



Annual Registration Statement
and Annual Report 2023
(Form 56-1 One Report)

TISCO Financial Group PLC.

Annual Registration Statement and Annual Report 2023

(Form 56-1 One Report)

TISCO Financial Group Public Company Limited



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Report from the Board of Directors

The year 2023 presented a series of challenges for both the Thai and global economies. The implementation of prolonged tightening monetary policies by major central banks worldwide, coupled with various geopolitical tensions and domestic structural issues in China, collectively hindered the overall global economic recovery. For Thailand, inflation surged in the first half of the year, prompting the Bank of Thailand to respond with policy rate increases, raising from 1.25% to 2.50%—the highest level in a decade. In the meantime, the pressure from high cost of living and escalating debt burdens persisted on the backdrop of already-high household debt levels, negatively suppressing consumer confidence and purchasing power. The export sector also suffered due to high economic volatility in trading partners, while private investment was put on hold amid slower demand and higher funding costs. Meanwhile, the tourism sector emerged as a key driver of economic growth for Thailand. The country saw over 28 million foreign tourist arrivals, providing support to domestic consumption in related sectors. Amid these struggles, Thailand's GDP showed timid growth at 1.9%.

Despite facing a challenging environment of a rising interest rate cycle and fragile economic recovery, TISCO still demonstrated resilience and achieved strong business performance, with a reported net profit of 7,301 million baht, representing a 1.1% growth compared to the previous year. The impact from rising interest rate increased the funding costs and tighten loan spread due to the continued repricing of deposit rates. Despite this, the Company's growth-focused strategy, particularly in floating rate lending and higher-yield products, shored up net interest income in conjunction with loan expansion. The lending business played a significant role, with the portfolio expanding by 7.2% in the past year, notably from an outstanding growth in corporate loan portfolio which increased by 33%. This success reflects TISCO's expertise in providing financial solution and advisory to corporate clients. TISCO also focused on expanding consumer loan portfolio by increasing financial accessibility for retail customers in remote areas. This effort included the opening of almost 200 new Somwang branches during the year, contributing to as high as 15% growth in consumer loan portfolio.

Capital market businesses encountered many challenges from unfavorable conditions marked by slow economic recovery, high interest rates worldwide, and scandals involving Thai listed companies. These factors contributed to fund outflows, resulting in weak trading volumes in the brokerage business and a decline in SET index. Despite these challenges, TISCO Securities remained committed to providing excellent service to investors across various types. The team continued to deliver quality research, stock recommendations, and regular updates through online channels. The efforts of TISCO Securities were recognized with the "Outstanding Securities Company Awards 2023" by SET Awards 2023, affirming our commitment to excellence. The asset management business also faced unfavorable capital market conditions. However, as a market leader in the provident fund business, TISCO Asset Management not only gained trust from new and existing clients but also outperformed the expected benchmark. Accordingly, TISCO Asset Management retained No.1 ranking in the provident fund industry and received the "Decade of Excellence – Provident Fund Management Thailand 2023" award from Global Banking & Finance Review for the 6th consecutive year. In addition, in the wealth business, TISCO adhered to the position of "Holistic Financial Advisory" under the new concept of "Megatrend Retirement Planning", while the bank aimed to expand the client base focusing more on Mass Affluent individuals. It is TISCO's determination to be a reliable and long-term "Financial Partner" for the clients, emphasizing the dedication to providing life-long benefits through a collaborative approach that integrates both Wealth Creation and Wealth Protection.

In response to the evolving technological landscape in the financial sector, TISCO deployed robotic process automation called "Smart Assistance & Automation" in various operational areas to enhance productivity, reduce cost to serve, along with improving the capabilities of data analytics and risk management. TISCO aimed to streamline the day-to-day operations, create more efficient workflows, and enhance the overall effectiveness of credit screening processes. One notable initiative was the implementation of the Freedom platform, designed to provide accessibility for clients seeking financial advice and assistance to manage their debt burdens in a sustainable manner. The adoption of financial technology not only helped TISCO stay relevant in a fast-changing era but also allowed the institution to align its product and service offerings with evolving customer demands.

TISCO's strong adherence to resilient business principles is shown in the strong financial performance with a robust Return on Equity (ROE) at 17.1%, positioning at the top tier among Thai banking industry. Additionally, TISCO Bank demonstrated a solid capital ratio (BIS) of 22.35%, highlighting our commitment to financial strength and stability. Therefore, TISCO was recognized with "Best Company Performance" award at the SET Awards 2023 as a testament to the Company's dedication and efforts. Furthermore, TISCO was also honored with the "Best Public Company – Financial Industry 2023" award by Money & Banking Magazine for the third consecutive year. The name "TISCO" has gained significant recognition and high brand values, as affirmed by the "Thailand's Top Corporate Brands Award" from Chulalongkorn Business School for three consecutive years. The success achieved by TISCO is attributed to the strong collaboration and teamwork within the organization. The working environment, fostering ambition and satisfaction with a well-balanced life, has contributed to the overall positive atmosphere within the employees. TISCO's commitment to employee care and professionalism has long been our key motto. Consequently, TISCO Group received "Best Employer Awards 2023" by Kincentric Thailand for the second year. Hi-Way, the subsidiary under TISCO Group, also received the "Best Employer Awards 2023" for the fifth year, further highlighting the consistency in maintaining an excellent working environment.

TISCO's commitment to sustainability was seen through the integration of Sustainability Development framework into strategic plan, involving environmental, social, and governance aspects into daily operations. TISCO has carried on the support of low carbon economy with focus on reducing greenhouse gas emission and be accountable on environmental risks and opportunities as a transition path to achieve net zero commitment in the long-term. To contribute to green financing, TISCO has stimulated the lending of electric vehicles (EVs), aligning its financial activities with environmentally friendly initiatives. TISCO also places importance on responsible and fair lending practices, while responsibly discourages over-indebtedness in the society. TISCO has always prioritized financial literacy, viewing it as a core belief in creating financial sustainability among the Thai population. This commitment aligns with the goal to empower individuals with the knowledge and skills needed for financial management. Maintaining good governance with integrity is a fundamental aspect of TISCO's identity as a reliable financial institution. The Company emphasizes ethical practices, transparency, and accountability in the operations, ensuring that it remains trustworthy in the eyes of its stakeholders. The recognition of TISCO's sustainability efforts is reflected in the "Highly Commended Sustainability Awards" received at the SET Awards 2023. This long-term responsible and sustainable principles are central to our corporate strategy and business practices.

The economic outlook for 2024 presents a fragile scenario amid an uneven global recovery. Many central banks are reluctant to cut interest rates due to elevated core inflation levels worldwide. Ongoing geopolitical tensions contribute to further volatility in international trade, impacting the global economic rebound and business investment growth. In the case of Thailand, the country is anticipated to resume growth, driven by recovery momentum in the tourism sector and a modest improvement in private consumption. However, challenges persist, including the pressure

from high household debt levels and the high cost of living, which continue to limit the purchasing power of the population despite decreasing inflation figures. The higher and longer interest rate environment exacerbates debt serviceability issues and prompts a delay in private investment. The banking industry stands amid multiple headwinds, including a potential margin slowdown after interest rate increases plateau, expenses especially those related to IT investment to enhance IT security and capability to cope with rapid technological changes and cyber threat, ongoing risks of asset quality deterioration, and credit costs required for NPLs management. In 2024, TISCO will celebrate our 55th year anniversary as a sustainable financial institution. TISCO expresses a commitment to a sustainable business approach with an aim to create responsible growth while maintaining prudent risk management practices. TISCO's long-term objective is to navigate through difficulties and maintain a strong risk-adjusted return to the shareholders with "Sustainable Focus".

The Board would like to express our sincere appreciation to our shareholders, clients, and business partners for their long-term support and trust, and special gratitude to our management team and staff for their dedication and commitment to the company. We wholeheartedly believe that with our teamwork and professionalism, TISCO can strive to be successful amid all the challenges.

The Board of Directors

Part 1 Business Operations and Performance

1. Group Structure and Business Operations

1.1 Policies and Overview of TISCO's Business

Background

TISCO was established in 1969 as the first investment bank in Thailand with Bankers Trust New York as the major shareholder. TISCO operated in the form of an investment bank, similar to businesses abroad, with an objective to respond to the needs of Thailand's fast-growing economy during that time. The TISCO logo was developed from the Company's English name: Thai Investment and Securities Company Limited.

In 1973, TISCO became the first company in Thailand to receive a securities business license from the Ministry of Finance. TISCO was also one of the founding members of the Stock Exchange of Thailand. TISCO was listed on the Stock Exchange of Thailand in 1983 and steadily grew into a leading financial institution, offering both financial and investment services. An early mover in the industry, TISCO has played a key role in the development of Thailand's capital markets. TISCO transformed into a full commercial bank and opened a banking business in 2005 under the name "TISCO Bank Public Company Limited". In 2009, TISCO successfully restructured into a holding company, setting up TISCO Financial Group Public Company Limited, a non-bank public company limited, as a holding company and the parent company of the Group, in place of TISCO Bank, in accordance with the consolidated supervision regulations of the Bank of Thailand.

Currently, TISCO Financial Group Public Company Limited ("the Company") operates as a holding company and is involved in no other major businesses. TISCO Bank Public Company Limited is the core company of the group, providing a broad range of financial services across the commercial banking, lending, and capital markets businesses.

Thai Economy in 2023 and Outlook for 2024

In 2023, the global economy experienced a deceleration primarily due to the implementation of highly restrictive monetary policies, notably in the US and Europe. Despite the tightening labor market resulting from the enduring effects of the COVID-19 crisis, some labor supply constraints persisted, leading to wage expansions and sustaining household purchasing power. Inflation, particularly in the service sector, remained persistently high. The gradual normalization of the labor market is anticipated to alleviate inflationary pressures in the service sector. In Thailand, while consumption and tourism thrived, the economy faced headwinds from a contracting merchandise export sector and government formation delays, impacting the approval of the 2024 fiscal budget. Consequently, the Thai economy expanded by only 1.9% (YoY). Meanwhile, the Bank of Thailand had raised its policy interest rate throughout the year 2023 to reached its peak at 2.5% per annum amid accelerated inflationary pressure during the prior months. In addition to the policy rate hike, the tightening monetary policy has maintained long-term macro-financial stability from the undesirable side effect of a low-for-long interest rate environment while preserving the policy space in light of highly uncertain outlook.

Looking ahead to year 2024, the global economy is expected to further decelerate, with the International Monetary Fund (IMF) forecasting a growth rate of 2.9%, down from 3.0% in the previous year. This is attributed to significantly elevated policy interest rates in major economies, such as the United States and Europe, imposing additional pressure on the real economy. Concerns about a potential economic recession and stagnation in world trade are heightened. Meanwhile, fiscal policies in various countries are expected to play a diminishing role following a substantial increase in public debt during the COVID-19 pandemic.

In 2024, Thai economy is anticipated to expand by 3.5% (YoY), driven by the tourism sector and private consumption. Factors hindering economic recovery in 2023, namely the export sector and government spending, are expected to rebound and contribute positively. The recovery of the export sector aligns with anticipated improvements in world trade, while government spending, initially slow due to the delayed approval of the 2024 fiscal budget, is expected to accelerate later in the year. The potential impact of economic stimulus projects, particularly the Digital Wallet scheme amounting 500 billion baht, remains uncertain and may not significantly influence economic growth and inflation. Thus, Digital Wallet scheme is not included in company's base-case projection of economic growth. The policy interest rate is projected to remain at 2.5% per annum, under the current circumstances.

Looking forward, potential downside risks include weaker-than-expected economic conditions in major trading partners, potential commodity price surges due to drought and geopolitical conflicts affecting energy prices, leading to accelerated inflation and more stringent monetary policies. Additionally, household debt repayment capacity is a concern in the context of high household debt and rising interest expenses. Conversely, the upside risk includes a stronger-than-expected global economy, expedited approval and disbursement of the 2024 fiscal budget, and successful implementation of additional economic stimulus measures, especially the Digital Wallet project.

Vision, Mission, Values for Business Operations and Business Strategy

To align the goals and direction of the business units with those of TISCO Group, the Company has put into writing clearly defined statements outlining its Vision, Mission, and Values. Vision encompasses the ultimate goal of TISCO Group whereas Values are intrinsic attributes that management and staff apply to achieve goals and objectives.

Our **Vision** is encapsulated in the motto "Wealth of Possibilities".

Our **Mission** statement is as follows: "TISCO is a quality growth organization with a strong customer priority, committed to delivering valuable financial services with mastery and professionalism. Our promise is to provide financial services that address customer needs across all geographies, to focus on creative financial solutions, and to advise on financial opportunities suitable for the various life stages of our customers. Continuous human capital development and leading-edge technological investments are key to keeping our service efficient and reliable. TISCO also seeks to foster a culture of integrity, fairness, and transparency that creates sustainable value for our customers, shareholders, staff, and society".

Our **Core Values** are the essence of the services we offer our customers and the qualities we cultivate and seek in our people. Through induction, training and comprehensive corporate guidelines, these values are transferred into TISCO's culture and shape our professional attitude. TISCO's core values consist of:

- 1) **Mastery** Our staff are obligated to continually learn and develop themselves, striving for outstanding capabilities and skills to maximize customer satisfaction.
- 2) **Integrity** All of our employees must conduct themselves with honesty and follow a code of ethics of the highest standards.
- 3) **Reliability** The organization creates added value in our financial services through the professional skills and reliable performance of our team.
- 4) **Advice** Because our staff hold a wide range of financial expertise, we can provide customers the best financial advisory service in a friendly and open-minded manner, understanding exactly what they need so we can help them achieve their goals.
- 5) **Creativity** Our expertise derives not only from deep industry knowledge and experience, but also from our creativity. Supplied with advice that is accurate as well as creative, our clients enjoy a wider breadth of financial possibilities.
- 6) **Learning** TISCO's employees approach learning with enthusiasm in order to enhance future skills and position themselves for global changes. A deeper knowledge bank can also be fruitful by raising overall service standards beyond customer expectations.

- 7) **Empathy** Empathy is a key quality of TISCO's business as it ensures that concepts and methods applied are appropriate for efficient, sustainable response to the needs of stakeholders.

Strategic Plan

In formulating a 3-year business plan, TISCO considers both the external business environment and internal factors. The external business environment includes economic conditions, regulations, and government policies while internal factors are the Group's strengths, weaknesses, opportunities, risks, critical success factors as well as priority issues. Management takes all of these issues into consideration in determining a Corporate Theme and Core Business Strategy which aligns with the Vision of the Company. TISCO Group focuses on being a niche financial service company with selective focus strategies. The overall value proposition for our customers is built around TISCO's strong position as trusted financial advisor, life-time partner in financial services, and provider of value-added services. This position furthers our strategic objectives to sustain long-term growth and financial soundness while remaining resilient amidst the changing business environment as well as rapid changing of digital and technological environment. TISCO's strategic plan for 2024 focuses on the following:

- Continue quality growth by focusing on secured loans that TISCO has expertise. TISCO will emphasis on auto title loan while maintaining market position in auto hire purchase and corporate banking businesses along with the prudent risk control and ensure acceptable asset quality. In parallel, TISCO will enhance collection capability and debt recovery process efficiency amid gradual economic recovery and surrounded with uncertainties.
- Boost fee-based income and expand the client base in bancassurance, wealth and capital market related businesses. Provide financial stability through comprehensive services under 'Holistic Financial Advisory' and 'Life Planning Partner'.
- Be a reliable financial institution with strong corporate governance, integrating ESG concepts and proactive risk management into all business activities to build trust with all stakeholders.
- Utilize innovations and enhance data-analysis and risk management capabilities to increase business efficiency and consistently deliver outstanding customer experience. Technology infrastructure and cyber security capabilities will also be enhanced.
- Drive sustainable business by integrating sustainable development principles into corporate strategy. In this aspect, TISCO adheres to "Responsible Lending" practice, provide financial inclusion for underserved clients, extend financial literacy to client and general public, while offering holistic wealth advisory to preserve clients' wealth. TISCO also supports low carbon economy with focus on reducing greenhouse gas emission and be accountable on environmental risks and support sustainable finance, particularly in the renewable energy and electric vehicle (EV) sector, as a transition path to achieve net zero commitment in the long-term.

Important Changes and Developments During the Past Three Years

- In 2021, the COVID-19 pandemic was still severely impacting business operators. To mitigate client difficulties, the Company continued to provide assistance to affected customers in accordance with the assistance measures of the Bank of Thailand. These included the "Returning Cars, Ending Debts" program, which ended with TISCO providing support to over 3,800 clients. For corporate and SME clients, TISCO coordinated with the Bank of Thailand to restore business operations through two programs: the Soft Loan program and the Asset Warehousing program. TISCO also participated in debt restructuring for the multi-creditors business (DR BIZ) as requested by the Bank of Thailand, aiming to expedite the negotiation and debt restructuring process. In addition, TISCO expanded business partnerships in the automotive sector, broadening the auto-insurance service with two corporate groups: the Great Wall Motor (GWM) group and the Nissan Motor group under "Nissan Premium Protection (NPP)".

- In 2022, TISCO continually provided debt assistance program to affected clients in accordance with the assistance measures of the Bank of Thailand. For hire purchase customer, the “Returning Cars, Ending Debts” program, which ended with TISCO providing support to over 4,800 clients, accounted for total loan of 2,200 million baht together with carried out debt restructuring program for retail customers to mitigate client difficulties. For SME clients, The Company collaborated with the Bank of Thailand to provide assistance for SME clients via two measures: a Soft Loan scheme, Transformation Loan program as well as debt restructure program. In terms of liquidity support for SMEs clients through Soft Loans scheme, the outstanding soft loans totaled approximately 3,100 million baht. In addition, TISCO partnered with Bangkok Life Assurance (BLA) in order to develop health and retirement insurance products as well as provide knowledge of retirement planning under “Megatrends Retirement Planning” which would protect and preserve the wealth of Thai people.
- In 2023, the Company actively expand Somwang branch network with an effort to boost auto title loan business. As the result, there were 645 Somwang branches nationwide at the end 2023. The Company also extended business collaboration with leading electric vehicle distributors, by providing comprehensive hire purchase loans services, aligning with the growing electric vehicle market. Concurrently, the Company enhanced wealth management services by offering holistic wealth advisory services in response to diverse clients’ needs. The services encompassed financial planning, investments, life and health protections, and retirement financial planning. In addition, by integrating sustainable development principles into corporate strategy that it remains trustworthy in the eyes of its stakeholders. The recognition of TISCO's sustainability efforts is reflected in the “Highly Commended Sustainability Awards from the Stock Exchange of Thailand” for the first time. This long-term responsible and sustainable principles are central to our corporate strategy and business practices.

General Information

Company Name	: TISCO Financial Group Public Company Limited
Stock Ticker	: TISCO
Type of Business	: Holding Company
Registration Number	: 0107551000223
Total registered capital	: 8,007,032,950 baht at par value of 10.00 baht per share
Paid-up Capital	: 8,006,554,830 baht comprised of 800,645,624 common shares and 9,859 preferred shares
Address	: 48/49 TISCO Tower, 21 st Fl., North Sathorn Road, Silom, Bangrak, Bangkok 10500
Telephone	: (66) 2633 6000
Home Page	: www.tisco.co.th

1.2 Nature of Business

Revenue structure of TISCO Group

	2023		2022		2021	
	Amount	Percent	Amount	Percent	Amount	Percent
Interest Income	18,037	94.7	14,905	81.4	14,792	78.6
Interest Expense	(4,208)	(22.1)	(2,171)	(11.9)	(2,332)	(12.4)
Net Interest Income	13,829	72.6	12,734	69.4	12,460	66.2
Fees and Services Income	5,311	27.9	5,499	30.0	6,118	32.5
Commercial Banking Business	1,574	8.3	1,742	9.5	1,677	8.9
Capital Market Business	2,307	12.1	2,415	13.2	3,387	18.0
Other Businesses	1,430	7.5	1,342	7.3	1,054	5.6
Fees and Services Expense	(443)	(2.3)	(453)	(2.5)	(515)	(2.7)
Net Fees and Services Income	4,868	25.6	5,046	27.6	5,603	29.8
Net gain (loss) on financial instruments measured at fair value through profit or loss and investments	(24)	0.1	89	0.5	410	2.2
Share of profit from investment under equity method	29	0.2	55	0.3	7	0.0
Dividend income	90	0.5	73	0.4	70	0.4
Other operating income	255	1.3	308	1.7	273	1.5
Non-Interest Income	5,218	27.4	5,571	30.4	6,363	33.8
Total operating income	19,046	100.0	18,305	100.0	18,823	100.0

Information on Products and Services

1) Types of Products/Services and Business Innovation Development

Retail Banking

The Retail Banking group provides loan services to retail customers and SME customers, including retail loans, commercial lending, and bancassurance.

- **Retail Loans**

Retail loans consist of loan services offered to individuals seeking funding for specific consumption purposes. This segment can be classified by loan purpose as follows:

Hire-Purchase Financing is operated by TISCO Bank Plc, Hi-Way Co., Ltd, TISCO Tokyo Leasing Co., Ltd and HTC Leasing Co., Ltd. It enables borrowers to acquire assets through hire-purchase terms. The buyer pays a down payment, a predetermined proportion of the asset value, and equal installments over a contract period. Ownership of the asset is then transferred to the buyer after all installments are paid. Contract periods range from 1 to 8 years with a fixed interest rate aligned with the market rate on the contract date. TISCO Group provides hire-purchase loans for all types and models of new and used automobiles. This includes passenger cars, multipurpose vehicles, motorcycles, and commercial vehicles. In addition, hire-purchase financing offers loans for buying machinery and equipment for commercial purposes such as printing machines, medical equipment, construction equipment, etc.

In 2023, the Company carried out the defensive strategy to maintain market position in hire-purchase for new car business amidst fierce price competition. In addition to intense market competition, the business also faced a challenge from a contraction in domestic car sales, notably captive brands. Against this backdrop, TISCO extended business partnership with electric vehicle distributors by offering comprehensive credit and related services to both customers and business partners, aligning with growing electric vehicle market. For hire purchase for used car, the

loan continued to grow as the business adapted to market dynamics by adjusting terms and conditions to align with market and client segments. Nonetheless, the Company continued a stringent credit policy to mitigate risks associated with falling used car prices while also expanding into the agricultural machinery segment bolstered the customer base. Additionally, the Company focused on evolving digital services to align with changing client needs. The initiatives included the development of new services namely "TISCO Check Hai Sure," by aiding customers in assessing their initial individual car loan amounts. Furthermore, efforts were directed towards enhancing the efficiency and functionality of TISCO My Car Application, enabling customers to conduct transactions and access TISCO Group's financial services with greater convenience and speed.

Consumer Loans, primarily provided by TISCO Bank, align with market needs and prioritize a strong focus on acceptable risk-adjusted return on capital (RAROC). This segment encompasses 3 main categories, which consist of mortgage loans, home equity loans, and title loans (loan against auto license).

- **Mortgage Loans/Home Equity Loans** serve purposes of residential property acquisition and refinancing. Repayment terms range from 3 to 30 years with full collateral. Mortgage loan interest can be floating or a combination of fixed and floating rates, functioning as a fixed interest rate for a predetermined period, typically 1-3 years. TISCO also offers home equity loans, providing a credit line of up to 80% of the appraised value with an installment period of up to 15 years.

- **Title loans**, operated by TISCO Bank PLC. and Hi-Way Co., Ltd., are branded as "TISCO Auto Cash" and "Somwang". These loans allow vehicle owners to utilize their vehicles without officially transferring ownership upon signing the contract. However, the vehicle registration must be presented and held by the bank as collateral. Open to individuals and business owners with any type of vehicle, this loan suits those seeking short-term funding for business, as a revolving fund, or to cover family expenses.

In 2023, the Company actively expanded Somwang branches to enhance accessibility and convenience to customers nationwide. As a result, there were 645 branches across the country by year-end. Furthermore, the several marketing campaigns were introduced to expand the client base. For instance, "Out of Money, Call Somwang" campaign simplified access to financial resources within the system, eliminating the need for a guarantor or registration book transfer. This initiative welcomed diverse profiles, including individuals with a history of past loan repayment issues. Concurrently, the Company launched credit campaigns to support customers facing liquidity challenges in managing installment payments in accordance with changing income, with an aim to provide finance inclusion such as "Debt Consolidation" and "Pay Less Happy More". For digital service development, the Company launched a new digital service to enable hire-purchase loan clients to apply for a revolving credit facility on the "TISCO My Car" application, whereby the application provides one stop service throughout the process. Additionally, with an aim to enhance experience of car and motorcycle title loan clients, the pre-approval service was introduced by enabling clients with self-assess and preliminary approval results towards Somwang website.

- **Commercial Lending**

Commercial lending provides commercial credit facilities, mainly to small and medium-sized businesses (SMEs), such as inventory financing for car dealers, working capital loans, and hire-purchase loans for commercial assets such as commercial trucks, buses, machinery, and medical equipment. Additionally, it offers commercial loans with a credit guarantee from the Thai Credit Guarantee Corporation (TCG).

In 2023, TISCO Group focused on expanding credit for car dealers, particularly dealers under captive OEM, by offering inventory credit facility. Meanwhile, the Company actively expanded business partnerships, capitalizing on the growing electric vehicle market in Thailand. The Company provided credit facility for car dealers of ChangAn, a leading electric car manufacturer from China. Despite the easing of the COVID-19 outbreak situation, the Company provided assistance, especially to vulnerable customers affected by the prolonged impact of the pandemic since 2020. The Company offered low-interest loans, namely 'Soft Loans' in accordance with the financial measures instituted by the Bank of Thailand to aid in the rehabilitation of affected business operators. Furthermore, the Company placed an importance on the

sustainable development principle within the organization. This commitment was demonstrated through providing loan to the clients who effectively operate the business and has objective to fostering sustainable business practices.

- **Bancassurance**

TISCO Bank Plc, TISCO Insurance Solution, and Hi-Way Co., Ltd. have Insurance Broker licenses for both life and non-life, covering various types of insurance, from the Department of Insurance under the Ministry of Commerce and the Office of Insurance Commission. TISCO has put more emphasis on selecting and developing both life and non-life insurance products to suit customer needs and risk profiles by working in collaboration with many well-known insurance companies who have strong financial positions and product expertise in different areas. The Open Architecture platform enables TISCO to select and develop best-in-class insurance products for customers, including life and non-life insurance, in particular healthcare and critical illness insurance.

In 2023, TISCO Group continued to strengthen its expertise in the insurance brokerage business while expanding its services to meet the diverse needs of customers. The Company focused on three main customer groups: general customers, the wealth customer group, and business partner customer groups. For general customers, TISCO Group extended the development of insurance products to comprehensively address various risks. This included life insurance to aid in financial planning for credit group customers, insurance for the difference in car value to support electric car users, and cancer insurance that expanded coverage for skin cancer without increasing premiums. In catering to the wealth customer group, the Company expanded its proficiency in providing financial advice under "Megatrend Retirement Planning", highlighting insurance products that offer benefits while individuals navigate and thrive in the world (Living Benefit). For business partner, TISCO placed an importance on car insurance. The Company actively facilitated car insurance coverage for customers within business alliance groups, offering comprehensive after-sales services through the Line Official channel. These services included accident reporting, mechanic auto body paint and repair center searches, claims advice, and insurance policy maintenance to ensure the continuous coverage of insurance policies. This commitment extended to various automotive groups, such as "Ford Ensure" for the Ford car group, "Mazda Premium Insurance (MPI)" for the Mazda car group, "Nissan Premium Protection (NPP)" for the Nissan Motor Group, and collaborations with the Great Wall Motors Group (GWM). Furthermore, the Company expanded its business partners into the home industry, partnering with LPP Property Management Co., Ltd. under the "LPP Protect" project. This project aimed to deliver benefits and advice from insurance experts for residents under the supervision of LPP.

Alongside its commitment to developing insurance products and seeking opportunities to expand business partnership, TISCO Group demonstrated an understanding of the present-day needs and behaviors of customers. Recognizing the desire for convenience and secure access to insurance services, the Company developed insurance consulting services and after-sales support through the Line Official channel, known as "TISCOInsure." Furthermore, TISCO Group continued its dedication to creating societal benefits through the "Fighting Cancer" project. As part of this initiative, the Company donated proceeds, including contributions from health insurance and serious illnesses offerings, to support innovative research in the treatment of childhood cancer funds under royal patronage. This commitment persisted for the 6th consecutive year.

Corporate Banking

The Corporate Banking group provides fund raising services to corporate clients, as well as corporate lending and investment banking services. Details are provided as follows:

- **Corporate Lending**

Operated by TISCO Bank, commercial finance facilities are provided to large corporate clients for commercial purposes, including loans and related services such as guarantees, aval, loan arrangement services and loan restructuring. Commercial lending is classified by the following service types:

Working Capital Loans fill needs for business liquidity and cash flow, especially for industrial and seasonal businesses, by facilitating loans for buying raw materials and inventory, and loans for accounts payable repayments. The revolving loans have repayment terms set for within one year. The terms and conditions of such loans are subject to credit review annually.

Project and Term Loans fill the specific needs of medium or long-term business development projects. The loans utilization will be identified for indicated purposes and the Bank is able to verify the progress of project development. This segment mainly consists of term loans which have a repayment schedule in line with the timeline, progress, and cash flow of the project. The Bank's policy is to support manufacturing, services, and utilities sectors, especially those that support national development. Project and term loans are generally offered for building factories, offices or business expansion, property development, loan to Real Estate Investment Trusts, infrastructure construction, and project bids, such as for power plants, or for buying industrial machinery.

Other Commercial Loans Apart from two types of loans mentioned above, the Bank also provides credit for other commercial purposes such as loans against deposits or liquid assets with short or medium terms, using marketable assets as collateral. This segment includes loans for investment, specifically medium or long-term funds which investors use to buy assets, such as property, which they then use as collateral, with the terms and conditions of the loan set according to the assets earning ability.

Guarantee and Aval Services The Bank provides guarantees and aval services for our clients' business partners such as issuing project bidding bonds, performance bonds and purchase guarantee letters to manufacturers. Terms of the letters of guarantee are flexible and made to suit the beneficiary's needs.

Loan Consultancy and Related Services The Bank provides full loan consultation services in such areas as financial structuring and debt restructuring, and is also a syndicated loan arranger, facility agent, and security agent.

In 2023, corporate banking business continued to grow through the extensions of loans to corporate clients in the power plant and real estate sectors, which are the sector that TISCO has strong experience. TISCO demonstrates a profound understanding of clients' needs, limitations, and relevant market conditions, supported by a robust risk management framework in alignment with competition and the economic situation. Moreover, TISCO places emphasis on offering financial advisory services and financing, making TISCO a financial partner that provides comprehensive solutions to address clients' constraints. In 2024, TISCO is committed to sustaining growth in business segments where the bank holds expertise by providing comprehensive financial advice. This support will facilitate the growth of large corporate clients, addressing their needs from inception to goal attainment. Moreover, TISCO will actively maintain strong relationships with existing clients. Additionally, TISCO will continue to extend loan support to the alternative energy business group, aligning with the commitment to drive sustainable business operations for the benefit of environment and society.

- **Investment Banking**

TISCO Securities Co., Ltd. is a leader in investment banking with more than 50 years of providing superior service to both corporate and government-related clients. Staffed by highly experienced professionals, TISCO Securities Co., Ltd. specializes in analysis of many essential industries, such as energy & utilities, petrochemicals, telecommunications, transportation & logistics, banking & financial institutions, and manufacturing, while boasting a wealth of experience in the equity and debt markets, both domestically and internationally. TISCO Securities Co., Ltd. has been approved by the SEC to provide financial advisory services and has been granted an underwriting license from the Ministry of Finance. Financial advisory and underwriting services cover various types of instruments, including equity, debt, and convertible instruments. Moreover, TISCO Securities Co., Ltd. provides financial advisory services for mergers & acquisitions, privatization advisory and implementation, project financing, debt restructuring, feasibility study, project valuation, and general advisory.

In 2023, TISCO's investment banking arm provided customers with various financial advisory services, including issuance & offering of equity securities, mergers & acquisitions, and project valuation in various industries, such as energy & alternative energy, construction, leasehold rights of warehouses and factories, and leasehold rights

of office and commercial space. The highlighted transactions in 2023 include the financial advisory for an public offering (PO) of Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust, and the tender agent of ThaiSri Insurance Public Company Limited for the tender offering for the shares of Nam Seng Insurance Public Company Limited. In addition, the investment banking team was appointed as an underwriter for various initial public offering deals. Currently, the investment banking team is providing financial advisory for various companies.

Wealth & Asset Management

TISCO offers a full range of financial and investment advisory services, aiming to be a “Top Holistic House” that provides comprehensive wealth management services, including banking, securities brokerage, and asset management under the brand “TISCO Wealth”. Our professional relationship managers provide at-hand advice and recommendations on both onshore and offshore investment instruments as well as protection products for clients. Furthermore, TISCO has expanded client investment opportunities through an Open Architecture platform that offers mutual fund trading and insurance. The platform enables customers to invest in various mutual funds from 14 leading asset management companies, including TISCO Asset Management, and to purchase protection plans from 8 leading insurance companies with fund selection and comprehensive wealth advisory services offered as a one-stop service at TISCO Bank’s branches nationwide.

For 2023, the Company continues to focus on excellence in being a “Holistic Advisory”, raising the level of retirement financial planning services to customers as pronounced Thailand’s aging society under the concept of “Megatrend Retirement Planning” through a combination of “Wealth Creation” and long term “Wealth Protection”, by leveraging on our strengths, including 1) Good products: Offering the most suitable products for our client on insurance products and mutual funds. 2) Good Research: Provide in-depth analysis and reports including economic outlook and recommended strategies for portfolio management, as well as provide personalized financial planning, and 3) Good Advice: Service from investment advisors with single licenses who aim to become financial planners that can respond to a wider range of customer needs. For 2024, the clients will access financial planning services through personalized financial planning program with financial planner who hold financial planning licenses at every TISCO branch. At the same time, TISCO have financial business partners including asset management and insurance companies, as well as non-financial business partners who provide health advice and housing for the retirement, which in turn, provide clients with comprehensive wealth advisory service. Additionally, TISCO also focuses on developing digital service channels by enhancing the capabilities of mobile applications to meet customers’ needs. The services under Wealth & Asset Management group are detailed below:

- **Private Banking**

TISCO provides comprehensive global financial and investment advisory services across multiple asset classes, including deposits, fixed income, equities, and alternative assets. Services are offered to high net-worth clients with investment of more than 20 million baht by professional investment advisors who are competent, skilled in maintaining close relationships with clients, and deeply experienced in investment management.

- **Wealth Advisory**

The demographic shift toward an aging society becoming more explicit global wide. Therefore, the forming trend combining with TISCO’s strength on financial advisory, and our capability as open-architecture mutual fund selling agent and insurance broker. With this advantage, TISCO is capable to select a variety of products that are suitable with clients in any phase of their life to optimize return sustainably according to their personal financial targets. Regarding of our mentioned strength, we are the first commercial bank that focuses on specialized retirement planning services which belongs to our outstanding position on holistic advisory. Moreover, to strengthening on our retirement planning service capabilities, the Company has worked in collaboration with Bangkok Life Assurance (BLA), who is leading insurance company, to develop retirement insurance products which focuses on living benefits, flat-payment health insurance, serious-disease health insurance with high protection amount, with an aim to offer modern retirement solution for the current trend.

In recent years, customer behavior has been fast-changing, especially the shift to the digital channel. TISCO has regularly enhanced service capabilities of TISCO My Wealth, a mobile application. In essence, our financial planning advisory has integrated the competency of wealth managers with the utilization of digital technology to offer comprehensive mutual fund investments and facilitates financial planning services for greater clients' experience. For the development of TISCO My Wealth application, the clients can now effortlessly apply an online mutual fund account, without any documents required, toward digital identity verification through NDID. Moreover, TISCO My Wealth application also launched a personal tax planning feature, enabling customers to calculate their income tax in a more convenient way. It provides income tax calculations, fundamental tax deductions, and a summary of preliminary tax obligations. Additionally, it provides product recommendations for tax deductions, and all tax planning outcomes can be conveniently compiled into a comprehensive report for future reference. In addition to the new service features, TISCO My Wealth application enhanced security protocols in alignment with the Bank of Thailand's financial corruption management measures. This entails the incorporation of facial recognition technology for pivotal transactions like modifying credit limits or transferring substantial amounts. This measure is a robust means of identity verification. Furthermore, the application integrates screen recording prevention mechanisms, swiftly identifying and addressing screen recording programs to assure customers of the safety and adherence to specified standards in all transactions. The Company is unwavering in its commitment to continually refining the TISCO My Wealth application, extending its scope to encompass an array of financial services and customer investments, with a forward-looking perspective to better meet the evolving needs of customers in the future.

- **Private Sales Brokerage**

Private Sales Brokerage is operated by TISCO Securities Co., Ltd ("TISCO Securities") which is member number two on the Stock Exchange of Thailand, offering brokerage services including investing in securities and derivatives, portfolio advisory, as well as a fund sales agent service (Open Architecture) via Streaming for Fund enabling customers to invest in various funds from 13 leading asset management companies including TISCO Asset management. Apart from domestic investment, TISCO Securities also provides trading services, TISCO Global Trade, for international markets. The service provides investment opportunities for customers seeking to invest in world-class companies in five leading markets: the United States of America, the United Kingdom, Japan, Hong Kong, and Singapore. In 2023, TISCO Securities has added Fractional Depositary Receipt services as an alternative for customers to invest in foreign markets. Customers can trade according to the time zone of foreign stock exchanges.

TISCO Securities provides services to retail clients through the head office in Bangkok and four other branches upcountry: Chiang Mai, Nakhon Pathom, Nakhon Ratchasima, and Udon Thani. In 2023, TISCO has developed and improved its transaction system (e-Service), online account opening (e-Opening) and other service systems continuously in order to provide convenience to customers and supports the volume of online transactions that are likely to increase significantly from individual investors in the future. In addition to the convenient, fast, and reliability trading system, TISCO has also provided training for investment advisors to be able to effectively advice on multiple asset class investments, including information on various mutual funds, funds selections and asset allocation to suit the situation of the Thai economy and the world economy.

In catering to the analytical needs of retail investors, TISCO Securities has a proficient securities analysis team adept in both fundamental factors and technical strategies. To streamline customer engagement, TISCO Securities devised tools within the TISCO Guru Plus application. This innovative tool assists investors in identifying exceptional stocks tailored to their individual styles, enhancing their experience with modern features. Notably, it includes an investment portfolio model function (Model Portfolio) and offers access to various analyses in a timely manner, with customizable notification settings. Furthermore, in 2023, TISCO Securities introduced securities analysis, economic insights, and investment perspectives through the TISCO Talk Every Trend program on YouTube, catering to the informational and advisory needs of our individual customers promptly and comprehensively.

- **Institutional Brokerage**

TISCO Securities Co., Ltd provides institutional brokerage services via a highly experienced and professional team that specializes in comprehensive equity research and world-class investment strategy for both local and foreign institutional investors. As a reflection of quality research and outstanding services, TISCO received the Outstanding Securities Company Awards by the Stock Exchange of Thailand in 2023 and the first Runner up for Best Domestic Brokerage for Sales for 2023 by AsiaMoney, a leading financial magazine in the Asia-Pacific region. TISCO Securities is also now collaborating with Jefferies Hong Kong Limited, a leading global investment banker, to provide securities research and recommendation of Thai listed companies and brokerage services for international investors. This collaboration has reinforced TISCO Securities' position not only in domestic but international level as a leader in investment advisory focused on in-dept and on-time research.

- **Asset Management**

TISCO Asset Management Co., Ltd. operates provident funds, private funds, and mutual fund management as permitted under mutual fund and private fund management licenses granted by the Ministry of Finance. Details are as follows:

Provident Funds: TISCO Asset Management Co., Ltd provides provident fund management and advisory services for establishment of provident funds and registrar and advisory services for provident fund committees. Fund investments cover multiple asset classes, including bonds, debentures, equities, and mutual funds covering both domestic and international.

In 2023, the Thai economy was not fully expanded with various risk factors both domestic and international. However, TISCO Asset Management was trusted by an additional 300 new employers to be appointed as their provident fund management company. Moreover, there were medium and large provident funds transferred to TISCO Asset Management, such as CP All Group, Bangchak Corporation Plc. Tri Petch Isuzu Sales Co., Ltd., Mitsubishi Motor (Thailand) Co., Ltd., Pepsi-Cola (Thai) Trading Co., Ltd. PepsiCo Services Asia Ltd., Samart Corporation Plc., and Amata B. Grimm Power Group, with total fund size of over 14,000 million baht.

For the year 2024, in addition to the plan to develop systems and online channels to increase efficiency and better services, TISCO Asset Management also plans to initiate the "HR FINCoach" project to enhance the human resources function of employers under our management by organizing financial literacy activities, including creating an accurate understanding of provident funds and basic knowledge of retirement financial planning according to TISCO Smart Retirement principles and be able to pass on that knowledge by using financial knowledge and tools gained from the project to provide basic advice to their members. This is one of the CSR projects of TISCO Group on the occasion of TISCO Group's 55th anniversary.

Private Funds: TISCO Asset Management Co., Ltd provides private fund management services for both individuals and any legal entities. The private fund mandate is designed to match the risk-return profile of each client with a wide range of investment alternatives both onshore and offshore including equities, fixed income, and mutual funds. Investment policies are customized in accordance with the expected return and acceptable risk level of each customer. Fund performance and market review are provided to customers on a regular basis. At the end of 2023, assets under private fund management were more than 70 billion baht with more than 170 accounts including high net worth persons, private companies, various institutions, and offshore pension fund.

Mutual Funds: TISCO Asset Management Co. provides mutual funds on shelf for all customers including retail and high net worth clients as well as any legal entities, in various channels e.g., TISCO Asset, TISCO Bank, TISCO Securities, selling agents, and online trading platform (e-invest for internet trading, and My Funds for mobile application). TISCO Asset has provided investment choices for clients with more than 170 open-ended funds on our shelf with different kinds of investment strategies in various onshore and offshore asset classes. We also provide choices for tax-saving funds, including RMF, RMF for PVD, SSF as well as ThaiESG. Comparing with peers, many of our mutual funds have shown strong performance, and have been rated 4-5 stars from Morningstar Research Thailand.

Moreover, with our consistent and strong performance in Thai equity market, TISCO Asset was awarded the “Best Fund House – Domestic Equity” trophy from Morningstar Research Thailand for 2 consecutive years, 2022 and 2023.

- **Cash Management Services**

The Bank’s Cash Management Services include cash inflow and cash outflow management for corporate clients, aimed at enhancing operational efficiency and reducing operating costs for clients. Cash Management Services are across three business areas: TISCO Collection, TISCO Payment, and TISCO Liquidity Management. Additionally, TISCO E-Cash Management was introduced to facilitate business transactions, consolidate account information enquiries, and for payroll processing service for customers.

- **Custodian Services**

The Bank provides custodian services which include the safekeeping of client assets and securities, payment and delivery, and fiduciary duties such as acting as custodian for provident funds, private funds, juristic persons, and individuals, including confirmation of net asset value for provident funds.

Corporate Support

Corporate Affairs & CSR aim to promote business operational efficiency while ensuring that business ethics and a strong sense of social responsibility are incorporated into the core corporate values. Aiming for sustainable value creation for all stakeholders, TISCO has placed great emphasis on building a strong support network among our stakeholders to promote long-term social development, environmental awareness, and arts & cultural programs. Furthermore, all governance and support functions are centralized at the Company while subsidiary companies shall outsource all such activities back to the Company. These include the functions of Enterprise Risk Management, Corporate Governance, Human Resources Management, the Economic Strategy Unit, Data Analytics and Management, and Corporate Service and Procurement. In addition, TISCO has a Treasury Department unit under the Bank which is responsible for asset and liability management activities. These include the procurement of funding sources from local and foreign financial institutions and investing and trading of bonds so as to maximize return under the corporate guidelines and risk policy and in compliance with all related rules and regulations. The unit also manages liquidity in accordance with BOT regulations.

2) Market and Competition

Commercial Banking Business

As of December 31, 2023, there were 28 commercial banks in Thailand’s entire commercial banking system, comprising 17 domestically-registered commercial banks and 11 subsidiaries and branches of foreign banks. At the end of 2023, TISCO Bank ranked eleventh in asset size among the domestically-registered commercial banks with market shares of assets, deposits, and net loans of 1.3%, 1.3% and 1.6%, respectively.

Net loans of the 17 domestically-registered commercial banks totaled 14.0 trillion baht, increased by 0.56% (YoY) aligned with the business sector’s trajectory of gradually repaying debt following an accelerated expansion to bolster liquidity during the COVID period. At the end of 2023, lending rates of major four big banks increased. The average minimum lending rate (MLR) and the average minimum overdraft rate (MOR) increased from 5.83% to 7.12% and 6.34% to 7.56%, respectively. Meanwhile, the average minimum retail rate (MRR) increased from 6.21% to 7.37% (YoY). TISCO Bank’s net loans totaled 220,492 million baht, grew by 8.1% (YoY).

Total industry deposits were at 15.9 trillion baht, increased by 0.35% (YoY). At the end of 2023, the average 3-month fixed deposit rates of the Top-4 commercial banks increased from 0.61% to 1.14% (YoY). During the year, the Bank of Thailand hiked its policy rate 5 times from 1.25% to 2.50%. At the end of 2023, TISCO Bank’s deposits totaled 210,730 million baht, increased by 11.0% (YoY).

(Unit: Million baht)

Commercial Banks	Assets	Market Share (%)	Deposits	Market Share (%)	Net Loans	Market Share (%)
1. Bangkok Bank Plc.	3,930,606	17.9%	2,699,888	17.0%	2,067,703	14.8%
2. Kasikorn Bank Plc.	3,551,348	16.2%	2,671,734	16.8%	2,246,758	16.1%
3. Krung Thai Bank Plc.	3,580,686	16.3%	2,654,751	16.7%	2,336,712	16.7%
4. Siam Commercial Bank Plc.	3,280,416	14.9%	2,452,078	15.4%	2,203,055	15.8%
5. Bank of Ayudhya Plc.	2,524,871	11.5%	1,815,719	11.4%	1,701,805	12.2%
6. TMBThanachart Bank Plc.	1,818,511	8.3%	1,400,078	8.8%	1,323,737	9.5%
7. UOB Bank Plc.	867,161	3.9%	678,875	4.3%	600,803	4.3%
8. CIMB Thai Bank Plc.	505,401	2.3%	257,710	1.6%	236,437	1.7%
9. Kiatnakin Phatra Bank Plc.	529,630	2.4%	359,517	2.3%	386,610	2.8%
10. Land & House Bank Plc.	316,339	1.4%	251,453	1.6%	226,668	1.6%
11. TISCO Bank Plc.	275,102	1.3%	210,730	1.3%	220,492	1.6%
12. ICBC (Thai) Plc.	224,798	1.0%	153,606	1.0%	101,378	0.7%
13. Standard Chartered Bank (Thai) Plc.	174,781	0.8%	94,780	0.6%	23,616	0.2%
14. Thai Credit Bank Plc.	163,795	0.7%	117,017	0.7%	140,181	1.0%
15. Sumitomo Mitsui Bank (Thai) Plc..	119,457	0.5%	24,784	0.2%	78,675	0.6%
16. Bank of China (Thai) Plc	68,878	0.3%	52,245	0.3%	34,775	0.2%
17. Mega International Commercial Bank Plc.	39,376	0.2%	21,545	0.1%	25,264	0.2%
Total	21,971,158	100.0%	15,916,510	100.0%	13,954,670	100.0%

Source: Summary of Assets and Liabilities Statement (C.B. 1.1) Bank of Thailand

In 2023, the Bank of Thailand (BOT) continued its monetary policy normalization by raising its policy rate by 5 times to 2.50% whereby the policy rate was approaching the level consistent with the gradual recovery of domestic economy. The policy rate normalization benefited the banking industry by providing the net interest margin (NIM) expansion. For the performance of banking industry, Thai commercial bank recorded an increase in net profit of 5.8% (YoY), attributed largely to NIM expansion but loan growth was softened by 0.3% (YoY). Net fee income lower by 10.1% (YoY) as businesses related to the capital markets was affected by asset price volatility. Operating expenditure continued on the upward trend and rose by 12.9% (YoY), despite number of staffs declined. The higher operating expenditure was mainly from IT spending while ECL expense rose by 8.4% (YoY) albeit declining ECL related to the pandemic. Nevertheless, the banks have maintained high level coverage ratio which is considered sufficient to withstand any uncertainties and volatilities in the foreseeable future as well as well contained NPL ratio of 2.66%

Looking ahead to 2024, the net profit of banking industry is expected to lower, compared to 2023, mainly from the narrowed net interest margin (NIM). The cost of funds is likely to increase following the maturity of term deposits and repricing with higher interest rates. Loan is expected to grow at slow pace alongside the fragile economic recovery while the effective of the Bank of Thailand's responsible lending measures will also restrain the retail loan growth. The overall trajectory NPLs is expected to show a marginal increase as BOT's relief measures, initiated since 2021, gradually phased out in 2023. Nevertheless, the provision for these loans is expected to marginally decrease, as commercial banks have already prudently set aside substantial reserves, assuming the absence of large-scale corporate collapses as witnessed in the previous year. Net fee income is likely to subdue due to the gradual economic recovery and the volatility in asset prices of businesses linked to the capital market. Operating expenditure is expected to stay at a high level, particularly IT spending, as digital channels become the primary customers service platform causing the banks to continually enhance the platform. While profitability is anticipated to decrease, it is expected that commercial banks will uphold dividend payments at 2023 levels, considering robust capital adequacy ratio (CAR) and the partial recovery in credit demand.

- Hire Purchase Business

In 2023, the competition in hire purchase business remained intense amid the escalating costs of funds in the prevailing upward interest rate cycle. Meanwhile, the hire purchase business could not raise the interest rates for new car in the same proportion to rising financial. The hire purchase business also faced deterioration in asset quality, especially the continual increase in under-performing loan (Stage 2). To cope with these challenges, banks have adopted more stringent loan approvals by considering the repayment ability, risk related to car market value, as well as asset quality control. The stringent loan underwriting policy of financial institutions put pressure on the number of car sales. For the year 2023, the domestic car sales totaled 775,780 units, decreased by 8.7% (YoY) following the decline in commercial car segment together with stringent credit approval. Amid intense market competition, car manufacturers consistently introduced new models, particularly in the electric vehicle (EV) segment. A noteworthy trend was the substantial growth in EV car sales driven by market penetration of Chinese car and government's tax incentive scheme for EV car. This evolution led car dealers to adjust pricing strategies to maintain competitiveness.

- Wealth Management Business

While high net-worth clients represent a minority in comparison to the overall population, but possesses a significant portion of asset value with continuous growth. With potential and growth opportunities as well as global trends in wealth management services, wealth-segment clients are demanding financial advice in numerous financial areas and look for investment instruments and service channels tools to manage their wealth. In line with these trends, market competition has intensified among global players, especially local private banking, with a focus on private and personalized financial services to ensure long-term engagements. Simultaneously, the digital platforms have been developed to enhance the overall service experience for customers. In addition, some banks have collaborated with leading foreign private banks to provide a broader range of foreign investment services to raise their level of service and provide holistic financial solutions to clients whose needs are changing over time.

Securities Brokerage

In 2023, the capital market consistently experienced volatility from both internal and external challenges, pressured on indices and trading volume. For the external challenges included tightening monetary policy of major central banks globally in response to rising inflation, geopolitical conflicts in Europe and the Middle East, as well as China's economic downturn that directly impacted on Thai economy. Locally, the economic recovery fell short of expectations, disappointing of listed companies' earnings for the fourth quarter of 2022, resulting in strong sell-off during the first quarter as the foreign investors remained skeptical about key factor driving economic growth after country reopening. Besides, the delay of government formation directly affected the 2024 fiscal budget approval coupled with the ambiguity of economic stimulus policies, shattered investors' confidence. In the meantime, several high-profile accounting scandals and defaults on debenture, high-frequency trading programs, and short sale transactions, these factors exacerbated investors' sentiment. Likewise, the lackluster economic growth reflected the subdued profits of listed companies. As a result, at the end of 2023, the SET Index closed at 1,415.85 points, down by 15.2% (YoY), was among the worst performing stock market globally. Foreign institutional investors being net sellers of 192,490 million baht, significantly impacting market trading values.

The average daily trading volume in 2023 declined sharply by 28.3% (YoY) to 51,082 million baht, primarily attributed to a 35.5% (YoY) decrease in retail investor trading value while local and foreign institutions declined by 29.6%(YoY) and 21.3%(YoY), respectively. As a result, the foreign institution dominated the market, accounted for 52.3% of total trading value, compared with 48.0% in 2022 while retail and local institution accounted for 35.5% and 16.5%, compared with 31.6% and 16.1% in the prior year, respectively.

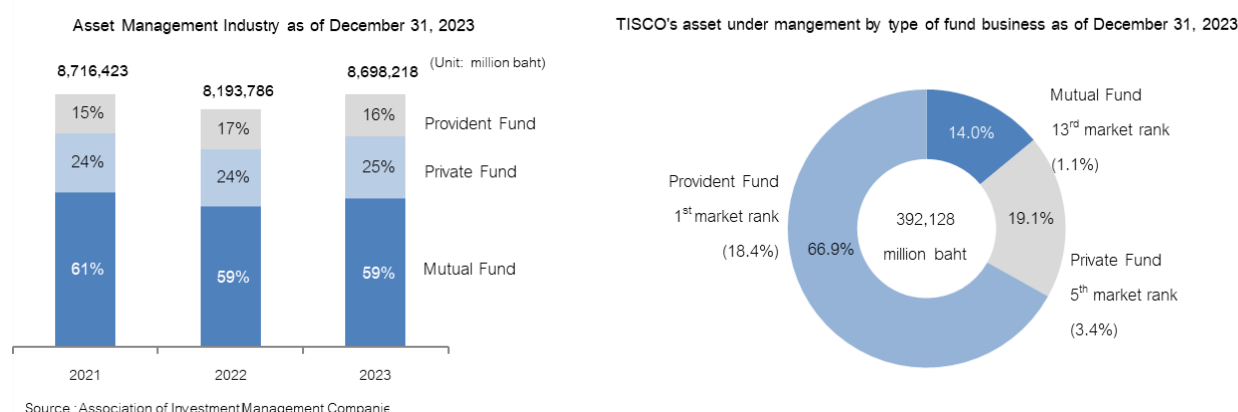
Capital market conditions and TISCO's market share

	2023	2022	2021
SET index (points)	1,415.85	1,668.66	1,657.62
Market capitalization (million baht)	17,430,645	20,440,931	19,538,095
Trading turnover (million baht)	12,413,043	17,165,507	21,314,782
Average daily turnover (million baht)	51,082	71,226	88,443
Dividend yield (%)	3.32	2.50	2.10
Price to earnings ratio (times)	18.42	18.16	20.78
Number of listed companies on the SET	627	612	593
Derivative contract volume (contracts)	129,491,241	136,316,012	135,117,308
TISCO Securities Market Share (exclude proprietary trade)	1.55%	1.29%	1.30%

Source: The Stock Exchange of Thailand

Asset Management Business

For the asset management industry, there are 27 players in Thailand, including asset management companies, commercial banks, securities companies, and insurance companies. As of December 31, 2023, the assets under management of the asset management market totaled 8,698,218 million baht, increased by 6.2% (YoY), mainly contribution from the mutual fund and private fund businesses. For the mutual fund business, assets under management totaled 5,106,166 million baht, increased by 5.4% (YoY) while private fund business's assets under management totaled 2,170,065 million baht, also increased by 10.4% (YoY). For the provident fund business has assets under management of 1,421,986 million baht, increased by 2.8% (YoY). At the end of 2023, TISCO Asset Management's market share in provident funds, private funds, and mutual funds was 18.4%, 3.4%, and 1.1%, respectively.



For the mutual fund industry in 2023 faced unfavorable market condition amid risk-off environment. The investor's confidence was lackluster, especially equity mutual fund investment albeit a strong market rally in developed markets, notably in US, Europe, and Japan. Nevertheless, there were strong inflows with more than 250 billion baht back into local and foreign fixed income funds, especially local fixed income term funds, which provided attractive return amid upward interest cycle. As a result, the industry AUM was at 5.1 trillion, up by 5.4% (YoY). Large asset management companies, who are the major players in fixed income term fund, enjoyed the AUM growth, while most medium and small asset management companies experienced a decline in asset value of equity funds especially in China and Thai equity market. By end of the year, there was a new tax-saving fund scheme from the government, namely ThaiESG fund, which is allowed for tax deductible of 100,000 baht per person. Most asset management companies including TISCO competed in launching their ThaiESG in December and can raise funds as much as 5.3 billion baht in total. At the end of 2023, TISCO Asset total mutual fund AUM was at 54,936 million baht, slightly increased by 2.3% (YoY), mainly due to strong inflows into the US bonds and Thai equity as well as triggered funds.

In contrast to last year, the private fund's industry AUM in 2023 rebounded by 10.4% (YoY) to 2.2 trillion baht, mainly driven by strong inflow from some large institution clients. Competition remained intense in bidding private fund

mandate from institutions with large asset size, resulting to deeply low fee margin. For TISCO Asset, AUM grew up slightly by 2.9% (YoY) to 74,839 million baht. In contrast to other players, we focus more on individual clients with a reasonable fee margin. TISCO Asset was ranked the 5th in the private fund industry with more than 170 accounts under management.

Provident fund industry in 2023 affected by the decline in capital markets. As a result, the overall industry growth this year was only 2.8% (YoY) to 1.4 trillion baht, and TISCO Asset Management was also affected. However, during 2023, TISCO Asset Management was appointed as a provident fund management company and received over 14,000 million baht fund transfers. Therefore, by the end of 2023, we were able to grow by 5.9% (YoY) with total fund size of 262,353 million baht from 5,289 employers, while still remaining at the first ranking in the industry with 18.4% market share.

Awards and Recognition in 2023

TISCO Financial Group Public Company Limited

Business Performance

Stock Exchange of Thailand

- Best Company Performance Awards from SET Awards 2023
- Outstanding CEO Awards from SET Awards 2023
- Outstanding investor Relations Awards from SET Awards 2023

Money & Banking Thailand

- Best Public Company 2023 - Financials Industry (3rd consecutive year)

Branding

Chulalongkorn University

- Thailand's Top Corporate Brand 2023 in Banking Sector (3rd year)

Employees

The Kincentric Thailand and Sasin

- Best Employer Thailand Awards 2023 (2nd year)

Corporate Governance

Stock Exchange of Thailand

- Highly Commended Sustainability Awards

Collective Action Against Corruption

- CAC Membership (Recertification 3rd Round)

Thaipat Institute

- Certification of "ESG100 Company" in 2015 – 2023 (9th year)
- The Sustainability Disclosure in 2023 (9th consecutive year)

Thai Investors Association

- A Perfect Score of 100 on the AGM Checklist Quality Assessment (9th recognition)

Thai Institute of Directors

- Excellent CG Scoring of Thai Listed Companies (17th consecutive year)

Technology

National Cyber Security Agency

- Certificate of Cyber Hygiene: Gold Level

TISCO Bank Public Company Limited

Transaction Banking

The Asset

- Top Sell-Side Firm in the Secondary Market (15th recognition)

Corporate Governance

Collective Action Against Corruption

- CAC Membership (Recertification 3rd Round)

TISCO Asset Management Company Limited

Business Performance

Morningstar

- Best Fund House Winner: Best Domestic Equity House Awards 2023 (2nd year)

Asia Asset Management

- Best of the Best Performance Awards - in ASEAN Equity 10 Years (2nd year)
- Best of the Best Awards – Thailand Best Pension Fund Manager (1st Year)

Products & Services

The Global Banking and Finance Review

- Decade of Excellence Provident Fund Management Thailand 2023 (6th year)

Money & Banking Thailand

- Best Mutual Fund 2023 - Foreign Fix Income Fund (TUSFIX)

Corporate Governance

Collective Action Against Corruption

- CAC Membership (Recertification 3rd Round)

TISCO Securities Company Limited

Business Performance

Stock Exchange of Thailand

- Outstanding Securities Company - Institutional Investors

Asiamoney

- Best Domestic Brokerages for sales (Rank 2)

Corporate Governance

Collective Action Against Corruption

- CAC certified (Recertification 3rd Round)

Hi-Way Company Limited

Human Resources Management

The Kincentric Thailand and Sasin

- The Best Employer Thailand (6th year)

TISCO Information Technology Company Limited

Corporate Social Responsibility

The Foundation for the Welfare of the Mentally Retarded of Thailand Under the Royal Patronage of Her Majesty the Queen

- Award for an Organization that Supports People with Intellectual and Developmental Disabilities

3) Provision of Products and Services

Commercial Banking Business

- **Sources of Funds**

TISCO Group has specified a policy for management of funding that is in line with the business strategy and market conditions of each period, balanced between financial cost and liquidity risk management, and which maintains sufficient funding sources against the use of funds. In addition, the Company's major source of funds is deposits. As of December 31, 2023, the funding structure as shown in the consolidated financial statements was comprised of 248,276.27 million baht in liabilities and 42,447.98 million baht in shareholders' equity, resulting in a debt-to-equity ratio of 5.8 times. The major source of funds on the liabilities side was deposits, which accounted for 71.8% of total source of funds. Other sources of funds included interbank and money market items which accounted for 2.9% of total source of funds, 10.7% of debentures and other liabilities, and 14.6% of shareholders' equity.

- **Credit Granting Policy**

Commercial loans

TISCO Group (specified for TISCO Bank and credit granting companies) has a policy to emphasize prudent growth in commercial and retail lending. For each new credit approval, the Bank thoroughly considers the borrower's business potential, opportunities, ability to repay, collateral, and the rate of return that justifies the risk of each borrower. TISCO Group focuses on expanding its business into markets with acceptable risk/return and in which it has sufficient expertise. TISCO Group performs analysis of key risk characteristics prior to entering new markets.

Collateral policies vary by type of credit and are employed with effective procedures to stabilize collateral values under the specified conditions and to minimize potential losses. However, TISCO Group may selectively grant loans without collateral to certain borrowers judged to have high creditworthiness, on a case-by-case basis. For the appraisal of collateral values, the Bank has a policy to have the collateral appraised by an independent appraiser or the internal asset appraisal unit before any loan can be drawn. TISCO Group's Appraisal Sub-Committee is responsible for approving the appraisal value proposed by the internal unit and independent appraisers under the Company's guidelines, in compliance with the regulations of the BOT.

TISCO Group has established prudent procedures for all credit approval to ensure high credit quality while maintaining customer satisfaction. Approved credit is reviewed and controlled, in compliance with overall credit policies. The maximum credit terms are set in accordance with the regulations of the BOT. TISCO Group has constructed a pricing policy aligned with current market conditions, credit exposure, and cost of funds without any price undercutting strategy.

Retail loans

The hire-purchase business covers a large portion of the retail credit portfolio. TISCO Group has a policy to aggressively expand its hire-purchase business in this market with justified risk-adjusted returns. TISCO Group has established a standard approval process for the hire-purchase portfolio and other retail loan portfolios which includes a credit-scoring system developed from an internal database to effectively control and shorten the loan approval process.

Credit policies are regularly reviewed to reflect the current market situation and support loan expansion in a prudent manner, while maintaining appropriate risk-adjusted return. Meanwhile, TISCO Group has a policy to maintain highly competitive credit quality without resorting to a price-cutting policy. In this respect, focus is on enhancing quality of service and business relationships as tools vital for competition. For the collateral policy, hire-purchase assets are supported by adequate secondary markets and appropriate insurance strategies.

For mortgage loans, approved credit shall not exceed 90% of the collateral value with terms and conditions varying by type of collateral. Meanwhile other retail loans without collateral require higher interest rates to offset the higher risk assumed.

- **Credit Approval Limits and Authorities**

The Credit Committee is responsible for overseeing the credit approval process under the credit policies and guidelines set forth by the Executive Board.

Credit approval policies are clearly stated, specifying the terms of credit limits and delegation of authority. All corporate loan transactions must be reviewed and approved by the Credit Committee while loan facilities which are considered material in size must be approved by the Executive Board. For the retail credit portfolio which covers small transaction sizes, the credit approval process and delegation of authority varies by the credit limit and is controlled by the overall credit policies. Large retail credit must be approved by the Credit Committee or the Executive Board after reviewing the type and purpose of the loan, on a case-by-case basis. For the hire purchase business, TISCO has implemented a credit-scoring system to assist the loan approval process, in which customer characteristics and loan terms and conditions are taken into consideration for computation of a credit score.

- **Credit Risk Management**

The Risk Management Committee of TISCO Group, comprised of senior management from key business lines, has been delegated the authority to set up policies, guidelines, and procedures for overall credit risk management, in compliance with the Consolidated Supervision principle of the Bank of Thailand. Meanwhile, the Credit Committee and Chief Credit Officer, who are in charge of the loan approval processes of each credit transaction, have set up guidelines for the delegation of approval authority at different levels for different types of facilities. The Problem Loan Committee is set up to monitor and follow up on problem loans and to set appropriate provisions for potential loan losses. To ensure independence in carrying out the credit approval process and reporting to the Risk Management Committee, credit quality control functions are clearly separated from marketing functions. Moreover, the Credit Review function is responsible for reviewing the credit approval process to ensure that the lending is in accordance with the Bank's practices and the Bank of Thailand. The Credit Review will report to the Risk Oversight Committee.

A credit grading system has been adopted for credit risk assessment in both the corporate and retail credit portfolios, in accordance with the implementation of the Internal Ratings Based approach (IRB), resulting in greater efficiency in capital utilization in the long term.

To mitigate credit concentration risk, TISCO Group has set a concentration limit which defines the maximum credit exposure for each individual borrower or borrowing group. Moreover, concentration in a single sector is also controlled within an acceptable level and considered in combination with the sector's exposure to equity investment. TISCO Group complies with the regulations of the BOT concerning single lending limits.

- **Credit Collection**

TISCO Group regularly performs credit reviews of the loan portfolio and monitors problem accounts. The Credit Committee closely co-ordinates with credit departments and promptly follows up on accounts with potential problems after a missing payment is reported. In addition, Problem Loan Committee meetings are arranged to review the status of borrowers, set up debt collection schedules and follow-up procedures, pursue legal actions, and set aside provisions for loan losses. As part of the follow-up procedure, the credit officer reports to the Problem Loan Committee all restructured cases on a regular basis.

For the retail credit portfolio, TISCO Group strives to continuously improve the strategies and procedures for debt collection and follow-up, in line with the economic conditions and related laws and regulations, particularly regarding notification from the Office of Consumer Protection. The primary collection and follow-up process includes collection, follow-up and asset repossession, legal process, and enforcement.

- **Debt restructuring**

The objective of debt restructuring is to resolve problem loans which have been affected by economic downturns or the borrower's financial difficulties. TISCO Group's procedures for debt restructuring involve various methods, such as relaxing of payment conditions, debt-to-asset conversion, debt-to-financial-instrument conversion, and debt-to-equity conversion.

Debt restructuring can be conducted with every borrower, regardless of status. The corporate lending function is responsible for the debt restructuring process, including the decision to select borrowers for restructuring. The delegated officers will evaluate the borrower's credit qualities and related financial and operating environment and perform projections on repayment possibilities.

For debt restructuring cases related to, both directly and indirectly, Bank directors or persons related to TISCO Group directors or management, the borrower's status, repayment ability and cash flow status must be evaluated by an independent financial institution or third party to ensure no conflict of interest with the Bank and the borrower. Under

the regulations of the Bank of Thailand, all restructured loans are reclassified, provisioned for, and recalculated for impairment loss.

- **Capital Adequacy**

The Group has a policy to maintain capital that is adequate to safeguard against Company risks in the long run, taking into account long-term solvency amid economic uncertainties and the adequacy of regulatory capital-to-risk asset ratios, as required by law. The Bank of Thailand's current capital adequacy ratio for banks registered in Thailand is 11.0%, whereas Tier-I Capital must be maintained at a level equal to at least 8.5% of risk assets.

The capital base of the Group remains strong with the Capital Adequacy Ratio exceeding the requirements of the BOT and sufficient to support forthcoming regulations concerning debt reclassification and provisions.

- **Liquidity Management**

The Risk Management Committee is responsible for monitoring and determining assets-to-liabilities direction and funding structure details. The Committee also establishes various liquidity limits to serve as early warning triggers, such as liquid assets, contractual maturity mismatch, funding concentration, and daily deposit/withdrawal levels. Furthermore, a liquidity contingency plan has been established to outline clear procedures and responsibilities for liquidity management in times of crisis.

The Treasury function, meanwhile, is responsible for daily liquidity management, securing of funding sources, and the use of funds, as required. The Treasury function is also responsible for managing the Bank's liquidity position to comply with internal guidelines and the regulatory requirements of the BOT.

- **Loan Classification, Provisions and Write-offs**

TISCO Group classifies financial assets into three groups (three-stage approach) in order to measure the allowance for expected credit loss. Classification of the financial assets is determined on the basis of the change in credit quality since the initial transaction date. Details are provided as follows:

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

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

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

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

Group 3: Financial assets that are credit-impaired (Non-performing)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset occur. The Group recognizes expected credit loss at an amount equal to expected credit loss over the expected lifetime of the financial assets.

Capital Markets Business

- **Sources of Funds**

The sources of funds are mainly equity, operational cash flow, and loans from financial institutions for working capital purposes.

- **Capital Adequacy Credit approval and authorization**

TISCO Securities Co., Ltd. has a credit approval policy to screen qualified customers and provide customers with a solid understanding of securities trading. Credit lines for customers are based on the customer's financial status and collateral. The Executive Board of Directors has granted credit approval authority to the Credit Committee. While

the Credit Committee alone approves high-volume credit lines, it has granted lesser authority to management to approve general credit lines which comply with the Credit Committee's guidelines and policy. Nonetheless, TISCO Securities Co., Ltd. provides transactions with cash balance account only.

- **Capital Adequacy Ability**

The Net Capital Rule (NCR) ratio of TISCO Securities Co., Ltd. as of December 31, 2023 was 76.4%, well above the 7.00% regulatory requirement of the SEC.

4) Business Assets

Main Fixed Assets for Business Operations

Premises and Equipment

As of December 31, 2021 – 2023, the Company and its subsidiaries' premises and equipment which are not used for mortgage and pledges, consisted of the following:

	<i>(Unit: Million baht)</i>		
	2023	2022	2021
Land	18	18	18
Premises, buildings, and building improvement	3,648	3,391	3,299
Furniture, fixtures, computers, and equipment	1,209	1,149	1,091
Vehicles	179	173	162
Total	5,054	4,731	4,570
<u>Less</u> Accumulated Depreciation	1,875	1,945	1,789
Land, premises, and equipment – Net	3,179	2,786	2,781

Right-of-use Agreement

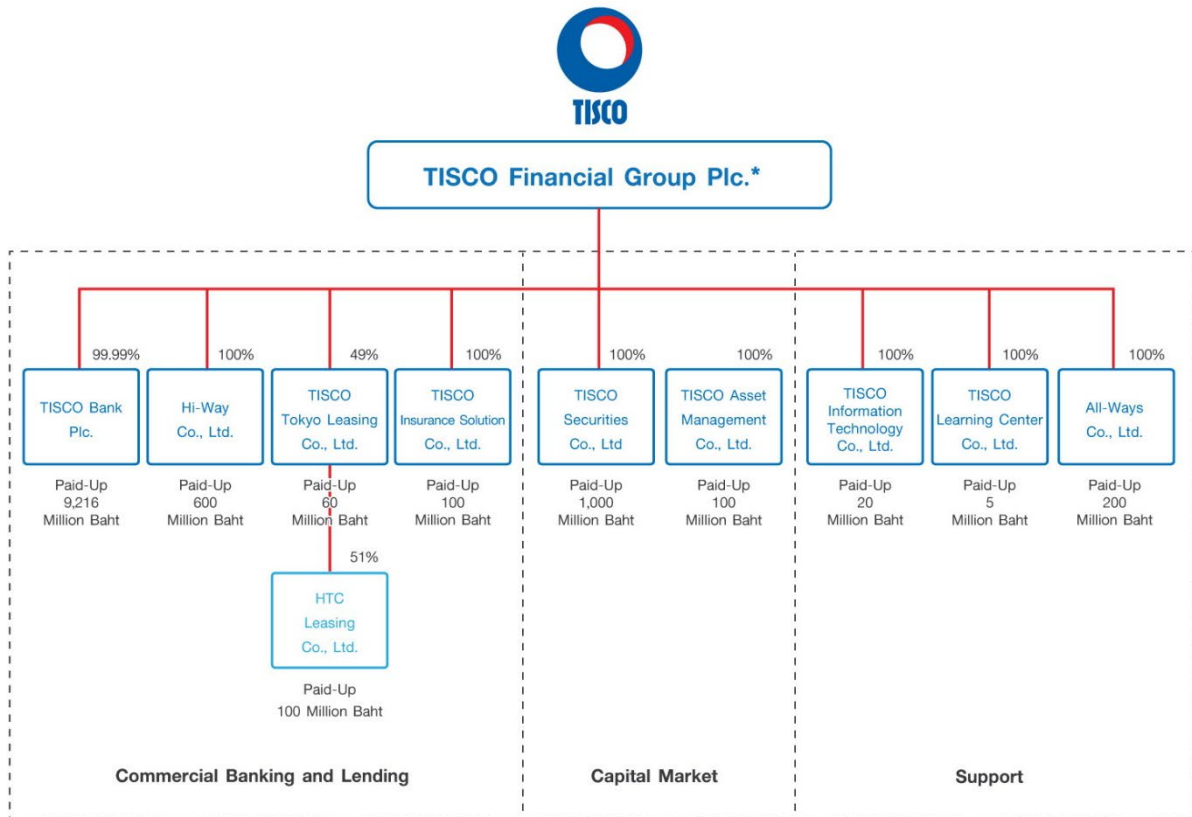
The Company and its subsidiaries have lease agreements and recognize right-of-use assets in accordance with TFRS 16.

	2023	2022
Book Value	2,046,851	1,463,449
<u>Less</u> Accumulated Depreciation	977,260	709,583
Net Book Value	1,069,591	753,866

1.3 Shareholding Structure

1.3.1 Shareholding Structure of TISCO Group

As TISCO Financial Group Public Company Limited operates as a shareholder in its subsidiaries and engages in no other major business, its competitive position is best examined through the business operations of the companies in TISCO Group. These companies operate in commercial banking and lending as well as capital markets and offer various financial services that satisfy a diverse range of customer needs. TISCO Group's structure as of December 31, 2023 is shown below.



*Listed in The Stock Exchange of Thailand

Investments of the Company in Other Companies

As of December 31, 2023, the following is a list of companies in which TISCO Financial Group Plc. has made investments in the form of a shareholding of 10 percent or more of the total number of shares issued.

Company/Head Office Address	Type of Business	Type of Shares	Paid-up Capital	Issued and Paid-up shares	Number of Shares Held	Percentage of Ownership (%)
1. TISCO Bank Public Company Limited ¹ 1 st Fl., TISCO Tower, 48/2 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 6000 Fax. (66) 2633 6800	Commercial Bank	Common		921,567,588	921,454,437	99.99
		Preferred		104	-	
		Total	9,215,676,920	921,567,692	921,454,437	
2. Hi-Way Company Limited 2046/16 New Petchaburi Road, Bangkapi, Huankwang, Bangkok 10310 Tel. (66) 2319 1717 Fax. (66) 2308 7405	Hire Purchase and Leasing	Common		5,994,500	5,994,496	100.0
		Preferred		5,500	5,500	
		Total	600,000,000	6,000,000	5,999,996	
3. TISCO Tokyo Leasing Company Limited 16 th Fl., TISCO Tower, 48/30 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2638 0900 Fax. (66) 2638 0913	Hire Purchase and Leasing	Common	60,000,000	60,000	29,400	49.0
4. TISCO Insurance Solution Company Limited 22 nd Fl., TISCO Tower, 48/51 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 6060 Fax. (66) 2633 4400	Insurance Sales Agent	Common	100,000,000	1,000,000	999,965	100.0
5. TISCO Securities Company Limited 4 th Fl., TISCO Tower, 48/8 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 6999 Fax. (66) 2633 6660	Securities	Common	1,000,000,000	100,000,000	99,999,998	100.0
6. TISCO Asset Management Company Limited 9 th Fl., TISCO Tower, 48/16-17 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 6000 Ext. 4 Fax. (66) 2633 7300	Asset Management	Common	100,000,000	1,000,000	999,994	100.0
7. TISCO Information Technology Company Limited 6 th Fl., TISCO Tower, 48/12 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 4299 Fax. (66) 2633 7600	Service Support	Common	20,000,000	200,000	199,994	100.0
8. TISCO Learning Center Company Limited 12 th Fl., Zone A, TISCO Tower, 48/20 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 7154 Fax. (66) 2633 7155	Service Support	Common	5,000,000	50,000	49,997	100.0
9. All-Ways Company Limited 7 th Fl., Zone A, TISCO Tower, 48/13 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 7129 Fax. (66) 2633 7150	E-marketplace platform	Common	200,000,000	2,000,000	1,999,997	100.0
10. Primus Leasing Company Limited ² 22 nd Fl., Zone A, TISCO Tower, 48/50 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (66) 2633 7766 Fax. (66) 2633 7600	Liquidation Processing	Common	3,000,000	30,000	29,998	100.0

¹ Core company of TISCO Group

² in the liquidation process

1.3.2 Shareholders

1) The Company's Major Shareholders

The Top 10 shareholders of TISCO Financial Group Public Company whose names appeared in the share registration book as of December 28, 2023, are as follows:

No.	Shareholders	Holder Type	Total Stock	Percentage (%)
1.	CDIB & PARTNERS INVESTMENT HOLDING PTE.LTD.	Foreign Juristic Person	80,065,320	10.0
2.	THAI NVDR COMPANY LIMITED	Juristic person	76,159,055	9.5
3.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	Foreign Juristic Person	55,512,614	6.9
4.	TOKYO CENTURY CORPORATION	Foreign Juristic Person	39,482,767	4.9
5.	STATE STREET BANK AND TRUST COMPANY	Foreign Juristic Person	27,596,800	3.4
6.	STATE STREET EUROPE LIMITED	Foreign Juristic Person	16,856,741	2.1
7.	SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	Foreign Juristic Person	14,413,396	1.8
8.	CITI (NOMINEES) LIMITED-CITIBANK LONDON RE FUND 208	Foreign Juristic Person	10,748,900	1.3
9.	MR. WEERAWAT VALAISATHIEN	Ordinary person	8,600,000	1.1
10.	SOCIAL SECURITY OFFICE	Juristic person	8,322,830	1.0
TOTAL SHAREHOLDING OF TOP 10 SHAREHOLDERS			337,758,423	42.2
OTHER SHAREHOLDERS			462,906,060	57.8
GRAND TOTAL			800,664,483	100.0

Remarks:

- CDIB & Partners Investment Holding Pte. Ltd. is 100% owned by CDIB & Partners Investment Holding Corporation (Taiwan) via CDIB & Partners Investment Holding Corporation (Cayman). CDIB & Partners Investment Holding Corporation (Taiwan) is 28.71% and 4.95% owned by CDIB Capital Group and KGI Bank, respectively. Both CDIB Capital Group and KGI Bank are 100% subsidiaries of China Development Financial Holding Corporation which is a listed company on the Taiwan Stock Exchange.
- STATE STREET EUROPE LIMITED & SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED are a global custodian keeping securities for customers who are end beneficiaries. Each customer holds less than 5% in TISCO.
- JPMorgan performs as a custodian of SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED, and has no beneficial interest in securities being held on behalf of its clients and as such, does not exercise any control over such holdings. Also, JPMorgan confirms that there is no individual underlying client who has a beneficial holding in excess of 5%.

2) Major Shareholders of the Company

The Top 10 shareholders of TISCO Bank Public Company Limited, whose names appeared in the share registration book as December 18, 2023, were as follow.

No.	Shareholders	Holder Type	Total Stock	Percentage (%)
1.	TISCO Financial Group Public CO., LTD.	Juristic Person	921,454,437	99.99
2.	MR. KITTICHAJ KRAIKORKIT	Ordinary person	30,247	0.0
3.	MS. PORNSUK PORNPRAPA	Ordinary person	8,100	0.0
4.	MS. SUPAVADEE PIYAMONGKOLVNG	Ordinary person	6,000	0.0
5.	MS. RACHIT KOWATTANAKUL	Ordinary person	6,000	0.0
6.	MR. SUCHART TANGKIVIVIJ	Ordinary person	5,000	0.0
7.	BANK JULIUS BAER & CO., LTD.	Foreign Juristic Person	4,800	0.0
8.	MR. PRACHA LEELAPRACHAKUL	Ordinary person	3,624	0.0
9.	MR. PRAPAT SRINUWATTIWONG	Ordinary person	3,000	0.0
10.	MR. SONGRIT KONGPIPATCHAISIRI	Ordinary person	3,000	0.0
TOTAL SHAREHOLDING OF TOP 10 MAJOR SHAREHOLDERS			921,524,208	100.0
OTHER SHAREHOLDERS			43,484	0.0
GRAND TOTAL			921,567,692	100.0

Reference was made to the Holding Company Restructuring plan of TISCO Group. TISCO Financial Group Public Company, as the parent company of TISCO Group, was approved by the Bank of Thailand to hold 100% of TISCO Bank's total paid-up shares.

3) The Company enters into a shareholders' agreement with effect on security offerings and issuance or the management power of the company.

- None -

1.4 Registered and Paid-up capital

Company

1.4.1 Total registered capital was 8,007,032,950 Baht with paid-up share capital of 8,006,554,830 Baht, comprised of 800,645,624 common shares and 9,859 preferred shares at par value of 10.00 Baht per share

1.4.2 Other Securities

Preferred Shares The preferential rights of the preferred shares expired on June 30, 2009. Thus, as of July 1, 2009, the rights and benefits of preferred shares are equal to those of common shares in all aspects.

The issuance of Warrants with Non-Voting Depository Receipts (NVDRs)

As of December 28, 2023, Thai NVDR Co., Ltd., a subsidiary wholly owned by the SET, issued Non-Voting Depository Receipts (NVDRs), which have the Company's shares as underlying securities, totaling 76,159,055 shares, or 9.51% of paid-up capital, consisting of 76,151,755 common shares and 7,300 preferred shares. Although all financial benefits received by NVDR investors are similar to the benefits earned from the Company's shares, NVDR investors shall have no voting rights at shareholder meetings, except in the case of a delisting decision. Therefore, if a great number of the Company's shares are sold to investors as NVDRs, the proportion of shares with voting rights will be reduced.

Moreover, the number of NVDRs is subject to change and is not under control by the Company. Investors can obtain records of the Company's NVDRs from the website of the Stock Exchange of Thailand (www.set.or.th).

Subsidiary Company Operating as a Core Business of the Group

1.4.3 TISCO Bank Public Company Limited, a Subsidiary Company operating as a Core Company of the Group, has registered capital of 9,215,676,920 baht and paid-up capital of 9,215,676,920 baht, comprising 921,567,588 common shares and 104 preferred shares at par value of 10.00 Baht per share.

1.5 Other Securities

1.5.1 Debentures Issuance

The Company

As of December 31, 2023, TISCO Financial Group Public Company Limited has unsubordinated, unsecured, short-term debentures without bondholder representation with an interest rate of 2.75% per annum. Total outstanding debentures was at 9,410 million baht.

Subsidiary and Affiliate Companies

As of December 31, 2023, TISCO Bank Plc. has outstanding subordinated and unsubordinated debentures (excluding short-term debentures) totaling 7,840 million baht. Details are provided as follows:

Name	Coupon Rate per annum (percentage)	Tenor (years)	Maturity Date	Issue Size (million baht)	Payment Date
1. Subordinate Instruments intended to qualify as Tier 2 Capital of TISCO Bank Plc. No. 1/2019 Due 2029 (TISCO292A) with the Issuer's right to early redemption, which may be required to be written off (fully or partially) should regulatory authorities decide to grant financial assistance to the Issuer Issuing Date: February 1, 2019	4.00	10	February 1, 2029	1,200	4 times a year
2. Subordinate Instruments intended to qualify as Tier 2 Capital of TISCO Bank Plc. No. 2/2019 Due 2029 (TISCO292B) with the Issuer's right to early redemption, which may be required to be written off (fully or partially) should regulatory authorities decide to grant financial assistance to the Issuer Issuing Date: February 22, 2019	4.00	10	February 22, 2029	1,200	4 times a year
3. Subordinate Instruments intended to qualify as Tier 2 Capital of TISCO Bank Plc. No. 1/2019 Due 2030 (TISCO306A) with the Issuer's right to early redemption, which may be required to be written off (fully or partially) should regulatory authorities decide to grant financial assistance to the Issuer Issuing Date: June 10, 2020	3.15	10	June 10, 2030	690	4 times a year
4. Subordinate Instruments intended to qualify as Tier 2 Capital of TISCO Bank Plc. No. 2/2019 Due 2030 (TISCO300A) with the Issuer's right to early redemption, which may be required to be written off (fully or partially) should regulatory authorities decide to grant financial assistance to the Issuer Issuing Date: October 21, 2020	3.50	10	October 21, 2030	1,250	4 times a year
5. Subordinate Instruments intended to qualify as Tier 2 Capital of TISCO Bank Plc. No. 2/2021 Due 2031 (TISCO317A) with the Issuer's right to early redemption, which may be required to be written off (fully or partially) should regulatory authorities decide to grant financial assistance to the Issuer Issuing Date: July 7, 2021	3.25	10	July 7, 2031	700	4 times a year
6. The Debenture of TISCO Bank Plc. No. 1/2022 Tranche 1 Due 2024 (TISCO243A) Issuing Date: March 11, 2024 TRIS Issue Rating: "A"	1.25	2	March 11, 2024	2,800	Twice a year

1.5.2 Bills of Exchange

Subsidiary Companies

As of December 31, 2023, TISCO Bank had outstanding short-term bills of exchange totaling 36.12 million baht with a 2.50% coupon rate, all in the form of callable bills of exchange.

As of December 31, 2023, Hi-Way Company Limited had outstanding short-term bills of exchange totaling 4,960 million baht with a 3.30% coupon rate, all in the form of callable bills of exchange.

1.6 Dividend Policy

The Company

The Company's dividend payment shall be made in accordance with the Articles of Association which state that no dividend shall be paid out of any money other than profits. In the event that the Company has an accumulated loss or cannot retain regulatory capital requirements after dividend payment, no dividend shall be paid. Dividends shall be paid equally according to the number of shares, unless otherwise specified in the Articles of Association regarding dividends for preferred shares. Payment of dividends shall be subject to shareholder approval.

The Company shall pay dividends at the rate of approximately 50% or more of net profit of each year, after appropriation of statutory reserve, subject to the Company's current financial performance, long-term capital adequacy, capital expenditure requirements, business strategies, and provided that such dividend will have no impact on the Company's subsidiary's status in accordance with the Bank of Thailand's requirement. The Board of Directors may from time to time pay interim dividends when it is clear that the Company has sufficient profit.

Subsidiary Companies

Subsidiary and affiliate companies' dividends will be the major source of income of TISCO Financial Group Plc. ("the Company"). Each and every subsidiary and affiliate company shall make dividend payments as advised by the Company. Consideration is based on financial performance, long-term capital adequacy, capital expenditure requirements, and the business strategies of each company. TISCO Bank ("The Bank"), shall pay dividends at an appropriate rate to ensure that after the dividend payment, the Bank's BIS ratio complies with the Bank of Thailand's requirement. The Board of Directors of each subsidiary and affiliate company may from time to time pay interim dividends when it has sufficient profit.

Dividend payments for the past five years were as follows:

	2023	2022	2021	2020	2019
Earnings per share (Baht)	9.12	9.02	8.47	7.57	9.08
Dividend per share (Baht)	7.75*	7.75	7.15	6.30	7.75
Dividend payout ratio (%)	85.0*	85.9	84.4	83.2	85.4

* Proposed to AGM for approval

In 2023, the Company paid interim dividend from net profit arising from the first six months operations to the common and preferred shareholders at 2.00 baht per share, of approximately 1,601 million baht in September 2023. As of February 27, 2024, the Board of Directors recommends the shareholder to approve the remaining dividend at the rate of 5.75 baht per share, making dividend payment for the net profit arising from the year 2023 operations totaled 7.75 baht per share or 6,205 million baht.

2. Risk Management

2.1 Risk Management Policy

TISCO Group places great importance on effective risk management and controls. By establishing an overall risk management framework, including policy objectives for all risk-related transactions, TISCO Group is able to increase awareness, accountability and efficiency in enterprise-wide risk management as well as maintain best practice standards and high-quality corporate governance. In addition, TISCO Group aims to maximize sustainable risk-adjusted return for shareholders over the long run.

Overall risk management policy, as a standardized operation for TISCO Group's risk management, encompasses the following structures:

(1) Consolidated and centralized risk management

Risk management infrastructure is centralized by consolidating risk exposure from all subsidiaries under the Company through careful risk assessment and the establishment of appropriate risk guidelines and procedures.

(2) Business line accountability, independent risk oversight

Each business line is accountable for managing its own risks in the best interests of TISCO Group while complying with risk management policies, guidelines, and procedures. Independent risk oversight and check-and-balance system have been established to ensure that risks are adequately monitored and controlled.

(3) Comprehensive risk assessment

Risk assessment is performed comprehensively in all key activities. Risk assessment methodologies may range from basic approaches such as expert judgments to more advanced approaches such as quantitative and statistical analysis, depending on the size and complexity of the risks involved. These assessments are in turn supplemented by fundamental risk analysis and stress testing of extreme risk events.

(4) Capital management based on standardized risk tools

Capital represents the ultimate interests of the shareholders. All risk exposures are quantified into a standardized risk measure called Risk Capital based on Value-at-Risk (VaR) concept which can relate risks to the amount of capital required to protect against them according to predefined risk limits. The process of risk assessment under Risk Capital is considered as part of Internal Capital Adequacy Assessment Process (ICAAP) of TISCO. Risk capital enables management and business line managers to understand the level of risks being taken in a meaningful manner. Risks from different levels are integrated to produce an overall risk picture of the Group, which is used for capital adequacy planning and strategic capital allocation both at the corporate and business unit level.

(5) Risk Tolerance Level and Capital Allocation

The total risk capital shall not be in excess of available capital fund of the Group where qualitative risk tolerance level shall be applied for non-capital-based assessment. Risk Capital shall determine the economic capital adequacy of TISCO, which the available capital is also allocated to the business and operating units such that the capital adequacies to undertaken risk are ensured both at the corporate- and business-unit-level.

(6) Adequate return for risk and risk-adjusted performance management

To promote shareholder value creation, risk components are incorporated into business performance measurements with the objective of maximizing risk-adjusted returns for shareholders. Product pricing takes into account varying risks to ensure overall profitability. Business expansion is advocated in the areas where marginal risk-adjusted returns are in excess of the marginal risks.

(7) Portfolio management, diversification and hedging

Risk diversification is a key risk management principle in all business activities. Diversification is considered and adopted by management and business line managers both at the portfolio and transaction levels as an effective approach to reducing the aggregate level of risks in accordance with certain guidelines and limits.

(8) Strong Risk Awareness Culture

Awareness and understanding of risks and risk management are important for the accountability of risk management. Business heads are expected to have a high degree of awareness and understanding of the risks in their accountable areas and how they contribute to the overall risk of the corporate as a whole.

(9) Effective Risk Modeling and Validation

Risks shall be modeled as forward-looking measures that reflect potential likelihood and impact on the intrinsic value of TISCO assets, liabilities, or businesses. Mark-to-market practice shall be adopted in all portfolios as appropriate, where independent validation from risk management shall be adopted in the case of high complexity in valuation. Key risk models with sufficient information shall be validated through a systematic back-testing process or other prudent statistical tools.

(10) Regulatory best practice

TISCO Group has adopted risk management policies and guidelines that comply with all regulations and best practice standards of the Bank of Thailand (“BOT”), the Securities and Exchange Commission (“SEC”) and other regulatory authorities.

(11) New Business or Product

All new businesses or products shall be approved by the portfolio risk authority and relevant specific-area risk authority according to the procedure outlined in the risk management guideline. New business or product will be evaluated in terms of its risk-reward characteristics, the contributions to the overall corporate risk profile, and the consistency with corporate capital capacity.

(12) Related Party Transaction

All business transactions among TISCO Group and related party shall be on a similar basis with same treatment of regular customers. Additionally, the related transaction shall be transparent and auditable. Meanwhile, the proportion of business transaction among TISCO Group shall be controlled under regulatory guideline.

(13) Stress Testing

Stress testing is a procedure to assess the impact on the company’s financial status under extreme risk events. Stress testing process is designed to be as a supplementary tool for the analysis of credit risk, market risk and funding risk. Risk Management Committee is responsible to oversee the framework for stress tests. The Committee will establish guidelines and key required assumptions to perform stress tests based on the appropriate framework. Meanwhile, Risk Management Functions are responsible to facilitate all related business units in order to perform periodically stress tests and report the stress testing results as well as the recommendations on any important aspects to the Risk Oversight Committee as well as the Risk Management Committee. Stress testing assessment and results shall be integrated to setting and evaluating the internal management strategy which may involve reviewing the need for limit changes or developing contingency plans.

(14) Risk Management for Foreign Exposures

Risk from foreign exposures arises from changes in the value of foreign exposures due to country-specific sovereign and economic conditions including political risk and capital flow risk. TISCO Group shall ensure that credit granting or investment activities in foreign countries are carried out in alignment with business strategy and well-controlled within the manageable level. The risk management of foreign exposures shall take into account the monitoring of economic and political risk factors that may adversely affect the value of foreign exposure position, as well as the country-specific liquidity, market and correlation risks. In case the foreign exposures are substantial and exceeding the threshold limit of 50% of regulatory Tier-I capital, TISCO Group will establish the detailed guidelines for managing foreign exposure risks in accordance with the BOT’s regulation.

(15) Policy for Recovery Plan

According to the past global financial crisis, it demonstrated the necessity for the financial institutions to be prepared to deal with financial distress. Development of a recovery plan is the preparation of mechanism in advance to deal with potential stress condition that may arise in the future to ensure that commercial banks have a framework that may be adapted as appropriate to the circumstances at the time of actual stress. The recovery plan shall at least cover key processes and provide necessary information as set out in the BOT's guideline on Recovery Planning. The plan includes a set of tools and procedures to enable the recovery or continuation of TISCO Group under extreme risk events. The Board of Directors through the Executive Board and Risk Oversight Committee oversee the recovery plan framework, whereby the Risk Management Committee formulates the recovery plan with support from the Enterprise Risk Management function in facilitating all related business units, consolidating all necessary information, and defining appropriate recovery trigger and recovery option in according with possible economic condition and market environment. Moreover, the Recovery Plan will be reviewed at least once a year or when there is a material change that may affect the recovery plan and the effective implementation of recovery options. The recovery trigger event result and option in the recovery plan will be reviewed by the Risk Oversight Committee and approved by the Executive Board.

Risk Management Framework

In accordance with enterprise-wide risk management policies and objectives, risk management and internal control have been monitored and controlled by the Board of Directors of the Company with the delegation to the Executive Board of Directors of the Company. An effective management process has been established for assessing and managing all firm-wide risk exposures at both the portfolio and transactional levels to ensure the financial soundness and safety of TISCO Group. Senior management and relevant business advisory committees oversee the entire risk management framework and strategy for all business areas supported by planning and budgeting function. The Risk Oversight Committee is set up to advise the Board of Directors on risk governance framework to ensure that top management and heads of risk management functions follow the risk management policy, strategies, and risk appetites, as well as to ensure that capital and liquidity management strategies are consistent with the risk appetites. The Risk Oversight Committee also reviews the sufficiency and effectiveness of overall risk management policy and strategies, and reports risk exposures, effectiveness of risk management system and risk governance culture of the organization, as well as any significant factors or required improvement to the Board of Directors, and advises or participates in evaluation of heads of risk management functions. Moreover, the Risk Management Committee, supported by enterprise risk management, risk analytics & advisory, IT risk management, and operational risk management functions, is set up to oversee that enterprise-wide risk management of the group is undertaken according to the same standard.

Specific-area risk authorities are then established to manage in-depth, transaction-level risks in each particular area, such as the Credit Committee, Problem Loan Committee, IT Risk Management Committee, and Compliance & Operation Control Committee. These mechanisms are in turn supported by the credit control and other supporting functions, compliance, and legal office. Business lines are fully accountable for managing their own risks within the policy and guidelines established by the Risk Management Committee and specific-area risk authorities. All the business operations are under the risk limit approved by the Risk Management Committee including new business analysis in each business line, where risk limits triggered as well as new businesses shall be reported monthly to the Risk Management Committee for acknowledgement. Additionally, the Risk Oversight Committee shall review the sufficiency and effectiveness of overall risk management policy and strategies, and reports risk exposures and key risk management issues. Moreover, to assure the proper implementation of approved risk management policy and guidelines, the risk management system shall be oversighted by the Audit Committee through the Internal Audit Function.

In the present, Information Technology (IT) is involved as integral part of business to serve business needs and being customer channels to access information and services as known as Financial Technology (FinTech), in addition to several laws and regulations which have been announced for IT good governance. TISCO Group has IT Risk Management function to manage in-depth and transaction-level of IT risks and to support the Risk Oversight

Committee as well as the Risk Management Committee regarding to IT risk as integral part of operational risk and IT Risk Committee in specific-area risk authorities.

The roles and responsibilities of the relevant committees and risk management authorities are described as follows:

- **Board of Directors**

The Board of Directors of the Company shall ensure the institution of effective risk management system of the Bank and ensure that the Company has adopted and adhere to TISCO Group Risk Management Policy. The Board appoints the Executive Board for managing and monitoring of risk activities while also delegate the authority of overseeing risk management activity to the Risk Oversight Committee. This is achieved by setting risk limits and risk appetites, and ensuring the establishment of effective risk management systems and procedures in accordance with the standard practices of risk identification, assessment, monitoring and control, all of which are in line with Risk management guideline and risk limit oversight by the Risk Oversight Committee.

- **Risk Oversight Committee**

The Risk Oversight Committee is set up to advise the Board of Directors on risk governance framework to ensure that top management and heads of risk management functions follow the Board of Directors' approved risk management policy, strategies, and risk appetites, as well as to ensure that capital and liquidity management strategies are consistent with the approved risk appetites. Moreover, the Risk Oversight Committee has responsibilities on reviewing sufficiency and effectiveness of overall risk management policy and strategies as well as risk appetites, at least once a year or when there is significant change. The Committee also reports on risk exposures, effectiveness of risk management system and risk governance culture of the organization, as well as any significant factors or required improvement to the Board of Directors, and advises or participates in evaluation of heads of risk management functions.

- **Risk Management Committee**

The Risk Management Committee of the company, comprising the senior managements from the TISCO Group, has been appointed by the Group CEO in charge of the formulation and implementation of enterprise-wide risk strategies and action plans in connection with risk management policies and guidelines. The Risk Management Committee meeting is regularly held once a month. Enterprise risk management, risk analytics & advisory, operational risk management, and IT risk management functions support the Risk Management Committee in setting up and monitoring risk management policies and guidelines and performing enterprise-wide risk management activities through research, assessment, and reporting process.

- **IT Risk Committee**

IT Risk Committee is appointed by Group CEO to determine IT Risk Management Policies and to oversee IT risk management activities and key risk indicators for effectiveness of IT risk management processes and IT compliance with laws and regulations across TISCO Group.

- **Specific-Area Risk Authorities**

Specific-area risk authorities are set up to address in-depth risk management and controls at the transaction level. Key specific-area risk authorities include the Credit Committee and Problem Loan Committees, which are in turn supported by the credit control in overseeing credit approval and risk management. In addition, Executive board of Directors of the bank and Board of Directors of other credit-granting subsidiaries shall control and follow up all specific risk areas which are directly reported to the Board of Directors of the bank as well as the Board of Directors of the company on a regular basis.

- **Board of Directors of Subsidiaries**

Under consolidated supervision framework, the Board shall ensure that each subsidiary adopt and adhere to TISCO Group Risk Management Policy approved by the Board of Directors of the parent company. The Board will appoint other committees according to the needs and suitability to carry out specific tasks to ensure that the operations are in compliance with established Corporate Governance Policy and report risk management activities

and financial performance to the parent company's Executive Board on a regular basis, in compliance with the Consolidated Supervision Principle of the BOT.

2.2 Risk Factors

Risk management of TISCO Group considers six risk factors which are 1) Credit Risk 2) Liquidity Risk 3) Market Risk 4) Operational Risk 5) Strategic Risk and 6) Emerging Risks. The overall risk of TISCO Group is at a manageable level, with amount of capital fund remaining strong for further business expansion which has already been assessed by the BOT. Moreover, TISCO Group has guidelines for risk management according to each type of risks.

2.2.1 Credit Risk

Credit Risk is defined as the possibility of obligor's failure to meet the contract agreement with TISCO Group. If the failure occurs, it requires the Bank to maintain higher provisions for expected credit loss. As a result, it adversely impacts net income and capital of TISCO Group.

- **Default Risk**

Default risk occurs from lower credit quality. As of December 31, 2023, NPL ratio of TISCO Group increased from 2.1% at the end of 2022 to 2.2% at the end of 2023 as TISCO maintains an effective asset quality control including long-term debt restructuring and debt relief programs. Moreover, in order to prevent rising credit risk, an increase in expected loss was also absorbed by the expected credit loss (ECL) set up during the year, with prudently managed non-performing loans (NPLs) including advanced risk management tools and stringent practice of loan collection, debt restructuring and write-off process. Additionally, NPL ratio of retail loan increased from 2.8% at the end of 2022 to 3.1% at the end of 2023, while there was no NPL of corporate loan at the end of 2023. Total NPLs was 5,222.91 million baht which increased by 646.38 million baht or 14.1%, of which the NPL of the Bank was 4,402.69 million baht whereas NPL of other subsidiaries amounted 820.22 million baht.

Since January 1, 2020, TISCO Group has started using the Expected Credit Loss framework in place of provision impairment loss method according to the new Thai Financial Reporting Standard No. 9 (TFRS 9) which has different loan classification and impairment model, taking into account the potential credit loss and additional risks from forward looking macroeconomic factors (Forward Looking Model). Meanwhile, as of December 31, 2023, total allowance for expected credit loss on loans of TISCO Group was 9,915.97 million baht, of which the allowance for expected credit loss on loans of the Bank amounted to 8,897.49 million baht. The excess reserve has been fully amortized since the end of December 2021. Hence, the loan loss coverage ratio for TISCO Group stood at 189.9% at the end of 2023, reflecting the prudent provisioning policy to mitigate potential risk.

- **Concentration Risk**

Concentration risk is the risk from borrower concentration. As of December 31, 2023, hire purchase and corporate loans represented 45.5% and 25.1% of the total credit portfolio, respectively. The hire purchase portfolio, of which concentration was very low, had 106,851.35 million baht of loan outstanding. Top-10 borrower exposure of hire purchase portfolio stood at 56.87 million baht or 0.05% of the total hire purchase portfolio, or equal to 0.02% of the total credit portfolio.

For the corporate loan portfolio, it was diversified into four different sectors: manufacturing and commerce, 2,644.61 million baht; real estate and construction, 26,819.97 million baht; and public utilities and services, 29,499.67 million baht. Lending to the above industrial sectors represented 4.5%, 45.5%, and 50.0% of the total corporate loan portfolio, and represented 1.1%, 11.4%, and 12.6% of the total credit portfolio, respectively. As top-10 borrower exposure stood at 49,227.24 million baht or accounting for 21.0% of the total credit portfolio, there is slight concentration in public utilities and services as well as real estate and construction sector which have been managed under risk management procedure. Moreover, corporate loan portfolio is almost fully collateralized. In loan approval process, appropriate proportion of collateral value and financing amount is maintained to ensure that

risks were kept within a manageable level. Furthermore, collateral values will be regularly appraised, and effective loan drawdown procedure has been implemented. Portfolio credit quality was closely monitored.

- **Collateral Risk**

Collateral risk occurs from borrower defaults and the value after selling collaterals in the debt collection process cannot cover the original debt amount. As of December 31, 2023, lending portfolio of TISCO Group came mostly from TISCO Bank whereby 77.9% of the portfolio was asset backed or with collateral. For the hire purchase portfolio, the underlying asset under the loan agreement itself is still owned by TISCO Group. In case the borrowers of hire purchase loans cannot meet the terms and conditions, TISCO Group can follow up and seize the underlying assets immediately. After repossession, the process of asset liquidation can be completed within 3-5 months.

A major risk factor in the hire purchase business depends on the market value of used cars. A substantial decrease in the market value of a used vehicle results in credit loss, which directly affects the net income and capital of TISCO Group. Market prices for used cars depend on such diverse factors as market demand, type, brand, and tax regulations.

According to the past records, the recovery rate for asset liquidation in the secondary market was somewhat high at 70% to 90% of the remaining net financing amount, which helped in absorbing losses from defaulted loans. TISCO Group has attempted to minimize credit risk by regularly updating its information regarding trends in the used car market, requiring high-value collateral, sufficient average down payment, and favoring well-known brands in the secondary market.

For commercial and mortgage loans, most collateral extended as loan guarantees was in the form of real estate, of which the value could be deducted for the purposes of expected credit loss provisioning. Collateral values were appraised according to regulations of the BOT. The proportion of collateral value used in deducting the provisioning requirements for NPLs was 93.0% of the NPLs of commercial loan and mortgage loan.

Generally, the risk of real estate value changes depends on economic conditions. A recession in the Thai economy might result in lower values, which would require TISCO Group to reserve higher allowance of expected credit loss and would affect net profit and capital fund. Moreover, the legal process of collateral acquisition through related laws and enforcement is both costly and time consuming. However, all pending cases are closely monitored on a regular basis.

- **Property Risk from Foreclosed Assets**

Property risk from foreclosed assets is the impairment of assets transferred from loans, hire purchase receivable on which debtors had defaulted on their repayment obligations under the loan contracts or restructured receivables. The value of repossessed assets is stated at the lower of cost and net realizable value. Outstanding assets in the process of liquidation held by TISCO Group as of December 31, 2023, were worth 25.82 million baht, or 0.009% of total assets. Allowance for impairment stood at 0.2% of total foreclosed assets.

- **Credit Risk Management Framework**

The Risk Management Committee is delegated to oversee credit risk management of the corporate portfolio. The committee is responsible for formulating credit risk strategies and establishing guidelines and limits, as well as advising other credit risk authorities and retaining accountability on related issues. It also monitors and reviews credit risks at the portfolio level and reports essential credit risk information to the Board. In addition, the Risk Oversight Committee shall advise the Board of Directors on risk governance framework to ensure that top management and heads of risk management functions follow the Board of Directors' approved risk management policy, strategies, and risk appetites, while reviewing sufficiency and effectiveness of overall risk management policy and strategies. The Risk Oversight Committee shall also report on risk exposures, effectiveness of risk management system and risk governance culture of the organization, as well as any significant factors or required improvement to the Board of Directors, and advises or participates in evaluation of heads of risk management functions.

Credit risk is mainly incurred from subsidiary companies, in which conducting loan as main business. Specific- Area credit risk authorities include the Credit Committee, and Problem Loan Committee, which are

established to oversee credit risk management and control at in-depth transaction level of subsidiary companies. The Credit Committee is responsible for reviewing and granting credit approvals to any single client proposed by lending officers. The Credit Committee may delegate its authority to designated persons for authorizing lower-risk transactions. The Problem Loan Committee was set up to monitor and follow up overdue payment of problem loan accounts and foreclosed assets on a regular basis.

Sound credit risk assessments are key risk practices at TISCO Group such as credit analysis, credit rating, delinquency analysis, concentration level and risk capital. All loan origination must operate under a sound credit granting process in which an effective credit rating system is employed in key business area. In retail lending area, quantitative-oriented approaches to credit grading are implemented, considering its homogenous high-volume characteristics, with emphasis on the use of extensive data mining and analysis. In corporate lending area, qualitative-oriented credit grading approaches shall be employed, taking into account its highly varying risk profiles, with well-defined standard.

Concentration risks are also essential in credit portfolio risk management. Appropriate guidelines on concentration risks are set up considering appropriate business practice and company risk capital capacity.

TISCO Group uses credit risk management guidelines and limits that are comprehensively applied to all credit-related functions both at the portfolio and transactional levels, as well as monitoring and managing problem loan and foreclosed assets.

2.2.2 Liquidity Risk

Liquidity risk is the possibility that TISCO Group might not be able to meet its obligations to repay debts when they come due, whether as a result of a failure in cash management or an inability to raise funds to meet demand in time. Liquidity risk comes from internal and external factors. Internal factors are maturity mismatches in the assets and liabilities profile which affect the level of liquid assets, while market liquidity and depositor confidence represent external factors affecting liquidity risk.

As of December 31, 2023, the value of liquid assets is 53,495.76 million baht, which comprised of cash at 918.26 million baht compared to 1,005.06 million baht in December 31, 2022, net transactions with interbank and money market at 48,489.70 million baht compared to 40,272.42 million baht as of December 31, 2022 and net current investment at 4,087.81 million baht compared to 4,972.13 million baht as of December 31, 2022.

Currently, liquidity risk from the maturity mismatch is moderate, once adjustments for the historical behavior of creditors and debtors such as loan defaults or rollovers are taken into account. According to maturity mismatch profile within 1 year, the cumulative gap has shown the matured assets over the matured liabilities accounted for 78,969.23 million baht. In addition, emergency credit line, cash flow from operations as well as inter-bank borrowing shall be utilized as a cushion against funding risk that might occur.

As of December 31, 2023, the Bank reported deposit 208,644.67 million baht, the outstanding long-term debentures (both subordinated and unsubordinated) of 7,840.00 million baht and short-term debentures of 9,410.00 million baht, and bill of exchange amounted to 36.12 million baht.

- **Liquidity Risk Management Framework**

Funding risk management is overseen by the Risk Management Committee who delegates day-to-day management of liquidity position to the accountable business line, subject to independent oversight and compliance to the approved risk policies and regulatory requirements. In addition, the Risk Oversight Committee shall advise the Board of Directors on risk governance framework to ensure that top management and heads of risk management functions follow the Board of Directors' approved risk management policy, strategies, and risk appetites.

Key funding risk policies involve the management of cash flow maturity profiles, funding concentration, liquidity coverage ratio, net stable funding ratio, and liquidity contingency plan. Funding risk strategies shall take into account the liquidity status in the market and how unexpected changes would affect the company's risks. A

manageable level of maturity mismatches of cash flows from assets and liabilities shall then be consistently maintained and regularly monitored with liquidity stress testing, together with the level of liquidity reserve. Funding sources shall be well-planned to optimize risk/return while controlling excess concentrations in certain funding sources is crucially required. Contingency procedures for liquidity management in the times of unexpected financial crisis must be established and made ready for timely activation.

2.2.3 Market Risk

Market risk stems from adverse changes in securities prices and interest rates, which affect the volatilities of net income, capital, asset value, and liabilities of TISCO Group.

- **Equity Price Volatility**

As of December 31, 2023, the equity portfolio stood at 2,081.76 million baht, of which 419.75 million baht was listed equity, 54.11 million baht was unit trust, 547.17 million baht was ETF and foreign stock in current market value, and 1,060.73 million baht was non-listed equity measured at fair value in accordance with the Thai Financial Reporting Standards No. 9 (TFRS 9).

- (1) Listed Equity Risk and ETF

TISCO Group exposed to price risk from market price volatilities of listed equity, unit trust and ETF and foreign stock investment. Investment portfolio measured at fair value through profit or loss (FVTPL) stood at 1,021.03 million baht as of December 2023.

TISCO Group calculates Value at Risk (VaR) for risk assessment purposes and files reports to management in charge as well as to the Risk Management Committee on a daily basis. VaR is a maximum potential loss at a predefined confidence level and time horizon. Three-month investment horizon VaR at a 99.0% confidence level excluded unrealized gain/loss, as of December 31, 2023, was 98.19 million baht, decreased from 193.41 million baht as of December 31, 2022, mainly resulted from decreasing of risk exposure via portfolio rebalancing. For effective risk management and control, trigger limits were set up to monitor the overall market risk profile according to internal guidelines, such as concentration trigger limit, stop-loss trigger limit, etc.

- (2) Non-Listed Equity Risk

Non-listed equity portfolio measured at fair value stood at 1,060.73 million baht, which increased from 963.50 million baht from the end of 2022. Presently, the investment strategy of TISCO Group is not to increase the size of the non-listed equity portfolio, but instead seeking opportunities to liquidate them, while at the same time closely monitoring portfolio quality on a regular basis.

- **Interest Rate Risk**

Interest rate risk can be classified into two types; namely risk from interest-bearing assets and liabilities profile, and fixed-income risk.

- (1) Risk from Interest-Bearing Assets and Liabilities Profile

Interest rate risk occurs whenever there is a mismatch in the re-pricing period of assets and liabilities. A movement in the level of interest rates may lead to higher borrowing costs when compared to earnings, resulting in lower interest rate income, which in turn influences TISCO Group's income and capital.

The Risk Management Committee also acts as the Assets and Liabilities Management Committee (ALCO), which is responsible for managing and maintaining interest rate risk at an appropriate level. TISCO Group's interest-bearing assets and liabilities structure, as of December 31, 2023, is provided in the following table.

(Unit: Million baht)

Interest Bearing Assets and Liabilities	Changed within 1 month	Changed within 2-12 months	Changed within 1-2 years	Changed after 2 years	Total
Assets	106,552.72	43,852.36	34,049.06	59,018.70	243,472.84
Liabilities	(70,813.43)	(150,769.29)	(2,413.27)	(12,416.31)	(236,412.30)
Net Gap	35,739.29	(106,916.93)	31,635.79	46,602.39	7,060.53

Under the change of interest rate within 1 year, TISCO Group had liabilities over assets within 2-12 month stand at 106,916.93 million baht. Considering the interest rates outlook of gradually increase trend, the repricing gap structure was still under acceptable risk level.

(2) Fixed-Income Risk

Fixed-income risk is the result of a decrease in the value of fixed-income instruments when interest rates increase. As yields in the market go up, the value of fixed-income instruments decreases to maintain yields at the same level.

TISCO Group's fixed-income portfolio as of December 31, 2023, stood at 3,313.59 million baht, decreased from 3,989.88 million baht at the end of 2022. Average duration of the bond portfolio was 0.63 year, increased from 0.50 year from the end of 2022. However, Fixed-income risk was under acceptable risk and also meets the purpose of maintaining liquidity reserves according to the BOT's requirements.

● Market Risk Management Framework

Risk Management Committee is responsible to oversee the portfolio risk management and control of market risks. The business lines are accountable to manage market risks in their portfolios within the guidelines and limits set by the Risk Management Committee. Specific-Purpose Risk Authorities have been established in high-risk areas to oversee all aspects of transaction-level risks, such as setting investment guidelines, authorizing investment transactions and trade counterparties etc. In addition, the Risk Oversight Committee shall advise the Board of Directors on risk governance, review sufficiency and effectiveness of overall risk management policy and strategies.

Market exposures shall be grouped appropriately according to the nature and characteristics of risks involved. Suitable risk treatment framework shall be implemented to effectively manage each class of market exposures. Portfolio market risks of all assets and liabilities shall be assessed and quantified using the Value-at-Risk (VaR) concept employing methodologies and techniques appropriate to the nature of risks involved. Back-testing has been prudently performed to validate internal value-at-risk model. In addition, stress testing in place as a supplement to VaR is performed under various extreme scenarios. The risk assessment and corresponding risk treatment has taken into account the transaction intent as well as the market liquidity of the securities.

Interest rate risk from banking book is analyzed on the basis of mismatch between the timing of interest rate re-pricing of assets and liabilities and its potential impacts on future net interest income of TISCO Group under simulated scenarios.

Sophisticated market risk positions, such as derivatives securities, shall be handled with special attention. Derivative risks must be decomposed into basic risks and analyzed such that the inherent risk profile is clearly understood. In addition, derivative risk management policy has been set up in order to effectively control and manage risks from derivative transactions with appropriation to complexity of the derivative.

2.2.4 Operational Risk

Operation Risk is defined as the risk arising from errors, inadequate or failed internal processes, technology, people, or external factors including legal risk and fraud risk. The impact can be classified into financial loss and non-financial loss such as reputational damage and business opportunity losses. TISCO Group has formulated a policy and continuously developed an operational risk management framework to enhance the operational

efficiency process, control and manage risks systematically with the same standard, minimize operational damages, and prevent risks in the future.

- **Operational Risk Management Framework**

Creating a corporate culture that fosters risk awareness is a fundamental part of TISCO Group's efficient operational risk management. TISCO Group has therefore promoted knowledge and understanding of its operational risk management guidelines among staff at all levels so that they are aware of their role as owners and of risks related to their work or their organization. As a result, staff has a sense of responsibility in handling any operational risk under their scope of work. At TISCO Group, an Operational Risk Management function is in place to manage the group's overall operational risks by supervising, supporting, and monitoring all group functions' implementation of the operational risk management policy and guidelines. The goal is to ensure that risks are in line with TISCO Group's risk appetite. The Company has prepared a process to assess operational risks. This features identification of key operational risks, assessment of control efficiency, identification of key risk indicators, formulation of annual plans on operational risk reduction and prevention and reporting operational risk assessment results and the operational risk management plan to relevant executives and committees.

To ensure that operational incidents are properly handled, the Company has formulated guidelines on incident management. According to the guidelines, a responsible function analyzes the causes of the problem, prepares measures to prevent such an incident in the future, compiles a summary of incidents related to operations and compliance including material incidents, and reports to a relevant committee for consideration per criticality. Regarding complaint management, after receiving a complaint, the response must be made within a proper timeframe in line with the Service Level Agreement (SLA). The Company has prepared several channels for receiving complaints and laid down guidelines on complaint management. The guidelines seek to resolve the complaint through various actions such as the offering of compensation or fair treatment within a specified timeframe. Complaints received through these channels are analyzed and summarized for relevant executives to acknowledge, consider, and approve compensation, as the case may be, and to improve work efficiency. The Company has implemented a system to record and compile incidents, complaints, compensations, and preventions, which shall be used for monitoring and addressing incident and complaint management within a proper timeframe. Information has also been stored for comprehensive risk assessment and the preparation of the operational risk management plan.

Moreover, the Company has assessed risks involving new products, processes, and technologies or key changes. Assessments are comprehensive and include strategies, operations, IT and cyber threats, regulations, and impact on Environmental, Social, and Governance (ESG). Relevant executives and committees consider assessments and approve plans before their implementation to keep risks at an acceptable level.

Currently, TISCO Group has applied digital technology to the expansion of channels for products and services. The move, however, comes with IT risks especially threats that have been significantly evolving in a way that may cause financial damages to the group, harm its reputation, or trigger other unwanted impacts. Recognizing such risks, TISCO Group has set up the IT Risk Management function to handle IT Risk Management, IT Compliance, IT Risk Management Framework & Process, IT Key Risk Indicators, IT Risk Review for Proper Risk Appetite, and an IT Risk Report that will be submitted to relevant committees.

In the face of significantly evolving cyber threats and their impacts, the Company has organized a variety of training and educational activities for its employees and outsiders. Among them are online seminars, PR materials about cyber threats, content about how to protect themselves from cyberattacks, and useful infographics that are released on the websites, social media of the TISCO Group. To raise awareness and perception of all employees, the enhancement of the understanding of cyber threats is regularly conducted through organizational training, posting on various office places including the announcement of information on the corporate website with an aim to avoid or reduce the possibility of being affected by cyber threats. Additionally, the study on the potential cyber-crime attack, monitoring and assessment of possible IT risks and cyber threats are regularly conducted to effectively improve the quality of IT risk management, appropriately harden the security, prepare for preventive measures, and establish response plan including the communication plan both for internal and external parties.

Whereas the TISCO Group undertakes financial businesses and provides financial services to customers, the continuity of business undertaking in order not to disrupt the provision of the services to the customers is the crucial matter that the TISCO Group highly emphasizes. TISCO has well-developed and proactively prepared readiness of every system and process relating to the critical businesses for ascertaining the continuous business operations (Business Continuity Plan) without disruption. The Business Continuity Plan also covers the process for recovering the critical systems to resume their availabilities within the determined period and the other relevant contingency and backup plans including alternative site and work-from-anywhere strategy. The actions according to the Business Continuity Plan are subjected to be tested regularly to make all relevant business units perceive and understand their roles and responsibilities and actions required to be taken whenever disaster incurs. In addition, TISCO has realized the severity of several impacts that may affect the safety of employees, customers, counterparties, or other relevant parties, thereby, the Emergency Plan has been established as an integral part of the Business Continuity Plan to determine appropriate action plans for managing various emergencies exposed from external events with the primary objective to secure the safety and minimize possible losses. To support and enhance the efficiency of the proceeding following the Business Continuity Plan, TISCO Group has determined a communication plan and channels for communication between executives and employees including the communicating channels with the external parties to convey the situation updates and the corporate action plans to all relevant persons in a timely manner.

2.2.5 Strategic Risk

Strategic Risk is a form of uncertainty stemming from the possibility that TISCO Group might make an adverse business decision, improper strategy implementation or misalignment between strategy, target, organization structure, competition and resources that affect TISCO Group's earnings and capital.

- **Risk from Economic Conditions and Business Competition**

Although TISCO Group diversifies its businesses in areas of high potential, most of them are influenced by changes in economic conditions. For hire purchase businesses, growth and credit quality are directly affected by the state of the economy, levels of competition and growth in public consumption. Strong economic growth results in faster growth in asset size and revenues of TISCO Group, and vice-versa. Strong market share and competitive advantage, however, make TISCO Group less vulnerable to negative economic factors.

For the equity investment of TISCO Group portfolio, the economic outlook, capital market performance and investor sentiment is still crucial to TISCO Group's financial performance. In a bullish economy, equity prices tend to increase significantly, resulting in improving the Bank's profit and capital. Conversely, unexpected events such as wartime, terrorist attacks, epidemic, and natural disasters, as well as government policies that affect confidence of the economy may cause a substantial drop in equity values, adversely affecting TISCO Group's financial performance. While the brokerage and underwriting business also depends on the condition of the stock market, most income is derived from trading volumes, with the result that the impact of price levels may not be substantial. In effect, TISCO Group has adopted a variable cost structure in the brokerage business, which minimizes the impact of unfavorable market conditions.

The asset management business is dependent only to a minor degree on economic conditions as fee income is based on the net asset value of funds under management. Profit and loss from investments do not directly affect TISCO Group's financial results. However, higher competition on pricing structure is a major risk factor in this business.

- **Risk from Capital Adequacy**

As of December 31, 2023, as TISCO Bank's capital requirement based on Basel III Internal Rating Based Approach (IRB), the regulatory capital adequacy ratio (BIS ratio) stood at 22.35% remaining higher than the 11.00% required by the BOT. The Tier-I and Tier-II adequacy ratio stood at 18.87% and 3.48%, respectively, in which Tier-I adequacy ratio also remained higher than the minimum requirement at 8.50%. For TISCO Group, the BIS ratio, Tier-I and Tier-II ratios stood at 19.51%, 16.29% and 3.22%, respectively, which also remained higher than the

minimum capital requirement. Meanwhile, the net capital rule (NCR) of TISCO Securities Co., Ltd. remained strong at 76.44%, greatly higher than the minimum required ratio by the SEC of 7.00%.

As an internal risk measurement of capital adequacy (ICAAP), the risk-based capital requirement of TISCO Group stood at 15,249.65 million baht, accounting for 38.1% of total capital base under Basel III - IRB of 40,049.82 million baht, with capital surplus for future risks and business expansion totaling 24,800.17 million baht.

- **Risk from Subsidiaries' Financial Performance**

TISCO Financial Group Plc. was established with the purpose of investing in other companies only. Therefore, the performance of the company depends on the performance of invested companies. Subsidiaries' risks involve the risk of TISCO Bank's business operation which is a core business of the company and other subsidiaries' business operations. The company holds shares of all 8 subsidiaries including TISCO Bank. However, while most of the net income comes from dividends received from its subsidiaries, volatile performance of subsidiaries may affect the overall the company's performance. In effect, the dividend payment to shareholders may also be volatile.

Profit recognition of TISCO Group came from all subsidiaries including TISCO Bank. As of December 2023, net profit of TISCO Bank and other subsidiaries was 6,772.63 million baht, where 1,884.19 million baht was from subsidiaries excluding TISCO Bank. Although the subsidiaries experienced outstanding business performance and generated profits to the company, investment strategy is important in the future. Therefore, the board of directors meeting has defined the investment policy for TISCO Group where the company will invest in those businesses having ability to support the competitive efficiency of the group. Besides, the market and industry trends, competitive environment, and long-term profit-making capability together with prudent risk management shall be considered.

Net income from subsidiaries, excluding TISCO Bank, accounted for 27.8% of total net income, which significantly affects the overall TISCO Group's income. Additionally, the net income from brokerage and investment banking are from TISCO Securities while net income from asset management is from TISCO Asset Management.

While subsidiary businesses are influenced by market activity and overall economic conditions, the impact of risk from securities and asset management businesses will have a significant effect only on Bank profitability, without having a severe impact on capital as the major focus is on services rather than lending or investment.

Internal control and risk management of subsidiaries is centralized at the Company which applying a universal set of standards and guidelines for all. The company sends its representatives to serve as directors at subsidiaries for at least half of the total directors and to participate in establishing important business policies, in which the annual business plans of subsidiaries require approval by the company.

- **Strategic Risk Management Framework**

The executive board and senior management directly oversee strategic risks of TISCO Group, with the policy to employ effective sound practices in strategic management that enable it to respond effectively to changes in the business environment and unexpected external events. Vision and mission statements reflect the company's core direction and how our business is conducted, around which all strategies and policies are formulated. Sufficient processes have been set up to carry out effective corporate strategy formulation, business planning, resource management, performance management, and other essential decision support systems. Strategic audit process is then performed at the board level of the company by non-management directors as the ultimate line of protection.

In organization and business practice, the principles and practices of good corporate governance have been adopted to protect the rights and interests of all stakeholders. The corporate governance framework has included corporate governance policy and strong systems of internal controls, which are subject to regular independent assessment and review.

TISCO Group manages strategic risk by setting up 3-year strategic plans to provide a clear business direction together with operating budgets. The plans are reviewed on an annual rolling basis and used to compare actual performance on a monthly basis.

2.2.6 Emerging Risks

TISCO Group is aware of and prepares to deal with emerging risks and mega trends, constantly monitoring changing landscapes and intensifying fluctuations. It has also analyzed risk factors that may affect or damage its businesses for risk-management purposes. Such efforts are made to efficiently handle or reduce adverse impacts from the risks both in short term and in long run. In the year 2023, TISCO Group identified emerging risks and issued risk-management guidelines as follows.

Emerging Risks	Description of Risks	Potential Business Impact of Risks	Mitigating Actions
Emerging Diseases [103-1] [103-2]	Emerging diseases are defined as infectious diseases having been recently recognized and recurred within a population, and whose incidence has increased significantly, including infectious diseases that become resistant to drugs or common treatments such as bird flu, SARS, and coronavirus disease (COVID-19).	In 2023, although the COVID-19 epidemic situation was likely to improve, the economy started showing recovery sign mainly due to economic activities slowly return to normal. Tourism and the related businesses started to resume their businesses after the declaration of COVID-19 as an endemic disease. However, the mutation of the virus made the COVID-19 to reappear from time to time.	TISCO Group keeps monitoring the epidemic situation to assess risk and impact analysis, and maintaining the preventive measures and reviewing business continuity plans under emergency situations in the event of new epidemic situation.
Financial Landscape Risk [103-1][103-2]	Digital transformation and new business models are taking shape these days as a result of digital disruption. Technologies and consumer behaviors have been changing fast. In the wake of the COVID-19 outbreak, a New Normal has materialized with people significantly changing their lifestyles and demanding a greater level of digital services. This development has not only given rise to new dimension of financial innovations which transcended the traditional services we had been accustomed to, but also reshaped the financial landscape. This is a prelude to decentralized finance, which inevitably has a direct impact on the role of financial institutions.	Development of technology that connects every mechanism within the economic and financial system creates both opportunities and risk for banks in order to remain competitive in the market, while new players joining the fray may be required to comply with different rules and regulations governing each business.	TISCO Group has studied all these changes and made preparation to deal with them and has developed financial products and digital channels with modern technologies such as Cloud Computing. TISCO Group has always accorded importance to studies the alternative ways to utilize the development of digital technology and the risk assessment towards service enhancement in a changing competitive environment.
The risk from the introduction of Artificial Intelligence technology	Artificial Intelligence (AI) is a branch of computer science that focuses on creating intelligent machines capable of performing tasks and exhibiting human-like intelligence.	The emergence of artificial intelligence has caused disruption in the financial industry and challenged the traditional business models of financial institutions. It has opened up new	TISCO Group continues to learn and adapt to cope with the impact of the introduction of artificial intelligence on financial industry. It is also needed to prepare for managing the

Emerging Risks	Description of Risks	Potential Business Impact of Risks	Mitigating Actions
	<p>These machines can self-learn, organize, and interpret data on their own. The importance of artificial intelligence has grown significantly in business operations, but it also introduces new potential risks.</p>	<p>perspectives and ways of doing business, including the creation of new innovations and operational patterns. Artificial intelligence has become a crucial component of technology in the financial industry, financial services, and insurance businesses, transforming how products and services are presented in the next era.</p>	<p>ethical and legal implications of artificial intelligence, including questions regarding its impact on privacy policies, biases in technology, and the responsibility necessary when using the technology.</p>
Demographic Changes	<p>The risk of demographic changes refers to the potential impact that may occur due to changes in the population structure of a society. One example of this risk is the aging population, as an increase in the elderly population in society may have implications for public health systems, retirement services, and can also affect businesses that need to adapt to avoid missing opportunities in responding to the changing needs of customers.</p>	<p>When the proportion of elderly population increases, the resulting effect is a change in market demands. There is a greater interest in products and services related to health, retirement planning, and services for the elderly. This will impact strategic adjustments, including innovation to meet the evolving needs of the customer base.</p>	<p>TISCO Group has conducted studies and analyzed customer data to understand their needs and improve operational efficiency in response to changes. This includes considering the development of products and services that cater to the evolving preferences of the customer base.</p>
Cyber Risk	<p>Nowadays, societies have become increasingly dependent on digital technology, while the COVID-19 situation has also driven a 'Cashless Society' lifestyle. Therefore, the bank developed the work system by applying various technologies, such as Cloud Computing, which includes cooperation with various business partners to develop products and services on electronic channels Including mobile channels as well. Therefore,</p>	<p>Cyber threats affect both customers and banks. They can damage banks on many levels, such as disruption of banking services, financial loss, customer data leak and loss of customer trust in the bank. In addition, in case of leakage of customer information or breaches of customer data, these may result in the bank being subjected to penalties according to the Personal Data Protection Act.</p>	<p>TISCO Group has established risk management to deal with cyber threats with 3 measures, which are 1) setting guidelines for managing information technology risks systematically and continuously, 2) having procurement and development of detection and surveillance tools which includes dealing with new and complex cyber-attacks, and 3) creating an organizational culture to ensure continuous cyber-threat awareness at all levels</p>

Emerging Risks	Description of Risks	Potential Business Impact of Risks	Mitigating Actions
	<p>cyber threats are an important issue which tends to increase. Moreover, cybercrime has changed the attack pattern to be faster and more sophisticated, whether it is deceiving customer information (Phishing), psychological deception (Social Engineering), and unauthorized programs. Malicious programs or ransomware attacks and others are gradually becoming more violent in the digital world.</p>		<p>from the Board of Directors, Executives, and employees to control the risks that may occur to the level acceptable to TISCO Group (Risk appetite). In addition, TISCO Group has continuously developed and upgraded the IT security to meet international standards such as ISO27001 (Information Security Management Standard).</p>

3. Driving Business for Sustainability

As a financial institution that has long grown along with the economic development of Thai society, TISCO Group is committed to being a Financial Lifetime Partner for everyone, to elevate the quality of life and well-being of people in society by providing financial access and generating sustainable financial returns with the principle of "Value-Creation Business, Towards Social Development."

To keep pace with ever-changing business landscapes with the commitment of managing satisfaction and balancing interests of stakeholders, TISCO Group regularly reviews our strategy and business practices and has established a sustainability operating structure, stakeholder engagement guidelines, processes to define materiality topics, and continuously updating our knowledge of sustainability development. Nevertheless, these elements are currently being integrated into TISCO Group's business strategy and operation approach, encompassing all Environment, Social and Governance topics that are important to the organization and our stakeholders.

3.1 Sustainability Management Policy and Goals

TISCO Group has defined a Sustainability Development policy to guide both the management of the organization to accommodate various changes and the management of operational impacts on society and environment. The policy is centrally defined and applicable to all companies in TISCO Group, in order to ensure alignment in operations and create significant social impacts. Details of the policy are as follows:

1. Economy: TISCO Group aims to create sustainable growth by generating business returns and economic value with strength and resiliency, while cultivating innovation for enhancing operational efficiency. In addition, TISCO Group puts great importance on of truly understanding customers' needs by building relationships, analyzing the situation, and adjusting business operations to keep up with changes. At the same time, TISCO Group provides responsible lending that benefit society and the environment, promote fairness, and help alleviate household debt.

2. Corporate Governance: TISCO Group adheres to strong corporate governance and prudent risk management at all levels, upholding ethical business practices with reliable service offerings and transparent operations. Approach business expansion by considering both the business environment and regulatory landscape. In addition, TISCO Group focuses on supporting anti-corruption guidelines, preventing TISCO Group from being used for money laundering or terrorism funding.

3. Social: TISCO Group promotes social well-being by increasing access to financial services and continuously driving financial literacy programs. For our employees, TISCO Group is committed to creating an "Organization of Happiness " by focusing on building good relationships with employees, communicating corporate values, and developing professional knowledge and abilities to create career advancement opportunities for all employees and maintain a good working environment.

4. Environment: TISCO Group operates with environmental responsibility, taking into account climate change issues. We support a transition to Low-Carbon Economy through loans for green energy businesses, efficient use of resources to reduce our carbon emissions, Effective waste management, and continuous participation in environmental initiatives by working with the community to restore the natural balance from reforestation projects.

On the whole, the Sustainability Framework approved by TISCO Group executives provides the basis for TISCO Group's three-year Sustainability Roadmap. Reviewed on a regular basis, the Sustainability Roadmap sets the operational guidelines for all companies under TISCO Group. Both the Sustainability Framework and the Sustainability Roadmap are key to driving TISCO Group towards sustainability in a tangible manner.

Sustainability Integrated Corporate Strategy

In 2023, the global economic trend remains weak due to various factors, from continuing effects of the COVID-19 pandemic, geopolitical conflicts that impacts international trade, to the effects of climate change that are likely to further intensify. These economic, social, and environmental instability highlight the importance of sustainability development as one of the key factors necessary for the long-term survival of a business. Therefore, TISCO Group has incorporated key sustainability topics into its business strategy as a guideline and goal for its business operations as follows:

Retail Banking	Corporate Banking	Wealth and Asset Management
<p>Financial Inclusion for Better Living</p> <ul style="list-style-type: none"> Responsible lending to all retail clients Financial inclusion to underserved clients Financial accessibility through physical branch and online channel Financial wisdom of clients through financial literacy program Debt consolidation to lower debt persistence problem 	<p>Mobilization of Green Financing</p> <ul style="list-style-type: none"> Customized financial solutions for corporate clients with integrity and professional services Support green energy for transition of net zero economy Expertise and customer insightfulness in clients' business 	<p>Social Well Being with Financial Freedom and Security</p> <ul style="list-style-type: none"> Holistic financial advisory services focusing on Retirement Financial Planning Trusted financial services with expertise in investment and protection advisory Business partner coordination for better service to clients Financial literacy in relation to healthcare and investment Hybrid financial accessibility though both online and offline channels

These strategies are reflected in environmental, social and governance aspects as follows:

Corporate Governance: Create sustainable growth for all stakeholders, operating with good governance at all levels throughout the organization.

- Incorporate sustainability into policies, business strategies, goals, and performance evaluation.
- Drive growth by embracing new way of working and foster a culture of innovation, under a strong governance and comprehensive risk management that embraces ESG factors.
- Regularly communicate and maintain close relationships with regulators to ensure business compliance with relevant laws and regulations.

Social: Elevate social well-being through cooperation with all related parties.

- Increase financial accessibility to underserved customers, as well as providing financial literacy for customers and communities to promoting financial discipline.
- Develop various types of financial products, which include investment advisory services based on up-to-date information to create financial freedom "Happy Retirement" plans.
- Offer a wide range of personal finance seminars, including savings planning, investment, money management, tax planning, and happiness management through online and offline channels.
- Creating an organization of happiness by giving importance to human resource development, offering fair remuneration and welfare, providing career-advancement opportunities, and treating employees fairly.
- Giving back to the society with a focus on supporting education and public health.

Environment: Promote low-carbon economy and conduct business by taking into account risks and opportunities from environmental impacts.

- Provide green financial products and services.
- Efficient use of operational resources to reduce environmental impacts.
- Collaborate with communities to restore natural habitats and increasing green areas through reforestation programs.

For further details, please see the Sustainability Development Report 2023

3.2 Management of Impact on Value Chain

3.2.1 Value Chain

TISCO Group drives sustainable development throughout the value chain by continuously enhancing relationships with all stakeholders, focusing on social and environmental stewardship. In order to enable all groups of stakeholders to coexist with better livelihoods.



Primary Activities in TISCO Group's Value Chain start from analyzing **customer** needs and setting strategic goals in order to design or find appropriate financial products, services, and channels that respond to eclectic needs of customers. Then, marketing and sales plans activities were planned to attract customers and increase accessibility, this steps also including provide targeted customer advice. The final set of activities is operation and customer services, ensuring smooth value delivery and customer satisfaction, which ultimately contribute to development of long-term relationships with customer.

Support Activities include:

- Effective human resource management as our **employees** are the people who drive the organization and are the main force in running the business.
- Managing relationship with **business partners**, which include external service providers (suppliers) and business alliance for mutual benefits (partners) to develop products and procure adequate resources for operating the business.
- Development of technology and innovation for effective performance
- Good corporate governance and prudent risk management that lays the foundation for all operational processes and activities, mitigate risks and building confidence among stakeholders.

These business activities and processes are monitored by various **regulators** such as the Bank of Thailand, the Securities and Exchange Commission, the Office of Insurance Commission, and other agencies according to each part of business operations.

The value create from these business activities leads to financial growth and return for **shareholders**, who are considered company's owners or its capital's owner. The value also transfer to **community and society** in the form of direct and indirect benefits, such as reduced household debt due to access to financial products, financial security after retirement, increasing employment in the community, as well as other through social initiatives such as financial literacy programs based on TISCO Group's expertise and donation for medical research and improvement of school buildings, and so on.

3.2.2 Analysis of Stakeholders in the Value Chain

TISCO Group emphasize the importance of stakeholders who are directly and indirectly affected by the company's decisions and operations. Understanding the needs of each group of stakeholders will lead to the better development of financial products and services, as well as operating in a direction where TISCO Group will grow while meeting the expectations of stakeholders. The stakeholder engagement approach comprises 4 important steps as follows.

- 1) Analyzing current business model, strategy, and business plan.
- 2) Identifying key stakeholders both inside and outside the organization.
- 3) Assessing stakeholders' interests and expectations, along with views towards sustainable growth
- 4) Appointing the responsible department and selecting appropriate communication methods to review and follow up on the results of the engagement process and ensure effectiveness

Based on such approach, TISCO Group classifies key stakeholders into 6 groups: shareholders, customers, business partners, employees, community & society, and regulators, with relevant response as follows.

Stakeholders	Relevancy	Interests and Expectations	Response to expectations
Shareholder	Owner of company who can influence the company in terms of decision-making and strategic direction.	<ul style="list-style-type: none"> • Strong financial performance and sustainable corporate growth • Return on equity and dividend payment that are consistent with the financial market and Thai economic growth • Operational stability and risk are within an acceptable level • Transparent and fair operations • Transparent and fair business practices, shareholders have equitable and timely access to accurate information and updates 	<ul style="list-style-type: none"> • Conduct business with appropriate balance of return and risk, in order to maintain satisfactory shareholder overall returns on investment.
	Communication methods <ul style="list-style-type: none"> - Institutional investor visits - Online and offline analyst meetings - Information disclosure through the Stock Exchange of Thailand, print media, and company website - Annual and Extraordinary General Meeting of Shareholders 		
Customer	Those who receive direct benefits from the use of company's products or services, therefore generating income for the company	<ul style="list-style-type: none"> • Ease of access to financial products and services; • Benefits from the use of financial services for example <ul style="list-style-type: none"> • Retail customers: manage cashflow to be able cover common household expense, and able be free from debt • Corporate customers: business growth from efficient capital management • Wealth and Asset Management customers: increase prosperity from 	<ul style="list-style-type: none"> • Expand product range to meet customers' needs • Disclose product information transparently and accurately. • Continuously develop sales-force capabilities both in terms of financial expertise and customer services skills. • Increase access to a wide range of financial products and services.

Stakeholders	Relevancy	Interests and Expectations	Response to expectations
		appropriate returns, ensure stability and reduce risk from life's uncertainties.	
	Communication methods <ul style="list-style-type: none"> - Customer meetings and corporate client visits - Online and offline seminars on economic, finance, and investment topics - Channels for customers to provide comments, suggestions, and complaints. - Public relations through various channels such as newsletters, corporate websites, and mobile Application 		
Business Partners, including Creditors	Individuals or companies that are business partners in doing business and supporting core operations and business processes	<ul style="list-style-type: none"> • Business growth and mutual benefits from operations • Equal and Fair treatment to all business partners • Long-term business relationship with the company 	<ul style="list-style-type: none"> • Provide business partners with equal access to accurate, clear, and adequate information. • Communicate the Supplier Code of Conduct to all business partners and conduct business with them in accordance with the established policies.
	Communication methods <ul style="list-style-type: none"> - Meetings with business partners - Satisfaction Assessment - Supplier Site Visit 		
Employee	People who drive the organization and the main force in running the business.	<ul style="list-style-type: none"> • Career advancement and opportunities for learning and personal development • Compensation suitable with their ability (competitive salary) and sufficient for good quality of life . • Employment stability, good physical and mental health, and ability to work happily until retirement. 	<ul style="list-style-type: none"> • Treat employees fairly, give employees at all levels equal opportunities to personnel development and career growth. • Ensure appropriate compensation and other benefits • Focus on occupational health and promotion of personal health improvement
	Communication methods <ul style="list-style-type: none"> - Announcement and communication through internal newsletters - Activities to strengthen good relationships among employee, include knowledge and experience sharing - Channels to receive complaints and suggestions (HR Help-line) - Employee participation surveys 		
Community & Society	General public that receive indirect benefits and impacts from the business operation	<ul style="list-style-type: none"> • Increased stability and better quality of life • Financial and knowledge support that they can personally apply and built on. 	<ul style="list-style-type: none"> • Organize activities to support and respond to the needs of the community.
	Communication methods <ul style="list-style-type: none"> - Public relations through various channels such as newsletters and company websites. - Surveys of the community needs and participation in social and environmental activities. 		

Stakeholders	Relevancy	Interests and Expectations	Response to expectations
Regulators	Regulatory agencies who ensure that any business operations are carried out in accordance with relevant laws and regulations.	<ul style="list-style-type: none"> Business operations comply with applicable laws and regulations. The growth of the country's overall business sector, with appropriate impact mitigation mechanism 	<ul style="list-style-type: none"> Formulate policies and guidelines in accordance with relevant laws and regulations Establish a compliance function to liaise with internal units and regulators Continuous supervision of compliance procedures
	Communication methods <ul style="list-style-type: none"> Communication through compliance function and regulatory reporting unit Related procedures, such as audits by governing bodies, meetings and discussions between company's executives and official agencies on important matters 		

3.3 Environmental Sustainability Management

3.3.1 Environmental Policy and Guidelines

To promote efficient energy consumption and environmental conservation, TISCO Group therefore formulates policies to prevent, mitigate and adapt to the potential impacts of climate change by factoring environmental factors into operational guidelines as follows:

- Integrating environmental and energy management practices that meet international standards into operations, while ensure accordance to relevant laws and regulations.
- Incorporating environmental policies into credit approval policies to include environmental risk as one of the factors used for credit consideration, as well as establishing recommendations for credit consideration for industries that involve high environmental risk, ensuring that all projects we support have appropriate environmental management in accordance with relevant laws and standards.
- Committing to environmental and energy conservation by making it the duty and responsibility of all executives and employees to adhere to established policies and guidelines, cooperate in audit process, and report information requested by the Sustainability Development Working Group.
- Providing financial services to support environmental friendly businesses, including energy and biodiversity conservation projects to mitigate climate change impacts.
- Setting clear targets and roadmaps to reduce greenhouse gas emissions, including efficient water management and waste management at the organizational foundation level.
- Raising awareness and increasing participation in reducing greenhouse gas emissions from operations, taken into account sustainability and environmental impact. This includes sharing knowledge both inside and outside the organization.

3.3.2 Environmental Performance

Indicators	Target 2023-2026	2023 Performance
Power consumption efficiency	Under 250 Kw/Hour per square meter and reducing by at least 3% compared to prior year	215.35 kWh per square meter, an increase of 3.79 percent from the previous year due to an increase in the number of employees return to the office after the COVID-19 situation eased.
Water consumption	Under 30,000 cubic meters per year and reducing by at least 5% compared to prior year	39,870 cubic meters per year, an increase of 31.50% from the previous year due to an increase in the number of employees return to the office after the COVID-19 situation eased while maintaining cleanliness measures.

Indicators	Target 2023-2026	2023 Performance
Paper consumption	Under 100 tons per year and reducing by at least 3% compared to prior year	99.79 tons per year, an increase of 19.87% from the previous year from the volume of work to support increase business operations.
Use of Styrofoam containers	Styrofoam containers are not being used in all TISCO Group establishments.	0 Items of Styrofoam containers used in all TISCO Group establishments.
Greenhouse gas Emissions	Over 14% reduction in Greenhouse gas emissions from head office building (Scope 1&2) from the base year (2017)	26.42% reduction in Greenhouse gas emissions from head office building (Scope 1&2) from the base year
Lending service for Electric Vehicle (EV)	2023: Loans for over 10% of newly registered EVs in Thailand 2024-26: Over 15-25% of TISCO new car hire purchase loan	Providing loans for 4,135 EV cars, three times increased from the previous year, representing 5.42% of newly registered electric vehicles in Thailand.
Support for large-scale environmentally friendly lending projects	Over 20% of large-scale lending projects	The value of large-scale environmentally friendly lending projects increased from the previous year by 1,400 million baht, which account for 18.23 percent of all large-scale lending projects while large-scale lending business also experienced high growth as a whole.

3.4 Social Sustainability Management

3.4.1 Social Policy and Practice Guidelines

TISCO strives to operate our business with social responsibility and to participate in the development of communities in which we operate to achieve sustainable social development. In this regard, TISCO has formulated the following operating policy:

- **Good Corporate Governance:** Establish a robust corporate governance policy that provides guidelines for business operations and communicate with everyone in the organization for acknowledgment and compliance with such policy.
- **Fair Business Operations:** Conduct business under the code of conduct and business ethics to ensure fairness and regulatory compliance in business operations, promote free trade competition, respect property rights, avoid actions that may cause conflicts of interest, and refrain from any infringement of property and intellectual property.
- **Anti-corruption:** Establish an Anti-Corruption Policy to support an organizational culture of transparency. Communicate with all in the organization, as well as partners and stakeholders, to build awareness and readiness to fight against all forms of corruption and to promote transparent business operations.
- **Respect for Human Rights:** Support and respect human rights avoiding human rights violations as well as by providing channels for reporting information and complaints for prevention and resolution. TISCO Group emphasizes managing diversity in the organization by treating all employees, business partners, and customers equally and fairly without discrimination in regard to race, color, religion, gender, age, nationality, civil rights, sexual orientation, or ability. TISCO also does not support child and illegal labor and adheres to human rights.

- **Fair Treatment of Labor:** Emphasize taking care of employees' quality of life and well-being by respecting and complying with the law, providing an environment with health and safety in mind at work, and allowing employees to showcase their potential and be trained/upskilled at work.
- **Consumer Responsibility:** Consider the benefits and satisfaction of customers as important by offering a wide range of products and services of quality to meet their needs as well as to create satisfaction and convenience while complying with Market Conduct.
- **Corporate Social Responsibilities:** Emphasize the integration of social responsibility in the decision-making processes and business operations, support activities and projects that promote social responsibility, both CSR In Process and CSR After Process, such as building financial literacy in society both online and offline, blood donation activities, donations to support public health, epidemic assistance, disaster assistance, granting of scholarships, career funding through TISCO Foundation, and social activities/occasions that benefit society and the community.
- **Environmental Management:** Realize business operations may cause low-level adverse impacts on the environment and thus aim to reduce such impacts. Such mitigating actions will increase value and support sustainability for the organization, society, community, and the entire Thai economy. TISCO also promotes efficient use of resources by considering necessity and net benefits. Environmental and social risk assessment is conducted to mitigate risk and help the Company draw up a plan to handle possible future impacts. Moreover, TISCO Group considers environmental and social risks in the screening process before making financial decisions by defining an Exclusion List and ESR Highly Sensitive Sector List to screen industries at risk with environmental and social issues.
- **Social Innovation Development:** Open to promoting the development of innovations that create maximum benefits for business and society with employees, partners, and business partners on an ongoing basis.

3.4.2 Social Performance

Indicators	Target 2023-2026	2023 Performance
Customer experience level (Net Promoter Score or NPS)	2023: 45% 2024-2026: 50%	50%
Financial literacy for customers and general public	2023: Over 500,000 people per year 2024-2026: Over 1-2 million people per year	Over 1 million people
Building financial skills in younger generations to support growth in the "Somwang Ngerm Sang Dai" brand	At least 1 project per year	2 nd and 3 rd Somwang Camp, with a total of 126 participants.
Providing education opportunities to children	At least 1 project per year	TISCO Ruamjai 13 Project to build a school building for Wat Non Sadao School, Wachirabaramee District, Phichit Province with a total value of 5,549,000 baht.
Investment in communities	Ongoing projects	Total investment of 41.6 million baht
Creating a happy organization	Over 85% employee satisfaction	87% employee satisfaction (2022 assessment results, as assessed every 2 years)
	Over 90% retention rate	92.4% retention rate
	Zero complaints related to labor issues and human rights	Zero cases of complaints related to labor issues and human rights

4. Management Discussion Analysis

4.1 Operation and Financial Statement Analysis

The Management Discussion and Analysis compares operating performance and financial position of TISCO Group for the year 2023 with those of the year 2022

Movement of Money Market and Capital Market

In 2023, domestic economy showed a slower-than-expected recovery with GDP growth at 1.9% from the prior year, while the economic growth faced challenges in multiple fronts. Export value was deemed to contract in the mid of fragile economies of trading partners, along with the geopolitical conflicts among several countries, which consequently resulted in sluggish expansion in private investment sector. Additionally, the government spending slackened due to a delay in the 2024 Budgetary Procedures Act. Tourism sector, on the other hand, was a key driver contributing to Thai economic recovery, witnessed over 28 million foreign tourist arrivals despite lower-than-expected number of Chinese tourist arrivals. This helped support an expansion in employment and private consumption. Nonetheless, consumer confidence remained weak amid concerns on political uncertainty, together with pressure from high cost of living and elevated household debt levels. The headline inflation stayed high at the beginning of the year, but gradually eased down during the second half of the year thanks to policy rate increases and government support measures, resulting in an increased inflation rate for the year 2023 at only 1.23% (YoY). The domestic car sale for the year 2023 totaled 775,780 units, declined by 8.7% comparing to last year, partly resulted from tightened loan underwriting by financial institutions.

To control inflation level and ensure long-term economic stability, throughout 2023, the Bank of Thailand (BOT) raised the policy rate 5 times from 1.25% to 2.50%. Commercial banks thereby increased their interest rates to reflect the rising interest rate cycle. The average 3-month fixed deposit rates of Top-4 commercial banks increased from 0.61% to 1.14% (YoY). The lending rates of Top-4 commercial banks also increased, comprising of the average minimum lending rate (MLR) increased from 5.83% to 7.12% (YoY), the average minimum overdraft rate (MOR) increased from 6.34% to 7.56% (YoY) and the average minimum retail rate (MRR) increased from 6.21% to 7.37% (YoY).

The capital market in 2023 was highly volatile due to interest-rate increases by major central banks worldwide, rising US bond yields, geopolitical conflicts, as well as weaker investor confidence amid concerns on Thailand's economic recovery and political uncertainty. The SET index closed at 1,415.85 points, decreased by 252.81 points or 15.2% from the end of last year. Meanwhile, market trading volume declined, with the average daily turnover decreased from 71,226.81 million baht in 2022 to 51,082.48 million baht, mainly from foreign fund outflows.

4.1.1 Operating Performance

TISCO Financial Group Public Company Limited (“the Company”) continuously operates business in line with sustainability strategy and takes all stakeholders into account. The Company has committed to responsible business practices, prudent risk management, enhancing competitiveness to support any changes in economic, social and environmental aspects, as well as promoting well-being in society through various projects such as financial literacy, efficient use of resources, employee development and happy organization.

TISCO Financial Group Public Company Limited, as a parent company of the group, had net profit from operations for the year 2023 on a standalone basis totaling 6,684.14 million baht, mainly contributed by dividend income and service fee income derived from subsidiary companies within the group. As a holding company, TISCO Financial Group Public Company Limited operates as shareholder in other company and no other major business. Therefore, the analysis was based on the Company’s consolidated operating performance and financial position which comprised of 2 main businesses: commercial banking business and capital market businesses.

Operating Results for the year 2023

The net profit for the year 2023 was reported at 7,301.11 million baht, increased by 77.03 million baht or 1.1% (YoY), mainly driven by a growth in net interest income by 8.6% (YoY) aligning with loan expansion of 7.2% (YoY). This was despite a rise in cost of fund by 93.9% (YoY) following interest rate upcycle, along with the resumption of Financial Institutions Development Fund (FIDF) cost to normal rate of 0.46% per year. Meanwhile, non-interest income weakened by 6.4% (YoY) due to a slowdown in capital market businesses. Brokerage fee income declined by 16.5% (YoY) from highly volatile capital market, which also led to a loss on financial instruments measured at fair value through profit or loss (FVTPL). Furthermore, banking fee income showed a slower-than-expected recovery, especially in bancassurance business that slowed down in relation to lower new business volume. On the positive side, asset management business expanded well at 5.4% (YoY) consisting of an increase in basic fee income in line with AUMs growth, as well as the recognition of asset management performance fee.

Operating expenses increased by 8.7% (YoY) owing to long-term investment plan for business expansion, whereas expected credit loss (ECL) decreased (YoY) and remained low at 0.3% of average loans.

Basic earnings per share for the year 2023 equaled 9.12 baht per share, increased from 9.02 baht per share in 2022. The return on average equity (ROAE) was reported at 17.1%.

Income Statement

The Company and its subsidiaries' income statement in 2023 and 2022 are illustrated in Table 1.

Table 1: Income Statement for year 2022 -2023

Statement of Comprehensive Income Unit: Million baht	2023	2022	%YoY
Interest income			
Interest on loans	10,286.35	7,473.71	37.6
Interbank and money market items	767.48	211.89	262.2
Hire purchase and financial lease income	6,824.12	7,131.90	(4.3)
Investments	159.09	86.80	83.3
Total interest income	18,037.04	14,904.30	21.0
Interest expenses	(4,208.39)	(2,170.67)	93.9
Net interest income	13,828.64	12,733.63	8.6
Fee income	5,310.86	5,498.92	(3.4)
Fee expenses	(443.37)	(453.27)	(2.2)
Net fee income	4,867.49	5,045.65	(3.5)
Net gain on the financial instruments measured at fair value through PL	(29.16)	86.42	(133.7)
Net gain on Investments	5.36	2.80	91.3
Share of profit from investment under equity method	28.89	55.48	(47.9)
Other operating income	344.58	380.80	(9.5)
Total operating income	19,045.79	18,304.78	4.0
Operating expenses	(9,340.44)	(8,590.84)	8.7
Expected credit loss	(615.35)	(722.68)	(14.9)
Profit before tax and minority interest	9,090.00	8,991.26	1.1
Corporate income tax expenses	(1,788.39)	(1,766.72)	1.2
Profit before minority interest	7,301.60	7,224.54	1.1
Non-controlling interests of subsidiaries	(0.49)	(0.46)	6.0
Net profit	7,301.11	7,224.08	1.1

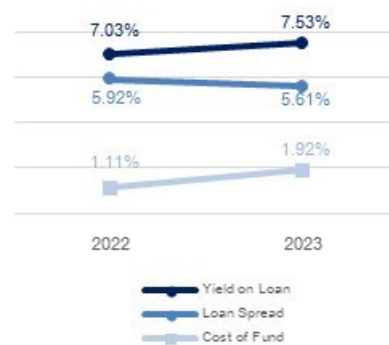
1) Net Interest Income

In 2023, the net interest income totaled 13,828.64 million baht, increased by 1,095.01 million baht (8.6% YoY). Total interest income was 18,037.04 million baht, increased by 3,132.74 million baht (21.0% YoY) following loan expansion and increased lending rates during interest rate upcycle. Meanwhile, interest expense was at 4,208.39 million baht, increased by 2,037.73 million baht (93.9% YoY) from higher funding cost aligning with the policy rate increases.

Yield on loans increased from 7.03% to 7.53% (YoY) following the increased proportion of high-yield loans and the adjustment of floating interest rates. The cost of fund rose from 1.11% to 1.92% (YoY) owing to an increase in funding cost amid rising interest rate environment. Therefore, loan spread declined from 5.92% to 5.61% (YoY), and net interest margin (NIM) decreased from 5.09% to 5.04% (YoY).

Table 2: Loan Spread

	2023 (%)	2022 (%)
Yield on Loans	7.53	7.03
Cost of Fund	1.92	1.11
Loan Spread	5.61	5.92
Net Interest Margin	5.04	5.09



2) Non-interest Income

Non-interest income totaled 5,217.15 million baht, dropped by 6.4% (YoY) due to a slowdown in core businesses amid uneven economic recovery, constituted of banking business, capital market businesses and the loss recognized from financial instruments measured at fair value through profit or loss (FVTPL).

Non-interest income from core businesses totaled 5,506.03 million baht, declined by 5.1% (YoY), mainly driven by a slowdown in banking business and brokerage business. Banking fee income declined by 146.26 million baht to 3,276.43 million baht (4.3% YoY), due to weakened bancassurance business following lower new business volume, coupled with a decline in loan-related fee corresponding with the regulatory amendments. Brokerage fee income totaled 572.09 million baht, decreased by 113.13 million baht (16.5% YoY) following a significant reduction in market trading volume amid volatile capital market. In addition, investment banking fee softened by 67.9% (YoY) totaling 32.07 million baht. On the positive side, asset management basic fee was reported at 1,625.44 million baht, increased by 30.08 million baht (1.9% YoY) aligning with the growth in assets under management.

The Company recognized a loss on financial instruments measured at fair value through profit or loss (FVTPL) amounting 29.16 million baht, comparing to a gain of 86.42 million baht in 2022, caused by lower investment value. Meanwhile, there was a record of asset management performance fee of 59.53 million baht, comparing to 3.71 million baht in the previous year.

Table 3: Non-Interest Income from Core Businesses

Type of Incomes Unit: Million baht	2023	2022	%YoY
Banking Fee	3,276.43	3,422.69	(4.3)
<i>Bancassurance Fee</i>	2,523.58	2,608.92	(3.3)
<i>Other Banking Fee</i>	752.85	813.77	(7.5)
Asset Management Basic Fee	1,625.44	1,595.35	1.9
Brokerage Fee	572.09	685.22	(16.5)
Investment Banking Fee	32.07	99.77	(67.9)
Non-Interest Income from Core Businesses	5,506.03	5,803.04	(5.1)
Net gain (loss) on Financial Instruments measured at fair value through PL	(29.16)	86.42	(133.7)
Net gain (loss) on Investments	5.36	2.80	91.3
Share Profit from subsidiaries	28.89	55.48	(47.9)
Dividend Income	89.87	72.98	23.2
Asset Management Performance Fee	59.53	3.71	1,505.8
Fee Expenses	(443.37)	(453.27)	(2.2)
Total Non-Interest Income	5,217.15	5,571.15	(6.4)

3) Operating Expenses

Operating expenses totaled 9,340.44 million baht, increased by 749.60 million baht (8.7% YoY), resulting from expenses related to the long-term investment plan for business expansion, together with an increase in variable expenses associated with revenue and profit growth. The Company still maintained effective operating cost control with cost to income ratio at 49.0%.

4) Expected Credit Loss

Expected credit loss (ECL) was reported at 615.35 million baht, decreased comparing to 722.68 million baht in 2022, and accounted for 0.3% of average loans. The setup of ECL this year was at a low level and was sufficient to cushion against any potential risks.

5) Corporate Income Tax

The corporate income tax for 2023 was 1,788.39 million baht, equivalent to the effective tax rate of 19.7%.

Table 4: Summary of Revenue, Net Profit and Income Tax Expenses 2022 and 2023

2023				2022			
Unit: Million baht				Unit: Million baht			
Total Staffs	Total Revenue	Net Profit	Corporate income tax expenses	Total Staffs	Total Revenue	Net Profit	Corporate income tax expenses
5,496	19,045.79	7,301.11	1,788.39	5,090	18,304.78	7,224.08	1,766.72

The Management Discussion and Analysis on operating results on financial status is a comparison between the financial positions as December 31, 2023 and December 31, 2022

1) Assets

As of December 31, 2023, the Company's total assets were 290,724.25 million baht, increased by 9.5% (YoY), from a growth in loans by 7.2% (YoY) totaling 234,815.18 million baht, and an increase in interbank and money market items by 20.4% (YoY) totaling 48,489.70 million baht. Meanwhile, financial assets measured at fair value through Profit or Loss amounted 2,081.77 million baht, decreased by 4.2% (YoY), and investments amounted 3,313.59 million baht, decreased by 17.0% (YoY).

Table 5: Assets Breakdown as of December 31, 2022 and 2023

Assets	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Unit: Million baht			
Cash	918.26	1,005.07	(8.6)
Interbank and money market items	48,489.70	40,272.42	20.4
Derivatives	-	147.49	(100.0)
Financial assets measured at fair value through profit or loss	2,081.77	2,172.39	(4.2)
Investments - net	3,313.59	3,989.88	(17.0)
Investments in subsidiaries and JV	891.49	872.81	2.1
<i>Loans</i>	<i>234,815.18</i>	<i>219,003.80</i>	<i>7.2</i>
<i>Accrued interest receivables</i>	<i>1,928.55</i>	<i>1,722.32</i>	<i>12.0</i>
<i>Allowance for expected credit loss</i>	<i>(9,915.97)</i>	<i>(11,844.73)</i>	<i>(16.3)</i>
Loans and accrued interest receivables – net	226,827.76	208,881.38	8.6
Other assets	8,201.68	8,073.00	1.6
Total assets	290,724.25	265,414.44	9.5

2) Liabilities

As of December 31, 2023, total liabilities were 248,276.27 million baht, increased by 11.5% (YoY). Total deposits increased by 10.8% (YoY) to 208,680.79 million baht. Interbank and money market items increased by 37.3% (YoY) to 8,506.34 million baht, and debentures increased by 9.7% (YoY) to 17,250.00 million baht.

Table 6: Liabilities Breakdown by Area as of December 31, 2022 and 2023

Liabilities Unit: Million baht	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Deposits	208,680.79	188,302.73	10.8
Interbank and money market items	8,506.34	6,195.46	37.3
Debentures	17,250.00	15,720.00	9.7
Others	13,839.14	12,405.63	11.6
Total liabilities	248,276.27	222,623.81	11.5

3) Shareholders' Equity

As of December 31, 2023, shareholders' equity was 42,447.98 million baht, declined by 342.64 million baht (0.8% YoY), as in 2023, the Company adjusted the dividend policy from paying annual dividend once a year to adding interim dividend which this year was paid in September 2023. As a result, the book value per share (BVPS) as of December 31, 2023 was at 53.01 baht per share.

4) Liquidity

As of December 31, 2023 The Company's cash was 918.26 million baht, decreased by 8.6% (YoY). There was net cash flow from operating activities total of 7,665.46 million baht mainly contributed by an increase of deposits while net cash flow from investing activities totaled 403.91 million baht, primarily from the cash received from disposal of investment in securities held. Meanwhile, the net cash flows used in financing activities totaled 8,156.18 million baht, mainly driven by the dividend paid.

5) Sources and Uses of Funds

As of December 31, 2023 the funding structure as shown in the consolidated financial statement comprised of 248,276.27 million baht in liabilities and 42,447.98 million baht in shareholders' equity, resulting in a debt-to-equity ratio of 5.8 times. The major source of funds on liabilities side was deposits, which accounted for 71.8 % of total source of funds. Other sources of funds included interbank and money market items accounted for 2.9% of total source of funds, 10.7% of debenture and other liabilities, and 14.6% of shareholders' equity, respectively. The Company's major use of funds was loans, amounting 234,815.18 million baht, resulting in a loan-to-deposit ratio¹ of 112.5%. The other uses of funds include interbank and money market items, and various securities.

6) Contingent liabilities

As of December 31, 2023 TISCO Bank, a subsidiary of The Company, had avals, guarantees, and commitments totaled 6,701.86 million baht, decreased by 1.0%(YoY).

¹ Deposit includes short-term borrowings from the Bank's regular client base

4.1.2 Business Segment Performances

1) Banking Business

Loans

Total loans and receivables as of December 31, 2023 totaled 234,815.18 million baht, grew by 7.2% (YoY), contributed by growth in corporate loans, auto title loans and used car hire purchase loans.

Retail Lending portfolio totaled 162,208.52 million baht, increased by 1.2% (YoY). The total retail portfolio as of December 31, 2023 consisted of 65.9% car and motorcycle hire purchase loans, 25.7% loans against auto licenses, 5.3% housing loans and 3.1% other retail loans. The outstanding hire purchase loans totaled 106,851.35 million baht, declined by 3.1% (YoY) from a contraction in new car hire purchase by 5.9% (YoY) following cautious underwriting policy amid intense market competition. The domestic car sale for the year 2023 totaled 775,780 units, decreased by 8.7% compared to 849,388 units in 2022, due partly to tightened loan underwriting by the financial institutions. The car penetration rate of TISCO for the year 2023 was at 4.6%, declined from 4.9% in the previous year. Meanwhile, used car hire purchase and motorcycle hire purchase expanded by 15.3% and 7.2% (YoY) respectively, following the high-yield loan expansion strategy.

Loans against auto licenses (“Auto Cash”) totaled 41,719.93 million baht, grew by 14.8% (YoY) following the growth strategy into high yield businesses and branch network expansion strategy, particularly loans through “Somwang” channels which expanded by 25.7% (YoY) totaling 28,387.78 million baht and accounted for 68.0% of total loans against auto licenses. In 2023, “Somwang” opened 195 new loan offices with total number of 645 branches nationwide.

Housing loans totaled 8,536.27 million baht, dropped by 16.6% (YoY) following highly competitive market condition and rising risks.

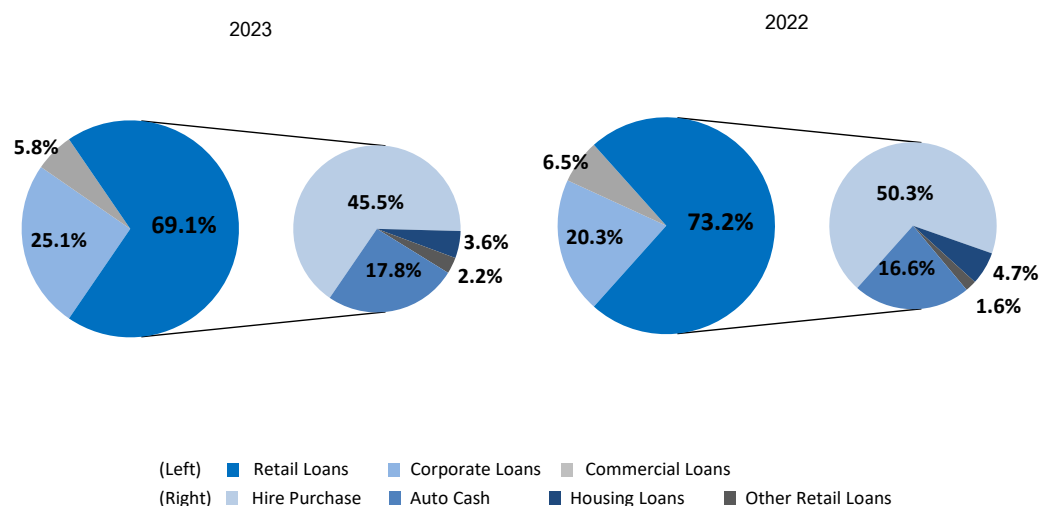
Corporate Lending portfolio totaled 58,964.25 million baht, expanded by 32.9% (YoY), driven by loan drawdown in public utilities and service sector and real estate and construction sector.

Commercial Loans portfolio totaled 13,642.41 million baht, declined by 4.6% (YoY) from a contraction in car inventory financing businesses.

Table 7: Loans and Receivables Breakdown

Loans Unit: Million baht	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Hire purchase	106,851.35	110,264.21	(3.1)
Loans against auto licenses	41,719.93	36,348.09	14.8
Housing loans	8,536.27	10,230.17	(16.6)
Other retail loans	5,100.97	3,488.78	46.2
Retail loans	162,208.52	160,331.25	1.2
Corporate loans	58,964.25	44,369.14	32.9
Commercial loans	13,642.41	14,303.41	(4.6)
Total loans	234,815.18	219,003.80	7.2

Loan Breakdown



Asset Quality and Expected Credit Loss

In 2023, the Company reported NPLs amounting 5,222.91 million baht, increased by 14.1% (YoY), and accounted for NPL ratio of 2.22% of total loans, increased from 2.09% at the end of last year. The rising NPLs were mostly caused by the growth strategy into high yield businesses, together with the impact from high household debt level and rising cost of living.

Total allowance for expected credit loss of the Company reported at 9,915.97 million baht, and loan loss coverage ratio stood at 189.9%.

Table 8: Loan Classification

Loan Classification Unit: Million baht	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Stage 1 loans (Performing)	209,708.78	192,339.28	9.0
Stage 2 loans (Under-performing)	19,883.50	22,088.00	(10.0)
Non-performing loans (NPLs)	5,222.91	4,576.52	14.1
Total loans	234,815.18	219,003.80	7.2

Table 9: NPLs Breakdown by Area

NPLs Unit: Million baht, %	As of Dec 31, 2023		As of Dec 31, 2022	
	Million baht	%	Million baht	%
Hire purchase	2,982.41	2.79	2,605.71	2.36
Loans against auto licenses	1,687.47	4.04	1,039.76	2.86
Housing loans	417.63	4.89	840.23	8.21
Other retail loans	8.30	0.16	3.37	0.10
NPLs - Retail loans	5,095.81	3.14	4,489.07	2.80
NPLs - Corporate loans	-	-	-	-
NPLs - Commercial loans	127.09	0.93	87.45	0.61
Total NPLs	5,222.91	2.22	4,576.52	2.09

Deposits and Borrowings

Total deposits and borrowings amounted 225,930.79 million baht, increased by 10.7% (YoY). Total deposits reported at 208,680.79 million baht, increased by 20,378.05 million baht (10.8% YoY) in tandem with loan expansion, whereas debentures totaled 17,250.00 million baht, increased by 1,530.00 million baht (9.7% YoY). As of December 2023, the Bank had high-quality liquid assets according to the Liquidity Coverage Ratio (LCR) of 50,943 million baht, increased by 17.6% (YoY). Thus, the high-quality liquid assets were accounted for 22.6% of total deposits and borrowings, and LCR ratio was at 166.8%.

Table 10: Deposits Structure

Deposits Unit: Million baht	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Current accounts	1,529.43	1,820.83	(16.0)
Saving accounts	28,987.69	42,929.52	(32.5)
Fixed accounts	64,142.81	42,925.39	49.4
Negotiate certificate deposits	113,984.75	100,590.07	13.3
Short-term borrowings	36.12	36.92	(2.2)
Total deposits	208,680.79	188,302.73	10.8

2) Securities Business

In 2023, market trading volume significantly declined comparing to the year 2022 amid highly volatile capital market condition throughout the year, which consequently resulted in a decrease in average daily turnover of TISCO Securities from 1,681.67 million baht in 2022 to 1,460.23 million baht. Furthermore, brokerage fee income of TISCO Securities also dropped by 16.5% (YoY) to 572.09 million baht. Nevertheless, TISCO Securities' overall market share improved from 1.3% to 1.5% (YoY) from all investor types. TISCO brokerage volume comprised of 55.5% of local institutions, 8.1% of foreign institutions, and 36.4% of retail investors.

3) Asset Management Business

As of December 31, 2023, assets under management of TISCO Asset Management totaled 392,128.31 million baht, grew by 4.8% (YoY) in all business segments. This led to an increase in asset management basic fee income by 1.9% (YoY) amounting 1,625.44 million baht. Moreover, TISCO Asset Management recorded performance fee income totaling 59.53 million baht, mostly recognized in the fourth quarter, therefore total asset management fee income was reported at 1,684.96 million baht, improved by 5.4% (YoY).

The composition of total asset under management was 66.9% provident fund, 19.1% private fund, and 14.0% mutual fund. Total market share of TISCO Asset Management as of December 31, 2023 was 4.5%, ranking 9th in the market. The market share of provident fund was 18.4%, ranking 1st in the market. The market share of private fund was 3.4%, ranking 6th in the market and the market share of mutual fund was 1.1%, ranking 13th in the market.

Table 11: Assets under Management Breakdown by Type of Fund as of December 31, 2022 and 2023

Funds Unit: Million baht	As of Dec 31, 2023	As of Dec 31, 2022	%YoY
Provident fund	262,352.77	247,652.36	5.9
Private fund	74,839.44	72,717.00	2.9
Mutual fund	54,936.11	53,694.41	2.3
Total AUMs	392,128.31	374,063.77	4.8

4.1.3 Capital Requirements

As of December 31, 2023, TISCO Group's internal capital (ICAAP) stood at 35,750.60 million baht comprising of Tier-I capital and available reserve adjustment. The integrated risk capital rose by 2,992.67 million baht from the end of 2022 to 15,274.30 million baht mainly resulting from an increase in credit risk capital. In addition, the capital surplus remained strong at 20,476.30 million baht or 57.3% of total capital.

Comparing to the end of 2022, the credit risk capital increased by 3,020.03 million baht, or 32.1%, to 12,433.70 million baht mainly resulting from loan expansion in corporate and Auto Cash portfolios. Total loan portfolio of TISCO Group expanded by 7.2% (YoY), while non-performing loans increased from 2.1% at the end of 2022 to 2.2% at the end of 2023. Meanwhile, TISCO Group still maintained a sufficient level of allowance for expected credit loss to cushion against future uncertainties.

The market risk capital decreased by 23.76 million baht during the year, from 314.01 million baht at the end of 2022 to 290.24 million baht at the end of 2023, which resulted from a decrease in investment portfolio during the period. Meanwhile, the overall duration gap increased from 0.73 year to 0.75 year, which was in a manageable level. The assets duration declined from 1.19 year to 1.12 year, while the liabilities duration decreased from 0.46 year to 0.38 year.

Table 12: Average Duration Mismatch of Assets and Liabilities and Its Impact

	Duration		1-Year Net interest income change to 1% interest rate increase	
	Unit: Years		Unit: Million baht	
	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
Assets	1.12	1.19	1,395.71	1,250.92
Liabilities ¹	0.38	0.46	(1,659.48)	(1457.60)
Net gap	0.75	0.73	(263.76)	206.68

Note: * Exclude saving and current account

In terms of regulatory capital requirement of the Bank, TISCO Group, and Securities Company, the positions were strong and sufficient levels to cushion for the expansion of asset in the future. At the end of December 2023, the regulatory capital based on IRB approach of the Bank was 41,241.18 million baht, while the capital adequacy ratio (BIS ratio) stood at 22.35%, remaining higher than 11.0% required by the Bank of Thailand. The Tier-I and Tier-II ratios of the Bank stood at 18.9% and 3.5%, respectively, in which Tier-I ratio also remained higher than the minimum requirement at 8.5%. For TISCO Group, the regulatory capital based on IRB approach was 40,049.83 million baht, with BIS ratio, Tier-I and Tier-II ratios at 19.5%, 16.3% and 3.2%, respectively, which also remained higher than the minimum capital requirement. Meanwhile, the net capital rule (NCR) of TISCO Securities Co., Ltd. stood at 76.4%, which was higher than the minimum required ratio by the SEC of 7.0%.

Table 13: Regulatory Capital Requirement

Capital Adequacy	As of Dec 31, 2023	As of Dec 31, 2022
Unit: %		
TISCO Financial Group		
Tier-I	16.3	17.1
Tier-II	3.2	3.5
BIS Ratio	19.5	20.6
TISCO Bank		
Tier-I	18.9	19.6
Tier-II	3.5	3.7
BIS Ratio	22.4	23.4

4.1.4 Credit Rating

The Company got credit rating 'A-' and rating outlook "Stable" as at April 18, 2023 from TRIS Rating Co., Ltd. The ratings reflect the Company's strong asset quality, capital base, profitability. The detail of credit ratings is shown as follows;

	Unsolicited Rating
TRIS Rating	
Company Rating	A-
Rating Outlook	Stable

4.2 Forward Looking

The Company's operation landscape is influenced by key macroeconomic factors, including economic conditions, interest rates, industry dynamics, and demand for loans and financial products. The domestic economy is anticipated to undergo a fragile recovery in 2024 amid external challenges. The ongoing recovery of the tourism sector plays a critical role in driving the economy. The export sector is projected to rebound in alignment with global trade recovery. Meanwhile, the private consumption is projected to grow following the regaining consumer confidence, and 2024 fiscal budget is expected to contribute to economic expansion in the second half of the year. Amid the backdrop of macroeconomic uncertainties stemming from sluggish expansion of global economy due to tightening monetary policies adopted by major central banks worldwide, alongside ongoing geopolitical conflicts and uncertainties regarding China's economic situation, coupled with the prevalent issue of high household debt, financial institutions will continue prudence practice on credit expansion. Regarding the policy rate, the Company anticipates that the Bank of Thailand will maintain its policy rate at 2.5% per annum throughout 2024. However, the commercial bank's cost of funds is expected to rise following deposit repricing.

The Company anticipates slight growth in loan business in tandem with economic recovery. The hire purchase business is expected to rebound in align with the expected car sale growth, fueled by recovering economic activity, the increase in price of agricultural products, and the growing popularity of electric vehicles (EVs). Nevertheless, the intense pricing competition and the weakening credit quality of customers, causing the banks to maintain strict criteria when granting loans. For loan against auto license business, the loan is anticipated to gradually expand amid strong demand in this segment. Corporate lending business is also anticipated to expand following some corporate clients asking for credit facility given it is costly to raise funding from debenture issuance amid high market interest rates. Meanwhile, the business related to capital market is expected to face volatility as investor confidence and operating performance of listed companies will be pressured by macro-economic factors.

Looking forward, business operation in the year 2024 is still full of challenges amid uncertainty from various factors. TISCO Group pursues growth opportunity in high yield business even with the higher risk under prudent risk management practice. At the same time, TISCO aims to expand its customer base in the capital market business. TISCO also emphasizes increasing productivity, lower cost to serve, and utilize technology and innovation to enhance the service in response to the changing in customers' demand with an aim to ensure sustainable business growth.

4.3 Important Financial Ratios

Important Financial Ratios		2023	2022	2021
Profitability Ratio				
Gross Profit Margin	(%)	80.1	87.1	86.4
Net Profit Margin	(%)	38.3	39.5	36.0
Return on Average Shareholders' Equity	(%)	17.1	17.2	16.8
Interest Income Ratio	(%)	6.5	5.8	5.7
Interest Expense Ratio	(%)	1.9	1.1	1.1
Interest Spread	(%)	4.6	4.7	4.5
Return on Investment	(%)	7.5	4.1	1.8
Efficiency Ratio				
Net Interest Income to Total Assets	(%)	5.0	5.0	4.8
Return on Average Assets	(%)	2.6	2.8	2.6
Total Asset Turnover	(times)	6.8	7.2	7.3
Financial Ratio				
Debt to Equity Ratio	(times)	5.8	5.2	4.9
Total Loans to Total Borrowing and Deposits	(%)	103.9	107.3	111.8
Total Loans to Public Borrowing	(%)	112.5	116.3	121.9
Public Borrowing to Total Liabilities	(%)	84.0	84.6	82.3
Dividend Payout Ratio	(%)	85.0*	85.9	84.4
Asset Quality Ratio				
Allowance for Doubtful Account to Total Loans and accrued interest receivable	(%)	4.2	5.4	5.8
Bad Debt and Doubtful Account to Total Loans and accrued interest receivable	(%)	1.7	1.3	1.7
Allowance for Doubtful Account to Non-performing loans	(%)	189.9	258.8	236.8
Accrued Interest Receivable to Total Loans	(%)	0.8	0.8	0.8
Other Ratios				
Capital Funds to Risk Weighted Asset (BIS) ²	(%)	22.35	23.37	25.20
Net Capital Rule (TISCO Securities)	(%)	76.4	61.1	33.1

¹ According to the Bank of Thailand's definition

² BIS Ratio of TISCO Bank Plc.

* Proposed for approval in AGM 2024

5. General and Other Important Information

5.1 General Information of Referenced Entities

Share Registrar	:	Thailand Securities Depository Co., Ltd. 93 Rachadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel. (66) 2009 9000 Fax (66) 2009 9991 SET Contact Center: (66) 2009 9999 Email: SETContactCenter@set.or.th Website : www.set.or.th/tsd
Auditor	:	Ms. Saranya Pludsri CPA License No. 6768 EY Office Limited 33rd Fl., Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Bangkok 10110 Tel. (66) 2264 0777 Fax. (66) 2264 0789-90
Legal Advisor	:	Not appointed

5.2 Other Important Information

- None -

5.3 Legal Disputes

As of December 31, 2023, the Company and its subsidiaries had 18 unresolved cases from its regular business operations, all of which are related to either the banking business (TISCO Bank Plc.) or the asset management business (TISCO Asset Management Co., Ltd.). The cases involve an estimated total of 205.49 million baht, which represents less than 5% of shareholder equity. Potential for adverse or significant impact on the business operations of the Bank and the Group companies cannot be expressed in specific numbers. Additional details on the legal disputes are presented in the Notes to Financial Statements, item 3.36.2 Litigation. Management of TISCO Group believes that neither the Company nor its subsidiaries will suffer material loss as a result of the aforementioned lawsuits.

Part 2 Corporate Governance

6. Corporate Governance Policy

TISCO Group is committed to providing customers with competitive and innovative financial solutions. Our commitment to the highest ethical standards and sound corporate governance stems from our conviction that a truly successful business is one that behaves ethically and responsibly in the communities in which it operates. This can only be accomplished by fully protecting the rights and interests of all stakeholders, including shareholders, employees, customers, business partners, creditors, competitors, society, and the environment, through maximum accountability, transparency, equitable treatment, adequate disclosure, and customer data protection. This commitment is made on behalf of TISCO and its subsidiaries, directors, management, and employees.

TISCO Corporate Governance Principles and related guidelines are in accordance with the Corporate Governance Code for Listed Companies of the Office of the Securities and Exchange Commission, the Corporate Governance Report of Thai Listed Companies (CGR) of the Thai Institute of Directors Association (IOD), ASEAN Corporate Governance Scorecard, and Sustainability Disclosure Standards – GRI Standards. The corporate governance policy of TISCO Group is consistent with the company's mission, core values, and code of conduct, ethics of business operations. The contents cover the organization's composition, roles, and responsibilities as reflected in the Corporate Governance Structure, Corporate Governance Practices, Governance Structure, Corporate Compliance Roles and Responsibilities, and Centralized Policies. The Company and its subsidiaries, including directors, management, and employees, are expected to adhere strictly to the Group's Corporate Governance Policy and the following corporate governance principles: Shareholder Rights, Equitable Treatment of Shareholders, Stakeholder Roles, Disclosure and Transparency, Board Responsibilities, and Integrity and Ethics. This compliance is necessary to ensure that TISCO Group's subsidiaries carry out their responsibilities with the utmost accountability, transparency, and equity toward all stakeholders, thereby promoting managerial integrity, effectiveness, and efficiency throughout the Group. (The Corporate Governance Policy is available at www.tisco.co.th).

TISCO Group reviews its Corporate Governance Policy annually to ensure that it reflects the Group's business and social sustainability objectives, including the maximization of shareholder value and benefits for all stakeholders. The policy also serves to establish a framework for directors, management, and TISCO Group employees to follow in accordance with applicable law. The Governance and Sustainability Committee reviews and recommends changes to the policy for Board of Directors approval.

TISCO Group helps all employees understand the importance of adhering to the Company's Corporate Governance Policy by planning events that encourage oversight on a continuous basis. These events ensure that all directors, executives, and employees are capable of carrying out their responsibilities effectively and responsibly and fully comprehend the rules, regulations, and codes of conduct that govern their organizations.

In 2023, TISCO Group conducted and reviewed an assessment of its Corporate Governance Policy and made recommendations to the Board of Directors. In accordance with statutory requirements and best practices, activities were organized to promote corporate governance, such as lectures to educate directors, executives, and all employees on the principles of good corporate governance, the employee Codes of Conduct, Sustainable Development, Sustainable Banking, policy for the prevention of exploitation of duties, risk management, and fraud prevention, internal control, and observance of applicable laws and regulations.

6.1 Overview of Corporate Governance Policies and Guidelines

The Company and its subsidiaries, including directors, management, and employees, are expected to adhere strictly to the Group's Corporate Governance Policy and the following corporate governance five principles: Shareholder Rights, Equitable Treatment of Shareholders, Stakeholder Roles, Disclosure and Transparency, Board Responsibilities, and Integrity and Ethics.

6.1.1 Policies and Guidelines regarding the Board of Directors

TISCO Group has established important policies and guidelines for the Board of Directors in order to ensure transparency and fairness in the Company's business operations, including the nomination and compensation of directors and executives, the independence of the Board of Directors from the management, the development for directors, the performance assessment of the Board of Directors as well as subsidiary companies. This includes examining and revising such policies to ensure that they are appropriate and in accordance with the standards of the official bodies that oversee the company as a commercial bank as the core company and listed company.

Nomination, Appointment and Removal of Directors

The director's positions shall be filled through the nomination process of the Nomination and Compensation Committee, in accordance with legal requirements and good corporate governance practices. The Committee selects candidates from various sources, including the Director Pool, and makes choices based on the Board Skill Matrix and candidate alignment with TISCO Group's current and future missions, strategies, including TISCO Group sustainable development. The Board of Directors is composed of individuals with diverse skills, experience, and expertise, and particular capabilities that benefit the TISCO.

As assigned by the Board of Directors, the Nomination and Compensation Committee shall, upon considering the Group's needs and good corporate governance, identify and propose qualified nominees with knowledge, expertise, and experience in accordance with TISCO Group's strategy, and sufficient understanding of banking and finance, including securities, economics, law, information technology or any other fields deemed appropriate to the Board's structure so as to ensure a variety of opinions in the Board. This includes diverse board composition in terms of age, sex, knowledge, expertise, experience, and other key qualifications in order to generate a healthy range of opinions and judgments on business matters. The company has disclosed the criteria and procedures for selecting and nomination directors on Report on Important Operational Results of Corporate Governance in section 8 of this annual report for 2023 (Form 56-1 One Report).

Remuneration of the Executives and Directors

TISCO Group has established a policy for the remuneration of directors to ensure that pay is appropriate and commensurate with the responsibilities of directors and in accordance with the company's size and business operations, as well as TISCO Group's performance. The remuneration policy aims to bring maximum benefit to shareholders while also being comparable to those of peers. In this regard, the Nomination and Compensation Committee is responsible for reviewing its appropriateness and proposing to the Board of Directors and shareholders, approval of the remuneration of the directors, respectively, on an annual basis.

For the remuneration of the Executives. The Nomination and Compensation Committee recommends pay for the Group CEO to the Board of Directors in accordance with TISCO Group policy. It is linked to the company's short- and long-term operating outcomes, which indicate its status as a sustainable bank, as well as the performance of each CEO as measured by the set KPIs. The Company disclosed the remuneration of the Executives in Topic 7 Corporate Governance Structure and Important Information Concerning the Board of Directors, Board Committees, Executives, Employees and Others of the annual registration statement and annual report for 2023 (Form 56-1 One Report).

Independence of the Board of Directors from the Management

The responsibilities and duties of the Board of Directors and management are clearly defined such that the Chairman of the Board of Directors and the Group Chief Executive cannot be the same person. The Corporate Governance Policy outlines the roles and responsibilities of the Board, Chairman, CEO, and management.

Director and Management Professional Development

TISCO Group places a strong emphasis on director and management development and encourages its directors and management to regularly attend courses or engage in activities that build knowledge that is relevant to their roles and responsibilities. These courses and activities are conducted by organizations such as the Stock Exchange of Thailand, the Securities and Exchange Commission, the Thai Institute of Directors Association, and others. Additionally, the directors are encouraged to attend seminars and participate in activities that promote good corporate governance practices. The company secretary constantly informs directors of training courses or seminars that help them fulfill their duties.

Board Performance Self-assessment

The Board of Directors conducts an annual performance evaluation of the Board of Directors and subcommittees. The Nomination and Compensation Committee has responsibility for setting up rules, criteria, and procedures for evaluating committee and subcommittee performance, as well as submitting assessment criteria to the Board of Directors for approval. The details of the performance evaluation criteria and methods are provided in section 8 Report on Important Operational Results of Corporate Governance of the annual registration statement and annual report for 2023 (Form 56-1 One Report).

Directorship of Directors and Senior Executives in Other Companies

Recognizing the importance of their roles and to be in compliance with the Bank of Thailand regulations, TISCO Group established guidelines directors and senior executives in other Companies that the directors, managers and persons with controlling power are allowed to assume the position of Chairman, executive director, or director with signatory authority in no more than three group of companies and are allowed to hold directorship or management roles or serve as an authorized person or advisor who possesses director duties within five locally and internationally listed companies, excluding listed companies from debt restructuring as well as not being an independent director for more than nine consecutive years. Directors and management should avoid other positions or jobs that may lead to conflicts of interest with the Company.

Supervision of subsidiaries and associated companies

The Board of Directors has established clear policies for supervising the management of subsidiary companies and strictly implements its Corporate Governance Policy. This ensures effective oversight of operations and coordinates benefits among the companies. The operating results are regularly reported to the Board of Directors, subcommittees, or designated individuals.

6.1.2 Policies and Guidelines regarding Shareholders and Stakeholders

Rights and Equitable Treatment of Shareholders

TISCO recognizes the basic rights of its shareholders and commits to protecting and facilitating the exercise of those rights. These include the right to buy, sell, or transfer their shares; the right to receive their rightful portion of TISCO's profits; the right to easily obtain relevant and adequate information on TISCO on a timely and regular basis; the right to effectively participate and vote in general shareholders meetings and to be informed of the rules that govern

the general shareholders' meeting; the right to elect and remove members of the Board of Directors; and the right to participate in, and to be sufficiently informed of, decisions concerning fundamental company changes.

TISCO fairly and equally treats all shareholders, majority or minority, individual or institutional, foreign or Thai, executive or non-executive. Among its policies are:

- a) Minority shareholders are protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly.
- b) Insider trading and self-dealing abuses are strictly prohibited.
- c) Members of TISCO's board and senior management are required to disclose to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting TISCO.

All Groups Stakeholders interests

To ensure that operations are sustained, and stakeholder expectations are met include TISCO's shareholders, employees, customers, business partners and creditors, competitors, and society at large. TISCO has developed processes for listening to stakeholder opinions and concerns, building mutual understanding, encouraging cooperation in matters that are of interest to stakeholders, and taking part in positive societal and environmental development. TISCO treats all stakeholders fairly and responsibly in accordance with its Sustainability Development Policy, its Responsible Lending Policy, and the legal rights of stakeholders, either established by law or through mutual agreements.

Furthermore, TISCO Group has created a policy to provide information to shareholders and all groups of stakeholders in a transparent, complete, suitable, equitable, and timely manner, as well as other channels of communication through which the Board of Directors and management can receive complaints, suggestions, and recommendations.

6.2 Business Ethics

The Board of Directors promotes a Statement of Business Conduct and a Code of Conduct which align with the Company's Vision and Core Values, and which delineate the basic principles for execution of duties and compliance with professional standards by directors and employees. Directors and employees must perform their duties with integrity, and in compliance with the law and the Company's rules and regulations, and must follow a business approach that is transparent, honest, fair, and conducive to the organization attaining international standards, however, the Board of Directors regularly reviews to be in line with the guidelines of the TISCO Group. Details of the Statement of Business Conduct and the Code of Conduct can be found on the Company's website, www.tisco.co.th, under the "Corporate Governance" section.

The Company has identified important regulations and practical guidelines that are in accordance with the Code of Conduct; these are detailed and disseminated to employees. Companies within TISCO FINANCIAL GROUP are encouraged to establish operational procedures in accordance with the nature of their businesses and the requirements of governing authorities.

In addition, TISCO Group has arranged to communicate and provide knowledge about ethical guidelines to executives and employees through the company's electronic network and online learning or e-Learning to assess the knowledge and understanding of executives and employees regarding the employee code of ethics, including having all directors and executives sign to acknowledge and abide by the code of ethics and related policies through an electronic network system and monitor Consistent compliance with the code of conduct of employees

6.3 Significant Changes and Developments in Corporate Governance Policies, Guidelines and Systems in 2023

6.3.1 Significant Changes and Developments

In 2023, the Company evaluated its Corporate Governance Policy, guidelines, and systems for increased efficiency and to ensure the corporate governance standards are consistent with the Office of the Securities and Exchange Commission's 2017 Corporate Governance Code for Listed Companies. To this end, significant steps were taken, as follows below:

Corporate Governance

- To ensure that the principles and practices of corporate governance of all committees are current and in accordance with laws, regulations, and announcements, the Board of Directors reviews and improves the committees' charters and policies relating to corporate governance annually.

- The Governance and Sustainability Committee reviewed the revised TISCO's Corporate Governance Policy, taking into consideration the governance practices and boardroom guidelines of the Thai Institute of Directors (Thai IOD).

- The Board of Directors Meeting No. 1/2024, held on February 27, 2024, approved a revision of the Corporate Governance Policy to be compliant with the business, transparent in operation, and consistent with the official guidelines.

- The Governance and Sustainability Committee acknowledged the updated criteria of the CG Report of Thai Listed Companies (CGR) and the ASEAN CG Scorecard and provided opinions to the Board of Directors on the improvement of TISCO's Corporate Governance.

- The Board of Directors approved the appointment of an independent director to participate in setting the board meeting agenda according to the SEC CG Code for Listed Companies, as well as assigning roles and responsibilities to the independent director.

- Training and activities were organized to create knowledge and understanding of work practices for directors, executives and employees as follows:

1. TISCO conducts an annual mandatory compliance program for all employees regarding regulatory compliance, the Personal Data Protection Act, the regulations of the Bank of Thailand, and employee guidelines and policies relating to operations via the TISCO Intranet. The exam results are used to increase employee awareness of their duties and responsibilities in accordance with sound corporate governance principles. Employees taking the test immediately benefit from the answers supplied to all questions. The Company has revised the test in response to changes in applicable laws and regulations. All employees are obliged to pass the test as a mandatory Key Performance Indicator. All employees hired throughout the year must pass the test in addition to attending orientation and the test findings will be included in their evaluation. The goal is for all management and staff to understand and effectively carry out their responsibilities in accordance with applicable rules and policies relating to operations, as well as to promote sustainable business operations.

2. In addition, the Company provided self-study seminars for employees on business ethics, anti-corruption, and reporting clues and complaints. All employees completed and passed the knowledge test for the business ethics course.

3. Organizing the Annual IT Security Awareness for Top Management to provide knowledge about information security and cybersecurity on the topic of Financial Resilience in the Digital Age: The Cybersecurity Imperative", by Deloitte Thailand shared information and how to deal with these threats.

Sustainability Development

- The Board of Directors reviewed and provided opinions on the revision of the Sustainable Development Policy and the drafted 2024-2026 corporate strategy in relation to the company's sustainable development and Environment, Social, and Governance (ESG) policies and goals.
- Review key sustainability topics, content, and recommendations on a regular basis to ensure that the priorities of each subject remain aligned with the company's strategy and continue to meet the expectations of stakeholders.
- TISCO Group has joined as a member of organizations and partners in the economic and social alliance network, good governance, including business operations taking into account the environmental dimension and climate change in order to participate in policies and practices, as well as various operating standards to develop and adapt to businesses in the TISCO Group.
- Organizing TISCO directors and executives on the topic of Sustainable Development (Workshop) by the Sustainable Business Development Institute (SBDi) to create mutual knowledge and understanding of economic, social, and environmental changes that affect financial business operations, as well as sustainable business development guidelines to be applied in the context of the TISCO Group, leading to sustainable growth.

6.3.2 Application of the Principles, in Corporate Governance Code for Listed Companies 2017 of the Office of the Securities and Exchange Commission

The Company reviews the application of the principles in the 2017 Corporate Governance Code for Listed Companies of the Office of the Securities and Exchange Commission at least once a year through the Governance and Sustainability Committee. At the Board of Directors Meeting No. 7/2023 on December 18, 2023, the Board considered the application of the principles, i.e., the Corporate Governance Code for Listed Companies 2017 of the Office of the Securities and Exchange Commission, the Banking Industry Code of Conduct set by the Thai Banker's Association, and Corporate Governance for Financial Institutions prescribed by the Bank of Thailand, then recorded them as a board resolution.

The Company recognizes the importance of and adheres to good corporate governance principles, including international standards for transparency and the appropriateness of TISCO's business operations.

In 2023, there were still some issues where TISCO Group's practices differed from the Corporate Governance Code for Listed Companies as prescribed by the Office of Securities and Exchange Commission and the Thai Institute of Directors Association:

- The board of directors should comprise at least 5 but no more than 12 directors, depending on the size, nature, and complexity of the business. As of December 31, 2023, the Company's Board of Directors was composed of 13 members, a number was suitable for the nature, expansion, and complexity of business.
- TISCO CG Policy states that the Chairman of the Board shall be an independent director or non-executive director to ensure the checks and balances between the Board and the management are properly maintained. The Nomination and Compensation Committee considers the qualifications, experiences, knowledges, and expertise of the Chairman are appropriate for TISCO and the business environment. Currently, the Chairman of the Board is non-executive director, therefore, a lead independent director was appointed to collaborate in setting the Board meeting agenda in order to comply with the SEC CG Code.
- At present, the Nomination and Compensation Committee consists of two non-executive directors and two independent directors in accordance with TISCO CG Policy which stated that at least half of the Nomination and Compensation Committee shall be independent directors. At present, chairman of the Nomination and Compensation Committee is non-executive director. However, TISCO CG Policy will be revised in 2024, such that starting from AGM 2024,

the chairman of the Nomination and Compensation Committee will be an independent director in accordance with the Bank of Thailand's regulation.

- The Company had no external advisor hired to assist with the board of directors' performance evaluation. The Board of Directors agreed with the Governance and Sustainability Committee that the current assessment is appropriate. However, an external advisor could still be used in the future.

- The disclosed shareholder structure should clearly show the beneficial shareholders of the Company. As of December 30, 2023, some shareholders of the company appeared as nominees, which are custodians for foreign investors. It is common for foreign investors to appoint nominees to hold and manage their shares on their behalf, so this falls outside the control of the company.

6.3.3 Compliance with Other Good Corporate Governance Principles

In 2023, TISCO Group has strictly implemented various matters related to good corporate governance in order to comply with the principles of good corporate governance as evidenced below:

- TISCO has never been acted upon or accused by regulators of failing to announce significant events within the time set by regulators or disclosing any information that does not comply with the requirements.

- No case involving an accusation or fine imposed due to misconduct or violation of the regulations of official agencies were found.

- No cases of violations were found regarding the use of inside information for profit.

- No cases of violation or non-compliance with the rules for conducting related transactions, trading rules, or wrongdoing regarding the prevention of conflicts of interest were found.

- No significant complaints were found regarding violations of the law, corruption, or business ethics.

- No complaints were found regarding labor practices and human rights, and it continues to conduct business with strict respect for human rights principles and with ethics and humanity towards all humans equally.

- TISCO Group has not infringed on any copyright or intellectual property rights.

- No disputes or lawsuits with business competitors or monopolize business were found.

Moreover, the following evaluations of TISCO Group's effective corporate governance were conducted in 2023:

- TISCO received a five star as "Excellent" in the Corporate Governance Report of Thai Listed Companies (CGR) in 2023, organized by the Thai Institute of Directors (IOD).

- TISCO received a full score of 100 for the ninth consecutive year in the quality assessment of the 2023 Annual General Meeting by the Thai Investors Association in collaboration with the SEC and the Thai Listed Companies Association.

- TISCO received certification for renewal of membership of the Thai Private Sector Anti-Corruption Coalition, which is the third renewal round for the years 2022 to 2025.

You can study the Corporate Governance Policy, Business Ethics, Charter of the Board of Directors, and Charter of each Sub-Committee from the attached documents of this report, including various related policies and guidelines from the Company website. www.tisco.co.th

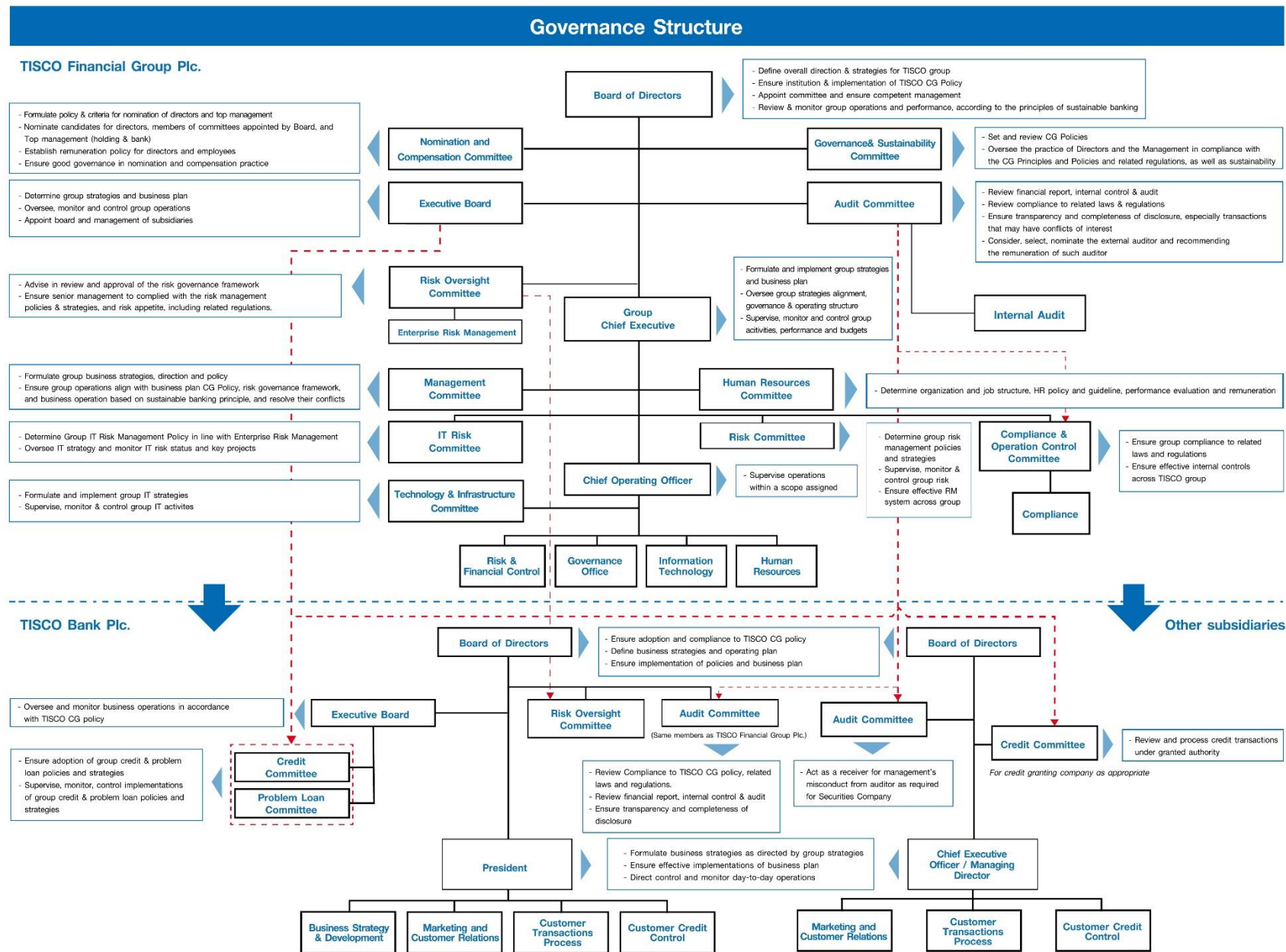
7. Corporate Governance Structure and Important Information Concerning the Board of Directors, Board Committees, Executives, Employees and Others

7.1 Corporate Governance Structure

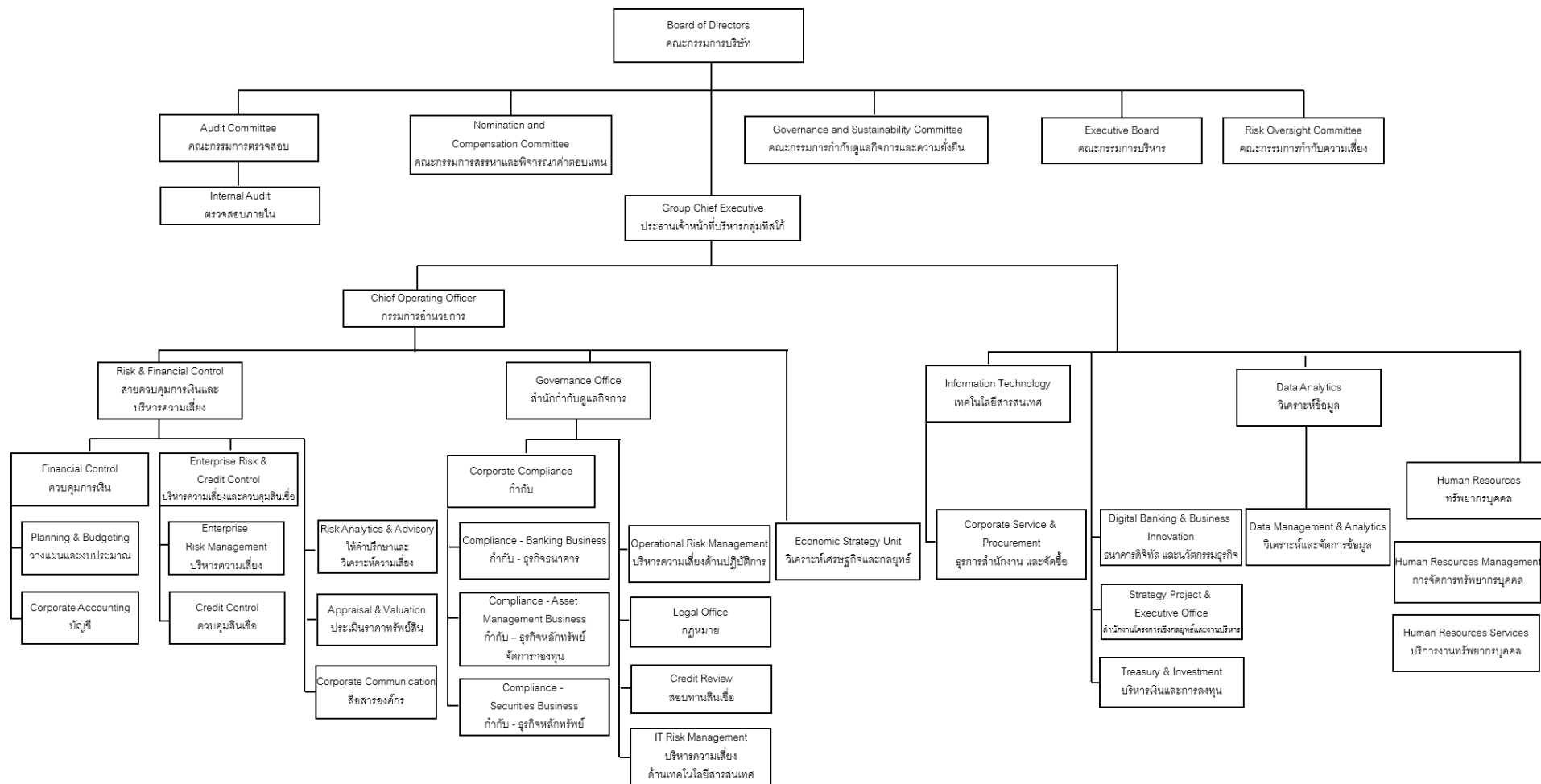
TISCO Financial Group Public Company Limited, the parent company of TISCO Group, oversees and monitors the business operations of all subsidiary companies to ensure that all companies in TISCO Group operate under the same standards to maximize shareholders' benefit. The corporate governance, risk management, business development, compliance, and corporate support functions are centralized at the Company for the Company and its subsidiaries to operate the business in accordance with TISCO Group's Corporate Governance Policy. Subsidiary companies function as strategic business units, responsible for marketing, transactions, processing, and credit control activities.

The Board of Directors is responsible for monitoring and controlling the business operations of TISCO Group. Other Boards and committees will be appointed according to their needs and suitability to carry out specific missions and tasks.

The governance structure of TISCO Group is exhibited as follows:



Management Structure of TISCO Financial Group Public Company Limited as of January 1, 2024



7.2 Details of the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors was comprised of directors with diverse backgrounds and experiences consisting of professional skills, specializations, age, gender, experience, and other important qualifications. The Board of Directors has an appropriate number and is in accordance with the shareholder resolutions, applicable laws and regulations, and the Company's Articles of Association. There are clear duties and responsibilities, and a proper power balance exists. It does not provide anybody or any party with limitless authority. In the nomination process, TISCO Group has determined the required qualifications for directors in accordance with the business strategy by using the director pool to nominate new directors. Details are in Article 8.1, "Nomination Criteria for Independent Directors and Non-Executive Directors." A brief profile of each director can be found on the company website, www.tisco.co.th.

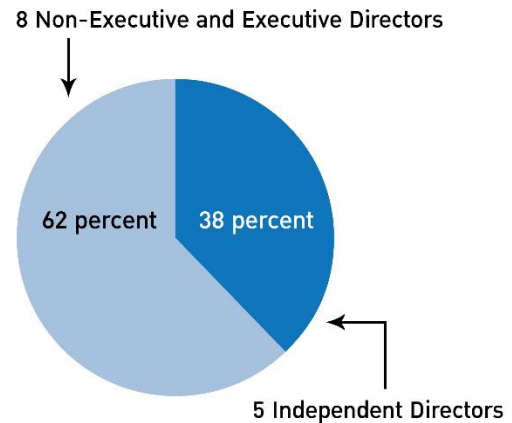
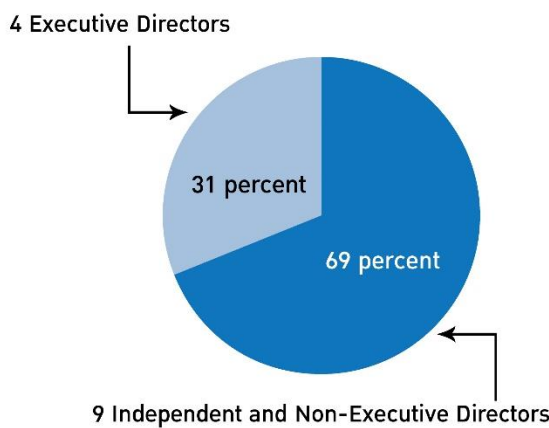
The Board of Directors consists of 13 members as of January 1, 2024, who possess an acceptable level of knowledge in banking and finance, accounting, economics, strategy, law, and information technology. This number is appropriate for the Company's business operations. The Board of Directors was elected in accordance with shareholder resolutions, applicable laws and regulations, and the Company's Articles of Association. The composition complies with the Bank of Thailand's notifications, the Capital Market Supervisory Board's regulations, and the Securities and Exchange Commission's regulations. The composition of the Board of Directors can be summarized as follows:



10 Male Members, accounting for 73 percent of all Board members



3 Female Members, accounting for 27 percent of all Board members



Board Skill Matrix	Categories of Knowledge, Skills, Experience, and Expertise										
	Core Skills			Specific Skills							
	Management	Strategy & Risk	Visionary Leadership	Financial Services	Finance & Accounting	Talent & Compensation Management	Sustainability & Governance	IT & Digital Business	Economics	Law & Regulatory	Diversified Industry Knowledge
1. Mr. Pliu Mangkornkanok	✓	✓	✓	✓	✓	✓	✓				Energy, Engineering
2. Mr. Ba Dung Le	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Auto, Property, Energy
3. Assoc. Prof. Dr. Angkarat Priebjivat	✓	✓	✓	✓	✓		✓				Energy, Household & Office Supply, Tourism
4. Mr. Sathit Aungmanee	✓	✓	✓	✓	✓	✓	✓		✓	✓	Auto, Property
5. Mr. Kanich Punyasthiti	✓	✓	✓	✓	✓	✓	✓			✓	Property, Development
6. Ms. Pongpen Ruengvirayudh	✓	✓	✓	✓	✓		✓				Packaging
7. Ms. PENCHUN Jarikasem	✓	✓	✓	✓	✓		✓			✓	Energy
8. Assoc. Prof. Dr. Sillapaporn Srijunpetch	✓	✓	✓	✓	✓		✓	✓		✓	
9. Assoc. Prof. Dr. Vara Varavithya	✓	✓	✓				✓	✓			Electronic, Energy, Engineering
10. Mr. Chi-Hao Sun (Howard Sun)	✓	✓	✓	✓	✓			✓	✓		Auto, Food, Fashion
11. Mr. Satoshi Yoshitake	✓	✓	✓	✓	✓		✓		✓		
12. Mr. Sakchai Peechapat	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Auto, Property, Energy
13. Mr. Metha Pingsuthiwong	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Auto, Food, Petro, Property, Energy, Steel
Total	13	13	13	12	12	6	12	6	6	7	

7.2.2 Details of Directors and Controlling Persons

Board of Directors

As of January 1, 2024, the Board of Directors comprised the following 13 directors:

Name	Position	Type of Director
1. Mr. Pliu Mangkornkanok	Chairman	Non-Executive Director
2. Mr. Dung Ba Le	Vice Chairman Member of Nomination and Compensation Committee	Non-Executive Director
3. Assoc. Prof. Dr. Angkarat Priebjivat	Chairperson of Risk Oversight Committee Chairperson of Governance and Sustainability Committee	Non-Executive Director
4. Mr. Sathit Aungmanee	Chairman of Nomination and Compensation Committee	Non-Executive Director
5. Ms. PENCHUN Jarikasem	Lead Independent Director Chairperson of Audit Committee Member of Nomination and Compensation Committee	Independent Director
6. Ms. Pongpen Ruengvirayudh	Member of Audit Committee Member of Governance and Sustainability Committee	Independent Director
7. Assoc. Prof. Dr. Sillapaporn Srijunpetch	Member of Audit Committee	Independent Director
8. Mr. Kanich Punyashthiti	Member of Nomination and Compensation Committee Member of Governance and Sustainability Committee	Independent Director
9. Assoc. Prof. Dr. Vara Varavithya	Member of Risk Oversight Committee	Independent Director
10. Mr. Chi-Hao Sun (Howard Sun)	Member of Executive Board	Executive Director
11. Mr. Satoshi Yoshitake	Member of Executive Board	Executive Director
12. Mr. Sakchai Peechapat	Chairman of Executive Board Member of Risk Oversight Committee Group Chief Executive	Executive Director
13. Mr. Metha Pingsuthiwong	Member of Executive Board Chief Operating Officer President of TISCO Bank	Executive Director

The authorized directors with signatory authority on behalf of the Company are Mr. Sakchai Peechapat, or Mr. Chi-Hao Sun, or Mr. Satoshi Yoshitake, or Mr. Metha Pingsuthiwong: two out of these four directors jointly sign with the Company's seal affixed.

7.2.3 Roles and Duties of the Board of Directors

The Board of Directors is accountable to the Company's shareholders. Each director represents all shareholders and takes part in supervisory and regulatory functions in the Company's operations, in an independent and impartial manner, for the benefit of all shareholders and other stakeholders. The Board has duties and responsibilities designated in the Board of Directors Charter as follows:

Authority and Responsibilities of the Board of Directors

1. Approve TISCO Corporate Governance Policy as well as oversee TISCO Group Governance and corporate governance disclosure in a correct, complete, transparent, and timely manner (duty of disclosure).
2. Approve TISCO Company Statement: Vision and Mission.
3. Approval and monitoring of Group's business model, corporate strategies, business plan, and financial budgets, and policies, according to the principles of sustainable banking, which focuses on environmental, social and governance factors.
4. Formulate, recommend, and approve policies and transactions that are important to business, and manage risks that impact financial positions, performances, and TISCO reputations, as specified in the Bank of Thailand Notification.
5. Approval of M&A, investment, divestment, and disposal transaction involving high risk or materially impact TISCO in line with risk management policies, strategies, and appetite.
6. Oversee TISCO fair market conduct according to the Bank of Thailand Notification on Market Conduct Guidelines, which cover all service operation processes.
7. Ensure and monitor the effectiveness of whistle-blowing policy and internal control system. In addition, there must be a regular review and assessment to ensure that the internal control system is effective and suitable for TISCO.
8. Realize the problem of corruption, oversee the measure of anti-bribery, and ensure that TISCO has a framework of internal control which is suitable for anti-bribery.
9. Monitor risks and significant matters that impact financial position and reputation of financial institution.
10. Ensure and monitor the effectiveness of the integration of governance, risk management, and compliance (GRC).
11. Approval of the Risk Governance Framework and oversee the cultivation of risk awareness culture and remuneration structure promoting risk awareness.
12. Approval of the appointment, relocation, and dismissal, and performance appraisal of head of risk management functions namely Enterprise Risk Management, Operational Risk Management, and IT Risk Management, and head of compliance function as advised by the Risk Oversight Committee, as well as head of internal audit function as advised by the Audit Committee.
13. Select and appoint a Chairman and Vice Chairman of the Board from the candidates of the Board as proposed by the Nomination and Compensation Committee.
14. Oversee the annual evaluation of the Board's performance as a whole and on individual director level in the forms of self-assessment and cross-evaluation or third-party evaluation (if necessary).
15. Select, appoint, and evaluate Group CEO from the candidates as well as a succession plan as proposed by the Nomination and Compensation Committee
16. Work in partnership with the Group CEO and senior management in defining the overall direction and strategies of TISCO Group concerning sustainable business, including promoting and integrating innovation into the strategy and ensuring coherent implementation of those strategies through the institution of a Corporate Governance Policy to produce long-term value for shareholders.
17. Together with the Group CEO and senior management, set example at the top that establishes a culture of legal compliance and integrity.
18. Appoint Board Committees, namely, TISCO Audit Committee, TISCO Nomination and Compensation Committee, TISCO Corporate Governance and Sustainability Committee, TISCO Risk Oversight Committee, and TISCO Executive Board as proposed by TISCO NCC, to carry out the tasks assigned by the Board.
19. Appoint a Corporate Secretary to take care of the Board's and directors' activities and administer critical corporate matters in full compliance with all relevant laws and related regulations. The Corporate Secretary's responsibilities also include monitoring compliance to the Board's resolutions and handling the Board and Shareholders' Meetings on matters concerning notices, minutes and other duties as required by related laws and regulations.

Authority and Responsibilities of Chairman of the Board

1. Provide leadership to the board and be responsible for the board's effectiveness of overall functioning, including maintaining a relationship of trust with board members. The Chairman will ensure that the Board and its committees work in conformity to the highest standards of corporate governance.
2. With supporting from Group CEO and Company Secretary, set agenda which are primarily focused on strategy, performance, value creation and accountability, and ensure that issues relevant to those areas are considered by the Board. The Chairman is accountable to the Board that directors will perform their duty with accountability and due care, and in compliance with the related laws and regulations, and in the best interest of TISCO.
3. Communicate relevant Board decisions within TISCO where deems appropriate. The Chairman shall also ensure effective communication with shareholders, government agencies and other relevant stakeholders and that the views of these groups are understood by the Board.
4. Ensure that the Board members receive adequate, accurate, timely and relevant information, particularly about TISCO's performance; the Board's decisions are made on a sound and well-informed basis; and the expression and discussion of dissenting views are encouraged within the decision-making process.
5. Ensure good working relationship between the executive and non-executive directors and between the Board members and management, meanwhile ensure adequate time for discussion of all agenda, particularly strategic issues as well as support the Board to independently uses their discretion and express their opinion.
6. Ensure that the Board understands the nature and extent of the significant risks TISCO is willing to take in the implementation of its strategy, and review on an ongoing basis the effectiveness of risk management and internal control systems.
7. Provide access, advice, and support to the Group CEO in the development of strategy. The Chairman also maintains access to senior management for vital information related to TISCO business as is necessary and useful.
8. Promote effective relationships and communications between non-executive directors and senior management.
9. Ensure that the performance and effectiveness of the Board and Board Committees are formally evaluated on an annual basis.
10. Monitor and ensure that management has taken appropriate action and/or is properly following up on the recommendations and resolutions made by the Board and Board Committees.
11. Seek to discuss and exchange view with directors on matters relating to the performing of their duties including obstacle and problem encountered.
12. Build awareness among Board members that even though committees are set up to help the Board do its work, the Board as a whole is still responsible for those tasks.

Authority and Responsibilities of Vice Chairman of the Board

A vice chairman has the duties as specified in the Public Companies Act and the articles of association in respect of the business entrusted by the chairman of the board, including taking the role as the acting Chairman of the Board during the period when the Chairman is absent, and the normal functions of the Chairman cannot be carried out until the Chairman resumes his normal duties or a new Chairman has been elected and appointed by the Board.

Authority and Responsibilities of Lead Independent Director

1. Chair the meeting on agenda that the Chairman and Vice Chairman cannot perform their duties due to having conflict of interests from not being independent director.
2. Call Independent Director meeting at least once a year and inform the Chairman and the Board of Directors about the outcomes.
3. Collaborate with the Chairman and Group CEO in setting the meeting agenda.

7.2.4 Details of Directors and Controlling Persons of TISCO Bank Public Company Limited, the Core Company

TISCO Bank's Board of Directors

As of January 1, 2024, TISCO Bank's Board of Directors comprised the following 11 directors:

Name	Position	Type of Director
1. Mr. Pliu Mangkornkanok	Chairman	Non-Executive Director
2. Assoc. Prof. Dr. Angkarat Priebjivat	Chairperson of Risk Oversight Committee	Non-Executive Director
3. Ms. Pongpen Ruengvirayudh	Member of Audit Committee	Independent Director
4. Ms. PENCHUN JARIKASEM	Chairperson of Audit Committee	Independent Director
5. Assoc. Prof. Dr. Sillapaporn Srijunpetch	Member of Audit Committee	Independent Director
6. Mr. Kanich Punyashthiti	Director	Independent Director
7. Assoc. Prof. Dr. Vara Varavithya	Member of Risk Oversight Committee	Independent Director
8. Mr. Chi-Hao Sun (Howard Sun)	Member of Executive Board	Executive Director
9. Mr. Satoshi Yoshitake	Member of Executive Board	Executive Director
10. Mr. Sakchai Peechapat	Chairman of Executive Board Member of Risk Oversight Committee	Executive Director
11. Mr. Metha Pingsuthiwong	Member of Executive Board Member of Risk Oversight Committee President of TISCO Bank	Executive Director

The authorized directors with signatory authority on behalf of the Bank are Mr. Sakchai Peechapat, or Mr. Chi-Hao Sun, or Mr. Satoshi Yoshitake, or Mr. Metha Pingsuthiwong: two out of these four directors jointly sign with the Bank's seal affixed.

Authority and Responsibilities of TISCO Bank's Board of Directors:

Under consolidated supervision framework, the Board shall ensure that the Bank adopt and adhere to TISCO Corporate Governance Policy approved by the Board of Directors of the parent company. TISCO Corporate Governance Policy constitutes all key policies and guidelines concerning the governance and operating structure of TISCO Group, business strategy, management and operations, risk and controls, human resources, finance and accounting, corporate affairs, and public and corporate communications. The Board shall carry out the following responsibilities within the policies and directions set forth in TISCO Corporate Governance Policy efficiently and effectively in the best interests of the shareholders.

1. Approve business & operating plan of the Bank, as directed by TISCO Group's corporate strategies and business plan.
2. Ensure the institution of internal business codes and ethics, codes of conduct for directors, management and employees.
3. Continuously review the Bank's operations to ensure that its directors, management, and employees conduct the Bank's businesses in compliance with TISCO Corporate Governance Policy as well as related laws and regulations.
4. Ensure competent management of the Bank including appointing senior management.
5. Ensure the institution of effective systems for internal control and audit.
6. Ensure that the Bank's management refers significant issues to the Bank's Board of Directors.
7. Ensure that the Bank's management has in place risk management policies, processes and controls of all risk types. The Board shall be responsible for approval of adoption and ongoing implementation of such risk management policies and guidelines.

8. Appoint other committees according to the needs and suitability to carry out specific tasks to ensure that the operations are in compliance with established Corporate Governance Policy.
9. Ensure that the Bank has policies, guidelines, and controls procedures for granting credit and investment transactions with related parties.
10. Ensure that there is a process for prompt submission of management letters from the external auditor and management to the Bank's Board of Directors.
11. Ensure that there exists appropriate check and balance in the management and/or major shareholders of the Bank, in particular the proportion or the number of independent directors on the Board.
12. Ensure that the Board and the parent company receive sufficient information to effectively discharge its authorities, duties, and responsibilities.
13. Report business activities and financial performance to the parent company's Executive Board on a regular basis, in compliance with the Consolidated Supervision Principle of the Bank of Thailand.

7.3 Details of Board Committees

7.3.1 Board Committees

The Board of Directors may assign any other committees or an attorney to conduct business on behalf of the Board. Such assignment of power shall not allow the committee member or the attorney to have authority to approve transactions that they or persons who may have a conflict of interest with stakeholders as defined by the Securities and Exchange Commission or may have any other conflict of interest with the Company or subsidiary companies. Details of the members and authorities of the subcommittee are shown in 7.3.2.

The Board structure is comprised of Board of Directors and five subcommittees appointed by the Board of Directors: (1) Executive Board, (2) Risk Oversight Committee (3) Audit Committee, (4) Nomination and Compensation Committee, and (5) Governance and Sustainability Committee. In addition, the Company assigned certain Management Committee and management supervising important functions within TISCO Group from subsidiary companies to be employed under the Company. The Company seconded those managements to the same subsidiary companies for the same responsibilities on a full-time basis. This is to ensure that they will devote their time to effectively managing subsidiary companies under TISCO Group strategy and plan approved by the Board of Directors.

7.3.2 Details of Members and Authority of the subcommittees

Executive Board

As of January 1, 2024, the Executive Board appointed by the Board of Directors was comprised of four Executive Directors as follows:

Name	Position	Number of attendance / Number of total meetings
1. Mr. Sakchai Peechapat	Chairman	12/12
2. Mr. Chi-Hao Sun (Howard Sun)	Member	12/12
3. Mr. Satoshi Yoshitake	Member	12/12
4. Mr. Metha Pingsuthiwong	Member	12/12

The Executive Board convened twelve meetings throughout the year 2023 and regularly reported to the Board of Directors. Report of the Executive Board are shown in attachment of this Form 56-1 One Report.

Secretary to the Executive Board is Mr. Pairat Srivilairit.

Authority and responsibilities of Executive Board

1. Determine and propose group business strategy, merger & acquisition transactions, new business ventures, and new products involving high risk to TISCO Board for approval.
2. Review and oversee the TISCO Group business plan and budget, monitors performance and institutes TISCO Group's Centralized Policies on all important operational and control areas.
3. Approve credit with substantial amounts and/or transactions that involve high risks under TISCO Group's business framework.
4. Promote innovative strategy and the use of technology to enhance competitiveness in which respond to stakeholder concerns & expectations and meet social & environmental responsibilities.
5. Supervise subsidiary companies of transactions that involved high risk.
6. Act on behalf of TISCO as the major shareholder in appointment of the Board of Directors of all subsidiary companies, except TISCO Bank, TISCO Securities and TISCO Asset Management.
7. Ensure that managements of the company and subsidiary company refer material issues of the Group to Executive Board.
8. Ensure the effectiveness of the implementation of risk management framework and risk management guidelines in alignment with approved risk management policies, strategies and appetite.
9. Appoint and supervise Credit Committee and Problem Loan Committee.
10. Ensure that all subcommittees appointed by Group CEO are established, composed, and operated appropriately and professionally.

Risk Oversight Committee

As of January 1, 2024, the Risk Oversight Committee appointed by the Board of Directors was comprised of Non-Executive Director, Executive Director, and Management, totaling four people as follows:

Name	Position	Number of attendance / Number of total meetings
1. Assoc. Prof. Dr. Angkarat Priebjivat	Chairperson	6/6
2. Assoc. Prof. Dr. Vara Varavithya	Member	6/6
3. Mr. Sakchai Peechapat	Member	6/6
4. Mr. Chatri Chandrangam	Member	6/6

The Risk Oversight Committee convened six meetings and one joint meeting with Audit Committee throughout the year 2023 and regularly reported to the Board of Directors. Report of the Risk Oversight Committee are shown in this 56-1 One Report.

Secretary to the Risk Oversight Committee is Mr. Nipon Wongchotiwat.

Authority and responsibilities of Risk Oversight Committee

1. Advise the Board in review and approval of the risk governance framework as stipulated by the Bank of Thailand.
2. Ensure senior management including head of risk management functions complied with the risk management policies & strategies, and risk appetites.
3. Oversee the strategies on capital and liquidity management in line with approved risk appetites.
4. Report to the Board regarding risk exposures, effectiveness of risk management, implementation progress of risk culture, significant issues and required improvement in compliance with risk management policies & strategies.
5. Exchange views with the Audit Committee in reviewing the sufficiency and effectiveness of overall risk management policies & strategies and risk appetite at (least once a year).
6. Advise the Board regarding the approval, relocation, dismissal, and evaluation of the effectiveness and efficiency of Head of risk management functions and Head of Compliance.

7. Oversee the significant compliance matters of TISCO Group, and consider the examination results and issues from regulators in providing guidance for improvement on the examination's issues.

8. Approve Compliance Policy, Compliance function charter, Compliance Program and Plan, as well as Annual Compliance Report of TISCO Group.

9. Review Risk Management Policies and Guidelines as well as Risk Management Plans in views of sufficiency and effectiveness of risk management system.

10. Review Stress Testing results, Internal Capital Adequacy Assessment Process (ICAAP) report, and Recovery Plan, as well as Self-Assessment of TISCO Group internal control system, in accordance with the Bank of Thailand's requirements.

11. Oversee the sufficiency and effectiveness of ESG risk management system and ensure the integration of ESG risks into Enterprise Risk Management framework in alignment with TISCO Sustainable Development Policy.

12. Review Not-Normal Related Party Transactions and make recommendation to the Board in accordance with the Related Party Transactions Policy.

13. Carry out related risk oversight matters as delegated by the Board.

Audit Committee

As of January 1, 2024, the Audit Committee which was appointed by the Board of Directors comprised of three Independent Directors. The Committee convened 13 meetings throughout the year 2023 as follows:

Name	Position	Number of attendance / Number of total meetings
1. Ms. Penchun Jarikasem	Chairperson	13/13
2. Ms. Pongpen Ruengvirayudh	Member	13/13
3. Assoc. Prof. Dr. Sillapaporn Srijunpetch	Member	13/13

All three members of the Audit Committee have sufficient knowledge and experience to review the trustworthiness of financial statements.

The Audit Committee convened 13 meetings and one joint meeting with Risk Oversight Committee throughout the year 2023 and reported to the Board of Directors. Report of the Audit Committee in 2022 are shown in this 56-1 One Report.

Secretary to the Audit Committee is Ms. Chuenchit Trakarnratti

Authority and responsibilities of Audit Committee

1. Review TISCO Group's financial reports to ensure that they are accurate, reliable with sufficient disclosures and in compliance with financial reporting standards and regulatory requirements.

2. Review and evaluate that TISCO Group has adequate and efficient internal control system and internal audit.

3. Consider the independence of TISCO Group's Internal Audit function, and approve Internal Audit policy, Internal Audit charter, strategy, key performance indicators, annual audit plan, staffing and budget.

4. Review and concur the appointment, transfer, or dismissal of Head of Internal Audit, and review the performance of Head of Internal Audit.

5. Ensure that TISCO Group operates businesses in compliance with related laws and regulations.

6. Consider the qualifications, independence, performance and recommend to the Board of Directors the appointment or termination of the external auditors including their remuneration.

7. Review significant related party transactions that may give rise to conflicts of interest to ensure that the transactions are executed with transparency for the best interest of shareholders and in compliance with related laws and regulations.

8. Ensure the accuracy and completeness of the disclosure of TISCO Group, especially the connected transaction or the transaction that may lead to conflict of interest.

9. Ensure that the material acquisition and disposal transactions are appropriately and reasonably executed.

Nomination and Compensation Committee

As of January 1, 2024, the Nomination and Compensation Committee was appointed by the Board of Directors. The Nomination and Compensation Committee comprised the following Independent Directors and Non-executive Director, totaling four persons.

Name	Position	Number of attendance / Number of total meetings
1. Mr. Sathit Aungmanee	Chairman	7/7
2. Mr. Dung Ba Le	Member	7/7
3. Mr. Kanich Punyashthiti	Member	7/7
4. Ms. Penchun Jarikasem	Member	7/7

The Nomination and Compensation Committee convened seven meetings throughout the Year 2023 and reported to the Board of Directors. Report of the Nomination and Compensation Committee in 2023 are shown in this 56-1 One Report.

Secretary to the Nomination and Compensation Committee is Mr. Pairat Srivilairit.

Authority and Responsibilities of Nomination and Compensation Committee

Nomination

1. Formulate policy, criteria, and method for nominating candidates for directors and Top Management of the Company and its subsidiary companies in TISCO Group to the Board for consideration and submit the policy to regulatory parties upon request.

2. Select and nominate names of qualified candidates to the Board of Directors of the Company and its subsidiary companies, which are directly supervised by financial and capital market regulators (TISCO Bank, TISCO Securities and TISCO Asset Management), for the following positions;

- Directors
- Members of committees whose functions, responsibilities and authorities are directly given by the Board of Directors
- Top Management
- Advisor(s) to the Board of Directors and/or committees whose functions, responsibilities and authorities are directly given by the Board of Directors

3. Ensure that size and composition of the Board of Directors of the companies in TISCO Group is appropriate for the organization and the business environment. The Board should comprise members who have diversified expertise and experience.

4. Evaluate the Group CEO's performance with input from Chairman of the Board of Directors, Chairpersons of the Audit Committee, the Governance and Sustainability Committee, and the Risk Oversight Committee and propose result to the Board of Directors for approval.

5. Ensure that the meeting(s) between the Board and members of Management Committee in absence of the Group CEO is arranged at least once a year prior to his/her annual performance assessment.

6. Ensure that succession plan for Group CEO and members of Management Committee of the companies in TISCO Group is properly developed to allow smooth and continuity of business operations, and that such plan is reviewed periodically.

7. Disclose the nomination policy and process in the Annual Report.

Compensation

8. Review and establish clear and transparent remuneration and benefit policy and criteria for the directors, committee members, Advisor(s) and TISCO Group's employees as proposed by the management.

9. Ensure that the Board remuneration is commensurate with their duties and responsibilities. Board members who handle the extra assignments should be compensated accordingly.

10. Devise performance assessment criteria for board members and TISCO Group's employees for annual remuneration review, taking into account their responsibilities and risks as well as enhancement of long-term shareholder value.

11. Review and approve promotion, remuneration, and benefit of Group CEO.

12. Review and consider the Group CEO's proposal for appointment, performance evaluation, promotion, remuneration, and benefit of each member of Management Committee and one further level down.

13. Review and consider the management's proposals for the total amount of annual performance-oriented, short-term and long-term incentives as well as merit increase for TISCO Group's employee.

14. Disclose the remuneration policy, actual payment in various forms for directors as well as prepare and disclose the Committee's report that at least covers the objectives, activities and opinion of the Committee in the Annual Report.

Other

15. Ensure that new director receives adequate information concerning the scope of authority and roles and responsibilities of committees and encourages new director to attend seminars, training, company visits, etc. to enhance knowledge, understanding, perspective, and the necessary skills.

16. Ensure that the training and professional development programs for Directors and Management are assorted properly.

17. Report activities to the Board of Directors on a regular basis.

18. Conduct the activities as assigned by the Board of Directors in agreement of the Nomination and Compensation Committee.

Governance and Sustainability Committee

As of January 1, 2024, the Governance and Sustainability Committee was appointed by the Board of Directors. The Governance and Sustainability Committee comprised the following Independent Directors and Non-executive director, totaling three persons as follows:

Name	Position	Number of attendance / Number of total meetings
1. Assoc. Prof. Dr. Angkarat Priebjrivat	Chairperson	5/5
2. Mr. Kanich Punyashthiti	Member	5/5
3. Ms. Pongpen Ruengvirayudh	Member	5/5

The Governance and Sustainability Committee convened five meetings throughout the year 2023 and reported to the Board of Directors. Report of the Governance and Sustainability Committee in 2023 are shown in this 56-1 One Report. Secretary to the Governance and Sustainability Committee is Mr. Pairat Srivilairit.

Authority and Responsibilities of Governance and Sustainability Committee:

Corporate Governance

1. Formulate and review the structure, scope, and policy of TISCO Corporate Governance and Code of Conduct for the Board of Directors' consideration and approval.

2. Build and promote good corporate culture and ethics aligns with Governance, Risk, and Compliance (GRC) framework and guidelines.

3. Give advice to the Board of Directors on the structure, roles and responsibilities, practice and charter of the Board of Directors and Board committees.

4. Work as a consulting body for the Board of Directors and the Management on matters regarding corporate governance and code of conduct.

5. Review and oversee the corporate governance practice of the Board of Directors, Board committees, and the Management in compliance with Corporate Governance Policy, Code of Conduct and related laws and regulations including communication to directors, management, and employees

6. Review result of corporate governance assessments by outside agencies and make recommendation to the Board of Directors.

7. Review corporate governance practices of TISCO by benchmarking to that of domestic and international standards and best practices for further improvement.

8. Monitor the implementation of TISCO Corporate Governance Policy and Guidelines, TISCO Sustainable Development Policy, TISCO Code of Conducts, TISCO Whistleblowing Policy and report its findings to the Board.

9. Monitor the adequacy of the company's disclosure practices relevance to corporate governance.

Sustainability

10. Review Sustainable Development Policy, oversee work-plans and practices to ensure alignment with TISCO Sustainable Development Policy, framework and strategy, and provide advice related to sustainable development issues.

11. Review sustainable development practices of TISCO by benchmarking to that of domestic and international standards and best practices for further improvement.

12. Review result of sustainable development assessment by outside agencies and make recommendation to the Board of Directors.

13. Monitor the implementation of TISCO Sustainable Development Policy and report its findings to the Board.

14. Monitor the adequacy of the company's disclosure practices relevance to sustainable development.

Others

15. Consider the self-authorized transaction on expenses and business leave as reported by the Chairperson of the Executive Board and the Group CEO on a monthly basis.

16. Perform other duties as assigned by the Board of Directors.

7.4 Management

The Company transferred certain senior management and management supervising major functions under subsidiary company. Simultaneously, the Company seconded those managements to the same subsidiary companies for the same responsibilities on full time basis. This is to ensure that they shall devote their time to effectively manage subsidiary companies under TISCO Group strategy and plan approved by the Board of Directors.

7.4.1 Name and Position of Management

As of January 1, 2024, Management Committee of the TISCO Group as defined by the Securities and Exchange Commission comprised the following members:

Name	Position in the Company	Position assigned in subsidiary company
1. Mr. Sakchai Peechapat	Group Chief Executive	-
2. Mr. Metha Pingsuthiwong	Chief Operating Officer President	President, TISCO Bank Public Company Limited
3. Mr. Pitada Vatcharasiritham	Senior Executive Vice President	Senior Executive Vice President - Corporate Banking, TISCO Bank Public Company Limited
4. Mr. Paiboon Nalinthrangkurn	Senior Executive Vice President	Chief Executive Officer, TISCO Securities Company Limited
5. Mr. Chatri Chandrangam	Senior Executive Vice President - Risk & Financial Control	-

Name	Position in the Company	Position assigned in subsidiary company
6. Mr. Dejphinun Suthadsanasoung	Senior Executive Vice President	Senior Executive Vice President - Retail Banking TISCO Bank Public Company Limited
7. Mr. Yuttpong Sriwongjanya	First Executive Vice President	First Executive Vice President Retail Banking - Sales & Marketing 2, TISCO Bank Public Company Limited
8. Mr. Rungroj Jarasvijitkul	First Executive Vice President	First Executive Vice President - Retail Banking - Sales & Marketing 1, TISCO Bank Public Company Limited
9. Mr. Picha Ratanatam	First Executive Vice President	First Executive Vice President - Wealth Management & Banking Services, TISCO Bank Public Company Limited
10. Ms. Pavinee Ongvasith	First Executive Vice President	Chief Executive Officer, TISCO Asset Management Company Limited
11. Mr. Pairat Srivilairit	First Executive Vice President - Governance Office / Corporate Secretary	-
12. Ms. Wanthana Chotchaisathit	First Executive Vice President - Information Technology	-
13. Ms. Rachada Pruksanubal	First Executive Vice President	Executive Vice President - Banking Services, TISCO Bank Public Company Limited
14. Mr. Theeranat Rujimethapass	First Executive Vice President	President, TISCO Asset Management Company Limited

Authority and Responsibilities of Management Committee

1. To consider and formulate TISCO Group business strategy, financial goals, business plan including annual budget. The strategy, goals and plan must be balanced among short, medium and long term to maximize long term shareholders' value.
2. To review and ensure that TISCO Group's operations are in accordance with its strategies and business plan, the overall business and non-financial performances meet TISCO's corporate KPI and all are in compliance with Corporate Governance Policy, overall sustainable value creation, and related regulations.
3. To implement policies and business strategies, risk governance framework, and business operation based on sustainable banking principle.
4. To discuss and make decisions on Group's business direction and policy, diversification of business platforms, innovation of business, synergy of cross-over businesses functions, efficiency and control issues among high-impact business and operations areas, group human resources management policies and capital expenditure policies.
5. To serve as a forum for heads of business and control functions to lodge and discuss on certain conflict and disagreement arising from operations and/or management issues, which cannot be resolved within the organization's normal chain of command.

Authority and Responsibilities of the Group Chief Executive

1. Focus on strategy formulation, which is guided by the statement of vision and mission approved by the Board of Directors, by working in partnership with the Board of Directors in formulating such strategies and business plan including the level of risk appetite of TISCO Group.

2. Monitor the Company's overall performance with emphasis in long term value creation of the Company.
 3. Be responsible to the Board for the business performance and its consistency with agreed business plans, corporate strategies and policies, and keep the Board updated on progress.
 4. Lead, direct, and guide other Senior Management.
 5. Oversee strategic alignment, governance and management structure, operations, risk management, and control systems, and ensure effective implementation of strategies and business plans as well as the sustainability issue across TISCO Group.
 6. Facilitate TISCO's operating business units in developing their own future innovation and strategic plans, and ensure that they are properly evaluated and integrated into the overall corporate strategy.
 7. Ensure that TISCO has the human capabilities and other resources required to achieve its plans, and that the management succession and management development plans are in place and presented to the Board on a pre-scheduled basis.
 8. Ensure that business is conducted in accordance with TISCO Corporate Governance Policy and in compliance with related laws and regulations.
 9. Develop and maintain an effective framework of internal controls and risk management in relation to all business activities.
 10. Ensure the preparation of, under the oversight of the Audit Committee, financial statements that fairly present the financial condition and result of operations of TISCO; and make the timely disclosures that investors need to assess the financial and business soundness and risks of TISCO.
 11. Ensure that TISCO has a suitable system and policy for the timely and accurate disclosure of information in accordance with regulatory requirements and TISCO Corporate Governance Policy.
 12. Ensure that the flow of relevant information to the Board is adequate, accurate, timely, and keep the Chairman promptly informed of all matters which are deemed important to the Board or of which the Board should be aware.
 13. Establish TISCO Risk Management Committee, TISCO Compliance & Operation Control Committee, TISCO IT Risk Committee, TISCO Human Resources Committee, and TISCO Management Committee, TISCO Technology and Infrastructure Committee and other committees, to carry out specific tasks.
 14. Nominate members of TISCO Management Committee and management of one further level down for NCC approval.
 15. Ensure that all committees appointed by the Executive Board and Group CEO are established, composed and operated; that the committees' decisions are made on a sound and well-informed basis; and that dissenting views can be expressed, discussed and recorded within the decision-making process.
 16. Interface with the Board, employees, stakeholders, and communicate with public community.
- The appointment of the TISCO Group Chief Executive Officer must be approved by the Bank of Thailand every time, or every four (4) years from the date of appointment. whichever comes first.

Authority and Responsibilities of Chief Operating Officer

1. Provide overall management for day-to-day operations in TISCO utilizing limited resources to the most productive uses.
2. Assist the Group CEO in developing and cascading organization's strategy/ mission to the lower ranking staff.
3. Make plan by prioritizing customer, employee and company's requirement.
4. Work in partnership with the Group CEO and the management in attaining the highest standard of employee's quality and compliance to TISCO Corporate Governance Policy and Code of Conduct.

As of January 1, 2024, the Company has management members as defined by the Securities and Exchange Commission as follows:

Name	Position
1. Mr. Sakchai Peechapat	Group Chief Executive
2. Mr. Metha Pingsuthiwong	President and Chief Operating Officer
3. Mr. Pitada Vatcharasiritham	Senior Executive Vice President
4. Mr. Chatri Chandrangam	Senior Executive Vice President - Risk and Financial Control
5. Mr. Paiboon Nalinthrangkurn	Senior Executive Vice President
6. Mr. Dejphinun Suthadsanasoung	Senior Executive Vice President
7. Mr. Yuttpong Sriwongjanya	First Executive Vice President
8. Mr. Rungroj Jarasvijitkul	First Executive Vice President
9. Mr. Picha Ratanatam	First Executive Vice President
10. Ms. Pavinee Ongvasith	First Executive Vice President
11. Mr. Pairat Srivilairit	First Executive Vice President - Governance Office
12. Ms. Wanthana Chotchaisathit	First Executive Vice President - Information Technology
13. Ms. Rachada Pruksanubal	First Executive Vice President
14. Mr. Theeranat Rujimethapass	First Executive Vice President
Risk and Financial Control	
15. Mr. Kontee Sunthornpradit	Financial Controller
16. Ms. Mayuree Kingsawad	Head of Corporate Accounting
17. Mr. Piram Sooklerk	Head of Planning & Budgeting
18. Mr. Nipon Wongchotiwat	Head of Enterprise Risk & Credit Control
19. Mr. Puvarin Kullaphatkanon	Head of Enterprise Risk Management
20. Ms. Surang Techarungnirun	Head of Credit Control
21. Mr. Kittipoap Watcharavasuntr	Head of Risk and Business Analytics
22. Mr. Pichit Treethephasumphan	Head of Appraisal and Valuation
23. Ms. Latika Chongkuatrakul	Head of Corporate Communication
Governance Office	
24. Ms. Sakornrat Manuwong	Head of Corporate Compliance
25. Ms. Maneerat Wattanajak	Head of Compliance - Banking Business
26. Ms. Yaninee Papnum	Head of Compliance - Asset Management Business
27. Ms. Artittaya Wongvipat	Head of Compliance - Securities Business
28. Mr. Prayuk Charoencharaskul	Head of Operational Risk Management
29. Ms. Nudtinee Suwanpanitch	Head of Legal Office
30. Ms. Jiraporn Sawsukpaiboon	Head of Credit Review
31. Mr. Ekarat Pongkitvanitchkul	Head of IT Risk Management
Internal Audit	
32. Ms. Chuenchit Trakarnratti	Head of Internal Audit
Economic Strategy Unit	
31. Mr. Komsorn Prakobphol	Head of Economic Strategy Unit
Information Technology	
32. Ms. Aree Archamongkol	Head of Corporate Services & Procurement
Digital Banking & Business Innovation	
33. Mr. Tula Rodsalub	Head of Digital Banking & Business Innovation
Strategic Project & Executive Office	
34. Mr. Pongsupat Supasirisin	Head of Strategic Project & Executive Office

Name	Position
Treasury & Investment	
35. Ms. Kwannapa Ampornvisaroot	Head of Treasury & Investment
Data Management & Analytics	
36. Ms. Supissara Srikwanthong	Head of Data Management & Analytics
Human Resources	
37. Mr. Watsakorn Thepthim	Head of Human Resources
38. Mr. Kittipong Tiyaboonthai	Head of Human Resources Management
39. Ms. Chutiporn Luangrungsawang	Head of Human Resources Services

Management of TISCO Bank, the Core Company

As of January 1, 2024, TISCO Bank has management members as defined by the Securities and Exchange Commission as follows:

Name	Position
1. Mr. Metha Pingsuthiwong	President
2. Mr. Pitada Vacharasiritham	Senior Executive Vice President - Corporate Banking
3. Mr. Picha Ratanatam	First Executive Vice President – Wealth Management & Banking Services
4. Mr. Dejphinun Suthadsanasoung	Senior Executive Vice President - Retail Banking - Operations
5. Mr. Yuttpong Sriwongjanya	First Executive Vice President - Retail Banking - Sales & Marketing 2
6. Mr. Rungroj Jarasvijitkul	First Executive Vice President - Retail Banking - Sales & Marketing 1
7. Ms. Rachada Pruksanubal	First Executive Vice President - Banking Services / Acting Head of Treasury
Corporate Banking	
8. Mr. Manop Petdamrongsakul	Head of Corporate Finance
9. Ms. Sunee Tongsombutpanich	Head of Business and Risk Assessment
10. Mrs. Malatip Swintara	Co-Head of Business and Risk Assessment
11. Ms. Rapeeporn Ounchalanon	Head of Loan Administration
12. Mrs. Savika Jongpakpaisal	Head of Loan Documentation
Retail Banking – Sales & Marketing 1	
13. Mr. Wittya Mettaviharee	Deputy Head of Retail Banking – Sales & Marketing 1
14. Mr. Sommai Sae Ung	Head of SME & Mortgage Loan
15. Mr. Noppadol Chumwong	Head of Hire Purchase
16. Ms. Parichat Suthatsanasuang	Head of Hire Purchase - Captive
17. Mr. Aekkarin Thitipanyadilok	Deputy Head of Branch Channel 1
18. Mr. Somboon Siriruck	Head of Branch Channel 2
19. Mr. Sukit Yontojakwithee	Head of Branch Channel 3
20. Mr. Phongsophon Wongthongkam	Head of SME
21. Mr. Prakrit Shoonhasriwong	Head of Mortgage Loan
Retail Banking – Sales & Marketing 2	
22. Ms. Wipa Mettaviharee	Head of All Finance & Direct Sales
23. Mr. Saisit Srihatrai	Assistant Head of Strategy & Product Development
24. Ms. Yuwasri Mekwichai	Head of Retail Marketing & Business Development
25. Mrs. Wantana Kitchpanich	Head of Branch Operations Support
Retail Banking - Operations	
26. Ms. Penthip Laobooncharoen	Head of Retail & SME Credit

Name	Position
27. Mr. Sukit Sakulwongyai	Head of RBO / Acting Head of Retail Collection
28. Mr. Worapoth Tirakaron	Head of Retail Service & Support
29. Mr. Taworn Suphadechochai	Head of Retail Follow-up & Legal
30. Mr. Nattanan Ananpreeyavit	Head of Contact Center
31. Mr. Konchai Udomsrisuk	Head of Retail Solution Development
32. Mr. Teerayuth Praserttrattanadacho	Head of Joint Venture Business
Wealth Management	
33. Ms. Pitchapa Wongsarasak	Head of Wealth Product
34. Mr. Satit Pawahan	Head of Private Banking
35. Ms. Saranya Weeramahawong	Head of Personal Banking 1
36. Mrs. Atchara Petchsangroj	Head of Personal Banking 2
37. Mrs. Vorasinee Sethabutr	Head of Wealth Product Development & Marketing Communication
38. Mr. Nattakrit Laotaweessap	Head of Wealth Advisory
Banking Services	
39. Ms. Lapanant Tanwanna	Head of Custodian Service
40. Mrs. Suwandee Khaolaorr	Head of Cash Management
41. Mr. Kittichai Tonnajarn	Head of Counter Services
42. Mr. Worawit Rungsiriopas	Head of Processing & Settlement
43. Ms. Mayura Sanguansaksri	Head of Logistic & Control
44. Ms. Yupha Janpoom	Head of Fund Operation
Bancassurance	
45. Mrs. Kusumar Pratomsrimek	Head of Bancassurance
Marketplace & Digital Deposits	
46. Mr. Noppawat Tangburanakij	Head of Marketplace & Digital Deposits

As TISCO Corporate Governance Policy, all support and control functions will be centralized at the parent company. These centralized operations cover the areas of risk oversight. The parent company applied across all subsidiary companies including TISCO Bank. Therefore, all heads of risk oversight functions are management of TISCO Financial Group Public Company Limited, e.g., head of risk management function, compliance function, and internal audit function.

7.4.2 Director and Management Remuneration Policy

The remuneration of directors, proposed by the Nomination and Compensation Committee, shall be approved by the ordinary shareholders' meeting. The scale and components of remuneration for directors and management have been set subject to the principle that such remuneration should be appealing enough to attract and retain quality directors but avoid excessive pay. Remuneration for directors should be comparable to the general practice in the industry with regard to work experience and commitment, as well as the benefits each director brings. In addition, the remuneration shall be reviewed in comparison to comparable listed companies with a similar size of business and the listed company average.

Directors who are assigned with extra work (being members of other sub-committees, for example) should be paid appropriately. The remuneration to be paid to such director or directors will be approved by the board. Remuneration for Group Chief Executive and Management (collectively called "Management") shall be linked to short- and long-term performance of TISCO Group, consist of financial performance and non-financial performance i.e., customers, customer satisfaction, development of operational process and risk management, and human capital development plus indicators for being a responsible financial institution on the economy, society, and the environment.

Such indicators included ROA, ROE, net interest margin, non-interest income growth, total shareholder return, customer satisfaction, and feedback from employee engagement survey. This reflects good practice and being a sustainable bank under transparent regulations and scopes of responsibility. The Nomination and Compensation Committee is responsible for considering the remuneration of the CEO and Managements to reflect his performance management in both financial KPI's and non-financial KPI's. The KPI's set are in alignment with the Company's vision, mission, and short- and long-term goals as well as the ability to compete with other organizations in the standards of leading group companies in Thailand. The remuneration should be determined in accordance with Director and Management Remuneration Policy approved by the Nomination and Compensation Committee with an endorsement from the Board of Directors.

To avoid conflict of interest and enhance transparency, remuneration shall always be approved from the higher level of management.

Apart from the remuneration payable to directors of TISCO Financial Group Public Company Limited, the Parent Company, in 2023, there are also remuneration to be paid to directors who do not hold any directorship in TISCO and/or management position in other subsidiary companies in the same form and amount to TISCO Board member, to be valid until amended. The Board of Directors of each subsidiary company, under the authority delegated by its shareholders, will determine appropriate amount and the exact amount to be paid each time. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

7.4.3 Director and Management Remuneration

Financial Remuneration

In 2023, total remuneration for four executive directors was Baht 4,788,668 which was paid in the form of monthly compensation and meeting fees. Additionally, the senior management and management, totaling 40 people, received Baht 436,597,383.34 which was paid in the form of monthly compensation, meeting fees, a provident fund, and bonuses, which varied according to TISCO Group's performance. Therefore, the total remuneration was Baht 441,386,051.34.

Regarding the remuneration for the management of TISCO Bank, the core company of TISCO Group, totaling 39 people, it was Baht 201,874,996.45 (excluding the Management who are in the Parent Company and seconded to manage TISCO Bank), in the form of monthly compensation, salaries, provident funds, and bonuses, which varied according to TISCO Group's and each business line's performance.

Other Remuneration

In 2023, senior managements and managements of the Company, totaling 40 persons, received the Company's contributions to their provident funds, totaling Baht 25,353,928.50 while managements of the Bank, totaling 38 persons, received the Bank's contributions to their provident funds, totaling Baht 13,875,990.21 In addition, the managements received benefits and other welfares under the Company's regulations, similar to other employees, such as healthcare and medical checkup expenses, and loan welfares.

The ratio of compensation for executive of TISCO Group to employees was 0.14 time.

7.5 Details of Employees

Human Resources

As of December 31, 2023, the total number of employees at TISCO Group was 5,496 of which 4,839 were permanent employees, 642 contract staff and 14 senior management, increased by 407 staff (7.41% YoY) as the following details:

	December 31, 2023 (staff)	December 31, 2022 (staff)
1. Retail Banking	3,712	3,356
2. Corporate Banking	52	45
3. Wealth & Asset Management	993	977
4. Corporate Affairs & CSR	724	697
5. Senior Management	14	14
Total	5,496	5,089

Employee Expenses

In 2023, the Company's employee expenses in the form of salaries, wages, bonuses, cost of living, and provident fund contributions were Baht 5,858,747,542.50

TISCO Group Registered Provident Fund

TISCO Group established a Provident Fund in accordance with Ministerial Regulation 162 (B.E. 2526). The fund, called the "TISCO Group Registered Provident Fund", as per Ministerial Regulation 162 (B.E. 2526), has been registered in compliance with the Provident Fund Act B.E. 2530 since June 21, 1990. Rules and regulations of the fund, including the rights of members for the entire duration of their membership to the fund, have been set up to comply with Provident Fund Act B.E. 2530. The purpose of the fund is to encourage long-term savings among employees for their retirement or in the event of their leaving TISCO Group.

Members shall remit contributions to the fund by granting the employer permission to make deductions from their monthly salary. Members have two alternatives; to remit contributions at 5% or 10% or 15% of monthly salary, or at the same rate as the employer's contribution, which can be changed once a year. Employer is obligated to contribute to the fund on the same day as the employee, and the percentage of the employer's contribution depends on the employee's years of service. The fund committee comprised of the employee's elected representatives and the employer's appointed representatives. Terms for fund committee members are valid for two years, and any individual can be re-elected or re-appointed. The fund committee is responsible for the supervision of fund management and investment policy.

The company encourages employees to join the provident fund. The proportion of employees participating in the provident fund is as follows.

	Number of employee	Percentage
Employees who are members of the fund	4,797	87.28
Employees who are not members of the fund	699	12.72

In 2023, members paid contributions to the provident fund in the amount of 393,889,019.05 baht and the company paid contributions to the provident fund in the amount of 375,787,235.38 baht, totaling 769,676,254.43 baht

Clawback Provision

The Company's clawback provision is in compliance with the Securities and Exchange Act B.E 2535. Under section 89/7, it is stated that the board of directors, management, and associates should perform their duties with full responsibilities as well as cautiousness and integrity, and comply according to the law, the Company's objectives, the Company's Articles of Association, and resolutions of the board of directors and shareholder's meeting. In case that the Board of directors, management and associates has conducted any act against the section 89/7, the Company may reclaim the incentives back to the Company according to the section 89/18 and 89/19.

People Development

TISCO Group highly values continuous development of employees' potentials. It provides employees with the necessary skills and knowledge to work efficiently and to drive business performance, be ready for the future and to achieve the organization's goals. In 2023, we focused on enhancing, developing, and improving work processes and efficiency. The year 2023 was declared as "TISCO Productivity Year" to promote and motivate employees to work in a "lean" way to maintain performance outcome with less effort as well as to put the same effort and getting better outcome. Lean culture was introduced to all employees so that they can provide clients with better-value products or services. Over 200 lean leaders were developed from all departments, equipped with lean concept, knowledge, and technical skills to improve their work processes and use of technologies to enhance productivity. All employees were educated with lean office knowledge, and 89% identified wastes in their work process, of which 62% of employees have developed and improved their work process. As a result, a reduction in working hours of over 167,000 hours per month was achieved with approximate savings of Baht 2 Million each month.

In addition, TISCO continues to emphasize on development and training to tackle business challenges and support business strategies, providing necessary skills on business process and products. TISCO group always ensure that level of employees' competencies meets organization expectation and requirement and aims that employee can:

- deliver high quality work
- provide excellent advice on both wealth management and retail loans
- demonstrate leadership skills to unify teamwork and organization, and
- proactively respond to changing business environment and technologies

TISCO Group also focus on strengthening corporate cultures and values by regularly organizing corporate activities for over 2,000 current employees so that organization values become a framework for everyday operations and decision makings.

The learning contents are not only produced in-house but also inclusive of external contents with co-operation with external parties including the Stock Exchange of Thailand and Thai Bankers' Associations. In 2023, over 1,157 employees actively expanded their knowledge from over 200 special contents. In addition to formal learning, TISCO employs variety of learning formats including Community of Practice, live and sharing session, and exhibition showcase. The T2IX (TISCO Technology and Innovation Day) was organized to showcase solutions and technologies that were developed and deployed in the company as well as delivered to clients. The event boosted up employee awareness and led to further and more variety utilization of the showcase technologies.

The company focuses on professional standards and technical certification necessary to effectively perform duties according to official regulations. This ensures that employees continuously provide exceptional advice and financial service to customers. Other trainings provides effective time management skills, creating work motivation for employees, and EQ development program.

Leadership Development Program

Leadership programs are provided to managers in all levels to enhance the understanding and better leadership through learning, and understanding leadership principles, and adapting these skills with new ways of working to keep up with changes and dynamic environments to and meet corporate and personal goals effectively.

The courses for senior and middle management includes Transformation in Financial & Banking, Workplace Collaboration, Capital Market Journey in the Era of Global Economic Transformation, Cybersecurity

in Financial Services and Insurance, Lean Thinking for Management, Generative AI and New Technology and Productivity of Data Thinking.

For first level manager, the leadership course focuses on the improvement in 3 layers – self management, team management, and organization management.

For selected talents, the Executive Trainee Development Program were organized to develop knowledge, skills, and abilities of these talent group in line with the business strategy as a preparation for future executives. The participant is equipped with overall business knowledge along with communication skills and establishing positive connections with other talents through collaboration among trainees from different departments.

In 2023, the leadership group in all levels are provided with knowledge that enables self-development and team development. The programs include concept of systematic thinking, combined with data thinking to enhance work operations. In addition, the Individual Career Development Program (ICDP) was improved for the Talent group and will expand to other group of employees in the near future. Also, a special seasonal program was launched by each of the internal trainers, offering their signature courses for employees as a free-elective course.

The learning channels now cover e-learning, knowledge sharing space, virtual classroom and hybrid training as well as external partner platforms. Training formats and contents in TISCO are regularly reviewed and updated in accordance with current business issues, regulations, and compulsory organization competencies.

Compulsory core competencies are divided into 4 categories, namely:

1. Organization knowledge, including corporate values and culture, rules and regulations, ethics and code of conduct, and employment practices and benefits, was offered through on-boarding and orientations for new employees as well as refresher contents for existing employees. Many of the on-site activities now continue after relaxation of COVID prevention measures.

2. Health and Workplace Safety trainings for current and new employees were offered to over 85% of target employees. In addition, 95% of supervisors and managers have joined Safety Officer training program.

3. E-learning on compulsory topics including Data Management and Cyber Security, Anti-Money laundering, Phishing awareness, Data classification, Risk Management, Market Conduct and Sustainability Banking including 5 guidelines for driving the organization sustainability according to the principles of good corporate governance. This includes topics on ethics, conflicts of interest, and the use of inside information.

4. Financial Literacy for employees includes debt management, savings and investment, tax and financial planning. The program aims at upgrading personal finance knowledge for employees to effectively manage their financials which will improve life quality and financial security.

Average Hours of Training

Employee Training information	2023	2022	2021
Average hours of training (hours / person / year)	28.09	19.47	21.77
Men	26.71	18.85	20.97
Women	28.28	19.79	22.02
Executive Level ⁽¹⁾	37.91	25.42	25.59
Non-Executive Level ⁽²⁾	27.86	19.33	21.56
Retail Client	26.20	16.93	22.91
Corporate Client	23.13	11.56	21.79
Wealth and Fund Management Client	24.07	27.49	18.81
Organization Support	34.10	20.93	16.35

Remark ⁽¹⁾ Executive Level is supervisor level to executive level.

⁽²⁾ Non-Executive Level is the level of employees that below supervisor level.

7.6 Other important information

7.6.1 Corporate Secretary, Chief Financial Officer, Accountant, Head of Internal Audit and Head of Corporate Compliance

Corporate Secretary

The Board of Directors resolved to appoint Mr. Pairat Srivilairit, First Executive Vice President - Governance Office, as Corporate Secretary, effective from September 1, 2013, to be responsible for preparing and maintaining director profile, notice and minutes of the board meeting, annual report, notice and minutes of shareholders meeting, maintaining directors and management's report on conflict of interest, and performing other duties as required by the Capital Market Supervisory Board. Profiles and qualifications of the Corporate Secretary are disclosed in Attachment 1.

In 2023, the Corporate Secretary attended Cyber Armor Seminar: Capital Market Board Awareness No.2, Data-driven Cybersecurity and Intelligence Threats Assessment organize by Thai Private Sector Collective Action Against Corruption (CAC) and attend internal training, details are in the Attachment 1.

Chief Financial Officer, Accountant, Head of Internal Audit and Head of Corporate Compliance

The Company assigned:

- Mr. Chatri Chandrangam, Senior Executive Vice President - Risk & Financial Control, as Chief Financial Officer
- Ms. Mayuree Kingsawad, as Accountant
- Mr. Pairat Srivilairit First Executive Vice President - Governance Office as Chief Governance Officer
- Ms. Chuenchit Trakarnratti, as Head of Internal Audit
- Ms. Sakornrat Manuwong, as Head of Corporate Compliance

Profiles and qualifications of the Chief Financial Officer and the Accountant are disclosed in Attachment 1, and profiles and qualification of Head of Internal Audit and Head of Corporate Compliance are disclosed in Attachment 3.

7.6.2 Head of Investor Relations

The Company has assigned Mr. Ake Krairiksh, Head of Planning and Investor Relations, to be responsible for communicating and disclosing important company information to all stakeholders. You can contact the Investor Relations:

TISCO Financial Group Public Company Limited

TISCO Tower, 7th Floor, 48/49 North Sathorn Road, Silom, Bangrak, Bangkok, 10500

Tel: +66 2633 6868

Website: www.tisco.co.th

Email: ir@tisco.co.th

7.6.3 Appointment of External Auditor and Consideration of Audit Fees

The Audit Committee considered the qualifications and performance of external auditors for recommendation to the Board of Directors for their annual appointment, and the proposed audit fees for further consideration and approval by the General Meeting of Shareholders. The name list of external auditors to be proposed as the Company's auditor must also be approved by the Bank of Thailand.

In 2023, the remuneration for external auditors included:

1. Audit Fee

Audit fee paid to EY Office Limited for the Company and its subsidiaries for 2023 amounted to Baht 10,730,000 decreased 1.8% or Baht 200,000 year on year.

2. Non-audit Fee

In 2023, service fee paid to EY Office Limited for reviewing the report on calculating the additional value from the valuation of condominium units in order to count the added value as Tier 1 capital in the amount of 300,000 baht.

8. Report on Important Operational Results of Corporate Governance

8.1 Summary of Board of Directors' Performance in Past Year

In the Board of Directors Meeting No. 6/2023 held on October 25, 2023, the Board of Directors had reviewed Vision and Core Values to ensure that all matters are up-to-date and comply with the long-term business directions, approved strategic directions and policy of TISCO Group, reviewed annual business plan and budget, and reviewed the adequacy of internal control system and appropriate risk management framework. The Board of Directors also supervised, reviewed, and monitored management to ensure that actions were carried out in accordance with the designated policies, corporate strategy, and business plans, as well as the rules and regulatory requirements of related government agencies. The management were assigned to report the operational results to the Executive Board on a monthly basis and the Board of Directors meetings every two months.

8.1.1 Nomination, Development and Performance Assessment of the Board of Directors

The Board of Directors is appointed by the shareholders to take overall responsibility for TISCO. These responsibilities include directing, approving, and overseeing the implementation of Group strategy, corporate governance and corporate values. The Board is responsible for selection of a qualified Group CEO and key senior management, including oversight of the succession plan. It is also responsible for oversight of the Group CEO and senior management and bears ultimate responsibility for TISCO's business, risk strategy, and financial soundness as well as how TISCO organizes and governs itself.

Given the above responsibilities, TISCO has a policy to select a Board that possesses, both as individual board members and collectively, appropriate and diverse experience, relevant competencies and personal qualities, including professionalism, personal integrity, ability to make independent and analytical inquiries, and a sufficient understanding of the business.

Structure, director composition and nomination practices, and independent directors, executive directors, and directors nominated by major shareholders have been thoroughly examined in order to ensure the appropriateness of the Board's composition.

The Board of Directors select Board members based on, among other things, knowledge, experience, skill, diversity of expertise, integrity, ability to make independent analytical inquiries, understanding of TISCO Group's business environment, and alignment with TISCO Group's strategy. TISCO has clearly established a proper structure of the Board as well as Guidelines for Board Composition and Selection Criteria with regard to the proportion of independent directors, non-executive directors, directors who are part of management, and directors nominated by major shareholders to ensure the appropriateness of the Board's composition.

To achieve high standards of performance, the Board delegates other committees to take on tasks that require in-depth consideration, such as the Executive Board, the Risk Oversight Committee, the Audit Committee, the Nomination and Compensation Committee, and the Governance and Sustainability Committee. Each committee will have a proper structure as well as guidelines for composition and selection criteria. They also have their own written charter that sets out mandates, operating policies and guidelines.

TISCO assigns the Corporate Secretary to be responsible for taking care of the Board's activities, monitoring compliance with the Board's resolutions, handling Board Meetings and shareholder meetings on matters concerning notice, meeting minutes, and other duties as required by the related laws and regulations of the governing authorities.

1) Nomination, Appointment and Removal of Directors, Qualifications of Director and Independent Director, Term of Director, and Nomination and Appointment of Group Chief Executive and Senior Managements

Nomination of Directors

The Nomination and Compensation Committee shall, upon considering the Group's needs and good corporate governance, identify and propose qualified nominees with knowledge, expertise, and experience in accordance with TISCO Group's strategy, and sufficient understanding of banking and finance, including securities, economics, law, information technology or any other fields deemed appropriate to the Board's structure so as to ensure a variety of opinions in the Board. This includes diverse board composition in terms of age, sex, knowledge, expertise, experience, and other key qualifications in order to generate a healthy range of opinions and judgments on business matters.

Number of Independent and Non-executives Directors is set to be more than Executive Directors while the number of directors nominated by each major shareholder shall be in accordance with the shareholding proportion for the appropriate balance of power and authority. Additionally, the Board's composition must be diverse in terms of age, gender, skills, knowledge, abilities, experience, and independence (Board Composition). To be able to solicit and express diverse perspectives in order to make business decisions for the company. By considering the table of expertise in specific fields (Board Skill Matrix). If you are an independent director, you must meet the Company's requirements and regulatory requirements.

The Nomination and Compensation Committee shall nominate persons to the position of director, based on the proposed nomination of qualified candidates by shareholders or selection from the director pool database. The Nomination and Compensation Committee shall consider recommendations from minority shareholders on the nomination of directors or independent directors, in accordance with the Company's criteria. All candidates must be approved by the Bank of Thailand.

For the effectiveness of the director screening and nomination, the Nomination and Compensation Committee regularly reviews and updates the board skill matrix, according to the Principles of Good Corporate Governance for Listed Companies 2017 and Practices for Corporate Governance.

Appointment and Removal of Directors

The Nomination and Compensation Committee shall recommend the Board consider the appointment of new directors and/or independent directors for replacement of any vacancies, other than those incurred by rotation, and propose to shareholders the election of directors to replace those who retire by rotation or appointment of additional directors and/or independent directors. The election, appointment, and removal criteria are as follows:

1) Shareholders shall, from time to time, by resolution of a general meeting of shareholders, determine the number of directors, which shall not be less than five, provided that not less than half of the directors are domiciled in Thailand. In addition, the number of directors who are persons of Thai Nationality shall be in compliance with related laws.

2) The general meeting of shareholders shall elect directors in accordance with the following criteria and procedures:

- (1) Each shareholder shall have a number of votes equal to the number of shares multiplied by the number of directors to be elected.
- (2) Each shareholder may exercise all the votes he or she has under (1) to elect one or several persons as director or directors. If several persons are to be elected as directors, the shareholder may allot his or her votes to any person, at any number.
- (3) The candidates shall be ranked in descending order from the highest number of votes received to the lowest and shall be elected as directors in that order until all of the director positions are filled. In case the number of votes for candidates would result in a tie or cause the number of directors to exceed the limit, the remaining elections shall be made by drawing lots.

3) At the general meeting of shareholders of each calendar year, the whole Board of Directors shall be simultaneously elected. However, the former Board of Directors shall remain in office to conduct the business of the company, as necessary, until the new Board takes office. Retired directors are eligible for re-election.

4) A director can be elected or removed only by the shareholders at a general meeting. A Board vacancy occurring for any reason other than rotation or retirement may be filled by the remaining directors, unless the term of the original director is less than two months. For the purposes thereof, the resolution of the appointment of new directors shall be valid with a vote of not less than three-fourths of the number of remaining directors. However, any person so appointed shall hold office only for the remainder of the term of the director to whom he has succeeded. Likewise, if a general meeting of the shareholders removes a director, and appoints another person in his place, the person so appointed shall hold office only for the remainder of the term of the director so removed.

5) A general meeting of shareholders may resolve to remove a director before expiration of office with a vote of not less than three-fourths of the number of shareholders who attend the meeting and have the right to vote. Such a motion must also represent an agreed number of shares equal to or not less than half of the total shares held by the shareholders who attend the meeting and have the right to vote.

At the Annual General Meeting of Shareholders for the year 2023, the Board of Directors, after considering the Nomination and Compensation Committee's recommendation on the qualifications of the candidates in accordance with TISCO's Guidelines for Board Composition and Selection Criteria, propose to the shareholders to approve the number of directors at 13 (thirteen), namely Mr. Pliu Mangkornkanok, Mr. Dung Ba Le, Assoc. Prof. Dr. Angkarat Priebjrivat, Mr. Sathit Aungmanee, Ms. PENCHUN Jarikasem, Ms. Pongpen Ruengvirayudh, Mr. Kanich Punyashthiti, Assoc. Prof. Dr. Sillapaporn Srijunpetch, Assoc. Prof. Dr. Vara Varavithya, Mr. Chi-Hao Sun (Howard Sun), Mr. Satoshi Yoshitake, Mr. Sakchai Peechapat and Mr. Metha Pingsuthiwong to continue their office for another term. This is reported under Part 2, Corporate Governance, Section 7.2.1, Composition of the Board of Directors.

Qualifications of Independent Director

A person to be nominated or appointed as an independent director must comply with the announcement of the Bank of Thailand, the Capital Market Supervisory Board, the Securities and Exchange Commission, the Stock Exchange of Thailand, including qualifications according to the requirements as defined in the policy and guidelines of TISCO's Corporate Governance, all of which are summarized below.

1. holding shares not exceeding 0.50 per cent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director.

2. neither being nor having been a non-independent Director of TISCO, its subsidiary and affiliate, same-level subsidiary, or juristic person who may have conflict of interest, or has left from such status but for less than two years.

3. neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years.

4. not being a person related by blood or registration under laws, (such as father, mother, spouse, sibling, and child, including spouse of the children) of executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.

5. not having a business relationship as specified by the Capital Market Supervisory Board with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years.

6. neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or

partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years.

7. neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years.

8. not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.

9. not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary companies or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary companies.

10. not having any characteristics which make him/her incapable of expressing independent opinions with regard to the Company's business affairs.

11. not being an independent director for more than nine consecutive years.

In 2023, no independent director has had a business relationship with, or has acted as a professional advisor for the Company, a subsidiary company, an associated company, a major shareholder, or a controlling person.

Term of Office of Directors

The term of office is clearly specified by the articles of association and corporate governance policy. TISCO's director is one year as specified in the Articles of Association, whereby the whole Board of Directors shall be simultaneously elected at the annual general meeting each year. Note that former Board of Directors shall remain in office to conduct the business of the Company as necessary until the new Board of Directors takes office, unless otherwise specified by the Articles of Association.

Nomination and Appointment of Group Chief Executive and Senior Managements

The Nomination and Compensation Committee shall consider and select potential candidates who have appropriate abilities and qualifications according to transparency process by selecting from the succession plan. The successors must be a person with high potential and good performance. The prerequisites for selection should generally include consideration of the candidates' character, technical competence, and employment experience in the financial services field. Successful candidates should share the board's operating philosophy and vision of the Company's future in order to ensure that the institution's goals are met. It is important that mutual trust and a close working relationship are established. The Nomination and Compensation Committee shall recommend qualified candidates to the Board of Directors for approval. For other senior executive positions, the Group Chief Executive shall identify and propose qualified candidates for the Nomination and Compensation Committee's approval.

Proposing the appointment of directors, managers, persons with management authority or advisors

TISCO Group has established criteria for appointing directors, managers, and persons with management authority or advisors so that the request for approval of the appointment in accordance with the announcement of the Securities and Exchange Commission, the Stock Exchange of Thailand, the Financial Institution Business Act B.E. 2008 and announcements of the Bank of Thailand. It stipulates that the qualifications of the person to be nominated must be checked to ensure that they do not have prohibited characteristics under Section 24 (1) - (10) of the Act Business of Financial Institutions B.E. 2008 and additional prohibited characteristics according to the announcement of the Bank of Thailand, and when the Bank of Thailand approves the appointment, the Nomination and Compensation

Committee will nominate the persons who have been approved by the Board of Directors, or the approval to propose to the shareholder meeting for consideration and appointment, as the case may be.

Separation of the positions of Chairman of the Board of Directors and Group Chief Executive

The Board of Directors must clearly separate its roles and responsibilities from those of management to ensure a proper balance of power and avoid a situation whereby a single individual has absolute power in decision making. For example, the Chairman of the Board and top management shall not be the same person, and their roles and responsibilities must be clearly separated to perform their duties of monitoring, supervision, and evaluating management efficiently. Therefore, the Chairman of the Board of Directors and Group Chief Executive are always different persons. The authority and responsibilities are reported under Part 2, Corporate Governance, "Section 7.2.3 Roles and Duties of the Board of Directors and Section 7.4 Management Information".

Currently, the Chairman of the Board of Directors has the status of a non-executive director as he is an experienced leader who can take charge and independent opinion. It also allows meeting participants to exercise their voting rights and strictly adhere to the principles of good corporate governance.

Independence of the Chairman of the Board of Directors from Managements

In achieving transparency and the proper balance of power, TISCO Group requires that the Chairman of the Board shall not be a senior executive. The Chairman of the Board shall be independent directors/non-executive directors. In addition, the Chairman of the Board shall not be a member in any other committees to ensure the independent views of the committees. The Chairperson of the Audit Committee must not be Chairman of the Board, Nomination and Compensation Committee, and/or Risk Oversight Committee.

In 2023, the Board of Directors appointed Mr. Pliu Mangkornkanok as the Chairman of the Board, while Mr. Sakchai Pechapat as the Group Chief Executive. However, the Chairman of the Board is not an independent director in order to comply with the principles of good corporate governance. The Board of Directors' Meeting No. 5/2023 on August 24, 2023, passed a resolution to appoint Mrs. Pongpen Ruengvirayudh, independent director, as the lead independent director. To participate in setting the agenda of meeting for the Board of Directors. It is to build confidence in operations that are transparent and verifiable.

Holding directorship positions in other companies

Recognizing the importance of their roles and to be in compliance with the Bank of Thailand regulations, directors, managers and persons with controlling power are allowed to assume the position of Chairman, executive director, or director with signatory authority in no more than three group of companies and are allowed to hold directorship or management roles or serve as an authorized person or advisor who possesses director duties within five locally and internationally listed companies, excluding listed companies from debt restructuring as well as not being an independent director for more than nine consecutive years. Directors and management should avoid other positions or jobs that may lead to conflicts of interest with the Company.

Details of holding directorship positions in other companies and executives are disclosed in Attachment 1 and Attachment 2, respectively.

2) Board and Management Training

TISCO Group's policy encourages regular training and educational activities for directors. The Company has arranged membership in the Thai Institute of Directors Association for all directors in order to help them stay abreast of news and updates as well as trainings beneficial to directorship and management. Training schedules shall be regularly notified to the directors in advance.

When a new director is appointed to the Board, senior management will arrange for an orientation on

TISCO Group's business operations and past performance, including designing additional courses suitable for each new director to provide a clear understanding and enable the director to fully perform his/her duties. The Company shall also provide a copy of the Director's Manual and the Corporate Governance Policy to such directors.

Directors who have passed the training course for company directors "Director Certification Program" by the Thai Institute of Directors Association, namely Mr. Pliu Mangkornkanok, Assoc. Prof. Dr. Angkarat Priabjariyawat, Mr. Kanich Punyashthiti, Mrs. Pongpen Ruengvirayudh, Ms. PENCHUN Jarikasem, Assoc. Prof. Dr. Vara Varavithya, Mr. Sakchai Peechapat and Mr. Metha Pingsuthiwong. For directors who have training in the course for company directors "Director Accreditation Program", namely Mr. Dung Ba Le, Assoc. Prof. Dr. Angkarat Priabjariyat, Mr. Kanich Punyashthiti, Ms. PENCHUN Jarikasem, Mr. Satoshi Yoshitake and Mr. Sakchai Peechapat.

TISCO Group encourages the directors to attend training and seminars both internally and externally related to the roles and responsibilities of directors to enhance knowledge and develop themselves continuously. A total of thirteen (100.00 percent) attended training programs and seminars in 2023. Details are the following in Attachment 1 and summarized as follows.

Name of Director	Training Programs / Seminars	Organizer
1. Mr. Pliu Mangkornkanok	<ul style="list-style-type: none"> Hot issue for Director: Climate Governance Cyber Armor: Cyber Incident Management: The Board's Essential Role Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	Thai Institute of Directors (IOD) The Securities and Exchange Commission (SEC) SBDI Co. Ltd. Deloitte Thailand TISCO Financial Group Pcl.
2. Mr. Dung Ba Le	<ul style="list-style-type: none"> Director Accreditation Program DAP 211/2023 Risk Management: Stress Testing 	Thai Institute of Directors (IOD) TISCO Financial Group Pcl.
3. Assoc. Prof. Dr. Angkarat Priabjariyat	<ul style="list-style-type: none"> Hot issue for Director: Climate Governance 2023 Director Forum "Engaging Board in ESG: The Path to Effective Sustainability" Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	Thai Institute of Directors (IOD) Thai Institute of Directors (IOD) jointly with the Stock Exchange of Thailand (SET) SBDI Co. Ltd. Deloitte Thailand TISCO Financial Group Pcl.
4. Mr. Sathit Aungmanee	<ul style="list-style-type: none"> Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	Deloitte Thailand TISCO Financial Group Pcl.
5. Ms. PENCHUN Jarikasem	<ul style="list-style-type: none"> Advanced Audit Committee 47/2023 update Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	Thai Institute of Directors (IOD) SBDI Co. Ltd. Deloitte Thailand TISCO Financial Group Pcl.
6. Mrs. Pongpen Ruengvirayudh	<ul style="list-style-type: none"> IOD's National Director Conference 2023: Delivering "Net Zero" Together 	Thai Institute of Directors (IOD) and the Bank of Thailand (BOT) jointly with the Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)

Name of Director	Training Programs / Seminars	Organizer
	<ul style="list-style-type: none"> • Director's Briefing topic on Sustainability trends in business across industries • Hot issue for Director: Climate Governance 2023 • Risk Management Program for Corporate Leaders • Cyber Armor: Cyber Incident Management: The Board's Essential Role • Director Forum "Engaging Board in ESG: The Path to Effective Sustainability" • AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee • The importance of the audit committee and confidence in the Thai capital market • Sustainable Development Workshop • Financial Resilience in the Digital Age: The Cybersecurity Imperative • Risk Management: Stress Testing 	<p>Thai Institute of Directors (IOD)</p> <p>Thai Institute of Directors (IOD)</p> <p>Thai Institute of Directors (IOD)</p> <p>The Securities and Exchange Commission (SEC)</p> <p>Thai Institute of Directors jointly with the Stock Exchange of Thailand (SET)</p> <p>Thai Institute of Directors jointly with the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC)</p> <p>Thailand Federation of Accounting Professions (TFAC) jointly with and the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), Thai Institute of Directors (IOD) and Thai Listed Companies Association (TLCA)</p> <p>SBDI Co. Ltd.</p> <p>Deloitte Thailand</p> <p>TISCO Financial Group Pcl.</p>
7. Assoc. Prof. Dr. Sillapaporn Srijunpetch	<ul style="list-style-type: none"> • Director Briefing 4/2023: Building a Cyber-Resilient Board: Strategies for Effective Cybersecurity Oversight • AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee • Sustainable Development Workshop • Risk Management: Stress Testing 	<p>Thai Institute of Directors (IOD)</p> <p>Thai Institute of Directors (IOD) jointly with the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC)</p> <p>SBDI Co. Ltd.</p> <p>TISCO Financial Group Pcl.</p>
8. Mr. Kanich Punyashthiti	<ul style="list-style-type: none"> • Board Nomination and Compensation Program • National Defense Course (NDC) Class 64 • Sustainable Development Workshop • Financial Resilience in the Digital Age: The Cybersecurity Imperative • Risk Management: Stress Testing 	<p>Thai Institute of Directors (IOD)</p> <p>National Defense College (Thai NDC)</p> <p>SBDI Co. Ltd.</p> <p>Deloitte Thailand</p> <p>TISCO Financial Group Pcl.</p>
9. Assoc. Prof. Dr. Vara Varavithya	<ul style="list-style-type: none"> • Director Certification Program • Cyber Armor: Capital Market Board Awareness 2023: Cyber Incident Management: The Board's Essential Role 	<p>Thai Institute of Directors (IOD)</p> <p>The Securities and Exchange Commission (SEC)</p>

Name of Director	Training Programs / Seminars	Organizer
	<ul style="list-style-type: none"> Cyber Resilience Leadership: SMART Goal Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative 	The Bank of Thailand (BOT) jointly with the Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC) SBDI Co. Ltd. Deloitte Thailand
10. Mr. Chi-Hao Sun (Howard Sun)	<ul style="list-style-type: none"> Risk Management: Stress Testing 	TISCO Financial Group Pcl.
11. Mr. Satoshi Yoshitake	<ul style="list-style-type: none"> Director Forum: Economic Recession – what should board watch out for? Risk Management: Stress Testing 	Thai Institute of Directors (IOD) TISCO Financial Group Pcl.
12. Mr. Sakchai Peechapat	<ul style="list-style-type: none"> Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	SBDI Co. Ltd. Deloitte Thailand TISCO Financial Group Pcl.
13. Mr. Metha Pingsuthiwong	<ul style="list-style-type: none"> Sustainable Development Workshop Financial Resilience in the Digital Age: The Cybersecurity Imperative Risk Management: Stress Testing 	SBDI Co. Ltd. Deloitte Thailand TISCO Financial Group Pcl.

During the Board of Directors Meetings, all directors have the opportunity to be informed and receive insightful presentations from various functions, broadening their perspectives on their responsibilities e.g., economic situations. Furthermore, board members and top management attended other training programs and seminars in 2023, as presented in Attachment 1.

The Nomination and Compensation Committee is responsible for considering the development plans for directors and management and reporting to the Board of Directors. In the past year, the Board of Directors' Meeting No. 3/2023 on June 29, 2023, the Board of Directors acknowledged the summary report of training attendance of directors and management for the year 2023.

In addition to the training and seminars above, the Company has arranged for directors and management to acknowledge and agree that will comply with various policies by means of communicating information through electronic media.

Topic	Director		Management	
	(person)	(percentage)	(person)	(percentage)
1. Corporate Governance Policy	13	100	14	100
2. Anti-Corruption Policy	13	100	14	100
3. Environmental Policy and Guidelines	13	100	14	100
4. Insider Information and Employee Trading	13	100	14	100
5. Conflict of Interest	13	100	14	100

3) Succession Planning

To ensure stability and continuity in TISCO Group business operations, successors are determined for all key positions. The Board of Directors assigns the Nomination and Compensation Committee to oversee preparation of a Top Management succession plan. Said plan shall be regularly reviewed as appropriate. For other senior management positions, top Management and the Human Resources Committee shall review and evaluate the successors for the

Nomination and Compensation Committee's consideration and further recommended the Board of Directors for approval, by considering factors such as qualifications, knowledge, ability, experience, and evaluations of qualified management.

The Company places importance on developing the capabilities of all executives and employees by preparing and reviewing succession planning, including career path for each job position with annual evaluation and use the evaluation results to create an Individual Development Plan for further development of executives and employees.

4) Board and Group Chief Executive Performance Self-assessment

Board Performance Self-assessment

In order to improve its performance, the Board of Directors has formulated an annual self-assessment process to gauge Board performance and resolve any issues they may have as a whole and on an individual director level. The assessment is based on self-evaluation against a benchmark system set in advance. The Board of Directors assigns the Nomination and Compensation Committee to prepare and recommend Board Performance Self-Assessment Guidelines for the Board's approval. The Nomination and Compensation Committee then reports the assessment result to the Board for acknowledgement.

Said assessment is essential to ensure the appropriateness of the Board's composition and Board performance, in accordance with corporate governance best practices. The Board of Directors shall analyze the assessment results, recommendations, and remarks from Board members, and consider improving and development of duties in accordance with the Company's business environment and operations.

The Company may consider hiring outside consultants to determine guidelines and propose issues in evaluating the performance of the board of directors, which must be disclosed in the annual report. At present, the company has not appointed any outside consultants to help because the company already has an appropriate system for evaluating. TISCO applied the evaluation tool from the Thai Institute of Directors. The tool was adapted to suit the characteristics and structure of the board of directors.

In 2023, the Nomination and Compensation Committee divided the self-assessment into two forms:

1. The Board of Director Performance Self-assessment and individual self-assessment
2. Evaluation of the performance of other directors is using the director's individual self-assessment and cross-evaluation. The Director's Individual Cross-Evaluation randomly paired directors' names for evaluation.

In 2023, the Board of Directors' Meeting No. 7/2023 on December 18, 2023, was resolved to approve the board performance self-assessment form as proposed by the Nomination and Compensation Committee.

The assessment topics are as follows.

1. The Board of Director Performance Self-Assessment as a whole, namely, Board Structure and Qualifications, Board Roles, Duties and Responsibilities, Board Meetings, Board Performance, Relationship with Management, and Director Development.

2. The Director's Individual Self-Assessment and Cross-Assessment as an individual, namely, Director Qualifications, Readiness, Meeting participation, Roles, Duties and Responsibilities of the Directors, and Relationship with Management.

The evaluation form has set the score level from 0-4 so that the committee can compare the evaluation results of each topic and the evaluation results of each year. The meaning of the rating is as follows.

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted
- 4 = Strongly agree or excellently conducted

For the evaluation process, the Company Secretary will submit the three performance evaluation forms to the Board of Directors for evaluation. The Corporate Secretariat Office subsequently collected all assessments within the schedule for the evaluation.

The Nomination and Compensation Committee, as proposed by the Corporate Secretariat Office, reported the assessment results to the Board for acknowledgement, discussion, and recommendations for improved efficiency at the Board of Directors' Meeting No. 1/2024 held on February 27, 2024. Details are as follows.

The result of the Board of Director Performance Self-Assessment found that the Board were up to best practice standards. Almost all board members were rated during four and five for effective ratings in all five areas of assessment which has been carried out in good to excellent. The average assessment rating overall was at 3.92 out of 4.00.

The results of the individual director and cross-assessment found that the overall performance of all directors was assessed mostly at rating levels three and four from five rating levels which has been carried out in good to excellent. The average assessment rating overall was 3.85 out of 4.00.

Furthermore, the Board members also provided feedback and suggestions to enhance the Board effectiveness.

In 2023, the Board of Directors also formulated performance self-assessments for all sub-committees, specifically the Executive Board, the Risk Oversight Committee, the Audit Committee, the Nomination and Compensation Committee and the Governance and Sustainability Committee. The self-assessments are conducted annually, and the results were presented at the Board of Directors' Meeting No. 1/2024 held on February 27, 2024. In addition, the 2023 performance self-assessments of each committee were disclosed as part of the sub-committees' reports in the Annual Registration Statements and Annual Report (Form 56-1 One Report).

Recognizing the importance of transparency in determination of a director's independence and to provide greater clarity for the benefit of shareholders and stakeholders, the Board reviewed and approved **the Policy on Assessing the Independence of Directors** on August 24, 2023, in order to make determinations for newly appointed independent director or when any new, or change in interests or relationships, which may affect independence, are disclosed by a Director. Each Independent Director was evaluated by every director. Assessments were kept and compiled secretly by the Company Secretary to prevent conflicts of interest and were proposed to and considered by the Nomination and Compensation Committee.

Group Chief Executive Performance Assessment

The Board of Directors assigns the Nomination and Compensation Committee to prepare and recommend the Group Chief Executive Performance Assessment Guidelines for the Board's approval. The Nomination and Compensation Committee shall arrange the meeting(s) between the Board and management in the absence of Top Management at least once a year prior to his/her annual performance assessment. The Nomination and Compensation Committee then reports the assessment result to the Board Meeting. The assessment shall be divided into two parts: Financial KPI and Non-Financial KPI. The KPI's are linked to the company's short-term, medium-term, and long-term performance, reflecting the responsible financial institution – conducting business with recognition placed on environmental, social, and governance responsibilities, plans and strategies, risk management and control, and leadership, etc. The significant KPI's are summarized as follows.

- Financial performance with Earning Per Share (EPS), Return on Average Assets (ROAA), Cost to Income Ratio, Non-Performing Loans (NPL) Ratio, and Net Stable Funding Ratio (NSFR)
- Corporate reputation with customer promoter score (NPS)
- Social and Environmental responsibilities with progressive achievement

The KPI's set are in alignment with the Company Vision, Mission, and short-term, mid-term, and long-term goals of the Company with consideration for the business situation and environment.

To ensure the effectiveness of the assessment, the Nomination and Compensation Committee will arrange meeting(s) between the Board and Management of TISCO Group, in absence of the Top Management, at least once a year prior to his/her annual performance assessment. In addition, the performance assessment of TISCO Group's Chief Executive will take into consideration the assessment result from the Chairperson of each sub-committee, namely, the Executive Board, the Risk Oversight Committee, the Audit Committee, and the Governance and Sustainability Committee, together with the assessment from the Nomination and Compensation Committee. The assessment result will be reported at the Board of Directors Meeting.

In 2023, the Nomination and Compensation Committee arranged the Group Chief Executive performance assessment as the process mentioned above. The assessment results of the Group Chief Executive were beyond satisfactory level both in financial institution and aligned with the vision, mission, short-term, medium-term and long-term goals. The Nomination and Compensation Committee then informed the assessment results, together with their opinion to Group Chief Executive for acknowledgment prior to approving the annual salary review and reported the assessment result at the Board of Directors Meeting.

8.1.2 Board of Directors Meetings and Remuneration to Directors

Board Meetings and Subcommittee Meetings are regularly scheduled in advance so that each member of the Board can manage their time to attend the meetings. Furthermore, in case of special agenda, additional meetings may be scheduled as necessary. The Board of Directors also assigns the Corporate Secretary or the Subcommittee Secretary to send out notice of the meeting together with documents relating to the meeting agenda, stating clearly which matters are to be acknowledged, approved, or considered, to every director at least 7 days prior to the date set for the meeting, and notify related committees and managements 14-21 days prior each meeting. In case of the most confidential document the Corporate Secretary may hand over the documents with header label 'CONFIDENTIAL' during the meeting then collect them back after the meeting adjourned.

The Board of Directors Meeting No. 5/2023 on August 24, 2023 approved the preliminary schedule of the Board of Directors Meetings and the Subcommittee Meetings for the year 2024 in advance which does not include special meeting and the schedule may be changed. Details are as follows:

No. of the Meeting	Board of Directors	Executive Board	Risk Oversight Committee	Audit Committee	Nomination and Compensation Committee	Governance and Sustainability Committee
1/2024	Tuesday February 27	Thursday January 25	Thursday January 25	Friday January 12	Thursday January 4	Wednesday January 31
2/2024	Friday April 19	Friday February 23	Thursday March 21	Thursday February 8	Monday February 5	Friday May 17
3/2024	Thursday June 20	Thursday March 28	Thursday May 23	Wednesday February 14	Tuesday February 13	Friday August 2
4/2024	Friday June 21	Friday April 19	Thursday July 25	Friday March 8	Wednesday February 21	Friday October 4
5/2024	Wednesday August 28	Thursday May 16	Thursday September 26	Friday April 5	Thursday April 18	Wednesday November 27
6/2024	Wednesday October 30	Thursday June 20	Thursday November 21	Monday May 13	Monday June 17	-
7/2024	Thursday October 31	Thursday July 25	-	Friday June 7	Monday August 26	-
8/2024	Tuesday December 31	Wednesday August 28	-	Friday July 12	Monday October 28	-
9/2024	-	Thursday September 26	-	Friday August 9	Wednesday December 13	-
10/2024	-	Wednesday October 30	-	Wednesday September 11	-	-
11/2024	-	Thursday November 21	-	Friday October 11	-	-
12/2024	-	Tuesday December 17	-	Tuesday November 12	-	-
13/2024	-	-	-	Wednesday December 4	-	-

The Board of Directors promotes transparent and independent consideration of each issue and allocates adequate time for the management to present issues, with adequate time set aside for directors to thoroughly discuss important matters. The Board encourages the management to attend the Board of Directors Meeting to present additional information relevant to their responsibilities.

The Board of Directors Meetings and the Executive Board meetings should be ensured that a number of Directors present at the meeting is not less than three-fourth and one-half of total Board members to constitute a quorum in accordance with Corporate Governance Policy, respectively. Before the meeting, the Chairman should inform that the director(s) (who is interested director in any agenda would not allow to vote and comment) may relate to interest in any agenda, would not allow to vote and comment. For all the subcommittee Meetings comprising Risk Oversight Committee, Audit Committee, Nomination and Compensation Committee, and Governance and Sustainability Committee also should be ensured that a number of Directors present at the meeting is not less than two-thirds of total Board members to constitute a quorum in accordance with Corporate Governance Policy. After the Board of Directors Meetings and the subcommittee meetings, the Corporate Secretary and the subcommittee Secretary are responsible for preparing minutes of the meeting in which all issues, contents, and opinions are properly recorded and kept for inspection.

In addition, the Board of Directors has a Corporate Governance Policy according to the principles of good corporate governance. The policy is to hold meetings of non-executive directors as necessary to discuss issues without executive. A total of 7 committee meetings in the form of hybrid meeting, including in-person meetings and attending meetings via electronic media as follows.

Details of Board of Directors meeting of individual directors in 2023

Name of Director	Number of Attendance						
	Board of Directors	Executive Board	Risk Oversight Committee	Audit Committee	Nomination and Compensation Committee	Governance and Sustainability Committee	Annual General Meeting of Shareholder
<i>No. of total meetings (times)</i>	7	12	6	13	7	5	1
<i>(percentages)</i>	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)
1. Mr. Pliu Mangkomkanok	7/7* (100.00)	-	-	-	-	-	1/1 (100.00)
2. Mr. BaDung Le	7/7 (100.00)	-	-	-	7/7 (100.00)	-	1/1 (100.00)
3. Assoc. Prof. Dr. Angkarat Priebjivat	7/7 (100.00)	-	6/6 (100.00)	-	-	5/5 (100.00)	1/1 (100.00)
4. Mr. Sathit Aungmanee	7/7 (100.00)	-	-	-	7/7 (100.00)	-	1/1 (100.00)
5. Mr. Kanich Punyashthiti	7/7 (100.00)	-	-	-	7/7 (100.00)	5/5 (100.00)	1/1 (100.00)
6. Mrs. Pongpen Ruengvirayudh	7/7* (100.00)	-	-	13/13 (100.00)	-	5/5 (100.00)	1/1 (100.00)
7. Ms. Penchun Jarikasem	7/7 (100.00)	-	-	13/13 (100.00)	7/7 (100.00)	-	1/1 (100.00)
8. Assoc. Prof. Dr. Sillapaporn Srijunpetch	7/7 (100.00)	-	-	13/13 (100.00)	-	-	1/1 (100.00)
9. Assoc. Prof. Dr. Vara Varavithya	7/7* (100.00)	-	6/6 (100.00)	-	-	-	1/1 (100.00)
10. Mr. Chi-Hao Sun (Howard Sun)	7/7 (100.00)	12/12 (100.00)	-	-	-	-	1/1 (100.00)
11. Mr. Satoshi Yoshitake	7/7 (100.00)	12/12 (100.00)	-	-	-	-	1/1 (100.00)
12. Mr. Sakchai Peechapat	7/7 (100.00)	12/12 (100.00)	6/6 (100.00)	-	-	-	1/1 (100.00)
13. Mr. Metha Pingsuthiwong	7/7 (100.00)	12/12 (100.00)	-	-	-	-	1/1 (100.00)

Remark - Mr. Pliu Mangkomkanok, Mrs. Pongpen Ruengvirayudh and Assoc. Prof. Dr. Vara Varavithya attended the Board of Directors' Meeting through electronic media one (1) time and attended in person six (6) times.

- Audit Committee had a joint meeting with the Risk Oversight Committee one (1) time.

In addition, there was one meeting of non-executive directors on June 29, 2023, with the topic of the meeting being a discussion about operation for further improvement. After the meeting, the Company Secretary will disclose the issues discussed. For example, preparing a summary report to inform the results to executive directors or Group Chief Executive for acknowledgment, etc.

Director Remuneration

TISCO Group has established a clear and transparent policy on remuneration for directors that is appropriately defined and in line with the responsibilities of the directors, who must perform their duties in accordance with the expectations of all groups of stakeholders. The Nomination and Compensation Committee made an annual review on the directors' remuneration to ensure that the remuneration is commensurate with their duties and responsibilities as well as consistent with the remuneration of directors in the commercial banking at the same level.

Apart from the remuneration payable to directors of TISCO Financial Group Public Company Limited, TISCO Group only pays remuneration to subsidiary companies' directors who is not employee or any full-time position in TISCO Financial Group of companies, in the same form and amount of the Company's director, to be valid until amended. No meeting fee shall be paid to members of the Board and Sub-committee who is employee or holds any full-time position in TISCO Group of companies.

The Company's shareholders approved at the Shareholders Annual General Meeting for the year 2023 on April 17, 2023, the directors' remuneration including member of sub-committees and advisor in the form of monthly fee and meeting fee, to be valid until amended. Besides, the directors are entitled to receive other remuneration or benefits paid for other appointments or special assignments from the Board of Directors.

Description	Chairman	Director
1. Director Remuneration		
1.1 Monthly Fee Paid every month (Baht/Month)	260,000	60,000
1.2 Meeting Fee Paid on a one-time basis only when attending a meeting. (baht/meeting)	70,000	55,000
2. Audit Committee, Executive Board, Risk Oversight Committee Paid on a one-time basis only when attending a meeting. (baht/meeting)	75,000	55,000
3. Nomination and Compensation Committee Governance and Sustainability Committee Paid on a one-time basis only when attending a meeting. (baht/meeting)	65,000	55,000

1. Monetary Remuneration

In 2023, total remuneration for the Board of Directors was Baht 22,625,337. This was paid in the form of monthly compensation and meeting fees. Total of Board of Directors' remuneration for the year 2023 presented below.

(Unit: Baht)

Name	Monthly Fee	Meeting Fee						Total
		Board of Directors	Executive Board	Risk Oversight Committee	Audit Committee	Nomination and Compensation Committee	Governance and Sustainability Committee	
1. Mr. Pliu Mangkomkanok	3,049,333	480,000	-	-	-	-	-	3,529,333
2. Mr. BaDung Le	684,667	380,000	-	-	-	375,000	-	1,439,667
3. Assoc. Prof. Dr. Angkarat Priebjivat	684,667	380,000	-	495,000	-	-	320,000	1,879,667
4. Mr. Sathit Anugmanee	684,667	380,000	-	-	-	445,000	-	1,509,667
5. Mr. Kanich Punyashthiti	684,667	380,000	-	-	-	375,000	270,000	1,709,667
6. Ms. Pongpen Ruengvirayudh	684,667	380,000	-	-	750,000	-	270,000	2,084,667
7. Ms. Penchun Jarikasem	684,667	380,000	-	-	990,000	375,000	-	2,429,667
8. Assoc. Prof. Dr. Sillapapom Srijunpetch	684,667	380,000	-	-	750,000	-	-	1,814,667
9. Assoc. Prof. Dr. Vara Varavithya	684,667	380,000	-	375,000	-	-	-	1,439,667
10. Mr. Chi-Hao Sun (Howard Sun)	684,667	380,000	645,000	-	-	-	-	1,709,667
11. Mr. Satoshi Yoshitake	684,667	380,000	645,000	-	-	-	-	1,709,667
12. Mr. Sakchai Peechapat	684,667	-	-	-	-	-	-	684,667
13. Mr. Metha Pingsuthiwong	684,667	-	-	-	-	-	-	684,667
Total	11,265,337	4,280,000	1,290,000	870,000	2,490,000	1,570,000	860,000	22,625,337

Remark Monthly fee and meeting fee had been adjusted since April, which was approved by the Annual General Meeting of Shareholders for 2023.

2. Non-monetary Remuneration

1. An executive car for the Chairman of the Board,
2. Group life and accident insurance, or health insurance, or travel insurance, as appropriate
3. Directors & Officers Liability Insurance (D&O).

8.1.3 Corporate Governance of Subsidiary Companies

TISCO Group, comprising TISCO and its subsidiaries, operates as a single entity to ensure good governance and effective synergies between Group resources. The operating structure between TISCO, the parent company, and all subsidiaries, is framed in such a way as to provide coherent business direction and ensure good governance of equal standards across entities. In this regard, TISCO, the parent holding company, serves as the governing company, and defines policies and standards as well as common corporate strategies for all companies in the group. TISCO also centralizes all key control and support functions within the Group. Subsidiary companies serve as strategic business units which are responsible for the roles of Marketing & Sales, Customer Relations, Transaction Processing, and Credit Control.

As the governing company, TISCO will define Group strategic directions, business plans, as well as resource allocations of all subsidiary companies. Although the Group strategic plan involves both top-down and bottom-up processes, TISCO's Board of Directors ultimately holds the authority to approve the Group's business model, corporate strategies, business plan, and financial budgets, which are applied on a Group consolidated basis.

Through the authorities provided in this Corporate Governance Policy, TISCO will appoint the Board of Directors and Board committees, if applicable, of all subsidiary companies, as well as define their business policies and strategies. Significant business activities will also require approval by TISCO. TISCO will monitor on an ongoing basis the business performance and all significant matters of subsidiary companies, in accordance with the corporate strategies and business plan approved by TISCO's Board of Directors.

All support and control functions will be centralized at TISCO in order to create good governance standards, promote synergies, and maximize the operating efficiency and effectiveness of TISCO Group operations. These centralized operations cover the areas of governance, strategy & planning, finance & accounting, risk management, credit controls, internal control & compliance, human resources, as well as business development and process improvement activities. Centralized policies will be set up on these aspects for application across all subsidiary companies. Subsidiary companies serve as strategic business units which focus on various financial services. The key roles of strategic business units consist of sales & marketing, customer relationships, and delivery of products and services to customers. The companies also have their own transaction processing and credit controls. The subsidiary companies will operate their businesses within the policies, guidelines and strategic directions given by TISCO, the parent holding company. Ongoing monitoring and feedback of the performance and key business activities of all subsidiaries will be carried out and reported to the TISCO Board of Directors, as well as supervision of key decision making and controls. As a guiding principle, all key decisions regarding investments or divestments, asset acquisitions or disposal, business joint ventures or strategic alliances by subsidiary companies shall be approved by TISCO.

In addition, the Company has assigned certain Management Committees and management supervising functions within TISCO Group from subsidiary companies to be employed under the Company. The Company seconded such management to the same subsidiary companies for the same responsibilities on a full-time basis. This is to ensure that they devote their time to effectively managing subsidiary companies under the TISCO Group strategy and plan approved by the Board of Directors.

To ensure coherent adoption of corporate governance across all subsidiary companies in TISCO Group, the roles and responsibilities of the Directors and the Management who the Company has seconded to manage the subsidiary companies have been clearly set. Follow-up procedures are set for subsidiaries to ensure prompt disclosure of any important information, in accordance with relevant laws and regulations, and to ensure that the subsidiaries are sufficient and appropriate for the internal control system, including ensuring Directors and

Management fulfill their duties and responsibilities in accordance with the governing laws and regulations. As stated, the Board of Directors has delegated its monitoring and supervising roles to certain Management and sub-committees.

For subsidiary companies' related party transactions with related parties, significant acquisitions or dispositions of assets, or other significant transactions of subsidiary companies, i.e. termination of subsidiary companies, capital share increase or reduction, approval must be sought from the Board of Directors or at the Shareholder Meetings prior to conducting such transactions. The Company strictly follows the regulations of the Stock Exchange of Thailand, Notifications of the Securities and Exchange Commission, and relevant Notifications of the Capital Market Supervisory Board regarding any related party transactions and any transactions that may cause conflicts of interest.

8.1.4 Ensuring Compliance with Corporate Governance Policies and Guidelines

TISCO Group follows up to ensure compliance with policies and practices for corporate governance as specified. This starts with creating awareness for employees and management at all levels by disseminating policies and important procedures related to corporate governance on the Company's website. They conduct an annual exam that covers important topics such as ethics, risk management, anti-corruption and corruption prevention, and driving the organization towards sustainability, among others. New employees need to be trained in the aforementioned topics. The Board has assigned the management to oversee and support the implementation of relevant laws and regulations. To carry out these duties, policies and consulting guidelines must be conveyed and discussed regularly with other departments involved. The Board monitors the management and oversight of the company through reports from the sub-committees presented at each board meeting.

The Governance and Sustainability Committee has resolved to approve the good corporate governance plan on an annual basis. The company is required to communicate the principles of good corporate governance and the company's operations to employees and stakeholders on a continuous basis through various channels.

(1) Conflicts of Interest Prevention

Regarding measures taken to prevent conflicts of interest, related parties transaction, or inappropriate related transactions, the Company has set a code of conduct for employees to ensure that employees comply with stipulated laws and regulations, conduct their duties with integrity, consider the Company's interests above their own, and refrain from exploiting inside information for their own benefit which has a process to consider and approve the transaction, as well as disclose information and approve connected transactions in accordance with the rules prescribed by the regulatory authorities.

Directors, Top Management or top four management whose ranks are below Top Management, any person holding equivalent position of the fourth ranked management, and accounting department managers must first file with the Company a report on his/her interest or related person's interest in relation to management of the Company upon appointment and within three working days of the date of the change. In addition, TISCO has set out rules regarding securities trading by employees, stating that all employees must open trading accounts only with its subsidiary, TISCO Securities Company Limited. Also, employees are required to seek approval from their supervisors and the Compliance Unit before executing trades. Moreover, the rules prohibit Management Committee and insiders from trading TISCO's shares 7 days prior to the last working day of the month until 2 days after the financial statements or the summary of statements of assets and liabilities of TISCO are published.

Directors, Top Management or top four management whose ranks are below the Top Management, any person holding equivalent position of the fourth ranked management, and accounting department managers must report their securities holdings or change(s) of such or derivatives in TISCO, as well as those of their spouses, cohabitants, and any minor children, to the Office of Securities and Exchange Commission. This report on securities holdings must be filed within 30 days of the date of appointment and within 3 working days of the date of the change. Directors must also notify the Board via the Audit Committee of their shareholdings at the end of each quarter. The Audit Committee reports the director shareholdings and activities report to the Board for acknowledgement under the

Audit Committee's activities.

The above-mentioned persons must file a copy of their report on securities holdings or derivatives with TISCO on the same date that the report is filed to the Office of Securities and Exchange Commission. In addition, Directors and management shall file with TISCO a report on his/her interest or a related person's interest in relation to management of TISCO or the subsidiaries in accordance with the rules, conditions, and procedures specified by the Company, in compliance with the Securities and Exchange Commission requirements.

TISCO Group has placed great emphasis on managing its business operations effectively under the good corporate governance framework. TISCO Group has no policy to encourage transactions between related parties or any other transactions that may result in a conflict of interest. Should any such transactions occur, they must be considered thoroughly by the Audit Committee. The Audit Committee shall report and/or propose the transactions to the Board of Directors Meeting for approval on a case-by-case basis. The Company shall consider said transactions with the same standards and conditions as those governing normal business transactions. Persons with vested interests shall not be entitled to vote for the approval of said transactions.

(2) Insider Information

TISCO Group determines the best practices for employees to carry out their duties with integrity, fairness, and compliance with related rules and regulations, confidentiality towards customers, and no preference to pursue personal opportunities over TISCO Group's responsibilities, including making no use of non-public information or disclosing information to persons outside of TISCO. TISCO Group's compliance manual acts as a set of guidelines to help employees perform their duties fairly and honestly, comply with applicable laws and regulations, avoid conflicts of interest, and to not seek benefits from insider information. Business guidelines, regulations, and the code of conduct have all been compiled in the creation of the Company's compliance manual.

With respect to TISCO Group's regulations governing employee securities trading, the Group requires that management and employees open trading accounts only with TISCO Securities, its subsidiary. In this regard, employees must report transactions to the Compliance function. Furthermore, the Group prohibits senior management and insiders from trading the Company's shares within seven working days of the last day of the month until two days after the Company's monthly financial statements or concise assets and liabilities statement are published. A Director privy to important information about TISCO that has not been disclosed to the public must keep such information confidential.

It is a violation of the law to purchase or sell TISCO stock on the basis of such important non-public information. Directors may not do so and may not provide such information to others for that or any other purpose. Directors shall maintain the confidentiality of any non-public information learned in the performance of their duties on behalf of TISCO, except when disclosure is authorized or legally mandated. Directors shall disclose to TISCO the securities trading accounts of themselves and their related persons for the purpose of monitoring and preventing the use of non-public information. Directors shall notify the Corporate Secretary at least one day before dealing in any TISCO shares, in accordance with the Corporate Governance Policy.

Penalties shall be imposed for any breach and use of non-public information for one's own benefit as determined in the Company's regulations.

In 2023, directors and executive directors traded securities one time and it was found that the guidelines or regulations set forth by the TISCO Group were followed correctly and completely. No cases of violations were found regarding the insider information for any benefit whatsoever.

In addition, the board of directors and executives report their securities holdings, including spouses and minor children, as disclosed in Attachment 1 of this report.

(3) Protection of Intellectual Property

With a commitment to conduct business responsibly according to Business Code of Conduct. This includes respecting the intellectual property of the company and other entities and being careful not to infringe on such rights. TISCO has set the protection of intellectual property right and copyright as part of the Employees Code of Conduct. Employees have the duty to protect the company's intellectual property from unauthorized use, including respecting the rights of copyright or intellectual property owners. Penalties against disciplinary action have also been set up to ensure maintaining good discipline of employees. In addition, guidelines for the use of information systems have been established, such as prohibiting the installation or use of unlicensed software and defining guidelines for checking hardware and software installed on computers or any equipment of the company.

In 2023, TISCO Group had no copyright and intellectual property at all.

(4) Anti-Corruption

TISCO Group operates its business with transparency, fairness, and verifiable by adhering to international practices and related regulations. With a commitment to operating a business with ethics, it has good corporate governance and responsibilities to all stakeholders, society, and environment. The problem of corruption is one of Thailand's social problems that every organization must solve together. TISCO Group has formulated policies and guidelines for fighting corruption in all forms of anti-corruption since it affects the development of the country and the elevation of quality of life.

In addition, TISCO has promoted a transparent and verifiable business ecosystem to serve as a good norm for people in society. Since 2010, TISCO Financial Group Public Limited and three subsidiaries consisting of TISCO Bank Public Company Limited, TISCO Securities Company Limited, and TISCO Asset Management Company Limited, have declared their intentions and joined as part of the Thai Private Sector Collective Action Against Corruption (CAC). Now, TISCO was certified for the 3rd renewal of being a member of the Thai CAC in 2022.

Anti-Corruption Guidelines

TISCO Group has launched Anti-Corruption Policy and Guidelines to enforce the company's directors, executives, and all staff of TISCO Group. The objective of guideline establishment is to guide the group of companies to practice honesty, efficiency, and effectiveness to prevent or minimize the possibility of being used for corruption. Additionally, the determination regarding the supplier code of conduct practices with counterparty or business partners, whistleblowing channel, disclosure of information about the intent of the company in combating corruption, reporting to the executives, and the examination of the implementation of anti-corruption program were included therein the Anti-Corruption Guideline.

TISCO Group has implemented program to fight against corruption, with details as follows:

1. Determine Integrity as the company's core value. All TISCO Group's employees conduct themselves honestly and follow the code of ethics to the highest standards of professional ethics in working and customer services, which instilled this value on the first workday and throughout their term as employees.

2. Provide regular corruption risk assessments in all units along with annual operational risk assessments. The results of the assessment are reported to the relevant committees for consideration.

3. Review anti-corruption practices to be consistent with the assessed risks imposed strict penalties for employees involved in corruption.

4. Communicate Anti-Corruption Policy and Guidelines to ensure that they are comprehensive and clear. Key revisions included prohibition of facilitation payment that could lead to corruption, prohibition of hiring government officials currently in position but not include the appointment of educational institution personnel as advisors or directors of the organization. Due diligence process and restriction of activities that incur conflict of interest were formulated, as well as prohibiting improper practice or use of powers and duties, such as disclosing the secrets of the

agencies they were previously affiliated with or the lobby in order to benefit in a wrong way. In case of hiring or appointing a former government official from a regulatory agency directly related to the business of TISCO Group or used to be in a position that can benefit TISCO, there must be a two-year cooling-off period. The annual report will disclose the name and background of the government officials appointed as directors, advisors, and executives. Moreover, the Anti-Corruption Policy is on the company's website in the Corporate Governance section (www.tisco.co.th).

5. Communicate the guidelines for accepting gifts continually. No gift, assets, or any other benefits shall be accepted from customers, suppliers, or other parties relating to the business on any occasion. In the case of undeniable TISCO Group will make charitable or collective donations to the TISCO Foundation or other charities. Besides, we have announced a no-gift policy during the New Year season 2024 on the organization's website and issued a letter asking for cooperation with our customers, suppliers, and business-related parties of TISCO Group to refrain from giving gifts to employees and executives.

6. Communicate the Supplier Code of Conduct that includes anti-corruption guidelines to each partners. Every partner is asked to acknowledge and comply with the code's content. To monitor partners' compliance, TISCO Group requires its partners or service providers to assess their anti-corruption practices considering the social and environmental impact on all stakeholders and encourage partners to operate their business with transparency and against corruption.

7. Provide Anti-Corruption training programs to employees to promote Integrity, honesty, and accountability in the exercise of their duties and responsibilities by adding an Anti-Corruption topic into Competency KPI, which requires 100 percent of test results to instill this value as well as to acknowledge good practices to employees to be applied in business.

8. Prepare the whistleblowing channel to receive complaints from internal and external parties. The information, which will be kept confidential, will be used to find facts for proper resolution. Besides, the complainant's information shall be protected per the TISCO Group's whistleblowing practices.

9. Support the promoted intention to fight against corruption to business partners by sending an invitation letter to join a network in anti-corruption and submitting a supplier code of conduct that includes anti-corruption practices in all forms. Additionally, TISCO participated in the event of intentions with various organizations, such as Anti-Corruption Day in the online event on September 9, 2023, and International Anti-Corruption Day "Zero Tolerance" event held on December 8, 2023, with the belief that conducting business with ethics is the foundation of organizational sustainability.

10. TISCO Securities included the assessment result of the progress of its efforts to mitigate conflicts of interest in its listed companies in the analysis report as information for investors' consideration. TISCO Asset Management included the assessment result of the progress of its efforts to mitigate conflicts of interest related to the investments in its publicly available fund documents. The assessment results, as well as the company's stance against conflicts of interest in the private sector, are also taken into account in investment consideration.

(5) Whistleblowing Policy and Complaint Channels

In order to operate the business of the organization with transparency and fairness while considering the social and environmental impact on all groups of stakeholders, TISCO Group has formulated a whistleblowing policy in writing, which has been approved by the Board of Directors. The policy covers procedures and channels for whistleblowing the information or clues about fraud, wrong or improper conduct, unlawful act, regulation, or code of conduct, including measures to protect complainants or whistleblowers to encourage management troubleshooting and reporting to the relevant committees. There is communication to third parties and employees as follows:

Third parties Communicate through the corporate website. Complaints could be sent by letter to the Chairman of the Audit Committee or the Compliance Function TISCO Financial Group Public Company Limited 48/49 TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500.

Employees Communicate through intranet and related training

TISCO Group has established the HR Help Line as another independent channel to listen to employee grievances. Senior Executives have been appointed to represent the HR Help Line to ensure transparent and impartial review and operation. The complainant's name is kept confidential in accordance with the TISCO Group's practices of whistleblowing filing.

TISCO Group has measures to protect the rights of information providers and provides necessary safeguards for the protection of employees from reprisals or victimization. In 2023, TISCO Group did not find any complaints or whistleblowers about illegal actions, corruption, or significant business ethics through whistleblowing channels.

Complaint Channels

TISCO Group has established channels for receiving complaints. Complainants can file complaints through four channels as follows:

Channel 1 Directly submit at TISCO Bank's Head Office or branches to officers.

Channel 2 Mail to Compliance Department
TISCO Financial Group Public Company Limited
TISCO Tower, 21st Floor, 48/49 North Sathorn Road, Silom, Bangrak, Bangkok, 10500

Channel 3 Call TISCO Contact Center at 0 2080 6000 or 0 2633 6000, fax complaint to 0 2633 6800,
Email to webmaster@tisco.co.th

Channel 4 Post complaint on TISCO's website

In 2023, TISCO Group did not find any significant reports of whistleblowing regarding violations of the law, corruption, or business ethics through the aforementioned whistleblowing channels.

8.2 Performance Result Report of the Audit Committee

Performance results of the Audit Committee are shown in Attachment 6. Details of the meetings attendance of the Audit Committee members can be found under 8.1.2 on Board of Directors Meetings and Remuneration of Directors.

8.3 Performance Result Report of Other Sub-Committees

Performance results of the Executive Board, the Risk Oversight Committee, the Nomination and Compensation Committee, and the Governance and Sustainability Committee are shown in Attachment 7. Details of the meetings attendance of sub-committee can be found under 8.1.2 on Board of Directors Meetings and Remuneration of Directors.

8.4 Rights and Equitable Treatment of Shareholders

TISCO recognizes the basic rights of its shareholders and commits to protect and facilitate the exercise of shareholder rights. These rights include the right to buy, sell or transfer their shares; to receive their rightful portion of TISCO's profits; to easily obtain relevant and adequate information on TISCO on a timely and regular basis, to participate effectively and vote in general shareholder meetings and be informed of the rules that govern the general shareholders' meeting; to elect and remove members of the Board of Directors; to participate in, and to be sufficiently informed of decisions concerning fundamental company changes.

In 2023, TISCO encourages the rights and equitable treatment of shareholders as follows.

(1) Rights of Shareholders

With regard to shareholder meetings, in addition to the annual general meeting which must be convened within four months of the date marking the end of the accounting period, the Board of Directors may summon an extraordinary meeting at such date, time and place as determined by the Board. The Company allows minor shareholders to request the Board of Directors convene an extraordinary general meeting of shareholders under the laws and company regulations.

Conduct before the Meeting

The Company emphasizes shareholder meetings as important occasions in which the shareholders have the rights to participate in the decision-making process. TISCO encourages shareholders to fully exercise their rights and facilitates the process by:

- Inviting shareholders to propose agenda items at the annual general meeting and nominate qualified candidates for directorship

TISCO allocates sufficient time for either one shareholder or combined shareholders who hold a minimum of 100,000 shares or equivalent to less than one percent of the total issued and paid-up capital of the Company, to propose agenda items that they deem worthy of being placed on the annual general meeting agenda, and/or to propose qualified director candidates. The shareholders can submit their proposals in advance of the meeting in accordance with the criteria set by the Company. Regarding agenda items, the Board of Directors shall add items that are considered appropriate for the agenda and make sure that the items are included in the Notice of the annual general meeting. For nominations of qualified candidates for director positions, the Nomination and Compensation Committee shall review and propose candidates for the Board of Directors' consideration for further recommendation to the shareholders at the annual general meeting. In cases wherein proposals are not approved by the Board and/or the Nomination and Compensation Committee, the Company shall state the reason for refusal to at the shareholders' meeting, on the Company's website or through any other appropriate information dissemination channel.

For the 2023 Annual General Meeting, TISCO invited shareholders to propose agenda and qualified candidates for directorship in advance, from September 1 to November 30, 2023. Before mailing out the Notice, the Company posted on its website information for shareholders regarding their right to propose additional agenda items at the annual general meeting, along with related procedures, deadline for the proposal of agenda items, and methods of proposing qualified candidates for directorship to the Nomination and Compensation Committee for further recommendation to the Board of Directors and proposal to shareholders at the annual general meeting. Posting of the information on the Company website coincided with similar disclosure through the Stock Exchange of Thailand's information dissemination channel and website. No shareholders had proposed additional agenda items and qualified names for directorship as of the stated date of the Annual General Meeting.

- Notification of Meeting Details and Materials

The Company prepares the Notice of the shareholder meeting in both Thai and English and notifies investors of the meeting details prior to the meeting date through the Stock Exchange of Thailand's information dissemination channel and its website so as to allow shareholders adequate time to study the meeting materials. Such notice and materials shall be sent to the shareholders no less than seven days or 14 days, in case of a special meeting agenda, before the date set for the meeting, in accordance with the law. The information presented on the website shall be the same as that presented in the meeting materials sent to the shareholders, which includes (1) Notice of the meeting, (2) Proxy Forms, (3) Procedures for attending and voting General Meeting off Shareholders via Electronic Media, (4) Annual Registration Statement and Annual Report 2023 (Form 56-1 One Report) and Sustainability Report in QR Code, and (5) Return envelope. In addition, the Company shall publish the Notice of the shareholder meeting in a Thai daily newspaper for three consecutive days and not less than three days before the date set for the meeting. All agenda

items shall indicate clearly whether it is a matter being proposed for acknowledgement, for approval, or for consideration, and include the opinions of the Board of Directors in said meeting agenda.

TISCO conducted the 2023 Annual General Meeting on April 17, 2023, the meeting held in form of hybrid meeting. The Company assigned Inventech Systems (Thailand) Co., Ltd., which uses the Cisco Webex Meetings system for meetings and the Inventech Connect system for voting, or e-Voting, which has passed a self-conformity assessment from ETDA and complies with standards and criteria related to electronic meetings. In addition, the meeting was organized under the Company's Articles of Association related regulations and laws. It is also consistent with the AGM Quality Assessment (AGM Checklist), good corporate governance practices, as well as the CG Report assessment under the ASEAN CG Scorecard. TISCO disclosed the agenda of the meeting via the Stock Exchange of Thailand's information dissemination channel, and also disclosed the Notice of the shareholder meeting in both Thai and English versions through the Stock Exchange of Thailand's information dissemination channel and its website on March 17, 2023. TISCO assigned Thailand Securities Depository Co., Ltd. (Registra) to deliver the Notice of the Shareholder Meeting in both Thai and English to the shareholders, which includes the Notice of the Meeting, Registration and Procedures for Attending via Electronic Media, the Annual Registration Statement and Annual Report 2022, and the Sustainability Report 2022 in QR Code, which were sent to shareholders on March 17, 2023, or 30 days before the date of the shareholder meeting, in accordance with good corporate governance practices.

Conduct at the Meeting

- Attending in person at the conference room

The Company has provided staffs to inspect documents of shareholders or proxies who have the right to attend the meeting according to the details of documents or evidence of shareholder or proxy as stated in the notice of meeting to preserve the rights and equality of shareholders. The shareholders can register to attend the shareholders' meeting adequately in advance of the meeting. To facilitate shareholders, the Company has used a computer system for registration and printing ballots for each agenda item, resulting in fast and accurate registration. In addition, during the meeting shareholders can register to attend the meeting to exercise their voting rights on agenda items that have not yet been voted on.

- Attending via electronic media

The Company has attached a registration form for attending the shareholders' meeting via electronic media (e-AGM) to the invitation letter. Shareholders or proxies will be able to submit a request to attend the meeting through the e-Request system by accessing it from a web browser or scanning the QR Code from the meeting invitation letter and the Company's website. In addition, the Company has provided a call center staff to facilitate shareholders who have problems in use the e-Request system to download and install the e-Meeting system for registration or during access.

The e-Request system allows shareholders who wish to attend the meeting in person or by proxy but are not directors of the Company to register more than 7 days in advance and can register until the meeting closes. On the meeting day, the system allows registration one hour before the meeting time. The shareholders can prepare and study how to use the system before the meeting starts at 2:00 p.m. It is convenient, safe, and does not obstruct or create obstacles in providing opportunities for shareholders to communicate with each other. Moreover, TISCO allowed enough time for any shareholder to register to attend the meeting in advance of the meeting time.

Shareholders were able to register to attend and exercise and exercise their voting rights on agenda items for which they have not voted for in advance once the meeting commenced. For shareholders unable to attend the meeting and who would like to appoint a proxy, TISCO presented more than one independent director, including profiles for shareholders selection as proxy, TISCO attached Proxy Form B, which allows shareholders to specify their voting decision with the notice. Shareholders could cast their votes in advance on the Voting Form sent out with the Notice of shareholders meeting. The shareholders can also download other types of proxy forms and Voting Forms from the Company's website.

For the 2023 Annual General Meeting, the Company proposed three independent directors, Chairperson of the Audit Committee and Member of the Audit Committee included their profiles for shareholders to appoint as a proxy.

- Shareholder opportunity for queries and comments

Before the date was set for the meeting, TISCO invited shareholders to submit questions regarding the Company and meeting agenda that require clarification by the Board of Directors and management at the meeting. Questions may be submitted in advance via fax or emailed to Investor Relations. At the meeting, the Chairman shall allocate appropriate time and encourage equal opportunity for shareholders to express their opinions and raise their queries at the meeting as per the agenda. TISCO shall endeavor to arrange for all directors, executives of the Company and subsidiaries, as well as the auditors to attend the shareholders meeting to answer the queries.

For the 2023 Annual General Meeting, there were 13 members of the Board of Directors in attendance (100 per cent). TISCO Management, auditors and representatives from the Bank of Thailand also observed the meeting.

- Conduct of the meeting and voting

The meeting is conducted in accordance with the order of agenda as arranged in the Notice of the meeting, unless the shareholders holding an aggregate number of shares not less than two-third of the total number of shareholders attending the meeting resolve to change the order of the agenda. In addition, the shareholders holding an aggregate number of shares not less than one-third of the total number of paid-up shares may request that the meeting consider other matters in addition to those specified in the Notice of the meeting. Before the meeting starts considering agenda items, the shareholders will be informed of the number and proportion of shareholders or proxies in attendance, their voting rights, total votes required for each agenda item, and the voting process. Every shareholder present in person or being represented by proxy is entitled to one vote per share, with the exception of cumulative voting for the appointment of directors. For the purpose of transparency and equitable treatment of the shareholders in the voting process, the Company shall utilize voting forms for all agenda items and cumulative voting for the appointment of directors. The Company assigns inspectors to oversee and monitor the shareholders' meeting to ensure that the meeting is conducted with transparency and in compliance with the law and the Articles of Association. After the vote count is completed, voting results of each agenda item will be announced to the meeting, by specifying the number of "For", "Against", "Abstain" votes and voided ballot.

The 2023 Annual General Meeting of Shareholders which held in a form of a hybrid meeting. During the meeting in person at the meeting and via electronic media (e-AGM) was conducted according to the Company's Articles of Association and laws. The company has completely complied with the procedures and methods specified in the law, including the use of technology for the shareholders' meeting in terms of registration, questions to the meeting, and voting by shareholders. The shareholders can vote from their personal electronic devices, which makes voting more convenient. Accurate and fast processing and display of voting results. The meeting was arranged with no additional agenda items, no changes to the agenda, and no changes to important information without prior notification to shareholders. In addition, the Company assigned DIA Audit Company Limited to act as a witness in the registration and vote counting throughout the meeting. The meeting was conducted with clarity and transparency and in accordance with laws and the Company's Articles of Association.

For the election of directors, TISCO introduced a Cumulative Voting process which allows minority shareholders to take part in nominating and electing Independent Directors. To ensure transparency and equitable treatment, shareholders are allowed to cast their votes for individual directors.

Conduct after the Meeting

The Company informed the shareholders' meeting resolutions to all investors through the SET's information dissemination channel within the same day of the meeting or at least one hour before the opening of the Stock Exchange of Thailand on the next working day. In addition, the Company shall prepare the minutes of the meeting in which all relevant information, including all clarifications, queries, opinions, and resolutions are recorded and

categorized into “For”, “Against”, and “Abstain” votes. TISCO has disseminated the minutes on its website and submitted them to the Stock Exchange of Thailand within 14 days from the date of the meeting. The minutes of the meeting will be kept at the head office. In this regard, an opportunity was given to shareholders to ask questions or express opinions about the minutes within 30 days from the date of publication of the minutes. When the said period had expired, no shareholder expressed any opinions, asked questions, or wished to amend the minutes of the 2023 Annual General Meeting of Shareholders in any way. In addition, TISCO has arranged for a recording of the shareholders meeting to disseminate to interested shareholders via the company's website at www.tisco.co.th

For the 2023 Annual General Meeting held on April 17, 2023, the Company reported the shareholders' meeting resolutions through the SET's information dissemination channel on the same day of the meeting and disclosed the minutes of the meetings on April 27, 2023, in compliance with the above-mentioned timeframe.

(2) Equitable Treatment of Shareholders

TISCO fairly and equally treats all shareholders, majority or minority, individual or institutional, foreign or Thai, executive or non-executive. Among its policies are:

- a) Minority shareholders are protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly.
- b) Insider trading and self-dealing abuses are strictly prohibited.
- c) Members of TISCO's board and senior management are required to disclose to the Board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting TISCO.

The Company delivers the Notice of the shareholder meeting to shareholders with an attached Proxy Form A (a simple form for general shareholders), Form B (a specific detail form for general shareholders) and Form C (for foreign shareholders who have appointed custodians within Thailand to be responsible for the shares). Any shareholders who cannot attend the meeting can have their proxies participate on their behalf. In addition, the Company contacts institutional investors who are funds or custodians, to send representatives to the meeting and facilitates the process by conducting document checking in advance and providing information or responding to any inquiries.

8.5 Interest of Stakeholders

TISCO recognizes the importance of the rights of stakeholders and treats all stakeholders fairly in accordance with the TISCO Corporate Governance Policy – Section: Rights and Equitable Treatment of Shareholders, and their legal rights, either those established by law or through mutual agreements. TISCO continues to develop processes to deliver superior financial products and services in order to meet stakeholders' expectations.

Actions towards Stakeholders

1. Shareholders

In addition to direct benefits resulting from rights and equitable treatment from TISCO, shareholders indirectly gain from the trust created by the fair treatment TISCO gives to other stakeholders. Such mutual trust in turn promotes co-operation between TISCO and its counterparts and is the key factor to maximizing the shareholders' long-term wealth and providing TISCO with financial stability and sustainability.

2. Employees

TISCO treats employees, permanent or contracted, fairly and with respect. They are compensated or rewarded based on an equitable performance evaluation system. They are equipped with the required standards of education and professional training, provided with health care benefits and workplace safety, and protected from offence and misuse of their personal information.

3. Customers

TISCO strives to maintain a sustainable relationship with customers. TISCO fulfills its contractual commitments with customers by providing professional and practical solutions which are beneficial and worthwhile for customers in accordance with the highest standards and code of conduct without accepting any bribes or providing benefits in an improper manner.

4. Business Partners and Creditors

TISCO treats its business partners and creditors fairly and honestly and honors any conditions agreed upon by both parties. In such business dealings, TISCO promises to abide by Thai Private Sector Collective Action Against Corruption.

5. Competitors

TISCO operates its business with respect for free and fair competition and integrity, works within the framework of applicable competition regulations, and refrains from action that may have a negative impact on the financial industry, including support of cartels, monopolies, or criticism of other banks.

6. Social

TISCO recognizes its social responsibilities and thus undertakes development initiatives to build a better society. TISCO is prudent when considering any action that may affect public interest. Furthermore, TISCO aims to promote financial inclusion and literacy as part of a healthy and strong society and supports activities beneficial to communities and society.

7. Environment

TISCO recognizes the importance of a healthy environment and thus has rolled out environmental policy that builds a framework for environmentally responsible business practices.

Details of performance regarding customers, business partners and creditors, social and the environment have been shown in the 2023 Sustainability Report.

Human rights principles

Along with the aforementioned stakeholder groups, the company is committed to conducting business in a manner that is consistent with *human rights* and believes that a successful business must adhere to ethical and humanitarian principles when dealing with all human beings equally. as well as respecting the rights and freedoms of others and not discriminating on the basis of race, skin color, gender, age, religion, physical disability, political opinion, birthplace, or social class, which impedes or impedes equal opportunity or treatment for employees, customers, business partners, and others, including *the respect for and non-infringement of copyright and intellectual property*; Employees are responsible for protecting the Company's intangible assets. Additionally, it adheres to the rights of copyright and intellectual property owners.

TISCO Group provides a variety of contact channels, including the TISCO Contact Center, service counters, TISCO Group website, and TISCO dedicated functions. These includes the Investor Relations Function which is responsible for feedback from shareholders and the investor community and the TISCO HR Help Line which is responsible for feedback from employees. Moreover, the Compliance Function has been assigned to receive suggestions, complaints or any other concerns related to TISCO business operations and regulatory matters. Significant issues shall be reported to the Compliance Committee for consideration. In cases of critical corporate issues, the Compliance and Operation Control Committee will preliminarily screen the issues before reporting them to the Audit Committee. The Compliance and Operation Control Committee will further review, advise upon, and report the issues and/or outcome to the Board of Directors. In addition, to protect the rights and privacy of claimants, the company has created a Whistleblowing Policy and operational procedures to handle claims from customers, employees and stakeholders. Comments, complaints or any information given is protected and kept confidential.

In 2023, no complaints were found regarding labor and human rights and continued to conduct business with strict respect for human rights, with ethics and humanity towards all humans equally.

8.6 Disclosure and Transparency

TISCO believes that its shareholders and other stakeholders are entitled to timely and accurate disclosure of all material information regarding the company, including financial reports, Quarterly Management Discussion and Analysis, and other important non-financial information, either by mandatory requirement or on a voluntary basis.

Disclosure is conducted in Thai and English and made available through easily accessible channels, including TISCO's website, press conferences, quarterly analyst meetings, sessions with investors, and the information dissemination channels of the Stock Exchange of Thailand and the Security Exchange Commission.

TISCO makes publicly available on its website by the next working day the voting results for all resolutions from the annual general meeting and extraordinary general meetings.

TISCO prepares reports for submission to relevant authorities and for public dissemination on the basis of equality and simplicity. The Board of Directors shall provide a report on the performance of the Company and important business activities over the course of the year to shareholders. Moreover, the Board of Directors is accountable for assessment of the Company's internal control system, which is primarily assessed by the Executive Board and reviewed by the Audit Committee. The Board of Directors is also responsible for certification of the accuracy of information in financial statements and assigns the Audit Committee to review the financial statements of the Company and its subsidiaries to ensure that they are presented in accordance with generally accepted accounting principles and disclosed in an accurate and transparent manner to allow investors to make informed investment decisions. The Board provides the Statement of the Board of Directors' Responsibility for Financial Statements, while the Audit Committee provides reports on audit issues along with the auditor's report. Reports from the Board, the Audit Committee and the auditor's report are included in the Annual Registration Statement (Form 56-1), Annual Report, and Sustainability Report reflecting value-creating practices for a sustainable business.

TISCO arranges for the disclosure of the names and responsibilities of directors and other committees, the number of meetings, each director's meeting attendance record, individual remuneration, profiles of directors and management, and other corporate information in the Annual Report and the Company's website.

The Company has assigned its Corporate Secretariat Office and Investor Relations Function to represent the Company in communications with shareholders, investors, analysts, credit rating agencies and related regulatory bodies. The Company's information is publicly disseminated for easy access to interested parties through various channels, including reports submitted to the SET, the SEC, and the Company's website under "Investor Relations". Furthermore, TISCO has set up numerous activities which provide updates on the Company's information as well as responses to inquiries from investors such as Quarterly Analyst Meetings, Press Conferences, One-on-One meetings and Investor meetings, both local and international. The mentioned activities are participated in by senior management. Activities arranged in 2023 were as follows:

The form of meetings	No. of time(s)	No. of person(s)
Quarterly Analyst Meeting	4	70
SET Opportunity Day	4	30
Company Visit	13	-
Conference Call	6	-
Meeting both domestic and foreign investors in form of Physical Meeting and Virtual Conference	21	180

Moreover, the Investor Relations and the Corporate Secretariat Office have improved their operations towards a digital format by reducing the use of paper and delivering documents via digital channels. If printing of documents or reports is mandatory, environmentally friendly paper, printing ink and printing processes are chosen so as to reduce greenhouse gas emissions and preserve the environment.

Investors and shareholders may contact the Company at:

Investor Relations

Email : ir@tisco.co.th

Tel. : 0 2633 6868

Fax. : 0 2633 6855

Corporate Secretariat Office

Email : tisco_cs@tisco.co.th

Tel. : 0 2633 6805

Fax. : 0 2633 6855

Address:

TISCO Financial Group Pcl.

Investor Relations, 7th Floor

Corporate Secretariat Office, 7th Floor

TISCO Tower, 48/49 North Sathorn Road,

Bangrak, Bangkok, 10500

Website : www.tisco.co.th

Ordinary shares registrar:

The Thailand Securities Depository Co., Ltd.

Tel. : 0 2009 9999

9. Internal Control and Related Party Transactions

9.1 Internal Control System

TISCO Group emphasizes a sound risk management policy and appropriate internal control system to support the effectiveness of TISCO Group's business undertakings. The control structure starts with a control environment for transparent operations of the Group's businesses under good corporate governance, and goes further to include structural checks and balances, centralized policies and guidelines for enterprise-wide adoption, a written and thoroughly communicated code of conduct, disciplinary processes, and establishment of channels for accepting complaints with appropriate consideration.

Oversight of Internal Control System and Risk Management

Business undertakings as well as the adequacy of the control system are under the supervision of the Board of Directors of TISCO Financial Group through the Executive Board, Risk Oversight Committee, and the Audit Committee. The centralized supervision is conducted by TISCO Group in accordance with the consolidated supervision principles of the Bank of Thailand and is under the following structure.

1. The Executive Board of the parent company oversees the entirety of the risk management and internal control systems, fosters a risk governance culture to support the organizational business operations according to the determined business direction and targets, and ensures the effectiveness of the implementation of the risk management framework and control systems of TISCO Group. Under TISCO Financial Group, the parent company, specific sub-committees have been appointed to centralize the oversight functions. These include the Risk Management Committee, the Compliance and Operation Control Committee, the IT Risk Committee, and the Technology and Infrastructure Committee. Meanwhile, TISCO Bank, a subsidiary of TISCO Group, has also established specific sub-committees relevant to the banking business, namely the Risk Management Committee, the Credit Committee, and the Problem Loan Committee. As for other subsidiaries within TISCO Group, the appointment of sub-committees are considered and established in line with the complexity of the business undertakings of each subsidiary and as deemed necessary and appropriate. The risk management and control system of each subsidiary within TISCO Group shall be implemented in accordance with the Internal Control Policy, Corporate Governance Policy, and Risk Management Policy as well as the relevant guidelines determined by the parent control for enterprise-wide adoption.

2. The Risk Oversight Committee's duties include ensuring compliance with the risk management policies & strategies, and risk appetite. The committee shall exchange views with the Audit Committee in reviewing the sufficiency and effectiveness of overall risk management policies & strategies and risk appetite on a regular basis. Reports shall also be made to the Board regarding risk exposures, effectiveness of risk management, progress in the implementation of risk culture, and significant issues and required improvements to comply with the risk management policies & strategies.

3. The Audit Committee of TISCO Financial Group shall perform its duties independently, namely assessing and overseeing the adequacy of TISCO Group's internal control system established and supervised by the Executive Board, including the effectiveness of the audit system. The Audit Committee of TISCO Financial Group shall consider the Internal Control Assessment Form prepared by the management of TISCO Group and concurred with by the Risk Oversight Committee on an annual basis prior to proposing it to the Board of Directors for consideration and approval. Regarding the oversight of the Internal Audit function, the Committee has approved the Internal Audit Policy, Internal Audit Charter, Audit Plan and Strategy, and Key Performance Indicators, acknowledged the internal audit practices, audit reports, audit progress update, and evaluated the performance of the Internal Audit function. In regard to the oversight of compliance, the Committee shall acknowledge the annual compliance plan and report, compliance activities, legal case status, BOT report, and assess the corrective and preventive measures.

Overview of TISCO Group's Internal Control System and Risk Management

Internal Control and the Risk Management Framework is a set of interrelated components which start with the governance and risk management culture and widen to include synchronization between strategic objectives and risk management, risk assessment and management support of business objectives, monitoring, and finally, communication and reporting. The Internal Control system is an inherent component of risk management that raises the value and enhances the effectiveness of the other components. TISCO Group has implemented an internal control system and integrated- enterprise risk management framework under international best practices to ensure achievement of objectives, efficiency and effectiveness of operations, and compliance with laws and regulations. The internal control system has 5 key components, as described below.

TISCO Group has developed a control environment that promotes a sound internal control system. The established control environment first defines "Integrity" as a core corporate value, then serves to create and cultivate risk culture, establish Internal Control Policy and Guidelines, structure organizational checks and balances and supervisory lines, and determine the appropriate approval authority and accountabilities. These efforts facilitate the pursuit of business objectives as well as the continued education of employees in order to enhance skills and competencies. In regard to the oversight function, the Risk Oversight Committee, as appointed and delegated by the Board, shall supervise the performance of the Management Committee in terms of complying with the risk management policies and strategies and shall review establishment of a sound control system and risk management process. The Audit Committee performs duties through the operations of the Internal Audit Function in assessing the effectiveness of risk management and the control system. Meanwhile, the Corporate Governance Committee shall oversee the performance of the duties of the Board, directors, and management to assure that the proceedings are undertaken in accordance with the Corporate Governance Policy, code of business ethics, and relevant laws and regulations.

Effective risk management and controls are considered highly important by TISCO Group. Thus, the Risk Oversight Committee has been established to transparently and independently oversee and govern corporate risks. The Risk Management Committee is delegated the responsibility of establishing effective risk management policies, prudent risk management guidelines and limits as well as the monitoring and control processes. The Risk Management Committee assesses and measures key risks, particularly in the areas of credit, liquidity, market, strategy, and operations, including IT and fraud. Backed by an effective risk management framework and system, the Risk Management Function is accountable for measuring and monitoring the risks defined in the Risk Management Guidelines, regularly reporting the monitoring results to senior management and relevant committees. Meanwhile, the overall risk management process is also examined by independent internal auditors on a regular basis.

TISCO Group has designed a control system to serve as centralized management. This provides assurance that all subsidiaries within TISCO Group operate their businesses under an effective control system and align with each respective environment. The goal here is to manage risks which could affect the achievement of business objectives and/or damage the organization. Centralized policies and guidelines and the delegation of authority have been developed for enterprise-wide adoption and to support regular governance that ensures work proceeds under standardized practices. Additionally, under the internal control framework, segregation of duties among operators, reviewers and evaluators is well defined with a sound practice for assuring the checks and balances as well as the appropriateness of the audit system.

TISCO Group has steadfastly developed its information technology systems while enhancing the quality of information in order to provide efficient and timely information. The IT Risk Management Function has also been established to govern and support the achievement of control objectives and supervise compliance with laws and regulations related to IT. TISCO Group has adopted appropriate information technology and information security for business operations in order to secure key information. Additionally, TISCO Group has determined the channels and process to communicate adequate and accurate information to internal or external parties in a timely manner.

To ascertain whether the components of internal control are efficiently functioning, TISCO Group has established a monitoring and control assessment process. In addition, TISCO Group has arranged a channel to report internal control deficiencies to the responsible persons for timely corrective action. An audit process through the Internal Audit Function and Compliance Function has also been established. The results of examination of the control effectiveness as well as compliance with the laws and regulations stipulated by the supervisory authorities shall be regularly reported to senior management and the relevant committees.

9.1.1 Board of Directors' Report on Internal Control System

At the Board of Directors' Meeting No. 1/2024 on February 27, 2024, attended by five independent directors, including three members of the Audit Committee, the Board considered the Company's internal control assessment form as prepared by management. Such form was reviewed and concurred by the Risk Oversight Committee and the Audit Committee. According to the assessment form, evaluation was made to cover five components: Organizational Control and Environmental Measures, Risk Management Measures, Management Control Activities, Information and Communication Measures and Monitoring. The Board viewed that the Company's internal control system is adequate and appropriate for business undertakings. The Company has established a sound control system and sufficient resources to carry out the determined processes, including sufficient monitoring control for supervising the business operations of subsidiaries to ascertain that they operate under control systems with appropriate control measures to prevent conflict of interests.

9.1.2 Audit Committee and Independent Auditor Comments on Internal Control System

The Audit Committee has agreed with the Board of Directors' report on the Internal Control System and had no comments on the internal control system. The details are provided in Attachment 6, Report of the Audit Committee. Moreover, in 2023, EY Office Limited as independent auditor of the Company had no comments on the internal control system.

9.1.3 Head of Internal Audit Unit and Head of Compliance Unit

(1) Head of Internal Audit

TISCO Group appointed Miss Chuenchit Trakarnratti as the Head of Internal Audit. She is judged to be qualified to take charge of the Internal Audit function with her competency and auditing experience. Ms. Chuenchit is able to independently perform her duties with the support of the Audit Committee. Ms. Chuenchit is also appointed as the Secretary to the Audit Committee. Qualifications of the current Head of Internal Audit are provided in Attachment 3.

(2) Head of Compliance

TISCO Group appointed Miss Sakornrat Manuwong to be Head of Corporate Compliance to oversee the compliance of business operations with related laws and regulations. The Compliance Function is under the supervision of Mr. Pairat Srivilairit - Chief Governance Officer. Qualifications of the current Heads are provided in Attachment 3.

9.2 Related Party Transactions

The Company disclosed the details of related party transactions under section 3.33 of the notes to the consolidated financial statement for the year ended December 31, 2023. The Company and its subsidiaries conducted business transactions with related parties at an arms-length basis to ensure fairness as applied to external parties.

9.2.1 Necessity and justification for the transactions

The related party transactions were necessary and justified in order to obtain maximize benefit for the Group. These transactions were found to be supporting transactions for the normal business operations of TISCO Group, in accordance with the consolidated supervision principles of the Bank of Thailand. Hence, these transactions did not involve any conflicts of interest.

9.2.2 Measures or procedures for approval of related party transactions

All transactions between related parties shall be done on the same basis and under the same conditions applied to external parties. Those with personal vested interests shall not be entitled to vote for the approval of said transactions. In addition, TISCO Group will disclose information in a transparent manner and in accordance with good governance principles.

9.2.3 Related transaction policy

The Group puts a strong emphasis on effective management under good governance and in accordance with the relevant rules and regulations. In addition, the Group has set up a “Related Party Transaction Policy”, implemented across the Group which states that the Group has no policy to encourage transactions between related parties. Should any such transactions occur, the conditions would be the same as for normal business transactions for the Group.

Part 3 Financial Statement

Summary of Auditor's Report

The Consolidated Financial Statements of the Company and its Subsidiaries for the Year Ended December 31, 2023

The independent auditor for the Company's financial statements and the Company's and its subsidiaries' consolidated financial statements for the year ended December 31, 2023 was Ms. Saranya Pludsri, Certified Public Accountant (Thailand) No. 6768, of EY Office Limited. The conclusion of his report can be summarized as follows:

Based on the independent auditor's audit, the financial statements presented fairly, in all material respects, the financial position of TISCO Financial Group Public Company Limited and its subsidiaries and of TISCO Financial Group Public Company Limited as at December 31, 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations.

The Consolidated Financial Statements of the Company and its Subsidiaries for the Year Ended December 31, 2022

The independent auditor for the Company's financial statements and the Company's and its subsidiaries' consolidated financial statements for the year ended December 31, 2022 was Ms. Somjai Khunapasut, Certified Public Accountant (Thailand) No. 4499, of EY Office Limited. The conclusion of his report can be summarized as follows:

Based on the independent auditor's audit, the financial statements presented fairly, in all material respects, the financial position of TISCO Financial Group Public Company Limited and its subsidiaries and of TISCO Financial Group Public Company Limited as at December 31, 2022, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations.

The Consolidated Financial Statements of the Company and its Subsidiaries for the Year Ended December 31, 2021

The independent auditor for the Company's financial statements and the Company's and its subsidiaries' consolidated financial statements for the year ended December 31, 2021 was Ms. Somjai Khunapasut, Certified Public Accountant (Thailand) No. 4499, of EY Office Limited. The conclusion of the report can be summarized as follows:

Based on the independent auditor's audit, the financial statements presented fairly, in all material respects, the financial position of TISCO Financial Group Public Company Limited and its subsidiaries and of TISCO Financial Group Public Company Limited as at December 31, 2021, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and drew attention to the matters related to the adoption of the set of Thai Financial Reporting Standards related to financial instruments in the preparation of current year's financial statements and to the COVID-19 pandemic which is impacting various businesses and industries. This situation could create uncertainties and may be impacting the operating results and cash flows in the future; and due to the impact of that situation, the Group has elected to adopt the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations that Affect the Thai Economy as issued by the Federation of Accounting Professions in preparing the financial statements. The auditor's opinion is not modified in respect of this matter.

Summary Statements of Financial Position, Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of Financial position for the years ended

(Unit: Thousand Baht)

	2023	2022	2021
Assets			
Cash	918,261	1,005,066	1,103,425
Interbank and money market items - net	48,489,698	40,272,419	30,489,211
Financial assets measured at fair value through profit or loss	2,081,768	2,172,386	2,081,052
Derivatives assets	-	147,489	-
Investments - net	3,313,593	3,989,884	8,042,759
Investments in subsidiaries and joint venture - net	891,492	872,808	809,629
Loans to customers and accrued interest receivables			
Loans to customers	247,384,985	231,948,369	220,419,498
Accrued interest receivables and undue interest receivables	1,928,548	1,722,316	1,712,501
Total loans to customers and accrued interest receivables	249,313,533	233,670,685	222,131,999
Less: Deferred revenue	(12,569,801)	(12,944,570)	(17,469,825)
Less: Allowance for expected credit loss	(9,915,969)	(11,844,732)	(11,740,174)
Loans to customers and accrued interest receivables - net	226,827,763	208,881,383	192,922,000
Properties foreclosed - net	25,823	6,550	120,522
Investment property	23,576	27,058	27,305
Premises and equipment - net	3,178,878	2,786,274	2,780,562
Right-of-use assets - net	1,069,591	753,866	752,829
Intangible assets - net	79,113	99,603	130,919
Deferred tax assets	868,619	830,504	759,729
Securities and derivatives business receivables - net	496,785	611,384	1,131,229
Other assets	2,459,293	2,957,763	2,470,763
Total assets	290,724,253	265,414,437	243,621,934

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of Financial position for the years ended

	(Unit: Thousand Baht)		
	2023	2022	2021
Liabilities and equity			
Liabilities			
Deposits	208,644,672	188,265,809	166,541,926
Interbank and money market items	8,506,337	6,195,459	8,080,700
Liabilities payable on demand	237,434	256,708	274,432
Derivatives liabilities	28,690	-	3,385
Debts issued and borrowings	17,286,122	15,756,919	14,961,919
Lease liabilities	1,009,370	700,258	707,179
Provisions	1,987,155	1,712,266	1,728,981
Deferred tax liabilities	-	-	-
Securities and derivatives business payables - net	913,204	1,246,559	1,521,353
Accrued interest payable	1,405,306	559,568	481,691
Income tax payable	764,094	830,031	661,620
Other liabilities	7,493,887	7,100,237	7,458,365
Total liabilities	248,276,271	222,623,814	202,421,551
Equity			
Share capital			
Registered			
33,858 preference shares of Baht 10 each	339	339	339
800,669,437 ordinary shares of Baht 10 each	8,006,694	8,006,694	8,006,694
	<u>8,007,033</u>	<u>8,007,033</u>	<u>8,007,033</u>
Issued and fully paid-up			
9,859 preference shares of Baht 10 each	99	99	99
800,645,624 ordinary shares of Baht 10 each	8,006,456	8,006,456	8,006,456
	8,006,555	8,006,555	8,006,555
Share premium			
Share premium on preference shares	-	-	-
Share premium on ordinary shares	1,018,408	1,018,408	1,018,408
	1,018,408	1,018,408	1,018,408
Other components of equity	2,020,769	1,831,007	1,828,088
Retained earnings			
Appropriated - statutory reserve	801,000	801,000	801,000
Unappropriated	30,598,138	31,130,416	29,543,039
Equity attributable to equity holders of the Company	42,444,870	42,787,386	41,197,090
Non-controlling interest of the subsidiaries	3,112	3,237	3,293
Total equity	42,447,982	42,790,623	41,200,383
Total liabilities and equity	290,724,253	265,414,437	243,621,934

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of Comprehensive Income for the years ended

	(Unit: Thousand Baht)		
	2023	2022	2021
Profit or loss:			
Interest income	18,037,036	14,904,299	14,791,685
Interest expenses	(4,208,394)	(2,170,667)	(2,331,858)
Net interest income	13,828,642	12,733,632	12,459,827
Fee and service income	5,310,857	5,498,917	6,117,752
Fee and service expenses	(443,370)	(453,268)	(514,989)
Net fee and service income	4,867,487	5,045,649	5,602,763
Gain (loss) on financial instruments measured at fair value through profit or loss	(29,164)	86,420	403,826
Net gain on investments	5,357	2,801	6,283
Share of profit from investments accounted for under equity method	28,894	55,476	7,216
Dividend income	89,875	72,978	69,609
Penalty fee income from loans	135,414	186,472	173,927
Other operating income	119,288	121,354	99,863
Total operating income	19,045,793	18,304,782	18,823,314
Operating expenses			
Employee's expenses	6,383,588	6,103,734	5,727,009
Directors' remuneration	24,934	21,597	20,002
Premises and equipment expenses	1,598,411	1,365,358	1,338,717
Taxes and duties	352,529	260,450	243,281
Other operating expenses	980,982	839,705	937,569
Total operating expenses	9,340,444	8,590,844	8,266,578
Expected credit loss	615,352	722,677	2,063,979
Profit from operations before income tax expenses	9,089,997	8,991,261	8,492,757
Income tax expenses	1,788,395	1,766,722	1,707,764
Total Profit for the year	7,301,602	7,224,539	6,784,993

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of Comprehensive Income for the years ended

	(Unit: Thousand Baht)		
	2023	2022	2021
Other comprehensive income:			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period</i>			
Gain (loss) on investments in debt instruments measured at fair value through other comprehensive income	18,160	(1,417)	(4,583)
Share of other comprehensive income of joint venture:			
Cash flow hedges of joint venture (loss)	(990)	7,703	(2,512)
Income tax effects	(3,632)	283	917
Other comprehensive income to be reclassified to profit or loss in subsequent period - net of income tax (loss)	13,538	6,569	(6,178)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period</i>			
Changes in surplus on revaluation of assets	224,732	-	-
Actuarial gains (loss)	(39,172)	104,391	3,979
Income tax effects	(37,349)	(20,939)	(953)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (Loss)	148,211	83,452	3,026
Other comprehensive income for the year (Loss)	161,749	90,021	(3,152)
Total other comprehensive income for the year	7,463,351	7,314,560	6,781,841
Profits attributable to			
Equity holders of the Company	7,301,113	7,224,078	6,784,593
Non-controlling interests of the subsidiaries	489	461	400
	7,301,602	7,224,539	6,784,993
Total comprehensive income attributable to			
Equity holders of the Company	-	-	6,781,441
Non-controlling interests of the subsidiaries	489	461	400
	7,463,351	7,314,560	6,781,841
Earnings per share of equity holders of the Company			
Basic earnings per share (Baht per share)	9.12	9.02	8.47

TISCO Financial Group Public Company Limited and its subsidiaries

Cash flow Statement for the years ended

	(Unit: Thousand Baht)		
	2023	2022	2021
Cash flows from operating activities			
Profit from operations before income tax	9,089,997	8,991,261	8,492,757
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities			
Depreciation and amortisation	568,445	534,273	592,479
Expected credit loss	2,074,351	3,199,323	3,718,818
Other provisions	40,698	-	(7,216)
Share of profit from investments accounted for under equity method	(28,894)	(55,476)	(5)
Reversal of allowance for impairment of properties foreclosed	(108)	(191)	(607,601)
(Gain) loss on disposal of investments in securities	11,077	(760)	-
Unrealised (gain) loss on foreign exchange transactions and trading derivatives	219,485	(243,235)	(155,857)
(Gain) loss on financial instruments measured at fair value through profit or loss	(33,373)	(51,776)	306,669
(Gain) loss on changes in fair value of investment properties	836	247	29
Gain on disposal/write-off of equipment and intangible assets	(2,625)	(10,020)	(3,266)
Gain on disposal of properties foreclosed	(24,248)	(48,343)	(48,345)
Employee benefit expenses	239,841	129,291	132,576
(Increase) decrease in accrued income	22,569	(25,691)	(28,122)
Increase (decrease) in accrued expenses	351,599	138,617	(196,846)
Net interest income	(13,828,642)	(12,733,632)	(12,459,827)
Dividend income	(89,875)	(72,978)	(69,609)
Cash received on interest income	17,630,486	14,599,222	14,696,962
Cash paid on interest expenses	(2,369,951)	(1,622,362)	(2,096,139)
Cash received on dividend income	89,875	72,978	69,609
Cash paid on income tax	(1,950,711)	(1,714,250)	(1,535,529)
Profit from operating activities before changes in operating assets and liabilities	12,010,832	11,086,498	10,801,537
Operating assets (increase) decrease			
Interbank and money market items	(8,198,910)	(9,777,682)	7,723,466
Loans to customers	(19,807,171)	(19,058,956)	18,266,553
Securities and derivatives business receivables	114,599	519,845	(73,049)
Receivables from clearing house	228,611	(244,556)	(104,541)
Properties foreclosed	(19,165)	130,191	(106,350)
Other assets	255,417	(233,317)	(114,895)
Operating liabilities increase (decrease)			
Deposits	20,378,863	21,723,883	(36,930,899)
Interbank and money market items	2,310,878	(1,885,241)	2,273,054
Liabilities payable on demand	(19,274)	(17,724)	(1,010,333)
Securities and derivatives business payables	(333,355)	(274,794)	488,312
Short-term debts issued and borrowings	1,529,203	1,815,000	2,116,000
Payables to clearing house	(16)	186	(309,866)
Provision for long-term employee benefits	(60,042)	(49,644)	(77,481)
Other liabilities	(725,010)	(654,442)	(4,036)
Net cash flows from operating activities	7,665,460	3,079,247	2,937,472

TISCO Financial Group Public Company Limited and its subsidiaries

Cash flow Statement for the years ended

	(Unit: Thousand Baht)		
	2023	2022	2021
Cash flows from investing activities			
Cash paid for purchase of investments in securities	(11,116,711)	(17,657,471)	(12,166,216)
Cash received from disposal of investments in securities	11,920,377	21,752,316	14,512,470
Cash paid for purchase of building improvements, equipment and vehicles	(390,520)	(205,801)	(74,396)
Cash paid for purchase of intangible assets	(13,689)	(25,486)	(30,794)
Cash received from disposal of building improvements, equipment and vehicles	4,455	10,498	4,611
Net cash flows from investing activities	403,912	3,874,056	2,245,675
Cash flows from financing activities			
Cash received from issuance of long-term debentures	-	2,800,000	700,000
Cash paid for redemption of long-term debentures	-	(3,820,000)	(680,000)
Cash paid on lease liabilities	(349,910)	(307,059)	(275,842)
Dividend paid	(7,806,267)	(5,724,603)	(5,044,087)
Net cash flows used in financing activities	(8,156,177)	(7,051,662)	(5,299,929)
Net decrease in cash	(86,805)	(98,359)	(116,782)
Cash at beginning of the year	1,005,066	1,103,425	1,220,207
Cash at end of the year	918,261	1,005,066	1,103,425
Supplemental cash flows information			
Non-cash transactions			
Right-of-use assets	629,482	288,842	136,945
Transfer-in of properties foreclosed in settlement of loans to customers	1,155,254	1,675,498	2,342,967

Attachment

- Attachment 1 Profiles of Directors, Executives, Controlling Persons, Chief Financial Officer, Accountant, and Corporate Secretary
- Attachment 2 Information on Directors of Subsidiaries
- Attachment 3 Information on Internal Audit Head and Compliance Head
- Attachment 4 Asset for Business Operation and Details on Asset Valuation
- Attachment 5 Policy and Guidelines on Corporate Governance and Business Ethics (Full Version)
- Attachment 6 Report of the Audit Committee
- Attachment 7 Report of Other Sub-Committees
- Attachment 8 Statement of the Board of Directors' Responsibility for Financial Statements
- Attachment 9 Independent Auditor's Report, Financial Statement, and Notes to consolidated financial statements

Attachment 1 Profiles of Directors, Executives, Controlling Persons, Chief Financial Officer, Accountant, and Corporate Secretary
 1.1 Profiles of Directors, Executives, Controlling Persons, Chief Financial Officer, Accountant, and Corporate Secretary as of January 1, 2024

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
1. Mr. Pliu Mangkornkanok Chairman of the Board of Directors Non-Executive Director The Director's date of first appointment: September 4, 2008 The Director's date of latest appointment: April 17, 2023	76	Master of Business Administration (Finance) University of California at Los Angeles, USA Master of Science (Industrial Engineering) Stanford University, USA Bachelor of Engineering (Industrial Engineering) Chulalongkorn University <u>Public Training</u> <u>Thai Institute of Directors</u> - Director Certification Program - Role of the Chairman Program - Audit Committee Program - Strategic Board Master Class - IOD Director Briefing 1/2018: "Burning Issues Directors Need to Hear in the Year of the Dog" - Board Matters and Trends (BMT) - Chairman Dinner 2018 "Social Responsibilities in Action" - IOD Forum: Tough Boardroom Situations - Independent Directors Share Lessons Learned - Board of the year, Board of the Future - Independent Director Forum 1/2019: Tips and Tricks for Dealing with Questions in AGM - Directors Leadership Certification Program 0/2021 - Hot issue for Director: Climate Governance 2023 <u>Bank of Thailand</u> - Bangkok Sustainable Banking Forum 2019: An Industry Wake-up Call & Launching Ceremony of Thailand's Responsible Lending Guidelines - Bangkok FinTech Fair 2018: SME & Consumer Financial Solutions - Bangkok Sustainable Banking Forum 2018 - BOT OMFIF High-Level Seminar: Shaping the Future of Central Banks - IT Governance & Cyber Resilience <u>Bank of Thailand (BOT) jointly with The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)</u> - Cyber Resilience Leadership: Tone from the Top - Cyber Resilience Leadership: Herd Immunity - Cyber Resilience Leadership: SMART Goal <u>The Securities and Exchange Commission (SEC)</u> - Cyber Armor: Cyber Incident Management: The Board's Essential Role <u>Thailand Energy Academy</u> - Executive Program in Energy Literacy for a Sustainable Future (Class 5) <u>Thaipat Institute</u> - Situation, Trend and Growth of Sustainability Development <u>Capital Market Academy</u> - Certificate of Capital Market Academy Leadership Program (Class of 10th) <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO	Common 2,221,010 (0.28) Preferred -	-	Apr2022-Present 2010-Present 2012-Apr2022 Apr2022-Present 2009-Present 2012-Apr2022 2016-Present 2012-Present Nov2020-Present 2012-Nov2020 2019-Present 2010-2019 2016-Present 2011-Present 2019-Present 2011-2019 2011-Present 2015-2018	<u>TISCO Group</u> Non-Executive Director Chairman of the Board of Directors Independent Director Non-Executive Director Chairman of the Board of Directors Independent Director <u>Others Company with Conflict of Interest</u> - <u>Other Listed Company</u> Vice Chairman Member of Human Resources Committee Independent Director Member of Audit Committee Chairman of the Audit Committee <u>Others Non-Listed Company</u> Advisor Director Director Director <u>Others Organization</u> Advisor Director Vice Chairman Advisor	TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank) Star Petroleum Refining Public Company Limited (Refinery) Design 103 International Limited (Architect Consultant and Designer) Amata Spring Development Company Limited (Golf and country club) Chuchawal-Royal Haskoning Company Limited (Engineering Consultant) Sem Pringpuangkeo Foundation TISCO Foundation Thai Institute of Directors

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>2. Mr. Dung Ba Le</p> <p>Vice Chairman of the Board of Directors Member of the Nomination and Compensation Committee</p> <p>The Director's date of first appointment: December 1, 2021</p> <p>The Director's date of latest appointment: April 17, 2023</p>	58	<p>Master of Science (Foreign Service), Georgetown University, USA</p> <p>Master of Science (Electrical Engineering), State University of New York, USA</p> <p>Bachelor of Science (BS) Electrical Engineering, Virginia Polytechnic Institute & State University, USA</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Accreditation Program DAP 211/2023</p> <p><u>In-House Training</u> - Risk Management: Stress Testing, TISCO</p>	<p>Common -</p> <p>Preferred -</p>	-	<p>Dec2021-Present</p> <p>2020-Mar2021</p> <p>2015-2019</p> <p>2018-2019</p> <p>2015-2018</p>	<p><u>TISCO Group</u> Vice Chairman Member of the Nomination and Compensation Committee <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> Advisor to the Chairman of the Board Deputy Chief Executive Officer & Chief Risk Officer Board Member</p> <p>Chairman of the Board</p> <p><u>Others Non-Listed Company</u> - <u>Others Organization</u> -</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>Vietnam Technological and Commercial Joint-stock Bank (Banking) Techcombank Securities (Banking/Investment) Techcombank Asset Management Company (Banking)</p>
<p>3. Assoc. Prof. Dr. Angkarat Priebjivat</p> <p>Non-Executive Director Chairperson of the Risk Oversight Chairperson of the Governance and Sustainability Committee</p> <p>The Director's date of first appointment: September 4, 2008</p> <p>The Director's date of latest appointment: April 17, 2023</p>	59	<p>Doctor of Philosophy (Accounting) New York University, USA</p> <p>Master of Science (Accounting) Bachelor of Business Administration (Accounting) Thammasat University</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Audit Committee Program - Director Certification Program - Director Accreditation Program - Monitoring the Internal Audit Function - Role of the Chairman Program - Anti-Corruption for Executive Program - Monitoring Fraud Risk Management - Monitoring the System of Internal Control and Risk Management - Driving Company Success with IT Governance (ITG) 6/2017 - R-ACF-Audit Committee Forum - Audit Committee Forum 2018: Learn, unlearn and relearn - Audit Committee in the Age of Disruption - DCP Series 4/2019: How to Develop a Winning Digital Strategy - Board of the Year, Board of the Future - IOD National Director Conference 2021 - Hot issue for Director: Climate Governance 2023 <u>The Institute of Chartered Accountants in England and Wales (ICAEW)</u> - Certificate in International Financial Reporting Standards (IFRS) <u>Capital Market Academy</u> - Certificate of Capital Market Academy Leadership Program <u>Bank of Thailand</u> - IT Security Awareness for Top Management <u>Bank of Thailand (BOT) jointly with The Securities and Exchange Commission (SEC)</u> <u>and Office of Insurance Commission (OIC)</u> - Cyber Resilience Leadership: SMART Goal <u>The Securities and Exchange Commission (SEC)</u> - Data-driven Cybersecurity and Intelligence Threats Assessment - Cyber Threat Lessons Learned for Board of Directors <u>Thai Institute of Directors jointly with Bank of Thailand (BOT)</u> - Director Forum "Engaging Board in ESG: The Path to Effective Sustainability"</p> <p><u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO</p>	<p>Common -</p> <p>Preferred -</p>	-	<p>Apr2022-Present</p> <p>Apr2021-Present</p> <p>Apr2013-Apr2021</p> <p>2008-Apr2022</p> <p>Apr2022-Present</p> <p>Apr2021-Present</p> <p>Apr2013-Apr2021</p> <p>Apr2013-Apr2022</p> <p>Oct2019-Present</p> <p>2014-2021</p> <p>2008-2021</p> <p>2016-present</p> <p>2021-2021</p> <p>2012-Present</p> <p>2002-Present</p> <p>1992-Present</p> <p>2020-Present</p> <p>2018-Jan2020</p> <p>2016-2019</p> <p>2014-2018</p> <p>2018-2020</p>	<p><u>TISCO Group</u> Chairperson of the Governance & Sustainability Committee Non-Executive Director Chairperson of the Risk Oversight Committee Chairperson of the Audit Committee Independent Director Non-Executive Director Chairperson of the Risk Oversight Committee Chairperson of the Audit Committee Independent Director</p> <p><u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> Independent Director Member of the Audit Committee Member of the Corporate Governance and Sustainable Development Committee Chairperson of the Risk Management Committee Independent Director Chairperson of the Audit Committee <u>Others Non-Listed Company</u> Director and Member of the Audit Committee Independent Director</p> <p><u>Others Organization</u> Member of the Audit Committee Government Accounting Standards Committee</p> <p>Advisor to the Listing and Disclosure Department Chairman of Subcommittee on Finance and Accounting of the Energy Conservation Fund Independent Director Member of the Audit Committee Member of the Risk Management Committee Member of Finance and Accounting Subcommittee Director and Member of the Audit Committee Advisor to the Fundraising and the Listing and Disclosure Department</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>PTT Exploration and Production Public Company Limited (Petroleum Exploration and Production)</p> <p>COL Public Company Limited (Supplier of full line office products)</p> <p>TSFC Securities Public Company Limited (Liquidity provider to securities business) Bio Science Animal Health Co., Ltd. (Distributing animal feed and animal related products)</p> <p>Thai Public Broadcasting Service (Thai PBS) The Comptroller General's Department, Ministry of Finance The Stock Exchange of Thailand Ministry of Energy</p> <p>TOT Public Company Limited</p> <p>State Railway of Thailand Tourism Authority of Thailand The Securities and Exchange Commission</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>4. Mr. Sathit Aungmanee</p> <p>Non-Executive Director Chairman of the Nomination and Compensation Committee</p> <p>The Director's date of first appointment: April 30, 2014</p> <p>The Director's date of latest appointment: April 17, 2023</p>	78	<p>Master of Business Administration (Finance) Fairleigh Dickinson University, USA</p> <p>Bachelor of Business Administration (Accounting) Thammasat University</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Forum 2017 "The Board's Role in CEO Succession Planning" - Role of Financial Sector in Fighting Corruption - Board Nomination and Compensation Program</p> <p><u>In-House Training</u> - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO</p>	<p>Common 150,035 (0.02)</p> <p>Preferred -</p>	-	<p>Apr2022-Present</p> <p>May2017-Apr2022</p> <p>2016-Apr2022</p> <p>Jun2015-Apr2022</p> <p>May2017-Apr2022</p> <p>2016-Apr2022</p>	<p><u>TISCO Group</u> Chairman of the Nomination and Compensation Committee Non-Executive Director Member of the Audit Committee Independent Director Member of the Nomination and Compensation Committee Member of the Audit Committee Independent Director <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> - <u>Others Non-Listed Company</u> - <u>Others Organization</u> -</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p>
<p>5. Ms. Penchun Jarikasem</p> <p>Independent Director Chairperson of the Audit Committee Member of the Nomination and Compensation Committee</p> <p>The Director's date of first appointment: April 25, 2022</p> <p>The Director's date of latest appointment: April 17, 2023</p>	68	<p>Master of Commerce (M.B.), Thammasat University</p> <p>Bachelor of Arts, Chulalongkorn University</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - IT Governance and Cyber Resilience Program - Risk Management Program for Corporate Leaders - Board Matters and Trends - Ethical Leadership Program - Role of Chairman Program - Advanced Audit Committee Program - Director Certificated Program - Director Accreditation Program - Advanced Audit Committee 47/2023 update <u>Capital Market Academy (CMA)</u> - Capital Market Academy Leadership (CMA 4) <u>The Securities and Exchange Commission (SEC)</u> - Cyber Armor: Cyber Incident Management: The Board's Essential Role <u>Thai Institute of Directors jointly with Bank of Thailand (BOT)</u> - Director Forum "Engaging Board in ESG: The Path to Effective Sustainability" <u>Thai Institute of Directors jointly with Bank of Thailand (BOT) and The Securities and Exchange Commission (SEC)</u> - AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO</p>	<p>Common -</p> <p>Preferred -</p>	-	<p>Apr 2022-Present</p> <p>Jun2022-Present</p> <p>Apr 2022-May2022</p> <p>June 2022-Present</p> <p>Apr 2022-May2022</p> <p>2018-Present</p> <p>2022-Present</p> <p>2018-2021</p> <p>2016-2018</p> <p>2016-Present</p> <p>2018-Present</p> <p>2020-Sep 2023</p> <p>2020-2020</p> <p>2018-2020</p> <p>2017-2019</p> <p>2018-2019</p> <p>2016-2018</p>	<p><u>TISCO Group</u> Member of the Nomination and Compensation Committee Chairperson of the Audit Committee Independent Director Member of the Audit Committee Chairperson of the Audit Committee Independent Director Member of the Audit Committee <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> Independent Director Chairperson of the Risk Management Committee Member of the Audit Committee Chairman of the Risk Management Committee Advisor Independent Director Chairperson of the Audit Committee <u>Others Non-Listed Company</u> Independent Director Chairperson of the Audit Committee <u>Others Organization</u> Subcommittee on Finance and Accounting The working group established to resolve accounting issues (on behalf of the Thai Listed Companies Association) Subcommittee on Consideration of Debt Securities Derivatives and Structured Products Advisory Board for Fundraising and Listed Company Regulation Director Chairperson of the Finance and Accounting Subcommittee Subcommittee for Finance and Budgeting Improvement</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>PTT Exploration and Production Plc. (Energy)</p> <p>Osotspa Plc. (Manufacture and sale of consumer products)</p> <p>Ritta Holdings Co., Ltd. (Construct)</p> <p>The Energy Conservation Fund (Fund)</p> <p>The Securities and Exchange Commission (SEC) (Government)</p> <p>State Railway of Thailand (rail transport system)</p> <p>Office of The Public Sector Development Commission (OPDC) (public service)</p>
<p>6. Ms. Pongpen Ruengvirayudh</p> <p>Lead Independent Director Independent Director Member of the Audit Committee Member of the Governance and Sustainability Committee</p>	69	<p>Master of Business Administration, Thammasat University</p> <p>Master of Business Administration (Finance), Katholieke University, Belgium</p> <p>Bachelor of Business Administration, Thammasat University</p>	<p>Common -</p> <p>Preferred -</p>	-	<p>Aug 2023-Present</p> <p>Apr 2022-Present</p> <p>Apr 2022-Present</p>	<p><u>TISCO Group</u> Lead Independent Director Member of the Corporate Governance Committee Member of the Audit Committee Independent Director Member of the Audit Committee Independent Director</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>The Director's date of first appointment: April 25, 2022</p> <p>The Director's date of latest appointment: April 17, 2023</p>		<p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Certification Program - IOD's National Director Director Conference 2023: Delivering "Net Zero" Together - Director's Briefing topic on Sustainability trends in business across industries - Hot issue for Director: Climate Governance - Risk Management Program for Corporate Leaders <u>Bank of Thailand (BOT) jointly with The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)</u> - Cyber Resilience Leadership: SMART Goal <u>The Securities and Exchange Commission (SEC)</u> - Easy Listening: Accounting Knowledge that AC should not miss 2022 (online) - Cyber Armor: Cyber Incident Management: The Board's Essential Role <u>Thai Institute of Directors jointly with Bank of Thailand (BOT)</u> - Director Forum "Engaging Board in ESG: The Path to Effective Sustainability" <u>Thai Institute of Directors jointly with Bank of Thailand (BOT) and The Securities and Exchange Commission (SEC)</u> - AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee <u>The Federation of Accounting Professions (TFAC) jointly with the SEC with the SET with the IOD and with TLCA</u> - The importance of the audit committee and confidence in the Thai capital market</p> <p><u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO</p>			<p>2019-Present</p> <p>2020-Present</p> <p>2020-Present</p> <p>2017-Mar 2023</p> <p>2019-Present</p> <p>2019-Present</p> <p>2016-2021</p> <p>2018-2020</p> <p>2016-2020</p> <p>2018-2018</p>	<p><u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> Independent Director / Member of the Audit Committee</p> <p><u>Others Non-Listed Company</u> - <u>Others Organization</u> Chairperson of the Monetary Policy Subcommittee, Honorary Director of the Corporate Bond Stabilization Fund (BSF) Committee Chairperson of the Supervisory Board of The ABF Thailand Bond Index Fund (ABFTH), Associate Judge</p> <p>Chairperson of the Investment Seeking Benefits from Money and Assets Supervision Subcommittee Qualified member</p> <p>Member of the Investment Management Subcommittee</p> <p>Member of Risk Management Subcommittee / Director</p> <p>Chairperson</p> <p>Director / Chairperson of the Executive Board Chairperson of the Corporate Governance Committee</p>	<p>SCG Packaging Plc. (Packaging)</p> <p>Thai Health Promotion Foundation (Government) The Bank of Thailand (Independent Organization)</p> <p>Central Intellectual Property and International Trade Court (Government) Equitable Education Fund (Government) Dhurakij Pundit University Council (Education) Social Security Fund (Government) Government Pension Fund (Government) Sukhumvit Asset Management Co., Ltd. (state-owned enterprise that manages assets) Government Savings Bank (State enterprises under the Ministry of Finance)</p>
<p>7. Assoc. Prof. Dr. Sillapaporn Srijunpetch</p> <p>Independent Director Member of the Audit Committee</p> <p>The Director's date of first appointment: June 30, 2022</p> <p>The Director's date of latest appointment: April 17, 2023</p>	61	<p>Doctor of Philosophy (Accounting), Manchester Business School, University of Manchester, UK Master of Business Administration, The George Washington University, U.S.A Master of Accounting, Bachelor of Accounting (Class Honors), Thammasat University</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Briefing 4/2023: Building a Cyber-Resilient Board: Strategies for Effective Cybersecurity Oversight <u>Thai Institute of Directors jointly with Bank of Thailand (BOT) and The Securities and Exchange Commission (SEC)</u> - AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee</p> <p><u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Risk Management: Stress Testing, TISCO</p>	<p>Common - Preferred -</p>	-	<p>Jun 2022-Present</p> <p>Jun 2022-Present</p> <p>2023-Present</p> <p>2021-Present</p> <p>2005-2018</p> <p>2020-Present</p> <p>2017-Present</p> <p>2015-Present</p> <p>1997-2023</p>	<p><u>TISCO Group</u> Member of the Audit Committee Independent Director Member of the Audit Committee Independent Director <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> Member of the Corporate Governance Committee Member of the Audit Committee Independent Director <u>Others Non-Listed Company</u> Member of the Audit Committee Independent Director <u>Others Organization</u> Accounting Education and Technology Committee</p> <p>Member of the Audit Committee Independent Director Member of the Audit Committee Independent Director Lecturer, Faculty of Commerce and Accountancy</p>	<p>TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank)</p> <p>Principal Capital Public Company Limited (Health Care Services)</p> <p>CS LoxInfo Public Company Limited (ICT Service)</p> <p>Thailand Federation of Accounting Professions (Non-profit institutions) Thailand Automotive Institute (Non-profit institutions) Small and Medium Industrial (Non-profit institutions) Thammasat University (Education)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>8. Mr. Kanich Punyashthiti</p> <p>Independent Director</p> <p>Member of the Nomination and Compensation Committee</p> <p>Member of the Governance and Sustainability Committee</p> <p>The Director's date of first appointment: April 22, 2021</p> <p>The Director's date of latest appointment: April 17, 2023</p>	55	<p>Master of Laws (cum laude), The Catholic University Leuven, Belgium</p> <p>Master of Laws, The University of Michigan, USA</p> <p>Master of Laws, Harvard University, USA</p> <p>Bachelor of Laws, Chulalongkorn University</p> <p><u>Public Training</u></p> <p><u>The Securities and Exchange Commission</u></p> <p>- Cyber Armor: Capital Market Board Awareness No.2</p> <p><u>Thai Institute of Directors</u></p> <p>- Director Accreditation Program</p> <p>- Board Nomination and Compensation Program</p> <p><u>Thailand Institute of Justice</u></p> <p>- High Level Justice Process Administrators Certificate Class 17, National Defense College (THAILAND)</p> <p>- National Defense Course (NDC) Class 64</p> <p><u>In-House Training</u></p> <p>- Sustainable Development Workshop, TISCO by SBDI Institute (SBDI)</p> <p>- Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand</p> <p>- Risk Management: Stress Testing, TISCO</p>	<p>Common -</p> <p>Preferred -</p>	-	<p>Apr2022-Present Member of the Governance & Sustainability Committee</p> <p>Apr2021-Present Independent Director</p> <p>Apr2021-Present Member of the Nomination and Compensation Committee</p> <p>Apr2021-Present Independent Director</p> <p>- <u>Other Company with Conflict of Interest</u></p> <p>- <u>Others Listed Company</u></p> <p>2021-Present Member of Nomination and Remuneration Committee</p> <p>2020-Present Independent Director</p> <p>2019-Feb 2021 Member of the Audit Committee</p> <p>2019-Feb 2021 Independent Director</p> <p>2019-Feb 2021 Chairman of Nomination and Remuneration Committee</p> <p>2019-Feb 2021 Member of the Audit Committee</p> <p>2021-Present <u>Others Non-Listed Company</u></p> <p>2021-Present Independent Director</p> <p>2021-Present Member of the Audit Committee</p> <p>2021-Present Chairman of Corporate Governance Committee</p> <p>2019-Present Director</p> <p>2017-Present Director</p> <p>2016-Present Legal Advisor</p> <p>2012-Present Legal Advisor</p> <p>2012-Present Legal Advisor</p> <p>2019-2021 Director</p> <p>2020-Present <u>Others Organization</u></p> <p>2020-Present Committee Member</p> <p>2017-Present Director</p> <p>2018-Present Director</p> <p>2015-Present Director</p> <p>2013-Present Director</p> <p>2009-Present Vice Chairman</p> <p>2007-Present Director</p> <p>1994-2020 Assistant professor</p> <p>2019-2021 Committee Member</p>	<p>TISCO Group</p> <p>Member of the Governance & Sustainability Committee</p> <p>Independent Director</p> <p>Member of the Nomination and Compensation Committee</p> <p>Independent Director</p> <p>-</p> <p><u>Others Listed Company</u></p> <p>Member of Nomination and Remuneration Committee</p> <p>Independent Director</p> <p>Member of the Audit Committee</p> <p>Chairman of Nomination and Remuneration Committee</p> <p>Member of the Audit Committee</p> <p><u>Others Non-Listed Company</u></p> <p>Independent Director</p> <p>Member of the Audit Committee</p> <p>Chairman of Corporate Governance Committee</p> <p>Director</p> <p>Director</p> <p>Legal Advisor</p> <p>Legal Advisor</p> <p>Legal Advisor</p> <p>Director</p> <p><u>Others Organization</u></p> <p>Committee Member</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Director</p> <p>Vice Chairman</p> <p>Director</p> <p>Assistant professor</p> <p>Committee Member</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>Thai President Foods Plc. (Food & Beverage)</p> <p>Thitkorn Plc. (Leasing & Hire purchase)</p> <p>Muang Thai Life Assurance Plc. (Insurance)</p> <p>B.Grimm S.Napa Solar Power Co., Ltd. (Production and distribution of electricity from solar energy)</p> <p>SNC (2015) Co., Ltd. (Real estate)</p> <p>Siam Piwat Co., Ltd. (Retail and Real Estate Development)</p> <p>S. Napa (Thailand) Co., Ltd. (Water and Environment Business)</p> <p>Global Utilities Service Co., Ltd. (Utilities Services)</p> <p>Pangjee Design Co., Ltd. (Design)</p> <p>Law Reform Commission of Thailand Committee (Government)</p> <p>The National Identity Foundation (Foundation)</p> <p>Chitralada Technology College (Educational Institution)</p> <p>Prince Mahidol Foundation (Foundation)</p> <p>H.R.H. Princess Maha Chakri Sirindhorn Foundation for Chitralada School (Foundation)</p> <p>Rajpracha Samasai School Foundation (Foundation)</p> <p>H.R.H. Princess Maha Chakri Sirindhorn Foundation for the Faculty of Arts, Chulalongkorn University (Educational Institution)</p> <p>Chulalongkorn University (Education)</p> <p>Consideration and Reformation Committee of Partnership and Companies Law (Government)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>9. Assoc. Prof. Dr. Vara Varavithya</p> <p>Independent Director Member of the Risk Oversight Committee</p> <p>The Director's date of first appointment: December 15, 2022</p> <p>The Director's date of latest appointment: April 17, 2023</p>	55	<p>Doctor of Philosophy (Computer Engineering), Master of Computer Engineering, Iowa State University, USA Bachelor of Engineering (First-Class Honors), King Mongkut's University of Technology North Bangkok</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Certification Program <u>Bank of Thailand (BOT) jointly with The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)</u> - Cyber Resilience Leadership: SMART Goal <u>The Securities and Exchange Commission (SEC)</u> - Cyber Armor: Cyber Incident Management: The Board's Essential Role</p> <p><u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Risk Management: Stress Testing, TISCO</p>	<p>Common - Preferred -</p>	-	<p>Dec2022-Present Dec2022-Present 2019-Present 2019-2019 1991-2019</p>	<p><u>TISCO Group</u> Independent Director Member of the Risk Oversight Committee Independent Director Member of the Risk Oversight Committee <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> - <u>Others Non-Listed Company</u> - <u>Others Organization</u> Dean, Faculty of Digital Technology Associate Professor, Faculty of Digital Technology Associate Professor, Faculty Members of Computer Engineering</p>	<p>TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank)</p> <p>Chitralada Technology Institute (Education) King Mongkut's University of Technology North Bangkok (Education)</p>
<p>10. Mr. Chi-Hao Sun</p> <p>Executive Director Member of the Executive Board (Authorized Signatory)</p> <p>The Director's date of first appointment: June 29, 2011</p> <p>The Director's date of latest appointment: April 17, 2023</p>	47	<p>Master of Science (Finance) Bentley University, USA Master of Business Administration Boston University, USA Bachelor of Arts (Economics) Taipei University, Taiwan</p> <p><u>In-House Training</u> - Risk Management: Stress Testing, TISCO</p>	<p>Common - Preferred -</p>	-	<p>2012-Present 2011-Present Apr2014-Present 2012-Present 2013-Present</p>	<p><u>TISCO Group</u> Member of the Executive Board Director Director Member of the Executive Board <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> - <u>Others Non-Listed Company</u> Senior Vice President <u>Others Organization</u></p>	<p>TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank)</p> <p>CDIB & Partners Investment Holding Corporation (Investment)</p>
<p>11. Mr. Satoshi Yoshitake</p> <p>Executive Director Member of the Executive Board (Authorized Signatory)</p> <p>The Director's date of first appointment: April 23, 2019</p> <p>The Director's date of latest appointment: April 17, 2023</p>	62	<p>Master of Business Administration Emory University, USA Bachelor of Economics Keio University, USA</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Director Accreditation Program - IOD National Director Conference 2021 - Director Forum: Economic Recession – what should board watch out for? - IOD Director Briefing 2/2019 on "Digital Transformation: Stories and Strategies for Success"</p> <p><u>In-House Training</u> - Risk Management: Stress Testing, TISCO</p>	<p>Common - Preferred -</p>	-	<p>2019-Present 2019-Present 2020-2021 Jul2018-2020 Jul2018-2021 2021-Present May2012-Present</p>	<p><u>TISCO Group</u> Director Member of the Executive Board Director Member of the Executive Board Director Managing Director Managing Director Director <u>Other Company with Conflict of Interest</u> - <u>Others Listed Company</u> - <u>Others Non-Listed Company</u> Senior Manager (International Business Strategic Planning Division) Employee (International Business Unite) <u>Others Organization</u> -</p>	<p>TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank) TISCO Tokyo Leasing Company Limited (Leasing) HTC Leasing Company Limited (Leasing)</p> <p>Tokyo Century Corporation (Financial Service)</p>
<p>12. Mr. Sakchai Peechapat</p> <p>Executive Director Chairman of the Executive Board Member of the Risk Oversight Committee Group Chief Executive (Authorized Signatory)</p>	56	<p>Master of Business Administration (International Business) University of Hawaii at Manoa, USA Bachelor of Engineering (Civil Engineering) (Honors) Kasetsart University</p> <p><u>Public Training</u></p>	<p>Common 66,177 (0.01) Preferred -</p>	-	<p>Apr2022-Present Apr2021-Present 2019-Present 2019-Apr2022</p>	<p><u>TISCO Group</u> Chairman of the Executive Board Group Chief Executive Member of the Risk Oversight Committee Director Member of the Executive Board</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>The Director's date of first appointment: April 22, 2019</p> <p>The Director's date of latest appointment: April 17, 2023</p>		<p><u>Thai Institute of Directors</u></p> <ul style="list-style-type: none"> - Director Certification Program - Director Accreditation Program - Innovating from Necessity: The Digital Business Building Imperative in the Current Crisis - Board of the Year, Board of the Future - IOD National Director Conference 2021 - Role of Financial Sector in Fighting Corruption - Board Nomination and Compensation Program <p><u>Capital Market Academy</u></p> <ul style="list-style-type: none"> - Certificate of Executive Leadership Program, Class 27 <p><u>OIC Advanced Insurance Institute</u></p> <ul style="list-style-type: none"> - Thailand Insurance Leadership Program, Class 3 <p><u>The Thai Institute of Banking and Finance Association</u></p> <ul style="list-style-type: none"> - Financial Executive Development Program (FINEX 14) <p><u>Japan-America Institute of Management Science, USA</u></p> <ul style="list-style-type: none"> - Japan-focused Management Program <p><u>Bank of Thailand</u></p> <ul style="list-style-type: none"> - IT Governance & Cyber Resilience <p><u>Bank of Thailand (BOT) jointly with The Securities and Exchange Commission (SEC) and Office of Insurance Commission (OIC)</u></p> <ul style="list-style-type: none"> - Cyber Resilience Leadership: Herd Immunity <p><u>The Securities and Exchange Commission</u></p> <ul style="list-style-type: none"> - Blockchain Based Business Model Changes <p><u>Office of Insurance Commission (OIC)</u></p> <ul style="list-style-type: none"> - Super Thailand Insurance Leadership Program, Class 1 <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO 			<p>2019-Mar2021 Apr2022-Present 2019-Present 2017-Present 2017-Apr2022 2017-Mar2021 Jun2021-Present</p> <p>Jan2023-Present Dec2022-Present 2006-2021</p>	<p>Chief Operating Officer Chairman of the Executive Board Member of the Risk Oversight Committee Director Member of the Executive Board President Director</p> <p><i>Other Company with Conflict of Interest</i> - <i>Others Listed Company</i> - <i>Others Non-Listed Company</i></p> <p>Chairman of the Nomination and Compensation Committee Member of the Audit Committee Independent Director Independent Director</p> <p><i>Others Organization</i> -</p>	<p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>TISCO Foundation (Foundation)</p> <p>T. Man Pharmaceutical Public Company Limited (Manufacturing and distributing pharmaceuticals)</p> <p>AXA Insurance (Thailand) Public Company Limited (Insurance)</p>
<p>13. Mr. Metha Pingsuthiwong Executive Director Member of the Executive Board Chief Operating Officer President</p> <p>The Director's date of first appointment: April 25, 2022</p> <p>The Director's date of latest appointment: April 17, 2023</p>	56	<p>Master of Business Administration (Finance) University of Wisconsin-Milwaukee, USA</p> <p>Bachelor of Engineering (Electrical Engineering) Chulalongkorn University</p> <p><u>Public Training</u></p> <p><u>Thai Institute of Directors</u></p> <ul style="list-style-type: none"> - Director Certification Program - Building the vision driven purpose for your organization <p><u>Bank of Thailand</u></p> <ul style="list-style-type: none"> - IT Governance & Cyber Resilience Year 2019 - Bangkok Sustainable Banking Forum 2019 <p><u>FETCO</u></p> <ul style="list-style-type: none"> - Capital Market Outlook <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO 	<p>Common 195,800 (0.02)</p> <p>Preferred -</p>	-	<p>Apr2022-Present Apr2021-Present Feb2017-Mar2021</p> <p>Apr2022-Present Apr2021-Present 2019-Present Feb2017-Mar2021</p> <p>2019-Apr2021 2017-2019 2019-Apr2021</p> <p>2017-2019 Apr2019-2020</p> <p>2021-Present 1999-2018</p>	<p><u>TISCO Group</u></p> <p>Director and Member of the Executive Board Chief Operating Officer Senior Executive Vice President - Wealth management & Banking Services</p> <p>Director and Member of the Executive Board President Member of the Risk Oversight Committee Senior Executive Vice President - Wealth management & Banking Services</p> <p>Chairman of the Board Member of the Audit Committee Director</p> <p>Chairman of the Board Member of the Audit Committee Director</p> <p>Director</p> <p><i>Others</i> Director</p> <p>Director</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>TISCO Securities Company Limited (Securities)</p> <p>TISCO Asset Management Company Limited (Asset Management)</p> <p>TISCO Investment Advisory Securities Company Limited (Investment Advisory)</p> <p>Dole Thailand Company Limited (Food & Beverage)</p> <p>K-Line (Thailand) Company Limited (Transportation)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
14. Mr. Pitada Vatcharasaritham Senior Executive Vice President	59	Master of Business Administration Indiana University of Pennsylvania, USA Bachelor of Economics Thammasat University <u>Public Training</u> <u>Capital Market Academy</u> - Certificate of Executive Leadership Program <u>Thai Institute of Directors</u> - Corporate Governance for Capital Market Intermediaries (2016) <u>Institute of Business and Industrial Development</u> - Executive Management with Business Development and Investment <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Risk Management: Stress Testing, TISCO	Common 80,000 (0.01) Preferred -	-	Jan2013-Present 2010-Present 2011-Present	<u>TISCO Group</u> Senior Executive Vice President Senior Executive Vice President - Corporate Banking Director <u>Others</u> -	TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank) TISCO Securities Company Limited (Securities)
15. Mr. Paiboon Nalinthrangkum Senior Executive Vice President	57	Master of Business Administration (Finance) Indiana University at Bloomington, USA Bachelor of Arts (Computer Science) University of California at Santa Cruz, USA Chartered Financial Analyst CFA Institute, USA <u>Public Training</u> <u>Capital Market Academy</u> - Certificate of Capital Market Academy Leadership Program <u>Thai Institute of Directors</u> - Corporate Governance for Capital Market Intermediaries (CGI12/2016) - Director Certification Program - Audit Committee Program <u>Judicial Training Institute</u> - หลักสูตรผู้บริหารกระบวนการยุติธรรมระดับสูง (บ.ย.ส.) รุ่นที่ 27 <u>In-House Training</u> - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand	Common 286,000 (0.04) Preferred -	-	Apr2021-Present 2010-Mar2021 2006-Present 2005-Present 2022-Present 2019-Present 2019-Present 2019-Present 2009-Present 2020-2022 2019-4 Feb 2023 2020-2023 2019-2022 2018-2022 2017-2019	<u>TISCO Group</u> Senior Executive Vice President First Executive Vice President Chief Executive Officer Director <u>Others</u> Director Honorary Advisor to the Economic Commission Director Director Chairman Bond Market Supervisory and Development Committee Director Honorary Director of the Economics Director Chairman Chairman	TISCO Financial Group Public Company Limited (Holding Company) TISCO Securities Company Limited (Securities) Federation of Thai Capital Market Organizations The Secretariat of the Senate Thailand Capital Market Development Fund ASCO Association of Thai Securities Companies Investment Analysts Association The Securities and Exchange Commission The Stock Exchange of Thailand Digital Infrastructure Committees Thai Capital Market Research Resource Federation of Thai Capital Market Organizations Asian Securities and Investment Federation
16. Mr. Chatri Chandrangam Senior Executive Vice President Risk and Financial Control	53	Master of Finance (Distinction) Imperial College, London, UK Master of Business Administration (International Business) Schiller International University, UK Bachelor of Business Administration (Banking & Finance) Chulalongkorn University Certified Financial Analyst CFA Institute, USA <u>Public Training</u> <u>Thai Institute of Directors</u> - Corporate Governance for Capital Market Intermediaries (CGI15/2016) - Director Certification Program <u>Federation of Accounting Professions</u> - TFRS 9 Workshop: Classification Measurement	Common 50,000 (0.01) Preferred -	-	Apr2021-Present 2017-Mar2021 2021-2022 2012-2019 2010-2017 2011-Present 2011-Present 2009-Present 2009-Present 2007-Present	<u>TISCO Group</u> Senior Executive Vice President First Executive Vice President - Risk and Financial Control Acting Head of Corporate Communication Acting Head of Investment Executive Vice President - Risk and Financial Control Director Director Director Director Director	TISCO Financial Group Public Company Limited (Holding Company) TISCO Information Technology Company Limited (Information Technology) TISCO Learning Center Company Limited (Learning Center) TISCO Securities Company Limited (Securities) Hi-Way Company Limited (Hire Purchase) TISCO Asset Management Company Limited

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
		<p><u>Thai Listed Companies Association</u></p> <ul style="list-style-type: none"> - Update on IFRS9 and other new standards - Transfer Pricing - Related Party Transaction and Impairment Issues - Improving the quality of financial reports of Thai listed companies - Economic Update for CFO 1/2023 - Understanding digital assets and the role of the CFO - Green Assets: Opportunities for Sustainable Development 4/2023 - What is the future of the CFO role? 6/2023 - Economic Update for CFO 7/2023 (No.2) <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO 			2009-2017	<p>Director</p> <p><u>Others</u></p> <p>-</p>	<p>(Asset Management)</p> <p>TISCO Tokyo Leasing Company Limited (Leasing)</p>
17. Mr. Dejphinun Suthadsanasoung Senior Executive Vice President	54	<p>Master of Business Administration Eastern Michigan University, USA</p> <p>Bachelor of Business Administration (Finance) Assumption University</p> <p><u>Public Training</u></p> <p><u>The Office of the Securities and Exchange Commission</u></p> <ul style="list-style-type: none"> - Privacy Law and Cybersecurity <p><u>Thai Bankers Association</u></p> <ul style="list-style-type: none"> - Thailand Data Protection Law <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand 	<p>Common -</p> <p>Preferred -</p>	-	<p>Jan 2024-Present</p> <p>Apr2021-2022</p> <p>Feb2017-Mar2021</p> <p>Jan 2024-Present</p> <p>Apr2021-2566</p> <p>Feb2017-Mar2021</p> <p>2010-Jan2017</p> <p>2017-Present</p> <p>2016-Present</p> <p>2022-Present</p> <p>2008-2022</p>	<p><u>TISCO Group</u></p> <p>Senior Executive Vice President</p> <p>First Executive Vice President</p> <p>Executive Vice President</p> <p>Senior Executive Vice President - Retail Banking</p> <p>First Executive Vice President - Retail Banking - Operations</p> <p>Executive Vice President - Retail Banking - Operations</p> <p>Assistant Executive Vice President - Retail Banking - Operations</p> <p>Chairman of the Board of Director</p> <p>Director</p> <p>Chairman of the Board of Director</p> <p>Director</p> <p><u>Others</u></p> <p>-</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>HTC Leasing Company Limited (Leasing)</p> <p>All-Ways Company Limited (E-marketplace Platform)</p> <p>TISCO Tokyo Leasing Company Limited (Leasing)</p>
18. Mr. Yuttpong Sriwongjanya First Executive Vice President	57	<p>Master of Business Administration The University of Mississippi, USA</p> <p>Bachelor of Science (Materials Science) Chulalongkorn University</p> <p><u>Public Training</u></p> <p><u>The Thai Institute of Banking and Finance Association</u></p> <ul style="list-style-type: none"> - Financial Executive Development Program (FINEX) <p><u>Bank of Thailand</u></p> <ul style="list-style-type: none"> - Seminar, Market Conduct: How to strengthen <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand 	<p>Common -</p> <p>Preferred -</p>	-	<p>Apr2021-Present</p> <p>Feb2017-Mar2021</p> <p>Apr2021-Present</p> <p>Feb2017-Mar2021</p> <p>2016-Present</p> <p>2013-Present</p>	<p><u>TISCO Group</u></p> <p>First Executive Vice President</p> <p>Executive Vice President</p> <p>First Executive Vice President - Retail Banking</p> <p>- Sales & Marketing 2</p> <p>Executive Vice President - Retail Banking - Sales & Marketing 2</p> <p>Director</p> <p>Director</p> <p><u>Others</u></p> <p>-</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>All-Ways Company Limited (E-marketplace Platform)</p> <p>Hi-Way Company Limited (Hire Purchase)</p>
19. Mr. Rungroj Jarasvijitkul First Executive Vice President	57	<p>Master of Business Administration</p> <p>Bachelor of Business Administration (Finance) Chulalongkorn University</p> <p><u>In-House Training</u></p> <ul style="list-style-type: none"> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand 	<p>Common -</p> <p>Preferred -</p>	-	<p>Apr2021-Present</p> <p>Mar2017-Mar2021</p> <p>Apr2021-Present</p> <p>Feb2017-Mar2021</p> <p>Sep2018-Present</p>	<p><u>TISCO Group</u></p> <p>First Executive Vice President</p> <p>Executive Vice President</p> <p>First Executive Vice President - Retail Banking</p> <p>- Sales & Marketing 1</p> <p>Executive Vice President - Retail Banking - Sales & Marketing 1</p> <p>Director</p> <p><u>Others</u></p> <p>-</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p> <p>TISCO Bank Public Company Limited (Commercial Bank)</p> <p>TISCO Insurance Solution Company Limited (Insurance)</p>

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
20. Mr. Picha Ratanatam First Executive Vice President	52	Master of Business Administration (Finance) California State University at San Diego, USA Bachelor of Business Administration (Applied Statistics) Chulalongkorn University <u>Public Training</u> <u>Thai Listed Companies Association</u> - Strategic Board Master Class <u>The Thai Institute of Banking and Finance Association</u> - Financial Executive Development (FINEX) <u>Thai Financial Planners Association</u> CFP Professional Forum - No.3/2023 "Coaching skill for financial planning" - No.4/2023 "Wealth Management by reorganization business group" - No.5/2023 "Personal Branding for Financial Planner (CFP) on "Tik Tok" application" - No.7/2566 "Cyber Security Awareness" - TFPA Wealth Management Forum 2023 - Code of Ethics and responsibilities for Financial Planner (Financial Advisory) <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand	Common - Preferred -	-	Apr2021-Present Feb2017-Mar2021 Apr2021-Present Feb2017-Mar2021 2022-Present 2019-2022	<u>TISCO Group</u> First Executive Vice President Executive Vice President First Executive Vice President - Wealth Management & Banking Services Executive Vice President - Wealth Management Chairman of the Board Director <u>Others</u> -	TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank) TISCO Asset Management Company Limited (Asset Management)
21. Ms. Pavinee Ongvasith First Executive Vice President	55	Master of Finance/Management/Economics Oregon State University Bachelor of Engineering Chulalongkorn University <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand	Common - Preferred -	-	Apr2021-Present 2019-Mar2021 2016-2018 2018-Present 2016-Present 2018-Present	<u>TISCO Group</u> First Executive Vice President Executive Vice President Assistant Executive Vice President Chief Executive Officer Director <u>Others</u> Director	TISCO Financial Group Public Company Limited (Holding Company) TISCO Asset Management Company Limited (Asset Management) Fitch Ratings Limited (Provider of Credit Ratings)
22. Mr. Pairat Srivilairit Corporate Secretary First Executive Vice President Governance Office	58	Master of Business Administration Thammasat University Bachelor of Engineering Chulalongkorn University Certified Internal Auditor (CIA) Certificate in Control Self-Assessment (CCSA) Certified Financial Service Auditor (CFSA) The Institute of Internal Auditors (IIA), USA Certified Fraud Examiner (CFE) Association of Certified Fraud Examiners (ACFE), USA <u>Public Training</u> <u>Thai Institute of Directors</u> - Advances for Corporate Secretaries - Corporate Governance for Capital Market Intermediaries (CGI15/2016) - Company Secretary Program - Company Reporting Program - Board Reporting Program - Effective Minutes Taking - Audit Committee Program - Monitoring the Internal Audit Function - Monitoring Fraud Risk Management - Board of the Year, Board of the Future	Common 30,000 (0.00) Preferred - (as of Jan 31, 2024)	-	Apr2021-Present Feb2017-Mar2021 Sep2013-Present Sep2013-Present Sep2013-Present Sep2013-2018 2020-Present 2015-2020 2019-Present 2011-Present 2010-Present 2010-Present 2019-Present	<u>TISCO Group</u> First Executive Vice President - Governance Office Executive Vice President - Governance Office Corporate Secretary Director Director Director <u>Others</u> Chairman of the Thai Company Secretary Club Director Director Member of Internal Audit Quality Assurance Committee Member of Internal Audit Development Committee Member of Risk Management Committee Member of the Audit Committee	TISCO Financial Group Public Company Limited (Holding Company) TISCO Information Technology Company Limited (Information Technology) Hi-Way Company Limited (Hire Purchase) TISCO Insurance Solution Company Limited (Insurance) Listed Companies Association The Institute of Internal Auditors of Thailand The Comptroller General's Department Bangkok Metropolitan Administration Srinakharinwirot University

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
		<ul style="list-style-type: none"> - CAC National Conference 2021: รวมพลังธุรกิจโปร่งใสได้ใจด้านเศรษฐกิจ - Empowering Board Evaluation Through the Company Secretary Lens Company Secretary Forum 2021 - GRC Series Ep3: ESG Driven Boardroom from "Purpose" to Performance - IOD's National Director Conference 2023: Delivering "Net Zero" Together - AC Forum 2023 Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee, IOD&SET&SEC - CAC National Conference 2023 <u>Thaipat Institute</u> - GRI Certified Training on G4 reporting Guidelines <u>Office of the National Anti-Corruption Commission</u> - Anti-Corruption Strategic Management for Senior Executives <u>Bank of Thailand and the Thai Bankers' Association</u> - ASEAN Workshop on the Promotion of CSR in Social Welfare and Development, MSDHS - Role of commercial banks and civil society in anti-corruption <u>The Stock Exchange of Thailand</u> - Integrating Human Rights into Risk Management <u>Thai Listed Companies Association</u> - Business Operation with ESG in Process <u>The Securities and Exchange Commission</u> - Cyber Amor;Data-driven Cybersecurity and Intelligence Threats Assessment <u>In-House Training</u> - Thailand PDPA-Navigating Privacy Compliance - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO 					
23. Ms. Wantha Chotchaisathit First Executive Vice President - Information Technology	58	<ul style="list-style-type: none"> Master of Business Administration Kasetsart University Bachelor of Science (Statistics) Kasetsart University <u>Public Training</u> <u>The Thai Bankers Association</u> - Thailand Data Protection Law <u>Bank of Thailand</u> - Cybersecurity Act 2019, Personal Data Protection Act 2019 - IT Governance & Cyber Resilience <u>International Data Corporation (IDC)</u> - CIO Summit 2019 Race to Reinvent The Digital Determination Playbook <u>The Securities and Exchange Commission</u> - Huawei Global FSI Summit 2019, Huawei - Blockchain Based Business Model Change - Cyber Armor: Data-driven Cybersecurity and Intelligence Threats Assessment <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand 	<ul style="list-style-type: none"> Common 23,161 (0.00) Preferred - 	-	<ul style="list-style-type: none"> 2023-Present Feb2019-2022 2018-2019 2014-Present 2014-2022 	<ul style="list-style-type: none"> <u>TISCO Group</u> First Executive Vice President - Information Technology Executive Vice President - Information Technology Assistant Executive Vice President - Information Technology Director Managing Director <u>Others</u> - 	<ul style="list-style-type: none"> TISCO Financial Group Public Company Limited (Holding Company) TISCO Information Technology Company Limited (Information Technology)

Name/ Position / Date of first appointment/ Date of latest appointment	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
24. Ms. Rachada Pruksanubal First Executive Vice President	54	Master of Business Administration (Finance) Thammasat University Master of Engineering (Computer Engineering) Tokyo Institute of Technology Bachelor of Engineering (Computer Engineering) Chulalongkorn University <u>Public Training</u> <u>Thai Institute of Directors</u> - Sustainability trends in business across industries <u>Thai Bond Market Association</u> - Treasury Dealer - Bond Trader Refresher Course <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand	Common 79,000 (0.01) Preferred -	-	2023-Present Apr2021-2022 2019-Mar2021 Apr2021-Present 2018-Present 2018-2019	<u>TISCO Group</u> First Executive Vice President Executive Vice President Assistant Executive Vice President Executive Vice President - Banking Services Head of Banking Services Acting Head of Treasury Acting Head of Fund Operation <u>Others</u> -	TISCO Financial Group Public Company Limited (Holding Company) TISCO Bank Public Company Limited (Commercial Bank)
25. Mr. Theeranat Rujmethapas First Executive Vice President	56	Master of Business Administration Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor of Business Administration (General Marketing) Chulalongkorn University <u>Public Training</u> <u>Capital Market Academy</u> - Capital Market Academy Program (CMA 21) <u>The Thai Institute of Banking and Finance Association</u> - Financial Executive Development Program (FINEX 23) <u>Thai Financial Planners Association</u> - Certified Financial Planner (CFP) <u>In-House Training</u> - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI)	Common 8,800 (0.00) Preferred -	-	2023-Present Apr2021-2022 2018-Mar2021 2018-Present 2018-Present	<u>TISCO Group</u> First Executive Vice President Executive Vice President Assistant Executive Vice President President <u>Others</u> Director	TISCO Financial Group Public Company Limited (Holding Company) TISCO Asset Management Company Limited (Asset Management) Association of Investment Management Companies
26. Ms. Mayuree Kingsawad Head of Corporate Accounting The date of appointment: January 1, 2024	49	Master of Business Administration Rangsit University Bachelor of Accountancy (B.Acc.) Assumption University	Common - Preferred -	-	Jan 2024-Present 2022-2023	<u>TISCO Group</u> Head of Corporate Accounting Deputy Head of Corporate Accounting <u>Others</u> -	TISCO Financial Group Public Company Limited (Holding Company) (Holding Company)

Remark: ¹ Including spouse and minor children

1.2 Changes in TISCO Shareholdings by Directors and Management (as of January 1, 2024)

No.	Name	Common Shares			Preferred Shares			Total Shareholding (Percentage)
		As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	
1	Mr. Pliu Mangkomkanok	2,221,010	2,221,010	-	-	-	-	0.28
	Including spouse and minor children	-	-	-	-	-	-	-
2	Mr. Dung Ba Le	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
3	Assoc. Prof. Dr. Angkarat Priebjrivat	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
4	Mr. Sathit Aungmanee	150,035	150,035	-	-	-	-	0.02
	Including spouse and minor children	-	-	-	-	-	-	-
5	Ms. PENCHUN JARIKASEM	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
6	Mrs. Pongpen Ruengvirayudh	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
7	Assoc. Prof. Dr. Sillapaporn Srijunpetch	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
8	Mr. Kanich Punyashthiti	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
9	Assoc. Prof. Dr. Vara Varavithya	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
10	Mr. Chi-Hao Sun (Mr. Howard Sun)	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
11	Mr. Satoshi Yoshitake	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
12	Mr. Sakchai Peechapat	66,177	66,177	-	-	-	-	0.01
	Including spouse and minor children	-	-	-	-	-	-	-
13	Mr. Metha Pingsuthiwong	195,800	195,800	-	-	-	-	0.02
	Including spouse and minor children	-	-	-	-	-	-	-
14	Mr. Pitada Vatcharasiritham	-	-	-	-	-	-	-
	Including spouse and minor children	80,000	80,000	-	-	-	-	0.01

No.	Name	Common Shares			Preferred Shares			Total Shareholding (Percentage)
		As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	
15	Mr. Paiboon Nalinthrangkum	286,000	286,000	-	-	-	-	0.04
	Including spouse and minor children	-	-	-	-	-	-	-
16	Mr. Chatri Chandrangam	50,000	50,000	-	-	-	-	0.01
	Including spouse and minor children	-	-	-	-	-	-	-
17	Mr. Dejphinun Suthadsanasoung	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
18	Mr. Yuttpong Sriwongjanya	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
19	Mr. Rungroj Jarasvijitkul	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
20	Mr. Picha Ratanatam	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
21	Ms. Pavinee Ongvasith	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
22	Mr. Pairat Srivilairit (as of 31 Jan 2024)	-	30,000	30,000	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
23	Ms. Wanthana Chotchaisathit	23,161	23,161	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
24	Ms. Rachada Pruksanubal	79,000	79,000	-	-	-	-	0.01
	Including spouse and minor children	-	-	-	-	-	-	-
25	Mr. Theeranat Rujimethapas	8,800	8,800	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
26	Mr. Kontee Sunthornpradit	13,200	13,200	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
27	Ms. Chutintorn Vigasi ¹¹	16,356	16,356	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
28	Ms. Mayuree Kingsawad ¹¹	-	-	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
29	Mr. Piram Sooklerk	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
30	Mr. Nipon Wongchotiwat	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
31	Mr. Puvarin Kullaphatkanon	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-

No.	Name	Common Shares			Preferred Shares			Total Shareholding (Percentage)
		As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	
32	Ms. Surang Techarungrun	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
33	Mr. Kittipoap Watcharavasuntr	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
34	Mr. Pichit Treethephasumphan	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
35	Ms. Latika Chongkuatrakul	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
36	Ms. Sakornrat Manuwong	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
37	Ms. Maneerat Wattanajak	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
38	Mrs. Yaninee Papnum	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
39	Ms. Artittaya Wongvipat	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
40	Mr. Prayuk Charoencharaskul	400	400	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
41	Ms. Nudtinee Suwanpanitch	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
42	Ms. Jiraporn Sawsukpaiboon	16,544	16,544	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
43	Mr. Ekarat Pongkitivanitchkul	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
44	Ms. Chuenchit Trakarnratti	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
45	Mr. Komsorn Prakobphol	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
46	Ms. Aree Archamongkol	38,400	0	-38,400	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
47	Mr. Tula Rodsalub	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
48	Mr. Pongsupat Supasirisin	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
49	Ms. Kwannapa Ampornvisaroot	1,650	1,650	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-

No.	Name	Common Shares			Preferred Shares			Total Shareholding (Percentage)
		As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	As of January 1, 2023	As of January 1, 2024	Increase (Decrease) During the Year	
50	Ms. Supissara Srikwanthong	-	-	-	-	-	-	-
	Including spouse and minor children	-	-	-	-	-	-	-
51	Mr. Watsakorn Thepthim	-	1,000	1,000	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
52	Mr. Kittipong Tiyaboonchai	8,823	8,823	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-
53	Ms. Chutiporn Luangrungsawang	3,100	3,100	-	-	-	-	0.00
	Including spouse and minor children	-	-	-	-	-	-	-

Remark: ¹ Ms. Mayuree Kingsawad replace Ms. Chutintorn Vigasi who retired.

Attachment 2 Details of Directors and Management in a Subsidiaries Company (as of January 1, 2024)

Name	TISCO Financial Group Plc.	Subsidiary									
		TISCO Bank Plc.	TISCO Securities Co., Ltd.	TISCO Asset Management Co., Ltd.	HIWAY Co., Ltd.	TISCO Information Technology Co., Ltd.	TISCO Insurance Solution Co., Ltd.	TISCO Learning Center Co., Ltd.	All-Ways Co., Ltd.	TISCO Tokyo Leasing Co., Ltd.	HTC Leasing Co., Ltd. ¹
1. Mr. Pliu Mangkomkanok	NED, C	NED, C	-	-	-	-	-	-	-	-	-
2. Mr. Dung Ba Le	NED, VC, NCC	-	-	-	-	-	-	-	-	-	-
3. Assoc. Prof. Dr. Angkarat Priebjivat	NED, CGSC, CROC	NED, CROC	-	-	-	-	-	-	-	-	-
4. Mr. Sathit Aungmanee	NED, CNCC	-	-	-	-	-	-	-	-	-	-
5. Ms. PENCHUN Jarikasem	ID, CAC, NCC	ID, CAC	-	-	-	-	-	-	-	-	-
6. Ms. Pongpen Ruengvirayudh	LID, AC, GSC	ID, AC	-	-	-	-	-	-	-	-	-
7. Assoc. Prof. Dr. Sillapaporn Srijunpetch	ID, AC	ID, AC	-	-	-	-	-	-	-	-	-
8. Mr. Kanich Punyashthiti	ID, NCC, GSC	ID	-	-	-	-	-	-	-	-	-
9. Assoc. Prof. Dr. Vara Varavithya	ID, ROC	ID, ROC	-	-	-	-	-	-	-	-	-
10. Mr. Chi-Hao Sun (Howard Sun)	ED, EBD	ED, EBD	-	-	-	-	-	-	-	-	-
11. Mr. Satoshi Yoshitake	ED, EBD	ED, EBD	-	-	-	-	-	-	-	-	-
12. Mr. Sakchai Peechapat	ED, CEBD, ROC, GCEO	ED, CEBD, ROC	-	-	-	-	-	-	-	-	-

¹ HTC Leasing Co., Ltd. is a subsidiary of TISCO Tokyo Leasing Co., Ltd.

² TISCO Financial Group's management seconded to manage subsidiary companies

Name	TISCO Financial Group Plc.	Subsidiary									
		TISCO Bank Plc.	TISCO Securities Co., Ltd.	TISCO Asset Management Co., Ltd.	HIWAY Co., Ltd.	TISCO Information Technology Co., Ltd.	TISCO Insurance Solution Co., Ltd.	TISCO Learning Center Co., Ltd.	All-Ways Co., Ltd.	TISCO Tokyo Leasing Co., Ltd.	HTC Leasing Co., Ltd. ¹
13. Mr. Metha Pingsuthiwong ¹²	ED, EBD, COO	ED, EBD, PRES, ROC	-	-	-	-	-	-	-	-	-
14. Mr. Pitada Vatcharasiritham ¹²	SEVP	SEVP	D	-	-	-	-	-	-	-	-
15. Mr. Chatri Chandrangam	SEVP, ROC	-	D	D	D	D	-	D	-	-	-
16. Mr. Paiboon Nalinthrangkum ¹²	SEVP	-	D, CEO	-	-	-	-	-	-	-	-
17. Mr. Dejphinun Suthadsanasoung ¹²	SEVP	SEVP	-	-	-	-	-	-	D	C	C
18. Mr. Yuttpong Sriwongjanya ¹²	FEVP	FEVP	-	-	D	-	-	-	D	-	-
19. Mr. Rungroj Jarasvijitkul ¹²	FEVP	FEVP	-	-	-	-	D	-	-	-	-
20. Mr. Picha Ratanatam ¹²	FEVP	FEVP	-	C	-	-	-	-	-	-	-
21. Ms. Pavinee Ongvasith ¹²	FEVP	-	-	D, CEO	-	-	-	-	-	-	-
22. Mr. Pairat Srivilairit	CS, FEVP	CS	CS	CS	D	D	-	D	-	-	-
23. Ms. Wanthana Chotchaisathit ¹²	FEVP	-	-	-	-	D	-	-	-	-	-
24. Ms. Rachada Pruksanubal ¹²	FEVP	FEVP	-	-	-	-	-	-	-	-	-
25. Mr. Theeranat Rujimethapass ¹²	FEVP	-	-	D, PRES	-	-	-	-	-	-	-
26. Mr. Kontee Sunthornpradit	DH	-	-	-	-	-	D	-	-	D	D
27. Ms. Mayuree Kingsawad	FH	-	-	-	-	-	-	-	-	-	-
28. Mr. Piram Sooklerk	FH	-	-	-	-	-	-	-	-	-	-
29. Mr. Nipon Wongchotiwat	DH	-	-	-	-	-	-	-	D	-	-
30. Mr. Puvarin Kullaphatkanon	FH	-	-	-	-	-	-	-	-	-	-
31. Ms. Surang Techarungnirun	FH	-	-	-	-	-	-	-	-	-	-
32. Mr. Kittipoap Watcharavasuntr	FH	-	-	-	-	-	-	-	-	-	-
33. Mr. Pichit Treethephasumphan	FH	-	-	-	-	-	-	-	-	-	-
34. Ms. Latika Chongkuatrakul	FH	-	-	-	-	-	-	-	-	-	-
35. Ms. Sakornrat Manuwong	DH	-	-	-	-	-	-	-	-	-	-

Name	TISCO Financial Group Plc.	Subsidiary									
		TISCO Bank Plc.	TISCO Securities Co., Ltd.	TISCO Asset Management Co., Ltd.	HIWAY Co., Ltd.	TISCO Information Technology Co., Ltd.	TISCO Insurance Solution Co., Ltd.	TISCO Learning Center Co., Ltd.	All-Ways Co., Ltd.	TISCO Tokyo Leasing Co., Ltd.	HTC Leasing Co., Ltd. ¹
36. Ms. Maneerat Wattanajak	FH	-	-	-	-	-	-	-	-	-	-
37. Ms. Yaninee Papnum	FH	-	-	-	-	-	-	-	-	-	-
38. Ms. Artittaya Wongvipat	FH	-	-	-	-	-	-	-	-	-	-
39. Mr. Prayuk Charoencharaskul	FH	-	-	-	-	-	-	-	-	-	-
40. Ms. Nudtinee Suwanpanitch	FH	-	-	-	-	-	-	-	-	-	-
41. Ms. Jiraporn Sawsukpaiboon	FH	-	-	-	-	-	-	-	-	-	-
42. Mr. Ekarat Pongkitivanitchkul	FH	-	-	-	-	-	-	-	-	-	-
43. Ms. Chuenchit Trakarnratti	FH	-	-	-	-	-	-	-	-	-	-
44. Mr. Komsorn Prakobphol	FH	-	-	-	-	-	-	-	-	-	-
45. Ms. Aree Archamongkol	FH	-	-	-	-	-	-	-	-	-	-
46. Mr. Tula Rodsalub	FH	-	-	-	-	-	-	-	-	-	-
47. Mr. Pongsupat Supasirisin	FH	-	-	-	-	-	-	-	-	-	-
48. Ms. Kwannapa Ampornvisaroot	FH	-	-	-	-	-	-	-	-	-	-
49. Ms. Supissara Srikwanthong	FH	-	-	-	-	-	-	-	-	-	-
50. Mr. Watsakorn Thepthim	DH	-	-	-	-	-	-	D, H	-	-	-
51. Mr. Kittipong Tiyaboonchai	FH	-	-	-	-	-	-	-	-	-	-
52. Ms. Chutiporn Luangrungsawang	FH	-	-	-	-	-	-	-	-	-	-

Remark:

<u>Type of Director</u>		<u>Director Position</u>		<u>Management Position</u>	
ID	= Independent Director	C	= Chairperson	GCEO	= Group Chief Executive
NED	= Non-executive Director	VC	= Vice Chairman	COO	= Chief Operating Officer
ED	= Executive Director	LID	= Lead Independent Director	SEVP	= Senior Executive Vice President
D	= Director	CEBD	= Chairperson of the Executive Board	FEVP	= First Executive Vice President
		EBD	= Executive Board	EVP	= Executive Vice President
		CROC	= Chairman of the Risk Oversight Committee	CEO	= Chief Executive Officer
		ROC	= Risk Oversight Committee	PRES	= President
		CAC	= Chairperson of the Audit Committee	MD	= Managing Director
		AC	= Audit Committee	H	= Head
		CNCC	= Chairperson of the Nomination and Compensation Committee	DH	= Division Head
		NCC	= Nomination and Compensation Committee	FH	= Function Head
		CGSC	= Chairperson of the Governance and Sustainability Committee	-	= None
		CSC	= Governance and Sustainability Committee		
		CS	= Corporate Secretary		

Attachment 3 Details of Head of Internal Audit and Head of Compliance as of January 1, 2024

Name / Position	Age (years)	Education / Director's Training Course Program	Total Shareholding ¹ (shares/ percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
<p>1. Mr. Pairat Srivilairit Corporate Secretary First Executive Vice President Governance Office</p>	58	<p>Master of Business Administration Thammasat University Bachelor of Engineering Chulalongkorn University Certified Internal Auditor (CIA) Certificate in Control Self-Assessment (CCSA) Certified Financial Service Auditor (CFSA) The Institute of Internal Auditors (IIA), USA Certified Fraud Examiner (CFE) Association of Certified Fraud Examiners (ACFE), USA</p> <p><u>Public Training</u> <u>Thai Institute of Directors</u> - Advances for Corporate Secretaries - Corporate Governance for Capital Market Intermediaries (CGI15/2016) - Company Secretary Program - Company Reporting Program - Board Reporting Program - Effective Minutes Taking - Audit Committee Program - Monitoring the Internal Audit Function - Monitoring Fraud Risk Management - Board of the Year, Board of the Future - CAC National Conference 2021: รวมพลังธุรกิจไม่ทิ้งใครไว้ข้างหลัง - Empowering Board Evaluation Through the Company Secretary Lens Company Secretary Forum 2021 - GRC Series Ep3: ESG Driven Boardroom from "Purpose" to Performance - IOD's National Director Conference 2023: Delivering "Net Zero" Together - AC Forum 2023 I Detection of Accounting Irregularities in Fast Growing Business: The Role of Audit Committee, IOD&SET&SEC - CAC National Conference 2023</p> <p><u>Thaipat Institute</u> - GRI Certified Training on G4 reporting Guidelines <u>Office of the National Anti-Corruption Commission</u> - Anti-Corruption Strategic Management for Senior Executives <u>Bank of Thailand and the Thai Bankers' Association</u> - ASEAN Workshop on the Promotion of CSR in Social Welfare and Development, MSDHS - Role of commercial banks and civil society in anti-corruption <u>The Stock Exchange of Thailand</u> - Integrating Human Rights into Risk Management <u>Thai Listed Companies Association</u> - Business Operation with ESG in Process <u>The Securities and Exchange Commission</u> - Cyber Amor;Data-driven Cybersecurity and Intelligence Threats Assessment <u>In-House Training</u> - Thailand PDPA-Navigating Privacy Compliance - Sustainable Development Workshop, TISCO by SBDI Institute (SBDI) - Financial Resilience in the Digital Age: The Cybersecurity Imperative, Deloitte Thailand - Risk Management: Stress Testing, TISCO TISCO Financial Group Public Company Limited</p>	<p>Common 30,000 (0.00) Preferred - (as of Jan 31, 2024)</p>	-	<p>Apr2021-Present Feb2017-Mar2021 Sep2013-Present Sep2013-Present Sep2013-Present Sep2013-2018 2020-Present 2015-2020 2019-Present 2011-Present 2010-Present 2010-Present 2019-Present</p>	<p><u>TISCO Group</u> First Executive Vice President - Governance Office Executive Vice President - Governance Office Corporate Secretary Director Director Director Chairman of the Thai Company Secretary Club Director Director Member of Internal Audit Quality Assurance Committee Member of Internal Audit Development Committee Member of Risk Management Committee Member of the Audit Committee</p>	<p>TISCO Financial Group Public Company Limited (Holding Company) TISCO Information Technology Company Limited (Information Technology) Hi-Way Company Limited (Hire Purchase) TISCO Insurance Solution Company Limited (Insurance) Listed Companies Association The Institute of Internal Auditors of Thailand The Comptroller General's Department Bangkok Metropolitan Administration Srinakharinwirot University</p>
<p>2. Ms. Chuenchit Trakarnratti Head of Internal Audit</p>	53	<p>Master of Science (Computer Information System) Assumption University Bachelor of Accountancy Chulalongkorn University</p>	<p>Common - Preferred -</p>	-	<p>2021-Present Aug2014-2020</p>	<p><u>TISCO Group</u> Head of Internal Audit Head of Operational Risk Management <u>Others</u> -</p>	<p>TISCO Financial Group Public Company Limited (Holding Company)</p>

Name / Position	Age (years)	Education / Director's Training Course Program	Total Shareholding ^{1/} (shares/ percentage)	Family Relationship with other Management	Work Experience within 5 years		
					Period	Position	Company / Organization (Type of Business)
3. Ms. Sakornrat Manuwong Head of Corporate Compliance	54	Bachelor of Accountancy (Accounting) Thammasat University Master of Business Administration Thammasat University Public Training - Corporate Governance for Capital Market Intermediaries (2016) Thai Institute of Directors	Common - Preferred -	-	2023-Present Jan2023-May2023 2017-2022 2010-2016	<u>TISCO Group</u> Head of Corporate Compliance Acting head of Compliance - Securities Business Head of Compliance - Securities Business Head of Compliance - Banking Business <u>Others</u> -	TISCO Financial Group Public Company Limited (Holding Company)

Remark: /1 Including spouse and minor children

Attachment 4 Details on Asset Appraisal

Assets	Appraisal Price As of December 31, 2023	Objective	Appraiser Company	Reporting Date	Appraiser
Buildings, and Building Improvement	2,558,591,288	Comply with the Notification of the Bank of Thailand No. FPG. 7/2562 Re: Regulations on Components of Capital for Locally Incorporated Banks and IAS16 Property, plant and equipment.	CBRE (Thailand) Co., Ltd.	October 30, 2023	Penthida Srisawang

Attachment 5

Policy and Guidelines on Corporate Governance and Business Ethics

Corporate Governance Policy

TISCO discloses a full report of corporate governance policies and guidelines on the TISCO website, www.tisco.co.th. It can be viewed in the “Investor Relations” section, “Corporate Governance” subsection on “Corporate Governance Policy” or scan QR code .



Code of Conduct

TISCO discloses a full report of code of conduct on the TISCO website, www.tisco.co.th. It can be viewed in the “About TISCO” section, “Corporate Governance” subsection on “Code of Conduct” or scan QR code



Report of the Audit Committee

On April 18, 2023, the Audit Committee of TISCO Financial Group Public Company Limited was appointed by the Board of Directors and composed of three independent directors as follows.

Ms. Penchun Jarikasem	Chairperson
Ms. Pongpen Ruengvirayudh	Member
Assoc. Prof. Dr. Sillapaporn Srijunpetch	Member

In 2023, the Audit Committee convened thirteen meetings on various matters with full attendance of all committee members. The Audit Committee has carried out duties independently in accordance with the duties and responsibilities mandated by the Charter of the Committee and as assigned by the Board of Directors without any restrictions on access to information. All meeting results were reported to the Board of Directors, which in summary include the following points:

- Review of Financial Reporting:** Reviewed quarterly, semi-annual and annual financial statements with the executives and independent external auditors on the appropriateness of the Company's accounting policies used in the preparation of the financial statements and the completeness of information disclosure before the dissemination. The Audit Committee agreed with the external auditor that the Company's financial statements and the disclosures of relevant information were adequately and fairly presented in accordance with Thai Financial Reporting Standards and the requirements of the Bank of Thailand.

The Audit Committee authorized the issuance of the reviewed interim financial information and concurred with the audited financial statements and further proposed to the Board of Directors for consideration.

- Review of Internal Control and Audit System:** Reviewed and assessed internal control system through the audit reports of external auditors and internal auditors, the report on internal control assessment performed by the management and the relevant functions, the assessment result of current assurance level which collaboratively assessed by risk oversight functions – 2nd line roles and Internal Audit function – 3rd line roles including the report on material operational and IT / security incidents. The Audit Committee considered the causes and appropriateness of remedial actions of the significant audit issues and the material incidents to prevent recurrences.

In year 2023, the Audit Committee considered and concurred with the review of the appointment of the Head of Internal Audit Function as proposed by the management. The Audit Committee also assessed the independence of Internal Audit department and approved the annual review of Internal Audit Policy, the revision of Internal Audit Charter, annual audit plan, audit strategic actions, key performance indicators and budget. The Audit Committee also regularly acknowledged the progress and accomplishment of audit plan and evaluated the performance of Internal Audit department. The Audit Committee provided recommendations to the Internal Audit Function to extend the adoption of data analytics audit approach in order to enhance continuous audit process especially in the business areas possibly caused the high risk or impact to the Company.

The Audit Committee opined that the overall internal control of the Company and its subsidiaries and the audit system were adequate and effective for its business operations.

- Oversight of Regulatory Compliance:** Oversaw the regulatory compliance through the report on compliance activities such as summary of significant impacts on the regulatory changes as well as the operational preparedness, significant compliance incidents and the examination results of the relevant supervisory authorities and results of the corrective actions taken, the Internal Audit Report on the compliance issues with corrective and preventive actions, updated legal status and report of disciplinary cases incurred during the year and the counter measures.

The Audit Committee opined that the Company and its subsidiaries has properly established the process to govern the compliance with the applicable rules and regulations as imposed by supervisory authorities, and stringently took corrective and preventive actions when incurred any compliance issues.

- **Consideration of the External Auditor Appointment:** Reviewed and assessed the independence of the external auditor as well as the overall scope and key audit matters for quarterly review and annual audit. Considered the qualification, professional proficiency in finance and banking industry, performance, independence and appropriateness of the audit fee, the Audit Committee selected and proposed the appointment of the following external auditors of EY Office Limited 1) Ms. Saranya Pludsri, or 2) Ms. Ratana Jala, or 3) Ms. Wanwilai Phetsang as the Auditors of the Company and its subsidiaries for the Year 2023 with its remuneration to the Board of Directors for further recommendation to the shareholders for approval.
- **Review of Related Party Transactions and Conflicts of Interests:** Reviewed the revision of Related Party Transaction Policy and discussed with the relevant management on the related party transaction execution as well as the pricing policy to ensure conformity with laws and regulations. The Audit Committee also acknowledged the audit results in accordance with the Joint Statement Policy which mutually released by the Bank of Thailand and the Securities and Exchange Commission on the business governance of the financial group that involves in fund management business.

The Audit Committee agreed with the external auditor, management, Internal Audit, and Compliance that the transactions were either conducted in a normal course of business operation or justified for the best interests of the Company. In addition, the related disclosures followed through the corporate governance and Related Party Transaction Policy.

- **Oversight of Risk Management Process:** Acknowledged the presentation of risk oversight functions on the overall risk profiles of each risk type, capital adequacy, financial risk management, IT risk management, operational and compliance risk management, acknowledged reports on material IT or operational loss events and assessed the causes of such events and the appropriateness of pre-emptive measures to prevent future recurrences. Furthermore, the Audit Committee had a joint meeting with the Risk Oversight Committee to acknowledge overall results of enterprise risk management.

The Audit Committee agreed with the risk oversight functions that the Company has appropriate risk management process and performed in accordance with the determined policies and procedures as well as the relevant regulations.

The Audit Committee performed self-assessment of their performance by comparing the Committee's activities to its Charter and relevant laws and regulations including leading practices. The results revealed that the Audit Committee has carried out duties and responsibilities adequately and effectively according to the Charter of Audit Committee, relevant laws and regulations, and as delegated by the Board of Directors.

- *Penchun Jarikasem* -

(Ms. Penchun Jarikasem)

Chairperson of the Audit Committee

January 15, 2024

Report of the Executive Board

On April 18, 2023, the Executive Board of TISCO Financial Group Public Company Limited was appointed by the Board of Directors and composed of four executive directors who are members of the Executive Board throughout the year 2023:

1. Mr. Sakchai Peechapat	Chairman
2. Mr. Chi-Hao Sun (Howard Sun)	Member
3. Mr. Satoshi Yoshitake	Member
4. Mr. Metha Pingsuthiwong	Member

In 2023, the Executive Board convened twelve meetings, where every member attended all meetings. The Executive Board has key roles and responsibilities in conducting business in line with policies, strategies, business objectives, charter and other matters mandated by the Charter of the Executive Board and as assigned by the Board. All meeting results were reported to the Board of Directors, which in summary include:

1. Determined and reviewed TISCO Group business strategy, plan, and budget to ensure alignment with current circumstances, client needs, cost effectiveness, along with incorporating material ESG factors into the strategic planning process for sustainability and responsibility to all stakeholders.
2. Monitored Group business performance including key performance indicators and financial budgets to accomplish the appropriate and sustainable business returns.
3. Instituted, reviewed, and approved TISCO Group's policies on important operational and control areas, as well as conducted an annual assessment of the adequacy of the internal control system.
4. Acknowledged TISCO Group's risk profiles, and the activities of the risk management including the operational and IT risks, as well as the test result of business continuity plan.
5. Reviewed and ratified the activities of the Credit Committee and the Problem Loan Committee.
6. Reviewed and approved major credit and business decisions involving high risk, including determining mitigation and monitoring impacts to customer businesses on a regular basis for appropriate management.
7. Approved the revision of members in Credit Committee and Problem Loan Committee.
8. Annually reviewed the Charter of the Executive Board.

The Executive Board performed self-assessment by comparing the Executive Board's activities to the Charter of the Executive Board and leading practices and opined that the Executive Board has carried out duties and responsibilities sufficiently and effectively according to the Charter and as delegated by the Board of Directors.

- Sakchai Peechapat -

(Mr. Sakchai Peechapat)

Chairman of the Executive Board

January 25, 2024

Report of the Risk Oversight Committee

On April 18, 2023, the Risk Oversight Committee of TISCO Financial Group Public Company Limited was appointed by the Board of Directors and composed of one non-executive director, one independent director, one executive director, and one executive as follows.

1. Assoc. Prof. Dr. Angkarat Priebjrivat	Chairperson
2. Assoc. Prof. Dr. Vara Varavithya	Member
3. Mr. Sakchai Peechapat	Member
4. Mr. Chatri Chandrangam	Member

For year 2023, the Risk Oversight Committee (“the Committee”) convened six meetings on various matters and had one joint meetings with Audit Committee in accordance with the duties and responsibilities mandated by the Charter of the Risk Oversight Committee, and as delegated by the Board of Directors. All committee members attended in all meetings where all activities were reported to the Board of Directors. All activities throughout the year are summarized as follows;

1. Risk Management Policies, Guidelines, and Risk Appetites

The Committee reviewed the policies, guidelines of risk management as well as risk appetites, and considered them sufficient and effective for implementation for year 2023. The Committee also acknowledged TISCO risk management strategy for year 2023, which focused on active risk management, capital and liquidity sufficiency, prudent operation, sound IT governance and security in promoting business sustainability.

2. Risk Exposures & Key Risk Management Activities

The Committee reviewed TISCO risk exposures, monitoring of key risk indicators and key risk management activities by risk types, comprising of strategic risk, reputational risk, financial risk, operational risk, IT risk, legal and compliance risk, and considered that all risk exposures were managed in alignment with TISCO risk management policy, strategy, and risk appetites. The Committee also reviewed the risk management plans and credit review plan and considered adequate and appropriate for implementation for year 2023.

In terms of capital and liquidity management, the Committee reviewed the adequacy of capital and liquidity and considered appropriate in line with risk appetites and above the regulatory threshold.

For IT risk management, the Committee suggested the IT risk management team to assess the possibility of IT security breach in all IT operations and strengthen security measures for third-party involvement with emphasis on adequate monitoring and control systems to prevent the risk of data leakage. In terms of IT system availability, the Committee recommended that the regular testing in form of penetration test should be continually performed to ensure the resiliency and continuity of the IT systems, while the risk mitigation plan should be developed as a continuous process and regularly reviewed in line with system usage and capacity.

With regards to compliance risk, the Committee suggested that the key compliance risk should be comprehensively assessed, and the compliance plan and activities including compliance testing program should be properly set up to cover all potential risks.

3. Sufficiency and Effectiveness of Risk Management

The Committee reviewed the Risk Self-Assessment results for year 2023, which covered the evaluation of risk level and risk management quality for all types of risk including credit risk, market risk, liquidity risk, capital adequacy, operational risk, IT risk and compliance, where the results indicated that the risk level was considered acceptable and associated with good quality of risk management for all types of risk.

The Committee had joint meetings with the Audit Committee to exchange views on the sufficiency and effectiveness of overall risk management policies, strategies, and risk appetites for the year 2023. The Risk Oversight Committee and Audit Committee considered the overall TISCO risk management system, including risk management policy and strategies, as sufficient and deemed it effective in all aspects. The main recommendation was that the collaboration between 2nd line and 3rd line functions in terms of information sharing and alignment of risk assessment and control should be enhanced to promote effectiveness in the check and balance system.

4. Compliance to laws and regulations

The Committee reviewed the supervisory stress testing for year 2023 covering TISCO's assumptions, assessment framework, results on capital adequacy and liquidity coverage ratios, as well as completeness of the report in accordance with the BOT's requirements. The stress testing was considered as appropriate. The Committee also considered the recovery plan for year 2023, and the ICAAP report for year 2022 including the review of risk assessment results according to the BOT's regulation, as appropriate for submission to the Bank of Thailand.

For debt relief programs for clients affected by COVID-19 situation, the Committee viewed that the risk classification of debt relief clients was appropriate for risk monitoring and suggested management to closely monitor the situation.

5. Risk Oversight Committee Self-Assessment

The Risk Oversight Committee performed Self-Assessment by comparing the Committee's activities to its Charter and leading practices and opined that the Committee has carried out duties and responsibilities adequately and effectively according to the Charter and as delegated by the Board of Directors.

- Angkarat Priebjrivat -

(Assoc. Prof. Dr. Angkarat Priebjrivat)

Chairperson of the Risk Oversight Committee

February 1, 2024

Report of the Nomination and Compensation Committee

Appointed by the Board of Directors on April 18, 2023, the Nomination and Compensation Committee of TISCO Financial Group Public Company Limited composes of two non-executive directors and two independent directors as follows.

1. Mr. Sathit Aungmanee	Chairman
2. Mr. Dung Ba Le	Member
3. Mr. Kanich Punyashthiti	Member
4. Ms. PENCHUN Jarikasem	Member

In 2023, the Committee convened seven meetings, where the committee attended all meetings and considered various matters in accordance with the duties and responsibilities mandated by the Charter of the Committee and as assigned by the Board. All meeting results were reported to the Board of Directors, which in summary include:

1. Reviewed the Guidelines for Board Composition, Nomination and Selection Criteria for TISCO Group, Board skill matrix template, the Remuneration Policy for Directors and Management, and Policy on Assessing the Independence of Directors, to ensure they are appropriate for the laws, regulations and leading practices,
2. Reviewed the appropriate and necessary skills and experiences for the Board of Directors, including the profiles of the candidates for director position, by taking into account the Board Skill Matrix,
3. Recommended number of directors and nominated qualified candidates for director position of the Board of Directors of TISCO Financial Group Plc and TISCO Bank Plc so as to recommend to the Shareholders' Meeting for approval,
4. Reviewed the director remuneration and ensured the remuneration to be commensurate with the scope of duties and responsibilities of directors and related risks, as well as comparable benchmarking with the industry, and recommended to the Board to further recommend to the Shareholder's Meeting for approval,
5. Recommended the appointment of Chairman of the Board of Directors, Vice Chairman, and the subcommittees and reviewed the suitability of members in subcommittees, namely the Executive Board, the Risk Oversight Committee, the Audit Committee, the Nomination and Compensation Committee, and the Corporate Governance Committee,
6. Considered the appointment of the Lead Independent Director to be in line with the criteria for evaluating corporate governance of Thai listed companies (CGR) and proposed to the Board of Directors for consideration and approval,
7. Acknowledged the assessment results of Board Performance and Director's Independence and proposed to the Board for ratification together with recommendations for the Board performance enhancement,
8. Evaluated the Group Chief Executive's performance with targets and plan, and considered the compensation of the Group Chief Executive and proposed to the Board of Directors,
9. Considered and agreed with the Business KPI of TISCO Group proposed by Management to be applied for the Group Chief Executive's performance assessment,
10. Approved the appointment of senior executives of TISCO Group and directors of TISCO Group subsidiaries,
11. Considered and provided recommendation the succession plan and review the job succession plan annually to promote continuity in business operations,
12. Acknowledged the nomination of a person to be appointed as a director by shareholders, and recommended to the Board of Directors for consideration, and proposed to the Bank of Thailand for further consideration and approval,
13. Approved the 2023 incentive pay, bonus appropriation for management and staff of TISCO,
14. Acknowledged the professional development program for Directors and Management and the activities of Human Resources Committee.

The Nomination and Compensation Committee performed self-assessment by comparing the Committee's activities to the Charter of the Nomination and Compensation Committee, relevant laws and leading practices, and opined that the Committee has carried out duties and responsibilities with full effort, carefulness, transparency, independence and consideration for the company's and its stakeholders' best interests in accordance with good corporate governance, as well as conform to the Charter and as delegated by the Board of Directors.

- *Sathit Aungmanee* -

(Mr. Sathit Aungmanee)

Chairman

February 21, 2024

Report of the Governance and Sustainability Committee

On April 18, 2023, the Board of Directors appointed the members of the Corporate Governance Committee of TISCO Financial Group, which was composed of one non-executive director and two independent directors as follows:

1. Assoc. Prof. Dr. Angkarat Priebjrivat	Chairperson
2. Ms. Pongpen Ruengvirayudh	Member
3. Mr. Kanich Punyashthiti	Member

In 2023, all three members of the Committee convened for a total of five meetings to examine various matters in accordance with the duties and responsibilities mandated by the Charter of the Committee and assigned by the Board. All meeting minutes were reported to the Board of Directors, which in summary, include the following points:

1. Acknowledged and provided opinions on the composition of and the refinement of roles for the Board of Directors in accordance with the Good Governance and Internal Control Mechanism for Financial Institution and Financial Business Group issued by the Bank of Thailand.
2. Acknowledged and endorsed the amendment of the Articles of Association of TISCO Financial Group Plc and TISCO Bank Plc according to the Public Company Limited Act (No.4) B.E. 2565, which was then, in agreement with the Board of Directors, presented to the Shareholders' General Meeting for approval.
3. Reviewed the revised TISCO's Corporate Governance Policy, taking into consideration the governance practices and boardroom guidelines of the Thai Institute of Directors (Thai IOD).
4. Reviewed the application of good corporate governance practices according to the SEC Corporate Governance Code (CG Code) for Listed Companies, in which TISCO has applied most of the principles from the CGC in 2023. The Committee also revised the company's explanations for the principles that were not applied, which is disclosed in the Form 56-1 One Report.
5. Acknowledged the updated criteria of the CG Report of Thai Listed Companies (CGR) and the ASEAN CG Scorecard and provided opinions to the Board of Directors on the improvement of TISCO's Corporate Governance.
6. Recommended the Board of Directors to approve the appointment of an independent director to participate in setting the board meeting agenda according to the SEC CG Code for Listed Companies, as well as assigning roles and responsibilities to the independent director.
7. Examined the results and recommendations for TISCO's Corporate Governance and Sustainable Development assessments conducted and evaluated by the Thai Institute of Directors Association, the Thai Investors Association, and the Stock Exchange of Thailand. The Committee also advised the Board of Directors on how to efficiently work towards TISCO's corporate governance and sustainable development goals.
8. Reviewed and provided recommendations for the materiality topics on sustainability, which were marked as an important subject by TISCO and the company's stakeholders.
9. Reviewed and commented on the drafted 2024-2026 corporate strategy in relation to the company's sustainable development and Environment, Social, and Governance (ESG) policies and goals.
10. Reviewed and provided opinions on the revision of the Sustainable Development Policy.
11. Acknowledged and provided recommendations on TISCO's three-year sustainable development plan, which resonates with the UN Sustainable Development Goals (SDGs) and aligns with the company's sustainability framework and corporate strategy.
12. Acknowledged the progress of Thailand's Climate Change Development act with regards to the financial sector and provided recommendations on TISCO's activities with direct relations to climate change.

The Corporate Governance Committee has conducted a self-assessment of their performance, evaluating the Committee's activities to its Charter and the Leading Practices of the Thai Institute of Directors. The members of the Committee have opined that they have carried out duties and responsibilities adequately and effectively according to the Charter and as delegated by the Board of Directors.

- Angkarat Priebjrivat -

(Assoc. Prof. Dr. Angkarat Priebjrivat)

Chairperson

January 31, 2024

Report of the Board of Directors' Responsibilities for Financial Reports

The Board of Directors of TISCO Financial Group Public Company Limited is responsible for the Company's financial statements, the consolidated financial statements of the Company and its subsidiaries, and all financial information presented in the annual report. The financial statements have been prepared in accordance with generally accepted accounting standards applicable in Thailand, which are based on appropriate accounting policies, consistently applied and practiced, prudent judgment and best accounting estimates. All material information has been sufficiently disclosed in the notes to financial statements. These financial statements also have been made in compliance with the stipulations of the Notification of the Bank of Thailand, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The financial statements have been audited and expressed with unqualified audit opinion by an independent auditor, which reflected fair and transparent financial position and operating performance that is useful information for shareholders and general investors.

The Board of Directors has established effective risk management and internal control systems to ensure that the reliability and completeness of financial information are in place, with the ability to protect the Company's assets, as well as identifying the weaknesses of operation in order to adequately prevent operational risk.

In this regard, the Board of Directors has appointed the Audit Committee, comprising independent directors, to oversee qualitative aspects of financial reporting and internal control systems. The opinion of the Audit Committee with regard to these matters appears in the Report of the Audit Committee in this annual report.

The Board of Directors views that the Company's internal control systems are satisfactory and provide reasonable assurance as to the reliability of both the Company's financial statements and the consolidated financial statements of the Company and its subsidiaries as of December 31, 2023.

- Pliu Mangkornkanok -

(Mr. Pliu Mangkornkanok)

Chairman of the Board

- Sakchai Peechapat -

(Mr. Sakchai Peechapat)

Group Chief Executive

Attachment 9 Independent Auditor's Report, Financial Statement, and Notes to consolidated financial statements

Independent Auditor's Report

To the Shareholders of TISCO Financial Group Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of TISCO Financial Group Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of TISCO Financial Group Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TISCO Financial Group Public Company Limited and its subsidiaries and of TISCO Financial Group Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Allowance for expected credit loss on loans to customers

As discussed in Note 3.8 to the financial statements, as at 31 December 2023, the Group had total loans to customers of Baht 236,744 million (accounting for 81% of total assets) and allowance for expected credit loss of Baht 9,916 million, which are material to the financial statements. The method used for calculation of allowance for expected credit loss requires complex calculation modelling, involving the use of significant management judgement and estimates in

the model development, the identification of criteria for a significant increase in credit risk since initial recognition, the probability of default, the loss given default, the exposure at default, the calculation of allowance for expected credit loss, the selection of future economic variables to be incorporated into the model and the management overlay adjustment to the allowance for expected credit loss due to limitations of the model. Because of the materiality and the extent of judgement and estimates as mentioned above, I addressed the adequacy of the allowance for expected credit loss of loans to customers as a key audit matter.

I gained an understanding of, assessed and tested, on a sampling basis, the effectiveness of internal controls relevant to the loan origination and collection processes, the assessment of probability of default, loss given default and exposure at default, as well as the calculation of allowance for expected credit loss on loans to customers, and tested internal control systems over the relevant information technology systems. In addition, I evaluated and tested the reasonableness of the expected credit loss models, the rules and criteria applied by the Group in the assessment of significant increase in credit risk since initial recognition, including the data used in the model design, the effectiveness of models for significant loan types and the governance process over the model development, by examining model development documentation, testing, on a sampling basis, the accuracy and completeness of data used in model development, and assessing the methods and assumptions applied in the calculation. I assessed the reasonableness of macroeconomic factors and probability of different scenario weights as well as the reasonableness of the management overlay adjustments. In addition, I examined the management's policies, which addressed the policies and approaches used to derive the estimation of allowance for expected credit loss, and its approval by management at an appropriate level. I compared accounting policies of the Group with financial reporting standards and rules of the Bank of Thailand, and evaluated the adequacy of the disclosure. Moreover, I examined the allowance for expected credit loss by testing, on a sampling basis, the classification of loans to customers and recalculating the allowance for expected credit loss as at the end of the accounting period, including testing the completeness of data used in the calculation of allowance for expected credit loss.

Recognition of interest income on loans to customers

For the year 2023, the Group recognised interest income on loans to customers amounting to Baht 17,110 million (accounting for 90% of total income), which is considered main income of the Group. The Group recognises interest income using the effective interest rate method, which involves use of management judgement and estimates in the estimation of future cash inflows throughout the expected life of financial instruments, taking into account any discounts or premiums on acquisition, fees and costs that are an integral part of the effective interest rate. In addition, interest income is generated from various types of loans provided to a large number of customers with a high volume of transactions, and each type of loan is subject to different recognition conditions. I therefore focused my audit on whether interest income on loans to customers is recognised correctly, appropriately and in a timely manner.

I gained an understanding of, assessed and tested, on a sampling basis, the effectiveness of internal controls relating to the processes of loan origination, interest income recognition and loan collection, including relevant internal controls over information technology systems, by inquiring of management to gain an understanding, assessing the methods applied by the management in estimating future cash inflows and the expected life of financial instruments in the determination of effective interest rate, as well as testing, on a sampling basis, the accuracy of data and calculation. In addition, I applied a sampling method in selecting loan agreements to test whether the recording of loans as well as the income recognition complies with the conditions stipulated in the contracts and is adjusted in line with the effective interest rate according to the income recognition policy, and in accordance with Thai Financial Reporting

Standards and the regulations announced by the Bank of Thailand. I also performed analytical procedures on interest income and tested, on a sampling basis, significant adjustments made through journal vouchers.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



Saranya Pludsri

Certified Public Accountant (Thailand) No. 6768

EY Office Limited

Bangkok: 27 February 2024

TISCO Financial Group Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2023

	Note	Consolidated		(Unit: Thousand Baht)	
		financial statements		Separate	
		2023	2022	2023	2022
Assets					
Cash		918,261	1,005,066	70	70
Interbank and money market items - net	3.3, 3.10	48,489,698	40,272,419	564,182	27,253
Financial assets measured at fair value through profit or loss	3.4	2,081,768	2,172,386	547,174	954,994
Derivatives assets	3.5	-	147,489	-	-
Investments - net	3.6, 3.10	3,313,593	3,989,884	220,282	202,271
Investments in subsidiaries and joint venture - net	3.7	891,492	872,808	20,069,314	20,069,244
Loans to customers and accrued interest receivables	3.8, 3.10				
Loans to customers		247,384,985	231,948,369	4,960,000	4,290,000
Accrued interest receivables and undue interest income		1,928,548	1,722,316	-	-
Total loans to customers and accrued interest receivables		249,313,533	233,670,685	4,960,000	4,290,000
Less: Deferred revenue		(12,569,801)	(12,944,570)	-	-
Less: Allowance for expected credit loss	3.9	(9,915,969)	(11,844,732)	(6,448)	(5,577)
Total loans to customers and accrued interest receivables - net		226,827,763	208,881,383	4,953,552	4,284,423
Properties foreclosed - net	3.11	25,823	6,550	-	-
Investment properties	3.12	23,576	27,058	933,908	910,728
Premises and equipment - net	3.13	3,178,878	2,786,274	871,700	758,081
Right-of-use assets - net	3.14	1,069,591	753,866	608	321
Intangible assets - net	3.15	79,113	99,603	44,666	62,682
Deferred tax assets	3.31	868,619	830,504	144,954	234,704
Securities and derivatives business receivables - net		496,785	611,384	-	-
Dividend receivables from subsidiaries	3.33	-	-	4,244,763	5,286,999
Other assets	3.16	2,459,293	2,957,763	278,750	242,210
Total assets		290,724,253	265,414,437	32,873,923	33,033,980

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

TISCO Financial Group Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2023

	Note	(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Liabilities and equity					
Liabilities					
Deposits	3.17	208,644,672	188,265,809	-	-
Interbank and money market items	3.18	8,506,337	6,195,459	-	550,000
Liabilities payable on demand		237,434	256,708	-	-
Derivatives liabilities	3.5	28,690	-	-	-
Debts issued and borrowings	3.19	17,286,122	15,756,919	9,410,000	7,880,000
Lease liabilities	3.20	1,009,370	700,258	614	332
Provisions	3.21	1,987,155	1,712,266	305,596	287,935
Securities and derivatives business payables - net		913,204	1,246,559	-	-
Accrued interest payable		1,405,306	559,568	40,154	14,528
Income tax payable		764,094	830,031	-	-
Other liabilities	3.22	7,493,887	7,100,237	1,283,672	1,438,918
Total liabilities		248,276,271	222,623,814	11,040,036	10,171,713

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

TISCO Financial Group Public Company Limited and its subsidiaries

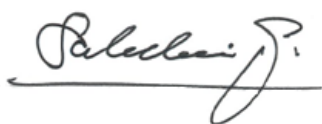
Statement of financial position (continued)

As at 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
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	3.24	2,020,769	1,831,007	400,783	306,770
Retained earnings					
Appropriated - statutory reserve		801,000	801,000	801,000	801,000
Unappropriated		30,598,138	31,130,416	5,594,026	6,716,419
		<u>42,444,870</u>	<u>42,787,386</u>	<u>21,833,887</u>	<u>22,862,267</u>
Equity attributable to equity holders of the Company					
Non-controlling interest of the subsidiaries		3,112	3,237	-	-
		<u>42,447,982</u>	<u>42,790,623</u>	<u>21,833,887</u>	<u>22,862,267</u>
Total equity		<u>42,447,982</u>	<u>42,790,623</u>	<u>21,833,887</u>	<u>22,862,267</u>
Total liabilities and equity		<u>290,724,253</u>	<u>265,414,437</u>	<u>32,873,923</u>	<u>33,033,980</u>
		-	-	-	-

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


(Mr. Sakchai Peechapat)
Group Chief Executive

(Mr. Metha Pingsuthiwong)
Chief Operating Officer

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023

		(Unit: Thousand Baht, except earnings per share expressed in Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Note		2023	2022	2023	2022
Profit or loss:					
	Interest income	18,037,036	14,904,299	134,104	72,022
	Interest expenses	(4,208,394)	(2,170,667)	(160,087)	(65,190)
	Net interest income	13,828,642	12,733,632	(25,983)	6,832
	Fee and service income	5,310,857	5,498,917	-	-
	Fee and service expenses	(443,370)	(453,268)	(19,317)	(17,902)
	Net fee and service income	4,867,487	5,045,649	(19,317)	(17,902)
	Net gain (loss) on financial instruments measured at fair value through profit or loss	(29,164)	86,420	(40,759)	(93,783)
	Net gain on investments	5,357	2,801	-	10
	Share of profit from investments accounted for under equity method	28,894	55,476	-	-
	Dividend income	89,875	72,978	6,163,009	5,298,782
	Penalty fee income from loans	135,414	186,472	-	-
	Intercompany supporting fee income	-	-	2,361,821	2,131,000
	Other operating income	119,288	121,354	104,764	82,191
	Total operating income	19,045,793	18,304,782	8,543,535	7,407,130
Operating expenses					
	Employee expenses	6,383,588	6,103,734	820,517	714,866
	Directors' remuneration	24,934	21,597	24,934	21,597
	Premises and equipment expenses	1,598,411	1,365,358	819,473	744,136
	Taxes and duties	352,529	260,450	4,516	2,295
	Other operating expenses	980,982	839,705	53,472	60,596
	Total operating expenses	9,340,444	8,590,844	1,722,912	1,543,490
	Expected credit loss	615,352	722,677	4,136	4,264
	Profit from operations before income tax expenses	9,089,997	8,991,261	6,816,487	5,859,376
	Income tax expenses	1,788,395	1,766,722	132,343	113,167
	Total profit for the year	7,301,602	7,224,539	6,684,144	5,746,209

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2023

		(Unit: Thousand Baht, except earnings per share expressed in Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Note		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 3.24					
		18,160	(1,417)	18,011	-
Share of other comprehensive income of joint venture -					
	Cash flow hedges of joint venture (loss) 3.7.2	(990)	7,703	-	-
	Income tax effects 3.31	(3,632)	283	(3,602)	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax					
		13,538	6,569	14,409	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
	Changes in surplus on revaluation of assets 3.24	224,732	-	100,346	-
	Actuarial gain (loss) 3.21	(39,172)	104,391	(1,389)	24,974
	Income tax effects 3.31	(37,349)	(20,939)	(19,791)	(4,995)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		148,211	83,452	79,166	19,979
Other comprehensive income for the year					
		161,749	90,021	93,575	19,979
Total other comprehensive income for the year					
		7,463,351	7,314,560	6,777,719	5,766,188
Profits attributable to					
	Equity holders of the Company 3.32	7,301,113	7,224,078	6,684,144	5,746,209
	Non-controlling interests of the subsidiaries	489	461		
		7,301,602	7,224,539		
Total comprehensive income attributable to					
	Equity holders of the Company	7,462,862	7,314,099	6,777,719	5,766,188
	Non-controlling interests of the subsidiaries	489	461		
		7,463,351	7,314,560		
Earnings per share of equity holders of the Company					
	Basic earnings per share (Baht per share) 3.32	9.12	9.02	8.35	7.18

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2023

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit from operations before income tax	9,089,997	8,991,261	6,816,487	5,859,376
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	568,445	534,273	89,377	103,377
Expected credit loss	2,074,351	3,199,323	4,136	4,264
Other provisions	40,698	-	-	-
Share of profit from investments accounted for under equity method	(28,894)	(55,476)	-	-
Reversal of allowance for impairment of properties foreclosed	(108)	(191)	-	-
(Gain) loss on disposal of investments in securities	11,077	(760)	12,216	-
Unrealised (gain) loss on foreign exchange transactions and trading derivatives	219,485	(243,235)	7,514	(39,603)
(Gain) loss on financial instruments measured at fair value through profit or loss	(33,373)	(51,776)	21,171	133,386
(Gain) loss on changes in fair value of investment properties	836	247	(24,717)	-
Gain on disposal/write-off of equipment and intangible assets	(2,625)	(10,020)	(2,494)	(5,483)
Gain on disposal of properties foreclosed	(24,248)	(48,343)	-	-
Employee benefit expenses	239,841	129,291	23,286	16,054
(Increase) decrease in accrued income	22,569	(25,691)	(40,928)	785
Increase (decrease) in accrued expenses	351,599	138,617	(155,167)	(223,258)
Net interest income	(13,828,642)	(12,733,632)	25,983	(6,832)
Dividend income	(89,875)	(72,978)	(6,163,009)	(5,298,782)
Cash received on interest income	17,630,486	14,599,222	131,106	69,023
Cash paid on interest expenses	(2,369,951)	(1,622,362)	-134,452	(61,908)
Cash received on dividend income	89,875	72,978	7,205,245	4,602,313
Cash paid on income tax	(1,950,711)	(1,714,250)	(73,912)	(133,739)
Profit from operating activities before changes in operating assets and liabilities	12,010,832	11,086,498	7,741,842	5,018,973
Operating assets (increase) decrease				
Interbank and money market items	(8,198,910)	(9,777,682)	(537,198)	(4,660)
Loans to customers	(19,807,171)	(19,058,956)	(670,000)	(980,000)
Securities and derivatives business receivables	114,599	519,845	-	-
Receivables from clearing house	228,611	(244,556)	-	-
Properties foreclosed	(19,165)	130,191	-	-
Other assets	255,417	-233,317	12,484	-21,334

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

TISCO Financial Group Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2023

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Operating liabilities increase (decrease)				
Deposits	20,378,863	21,723,883	-	-
Interbank and money market items	2,310,878	(1,885,241)	(550,000)	(15,000)
Liabilities payable on demand	(19,274)	(17,724)	-	-
Securities and derivatives business payables	(333,355)	(274,794)	-	-
Short-term debts issued and borrowings	1,529,203	1,815,000	1,530,000	1,815,000
Payables to clearing house	(16)	186	-	-
Provision for long-term employee benefits	(60,042)	(49,644)	(7,014)	(6,757)
Other liabilities	(725,010)	(654,442)	(79)	(18,623)
Net cash flows from operating activities	7,665,460	3,079,247	7,520,035	5,787,599
Cash flows from investing activities				
Cash paid for purchase of investments in securities	(11,116,711)	(17,657,471)	-	-
Cash received from disposal of investments in securities	11,920,377	21,752,316	366,919	-
Cash paid for purchase of building improvements, equipment and vehic	(390,520)	(205,801)	(79,656)	(46,669)
Cash paid for purchase of intangible assets	(13,689)	(25,486)	(3,618)	(21,348)
Cash received from disposal of building improvements, equipment and	4,455	10,498	2,950	5,483
Cash paid for acquisition of investments in subsidiaries	-	-	(70)	(100)
Net cash flows from (used in) investing activities	403,912	3,874,056	286,525	(62,634)
Cash flows from financing activities				
Cash received from issuance of long-term debentures	-	2,800,000	-	-
Cash paid for redemption of long-term debentures	-	(3,820,000)	-	-
Cash paid on lease liabilities	(349,910)	(307,059)	(293)	(292)
Dividend paid	(7,806,267)	(5,724,603)	(7,806,267)	(5,724,603)
Net cash flows used in financing activities	(8,156,177)	(7,051,662)	(7,806,560)	(5,724,895)
Net increase (decrease) in cash	(86,805)	(98,359)	-	70
Cash at beginning of the year	1,005,066	1,103,425	70	-
Cash at end of the year	918,261	1,005,066	70	70
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Right-of-use assets	629,482	288,842	566	-
Transfer-in of properties foreclosed in settlement of loans to customer	1,155,254	1,675,498	-	-

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

TISCO Financial Group Public Company Limited and its subsidiaries
Statement of changes in equity
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements												
	Equity attributable to equity holders of the Company											Equity attributable to non-controlling interests of the subsidiaries	
	Other components of equity							Total	Retained earnings		Total equity attributable to equity holders of the Company		
	Issued and paid-up		Share premium on ordinary shares	Surplus on changes in value of investments measured at fair value through other comprehensive income	Surplus on revaluation of assets	Share of other comprehensive income of joint venture (loss)	Adjustment from business combination of entities under common control under holding restructuring plan		Appropriated	Unappropriated			
Preference shares	Ordinary shares												
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 year	-	-	-	-	-	-	-	-	-	7,224,078	7,224,078	461	7,224,539
Other comprehensive income for the year (loss)	-	-	-	(1,134)	-	7,703	-	6,569	-	83,452	90,021	-	90,021
Total comprehensive income for the year (loss)	-	-	-	(1,134)	-	7,703	-	6,569	-	7,307,530	7,314,099	461	7,314,560
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	(3,650)	-	-	(3,650)	-	4,450	800	-	800
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(517)	(517)
Balance as at 31 December 2022	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
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 year	-	-	-	-	-	-	-	-	-	7,301,113	7,301,113	489	7,301,602
Other comprehensive income for the year (loss)	-	-	-	14,528	179,785	(990)	-	193,323	-	(31,574)	161,749	-	161,749
Total comprehensive income for the year (loss)	-	-	-	14,528	179,785	(990)	-	193,323	-	7,269,539	7,462,862	489	7,463,351
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	(3,561)	-	-	(3,561)	-	4,450	889	-	889
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(614)	(614)
Balance as at 31 December 2023	99	8,006,456	1,018,408	15,599	1,326,061	(157)	679,266	2,020,769	801,000	30,598,138	42,444,870	3,112	42,447,982

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

TISCO Financial Group Public Company Limited and its subsidiaries
Statement of changes in equity (continued)
For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements									
	Other components of equity									
	Issued and paid-up		Share premium		Surplus on changes in value of investments		Surplus on revaluation of assets	Retained earnings		Total
	Preference shares	Ordinary shares	Preference shares	Ordinary shares	measured at fair value through other comprehensive income	Total		Appropriated	Unappropriated	
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 year	-	-	-	-	-	-	-	-	5,746,209	5,746,209
Other comprehensive income for the year	-	-	-	-	-	-	-	-	19,979	19,979
Total comprehensive income for the year	-	-	-	-	-	-	-	-	5,766,188	5,766,188
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(672)	(672)	-	840	168
Balance as at 31 December 2022	99	8,006,456	87	7,031,436	2,457	304,313	306,770	801,000	6,716,419	22,862,267
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 year	-	-	-	-	-	-	-	-	6,684,144	6,684,144
Other comprehensive income for the year (loss)	-	-	-	-	14,409	80,276	94,685	-	(1,110)	93,575
Total comprehensive income for the year	-	-	-	-	14,409	80,276	94,685	-	6,683,034	6,777,719
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	-	(672)	(672)	-	840	168
Balance as at 31 December 2023	99	8,006,456	87	7,031,436	16,866	383,917	400,783	801,000	5,594,026	21,833,887

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

TISCO Financial Group Public Company Limited and its subsidiaries**Notes to consolidated financial statements****For the year ended 31 December 2023****1. Basis for preparation and presentation of financial statements and significant accounting policies****1.1 Basis for preparation of financial statements**

The financial statements for the year ended 31 December 2023 have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and with reference to the regulations stipulated by the Bank of Thailand ("BOT"). The presentation of the financial statements 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 financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

1.2 Basis of consolidation

- a) The consolidated financial statements of TISCO Group include the financial statements of TISCO Financial Group Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") as mentioned in Note 3.1 to the financial statements.
- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared for the same reporting period and using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

1.3 Separate financial statements

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

1.4 New financial reporting standards**1.4.1 Financial reporting standards that became effective in the current year**

During the year 2023, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment

with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

1.4.2 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.

1.4.3 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.

Therefore, the Group's management believes that the termination of the Accounting Guidance will not have any significant impact on the Group's financial statements.

1.5 Significant accounting policies

1.5.1 Revenue and expenses recognition

a) Interest income and discounts on loans

The Group recognises interest on loans on an accrual basis, using the effective interest rate method, applied to the outstanding principal amount. The effective interest rate is the discount rate that estimates future cash flows over the expected life of the financial instrument to the net carrying amount of the financial asset. The effective interest rate is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the effective interest rate.

For hire purchase receivables, fee income, commissions and direct expenses incurred at the initiation of hire purchase are recognised over time using the effective interest rate method, and are presented as deductions from interest income on hire purchase over the contract term in order to reflect the effective rate of return of the contract.

Deferred revenue on hire purchase is stated net of commissions and direct expenses incurred at the initiation of hire purchase.

For loans to customers that are later credit-impaired, the Group recognises interest income using the effective interest rate method applied to the net carrying value of the loan (the loan amount net of allowance for expected credit loss). Subsequently, if the financial asset is no longer credit-impaired, the Group reverts to calculating interest income on a gross carrying amount.

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

Gain (loss) on financial instruments measured at fair value through profit or loss consists of gain (loss) on trading and foreign exchange transactions, gain (loss) on changes in fair value of derivatives and financial

assets measured at fair value through profit or loss, and gain (loss) on sales of financial assets measured at fair value through profit or loss and derivatives, which the Group recognises as income or expenses on the transaction date.

c) Interest and dividend on investments in securities

Interest on investments is recognised as income on an accrual basis. Dividend on investments is recognised as income when the right to receive the dividend is established.

d) Brokerage fees

Brokerage fees on securities and derivatives trading are recognised as income on the transaction date.

e) Fee and service income

Fee and service income is recognised as income on an accrual basis except fee income that is an integral part of the effective interest rate.

f) Incentive fee income on fund management

The subsidiary operating an asset management business recognises incentive fee income, which arises when the annual returns of funds that the subsidiary is managing exceeds the threshold for the performance of the fund, as revenue when it is certain that the income has occurred.

g) Interest expenses

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

h) Fee and service expenses and other operating expenses

Fee and service expenses and other operating expenses are recognised on an accrual basis.

1.5.2 Securities purchased under resale agreements according to private repurchase transactions

The subsidiary operating a banking business has purchased securities under resale agreements according to private repurchase transactions, which stipulate definite dates, terms and prices. Amounts paid for the securities purchased under resale agreements are presented under the caption of "Interbank and money market items - net" in the statement of financial position, and the securities purchased are used as collateral.

Under securities purchased under resale agreements according to private repurchase transactions, the subsidiary obtains securities under resale agreements as collateral securities on terms which permit it to repledge or resell the securities to others.

1.5.3 Financial assets

Financial assets - Debt instruments

The Group classifies its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets, based on the facts and circumstances as of the date these financial reporting standards were initially adopted or the acquisition date. Classifications are as follows:

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

Investments in debt instruments held within a business model whose objective is not to hold financial assets in order to collect contractual cash flows, or the contractual terms of the financial assets represent contractual cash flows that are not solely payments of principal and interest on the principal amount

outstanding. The Group recognises these as financial assets measured at fair value through profit or loss. These financial assets are initially recognised at fair value.

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

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

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

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

After initial recognition, unrealised gain or loss on changes in fair value is presented as a separate item in other comprehensive income until disposal. Gain or loss on disposal of the instruments are recognised in profit or loss. Expected credit loss and interest income calculated using the effective interest rate method are recognised in profit or loss.

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

c) Financial assets measured at amortised cost

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

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

Financial assets - Equity instruments

All investments in equity instruments are measured at fair value in the statement of financial position. The Group classifies investments in equity instruments as financial assets measured at fair value through profit or loss.

After initial recognition, unrealised gain or loss on subsequent changes in fair value of investments is recognised in profit or loss. Dividends on these investments are recognised in profit or loss.

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

Recognition

Purchases and sales of investments are recognised on the settlement date. The weighted average method is used for computation of investment cost.

Changes in classification of investments in debt instruments

When there are changes in the Group's business model for management of financial assets, the Group has to reclassify investments in debt instruments and adjust the value of these investments to their fair value on the reclassification date. Differences between the book value and fair value of investments on the reclassification date are recorded in profit or loss or other comprehensive income, depending on the classification of the investments.

1.5.4 Classification and measurement of financial liabilities

The Group classifies and measures its financial liabilities at amortised cost, except for derivatives liabilities which are measured at fair value through profit or loss.

1.5.5 Investments in receivables purchased or transferred in

The Group classifies investments in receivables purchased or transferred in as financial assets measured at amortised cost which are initially recognised at acquisition cost. At the end of reporting period, these investments in receivables are presented in the statement of financial position at amortised cost net of allowance for expected credit loss (if any).

1.5.6 Investments in subsidiaries and joint venture

Investments in joint venture are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method.

1.5.7 Loans to customers

Loans to customers are stated at the principal balance, excluding accrued interest receivables. Unrecognised deferred revenue/discounts on loans to customers are presented as deductions from loans to customers.

Hire purchase receivables are stated at outstanding balance, net of deferred revenue. Deferred revenue is stated net of commissions and direct expenses incurred at the initiation of hire purchase.

1.5.8 Allowance for expected credit loss on financial assets

The Group applies the General Approach to calculate allowance for expected credit loss on its financial assets, such as deposits at financial institutions, investments in debt instruments measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, loans to customers and accrued interest receivables, securities and derivatives business receivables, receivables from clearing house, and committed credit lines.

The Group classifies financial assets into three groups (Three-stage approach) in order to measure the allowance for expected credit loss, with the classification of the financial assets determined on the basis of the change in credit quality since the initial transaction date, as follows:

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

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

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

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

Group 3: Financial assets that are credit-impaired (Non-performing)

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

At the end of each reporting period, the Group assesses whether the credit risk of financial assets has increased significantly since the initial recognition date, by comparing the risk of expected default on the financial assets as at reporting date with the risk of default as at the initial recognition date. The Group uses internal quantitative and qualitative bases and forward-looking information as a basis for assessing a decrease in credit quality, such as debtors overdue for more than 30 days or credit rating. Evaluations of whether credit risk has increased significantly since the initial recognition date may be conducted individually or collectively for groups of financial assets.

Loans to customers are considered to be credit-impaired when one or more events occur affecting the estimated future contractual cash flows of the counterparties. Evidence that financial assets are credit-impaired includes being overdue for more than 90 days or indications that debtors are facing significant financial difficulties, breaches of contract, the legal status, renegotiation of terms of repayment or debt restructuring.

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

When the terms of repayment of a loan to customer are renegotiated or the terms of the contractual cash flow are modified because the debtors are in financial difficulty, the loan is considered to be a financial asset with a significant increase in credit risk or credit-impaired, unless there is evidence that the risk that contractual cash flows will not be recoverable has decreased significantly and there are no other indicators of impairment.

In addition, the Group has adopted 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 some types of loans.

Expected credit loss is the probability-weighted estimate of expected credit loss over the lifetime of a financial instrument, taking into account the present value of all cash flows that are expected not to be recoverable. This is determined with reference to historical loss experience data grouped by asset on the basis of shared credit risk characteristics, taking into account type of loan, type of collateral, months on books, and other relevant factors, adjusted for current observable data, as well as forward-looking information that is supportable and reasonable, provided it can be shown to be statistically related. It also involves the appropriate exercise of judgement to estimate the amount of expected credit loss, using current macroeconomic data. The Group determines both current and future economic scenarios, and probability-weights each scenario (base scenario, upturn scenario, downturn scenario and stress scenario) for the purpose of calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant macroeconomic changes affect expected credit loss. However, the Group has established a process to review

and monitor the methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. In addition, expected credit loss also includes a management overlay.

For financial assets that are credit-impaired upon initial acquisition (investments in receivables purchased or transferred in), the Group measures allowance for expected credit loss at an amount equal to the outstanding receivable balance because it does not expect to receive cash flows from these receivables.

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

The increase (decrease) in an allowance for expected credit loss is recognised as an expense in profit or loss in the statement of comprehensive income. The Group has a policy to write off receivables when they are identified as bad debts.

The Group considers using the Simplified Approach to determine allowance for expected credit loss over a lifetime for accrued fee and service income and other receivables.

1.5.9 Financial assets with modifications of terms/Debt restructuring

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or an existing financial asset is replaced with a new financial asset because a debtor is having financial difficulties, the Group assesses whether to derecognise the financial asset and measures the expected credit loss, as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Group calculates the gross book value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises a gain or loss on modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset as at the date of derecognition. The difference between the book value and the fair value of the financial asset is recognised in profit or loss.

If the debt restructuring does not meet the criteria for derecognition as of the restructuring date, the debtor continues to be classified as a financial asset with a significant increase in credit risk (Stage 2) until the debtor has been able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period; or continues to be classified as a financial asset that is credit-impaired (Stage 3) until the debtor has been able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period, before being able to be reclassified as a financial asset with a significant increase in credit risk (Stage 2), and if the debtor is able to make payment for additional 9 consecutive months or installments, it can be reclassified as a financial asset with no significant increase in credit risk (Stage 1).

If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

1.5.10 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net balance of securities business receivables and derivatives business receivables, after deducting allowance for expected credit loss. Securities business receivables comprise the receivable balances of cash accounts, securities borrowing and lending receivables,

guaranteed deposit receivables and other receivables such as securities receivables that are subject to legal proceeding, undergoing restructuring or settling in installments.

1.5.11 Receivables from/Payables to clearing house

Receivables from/payables to clearing house comprise the net balance of amount receivable from/payable to Thailand Clearing House in respect of settlements for securities trades and derivatives instruments including cash pledged with Thailand Clearing House as collateral for derivatives trading, and the net balance of amount receivable from/payable to overseas securities companies in respect of securities trades settled through overseas securities companies.

1.5.12 Recognition and derecognition of customers' deposits

Cash which customers have placed with a subsidiary operating a securities business in cash accounts for securities trading and derivatives trading is recorded as an asset of the subsidiary for the customers' position for internal control purposes. At the financial statement of financial position date, the subsidiary does not present those amounts as its assets and liabilities but presents only those assets which belong to the subsidiary.

1.5.13 Borrowing and lending of securities

A subsidiary operating a securities business is engaged in securities borrowing and lending transactions, whereby the subsidiary acts as an agent through agreements made with borrowers and lenders of securities.

The subsidiary records its obligations to return borrowed securities which it has lent as "Securities borrowing payables" and securities lent to customers are recorded as "Securities borrowing receivables" in the statement of financial position. At the end of the reporting period, the balances of securities borrowing payables and securities borrowing receivables are adjusted based on the latest offer price quoted on the Stock Exchange of Thailand on the last working day of the year. Gain or loss arising from such adjustments is included in profit or loss. The subsidiary records cash paid or received as collateral for securities borrowing and lending as "Guarantee deposit receivables" or "Guarantee deposit payables". Fees from borrowing and lending are recognised on an accrual basis over the lending term.

1.5.14 Properties foreclosed

Properties foreclosed represents assets transferred in respect of receivables on which the debtors have defaulted or restructured receivables.

At the end of reporting period, the value of properties foreclosed is stated at the lower of cost or net realisable value. Net realisable value is determined at the market value or the appraisal value less estimated selling expenses. In addition, the subsidiary operating a banking business is required to record additional allowance for impairment of properties foreclosed in accordance with the notifications of the BOT.

The Group recognises loss on impairment in profit or loss. Gain or loss from disposal of properties foreclosed is recognised in profit or loss in the statement of comprehensive income upon disposal.

1.5.15 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gain or loss arising from changes in the fair value is recognised in profit or loss when incurred.

The difference between the net disposal proceed and the carrying amount of the asset is recognised in profit or loss in the year in which the asset is derecognised.

1.5.16 Premises and equipment/Depreciation

Land is stated at cost. Buildings, office condominiums and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Office condominiums are initially recorded at cost on the acquisition date, subsequently revalued by an independent professional appraiser, and then recorded at revalued amount. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of the revaluation of the Group's assets, the increase is credited directly to other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, the revaluation increase is recognised as income to the extent that it reverses the revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of the revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to other comprehensive income to the extent that it does not exceed the amount already held in "Surplus on revaluation of assets" in respect of the same asset.

The surplus on revaluation of assets is amortised to retained earnings on a straight-line basis over the remaining life of the related assets. The revaluation surplus which is transferred to retained earnings is the difference between the depreciation calculated on book value of the revalued assets and the depreciation calculated on original cost of the assets. The revaluation surplus can neither be offset against deficit nor used for dividend payment.

Depreciation of buildings, office condominiums, and equipment is calculated by reference to their cost or revalued amount on the straight-line basis (except for the depreciation of communications equipment, which is calculated using the sum-of-the-year-digits method over estimated useful lives of 3 years) over the following estimated useful lives:

Buildings	-	20	years
Office condominiums	-	25	years
Office improvements	-	5, 15	years
Furniture, fixtures and equipment	-	5	years
Motor vehicles	-	6	years

Depreciation attributed to the original cost portion and the revaluation portion is included in determining income.

No depreciation is provided on land and assets under installation.

An item of land, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised. Remaining surplus on revaluation of assets as at the date of derecognition is directly transferred to retained earnings.

1.5.17 Leases

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

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

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, accumulated impairment loss, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at the commencement date of the lease less any lease incentives received.

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

Land and buildings	-	1 - 20	years
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Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and payments of penalties for terminating the lease if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the year in which the event or condition that triggers the payment occurs.

The Group discounts the present value of the lease payments by the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments, or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term of less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

1.5.18 Intangible assets

The Group initially recognises intangible assets at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss (if any).

The Group amortises intangible assets with finite lives on a straight-line basis over the economic useful life and tests for impairment whenever there is an indication that the intangible assets may be impaired. The Group reviews the amortisation period and the amortisation method of such intangible assets at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite lives are computer software that the Group amortises over the following estimated useful lives:

The license agreements with specified number of years of usage	-	according to the period of license agreement
The license agreements with no specified number of years of usage	-	5 years
No license agreements	-	5 years

1.5.19 Income tax

Income tax represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax assets/liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts as at the end of reporting period. They will be realised as tax income or tax expenses when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

The Group recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such deductible deferred tax assets can be utilised. The Group recognises deferred tax liabilities for all taxable temporary differences.

The Group records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

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

1.5.20 Impairment of non-financial assets

At the end of each reporting period, the Group assesses whether there is an indication that a non-financial asset may be impaired. If any indication exists, an impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. Fair value less costs to sell reflects the amount that the Group could obtain from the disposal of the asset on the statement of financial position in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in profit or loss. However, in cases where assets were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment, if there is any indication that a previously recognised impairment loss may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. The previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying

amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised immediately in profit or loss in the statement of comprehensive income.

1.5.21 Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when the Group has transferred substantially all risks and rewards of ownership. If the Group neither transfers nor retains substantially all risks and rewards of ownership of such financial assets, and retains control of such financial assets, the Group continues to recognise the financial assets to the extent of its continuing involvement. Financial liabilities are derecognised when they are extinguished e.g. when the obligation specified in the contract is discharged, cancelled or expired.

1.5.22 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the reference rates announced by the BOT at the end of each reporting period.

Gain or loss on exchange is included in determining income.

1.5.23 Employee benefits

a) Short-term employee benefits

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

Apart from the annual bonus portion of bonus expenses which is remuneration for employees' annual performance that is paid in cash, the Group also has another portion of bonus expenses which is paid in cash with reference to the Company's share price. The Group records this portion of expenses and related accrued bonus over the service period of those employees, counting from the grant date. It is recorded based on the average daily share price from the grant date to the end of reporting period, and any increase or decrease in the expenses according to changes in the share price is recognised in order to reflect the fair value of accrued bonus liability at the end of each reporting period, until the bonuses are settled.

b) Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plans, namely long service awards.

The obligation under the defined benefit plan is determined by the Group based on actuarial techniques.

Actuarial gain or loss arising from post-employment benefits is recognised immediately in other comprehensive income.

Actuarial gain or loss arising from other long-term benefits is recognised immediately in profit or loss.

1.5.24 Provisions

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

1.5.25 Derivatives

Derivatives are initially recognised at fair value on the trade date and are classified as trading. Derivatives are subsequently remeasured at fair value. Subsequent changes are recognised as net gain (loss) on financial instruments measured at fair value through profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair value of derivatives is based on the market price, or a formula which is generally accepted in cases where there is no market price.

1.5.26 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly.
- Level 3 - Use of unobservable inputs such as estimates of future cash flows.

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

1.5.27 Financial instruments

a) Financial risk management

The Group has financial risks associated with financial instruments and has financial risk management policy as described in Note 3.37 to the financial statements.

b) Fair value of financial instruments

In determining the fair value of financial instruments, the estimated fair value will be adjusted by allowance for expected credit loss with respective risk. For financial instruments with duration of one year or less, the

book value represents a reasonable estimate of fair value. For financial instruments with duration of greater than one year, fair value is determined based on the quoted market prices, where available, or otherwise based on present value of contractual cash flows, discounted using the rate used for financial instruments with similar features.

The methods used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities or carry interest at rates approximating the market rate, including cash, interbank and money market items (assets), securities and derivatives business receivables, receivables from clearing house, fee and service receivables, other receivables, deposits, interbank and money market items (liabilities), liabilities payable on demand, securities and derivatives business payables, payables to clearing house, and accrued insurance premium, the carrying amounts in the statement of financial position approximate their fair value.
- For investments in marketable equity securities, their fair value is stated based on the latest bid price at the end of last working day of the year as quoted by the Stock Exchange of Thailand, or based on discounted future cash flows and/or book value of the investees for investments in non-marketable equity securities.
- Government and state enterprise securities and private debt securities are stated at fair value which is determined using yield rates quoted by the Thai Bond Market Association.
- Unit trusts are stated at fair value based on their net asset value at the end of reporting period.
- Loans to customers and accrued interest receivables, except for hire purchase receivables and other retail loans, are presented at fair value which is estimated from balance of loans to customers and accrued interest receivables as stated in the financial statements less allowance for expected credit loss, since most loans to customers carry interest at floating rates. Fair value of hire purchase receivables and other retail loans is calculated from the present value of future cash inflows, discounted by the current interest rate for new loans, less allowance for expected credit loss.
- The fair value of debts issued and borrowings is estimated by discounting expected future cash outflows by the current market interest rates of the borrowings with similar terms and conditions.
- For derivatives, their fair value is determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group has considered the counterparty's credit risk when determining the fair value of derivatives.

1.5.28 Significant accounting judgements and estimates

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

Recognition or derecognition of assets and liabilities

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

Allowance for expected credit loss on financial assets

The management is required to use judgement in estimating the allowance for expected credit loss on financial assets. The estimation relies on a complex model, a dataset of assumptions, model development and assessments related to the increase in credit risk, as well as the selection of forward-looking information, which involves a large number of variables. Therefore, actual results could differ from these estimates.

Fair value of financial instruments

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

Investment properties

The Group presents investment properties at the fair value estimated by an independent professional appraiser, and recognises changes in the fair value in profit or loss. The independent professional appraiser valued the investment properties using the market approach. The key assumptions used in estimating the fair value are described in Note 3.12 to the financial statements.

Premises and equipment/Depreciation

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful life and residual value of buildings and equipment and to review estimated useful life and residual value when there are any changes.

The Group measures office condominiums at revalued amounts. Such amounts are determined by the independent professional appraiser using the market approach. The valuation involves certain assumptions and estimates as described in Note 3.13 to the financial statements.

In addition, the management is required to review land, buildings and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases

In determining lease terms, the management is required to use judgement to assess whether the Group is reasonably certain to exercise options to extend the terms of leases or to cancel the leases, taking into account all relevant facts and circumstances that create economic incentives for the Group to exercise or not to exercise such options.

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plans and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, and staff turnover rate.

Litigation

The Group has contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation. In case the management believes that there will be no loss, no provisions are recognised at the end of the reporting period.

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 Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until such reserve reaches 10 percent of its registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

2.3 Directors' remuneration

Directors' remuneration represents the benefits paid to the Group's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries and related benefits payable to directors who hold executive positions.

2.4 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 and 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 Consolidated financial statements

A list of subsidiaries included in the consolidated financial statements as at 31 December 2023 and 2022 is provided below.

Company's name	Nature of business	Country of incorporation	(Unit: Percent)	
			Percentage of shares held by the Company as at 31 December	
			2023	2022
<u>Subsidiaries directly held by the Company</u>				
TISCO Bank Public Company Limited	Banking	Thailand	99.99	99.99
TISCO Securities Co., Ltd.	Securities business	Thailand	99.99	99.99
TISCO Asset Management Co., Ltd.	Asset management	Thailand	99.99	99.99
Hi-Way Co., Ltd.	Hire purchase and retail loan	Thailand	99.99	99.99
TISCO Information Technology Co., Ltd.	Services	Thailand	99.99	99.99
TISCO Insurance Solution Co., Ltd.	Insurance broker	Thailand	99.99	99.99
Primus Leasing Co., Ltd. (In the process of liquidation)	Hire purchase	Thailand	99.99	99.99
TISCO Learning Center Co., Ltd.	Services	Thailand	99.99	99.99
All-Ways Co., Ltd.	Services	Thailand	99.99	99.99

3.2 Classification of financial assets and financial liabilities

The Group has a classification of significant financial assets and financial liabilities as follows:

	(Unit: Thousand Baht)			
	As at 31 December 2023			
	Consolidated financial statements			Total
Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through comprehensive income	Financial instruments measured at amortised cost		
<u>Financial assets</u>				
Cash	-	-	918,261	918,261
Interbank and money market items	-	-	48,489,698	48,489,698
Financial assets measured at fair value through profit or loss	2,081,768	-	-	2,081,768
Investments	-	3,313,593	-	3,313,593
Loans to customers and accrued interest receivables	-	-	226,827,763	226,827,763
Securities and derivatives business receivables - net	-	-	496,785	496,785
Other assets - receivables from clearing house	-	-	412,382	412,382
Other assets - fee and service receivables	-	-	482,739	482,739
Other assets - other receivables	-	-	677,553	677,553

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated financial statements			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through comprehensive income	Financial instruments measured at amortised cost	Total
<u>Financial liabilities</u>				
Deposits	-	-	208,644,672	208,644,672
Interbank and money market items	-	-	8,506,337	8,506,337
Liabilities payable on demand	-	-	237,434	237,434
Derivatives liabilities	28,690	-	-	28,690
Debts issued and borrowings	-	-	17,286,122	17,286,122
Lease liabilities	-	-	1,009,370	1,009,370
Securities and derivatives business payables - net	-	-	913,204	913,204
Accrued interest payable	-	-	1,405,306	1,405,306
Other liabilities - payables to clearing house	-	-	170	170
Other liabilities - accrued insurance premium	-	-	460,268	460,268

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated financial statements			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through comprehensive income	Financial instruments measured at amortised cost	Total
<u>Financial assets</u>				
Cash	-	-	1,005,066	1,005,066
Interbank and money market items	-	-	40,272,419	40,272,419
Financial assets measured at fair value through profit or loss	2,172,386	-	-	2,172,386
Derivatives assets	147,489	-	-	147,489
Investments	-	3,989,884	-	3,989,884
Loans to customers and accrued interest receivables	-	-	208,881,383	208,881,383
Securities and derivatives business receivables - net	-	-	611,384	611,384
Other assets - receivables from clearing house	-	-	640,993	640,993
Other assets - fee and service receivables	-	-	505,308	505,308
Other assets - other receivables	-	-	727,205	727,205

(Unit: Thousand Baht)

	As at 31 December 2022				
	Consolidated financial statements				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income		Financial instruments measured at amortised cost	Total
<u>Financial liabilities</u>					
Deposits	-	-	188,265,809	188,265,809	
Interbank and money market items	-	-	6,195,459	6,195,459	
Liabilities payable on demand	-	-	256,708	256,708	
Debts issued and borrowings	-	-	15,756,919	15,756,919	
Lease liabilities	-	-	700,258	700,258	
Securities and derivatives business payables - net	-	-	1,246,559	1,246,559	
Accrued interest payable	-	-	559,568	559,568	
Other liabilities - payables to clearing house	-	-	186	186	
Other liabilities - accrued insurance premium	-	-	541,440	541,440	

(Unit: Thousand Baht)

	As at 31 December 2023				
	Separate financial statements				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income		Financial instruments measured at amortised cost	Total
<u>Financial assets</u>					
Cash	-	-	70	70	
Interbank and money market items	-	-	564,182	564,182	
Financial assets measured at fair value through profit or loss	547,174	-	-	547,174	
Investments	-	220,282	-	220,282	
Loans to customers and accrued interest receivables	-	-	4,953,552	4,953,552	
Other assets - fee and service receivables	-	-	160,976	160,976	
<u>Financial liabilities</u>					
Debts issued and borrowings	-	-	9,410,000	9,410,000	
Lease liabilities	-	-	614	614	
Accrued interest payable	-	-	40,154	40,154	

(Unit: Thousand Baht)

	As at 31 December 2022			
	Separate financial statements			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income		Financial instruments measured at amortised cost
		Total		
<u>Financial assets</u>				
Cash	-	-	70	70
Interbank and money market items	-	-	27,253	27,253
Financial assets measured at fair value				
through profit or loss	954,994	-	-	954,994
Investments	-	202,271	-	202,271
Loans to customers and accrued interest receivables	-	-	4,284,423	4,284,423
Other assets - fee and service receivables	-	-	120,048	120,048
<u>Financial liabilities</u>				
Interbank and money market items	-	-	550,000	550,000
Debts issued and borrowings	-	-	7,880,000	7,880,000
Lease liabilities	-	-	332	332
Accrued interest payable	-	-	14,528	14,528

3.3 Interbank and money market items (assets)

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December					
	2023			2022		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Bank of Thailand and Financial Institutions						
Development Fund	2,385,614	-	2,385,614	2,237,910	-	2,237,910
Commercial banks	421,055	24,944,564	25,365,619	563,137	19,200,461	19,763,598
Specialised Financial Institutions	220,889	20,490,702	20,711,591	925	18,261,675	18,262,600
Total	3,027,558	45,435,266	48,462,824	2,801,972	37,462,136	40,264,108
Add: Accrued interest receivables	893	26,781	27,674	666	8,295	8,961
Less: Allowance for expected credit loss	(848)	(105)	(953)	(629)	(106)	(735)
Total domestic	3,027,603	45,461,942	48,489,545	2,802,009	37,470,325	40,272,334
<u>Foreign</u>						
Hong Kong Dollars	153	-	153	85	-	85
Total foreign	153	-	153	85	-	85
Total domestic and foreign	3,027,756	45,461,942	48,489,698	2,802,094	37,470,325	40,272,419

(Unit: Thousand Baht)

	Separate financial statements as at 31 December					
	2023			2022		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Commercial banks	564,453	-	564,453	27,255	-	27,255
Total	564,453	-	564,453	27,255	-	27,255
Add: Accrued interest receivables	20	-	20	12	-	12
Less: Allowance for expected credit loss	(291)	-	(291)	(14)	-	(14)
Total domestic	564,182	-	564,182	27,253	-	27,253

As at 31 December 2023 and 2022, cash at banks of a subsidiary amounting to Baht 10 million is pledged to secure a bank overdraft facility.

The subsidiary operating a banking business entered into securities purchases under resale agreements according to private repurchase transactions. Securities received under resale agreements are used as collateral. Details of transactions are as follows:

	(Unit: Thousand Baht)	
	Securities purchased under resale agreements according to private repurchase transactions as at 31 December	
	2023	2022
Commercial banks	24,200,000	18,600,000
Specialised Financial Institutions	20,100,000	17,900,000

Fair value of securities received as collateral is as follows:

	(Unit: Thousand Baht)	
	Fair value of securities received as collateral as at 31 December	
	2023	2022
Commercial banks	24,751,200	18,733,000
Specialised Financial Institutions	20,435,800	18,167,700

In addition, as at 31 December 2023 and 2022, interbank and money market items include insurance premiums received by the Group from the insured, amounting to Baht 326 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.

3.4 Financial assets measured at fair value through profit or loss

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

(Unit: Thousand Baht)

Investments	Consolidated financial statements as at 31 December			
	2023		2022	
	Cost	Fair value	Cost	Fair value
Others				
Domestic marketable equity instruments	355,747	419,749	93,088	196,089
Foreign marketable equity instruments	293,082	154,466	293,082	229,016
Domestic non-marketable equity instruments	231,289	1,060,734	231,289	963,500
Other securities - domestic unit trusts	54,856	54,111	54,856	57,803
Other securities - foreign unit trusts	302,826	392,708	803,120	725,978
	1,237,800	2,081,768	1,475,435	2,172,386
Add: Allowance for changes in value	843,968		696,951	
Total	2,081,768		2,172,386	

(Unit: Thousand Baht)

Investments	Separate financial statements as at 31 December			
	2023		2022	
	Cost	Fair value	Cost	Fair value
Others				
Foreign marketable equity instruments	293,082	154,466	293,082	229,016
Other securities - foreign unit trusts	302,826	392,708	803,120	725,978
	595,908	547,174	1,096,202	954,994
Less: Allowance for changes in value	(48,734)		(141,208)	
Total	547,174		954,994	

3.4.2 Investments in non-marketable equity instruments include investments in which the subsidiary operating a banking business holds not less than 10 percent of the equity of the investees, as follows:

(Unit: Thousand Baht)

Securities' name	Consolidated financial statements as at 31 December					
	2023			2022		
	Fair value of investments	Unpaid amount	Percentage of holding (%)	Fair value of investments	Unpaid amount	Percentage of holding (%)
Services:						
Jiji Press (Thailand) Co., Ltd.	1,418	300	10	1,439	300	10
Trading import and export:						
Juki (Thailand) Co., Ltd.	8,678	-	10	5,919	-	10
PDTL Trading Co., Ltd.	-	-	10	3,801	-	10
Wattana Inter-Trade Co., Ltd.	16,360	-	10	17,789	-	10
Real estate:						
UMI Property Co., Ltd.	1,355	-	10	3,087	-	10
Industrial:						
Siam Art Ceramic Co., Ltd.	7,588	-	10	8,260	-	10

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

As at 31 December 2023 and 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)

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

3.5 Derivatives assets/derivatives liabilities

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

(Unit: Thousand Baht)

Type of risks	Consolidated financial statements as at 31 December					
	2023			2022		
	Fair value		Notional amount	Fair value		Notional amount
Assets	Liabilities	Assets		Liabilities		
Exchange rate	-	28,690	2,386,981	147,489	-	1,739,526
Total	-	28,690	2,386,981	147,489	-	1,739,526

All counterparties of these derivatives transactions are financial institutions.

3.6 Investments

3.6.1 Investments classified by type of investments

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

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December			
	2023		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	3,071,111	3,066,771	3,763,317	3,763,243
Private sector debt securities	423,121	246,822	423,121	226,641
	3,494,232	3,313,593	4,186,438	3,989,884
Less: Allowance for changes in value	(180,639)		(196,554)	
Total	3,313,593		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	3,313,593		3,989,884	

(Unit: Thousand Baht)

	Separate financial statements as at 31 December			
	2023		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	

3.6.2 Investments subject to restrictions

(Unit: Million Baht)

Type of investments	Consolidated financial statements as at 31 December		Type of restrictions
	2023	2022	
Government debt securities	1	2	Pledge for electricity usage

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

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

(Unit: Thousand Baht)

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

(Unit: Thousand Baht)

	Separate financial statements as at 31 December					
	2023			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

3.7 Investments in subsidiaries and joint venture

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Investments in subsidiaries	-	-	19,996,069	19,995,999
Investments in joint venture	891,492	872,808	73,245	73,245
	<u>891,492</u>	<u>872,808</u>	<u>20,069,314</u>	<u>20,069,244</u>

3.7.1 Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Type of investments	Separate financial statements					
		Percentage of holding		Investment value -		Dividend received	
		as at 31 December		cost method as at		for the years ended	
		2023	2022	31 December		31 December	
		(%)	(%)	2023	2022	2023	2022
<u>Subsidiaries directly held by the Company</u>							
TISCO Bank Public Company Limited	Ordinary shares	99.99	99.99	17,641,380	17,641,310	4,422,981	3,372,521
TISCO Securities Co., Ltd.	Ordinary shares	99.99	99.99	1,075,065	1,075,065	60,000	140,000
TISCO Asset Management Co., Ltd.	Ordinary shares	99.99	99.99	110,075	110,075	649,996	619,996
Hi-Way Co., Ltd.	Preference shares	99.99	99.99	2,866	2,866	1,154	1,396
	Ordinary shares	99.99	99.99	770,053	770,053	538,845	670,604
TISCO Information Technology Co., Ltd.	Ordinary shares	99.99	99.99	22,117	22,117	114,997	129,996
TISCO Insurance Solution Co., Ltd.	Ordinary shares	99.99	99.99	136,655	136,655	289,990	309,989
Primus Leasing Co., Ltd	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	64,996	42,497
All-Ways Co., Ltd.	Ordinary shares	99.99	99.99	200,000	200,000	-	-
				<u>20,104,732</u>	<u>20,104,662</u>	<u>6,142,959</u>	<u>5,286,999</u>
Less: Allowance for impairment				<u>(108,663)</u>	<u>(108,663)</u>		
Investments in subsidiaries - net				<u>19,996,069</u>	<u>19,995,999</u>		

3.7.2 Investments in joint venture

a) Details of investments in joint venture

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

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements					
	Shareholding percentage		Cost		Carrying amounts based on equity method	
	as at 31 December		as at 31 December		as at 31 December	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
TISCO Tokyo Leasing Co., Ltd.	49.00	49.00	73,245	73,245	891,492	872,808

(Unit: Thousand Baht)

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

b) Share of comprehensive income and dividend received

During the years, 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 for the years ended		Share of other comprehensive income (loss) for the years ended		Dividend received for the years ended	
	31 December		31 December		31 December	
	2023	2022	2023	2022	2023	2022
TISCO Tokyo Leasing Co., Ltd.	28,894	55,476	(990)	7,703	9,219	-

c) Summary of significant financial information of joint venture

Condensed financial information of the joint venture is presented as follows:

Summarised information on financial position

	(Unit: Thousand Baht)	
	As at 31 December	
	2023	2022
Total assets	4,813,300	5,361,122
Total liabilities	(2,626,628)	(3,210,419)
Non-controlling interests of the subsidiary	(367,300)	(369,463)
Net assets	<u>1,819,372</u>	<u>1,781,240</u>
The Company's shareholding proportion	49%	49%
Carrying value of joint venture based on equity method	891,492	872,808

Summarised information on comprehensive income

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
Total revenues	239,880	295,448
Total expenses	(140,840)	(122,664)
Profit before income tax	99,040	172,784
Income tax expenses	(20,116)	(37,396)
Non-controlling interests of the subsidiary	(19,956)	(22,172)
Profit for the year	58,968	113,216
Other comprehensive income (loss)	(2,021)	15,720
Total comprehensive income	<u>56,947</u>	<u>128,936</u>

d) Commitments and contingent liabilities of the joint venture

	(Unit: Thousand Baht)	
	As at 31 December	
	2023	2022
Cross currency and interest rate swap agreements	400,000	800,000

3.8 Loans to customers and accrued interest receivables

3.8.1 Classified by type of loans to customers

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	as at 31 December	
	2023	2022
Loans to customers		
Overdrafts	364	6,880
Loans	126,278,453	107,059,124
Hire purchase receivables	121,106,168	124,882,365
Less: Deferred revenue	(12,569,801)	(12,944,570)
Total loans to customers	234,815,184	219,003,799
Add: Accrued interest receivables and undue interest income	1,928,548	1,722,316
Total loans to customers and accrued interest receivables	236,743,732	220,726,115
Less: Allowance for expected credit loss	(9,915,969)	(11,844,732)
Loans to customers and accrued interest receivables - net	<u>226,827,763</u>	<u>208,881,383</u>

	(Unit: Thousand Baht)	
	Separate financial statements	
	as at 31 December	
	2023	2022
Loans to customers		
Loans	4,960,000	4,290,000
Less: Allowance for expected credit loss	(6,448)	(5,577)
Loans to customers and accrued interest receivables - net	<u>4,953,552</u>	<u>4,284,423</u>

3.8.2 Classified by residency of debtors

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Loans to customers net of				
deferred revenue				
- Domestic	224,621,735	209,783,810	4,960,000	4,290,000
- Foreign	10,193,449	9,219,989	-	-
Total	<u>234,815,184</u>	<u>219,003,799</u>	<u>4,960,000</u>	<u>4,290,000</u>

3.8.3 Classified by loan classification

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Loans to customers and accrued interest receivables				
Loans of the subsidiary				
operating a banking business	229,389,817	214,664,634	-	-
Loans of other subsidiaries	7,353,915	6,611,481	-	-
Loans of the Company	4,960,000	4,290,000	4,960,000	4,290,000
Less: Elimination	(4,960,000)	(4,840,000)	-	-
Total	236,743,732	220,726,115	4,960,000	4,290,000

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

(Unit: Thousand Baht)

	As at 31 December			
	2023		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)	205,550,730	4,947,414	189,142,376	6,631,970
Financial assets with significant increase in credit risk (Under-performing)	19,244,767	2,505,788	21,495,534	2,758,059
Financial assets that are credit-impaired (Non-performing)	4,594,320	1,444,283	4,026,724	1,292,530
Total	229,389,817	8,897,485	214,664,634	10,682,559

The subsidiary operating a banking business has continuously provided additional assistance to affected debtors in accordance with circulars of the BOT regarding the provision of financial assistance to debtors affected by COVID-19 since 2020 until present. As at 31 December 2023, the subsidiary's outstanding loan balance under the relief measures totalled Baht 3,407 million, for which the subsidiary complies with the staging assessment and the setting aside of provision in accordance with the relevant financial reporting standards.

3.8.3.2 Classified by loan classification of other subsidiaries

(Unit: Thousand Baht)

	As at 31 December			
	2023		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)	5,232,002	252,594	4,621,895	359,686
Financial assets with significant increase in credit risk (Under-performing)	1,193,369	291,912	1,133,543	311,612
Financial assets that are credit-impaired (Non-performing)	928,544	473,978	856,043	493,471
Total	7,353,915	1,018,484	6,611,481	1,164,769

3.8.3.3 Classified by loan classification of the Company

(Unit: Thousand Baht)

	As at 31 December			
	2023		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)	4,960,000	6,448	4,290,000	5,577
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	-	-	-
Total	4,960,000	6,448	4,290,000	5,577

3.8.4 Classified by loan classification and type of debtors

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

(Unit: Million Baht)

	As at 31 December 2023							
	Hire purchase receivables		Loan against auto license receivables		Other loans		Total	
	Loans to customers and accrued interest receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	91,549	2,006	28,877	891	85,125	2,050	205,551	4,947
Financial assets with significant increase in credit risk (Under-performing)	10,417	1,260	6,232	597	2,596	649	19,245	2,506
Financial assets that are credit-impaired (Non-performing)	2,431	767	1,434	460	729	217	4,594	1,444
Total	104,397	4,033	36,543	1,948	88,450	2,916	229,390	8,897

(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 receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	Allowance for expected credit loss	Loans to customers and accrued interest receivable s	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

3.8.5 Hire purchase receivables

As at 31 December 2023, receivables of the subsidiaries under hire purchase agreements amount to Baht 109,875 million (2022: Baht 113,213 million) and mostly comprise hire purchase agreements for cars. The terms of the agreements are generally between 1 to 8 years, and under most agreements interest is charged at a fixed rate as specified in agreements.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 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	39,460	74,662	3,402	3,582	121,106
Less: Deferred revenue ⁽¹⁾	(4,860)	(6,426)	(142)	(594)	(12,022)
Present value of minimum lease payment from agreements	34,600	68,236	3,260	2,988	109,084
Accrued interest receivables	623	-	-	168	791
Total	35,223	68,236	3,260	3,156	109,875
Allowance for expected credit loss					(4,775)
Net hire purchase receivables					105,100

(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	3,219	124,882
Less: Deferred revenue ⁽¹⁾	(5,067)	(6,686)	(152)	(580)	(12,485)
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.

3.8.6 Troubled debt restructuring of the subsidiary operating a banking business

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

	As at 31 December			
	2023		2022	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	2,943	1,540	1,531	1,021

3.9 Allowance for expected credit loss

As at 31 December 2023 and 2022, the Group has allowance for expected credit loss classified by type of financial assets as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	For the year ended 31 December 2023				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Interbank and money market items (assets)					
Balance - beginning of year	735	-	-	-	735
Changes from revaluation of allowance for credit loss	218	-	-	-	218
Balance - end of year	953	-	-	-	953
Investments in debt instruments measured at fair value through other comprehensive income					
Balance - beginning of year	-	-	199,921	-	199,921
Changes from revaluation of allowance for credit loss	-	-	-	-	-
Balance - end of year	-	-	199,921	-	199,921
Investments in debt instruments measured at amortised cost					
Balance - beginning of year	-	-	8,896	-	8,896
Changes from revaluation of allowance for credit loss	-	-	(172)	-	(172)
Balance - end of year	-	-	8,724	-	8,724

(Unit: Thousand Baht)

Consolidated financial statements					
For the year ended 31 December 2023					
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Loans to customers and accrued interest receivables					
Balance - beginning of year	6,989,062	3,069,670	1,786,000	-	11,844,732
Changes from transfers among stages	(92,757)	(502,446)	595,203	-	-
Changes from revaluation of allowance for credit loss	(2,749,972)	(122,343)	3,381,156	-	508,841
New financial assets purchased or acquired	2,030,361	778,264	350,361	-	3,158,986
Derecognition	(976,686)	(425,445)	(194,471)	-	(1,596,602)
Write-off	-	-	(3,999,988)	-	(3,999,988)
Balance - end of year	<u>5,200,008</u>	<u>2,797,700</u>	<u>1,918,261</u>	<u>-</u>	<u>9,915,969</u>
Other assets - accrued interest receivables on investments					
Balance - beginning of year	-	-	5,173	-	5,173
Changes from revaluation of allowance for credit loss	-	-	3,348	-	3,348
Balance - end of year	<u>-</u>	<u>-</u>	<u>8,521</u>	<u>-</u>	<u>8,521</u>
Other assets - other receivables					
Balance - beginning of year	-	-	-	21,345	21,345
Changes from revaluation of allowance for credit loss	-	-	-	8,201	8,201
New financial assets purchased or acquired	-	-	-	9,707	9,707
Derecognition	-	-	-	(2,934)	(2,934)
Write-off	-	-	-	(5,871)	(5,871)
Balance - end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,448</u>	<u>30,448</u>

(Unit: Thousand Baht)

Consolidated financial statements					
For the year ended 31 December 2022					
	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
Interbank and money market items (assets)					
Balance - beginning of year	435	-	-	-	435
Changes from revaluation of allowance for credit loss	300	-	-	-	300
Balance - end of year	<u>735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>735</u>
Investments in debt instruments measured at fair value through other comprehensive income					
Balance - beginning of year	-	-	199,921	-	199,921
New financial assets purchased or acquired	97	-	-	-	97
Derecognition	(97)	-	-	-	(97)
Balance - end of year	<u>-</u>	<u>-</u>	<u>199,921</u>	<u>-</u>	<u>199,921</u>
Investments in debt instruments measured at amortised cost					
Balance - beginning of year	-	-	11,958	-	11,958
Changes from revaluation of allowance for credit loss	-	-	(3,062)	-	(3,062)
Balance - end of year	<u>-</u>	<u>-</u>	<u>8,896</u>	<u>-</u>	<u>8,896</u>
Loans to customers and accrued interest receivables					
Balance - beginning of year	6,700,439	3,319,395	1,720,340	-	11,740,174
Changes from transfers among stages	24,608	(443,209)	418,601	-	-
Changes from revaluation of allowance for credit loss	(1,541,492)	(73,377)	2,465,055	-	850,186
New financial assets purchased or acquired	2,764,022	762,973	305,981	-	3,832,976
Derecognition	(958,515)	(496,112)	(268,566)	-	(1,723,193)
Write-off	-	-	(2,855,411)	-	(2,855,411)
Balance - end of year	<u>6,989,062</u>	<u>3,069,670</u>	<u>1,786,000</u>	<u>-</u>	<u>11,844,732</u>
Other assets - accrued interest receivables on investments					
Balance - beginning of year	-	-	1,825	-	1,825
Changes from revaluation of allowance for credit loss	-	-	3,348	-	3,348
Balance - end of year	<u>-</u>	<u>-</u>	<u>5,173</u>	<u>-</u>	<u>5,173</u>

(Unit: Thousand Baht)

Consolidated financial statements				
For the year ended 31 December 2022				
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
Other assets - other receivables				
Balance - beginning of year	-	-	-	13,295
Changes from revaluation of allowance for credit loss	-	-	-	7,756
New financial assets purchased or acquired	-	-	-	7,942
Derecognition	-	-	-	(2,001)
Write-off	-	-	-	(5,647)
Balance - end of year	-	-	-	21,345

(Unit: Thousand Baht)

Separate financial statements				
For the year ended 31 December 2023				
Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total	
Interbank and money market items (assets)				
Balance - beginning of year	14	-	-	14
Changes from revaluation of allowance for credit loss	277	-	-	277
Balance - end of year	291	-	-	291
Investments in debt instruments measured at fair value through other comprehensive income				
Balance - beginning of year	-	-	172,461	172,461
Changes from revaluation of allowance for credit loss	-	-	-	-
Balance - end of year	-	-	172,461	172,461
Loans to customers and accrued interest receivables				
Balance - beginning of year	5,577	-	-	5,577
Changes from revaluation of allowance for credit loss	871	-	-	871
Balance - end of year	6,448	-	-	6,448

(Unit: Thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2023			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Other assets - accrued interest receivables on investments				
Balance - beginning of year	-	-	4,617	4,617
Changes from revaluation of allowance for credit loss	-	-	2,988	2,988
Balance - end of year	-	-	7,605	7,605
				(Unit: Thousand Baht)
	Separate financial statements			
	For the year ended 31 December 2022			
	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 year	12	-	-	12
Changes from revaluation of allowance for credit loss	2	-	-	2
Balance - end of year	14	-	-	14
Investments in debt instruments measured at fair value through other comprehensive income				
Balance - beginning of year	-	-	172,461	172,461
Changes from revaluation of allowance for credit loss	-	-	-	-
Balance - end of year	-	-	172,461	172,461
Loans to customers and accrued interest receivables				
Balance - beginning of year	4,303	-	-	4,303
Changes from revaluation of allowance for credit loss	1,274	-	-	1,274
Balance - end of year	5,577	-	-	5,577
Other assets - accrued interest receivables on investments				
Balance - beginning of year	-	-	1,629	1,629
Changes from revaluation of allowance for credit loss	-	-	2,988	2,988
Balance - end of year	-	-	4,617	4,617

3.10 Classification of assets

3.10.1 Classification of assets under the BOT's guidelines

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

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2023					
Financial assets					
	Interbank and money market items	Debt instruments measured at fair value through other comprehensive income	Debt instruments measured at amortised cost	Loans to customers and accrued interest receivables	Total
Financial assets with no significant increase in credit risk (Performing)	48,490,651	3,066,771	-	210,782,732	262,340,154
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	20,438,136	20,438,136
Financial assets that are credit-impaired (Non-performing)	-	246,822	8,724	5,522,864	5,778,410
Total	48,490,651	3,313,593	8,724	236,743,732	288,556,700

(Unit: Thousand Baht)

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

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2023				
Financial assets				
Debt instruments measured at fair value through other comprehensive income				
Interbank and money market items	Loans to customers and accrued interest receivables	Total		
Financial assets with no significant increase in credit risk (Performing)	564,473	-	4,960,000	5,524,473
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	-
Financial assets that are credit-impaired (Non-performing)	-	220,282	-	220,282
Total	564,473	220,282	4,960,000	5,744,755

(Unit: Thousand Baht)

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

3.10.2 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 31 December		
	2023	2022
Non-performing loans to customers	5,223	4,577
Total loans to customers	234,815	219,004
Percentage of non-performing loans to customers	2.22	2.09

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

	Number of debtors as at 31 December		Loans to customers and accrued interest receivables as at 31 December		Collateral value as at 31 December		Allowance for expected credit loss provided in the accounts as at 31 December	
	2023	2022	2023	2022	2023	2022	2023	2022
			(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
1.Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET and under rehabilitation	1	1	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	756	1,784	536	908	29	185
Total	10	12	1,113	2,171	826	1,200	386	572

3.11 Properties foreclosed

(Unit: Thousand Baht)

	For the years ended 31 December	
	2023	2022
Assets from debt settlement		
Immovable assets		
Balance - beginning of year	-	-
Additions	-	12,567
Disposals	-	(12,567)
Balance - end of year	-	-
Movable assets		
Balance - beginning of year	6,702	136,893
Additions	1,155,254	1,662,931
Disposals	(1,136,089)	(1,793,122)
Balance - end of year	25,867	6,702
Total properties foreclosed	25,867	6,702
Less: Allowance for impairment		
Balance - beginning of year	152	16,371
Increase	137	43,062
Decrease	(245)	(59,281)
Balance - end of year	44	152
Total properties foreclosed - net	25,823	6,550

3.12 Investment properties

The book value of investment properties as at 31 December 2023 and 2022 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Book value - beginning of year	27,058	27,305	910,728	910,728
Gain (loss) on changes in fair value	(3,482)	(247)	23,180	-
Book value - end of year	23,576	27,058	933,908	910,728

Investment properties of the Group are office condominiums for rent and are stated at fair value. The fair value of investment properties is calculated using the asset appraisal method based on the market approach, with reference to market data of the similar and comparable assets. These valuations were made by an independent professional appraiser.

As of the appraisal date, key assumptions that are unobservable inputs used in the valuation are summarised below.

	Consolidated financial statements as of the appraisal date	Result to fair value where as an increase in assumption value
Estimated office condominium price rate (Baht/Sq.m.)	142,246	Increase in fair value
	Separate financial statements as of the appraisal date	Result to fair value where as an increase in assumption value
Estimated office condominium price rate (Baht/Sq.m.)	84,320 - 105,400	Increase in fair value

The Group has rented part of its office condominiums under operating leases with a lease term of 3 years (Separate financial statements: 3 years), and has future minimum rental fee as at 31 December 2023 and 2022 as follows:

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Not over 1 year	356	610	74,433	74,433
Over 1 but not over 3 years	-	356	148,867	-
Total	356	966	223,300	74,433

(Unit: Thousand Baht)

During the years ended 31 December 2023 and 2022, the Group has rental income of Baht 4 million (Separate financial statements: Baht 76 million).

3.13 Premises and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Revaluation basis	Cost basis				
	Office condominiums and building improvements	Land	Buildings and building improvements	Furniture, fixtures, computers and equipment	Motor vehicles	Total
Cost:						
As at 1 January 2022	2,491,071	17,509	808,275	1,090,777	162,419	4,570,051
Additions/transfers-in	2,110	-	100,812	62,153	40,815	205,890
Disposals/write-offs/transfers-out	(343)	-	(10,407)	(4,231)	(29,560)	(44,541)
As at 31 December 2022	2,492,838	17,509	898,680	1,148,699	173,674	4,731,400
Additions/transfers-in	10,331	-	226,005	137,059	19,883	393,278
Disposals/write-offs/transfers-out	-	-	(39,465)	(76,557)	(14,934)	(130,956)
Transfer accumulated depreciation to deduct cost	(164,925)	-	-	-	-	(164,925)
Surplus on revaluation	224,732	-	-	-	-	224,732
As at 31 December 2023	2,562,976	17,509	1,085,220	1,209,201	178,623	5,053,529
Accumulated depreciation:						
As at 1 January 2022	98,157	-	677,373	903,474	110,485	1,789,489
Depreciation for the year	33,332	-	66,273	78,460	21,635	199,700
Depreciation on disposals/write-offs/transfers-out	(236)	-	(10,186)	(4,228)	(29,413)	(44,063)
As at 31 December 2022	131,253	-	733,460	977,706	102,707	1,945,126
Depreciation for the year	33,672	-	86,368	82,692	20,844	223,576
Transfer accumulated depreciation to deduct cost	(164,925)	-	-	-	-	(164,925)
Depreciation on disposals/write-offs/transfers-out	-	-	(38,559)	(75,633)	(14,934)	(129,126)
As at 31 December 2023	-	-	781,269	984,765	108,617	1,874,651
Net book value:						
As at 31 December 2022	2,361,585	17,509	165,220	170,993	70,967	2,786,274
As at 31 December 2023	2,562,976	17,509	303,951	224,436	70,006	3,178,878
Depreciation for the years ended 31 December:						
2022						199,700
2023						223,576

(Unit: Thousand Baht)

	Separate financial statements			Total
	Revaluation basis	Cost basis		
	Office condominiums and building improvements	Furniture, fixtures, computers and equipment	Motor vehicles	
Cost:				
As at 1 January 2022	676,455	508,203	78,747	1,263,405
Additions/transfers-in	2,023	14,211	30,435	46,669
Disposals/write-offs/transfers-out	-	(78)	(14,807)	(14,885)
As at 31 December 2022	678,478	522,336	94,375	1,295,189
Additions/transfers-in	6,253	63,060	11,880	81,193
Disposals/write-offs/transfers-out	-	(10,298)	(10,194)	(20,492)
Transfer accumulated depreciation to deduct cost	(57,912)	-	-	(57,912)
Surplus on revaluation	100,346	-	-	100,346
As at 31 December 2023	727,165	575,098	96,061	1,398,324
Accumulated depreciation:				
As at 1 January 2022	33,769	386,997	60,966	481,732
Depreciation for the year	11,905	46,145	12,211	70,261
Depreciation on disposals/ write-offs/transfers-out	-	(78)	(14,807)	(14,885)
As at 31 December 2022	45,674	433,064	58,370	537,108
Depreciation for the year	12,238	44,328	10,898	67,464
Transfer accumulated depreciation to deduct cost	(57,912)	-	-	(57,912)
Depreciation on disposals/ write-offs/transfers-out	-	(9,842)	(10,194)	(20,036)
As at 31 December 2023	-	467,550	59,074	526,624
Net book value:				
As at 31 December 2022	632,804	89,272	36,005	758,081
As at 31 December 2023	727,165	107,548	36,987	871,700
Depreciation for the years ended 31 December:				
2022				70,261
2023				67,464

As at 31 December 2023 and 2022, the Group has buildings and equipment which have been fully depreciated but are still in use with the gross carrying amount, before deducting accumulated depreciation and allowance for loss on impairment, of approximately Baht 1,459 million and Baht 1,383 million, respectively (Separate financial statements: Baht 415 million and Baht 358 million, respectively).

The Group arranged for an independent professional appraiser to appraise the value of the office condominiums in 2023, using the market approach.

Had the office condominiums been carried in the financial statements based on cost model, their net book value as at 31 December 2023 and 2022 would have been as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Office condominiums - net				
of accumulated depreciation	905,400	922,032	264,281	269,426

As of the appraisal date, key assumptions that are unobservable inputs used in the valuation are summarised below.

	As of the appraisal date		
	Consolidated	Separate	Result to fair value
	financial statements	financial statements	where as an increase in assumption value
Estimated office condominium price rate (Baht/Sq.m.)	84,320 - 184,450	94,860 - 105,400	Increase in fair value

3.14 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Book value - beginning of year	753,866	752,829	321	600
Additions	575,744	205,833	566	-
Contract amendment	53,738	83,009	-	-
Contract termination	(3,067)	(10,034)	-	-
Depreciation for the year	(310,690)	(277,771)	(279)	(279)
Book value - end of year	<u>1,069,591</u>	<u>753,866</u>	<u>608</u>	<u>321</u>

3.15 Intangible assets

The book value of intangible assets - computer software as at 31 December 2023 and 2022 is presented as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Cost	1,722,855	1,709,166	635,109	631,491
Less: Accumulated amortisation	(1,643,742)	(1,609,563)	(590,443)	(568,809)
Net book value	<u>79,113</u>	<u>99,603</u>	<u>44,666</u>	<u>62,682</u>

A reconciliation of the net book value of intangible assets for the years ended 31 December 2023 and 2022 is presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Book value - beginning of year	99,603	130,919	62,682	74,171
Acquisitions of computer software	13,689	25,486	3,618	21,348
Amortisation for the year	(34,179)	(56,802)	(21,634)	(32,837)
Book value - end of year	<u>79,113</u>	<u>99,603</u>	<u>44,666</u>	<u>62,682</u>

As at 31 December 2023 and 2022, the Group has computer software which has been fully amortised but is still in use with the gross carrying amount, before deducting accumulated amortisation, of approximately Baht 1,548 million and Baht 1,482 million, respectively (Separate financial statements: Baht 545 million and Baht 510 million, respectively).

3.16 Other assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Receivables from clearing house	412,382	640,993	-	-
Value added tax - net	302,754	517,112	6,655	5,978
Accrued interest receivables	3,889	2,456	-	-
Fee and service receivables	482,739	505,308	160,976	120,048
Refundable income tax and prepaid income tax	40,520	24,931	30,243	22,150
Deposits	93,233	85,212	90	90
Other receivables	677,553	727,205	-	-
Other assets	446,223	454,546	80,786	93,944
Total other assets	<u>2,459,293</u>	<u>2,957,763</u>	<u>278,750</u>	<u>242,210</u>

3.17 Deposits

3.17.1 Classified by type of deposits

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December	
	2023	2022
Deposits		
Current accounts	1,529,426	1,820,826
Saving accounts	28,987,686	42,929,520
Fixed accounts		
- not over 6 months	16,285,410	12,296,262
- over 6 months but not over 1 year	20,426,149	15,578,457
- over 1 year	27,431,254	15,050,668
Certificates of deposits/negotiable certificates of deposits	113,984,747	100,590,076
Total	<u>208,644,672</u>	<u>188,265,809</u>

3.17.2 As at 31 December 2023 and 2022, all outstanding deposits are deposits from domestic depositors and are in Baht.

3.18 Interbank and money market items (liabilities)

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December					
	2023			2022		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Bank of Thailand	-	7,319,046	7,319,046	-	5,233,228	5,233,228
Commercial banks	141,011	600,000	741,011	181,090	100,000	281,090
Specialised Financial Institutions	1,181	97,021	98,202	-	221,473	221,473
Other financial institutions	290,247	57,831	348,078	346,927	112,741	459,668
Total	<u>432,439</u>	<u>8,073,898</u>	<u>8,506,337</u>	<u>528,017</u>	<u>5,667,442</u>	<u>6,195,459</u>

(Unit: Thousand Baht)

	Separate financial statements as at 31 December					
	2023			2022		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Commercial banks	-	-	-	550,000	-	550,000
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,000</u>	<u>-</u>	<u>550,000</u>

As at 31 December 2022, interbank and money market items in the separate financial statements represent borrowings from a subsidiary amounting to Baht 550 million which matured at call and beared interest at a fixed rate per annum. Interest payment on which was made on a monthly basis.

3.19 Debts issued and borrowings

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
<u>Domestic borrowings</u>				
Subordinated unsecured debentures	5,040,000	5,040,000	-	-
Unsubordinated unsecured debentures	12,210,000	10,680,000	9,410,000	7,880,000
Bills of exchange	36,122	36,122	-	-
Promissory notes	-	797	-	-
Total	<u>17,286,122</u>	<u>15,756,919</u>	<u>9,410,000</u>	<u>7,880,000</u>

3.19.1 Subordinated unsecured debentures

As at 31 December 2023 and 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		Face value (Baht per unit)	Balance		Maturity in the year	Interest rate
	as at 31 December			as at 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>		

3.19.2 Unsubordinated unsecured debentures

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

Issued year	Type of debentures	Units ⁽¹⁾		Balance as at 31 December				Maturity in the year	Interest rate
		as at 31 December		Consolidated		Separate			
		2023	2022	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	9.41	-	9,410	-	9,410	-	2024	2.75 percent per annum
2022	Long-term debenture	2.80	2.80	2,800	2,800	-	-	2024	1.25 percent per annum
Total				<u>12,210</u>	<u>10,680</u>	<u>9,410</u>	<u>7,880</u>		

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

3.19.3 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.

3.20 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Balance - beginning of year	766,730	755,581	338	630
Increase during the year	615,331	229,385	594	-
Contract amendment	76,680	99,468	-	-
Paid during the year	(349,910)	(307,059)	(293)	(292)
Terminated during the year	(3,312)	(10,645)	-	-
Balance - end of year	1,105,519	766,730	639	338
Less: Deferred interest expenses	(96,149)	(66,472)	(25)	(6)
Lease liabilities - net	1,009,370	700,258	614	332
Current portion	(198,791)	(163,306)	(277)	(239)
Lease liabilities - net of current portion	810,579	536,952	337	93

The Group had total cash outflows on leases during the years ended 31 December 2023 and 2022 of Baht 367 million and Baht 322 million, respectively (Separate financial statements: Baht 2 million and Baht 2 million, respectively).

Expenses relating to leases that are recognised in profit or loss for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Depreciation expenses of right-of-use assets	311	278	-	-
Interest expenses on lease liabilities	33	22	-	-
Expenses relating to variable lease payments	17	15	2	2
Total	361	315	2	2

3.21 Provisions

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Allowance for expected credit loss on loan commitments and financial guarantees	24,776	9,556	-	-
Provision for long-term employee benefits	1,921,681	1,702,710	305,596	287,935
Other provisions	40,698	-	-	-
Total provisions	1,987,155	1,712,266	305,596	287,935

3.2.1.1 Allowance for expected credit loss on loan commitments and financial guarantees

As at 31 December 2023 and 2022, allowance for expected credit loss on loan commitments and financial guarantees by classification is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December			
	2023		2022	
	Loan commitments and financial guarantees	Allowance for expected credit loss	Loan commitments and financial guarantees	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	2,750,106	24,683	3,184,910	8,745
Financial assets with significant increase in credit risk (Underperforming)	1,933	93	13,801	792
Financial assets that are credit-impaired (Non-performing)	-	-	59	19
Total	2,752,039	24,776	3,198,770	9,556

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

(Unit: Thousand Baht)

	Consolidated financial statements for the year ended 31 December 2023			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Balance - beginning of year	8,745	792	19	9,556
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	15,938	(699)	(19)	15,220
Balance - end of year	24,683	93	-	24,776

(Unit: Thousand Baht)

	Consolidated financial statements for the year ended 31 December 2022			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Balance - beginning of year	1,527	-	-	1,527
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	7,218	792	19	8,029
Balance - end of year	8,745	792	19	9,556

3.21.2 Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement and other long-term benefits, is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Defined post-employment benefit obligation at beginning of year	1,409,306	1,414,278	262,861	273,863
Current service cost	100,101	94,550	14,291	14,179
Interest cost	37,460	32,920	5,706	4,933
Benefits paid during the year	(34,937)	(28,051)	(4,863)	(5,140)
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	42,292	63,976	11,176	12,743
Financial assumptions changes	(136,663)	(248,266)	(27,021)	(35,953)
Other assumptions changes	133,543	79,899	17,234	(1,764)
Defined post-employment benefit obligation at end of year	1,551,102	1,409,306	279,384	262,861
Other long-term benefits	370,579	293,404	26,212	25,074
Total provision for long-term employee benefits at end of year	1,921,681	1,702,710	305,596	287,935

Long-term employee benefit expenses included in the profit or loss for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Current service cost	129,869	123,045	16,292	16,212
Interest cost	45,261	38,920	6,287	5,399
Actuarial (gain) loss	64,711	(32,674)	707	(5,557)
Total employee benefit expenses	239,841	129,291	23,286	16,054

As at 31 December 2023 and 2022, the Group expects to pay long-term employee benefits during the next year of Baht 256 million and Baht 196 million, respectively (Separate financial statements: Baht 102 million and Baht 71 million, respectively).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefits is 15 years and 15 years, respectively (Separate financial statements: 10 years and 11 years, respectively).

Significant actuarial assumptions as at the assessment date are summarised below.

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2023	2022	2023	2022
Discount rate	1.00 - 4.34	1.00 - 4.94	1.00 - 4.18	1.00 - 4.75
Average salary increase rate	5.00	5.00	5.00	5.00
Turnover rate	0.79 - 7.69	0.72 - 7.88	0.79 - 7.69	0.72 - 7.88

The results of sensitivity analysis for significant assumptions that affect the increase (decrease) in the present value of the employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December			
	2023		2022	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Discount rate	(37,038)	38,548	(34,402)	35,806
Average salary increase rate	37,741	(36,458)	35,094	(33,897)
Turnover rate	(4,611)	4,611	(4,190)	4,190

(Unit: Thousand Baht)

	Separate financial statements as at 31 December			
	2023		2022	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Discount rate	(3,848)	3,983	(3,886)	4,018
Average salary increase rate	3,895	(3,783)	3,926	(3,817)
Turnover rate	(776)	776	(731)	731

3.22 Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Payables to clearing house	170	186	-	-
Withholding income tax and other tax payables	527,338	501,797	100,184	100,273
Accrued insurance premium	460,268	541,440	-	-
Deferred income	1,349,620	1,393,492	-	-
Accrued expenses	3,751,526	3,399,927	1,183,377	1,338,544
Suspense creditors	874,927	803,371	-	-
Other liabilities	530,038	460,024	111	101
Total other liabilities	7,493,887	7,100,237	1,283,672	1,438,918

The above accrued expenses include accrued bonus expenses which are remunerations paid to employees and management based on annual performance. These accrued bonus expenses include costs of annual bonus that are determined with reference to the Company's share price, paid to employees whose performance impacts the Company's operating results, as an incentive to work effectively and to build loyalty to the Company. This

vested bonus is continuously set aside for payment five years later. It is paid in cash and partly determined based on the average daily price of the Company's shares over the period of five years from grant date to settlement date. As of 31 December 2023 and 2022, the Group has accrued bonus under this scheme amounting to Baht 340 million and Baht 376 million, respectively (Separate financial statements: Baht 163 million and Baht 176 million, respectively) and recognised expenses in profit or loss during the years ended 31 December 2023 and 2022 amounting to Baht 131 million and Baht 135 million, respectively (Separate financial statements: Baht 66 million and Baht 67 million, respectively).

As at 31 December 2022, the above other liabilities include advances received from Electronic Funds Transfer transactions of the subsidiary operating a banking business amounting to Baht 0.03 million, and the subsidiary maintained an asset amounting to Baht 10 million to reserve for advances received through such transactions, presented under interbank and money market items (assets) in the statement of financial position as at 31 December 2023 (2022: Baht 11 million).

3.23 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 Standardised Approach (SA) is implemented to maintain capital adequacy ratio.

Regarding Capital funds as at 31 December 2023 and 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 method under the BOT's regulations.

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

	(Unit: Thousand Baht)	
	As at 31 December	
	2023	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	1,840,984	1,831,007
Less: Deductions from Common Equity Tier I items	(1,076,237)	(1,023,648)
Total Common Equity Tier I capital	33,436,920	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	33,437,019	32,372,334
<u>Tier II capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	865,644	786,626
Reserve for loans classified as normal	707,162	720,745
Total Tier II capital	6,612,806	6,547,371
Total capital funds	40,049,825	38,919,705

(Unit: Percent)

Capital fund ratios	As at 31 December			
	2023		2022	
	Financial Business Group	Requirement	Financial Business Group	Requirement
Common Equity Tier I capital to risk assets	16.29	7.00	17.15	7.00
Tier I capital to risk assets	16.29	8.50	17.15	8.50
Total capital to risk assets	19.51	11.00	20.62	11.00

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

(Unit: Thousand Baht)

	As at 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	297,377	300,977
Less: Deductions from Common Equity Tier I items	(376,687)	(229,831)
Total Common Equity Tier I capital	34,816,796	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	34,816,797	33,231,336
<u>Tier II Capital</u>		
Long-term subordinated debentures	5,040,000	5,040,000
Surplus of provision	841,867	765,917
Reserve for loans classified as normal	542,519	520,205
Total Tier II capital	6,424,386	6,326,122
Total capital funds	41,241,183	39,557,458

(Unit: Percent)

Capital fund ratios	As at 31 December			
	2023		2022	
	TISCO Bank	Requirement	TISCO Bank	Requirement
Common Equity Tier I capital to risk assets	18.87	7.00	19.63	7.00
Tier I capital to risk assets	18.87	8.50	19.63	8.50
Total capital to risk assets	22.35	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 will disclose capital maintenance information of the Financial Business Group as at 31 December 2023 on its website (www.tisco.co.th) by April 2024.

3.24 Other components of equity

3.24.1 Surplus on valuation of investments measured at fair value through other comprehensive income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Balance - beginning of year	1,339	2,756	3,071	3,071
Increase (decrease) from changes in value of investments during the year	18,160	(1,417)	18,011	-
	19,499	1,339	21,082	3,071
Less: Effect of deferred tax liabilities	(3,900)	(268)	(4,216)	(614)
Balance - end of year	15,599	1,071	16,866	2,457

3.24.2 Surplus on revaluation of assets

This represents surplus arising from revaluation of office condominiums. The surplus is amortised to retained earnings on a straight-line basis over the remaining life of the related assets.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Balance - beginning of year	1,437,294	1,441,744	380,391	381,231
Revaluation	224,732	-	100,346	-
Transfer to retained earnings	(4,450)	(4,450)	(840)	(840)
	1,657,576	1,437,294	479,897	380,391
Less: Effect of deferred tax liabilities	(331,515)	(287,457)	(95,980)	(76,078)
Balance - end of year	1,326,061	1,149,837	383,917	304,313

3.25 Interest income

Interest income in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Interbank and money market items	767,479	211,894	421	420
Investments in debt securities	159,090	86,797	7,118	4,820
Loans to customers	10,286,349	7,473,709	126,565	66,782
Hire purchase receivables	6,824,118	7,131,899	-	-
Total interest income	18,037,036	14,904,299	134,104	72,022

Interest income for the years ended 31 December 2023 and 2022 included interest income on credit-impaired financial assets amounting to Baht 549 million and Baht 406 million, respectively. The subsidiaries fully recognised expected credit loss on such interest income.

3.26 Interest expenses

Interest expenses in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Deposits	2,856,725	1,398,314	-	-
Interbank and money market items	21,949	17,158	37,286	6,207
Contribution fee to the Deposit Protection Agency and the Bank of Thailand	954,061	428,225	-	-
Issued debt securities				
- Subordinated debentures	184,235	209,384	-	-
- Unsubordinated debentures	157,792	94,849	122,792	58,972
Borrowings	904	911	-	-
Others	32,728	21,826	9	11
Total interest expenses	<u>4,208,394</u>	<u>2,170,667</u>	<u>160,087</u>	<u>65,190</u>

3.27 Net fee and service income

Net fee and service income in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Fee and service income				
- Acceptance, aval and guarantees	21,928	19,847	-	-
- Insurance service	2,523,582	2,608,922	-	-
- Brokerage fee	579,527	700,058	-	-
- Fund management	1,453,774	1,378,036	-	-
- Others	732,046	792,054	-	-
Total fee and service income	<u>5,310,857</u>	<u>5,498,917</u>	<u>-</u>	<u>-</u>
Fee and service expenses				
- Information service expenses	(18,064)	(19,456)	-	-
- Others	(425,306)	(433,812)	(19,317)	(17,902)
Total fee and service expenses	<u>(443,370)</u>	<u>(453,268)</u>	<u>(19,317)</u>	<u>(17,902)</u>
Net fee and service income	<u>4,867,487</u>	<u>5,045,649</u>	<u>(19,317)</u>	<u>(17,902)</u>

3.28 Net gain (loss) on financial instruments measured at fair value through profit or loss

Net gain (loss) on financial instruments measured at fair value through profit or loss in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Gain (loss) on trading and foreign exchange transactions				
- Foreign currencies and derivatives on foreign exchange	(81,220)	12,504	(11,056)	39,603
- Debt instruments	27,360	22,305	-	-
- Equity instruments	24,718	51,559	(29,703)	(133,386)
- Others	(22)	52	-	-
Net gain (loss) on financial instruments measured at fair value through profit or loss	<u>(29,164)</u>	<u>86,420</u>	<u>(40,759)</u>	<u>(93,783)</u>

3.29 Net gain on investments

Net gain on investments in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Gain on derecognition				
- Debt instruments measured at fair value through other comprehensive income	1,092	760	-	10
- Debt instruments measured at amortised cost	4,265	2,041	-	-
Net gain on investments	<u>5,357</u>	<u>2,801</u>	<u>-</u>	<u>10</u>

3.30 Expected credit loss

Expected credit loss and gain or loss from the modifications of terms of financial assets in the statements of comprehensive income for the years ended 31 December 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Expected credit loss				
- Interbank and money market items	218	300	277	2
- Investments in debt instruments measured at amortised cost (reversal)	(172)	(3,062)	-	-
- Investments in debt instruments measured at fair value through other comprehensive income and accrued interest receivables	3,348	3,348	2,988	2,988
- Loans to customers	613,026	711,680	871	1,274
- Other receivables	9,159	6,060	-	-
Gain from the modification of terms				
- Loans to customers	(25,447)	(3,678)	-	-
Loan commitments and financial guarantees	15,220	8,029	-	-
Total	615,352	722,677	4,136	4,264

3.31 Income tax expenses

Income tax expenses of the Group for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Current income tax:				
Income tax expenses for the year	1,866,714	1,858,039	65,819	97,464
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	(78,319)	(90,631)	66,524	15,703
Adjustments of prior year's income tax	-	(686)	-	-
Income tax expenses reported in the statement of comprehensive income	1,788,395	1,766,722	132,343	113,167

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
(Gain) loss on valuation of investments in debt instruments measured at fair value through other comprehensive income	(3,632)	283	(3,602)	-
Changes in surplus on revaluation of assets	(44,946)	-	(20,069)	-
Actuarial (gain) loss	7,597	(20,939)	278	(4,995)
Income tax expenses recorded directly to other comprehensive income	(40,981)	(20,656)	(23,393)	(4,995)

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2023 and 2022 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Accounting profit before tax	9,089,997	8,991,261	6,816,487	5,859,376
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,818,000	1,798,252	1,363,297	1,171,875
Income tax effects:				
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	(20,043)	(15,333)	(1,230,954)	(1,058,708)
Adjustments of prior year's income tax	-	(686)	-	-
Others	(9,562)	(15,511)	-	-
Income tax expenses reported in the statement of comprehensive income	1,788,395	1,766,722	132,343	113,167
Weighted average tax rate	19.67%	19.65%	1.94%	1.93%

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December		Changes in deferred tax assets/liabilities reported in profit or loss for the years ended 31 December	
	2023	2022	2023	2022
Allowance for expected credit loss	259,844	283,298	(23,454)	22,467
Allowance for impairment of investments	24,321	24,321	-	-
Allowance for impairment of properties foreclosed	9	30	(21)	(3,244)
Non-accrual of interest income	2,907	4,082	(1,175)	(1,646)
Depreciation of assets	(57,392)	(60,978)	3,586	1,706
Gain on changes in fair value of investment properties	(3,906)	(4,073)	167	49
Surplus on revaluation of assets	(337,831)	(293,662)	-	-
Surplus on changes in value of investments	(3,900)	(268)	-	-
Gain on changes in value of investments	(162,109)	(119,038)	(43,071)	(10,355)
Deferred commission and direct expenses incurred at the initiation of hire purchase	(59,395)	(107,603)	48,208	85,188
Unearned interest income on hire purchase	3,125	13,226	(10,101)	(29,308)
Loss on disposal of properties foreclosed	54,592	48,520	6,072	(20,041)
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	604,275	594,477	9,798	21,447
Employee benefit expenses	382,556	338,750	36,209	15,864
Others	140,088	87,987	52,101	8,504
Deferred tax assets	868,619	830,504	78,319	90,631

As at 31 December 2023 and 2022, a subsidiary has unused tax loss totalling Baht 2 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 as at 31 December 2023 will expire by 2024 - 2025.

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December		Changes in deferred tax assets/liabilities reported in profit or loss for the years ended 31 December	
	2023	2022	2023	2022
Allowance for expected credit loss	37,361	36,534	827	853
Allowance for impairment of investments	21,732	21,732	-	-
Depreciation of assets	(47,699)	(44,747)	(2,952)	(1,280)
Gain on changes in fair value of investment properties	(97,025)	(92,082)	(4,943)	-
Surplus on revaluation of assets	(95,980)	(76,078)	-	-
Surplus on changes in value of investments	(4,216)	(614)	-	-
Loss on changes in value of investments	17,199	49,361	(32,162)	26,677
Reduction of subsidiaries' share capital	21,435	21,435	-	-
Accrued expenses	229,379	260,574	(31,195)	(44,459)
Employee benefit expenses	61,119	57,587	3,254	1,859
Others	1,649	1,002	647	647
Deferred tax assets	144,954	234,704	(66,524)	(15,703)

3.32 Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares and preference shares in issue during the year. The rights and benefits of the preference shareholders have been equal to those of the ordinary shareholders.

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Profit attributable to equity holders of the Company (Thousand Baht)	7,301,113	7,224,078	6,684,144	5,746,209
Weighted average number of shares (Thousand shares)	800,655	800,655	800,655	800,655
Basic earnings per share (Baht/share)	9.12	9.02	8.35	7.18

3.33 Related party transactions

The relationships between the Company and its related parties

Name of related parties	Relationship
TISCO Bank Public Company Limited	Subsidiary company
TISCO Securities Co., Ltd.	Subsidiary company
TISCO Asset Management Co., Ltd.	Subsidiary company
Hi-Way Co., Ltd.	Subsidiary company
TISCO Insurance Solution Co., Ltd.	Subsidiary company
TISCO Information Technology Co., Ltd.	Subsidiary company
TISCO Learning Center Co., Ltd.	Subsidiary company
All-Ways Co., Ltd.	Subsidiary company
Primus Leasing Co., Ltd. (In the process of liquidation)	Subsidiary company
TISCO Tokyo Leasing Co., Ltd.	Joint venture company

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	as at 31 December	
	2023	2022
<u>Outstanding balances</u>		
Joint venture company		
Deposits	4,100	2,808
Commitments - financial guarantees	8,000	8,000
Management - departmental managers upward		
Loans ⁽¹⁾	20,208	18,836
Directors and management - departmental managers upward		
Deposits	606,203	500,148
Companies which directors or their related persons have significant influence over		
Deposits	340,720	796,166
Related persons of directors and key management		
Deposits	65,699	62,162

(1) Including employee welfare loans and normal loans.

(Unit: Thousand Baht)

Separate financial statements as at 31 December

	2023	2022
<u>Outstanding balances</u>		
(Eliminated from the consolidated financial statements)		
Subsidiaries		
Interbank and money market items - net (assets)		
TISCO Bank Public Company Limited	564,460	27,255
Loans to customers		
Hi-way Co., Ltd.	4,960,000	4,290,000
Dividend receivables		
TISCO Bank Public Company Limited	2,524,785	3,372,521
TISCO Securities Co., Ltd.	60,000	140,000
TISCO Asset Management Co., Ltd.	649,996	619,996
Hi-Way Co., Ltd.	540,000	672,000
TISCO Insurance Solution Co., Ltd.	289,990	309,989
TISCO Information Technology Co., Ltd.	114,996	129,996
TISCO Learning Center Co., Ltd.	64,996	42,497
Other assets		
TISCO Bank Public Company Limited	161,125	119,625
TISCO Learning Center Co., Ltd.	393	465
Interbank and money market items (liabilities)		
TISCO Bank Public Company Limited	-	550,000
Other liabilities		
TISCO Learning Center Co., Ltd.	604	205

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

Loans to related companies

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

(Unit: Thousand Baht)

	For the year ended 31 December 2023			Balance - end of year
	Balance - beginning of year	Increase	Decrease	
Subsidiaries				
Loans				
Hi-Way Co., Ltd.	4,290,000	1,270,000	(600,000)	4,960,000
(Unit: Thousand Baht)				
	For the year ended 31 December 2022			Balance - end of year
	Balance - beginning of year	Increase	Decrease	
Subsidiaries				
Loans				
Hi-Way Co., Ltd.	3,310,000	1,120,000	(140,000)	4,290,000

Borrowings from related companies

As at 31 December 2023 and 2022, the balances of borrowings between the Company and its related companies (Interbank and money market items) and their movements are as follows:

	For the year ended 31 December 2023			Balance - end of year
	Balance - beginning of year	Increase	Decrease	
Subsidiaries				
Borrowings				
TISCO Bank Public Company Limited	550,000	4,710,000	(5,260,000)	-
				(Unit: Thousand Baht)
	For the year ended 31 December 2022			Balance - end of year
	Balance - beginning of year	Increase	Decrease	
Subsidiaries				
Borrowings				
TISCO Bank Public Company Limited	565,000	1,640,000	(1,655,000)	550,000

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on bases agreed upon between the Company and those related parties.

	Consolidated		Separate		Terms and pricing policies
	financial statements		financial statements		
	For the years ended		For the years ended		
	31 December		31 December		
	2023	2022	2023	2022	
<u>Transactions occurred during the years</u>					
Joint venture company					
Other income	8,594	8,693	-	-	With reference to the terms and prices as offered to other customers
Subsidiaries					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	126,986	67,202	With reference to the terms and prices as offered to other customers
Risk and financial management fee income, human resources management fee income and office administration fee income	-	-	2,361,821	2,131,000	Determined on market prices and/or actual costs in compliance with the criteria specified by the BOT

(Unit: Thousand Baht)

	Consolidated		Separate		Terms and pricing policies
	financial statements		financial statements		
	For the years ended		For the years ended		
	31 December		31 December		
	2023	2022	2023	2022	
Rental income	-	-	74,433	74,433	With reference to the terms and prices as offered to other customers
Computer system advisory service expenses	-	-	386,000	370,000	Determined on actual costs in compliance with the criteria specified by the BOT
Training expenses	-	-	11,495	13,059	With reference to the prices as offered from other service providers
Interest expenses	-	-	37,283	6,207	With reference to the terms and prices as offered to other customers
Other expenses	-	-	1,808	1,821	With reference to the terms and prices as offered to other customers

Directors' and key management's benefits

During the years ended 31 December 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		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
	Short-term benefits	813	771	461
Post-employment benefits	70	65	35	32
Total	883	836	496	469

The Group has other employee benefit expenses to its directors and key management recognised in profit or loss during the years ended 31 December 2023 and 2022 amounting to Baht 75 million and Baht 96 million, respectively (Separate financial statements: Baht 54 million and Baht 67 million, respectively).

3.34 Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Group Chief Executive of TISCO Group.

For management purposes, the Group operates four main businesses as follows:

1. Commercial banking business: Provides financial services under the Commercial Banking Business license. Banking services are provided through TISCO Bank Public Company Limited headquarter and its branches.

2. Securities business: Provides securities business services under the Securities Business license. These businesses are serviced through the headquarter and branches of a subsidiary across the country.
3. Asset management business: Provides asset management services.
4. Support business: Provides all governance and support functions of the Group.

The Group has aggregated operating segments that have similar economic characteristics and are similar in the other respects required by the Thai Financial Reporting Standard.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Group's income taxes are managed on a group basis; therefore, income tax expenses are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in the financial statements pertain exclusively to this geographical reportable segment.

During the years ended 31 December 2023 and 2022, the Group did not have income from any customers amounting to or over 10 percent of its income.

Revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022 is as follows:

(Unit: Million Baht)

	For the year ended 31 December 2023						Consolidated financial statements
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	
Revenue:							
External customers	16,884	619	1,623	(80)	19,046	-	19,046
Inter-segment	1,075	4	(47)	9,919	10,951	(10,951)	-
Total revenue	17,959	623	1,576	9,839	29,997	(10,951)	19,046
Operating results:							
Net interest income	13,758	77	10	(17)	13,828	1	13,829
Net fee and service income	3,848	559	1,556	1,267	7,230	(2,363)	4,867
Other operating income	353	(13)	10	8,589	8,939	(8,589)	350
Total operating income	17,959	623	1,576	9,839	29,997	(10,951)	19,046
Premises and equipment expenses and amortisation	(1,613)	(82)	(41)	(1,003)	(2,739)	1,106	(1,633)
Other operating expenses	(8,516)	(441)	(675)	(1,762)	(11,394)	3,686	(7,708)
Expected credit loss	(610)	-	-	(4)	(614)	(1)	(615)
Total operating expenses	(10,739)	(523)	(716)	(2,769)	(14,747)	4,791	(9,956)
Segment profit before income tax expenses	7,220	100	860	7,070	15,250	(6,160)	9,090
Income tax expenses							(1,788)
Non-controlling interests of the subsidiaries							(1)
Profit for the year - equity holders of the Company							7,301

(Unit: Million Baht)

For the year ended 31 December 2022							
	Commercial banking and lending business	Securities business	Asset managemen t business	Support business	Total segments	Eliminations	Consolidate d financial statements
Revenue:							
External customers	16,051	784	1,527	(57)	18,305	-	18,305
Inter-segment	974	1	(45)	8,630	9,560	(9,560)	-
Total revenue	17,025	785	1,482	8,573	27,865	(9,560)	18,305
Operating results:							
Net interest income	12,703	16	4	8	12,731	3	12,734
Net fee and service income	3,810	744	1,467	1,146	7,167	(2,121)	5,046
Other operating income	512	25	11	7,419	7,967	(7,442)	525
Total operating income	17,025	785	1,482	8,573	27,865	(9,560)	18,305
Premises and equipment expenses and amortisation	(1,457)	(81)	(31)	(900)	(2,469)	1,046	(1,423)
Other operating expenses	(7,757)	(511)	(622)	(1,551)	(10,441)	3,273	(7,168)
Expected credit loss	(720)	-	-	(5)	(725)	2	(723)
Total operating expenses	(9,934)	(592)	(653)	(2,456)	(13,635)	4,321	(9,314)
Segment profit before income tax expenses	7,091	193	829	6,117	14,230	(5,239)	8,991
Income tax expenses							(1,767)
Non-controlling interests of the subsidiaries							-
Profit for the year - equity holders of the Company							7,224

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

(Unit: Million Baht)

	As at 31 December 2023						Consolidated financial statements
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	
Segment total assets	284,310	2,700	1,774	34,014	322,798	(32,074)	290,724
Premises and equipment - net	1,086	21	253	885	2,245	934	3,179

(Unit: Million Baht)

	As at 31 December 2022						Consolidated financial statements
	Commercial banking and lending business	Securities business	Asset management business	Support business	Total segments	Eliminations	
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

3.35 Provident fund

The Company, its eight subsidiaries and their employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Group and the employees contribute to the funds monthly at the rates of 5 to 15 percent of the employees' salaries, in accordance with the rules prescribed in the funds' articles. The provident funds of the Company and its subsidiaries, totalling eight companies, are managed by TISCO Asset Management Company Limited, and the fund of another subsidiary is managed by Bangkok Bank Public Company Limited. The funds will be paid to the employees upon termination in accordance with the fund rules. During the years ended 31 December 2023 and 2022, the Group recognised the contributions as expenses totalling Baht 376 million and Baht 354 million, respectively (Separate financial statements: Baht 54 million and Baht 51 million, respectively).

3.36 Commitments and contingent liabilities

3.36.1 Avals, guarantees and commitments

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December	
	2023	2022
Avals to bills	230,502	182,479
Other guarantees	1,570,840	1,840,962
Foreign exchange contracts (Note 3.37.4)	2,386,981	1,739,526
Others	2,513,537	3,008,291
Total	6,701,860	6,771,258

3.36.2 Litigation

As at 31 December 2023 and 2022, the subsidiaries have been sued for compensation totalling approximately Baht 206 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 judgments in assessing the possible loss to the Group and recorded the amount under "Provisions" as presented in Note 3.21 to the financial statements.

3.36.3 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.

3.37 Risk management

3.37.1 Credit risk

Credit Risk is defined as the possibility that the obligor or borrower will be unable to comply with the terms and conditions of agreements, causing them to be unable to settle liabilities to the Group when due or to deliberately breach the terms of payment to the Group. If this occurs without collateral coverage, the Group will need to increase its bad debt provisions, adversely impacting the net income and capital of the Group.

Credit Risk Management Framework

The Risk Management Committee has been appointed to oversee credit risk management of the overall portfolio. The committee is responsible for formulating credit risk strategies and establishing guidelines and limits, as well as advising other credit risk authorities on related issues. It also monitors and reviews credit risks at the portfolio level and reports essential credit risk information to the Board. In addition, the Risk Oversight Committee is to advise the Board of Directors on the risk governance framework to ensure that top management and heads of risk management functions comply with the approved risk management policy, strategies, and risk appetites, while reviewing the sufficiency and effectiveness of the overall risk management policy and strategies. The Risk Oversight Committee is also to report to the Board of Directors on risk exposures and to participate in evaluation of the performance of the heads of the risk management functions.

Specific-area credit risk at in-depth transaction level is under the supervision of the Credit Committee and the Problem Loan Committee. The Credit Committee is responsible for reviewing and granting credit approvals, and may delegate its authority to oversee credit risk to designated persons for lower-risk transactions. In addition, the Problem Loan Committee was set up to closely monitor and follow up on overdue payments of problem loan accounts and properties foreclosed.

The credit risk assessment processes are key practices of the Group which include credit rating, delinquency analysis, concentration analysis and risk capital analysis. The Group is aware of the importance of the credit risk assessment process and so all credit activities must operate under a sound credit approval process in which an effective credit rating system is employed. In the retail lending area, quantitative-oriented approaches to credit grading are implemented, considering homogenous high-volume characteristics at the portfolio level. In the corporate lending area, qualitative-oriented credit grading approaches are employed, taking into account the widely varying risk profiles.

Concentration risk is another key factor in credit portfolio risk management. Appropriate guidelines are set to control credit concentration, taking into account appropriateness to and alignment with business practices and the Group's capital. In addition, the Group uses credit risk management guidelines and limits that are comprehensively and strictly applied to all credit-related functions both at the portfolio and transactional levels, as well as monitoring and managing problem loan and properties foreclosed.

The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown at gross before both the effect of mitigation through use of master netting and collateral arrangements.

For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their gross carrying amount before deductions of allowance for expected credit loss.

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

As at 31 December 2023 and 2022, the exposure to credit risk is as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	as at 31 December		as at 31 December	
	2023	2022	2023	2022
Interbank and money market items (Assets)	48,491	40,273	564	27
Investments in debt instruments measured at fair value through other comprehensive income	3,314	3,990	220	202
Investments in debt instruments measured at amortised cost	9	9	-	-
Loans to customers and accrued interest receivables	236,744	220,726	4,960	4,290
Securities and derivatives business receivables	497	611	-	-
Other assets - receivables from clearing house	412	641	-	-
Other assets - accrued interest receivables on investments	13	7	8	5
Other assets - fee and service receivables	483	505	161	120
Other assets - other receivables	708	748	-	-
Total financial assets	290,671	267,510	5,913	4,644
Loan commitments	2,752	3,199	-	-
Total credit risk exposure	293,423	270,709	5,913	4,644

Collateral and any operations to increase creditability

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

	Exposure to risk with collateral		Type of collateral
	as at 31 December		
	2023	2022	
Interbank and money market items	44,326	36,508	Bonds
Loans to customers and accrued interest receivables	234,003	218,635	Motor vehicles, land and buildings, deposits, securities

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

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

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2023					
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	Total
Interbank and money market items					
(Assets)					
Investment grade	48,491	-	-	-	48,491
Non-investment grade	-	-	-	-	-
Total	48,491	-	-	-	48,491
Allowance for expected credit loss	1	-	-	-	1
Investments in debt instruments measured at fair value through other comprehensiv income					
Investment grade	3,067	-	-	-	3,067
Non-investment grade	-	-	247	-	247
Total	3,067	-	247	-	3,314
Allowance for expected credit loss	-	-	200	-	200
Investments in debt instruments measured at amortised cost					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	9	-	9
Total	-	-	9	-	9
Allowance for expected credit loss	-	-	9	-	9
Loans to customers and accrued interest receivables					
0 day overdue	196,615	2,160	157	-	198,932
1 - 30 days overdue	14,168	2,836	87	-	17,091
31 - 60 days overdue	-	10,769	146	-	10,915
61 - 90 days overdue	-	4,673	167	-	4,840
Over 90 days overdue	-	-	4,966	-	4,966
Total	210,783	20,438	5,523	-	236,744
Allowance for expected credit loss	5,200	2,798	1,918	-	9,916

(Unit: Million Baht)

	Consolidated financial statement as at 31 December 2023				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Securities and derivatives business receivables					
0 day overdue	497	-	-	-	497
1 - 30 days overdue	-	-	-	-	-
Total	497	-	-	-	497
Allowance for expected credit loss	-	-	-	-	-
Other assets - receivables from clearing house					
0 day overdue	412	-	-	-	412
1 - 30 days overdue	-	-	-	-	-
Total	412	-	-	-	412
Allowance for expected credit loss	-	-	-	-	-
Other assets - accrued interest receivables on investments					
Investment grade	4	-	-	-	4
Non-investment grade	-	-	9	-	9
Total	4	-	9	-	13
Allowance for expected credit loss	-	-	9	-	9
Other assets - fee and service receivables					
0 day overdue	-	-	-	483	483
1-30 days overdue	-	-	-	-	-
Total	-	-	-	483	483
Allowance for expected credit loss	-	-	-	-	-
Other assets - other receivables					
0 day overdue	-	-	-	577	577
1 - 30 days overdue	-	-	-	78	78
31 - 90 days overdue	-	-	-	14	14
91 - 180 days overdue	-	-	-	9	9
Over 180 days overdue	-	-	-	30	30
Total	-	-	-	708	708
Allowance for expected credit loss	-	-	-	30	30
Commitments					
Loan commitments and financial guarantees	2,750	2	-	-	2,752
Total	2,750	2	-	-	2,752
Allowance for expected credit loss	25	-	-	-	25

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022					
	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
Interbank and money market items					
(Assets)					
Investment grade	40,273	-	-	-	40,273
Non-investment grade	-	-	-	-	-
Total	40,273	-	-	-	40,273
Allowance for expected credit loss	1	-	-	-	1
Investments in debt instruments					
measured at fair value through other					
comprehensive income					
Investment grade	3,763	-	-	-	3,763
Non-investment grade	-	-	227	-	227
Total	3,763	-	227	-	3,990
Allowance for expected credit loss	-	-	200	-	200
Investments in debt instruments measured					
at amortised cost					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	9	-	9
Total	-	-	9	-	9
Allowance for expected credit loss	-	-	9	-	9
Loans to customers and accrued interest					
receivables					
0 day overdue	183,506	4,094	136	-	187,736
1 - 30 days overdue	9,708	4,880	117	-	14,705
31 - 60 days overdue	-	9,911	143	-	10,054
61 - 90 days overdue	-	3,744	127	-	3,871
Over 90 days overdue	-	-	4,360	-	4,360
Total	193,214	22,629	4,883	-	220,726
Allowance for expected credit loss	6,989	3,070	1,786	-	11,845
Securities and derivatives business					
receivables					
0 day overdue	611	-	-	-	611
1 - 30 days overdue	-	-	-	-	-
Total	611	-	-	-	611
Allowance for expected credit loss	-	-	-	-	-

(Unit: Million Baht)

Consolidated financial statement as at 31 December 2022

	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
Other assets - receivables from clearing house					
0 day overdue	641	-	-	-	641
1 - 30 days overdue	-	-	-	-	-
Total	641	-	-	-	641
Allowance for expected credit loss	-	-	-	-	-
Other assets - accrued interest receivables on investments					
Investment grade	2	-	-	-	2
Non-investment grade	-	-	5	-	5
Total	2	-	5	-	7
Allowance for expected credit loss	-	-	5	-	5
Other assets - fee and service receivables					
0 day overdue	-	-	-	505	505
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	505	505
Allowance for expected credit loss	-	-	-	-	-
Other assets - other receivables					
0 day overdue	-	-	-	644	644
1 - 30 days overdue	-	-	-	57	57
31 - 90 days overdue	-	-	-	16	16
91 - 180 days overdue	-	-	-	10	10
Over 180 days overdue	-	-	-	21	21
Total	-	-	-	748	748
Allowance for expected credit loss	-	-	-	21	21
Commitments					
Loan commitments and financial guarantees	3,185	14	-	-	3,199
Total	3,185	14	-	-	3,199
Allowance for expected credit loss	9	1	-	-	10

(Unit: Million Baht)

	Separate financial statement as at 31 December 2023				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	Total
Interbank and money market items					
(Assets)					
Investment grade	564	-	-	-	564
Non-investment grade	-	-	-	-	-
Total	564	-	-	-	564
Allowance for expected credit loss	-	-	-	-	-
Investments in debt securities measured at fair value through other comprehensive income					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	220	-	220
Total	-	-	220	-	220
Allowance for expected credit loss	-	-	172	-	172
Loans to customers and accrued interest receivables					
0 day overdue	4,960	-	-	-	4,960
1 - 30 days overdue	-	-	-	-	-
Total	4,960	-	-	-	4,960
Allowance for expected credit loss	6	-	-	-	6
Other assets - accrued interest receivables on investments					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	8	-	8
Total	-	-	8	-	8
Allowance for expected credit loss	-	-	8	-	8
Other assets - fee and service receivables					
0 day overdue	-	-	-	161	161
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	161	161
Allowance for expected credit loss	-	-	-	-	-

(Unit: Million Baht)

	Separate financial statement as at 31 December 2022				
	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
Interbank and money market items					
(Assets)					
Investment grade	27	-	-	-	27
Non-investment grade	-	-	-	-	-
Total	27	-	-	-	27
Allowance for expected credit loss	-	-	-	-	-
Investments in debt securities measured at fair value through other comprehensive income					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	202	-	202
Total	-	-	202	-	202
Allowance for expected credit loss	-	-	172	-	172
Loans to customers and accrued interest receivables					
0 day overdue	4,290	-	-	-	4,290
1 - 30 days overdue	-	-	-	-	-
Total	4,290	-	-	-	4,290
Allowance for expected credit loss	6	-	-	-	6
Other assets - accrued interest receivables on investments					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	5	-	5
Total	-	-	5	-	5
Allowance for expected credit loss	-	-	5	-	5
Other assets - fee and service receivables					
0 day overdue	-	-	-	120	120
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	120	120
Allowance for expected credit loss	-	-	-	-	-

TISCO Group has centralised its risk management function under the regulatory guidelines for consolidated supervision issued by the BOT. The Group manages credit risk by adopting appropriate credit control policies and procedures in the credit approval process, and by analysis of risk factors and the ability of customers to service debt. For hire purchase receivables and other retail loans, the Group has implemented a credit scoring system, in order to enhance efficiency in the credit approval process and better reflect the credit risk. The Group also adopted a credit review process that examines and reviews the quality of loans so as to prevent and provide a remedy for problem loans in the future. Therefore, the Group does not expect to incur material financial loss from loans and guarantees of loans. In addition, the Group is not exposed to concentrations of credit risk because it has a varied customer base and a large number of customers. The maximum exposure to credit risk is limited to the carrying amount of loans to customers as stated in the financial statements.

Quality of risk from credit granted by the Group is mainly from the provision of hire purchase receivables of the subsidiary operating a banking business. The subsidiary considers risk of hire purchase receivables as follows.

The risk of hire purchase receivables with no significant increase in credit risk of the subsidiary can be classified into three groups, based on quality of risk in respect of expected loss that will be incurred within one year. These are "Very high grade", "High grade" and "Medium grade", with "Very high grade" credit defined as credit from which expected loss within one year is less than or equal to 0.2% of the balance; "High grade" as credit from which loss within one year is expected to be between 0.2% and 2.0% and "Medium grade" as credit from which loss within one year is expected to exceed 2.0% of the balance.

Credit risk of hire purchase receivables of the subsidiary classified by quality of credit is as follows:

(Unit: Million Baht)

	As at 31 December	
	2023	2022
Hire purchase receivables with no significant increase in credit risk		
Very high grade	46,146	48,370
High grade	38,445	42,613
Medium grade	6,958	2,451
Subtotal	91,549	93,434
Hire purchase receivables with significant increase in credit risk	10,417	12,536
Hire purchase receivables that are credit-impaired	2,431	2,098
Total	104,397	108,068

3.37.2 Market risk

Market risk is defined as the degree of vulnerability to movements in securities market prices and interest rates, which may affect income or the capital funds of the Group. In order to effectively manage market risk, a suitable risk treatment framework is to be implemented. Market risk of both financial assets and liabilities of the Group is assessed by employing the Value at Risk (VaR) model and methodologies appropriate to the nature of risks involved. On-going Back-testing is also performed to validate the internal Value at Risk model, and stress testing is performed under various extreme scenarios as a supplement to VaR. The risk assessment and corresponding risk treatment takes into account the transaction intent as well as the market liquidity of the securities.

3.37.2.1 Market risk - Marketable portfolio

The following table shows the VaR calculation for marketable portfolio position as at the financial statements date. The VaR that the Group measures is an estimate, using a confidence level of 99%, of the potential loss that is not expected to be exceeded if the current marketable portfolio position were to be held unchanged for one year.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Market risk as at 31 December		Market risk as at 31 December	
	2023	2022	2023	2022
Marketable financial assets				
Equity securities	152	313	95	284
Debt securities	13	12	-	-
Derivatives	-	2	-	-
Foreign currencies	53	100	53	100

3.37.2.2 Market risk sensitivity - Interest bearing assets and liabilities

The market risk sensitivity of interest bearing assets and liabilities is measured by assessing the effect of changes in interest rates on the net interest income over one year, based on the interest bearing asset and liability positions held by the Group at the financial statements date. In making such assessment, changes in interest rates are applied prospectively and normal increases in assets and liabilities are not taken into account as presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase (decrease) in sensitivity of net interest income as at 31 December		Increase (decrease) in sensitivity of net interest income as at 31 December	
	2023	2022	2023	2022
Change in interest rate				
Increase by 1 percent	(426.60)	(338.62)	(33.81)	(31.34)
Decrease by 1 percent	426.60	338.62	33.81	31.34

However, to better reflect a realistic business environment, the sensitivity to interest rate risk is adjusted taking into account that business growth and interest rate shift are actually gradual. The net interest rate sensitivity incurred would be less than the effect on net interest income as illustrated in the analysis. In addition, this market risk sensitivity of interest bearing assets and liabilities does not include the status of marketable debt securities, which is presented in the market risk - marketable portfolio.

3.37.2.3 Interest rate risk

The Group has the following significant exposures to interest rate risk related to financial instruments.

(Unit: Million Baht)

Transactions	Consolidated financial statements as at 31 December 2023			
	Outstanding balances of financial instruments			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial assets				
Cash	-	-	918	918
Interbank and money market items	20	45,684	2,787	48,491
Financial assets measured at fair value through profit or loss	-	-	2,082	2,082
Investments	-	1,901	1,413	3,314
Loans to customers	44,317	183,562	8,865	236,744
Securities and derivatives business receivables - net	-	-	497	497
Other assets - receivables from clearing house	-	-	412	412
Other assets - accrued interest receivables on investments	-	-	13	13
Other assets - fee and service receivables	-	-	483	483
Other assets - other receivables	-	-	708	708
	<u>44,337</u>	<u>231,147</u>	<u>18,178</u>	<u>293,662</u>
Financial liabilities				
Deposits	29,691	178,128	826	208,645
Interbank and money market items	254	8,075	177	8,506
Liabilities payable on demand	-	-	237	237
Derivatives liabilities	-	-	29	29
Debts issued and borrowings	-	17,286	-	17,286
Lease liabilities	-	1,009	-	1,009
Securities and derivatives business - net	-	-	913	913
Accrued interest payable	-	-	1,405	1,405
Other liabilities - accrued insurance premium	-	-	460	460
	<u>29,945</u>	<u>204,498</u>	<u>4,047</u>	<u>238,490</u>

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022				
Transactions	Outstanding balances of financial instruments			Total
	Floating interest rate	Fixed interest rate	Non-interest bearing	
Financial assets				
Cash	-	-	1,005	1,005
Interbank and money market items	286	37,471	2,516	40,273
Financial assets measured at fair value through profit or loss	-	-	2,172	2,172
Derivatives assets	-	-	147	147
Investments	-	2,544	1,446	3,990
Loans to customers	40,979	169,383	10,364	220,726
Securities and derivatives business receivables - net	-	-	611	611
Other assets - receivables from clearing house	-	-	641	641
Other assets - accrued interest receivables on investments	-	-	7	7
Other assets - fee and service receivables	-	-	505	505
Other assets - other receivables	-	-	748	748
	<u>41,265</u>	<u>209,398</u>	<u>20,162</u>	<u>270,825</u>
Financial liabilities				
Deposits	43,967	143,516	783	188,266
Interbank and money market items	313	5,767	115	6,195
Liabilities payable on demand	-	-	257	257
Debts issued and borrowings	-	15,757	-	15,757
Lease liabilities	-	700	-	700
Securities and derivatives business - net	-	-	1,247	1,247
Accrued interest payable	-	-	560	560
Other liabilities - accrued insurance premium	-	-	541	541
	<u>44,280</u>	<u>165,740</u>	<u>3,503</u>	<u>213,523</u>

(Unit: Million Baht)

Transactions	Separate financial statements as at 31 December 2023			
	Outstanding balances of financial instruments			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial assets				
Interbank and money market items	564	-	-	564
Financial assets measured at fair value through profit or loss	-	-	547	547
Investments	-	220	-	220
Loans to customers	-	4,960	-	4,960
Other assets - accrued interest receivables on investments	-	-	8	8
Other assets - fee and service receivables	-	-	161	161
	<u>564</u>	<u>5,180</u>	<u>716</u>	<u>6,460</u>
Financial liabilities				
Debts issued and borrowings	-	9,410	-	9,410
Accrued interest payable	-	-	40	40
	<u>-</u>	<u>9,410</u>	<u>40</u>	<u>9,450</u>

(Unit: Million Baht)

Transactions	Separate financial statements as at 31 December 2022			
	Outstanding balances of financial instruments			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial assets				
Interbank and money market items	27	-	-	27
Financial assets measured at fair value through profit or loss	-	-	955	955
Investments	-	202	-	202
Loans to customers	-	4,290	-	4,290
Other assets - accrued interest receivables on investments	-	-	5	5
Other assets - fee and service receivables	-	-	120	120
	<u>27</u>	<u>4,492</u>	<u>1,080</u>	<u>5,599</u>
Financial liabilities				
Interbank and money market items	-	550	-	550
Debts issued and borrowings	-	7,880	-	7,880
Accrued interest payable	-	-	15	15
	<u>-</u>	<u>8,430</u>	<u>15</u>	<u>8,445</u>

Financial instruments which bear interest at fixed rates are classified below by the periods from the financial statements date to the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2023							
Transactions	At call	Repricing or maturity date				Total	Interest rates (%)
		0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
Financial assets							
Interbank and money market items	1	45,683	-	-	-	45,684	2.5453
Investments	-	-	1,653	38	210	1,901	1.7460
Loans to customers	3,823	13,848	36,833	102,810	26,248	183,562	8.6623
	3,824	59,531	38,486	102,848	26,458	231,147	
Financial liabilities							
Deposits	1,211	99,559	74,951	2,407	-	178,128	2.1699
Interbank and money market items	501	153	64	7,357	-	8,075	0.3804
Debts issued and borrowings	36	12,210	-	-	5,040	17,286	4.6643
Lease liabilities	-	22	177	734	76	1,009	3.2204
	1,748	111,944	75,192	10,498	5,116	204,498	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022							
Transactions	At call	Repricing or maturity date				Total	Interest rates (%)
		0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
Financial assets							
Interbank and money market items	1	37,470	-	-	-	37,471	1.2583
Investments	-	50	1,685	618	191	2,544	1.3891
Loans to customers	4,207	12,230	37,080	98,982	16,884	169,383	8.3012
	4,208	49,750	38,765	99,600	17,075	209,398	
Financial liabilities							
Deposits	271	76,776	53,357	13,112	-	143,516	1.2167
Interbank and money market items	100	249	470	4,948	-	5,767	0.5281
Debts issued and borrowings	37	7,880	-	2,800	5,040	15,757	3.4882
Lease liabilities	-	21	142	462	75	700	3.2204
	408	84,926	53,969	21,322	5,115	165,740	

(Unit: Million Baht)

Separate financial statements as at 31 December 2023							
Transactions	At call	Repricing or maturity date				Total	Interest rates (%)
		0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
Financial assets							
Investments	-	-	-	10	210	220	3.3391
Loans to customers	4,960	-	-	-	-	4,960	3.3000
	<u>4,960</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>210</u>	<u>5,180</u>	
Financial liabilities							
Debts issued and borrowings	-	9,410	-	-	-	9,410	2.7500
	<u>-</u>	<u>9,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,410</u>	

(Unit: Million Baht)

Separate financial statements as at 31 December 2022							
Transactions	At call	Repricing or maturity date				Total	Interest rates (%)
		0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
Financial assets							
Investments	-	-	-	11	191	202	3.3391
Loans to customers	4,290	-	-	-	-	4,290	2.4000
	<u>4,290</u>	<u>-</u>	<u>-</u>	<u>11</u>	<u>191</u>	<u>4,492</u>	
Financial liabilities							
Interbank and money market items	550	-	-	-	-	550	1.8110
Debts issued and borrowings	-	7,880	-	-	-	7,880	1.5681
	<u>550</u>	<u>7,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,430</u>	

3.37.3 Liquidity risk

Liquidity risk is uncertainty that the Group is unable to meet repayment obligations when they fall due. This could arise from a failure in asset conversion or to raise adequate fund for timely fulfillment of obligations, which could result in damages to the Group. Liquidity risk may result from both internal and external factors. Internal factors hinge on liquidity reserve and a structure of assets and liabilities. Meanwhile, external factors are mainly driven by market liquidity and confidence of depositors.

Liquidity risk management framework

The overall liquidity risk management is overseen by the Risk Management Committee. Treasury function will be responsible for ensuring that daily liquidity position complies with the risk management policy of the subsidiary operating a banking business and regulatory requirement. On the other hand, the Risk Management function will monitor and control liquidity risk based on the prescribed risk limits.

The key liquidity risk management policies involve the management of cash flow maturity profiles, deposit concentrations, liquidity reserve assets and emergency contingency plan. Liquidity risk strategies will take into account market liquidity and how unexpected changes would affect the subsidiary's risks. A manageable level of maturity mismatches of cash flows from assets and liabilities will then be consistently maintained and regularly

monitored, together with the level of liquidity reserve assets. The procurement and concentration of funding sources will be well-planned to optimise risk and return. Contingency procedures for liquidity management in the times of unexpected financial crisis must be established and made ready for timely activation. In addition to the liquidity risk measurement, the subsidiary sets the limit of loan to total borrowing ratio and liquidity reserve asset level. The position of liquidity risk is monitored daily and reported to the management and other relevant functions.

The subsidiary has set stress testing scenarios for liquidity risk where the scenarios cover the subsidiary's specific scenarios and industry-based scenarios, which cause unusual cash outflow from the subsidiary.

The main sources of fund came from deposits. In the past, there was high rollover rate for matured deposits. Besides, the subsidiary also issues subordinated and unsubordinated debentures as another source of fund. On the uses of fund, the majority of fund is used in lending business while a proportion of fund is maintained as liquidity reserve assets to cushion against liquidity risk. Moreover, the subsidiary provides credit line to other companies under TISCO Group to support liquidity position if required.

The matured liabilities are generally rolled-over with 90 percent average rollover rate. By taking into account high rollover rate, the cash outflow at maturity will be lower than those presented by contractual maturity. On the other hand, the liabilities with remaining maturity of less than three months comprise current deposits and saving deposits. Both current deposits and saving deposits are considered to be more stable than term deposits in terms of cash outflow.

3.37.3.1 Volume and composition of highly liquid assets and internal ratio

	(Unit: Million Baht)	
	As at 31 December	
	2023	2022
Composition of highly liquid assets		
Cash	911	1,000
Interbank and money market items	47,144	39,069
Current investments	2,871	3,222
Total highly liquid assets	<u>50,926</u>	<u>43,291</u>
Liquid asset requirement based on the subsidiary's internal policy	30,548	28,020

The subsidiary operating a banking business has a policy to maintain the internal highly liquid assets higher than the liquid asset requirement. As at 31 December 2023 and 2022, the subsidiary has highly liquid assets higher than the internal liquid asset requirement. In addition, the subsidiary has operating cash inflows from business, and available credit lines from other financial institutions which are available to support uncertain liquidity requirement.

3.37.3.2 Counting from the financial statements date, as at 31 December 2023 and 2022, the periods to the maturity dates of financial instruments are as follows:

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2023								
Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
Financial assets								
Cash	918	-	-	-	-	-	-	918
Interbank and money market items	2,808	45,683	-	-	-	-	-	48,491
Financial asset measured at fair value through profit or loss	-	-	-	-	-	2,082	-	2,082
Investments	-	328	2,738	1	-	-	247	3,314
Loans to customers	4,260	15,704	40,622	117,376	53,259	-	5,523	236,744
Securities and derivatives								
business receivables - net	-	497	-	-	-	-	-	497
Other assets - receivables from clearing house	-	412	-	-	-	-	-	412
Other assets - accrued interest receivables on investments	-	4	-	-	-	-	9	13
Other assets - fee and service receivables	-	483	-	-	-	-	-	483
Other assets - other receivables	132	550	7	5	-	14	-	708
	8,118	63,661	43,367	117,382	53,259	2,096	5,779	293,662

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2023

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecifie d	Financial	Total
							assets that are credit- impaired	
Financial liabilities								
Deposits	31,728	99,559	74,951	2,407	-	-	-	208,645
Interbank and money market items	932	153	64	7,357	-	-	-	8,506
Liabilities payable on demand	237	-	-	-	-	-	-	237
Derivatives liabilities	-	29	-	-	-	-	-	29
Debts issued and borrowings	36	12,210	-	-	5,040	-	-	17,286
Lease liabilities	-	22	177	734	76	-	-	1,009
Securities and derivatives business								
payables - net	-	913	-	-	-	-	-	913
Accrued interest payable	27	746	622	10	-	-	-	1,405
Other liabilities - accrued								
insurance premium	-	460	-	-	-	-	-	460
	<u>32,960</u>	<u>114,092</u>	<u>75,814</u>	<u>10,508</u>	<u>5,116</u>	<u>-</u>	<u>-</u>	<u>238,490</u>
Commitments and contingent liabilities								
Avals to bills and other guarantees	-	239	52	8	1	1,501	-	1,801
Other commitments	759	2,461	382	1,226	73	-	-	4,901

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecifie d	Financial	Total
							assets that are credit- impaired	
Financial assets								
Cash	1,005	-	-	-	-	-	-	1,005
Interbank and money market items	2,802	37,471	-	-	-	-	-	40,273
Financial asset measured at								
fair value through profit or loss	-	-	-	-	-	2,172	-	2,172
Derivatives assets	-	147	-	-	-	-	-	147
Investments	-	997	2,184	582	-	-	227	3,990
Loans to customers	3,681	14,341	41,769	112,039	44,013	-	4,883	220,726
Securities and derivatives business								
receivables - net	-	611	-	-	-	-	-	611
Other assets - receivables from								
clearing house	-	641	-	-	-	-	-	641
Other assets - accrued interest								
receivables on investments	-	2	-	-	-	-	5	7
Other assets - fee and service								
receivables	-	505	-	-	-	-	-	505
Other assets - other receivables	106	617	-	11	-	14	-	748
	<u>7,594</u>	<u>55,332</u>	<u>43,953</u>	<u>112,632</u>	<u>44,013</u>	<u>2,186</u>	<u>5,115</u>	<u>270,825</u>

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecifie d	Financial	Total
							assets that are credit- impaired	
Financial liabilities								
Deposits	45,021	76,776	53,357	13,112	-	-	-	188,266
Interbank and money market items	528	249	470	4,948	-	-	-	6,195
Liabilities payable on demand	257	-	-	-	-	-	-	257
Debts issued and borrowings	37	7,880	-	2,800	5,040	-	-	15,757
Lease liabilities	-	21	142	462	75	-	-	700
Securities and derivatives business payables - net	-	1,247	-	-	-	-	-	1,247
Accrued interest payable	19	290	207	44	-	-	-	560
Other liabilities - accrued insurance premium	-	541	-	-	-	-	-	541
	<u>45,862</u>	<u>87,004</u>	<u>54,176</u>	<u>21,366</u>	<u>5,115</u>	<u>-</u>	<u>-</u>	<u>213,523</u>
Commitments and contingent liabilities								
Avals to bills and other guarantees	6	190	52	8	2	1,765	-	2,023
Other commitments	686	1,986	177	1,854	45	-	-	4,748

(Unit: Million Baht)

Separate financial statements as at 31 December 2023

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecifi ed	Financial	Total
							assets that are credit- impaired	
Financial assets								
Interbank and money market items	564	-	-	-	-	-	-	564
Financial assets measured at fair value through profit or loss	-	-	-	-	-	547	-	547
Investments	-	-	-	-	-	-	220	220
Loans to customers	4,960	-	-	-	-	-	-	4,960
Other assets - accrued interest receivables on investments	-	-	-	-	-	-	8	8
Other assets - fee and service receivables	-	161	-	-	-	-	-	161
	<u>5,524</u>	<u>161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>547</u>	<u>228</u>	<u>6,460</u>
Financial liabilities								
Debts issued and borrowings	-	9,410	-	-	-	-	-	9,410
Accrued interest payable	-	40	-	-	-	-	-	40
	<u>-</u>	<u>9,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,450</u>

(Unit: Million Baht)

Separate financial statements as at 31 December 2022

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecif ied	Financial	Total
							assets that are credit- impaired	
Financial assets								
Interbank and money market items	27	-	-	-	-	-	-	27
Financial assets measured at fair value through profit or loss	-	-	-	-	-	955	-	955
Investments	-	-	-	-	-	-	202	202
Loans to customers	4,290	-	-	-	-	-	-	4,290
Other assets - accrued interest receivables on investments	-	-	-	-	-	-	5	5
Other assets - fee and service receivables	-	120	-	-	-	-	-	120
	<u>4,317</u>	<u>120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>955</u>	<u>207</u>	<u>5,599</u>
Financial liabilities								
Interbank and money market items	550	-	-	-	-	-	-	550
Debts issued and borrowings	-	7,880	-	-	-	-	-	7,880
Accrued interest payable	-	15	-	-	-	-	-	15
	<u>550</u>	<u>7,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,445</u>

Regarding the disclosure of the Financial Business Group's Liquidity Coverage Ratio as at 31 December 2023, it will be disclosed via the Company's website by April 2024.

3.37.4 Derivatives

As at 31 December 2023 and 2022, the subsidiary operating a banking business has a policy to enter into foreign exchange contracts to manage the risk associated with its financial assets. The subsidiary classified them as trading derivatives and measured them at fair value through profit or loss, as follows:

(Unit: Million Baht)

As at 31 December 2023		
Maturity	Notional amount	Loss on measurement of fair value
2024	2,387	(29)

(Unit: Million Baht)

As at 31 December 2022		
Maturity	Notional amount	Gain on measurement of fair value
2023	1,740	147

3.38 Fair value hierarchy

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

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 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	1,635	574	-	1,061	1,635
Unit trusts	447	393	54	-	447
Investments - debt instruments	3,314	-	3,067	247	3,314
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
Foreign exchange contracts	29	-	29	-	29
<u>Assets measured at fair value</u>					
Investment properties	24	-	-	24	24
Office condominiums	2,563	-	-	2,563	2,563
<u>Financial assets for which fair value is disclosed</u>					
Cash	918	918	-	-	918
Interbank and money market items	48,490	3,028	45,462	-	48,490
Loans to customers and accrued interest receivables	226,828	-	68,143	158,690	226,833
Securities and derivatives business receivables - net	497	-	497	-	497
Other assets - receivables from clearing house	412	-	412	-	412
Other assets - accrued interest receivables on investments	4	-	4	-	4
Other assets - fee and service receivables	483	-	483	-	483
Other assets - other receivables	678	-	678	-	678
<u>Financial liabilities for which fair value is disclosed</u>					
Deposits	208,645	30,517	178,128	-	208,645
Interbank and money market items	8,506	431	8,075	-	8,506
Liabilities payable on demand	237	237	-	-	237
Debts issued and borrowings	17,286	-	16,997	-	16,997
Securities and derivatives business payables - net	913	-	913	-	913
Accrued interest payable	1,405	4	1,401	-	1,405
Other liabilities - accrued insurance premium	460	-	460	-	460

(Unit: Million Baht)

	Consolidated financial statements				Total
	As at 31 December 2022				
	Book value	Fair value			
	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	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
<u>Assets measured at fair value</u>					
Investment properties	27	-	-	27	27
Office condominiums	2,362	-	-	2,362	2,362
<u>Financial assets for which fair value is disclosed</u>					
Cash	1,005	1,005	-	-	1,005
Interbank and money market items	40,272	2,802	37,470	-	40,272
Loans to customers and accrued interest receivables	208,881	-	53,103	155,404	208,507
Securities and derivatives business receivables - net	611	-	611	-	611
Other assets - receivables from clearing house	641	-	641	-	641
Other assets - accrued interest receivables on investments	2	-	2	-	2
Other assets - fee and service receivables	505	-	505	-	505
Other assets - other receivables	727	-	727	-	727
<u>Financial liabilities for which fair value is disclosed</u>					
Deposits	188,266	44,750	143,516	-	188,266
Interbank and money market items	6,195	428	5,767	-	6,195
Liabilities payable on demand	257	257	-	-	257
Debts issued and borrowings	15,757	-	15,368	-	15,368
Securities and derivatives business payables - net	1,247	-	1,247	-	1,247
Accrued interest payable	560	5	555	-	560
Other liabilities - accrued insurance premium	541	-	541	-	541

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2023				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss					
Equity instruments	154	154	-	-	154
Unit trusts	393	393	-	-	393
Investments - debt instruments	220	-	-	220	220
Assets measured at fair value					
Investment properties	934	-	-	934	934
Office condominiums	727	-	-	727	727
Financial assets for which fair value is disclosed					
Interbank and money market items	564	564	-	-	564
Loans to customers and accrued interest receivables	4,954	-	-	4,954	4,954
Other assets - fee and service receivables	161	-	161	-	161
Financial liabilities for which fair value is disclosed					
Debts issued and borrowings	9,410	-	9,410	-	9,410
Accrued interest payable	40	-	40	-	40

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2022				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
Financial assets measured at fair value					
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
Assets measured at fair value					
Investment properties	911	-	-	911	911
Office condominiums	633	-	-	633	633
Financial assets for which fair value is disclosed					
Interbank and money market items	27	27	-	-	27
Loans to customers and accrued interest receivables	4,284	-	-	4,284	4,284
Other assets - fee and service receivables	120	-	120	-	120
Financial liabilities for which fair value is disclosed					
Interbank and money market items	550	-	-	550	550
Debts issued and borrowings	7,880	-	7,880	-	7,880
Accrued interest payable	15	-	15	-	15

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

3.38.2 A reconciliation of the financial assets measured at fair value on a recurring basis which are categorised within level 3 of the fair value hierarchy is presented as follows:

	Consolidated financial statements			Separate financial statements
	Non-marketable equity instruments	Investments - private sector debt instruments	Total	Investments - private sector debt instruments
Balance as at 1 January 2023	964	227	1,191	202
Net gain recognised in profit or loss	97	-	97	-
Net gain recognised in other comprehensive income	-	20	20	18
Balance as at 31 December 2023	1,061	247	1,308	220

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investments in non-marketable equity instruments	Discounted future cash flows	Terminal growth rate	0%	1% increase in the terminal growth rate would result in an increase in fair value by Baht 73 million.
		Equity risk premium	9.40%	1% increase in the equity risk premium would result in a decrease in fair value by Baht 72 million.

Fair value of investments in private sector debt instruments is wholly determined using yield rates quoted by the Thai Bond Market Association. However, as they are investments in companies with weak financial positions and poor operating results, they are categorised within level 3, and sensitivity of the input to fair value has not been calculated.

4. Dividend payment

	Approved by	Dividend per share		Amounts of	Dividend
		Preference	Ordinary	dividend paid	payment period
		share	share	(Million Baht)	
		(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 in the year 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 in the year 2023				<u><u>7,806</u></u>	

5. Subsequent events

On 27 February 2024, the Board of Directors Meeting No. 1/2024 of the Company concurred to propose to the General Meeting of the shareholders to approve a dividend payment of Baht 5.75 per share to the ordinary and preference shareholders listed in the share register as at 25 April 2024 in respect of the operating results for the year 2023. The dividend is to be paid on 15 May 2024.

6. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.



TISCO Financial Group Public Company Limited

48/49 TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok, 10500 Thailand

Tel. 0 2633 6000 www.tisco.co.th