338,752
Non-controlling interests of the subsidiaries		372	337		
		5,494,668	5,549,298		
Earnings per share of equity holders of the Company					
Basic earnings per share (Baht per share)		6.90	6.77	2.85	0.39

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 nine-month period ended 30 September 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	6,867,668	6,740,572	2,370,877	393,356
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	418,329	400,898	67,145	79,516
Expected credit loss	1,421,388	1,592,552	2,716	3,479
Other provisions	40,257	-	-	-
Share of profit from investments accounted for under equity method	(31,454)	(41,008)	-	-
Reversal of allowance for impairment of properties foreclosed	(140)	(339)	-	-
(Gain) loss on disposal of investments in securities	11,279	(667)	12,216	-
Unrealised (gain) loss on foreign exchange transactions and trading derivatives	155,759	(219,298)	(34,274)	(151,469)
(Gain) loss on financial instruments measured at fair value through profit or loss	(43,930)	122,326	23,172	292,198
Gain on disposal/write-off of equipment, vehicles and intangible assets	(2,799)	(2,482)	(2,493)	(3)
Gain on disposal of properties foreclosed	(20,507)	(40,123)	-	-
Employee benefit expenses	157,952	89,213	13,592	10,561
(Increase) decrease in accrued income	34,505	9,681	(40,985)	1,037
Increase in accrued expenses	1,352,699	1,274,045	140,517	63,916
Net interest income	(10,263,233)	(9,389,336)	6,615	(10,817)
Dividend income	(84,651)	(72,978)	(1,918,246)	(11,783)
Cash received on interest income	12,854,755	10,795,027	91,704	45,757
Cash paid on interest expenses	(1,614,736)	(1,180,736)	(104,928)	(37,936)
Cash received on dividend income	80,464	72,978	7,201,058	4,602,313
Cash paid on income tax	(1,858,027)	(1,627,462)	(53,489)	(116,781)
Profit from operating activities before changes in operating assets and liabilities	9,475,578	8,522,863	7,775,197	5,163,344
Operating assets (increase) decrease				
Interbank and money market items	5,647,665	(3,848,035)	(50,510)	6,918
Loans to customers	(15,169,813)	(12,296,530)	(350,000)	(960,000)
Securities and derivatives business receivables	73,766	396,502	-	-
Receivables from clearing house	541,766	64,809	-	-
Properties foreclosed	(24,776)	26,581	-	-
Other assets	296,067	64,402	4,400	5,972

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 nine-month period ended 30 September 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Operating liabilities increase (decrease)				
Deposits	12,531,295	15,997,827	-	-
Interbank and money market items	1,088,623	(3,622,889)	4,160,000	1,075,000
Liabilities payable on demand	(51,231)	(5,576)	-	-
Securities and derivatives business payables	(623,504)	(626,238)	-	-
Short-term debts issued and borrowings	(4,080,797)	595,000	(4,080,000)	595,000
Payables to clearing house	9,934	166,910	-	-
Provision for long-term employee benefits	(25,106)	(21,861)	(2,151)	(1,617)
Other liabilities	(781,611)	(771,873)	50,498	(105,411)
Net cash flows from operating activities	8,907,856	4,641,892	7,507,434	5,779,206
Cash flows from investing activities				
Cash paid for purchase of investments in securities	(9,792,373)	(13,560,820)	-	-
Cash received from disposal of investments in securities	9,064,307	15,326,689	366,919	-
Cash paid for purchase of building improvements, equipment and vehicles	(317,449)	(148,652)	(67,744)	(46,068)
Cash paid for purchase of intangible assets	(7,595)	(11,273)	(3,011)	(8,149)
Cash received from disposal of equipment and vehicles	3,744	2,700	2,949	3
Cash paid for acquisition of investments in subsidiaries	-	-	(61)	(100)
Net cash flows from (used in) investing activities	(1,049,366)	1,608,644	299,052	(54,314)
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	(259,649)	(229,564)	(219)	(219)
Dividend paid	(7,806,267)	(5,724,603)	(7,806,267)	(5,724,603)
Net cash flows used in financing activities	(8,065,916)	(6,374,167)	(7,806,486)	(5,724,822)
Net increase (decrease) in cash	(207,426)	(123,631)	-	70
Cash at beginning of the period	1,005,066	1,103,425	70	-
Cash at end of the period	797,640	979,794	70	70
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Right-of-use assets	525,378	185,002	566	-
Transfer-in of properties foreclosed in settlement of loans to customers	863,519	1,366,988	-	-

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

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to equity holders of the Company													
		Other components of equity										Equity	
		Surplus (deficit) on changes in value of investments measured at fair value through other comprehensive			Adjustment from business combination of entities under common control under holding restructuring plan			Retained earnings		Total equity attributable to equity holders of the Company		to non-controlling interests of the subsidiaries	
Issued and paid-up		Share premium on	income	Surplus on	Share of other	income of	of assets	of assets	of assets	of assets	of assets	of assets	of assets
Preference shares	Ordinary shares	ordinary shares	of assets	of assets	joint venture	of assets	of assets	of assets	of assets	of assets	of assets	of assets	of assets
					(loss)					Appropriated	Unappropriated		Total
Balance as at 1 January 2022	99	8,006,456	1,018,408	2,205	1,153,487	(6,870)	679,266	1,828,088	801,000	29,543,039	41,197,090	3,293	41,200,383
Dividend paid (Note 4)	-	-	-	-	-	-	-	-	-	(5,724,603)	(5,724,603)	-	(5,724,603)
Profit for the period	-	-	-	-	-	-	-	-	-	5,417,349	5,417,349	337	5,417,686
Other comprehensive income for the period (loss)	-	-	-	(12,186)	-	9,320	-	(2,866)	-	134,478	131,612	-	131,612
Total comprehensive income for the period (loss)	-	-	-	(12,186)	-	9,320	-	(2,866)	-	5,551,827	5,548,961	337	5,549,298
Transfer surplus on revaluation of assets													
to retained earnings	-	-	-	-	(2,731)	-	-	(2,731)	-	3,329	598	-	598
Decrease in non-controlling interests													
of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(100)	(100)
Balance as at 30 September 2022	99	8,006,456	1,018,408	(9,981)	1,150,756	2,450	679,266	1,822,491	801,000	29,373,592	41,022,046	3,530	41,025,576
Balance as at 1 January 2023	99	8,006,456	1,018,408	1,071	1,149,837	833	679,266	1,831,007	801,000	31,130,416	42,787,386	3,237	42,790,623
Dividend paid (Note 4)	-	-	-	-	-	-	-	-	-	(7,806,267)	(7,806,267)	-	(7,806,267)
Profit for the period	-	-	-	-	-	-	-	-	-	5,520,953	5,520,953	372	5,521,325
Other comprehensive income for the period (loss)	-	-	-	7,215	-	(361)	-	6,854	-	(33,511)	(26,657)	-	(26,657)
Total comprehensive income for the period (loss)	-	-	-	7,215	-	(361)	-	6,854	-	5,487,442	5,494,296	372	5,494,668
Transfer surplus on revaluation of assets													
to retained earnings	-	-	-	-	(2,730)	-	-	(2,730)	-	3,328	598	-	598
Decrease in non-controlling interests													
of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(294)	(294)
Balance as at 30 September 2023	99	8,006,456	1,018,408	8,286	1,147,107	472	679,266	1,835,131	801,000	28,814,919	40,476,013	3,315	40,479,328

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 nine-month period ended 30 September 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
Dividend paid (Note 4)	-	-	-	-	-	-	-	-	(5,724,603)	(5,724,603)
Profit for the period	-	-	-	-	-	-	-	-	313,808	313,808
Other comprehensive income for the period	-	-	-	-	-	-	-	-	24,944	24,944
Total comprehensive income for the period	-	-	-	-	-	-	-	-	338,752	338,752
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(503)	(503)	-	629	126
Balance as at 30 September 2022	99	8,006,456	87	7,031,436	2,457	304,482	306,939	801,000	1,288,772	17,434,789
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
Dividend paid (Note 4)	-	-	-	-	-	-	-	-	(7,806,267)	(7,806,267)
Profit for the period	-	-	-	-	-	-	-	-	2,278,077	2,278,077
Other comprehensive income for the period (loss)	-	-	-	-	14,409	-	14,409	-	(2,138)	12,271
Total comprehensive income for the period	-	-	-	-	14,409	-	14,409	-	2,275,939	2,290,348
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(503)	(503)	-	629	126
Balance as at 30 September 2023	99	8,006,456	87	7,031,436	16,866	303,810	320,676	801,000	1,186,720	17,346,474

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 and nine-month periods ended 30 September 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 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

1.7 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 30 September 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	
	30 September 2023	31 December 2022
Commercial banks	16,900,000	18,600,000
Specialised Financial Institutions	14,300,000	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	
	30 September 2023	31 December 2022
Commercial banks	17,599,600	18,733,000
Specialised Financial Institutions	14,461,500	18,167,700

In addition, as at 30 September 2023 and 31 December 2022, interbank and money market items include insurance premiums received by the Group from the insured, amounting to Baht 297 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

3.2.1 Financial assets measured at fair value through profit or loss classified by type of investments

(Unit: Thousand Baht)

Investments	Consolidated financial statements as at			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Other				
Domestic marketable equity instruments	330,069	396,181	93,088	196,089
Foreign marketable equity instruments	293,082	209,503	293,082	229,016
Domestic non-marketable equity instruments	231,289	1,070,462	231,289	963,500
Other securities - domestic unit trusts	54,856	54,833	54,856	57,803
Other securities - foreign unit trusts	302,826	377,457	803,120	725,978
	1,212,122	2,108,436	1,475,435	2,172,386
Add: Allowance for changes in value	896,314		696,951	
Total	2,108,436		2,172,386	

(Unit: Thousand Baht)

Investments	Separate financial statements as at			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Others				
Foreign marketable equity instruments	293,082	209,503	293,082	229,016
Other securities - foreign unit trusts	302,826	377,457	803,120	725,978
	595,908	586,960	1,096,202	954,994
Less: Allowance for changes in value	(8,948)		(141,208)	
Total	586,960		954,994	

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

As at 30 September 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 of the subsidiary operating a banking business as follows:

(Unit: Thousand Baht)

Companies with weak financial positions and poor operating results	As at			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
	9,270	-	9,270	3,801

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					
	30 September 2023			31 December 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Exchange rate	-	167,034	2,402,535	147,489	-	1,739,526
Total	-	167,034	2,402,535	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 30 September 2023 and 31 December 2022, investments classified by type of investments are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements as at			
	30 September 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				
	4,626,520	4,615,681	3,763,317	3,763,243
Private sector debt instruments				
	423,121	246,822	423,121	226,641
	5,049,641	4,862,503	4,186,438	3,989,884
Less: Allowance for changes in value	(187,138)		(196,554)	
Total	4,862,503		3,989,884	
Allowance for expected credit loss	199,921		199,921	
Investments in debt instruments measured at amortised cost				
Investments in receivables				
	8,724		8,896	
Less: Allowance for expected credit loss	(8,724)		(8,896)	
Total	-		-	
Total investments	4,862,503		3,989,884	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements as at			
	30 September 2023		31 December 2022	
	Amortised cost	Fair value	Amortised cost	Fair value
Investments in debt instruments measured at fair value through other comprehensive income				
Private sector debt instruments	371,662	220,282	371,662	202,271
	371,662	220,282	371,662	202,271
Less: Allowance for changes in value	(151,380)		(169,391)	
Total investments	220,282		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
	30 September 2023	31 December 2022	
Government debt securities	1	2	Pledge for electricity usage

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

As at 30 September 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					
	30 September 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					
	30 September 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	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Investments in subsidiaries	-	-	19,996,059	19,995,999
Investments in joint venture	894,681	872,808	73,245	73,245
	<u>894,681</u>	<u>872,808</u>	<u>20,069,304</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 nine-month periods ended	
		30	31	30	31	30	30
		September	December	September	December	September	September
		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	17,641,371	17,641,310	1,898,196	-
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	-	-
				<u>20,104,723</u>	<u>20,104,662</u>	<u>1,898,196</u>	<u>-</u>
Less: Allowance for impairment				<u>(108,664)</u>	<u>(108,663)</u>		
Investments in subsidiaries - net				<u>19,996,059</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	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	(%)	(%)				
TISCO Tokyo Leasing Co., Ltd.	49.00	49.00	73,245	73,245	894,681	872,808

(Unit: Thousand Baht)

Jointly controlled entity	Separate financial statements			
	Shareholding percentage		Cost	
	as at		as at	
	30 September 2023	31 December 2022	30 September 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 30 September		Share of other comprehensive income (loss) from investments in joint venture for the three-month periods ended 30 September		Dividend received for the three-month periods ended 30 September	
	2023	2022	2023	2022	2023	2022
TISCO Tokyo Leasing Co., Ltd.	11,059	12,969	(219)	(74)	-	-

(Unaudited but reviewed)

Jointly controlled entity	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit from investments in joint venture for the nine-month periods ended 30 September		Share of other comprehensive income (loss) from investments in joint venture for the nine-month periods ended 30 September		Dividend received for the nine-month periods ended 30 September	
	2023	2022	2023	2022	2023	2022
	TISCO Tokyo Leasing Co., Ltd.					
	31,454	41,008	(361)	9,320	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	
	30 September 2023	31 December 2022
Loans to customers		
Overdrafts	5,256	6,880
Loans	122,157,301	107,059,124
Hire purchase receivables	126,807,243	129,174,835
Less: Deferred revenue	(17,175,717)	(17,237,040)
Total loans to customers	231,794,083	219,003,799
Add: Accrued interest receivables and undue interest income	1,917,765	1,722,316
Total loans to customers and accrued interest receivables	233,711,848	220,726,115
Less: Allowance for expected credit loss	(10,728,387)	(11,844,732)
Loans to customers and accrued interest receivables - net	222,983,461	208,881,383

	(Unit: Thousand Baht)	
	Separate financial statements as at	
	30 September 2023	31 December 2022
Loans to customers		
Loans	4,640,000	4,290,000
Less: Allowance for expected credit loss	(6,032)	(5,577)
Loans to customers and accrued interest receivables - net	4,633,968	4,284,423

(Unaudited but reviewed)

3.6.2 Classified by loan classification

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Loans to customers and accrued interest receivables				
Loans of the subsidiary operating a banking business	231,273,087	214,664,634	-	-
Loans of other subsidiaries	7,148,761	6,611,481	-	-
Loans of the Company	4,640,000	4,290,000	4,640,000	4,290,000
Less: Elimination	(9,350,000)	(4,840,000)	-	-
Total	233,711,848	220,726,115	4,640,000	4,290,000

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

(Unit: Thousand Baht)

	As at			
	30 September 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)	205,020,046	5,399,897	189,142,376	6,631,970
Financial assets with significant increase in credit risk (Under-performing)	21,614,914	2,765,210	21,495,534	2,758,059
Financial assets that are credit-impaired (Non-performing)	4,638,127	1,540,182	4,026,724	1,292,530
Total	231,273,087	9,705,289	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 30 September 2023, the subsidiary's outstanding loan balance under the relief measures totalled Baht 4,789 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			
	30 September 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)	5,100,489	264,275	4,621,895	359,686
Financial assets with significant increase in credit risk (Under-performing)	1,145,952	284,902	1,133,543	311,612
Financial assets that are credit-impaired (Non-performing)	902,320	496,124	856,043	493,471
Total	7,148,761	1,045,301	6,611,481	1,164,769

3.6.2.3 Classified by loan classification of the Company

(Unit: Thousand Baht)

	As at			
	30 September 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)	4,640,000	6,032	4,290,000	5,577
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	-	-	-
Total	4,640,000	6,032	4,290,000	5,577

3.6.3 Classified by loan classification and type of debtors

As at 30 September 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 30 September 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)	91,246	2,219	27,427	969	86,347	2,212	205,020	5,400
Financial assets with significant increase in credit risk (Under-performing)	12,013	1,423	6,735	668	2,867	674	21,615	2,765
Financial assets that are credit-impaired (Non-performing)	2,293	759	1,246	451	1,099	330	4,638	1,540
Total	105,552	4,401	35,408	2,088	90,313	3,216	231,273	9,705

(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 30 September 2023, receivables of the subsidiaries under hire purchase agreements amount to Baht 110,942 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 30 September 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	39,689	75,631	3,553	7,934	126,807
Less: Deferred revenue ⁽¹⁾	(4,910)	(6,505)	(143)	(5,091)	(16,649)
Present value of minimum lease payment from agreements	34,779	69,126	3,410	2,843	110,158
Accrued interest receivables	619	-	-	165	784
Total	35,398	69,126	3,410	3,008	110,942
Allowance for expected credit loss					(5,184)
Net hire purchase receivables					105,758

(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.

3.6.5 Troubled debt restructuring of the subsidiary operating a banking business

As at 30 September 2023 and 31 December 2022, the subsidiary operating a banking business has outstanding balances with troubled debt restructuring debtors as follows:

	As at			
	30 September 2023		31 December 2022	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	2,296	1,332	1,531	1,021

3.7 Allowance for expected credit loss

As at 30 September 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 nine-month period ended 30 September 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	49	-	-	-	49
Balance - end of period	784	-	-	-	784
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 nine-month period ended 30 September 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	-	-	(172)	-	(172)
Balance - end of period	-	-	8,724	-	8,724
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	(136,609)	(307,244)	443,853	-	-
Changes from revaluation of allowance for credit loss	(2,289,550)	67,919	2,350,201	-	128,570
New financial assets purchased or acquired	1,775,655	533,152	163,790	-	2,472,597
Derecognition	(696,589)	(313,385)	(167,581)	-	(1,177,555)
Write-off	-	-	(2,539,957)	-	(2,539,957)
Balance - end of period	5,641,969	3,050,112	2,036,306	-	10,728,387
Other assets - accrued interest					
receivables on investments					
Balance - beginning of period	-	-	5,173	-	5,173
Changes from revaluation of allowance for credit loss	-	-	2,504	-	2,504
Balance - end of period	-	-	7,677	-	7,677
Other assets - other receivables					
Balance - beginning of period	-	-	-	21,345	21,345
Changes from revaluation of allowance for credit loss	-	-	-	8,132	8,132
New financial assets purchased or acquired	-	-	-	4,841	4,841
Derecognition	-	-	-	(2,572)	(2,572)
Write-off	-	-	-	(4,348)	(4,348)
Balance - end of period	-	-	-	27,398	27,398

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements				
For the nine-month period ended 30 September 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	26	-	-	26
Balance - end of period	40	-	-	40
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	455	-	-	455
Balance - end of period	6,032	-	-	6,032
Other assets - accrued interest receivables on investments				
Balance - beginning of period	-	-	4,617	4,617
Changes from revaluation of allowance for credit loss	-	-	2,235	2,235
Balance - end of period	-	-	6,852	6,852

3.8 Classification of assets

3.8.1 Classification of assets under the BOT's guidelines

As at 30 September 2023 and 31 December 2022, classification of financial assets is as follows:

(Unit: Thousand Baht)

Consolidated financial statements as at 30 September 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				
Financial assets with no significant increase in credit risk (Performing)	34,626,764	4,615,681	-	205,410,535	244,652,980
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	22,760,866	22,760,866
Financial assets that are credit-impaired (Non-performing)	-	246,822	8,724	5,540,447	5,795,993
Total	34,626,764	4,862,503	8,724	233,711,848	273,209,839

(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				
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 30 September 2023

	Financial assets			Total
	Debt instruments			
	measured at			
	Interbank and money market items	fair value through other comprehensive income	Loans to customers and accrued interest receivables	
Financial assets with no significant increase in credit risk (Performing)	77,837	-	4,640,000	4,717,837
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	220,282	-	220,282
Total	77,837	220,282	4,640,000	4,938,119

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2022

	Financial assets			Total
	Debt instruments			
	measured at			
	Interbank and money market items	fair value through other comprehensive income	Loans to customers and accrued interest receivables	
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 Credit-impaired loans to customers

The Group has credit-impaired loans in accordance with the BOT's criteria which consist of non-performing loans to customers, excluding interbank and money market items and accrued interest receivables, as follows:

(Unit: Million Baht)

	Consolidated financial statements as at	
	30 September 2023	31 December 2022
Non-performing loans to customers	5,213	4,577
Total loans to customers	231,794	219,004
Percentage of non-performing loans to customers	2.25	2.09

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

	Loans to customers and accrued interest receivables				Collateral value				Allowance for expected credit loss provided in the accounts	
	Number of debtors as at		as at		as at		as at			
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 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	357	387	290	292	357	387		
2. Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET	9	11	1,090	1,784	674	908	42	185		
Total	10	12	1,447	2,171	964	1,200	399	572		

3.9 Other assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Receivables from clearing house	99,227	640,993	-	-
Value added tax - net	357,383	517,112	4,471	5,978
Accrued interest receivables	9,783	2,456	-	-
Fee and service receivables	470,803	505,308	161,033	120,048
Refundable income tax and prepaid income tax	27,049	24,931	22,150	22,150
Deposits	92,071	85,212	90	90
Other receivables	621,917	727,205	4,187	-
Other assets	426,021	454,546	91,067	93,944
Total other assets	2,104,254	2,957,763	282,998	242,210

3.10 Deposits

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 September 2023	31 December 2022
Deposits		
Current accounts	1,422,829	1,820,826
Saving accounts	31,767,220	42,929,520
Fixed accounts		
- not over 6 months	14,552,169	12,296,262
- over 6 months but not over 1 year	20,963,550	15,578,457
- over 1 year	26,155,608	15,050,668
Certificates of deposits/negotiable certificates of deposits	105,935,728	100,590,076
Total	200,797,104	188,265,809

3.11 Debts issued and borrowings

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
<u>Domestic borrowings</u>				
Subordinated unsecured debentures	5,040,000	5,040,000	-	-
Unsubordinated unsecured				
debentures	6,600,000	10,680,000	3,800,000	7,880,000
Bills of exchange	36,122	36,122	-	-
Promissory notes	-	797	-	-
Total	<u>11,676,122</u>	<u>15,756,919</u>	<u>3,800,000</u>	<u>7,880,000</u>

3.11.1 Subordinated unsecured debentures

As at 30 September 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
	30 September	31 December		30 September	31 December		
	2023	2022		2023	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				<u>5,040</u>	<u>5,040</u>		

3.11.2 Unsubordinated unsecured debentures

As at 30 September 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			
				30 September	31 December	30 September	31 December		
				2023	2022	2023	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	3.80	-	3,800	-	3,800	-	2024	2.40 - 2.75 percent per annum
2022	Long-term debenture	2.80	2.80	2,800	2,800	-	-	2024	1.25 percent per annum
Total				6,600	10,680	3,800	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.

3.12 Provisions

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Allowance for expected credit loss on loan commitments and financial guarantees	30,955	9,556	-	-
Provision for long-term employee benefits	1,877,578	1,702,710	302,047	287,935
Other provisions	40,257	-	-	-
Total provisions	1,948,790	1,712,266	302,047	287,935

3.13 Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Payables to clearing house	10,120	186	-	-
Withholding income tax and other tax payables	299,225	501,797	150,778	100,273
Accrued insurance premium	390,164	541,440	-	-
Deferred income	1,410,969	1,393,492	-	-
Accrued expenses	4,752,626	3,399,927	1,479,061	1,338,544
Suspense creditors	845,253	803,371	-	-
Other liabilities	527,895	460,024	109	101
Total other liabilities	8,236,252	7,100,237	1,629,948	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 30 September 2023 and 31 December 2022, the Group has accrued bonus under this scheme amounting to Baht 309 million and Baht 376 million, respectively (Separate financial statements: Baht 147 million and Baht 176 million, respectively) and recognised expenses in profit or loss during the nine-month periods ended 30 September 2023 and 2022 amounting to Baht 100 million and Baht 92 million, respectively (Separate financial statements: Baht 50 million and Baht 46 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 30 September 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	
	30 September 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	22,846,309	21,739,012
Other components of equity	1,835,131	1,831,007
Less: Deductions from Common Equity Tier I items	(1,059,334)	(1,023,648)
Total Common Equity Tier I capital	33,447,970	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	33,448,069	32,372,334
<u>Tier II capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	848,599	786,626
Reserve for loans classified as normal	756,204	720,745
Total Tier II capital	6,644,803	6,547,371
Total capital funds	40,092,872	38,919,705

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	30 September 2023		31 December 2022	
	Financial		Financial	
	Business	Requirement	Business	Requirement
Common Equity Tier I capital to risk assets	16.56	7.00	17.15	7.00
Tier I capital to risk assets	16.56	8.50	17.15	8.50
Total capital to risk assets	19.85	11.00	20.62	11.00

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

(Unit: Thousand Baht)

	As at	
	30 September	31 December
	2023	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	22,153,406	20,417,489
Other components of equity	292,660	300,977
Less: Deductions from Common Equity Tier I items	(313,795)	(229,831)
Total Common Equity Tier I capital	34,874,971	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	34,874,972	33,231,336
<u>Tier II Capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	826,087	765,917
Reserve for loans classified as normal	571,173	520,205
Total Tier II capital	6,437,260	6,326,122
Total capital funds	41,312,232	39,557,458

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	30 September 2023		31 December 2022	
	TISCO Bank	Requirement	TISCO Bank	Requirement
Common Equity Tier I capital to risk assets	19.02	7.00	19.63	7.00
Tier I capital to risk assets	19.02	8.50	19.63	8.50
Total capital to risk assets	22.53	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 30 June 2023 on its website (www.tisco.co.th) in October 2023.

3.15 Interest income

Interest income in the statements of comprehensive income for the three-month and nine-month periods ended 30 September 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Interbank and money market items	199,785	45,815	511,559	116,479
Investments in debt securities	45,900	19,208	109,435	64,408
Loans to customers	2,707,925	1,904,839	7,438,650	5,379,120
Hire purchase receivables	1,712,774	1,784,755	5,138,638	5,367,295
Total interest income	<u>4,666,384</u>	<u>3,754,617</u>	<u>13,198,282</u>	<u>10,927,302</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Interbank and money market items	58	69	349	376
Investments in debt securities	753	797	5,531	4,067
Loans to customers	36,751	15,822	88,119	43,631
Total interest income	<u>37,562</u>	<u>16,688</u>	<u>93,999</u>	<u>48,074</u>

Interest income for the three-month and nine-month periods ended 30 September 2023 included interest income on credit-impaired financial assets amounting to Baht 99 million and Baht 365 million, respectively (2022: Baht 84 million and Baht 274 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 and nine-month periods ended 30 September 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Deposits	770,930	341,190	1,948,483	970,068
Interbank and money market items	3,871	4,724	15,806	15,692
Contribution fee to the Deposit Protection Agency and the Bank of Thailand	241,855	105,483	707,531	314,256
Issued debt securities				
- Subordinated debentures	46,437	52,033	137,798	160,210
- Unsubordinated debentures	38,347	23,901	101,973	61,330
Borrowings	228	229	677	681
Others	8,076	5,627	22,781	15,729
Total interest expenses	1,109,744	533,187	2,935,049	1,537,966

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Interbank and money market items	17,879	2,556	24,815	2,973
Issued debt securities				
- Subordinated debentures	29,524	15,079	75,795	34,275
Others	1	3	4	9
Total interest expenses	47,404	17,638	100,614	37,257

3.17 Net fee and service income

Net fee and service income in the statements of comprehensive income for the three-month and nine-month periods ended 30 September 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Fee and service income				
- Acceptance, aval and guarantees	11,013	7,815	19,187	14,742
- Insurance service	615,300	664,239	1,824,259	1,863,994
- Brokerage fee	138,836	165,669	470,231	555,585
- Fund management	362,408	344,512	1,060,656	1,036,269
- Others	177,563	177,867	569,261	563,999
Total fee and service income	1,305,120	1,360,102	3,943,594	4,034,589
Fee and service expenses				
- Information service expenses	(4,526)	(4,951)	(13,407)	(14,488)
- Others	(102,655)	(97,742)	(314,123)	(326,150)
Total fee and service expenses	(107,181)	(102,693)	(327,530)	(340,638)
Net fee and service income	1,197,939	1,257,409	3,616,064	3,693,951

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Fee and service income	-	-	-	-
Fee and service expenses	(2,922)	(4,355)	(13,787)	(12,372)
Net fee and service income	(2,922)	(4,355)	(13,787)	(12,372)

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 and nine-month periods ended 30 September 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Expected credit loss				
- Interbank and money market items (reversal)	(298)	46	49	315
- Investments in debt instruments measured at amortised cost (reversal)	(6)	(4)	(172)	(3,059)
- Investments in debt instruments measured at fair value through other comprehensive income and accrued interest receivables	844	844	2,504	2,519
- Loans to customers	132,816	108,825	367,955	332,390
- Other receivables	2,266	1,429	6,109	2,851
(Gain) loss from the modification of terms				
- Loans to customers	5,840	992	(32,776)	1,435
Loan commitments and financial guarantees	5,135	6,502	21,399	7,389
Total	146,597	118,634	365,068	343,840

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Expected credit loss				
- Interbank and money market items (reversal)	24	(453)	26	(4)
- Investments in debt instruments measured at fair value through other comprehensive income and accrued interest receivables	753	753	2,235	2,235
- Loans to customers (reversal)	(351)	1,131	455	1,248
Total	426	1,431	2,716	3,479

3.19 Income tax expenses

Income tax expenses of the Group for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Current income tax:				
Income tax expenses for the period	481,955	502,570	1,400,617	1,379,164
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	(24,983)	(69,930)	(54,274)	(55,592)
Adjustments of prior year's income tax	-	-	-	(686)
Income tax expenses reported in the statement of comprehensive income	<u>456,972</u>	<u>432,640</u>	<u>1,346,343</u>	<u>1,322,886</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Current income tax:				
Income tax expenses for the period	45,197	57,673	65,322	143,422
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	(5,788)	(47,781)	27,478	(63,874)
Income tax expenses reported in the statement of comprehensive income	<u>39,409</u>	<u>9,892</u>	<u>92,800</u>	<u>79,548</u>

(Unaudited but reviewed)

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month and nine-month periods ended 30 September 2023 and 2022 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Accounting profit before tax	2,331,582	2,206,182	6,867,668	6,740,572
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	466,316	441,237	1,373,534	1,348,115
Income tax effects:				
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	(4,002)	(3,230)	(15,142)	(10,940)
Adjustments of prior year's income tax	-	-	-	(686)
Others	(5,342)	(5,367)	(12,049)	(13,603)
Income tax expenses reported in the statement of comprehensive income	456,972	432,640	1,346,343	1,322,886
Weighted average tax rate	19.60%	19.61%	19.60%	19.63%

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Accounting profit before tax	195,298	47,198	2,370,877	393,356
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	39,060	9,440	474,175	78,671
Income tax effects:				
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	349	452	(381,375)	877
Income tax expenses reported in the statement of comprehensive income	39,409	9,892	92,800	79,548
Weighted average tax rate	20.18%	20.96%	3.91%	20.22%

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 nine-month periods ended 30 September	
	30 September	31 December	2023	2022
	2023	2022	2023	2022
Allowance for expected credit loss	265,316	283,298	(17,982)	(14,163)
Allowance for impairment of investments	24,321	24,321	-	-
Allowance for impairment of properties foreclosed	2	30	(28)	(741)
Non-accrual of interest income	3,757	4,082	(325)	(1,072)
Depreciation of assets	(48,998)	(60,978)	11,980	5,056
Gain on changes in fair value of investment properties	(4,073)	(4,073)	-	-
Surplus on revaluation of assets	(293,064)	(293,662)	-	-
Surplus on changes in value of investments	(2,071)	(268)	-	-
Gain on changes in value of investments	(164,220)	(119,038)	(45,182)	24,465
Deferred commissions and direct expenses incurred at the initiation of hire purchase	(69,288)	(107,603)	38,315	68,971
Unearned interest income on hire purchase	4,587	13,226	(8,639)	(24,225)
Loss on disposal of properties foreclosed	52,624	48,520	4,104	(21,163)
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	594,477	594,477	-	-
Employee benefit expenses	373,707	338,750	26,446	13,438
Others	133,572	87,987	45,585	5,026
Deferred tax assets	892,084	830,504	54,274	55,592

As at 30 September 2023 and 31 December 2022, a subsidiary has unused tax loss totalling Baht 37 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		Changes in deferred tax assets/liabilities reported in profit or loss for the nine-month periods ended	
	30 September	31 December	30 September	
	2023	2022	2023	2022
Allowance for expected credit loss	37,077	36,534	543	696
Allowance for impairment of investments	21,732	21,732	-	-
Depreciation of assets	(43,777)	(44,747)	970	2,466
Gain on changes in fair value of investment properties	(92,082)	(92,082)	-	-
Surplus on revaluation of assets	(75,952)	(76,078)	-	-
Surplus on changes in value of investments	(4,216)	(614)	-	-
Loss on changes in value of investments	17,599	49,361	(31,762)	58,440
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	260,574	260,574	-	-
Employee benefit expenses	60,409	57,587	2,288	1,787
Others	1,485	1,002	483	485
Deferred tax assets	204,284	234,704	(27,478)	63,874

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 30 September 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	
	30 September 2023	31 December 2022
<u>Outstanding balances</u>		
Joint venture company		
Deposits	2,820	2,808
Commitments - financial guarantees	8,000	8,000
Management - departmental managers upward		
Loans ⁽¹⁾	21,913	18,836
Directors and management - departmental managers upward		
Deposits	517,370	500,148
Companies which directors or their related persons have significant influence over		
Deposits	1,215,510	796,166
Related persons of directors and key management		
Deposits	60,162	62,162

(1) Including employee welfare loans and normal loans

(Unit: Thousand Baht)

	Separate financial statements as at	
	30 September 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	77,823	27,255
Loans to customers		
Hi-way Co., Ltd.	4,640,000	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	161,250	119,625
TISCO Learning Center Co., Ltd.	450	465
Interbank and money market items (liabilities)		
TISCO Bank Public Company Limited	4,710,000	550,000
Other liabilities		
TISCO Bank Public Company Limited	165	-
TISCO Learning Center Co., Ltd.	1,387	205

(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 30 September 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 30 September 2023, the balance of loans between the Company and its related companies and its movements are as follows:

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2023			
	Balance - beginning of period	Increase	Decrease	Balance - end of period
Subsidiaries				
Loans				
Hi-Way Co., Ltd.	4,290,000	950,000	(600,000)	4,640,000

Borrowings from related companies

As at 30 September 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 nine-month period ended 30 September 2023			
	Balance - beginning of period	Increase	Decrease	Balance - end of period
Subsidiaries				
Borrowings				
TISCO Bank Public Company Limited	550,000	4,710,000	(550,000)	4,710,000

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
<u>Transactions occurred during the periods</u>				
Joint venture company				
Other income	2,207	2,191	6,423	6,501

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
<u>Transactions occurred during the periods</u>				
Subsidiaries				
Interest income	36,808	15,892	88,468	44,007
Risk and financial management fee income, human resources management fee income and office administration fee income	613,301	532,979	1,719,108	1,598,275
Rental income	18,608	18,608	55,825	55,825
Computer system advisory service expenses	96,500	92,500	289,500	277,500
Training expenses	3,370	4,421	8,794	8,840
Interest expenses	17,879	2,556	24,815	2,973
Other expenses	454	461	1,431	1,440

Directors' and key management's benefits

During the three-month and nine-month periods ended 30 September 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 financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Short-term benefits	107	97	293	273
Post-employment benefits	18	17	52	49
Total	125	114	345	322

(Unit: Million Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Short-term benefits	54	49	149	140
Post-employment benefits	9	8	26	24
Total	63	57	175	164

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 and nine-month periods ended 30 September 2023 and 2022 is as follows:

(Unit: Million Baht)

	For the three-month period ended 30 September 2023						Consolidated financial statements
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	
Revenue:							
External customers	4,274	147	400	(14)	4,807	-	4,807
Inter-segment	283	1	(11)	957	1,230	(1,230)	-
Total revenue	4,557	148	389	943	6,037	(1,230)	4,807
Operating results:							
Net interest income	3,537	24	3	(7)	3,557	-	3,557
Net fee and service income	965	131	386	324	1,806	(608)	1,198
Other operating income	55	(7)	-	626	674	(622)	52
Total operating income	4,557	148	389	943	6,037	(1,230)	4,807
Premises and equipment expenses and amortisation	(404)	(20)	(11)	(260)	(695)	276	(419)
Other operating expenses	(2,197)	(101)	(165)	(408)	(2,871)	961	(1,910)
Expected credit loss	(157)	-	-	-	(157)	10	(147)
Total operating expenses	(2,758)	(121)	(176)	(668)	(3,723)	1,247	(2,476)
Segment profit before income tax expenses	1,799	27	213	275	2,314	17	2,331
Income tax expenses							(457)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							1,874

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 September 2022

	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Revenue:							
External customers	4,039	179	382	(132)	4,468	-	4,468
Inter-segment	263	1	(12)	838	1,090	(1,090)	-
Total revenue	4,302	180	370	706	5,558	(1,090)	4,468
Operating results:							
Net interest income	3,216	5	1	(1)	3,221	-	3,221
Net fee and service income	987	161	369	291	1,808	(551)	1,257
Other operating income	99	14	-	416	529	(539)	(10)
Total operating income	4,302	180	370	706	5,558	(1,090)	4,468
Premises and equipment expenses and amortisation	(361)	(20)	(9)	(232)	(622)	262	(360)
Other operating expenses	(1,995)	(129)	(153)	(346)	(2,623)	840	(1,783)
Expected credit loss	(125)	-	-	(3)	(128)	9	(119)
Total operating expenses	(2,481)	(149)	(162)	(581)	(3,373)	1,111	(2,262)
Segment profit before income tax expenses	1,821	31	208	125	2,185	21	2,206
Income tax expenses							(433)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							1,773

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September 2023

	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Revenue:							
External customers	12,535	489	1,196	-	14,220	-	14,220
Inter-segment	777	3	(37)	4,645	5,388	(5,388)	-
Total revenue	13,312	492	1,159	4,645	19,608	(5,388)	14,220
Operating results:							
Net interest income	10,206	51	6	(1)	10,262	1	10,263
Net fee and service income	2,800	458	1,144	948	5,350	(1,734)	3,616
Other operating income	306	(17)	9	3,698	3,996	(3,655)	341
Total operating income	13,312	492	1,159	4,645	19,608	(5,388)	14,220
Premises and equipment expenses and amortisation	(1,207)	(62)	(33)	(748)	(2,050)	829	(1,221)
Other operating expenses	(6,263)	(344)	(494)	(1,340)	(8,441)	2,674	(5,767)
Expected credit loss	(382)	-	-	(2)	(384)	19	(365)
Total operating expenses	(7,852)	(406)	(527)	(2,090)	(10,875)	3,522	(7,353)
Segment profit before income tax expenses	5,460	86	632	2,555	8,733	(1,866)	6,867
Income tax expenses							(1,346)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							5,521

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September 2022

	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Revenue:							
External customers	11,825	568	1,153	(104)	13,442	-	13,442
Inter-segment	753	1	(35)	2,504	3,223	(3,223)	-
Total revenue	12,578	569	1,118	2,400	16,665	(3,223)	13,442
Operating results:							
Net interest income	9,363	11	2	11	9,387	2	9,389
Net fee and service income	2,796	538	1,107	862	5,303	(1,609)	3,694
Other operating income	419	20	9	1,527	1,975	(1,616)	359
Total operating income	12,578	569	1,118	2,400	16,665	(3,223)	13,442
Premises and equipment expenses and amortisation	(1,090)	(60)	(22)	(666)	(1,838)	785	(1,053)
Other operating expenses	(5,794)	(382)	(461)	(1,142)	(7,779)	2,474	(5,305)
Expected credit loss	(346)	-	-	(4)	(350)	6	(344)
Total operating expenses	(7,230)	(442)	(483)	(1,812)	(9,967)	3,265	(6,702)
Segment profit before income tax expenses	5,348	127	635	588	6,698	42	6,740
Income tax expenses							(1,323)
Non-controlling interests of the subsidiaries							-
Profit for the period - equity holders of the Company							5,417

(Unaudited but reviewed)

Total assets information regarding the Group's operating segments as at 30 September 2023 and 31 December 2022 is as follows:

(Unit: Million Baht)

As at 30 September 2023							
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	Consolidated financial statements
Segment total assets	272,181	2,309	1,452	28,833	304,775	(30,842)	273,933
Premises and equipment - net	1,012	22	241	790	2,065	875	2,940

(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	
	30 September 2023	31 December 2022
Avals to bills	230,502	182,479
Other guarantees	1,545,506	1,840,962
Foreign exchange contracts	2,402,535	1,739,526
Others	3,212,513	3,008,291
Total	7,391,056	6,771,258

3.22.2 Litigation

As at 30 September 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 30 September 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 30 September 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	1,676	606	-	1,070	1,676
Unit trusts	432	377	55	-	432
Investments - debt instruments	4,863	-	4,616	247	4,863
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
Foreign exchange contracts	167	-	167	-	167

(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 30 September 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	210	210	-	-	210
Unit trusts	377	377	-	-	377
Investments - debt instruments	220	-	-	220	220

(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			
	30 September 2023		31 December 2022	
	Book value	Fair value	Book value	Fair value
<u>Financial assets</u>				
Loans to customers and accrued interest receivables				
	222,983	222,589	208,881	208,507
<u>Financial liabilities</u>				
Debts issued and borrowings	11,676	11,242	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. Dividend payment

	Approved by	Dividend per share		Amounts of dividend paid (Million Baht)	Dividend payment period
		Preference share	Ordinary share		
		(Baht per share)	(Baht per share)		
Annual dividend for the year 2021	The 2022 Annual General Meeting of the Shareholders on 25 April 2022	7.15	7.15	5,725	May 2022
Total dividend payment during the period of 2022				<u>5,725</u>	
Annual dividend for the year 2022	The 2023 Annual General Meeting of the Shareholders on 17 April 2023	7.75	7.75	6,205	May 2023
Interim dividend for the year 2023	The 5/2023 Meeting of the Board of Directors on 24 August 2023	2.00	2.00	1,601	September 2023
Total dividend payment during the period of 2023				<u>7,806</u>	

5. Reclassification

The Group has reclassified some items in the statements of comprehensive income for the three-month and nine-month periods ended 30 September 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 30 September 2022		For the nine-month period ended 30 September 2022	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of comprehensive income				
Net fee and service income				
Fee and service income	1,360,102	1,369,671	4,034,589	4,053,627
Operating expenses				
Other operating expenses	218,299	227,868	588,213	607,251

6. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Audit Committee on 10 November 2023.