

TISCO Financial Group Public Company Limited  
and its subsidiary companies  
Report and interim financial statements  
30 June 2019



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## Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TISCO Financial Group Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of TISCO Financial Group Public Company Limited and its subsidiaries as at 30 June 2019, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated statements of changes in equity, and cash flows for the six-month periods then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of TISCO Financial Group Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### Scope of Review

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

### Conclusion

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

Somjai Khunapasut  
Certified Public Accountant (Thailand) No. 4499

EY Office Limited  
Bangkok: 9 August 2019

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash		1,136,019	1,191,800	70	70
Interbank and money market items - net		39,528,528	54,071,389	813,887	641,395
Derivatives assets	4.2	29,349	5,685	-	-
Investments - net	4.3, 4.7	11,954,447	9,012,345	938,933	780,284
Investments in subsidiaries and joint venture - net	4.4	769,088	800,151	20,069,135	20,069,127
Loans to customers and accrued interest receivables	4.5, 4.7				
Loans to customers		262,011,894	261,056,899	2,085,000	2,075,000
Accrued interest receivables		629,354	642,526	-	-
Total loans to customers and accrued interest receivables		262,641,248	261,699,425	2,085,000	2,075,000
Less: Deferred revenue		(20,796,770)	(20,402,559)	-	-
Less: Allowance for doubtful accounts	4.6	(11,301,241)	(11,665,492)	-	-
Less: Allowance for loss on debt restructuring	4.6	(7,744)	(8,146)	-	-
Loans to customers and accrued interest receivables - net		230,535,493	229,623,228	2,085,000	2,075,000
Properties foreclosed - net		18,815	10,857	-	-
Investment properties		28,709	39,388	955,266	831,043
Premises and equipment - net		2,966,323	2,992,229	797,573	957,714
Intangible assets - net		377,150	448,222	128,999	159,531
Deferred tax assets		1,121,919	991,525	148,967	152,571
Securities and derivatives business receivables - net		1,262,197	948,528	-	-
Dividend receivable from subsidiaries		-	-	-	5,258,642
Other assets	4.8	2,651,015	2,409,287	201,539	166,983
<b>Total assets</b>		<b>292,379,052</b>	<b>302,544,634</b>	<b>26,139,369</b>	<b>31,092,360</b>

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

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Deposits	4.9	199,228,368	193,108,310	-	-
Interbank and money market items		10,692,904	4,374,674	-	-
Liabilities payable on demand		275,851	238,219	-	-
Derivatives liabilities	4.2	1,600	10,653	-	-
Debts issued and borrowings	4.10	32,851,919	55,556,919	6,035,000	5,840,000
Provision for long-term employee benefits	4.11	1,295,376	827,442	245,238	176,986
Deferred tax liabilities		2,398	8,499	-	-
Securities and derivatives business payables - net		1,608,394	995,276	-	-
Accrued interest payable		900,644	881,275	17,031	9,871
Income tax payable		805,530	753,846	12,414	4,916
Other liabilities	4.12	9,067,265	7,960,065	1,621,337	1,481,562
<b>Total liabilities</b>		<b>256,730,249</b>	<b>264,715,178</b>	<b>7,931,020</b>	<b>7,513,335</b>

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

**TISCO Financial Group Public Company Limited and its subsidiaries**

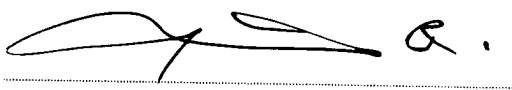
**Statement of financial position (continued)**

As at 30 June 2019

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 June 2019 (Unaudited but reviewed)	31 December 2018 (Audited)	30 June 2019 (Unaudited but reviewed)	31 December 2018 (Audited)
<b>Equity</b>				
<b>Share capital</b>				
<b>Registered</b>				
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>
<b>Issued and paid-up</b>				
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>
<b>Share premium</b>				
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>
<b>Other components of equity</b>				
	<u>1,825,560</u>	<u>1,753,824</u>	<u>320,041</u>	<u>257,304</u>
<b>Retained earnings</b>				
Appropriated-statutory reserve	801,000	801,000	801,000	801,000
Unappropriated	23,899,306	26,116,740	2,049,230	7,482,643
	<u>35,550,829</u>	<u>37,696,527</u>	<u>18,208,349</u>	<u>23,579,025</u>
<b>Equity attributable to equity holders of the Company</b>				
	<u>97,974</u>	<u>132,929</u>	<u>-</u>	<u>-</u>
<b>Non-controlling interests of the subsidiaries</b>				
	<u>35,648,803</u>	<u>37,829,456</u>	<u>18,208,349</u>	<u>23,579,025</u>
<b>Total equity</b>				
	<u>292,379,052</u>	<u>302,544,634</u>	<u>26,139,369</u>	<u>31,092,360</u>
<b>Total liabilities and equity</b>				

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



Mr. Suthas Ruangmanamongkol  
(Group Chief Executive)



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



Mr. Sakchai Peechapa  
(Executive Director)

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Statement of comprehensive income****For the three-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Profit or loss:</b>					
<b>Continuing operations</b>					
Interest income	4.14	4,380,070	4,411,275	16,533	17,366
Interest expenses	4.15	(1,272,589)	(1,232,593)	(18,717)	(18,592)
<b>Net interest income</b>		<b>3,107,481</b>	<b>3,178,682</b>	<b>(2,184)</b>	<b>(1,226)</b>
Fee and service income		1,525,285	1,502,642	-	-
Fee and service expenses		(76,861)	(61,490)	(4,406)	(5,884)
<b>Net fee and service income</b>	4.16	<b>1,448,424</b>	<b>1,441,152</b>	<b>(4,406)</b>	<b>(5,884)</b>
Net gains (losses) on trading and foreign exchange transactions	4.17	(9,250)	54,016	(27,796)	50,206
Net gains (losses) on investments	4.18	(3,878)	11,179	-	-
Share of profit from investment accounted for					
under equity method	4.4	5,294	23,529	-	-
Dividend income		7,856	3,309	-	-
Penalty fee income from loans		71,276	82,336	-	-
Intercompany supporting fee income	4.26	-	-	553,921	562,506
Other operating income	4.20, 4.26	21,724	66,451	21,900	18,264
<b>Total operating income</b>		<b>4,648,927</b>	<b>4,860,654</b>	<b>541,435</b>	<b>623,866</b>
<b>Operating expenses</b>					
Employee expenses		1,534,657	1,441,038	241,125	283,052
Directors' remuneration		4,935	4,360	4,935	4,360
Premises and equipment expenses		329,308	302,163	153,480	114,798
Taxes and duties		72,794	75,018	54	1
Other operating expenses	4.21	330,962	308,135	39,736	54,850
<b>Total operating expenses</b>		<b>2,272,656</b>	<b>2,130,714</b>	<b>439,330</b>	<b>457,061</b>
Bad debts, doubtful accounts and impairment losses	4.19	137,539	534,306	-	-
<b>Profit from operations before income tax expenses</b>		<b>2,238,732</b>	<b>2,195,634</b>	<b>102,105</b>	<b>166,805</b>
Income tax expenses	4.22	437,982	434,153	18,812	32,906
<b>Profit for the period from continuing operations</b>		<b>1,800,750</b>	<b>1,761,481</b>	<b>83,293</b>	<b>133,899</b>
<b>Discontinued operations</b>					
<b>Loss for the period from discontinued operations</b>		<b>-</b>	<b>(45,073)</b>	<b>-</b>	<b>-</b>
<b>Total profit for the period</b>		<b>1,800,750</b>	<b>1,716,408</b>	<b>83,293</b>	<b>133,899</b>

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Statement of comprehensive income (continued)****For the three-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Other comprehensive income:</b>	4.23				
<b>Continuing operations</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Gains (losses) on valuation in available-for-sale investments		5,838	(136,630)	5,147	(59,374)
Share of other comprehensive income of joint venture:					
Cash flow hedges of joint venture	4.4	94	620	-	-
Income tax effects	4.24	(1,168)	27,326	(1,029)	11,875
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		4,764	(108,684)	4,118	(47,499)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses		(178,686)	(20,446)	(24,643)	(8,386)
Income tax effects	4.24	35,609	3,716	4,929	1,677
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(143,077)	(16,730)	(19,714)	(6,709)
<b>Other comprehensive income for the period from continuing operations</b>		(138,313)	(125,414)	(15,596)	(54,208)
<b>Total other comprehensive income for the period</b>		(138,313)	(125,414)	(15,596)	(54,208)
<b>Total comprehensive income</b>					
Total comprehensive income from continuing operations		1,662,437	1,636,067	67,697	79,691
Total comprehensive income from discontinued operations		-	(45,073)	-	-
<b>Total comprehensive income for the period</b>		<u>1,662,437</u>	<u>1,590,994</u>	<u>67,697</u>	<u>79,691</u>
<b>Profits attributable to</b>					
<b>Equity holders of the Company</b>					
Profit for the period from continuing operations	4.25	1,798,153	1,754,501	83,293	133,899
Loss for the period from discontinued operations		-	(45,073)	-	-
Profit for the period attributable to the Company		<u>1,798,153</u>	<u>1,709,428</u>	<u>83,293</u>	<u>133,899</u>
<b>Non-controlling interests of the subsidiaries</b>					
Profit for the period from continuing operations		2,597	6,980		
Profit for the period from discontinued operations		-	-		
Profit for the period attributable to non-controlling interests of the subsidiaries		<u>2,597</u>	<u>6,980</u>		
		<u>1,800,750</u>	<u>1,716,408</u>		

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the three-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Total comprehensive income attributable to Equity holders of the Company</b>					
Total comprehensive income for the period from continuing operations		1,659,960	1,629,205	67,697	79,691
Total comprehensive income for the period from discontinued operations		-	(45,073)	-	-
Total comprehensive income for the period attributable to the Company		<u>1,659,960</u>	<u>1,584,132</u>	<u>67,697</u>	<u>79,691</u>
<b>Non-controlling interests of the subsidiaries</b>					
Total comprehensive income for the period from continuing operations		2,477	6,862		
Total comprehensive income for the period from discontinued operations		-	-		
Total comprehensive income for the period attributable to non-controlling interests of the subsidiaries		<u>2,477</u>	<u>6,862</u>		
		<u>1,662,437</u>	<u>1,590,994</u>		
<b>Earnings per share of equity holders of the Company</b>					
Basic earnings per share (Baht per share)	4.25				
Equity holders of the Company					
Profit from continuing operations		2.25	2.19	0.10	0.17
Loss from discontinued operations		-	(0.05)	-	-
		<u>2.25</u>	<u>2.14</u>	<u>0.10</u>	<u>0.17</u>

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



(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Statement of comprehensive income****For the six-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Profit or loss:</b>					
<b>Continuing operations</b>					
Interest income	4.14	8,769,702	8,902,260	34,022	38,130
Interest expenses	4.15	(2,559,765)	(2,476,427)	(32,136)	(38,356)
<b>Net interest income</b>		<b>6,209,937</b>	<b>6,425,833</b>	<b>1,886</b>	<b>(226)</b>
Fee and service income		2,985,280	3,224,855	-	-
Fee and service expenses		(137,869)	(124,426)	(8,477)	(9,596)
<b>Net fee and service income</b>	4.16	<b>2,847,411</b>	<b>3,100,429</b>	<b>(8,477)</b>	<b>(9,596)</b>
Net gains (losses) on trading and foreign exchange transactions	4.17	(37,180)	17,680	(44,928)	11,353
Net gains on investments	4.18	563	265,375	-	23
Share of profit (loss) from investment accounted for under equity method	4.4	(31,906)	169,306	-	-
Dividend income		40,251	35,629	-	-
Penalty fee income from loans		149,742	169,457	-	-
Intercompany supporting fee income	4.26	-	-	1,127,925	1,086,173
Other operating income	4.20, 4.26	57,387	106,594	42,721	36,530
<b>Total operating income</b>		<b>9,236,205</b>	<b>10,290,303</b>	<b>1,119,127</b>	<b>1,124,257</b>
<b>Operating expenses</b>					
Employee expenses		3,205,751	2,900,305	527,920	554,240
Directors' remuneration		9,275	7,590	9,275	7,590
Premises and equipment expenses		636,240	593,710	299,889	229,361
Taxes and duties		147,350	155,597	2,283	2,102
Other operating expenses	4.21	590,738	769,200	62,980	78,429
<b>Total operating expenses</b>		<b>4,589,354</b>	<b>4,426,402</b>	<b>902,347</b>	<b>871,722</b>
Bad debts, doubtful accounts and impairment losses	4.19	245,747	1,448,585	-	-
<b>Profit from operations before income tax expenses</b>		<b>4,401,104</b>	<b>4,415,316</b>	<b>216,780</b>	<b>252,535</b>
Income tax expenses	4.22	868,881	837,429	37,864	40,934
<b>Profit for the period from continuing operations</b>		<b>3,532,223</b>	<b>3,577,887</b>	<b>178,916</b>	<b>211,601</b>
<b>Discontinued operations</b>					
<b>Loss for the period from discontinued operations</b>		<b>-</b>	<b>(82,421)</b>	<b>-</b>	<b>-</b>
<b>Total profit for the period</b>		<b>3,532,223</b>	<b>3,495,466</b>	<b>178,916</b>	<b>211,601</b>

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Statement of comprehensive income (continued)****For the six-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Other comprehensive income:</b>	4.23				
<b>Continuing operations</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Gains (losses) on valuation in available-for-sale investments		90,878	(164,392)	78,812	(42,446)
Share of other comprehensive income of joint venture:					
Cash flow hedges of joint venture	4.4	843	2,366	-	-
Income tax effects	4.24	(18,175)	31,334	(15,762)	8,489
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		73,546	(130,692)	63,050	(33,957)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses		(178,686)	(20,446)	(10,365)	(8,386)
Income tax effects	4.24	35,609	3,716	2,073	1,677
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(143,077)	(16,730)	(8,292)	(6,709)
<b>Other comprehensive income for the period from continuing operations</b>		(69,531)	(147,422)	54,758	(40,666)
<b>Total other comprehensive income for the period</b>		(69,531)	(147,422)	54,758	(40,666)
<b>Total comprehensive income</b>					
Total comprehensive income from continuing operations		3,462,692	3,430,465	233,674	170,935
Total comprehensive income from discontinued operations		-	(82,421)	-	-
<b>Total comprehensive income for the period</b>		<u>3,462,692</u>	<u>3,348,044</u>	<u>233,674</u>	<u>170,935</u>
<b>Profits attributable to</b>					
<b>Equity holders of the Company</b>					
Profit for the period from continuing operations	4.25	3,527,751	3,557,665	178,916	211,601
Loss for the period from discontinued operations		-	(82,421)	-	-
Profit for the period attributable to the Company		<u>3,527,751</u>	<u>3,475,244</u>	<u>178,916</u>	<u>211,601</u>
<b>Non-controlling interests of the subsidiaries</b>					
Profit for the period from continuing operations		4,472	20,222		
Profit for the period from discontinued operations		-	-		
Profit for the period attributable to non-controlling interests of the subsidiaries		<u>4,472</u>	<u>20,222</u>		
		<u>3,532,223</u>	<u>3,495,466</u>		

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the six-month periods ended 30 June 2019**

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Total comprehensive income attributable to Equity holders of the Company</b>					
Total comprehensive income for the period from continuing operations		3,458,339	3,410,361	233,674	170,935
Total comprehensive income for the period from discontinued operations		-	(82,421)	-	-
Total comprehensive income for the period attributable to the Company		<u>3,458,339</u>	<u>3,327,940</u>	<u>233,674</u>	<u>170,935</u>
<b>Non-controlling interests of the subsidiaries</b>					
Total comprehensive income for the period from continuing operations		4,353	20,104		
Total comprehensive income for the period from discontinued operations		-	-		
Total comprehensive income for the period attributable to non-controlling interests of the subsidiaries		<u>4,353</u>	<u>20,104</u>		
		<u>3,462,692</u>	<u>3,348,044</u>		
<b>Earnings per share of equity holders of the Company</b>					
Basic earnings per share (Baht per share)	4.25				
Equity holders of the Company					
Profit from continuing operations		4.41	4.44	0.22	0.26
Loss from discontinued operations		-	(0.10)	-	-
		<u>4.41</u>	<u>4.34</u>	<u>0.22</u>	<u>0.26</u>

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Cash flow statement****For the six-month periods ended 30 June 2019**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from operating activities</b>				
Profit before income tax from continuing operations	4,401,104	4,415,316	216,780	252,535
Loss before income tax from discontinued operations	-	(70,154)	-	-
Profits from operations before income tax	4,401,104	4,345,162	216,780	252,535
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	191,212	192,377	74,779	75,645
Share of (profit) loss from investment accounted for under equity method	31,906	(169,306)	-	-
Bad debts and doubtful accounts	1,139,976	2,567,334	-	-
Allowance for impairment of investments (reversal)	4,954	(860)	-	-
Allowance for impairment of properties foreclosed (reversal)	(11,100)	268	-	-
Gains on disposal of investments in securities	(6,352)	(264,624)	-	-
Unrealised (gains) losses on foreign exchange transactions and trading derivatives	39,466	(13,792)	44,928	(11,353)
Gains on disposal of equipment	(2,153)	(1,076)	(817)	-
Gains on disposal of intangible assets	-	-	(13)	-
Losses on written-off of equipment	377	277	55	-
Gains on disposal of properties foreclosed	(28,186)	(40,447)	-	-
Employee benefit expenses	295,375	58,041	58,861	8,636
(Increase) decrease in accrued income	(72,418)	288,305	(10,225)	1,242
Increase in accrued expenses	1,109,041	1,264,962	254,756	309,080
Net interest income	(6,209,937)	(6,574,211)	(1,886)	226
Dividend income	(40,251)	(35,629)	-	-
Cash received on interest income	8,629,007	9,007,422	33,651	38,029
Cash paid on interest expenses	(1,987,128)	(1,946,245)	(24,976)	(57,590)
Cash received on dividend income	40,231	35,511	5,258,642	4,132,342
Cash paid on income tax	(943,964)	(1,033,100)	(40,374)	(59,085)
Profit from operating activities before changes in operating assets and liabilities	6,581,160	7,680,369	5,864,161	4,689,707
Operating assets (increase) decrease				
Interbank and money market items - net	14,542,793	(16,523,831)	(172,492)	(321,588)
Loans to customers	(2,884,717)	8,229,364	(10,000)	178,000
Securities and derivatives business receivables	(313,669)	(372,171)	-	-
Receivables from clearing house	(274,381)	(151,133)	-	-
Properties foreclosed	823,461	851,110	-	-
Assets classified as held for sale	-	563,446	-	-
Other assets	115,648	56,130	-23,961	-9,245

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

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the six-month periods ended 30 June 2019**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Operating liabilities increase (decrease)				
Deposits	6,120,058	4,214,720	-	-
Interbank and money market items	6,318,230	7,943,479	-	-
Liabilities payable on demand	37,632	(169,049)	-	-
Securities and derivatives business payables	613,118	84,807	-	-
Short-term debts issued and borrowings	295,000	(18,362,700)	195,000	(435,000)
Payable to clearing house	(25,074)	439,026	-	-
Provision for long-term employee benefits	(6,127)	(5,061)	(974)	(409)
Liabilities directly associated with assets classified as held for sale	-	(20,762)	-	-
Other liabilities	(417,812)	(814,568)	(116,756)	(77,069)
<b>Net cash flows from (used in) operating activities</b>	<b>31,525,320</b>	<b>(6,356,824)</b>	<b>5,734,978</b>	<b>4,024,396</b>
<b>Cash flows from investing activities</b>				
Cash paid for purchase of investments in securities held for investment	(12,035,619)	(13,026,935)	(122,989)	-
Cash received from disposal of investments in securities held for investment	9,140,768	10,916,284	-	-
Cash paid for purchase of equipment	(71,676)	(42,719)	(11,781)	(4,759)
Cash paid for purchase of intangible assets	(12,535)	(24,634)	(2,843)	(16,595)
Cash received from disposal of equipment	2,398	1,337	7,036	-
Cash received from disposal of intangible assets	-	-	36	-
Cash paid for purchase of investment in subsidiaries	(8)	-	(8)	-
<b>Net cash flows used in investing activities</b>	<b>(2,976,672)</b>	<b>(2,176,667)</b>	<b>(130,549)</b>	<b>(21,354)</b>
<b>Cash flows from financing activities</b>				
Cash received from issuance of long-term debentures	2,400,000	18,000,000	-	-
Cash paid for redemption of long-term debentures	(25,400,000)	(5,500,000)	-	-
Dividend paid	(5,604,429)	(4,003,042)	(5,604,429)	(4,003,042)
<b>Net cash flows from (used in) financing activities</b>	<b>(28,604,429)</b>	<b>8,496,958</b>	<b>(5,604,429)</b>	<b>(4,003,042)</b>
<b>Net decrease in cash</b>	<b>(55,781)</b>	<b>(36,533)</b>	<b>-</b>	<b>-</b>
Cash at beginning of the period	1,191,800	1,324,808	70	70
<b>Cash at end of the period</b>	<b>1,136,019</b>	<b>1,288,275</b>	<b>70</b>	<b>70</b>

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

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Statement of changes in equity

For the six-month periods ended 30 June 2019

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to equity holders of the Company													
Other components of equity													
Note	Issued and paid-up		Share premium on ordinary shares	Surplus (deficit) on changes in value of available-for-sale investments	Surplus on revaluation of assets	Share of other comprehensive income of joint venture	Adjustment from business combination of entities under common control under holding restructuring plan	Total other components of equity	Retained earnings		Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
	Preference shares	Ordinary shares							Appropriated	Unappropriated			
<b>Balance as at 1 January 2018</b>	99	8,006,456	1,018,408	96,908	879,285	(2,257)	679,266	1,653,202	801,000	23,125,364	34,604,529	127,236	34,731,765
Dividend paid	5	-	-	-	-	-	-	-	-	(4,003,042)	(4,003,042)	-	(4,003,042)
Profit for the period	-	-	-	-	-	-	-	-	-	3,475,244	3,475,244	20,222	3,495,466
Other comprehensive income for the period	-	-	-	(133,058)	-	2,366	-	(130,692)	-	(16,612)	(147,304)	(118)	(147,422)
Total comprehensive income for the period	-	-	-	(133,058)	-	2,366	-	(130,692)	-	3,458,632	3,327,940	20,104	3,348,044
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	(4,949)	-	-	(4,949)	-	4,949	-	-	-
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(22,050)	(22,050)
<b>Balance as at 30 June 2018</b>	99	8,006,456	1,018,408	(36,150)	874,336	109	679,266	1,517,561	801,000	22,585,903	33,929,427	125,290	34,054,717
<b>Balance as at 1 January 2019</b>	99	8,006,456	1,018,408	(91,062)	1,164,360	1,260	679,266	1,753,824	801,000	26,116,740	37,696,527	132,929	37,829,456
Dividend paid	5	-	-	-	-	-	-	-	-	(5,604,429)	(5,604,429)	-	(5,604,429)
Profit for the period	-	-	-	-	-	-	-	-	-	3,527,751	3,527,751	4,472	3,532,223
Other comprehensive income for the period	-	-	-	72,703	-	843	-	73,546	-	(142,958)	(69,412)	(119)	(69,531)
Total comprehensive income for the period	-	-	-	72,703	-	843	-	73,546	-	3,384,793	3,458,339	4,353	3,462,692
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	(1,810)	-	-	(1,810)	-	2,202	392	-	392
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(39,308)	(39,308)
<b>Balance as at 30 June 2019</b>	99	8,006,456	1,018,408	(18,359)	1,162,550	2,103	679,266	1,825,560	801,000	23,899,306	35,550,829	97,974	35,648,803

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

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Statement of changes in equity (continued)

For the six-month periods ended 30 June 2019

(Unit: Thousand Baht)

	Separate financial statements										
	Note	Issued and paid-up		Share premium		Other components of equity			Retained earnings		Total
		Preference shares	Ordinary shares	Preference shares	Ordinary shares	Surplus (deficit) on change in value of available-for-sale investments	Surplus on revaluation of assets	Total other components of equity	Appropriated	Unappropriated	
<b>Balance as at 1 January 2018</b>		99	8,006,456	87	7,031,436	16,457	224,985	241,442	801,000	5,879,117	21,959,637
Dividend paid	5	-	-	-	-	-	-	-	-	(4,003,042)	(4,003,042)
Profit for the period		-	-	-	-	-	-	-	-	211,601	211,601
Other comprehensive income for the period		-	-	-	-	(33,957)	-	(33,957)	-	(6,709)	(40,666)
Total comprehensive income for the period		-	-	-	-	(33,957)	-	(33,957)	-	204,892	170,935
Transfer surplus on revaluation of assets to retained earnings		-	-	-	-	-	(745)	(745)	-	745	-
<b>Balance as at 30 June 2018</b>		99	8,006,456	87	7,031,436	(17,500)	224,240	206,740	801,000	2,081,712	18,127,530
<b>Balance as at 1 January 2019</b>		99	8,006,456	87	7,031,436	(49,621)	306,925	257,304	801,000	7,482,643	23,579,025
Dividend paid	5	-	-	-	-	-	-	-	-	(5,604,429)	(5,604,429)
Profit for the period		-	-	-	-	-	-	-	-	178,916	178,916
Other comprehensive income for the period		-	-	-	-	63,050	-	63,050	-	(8,292)	54,758
Total comprehensive income for the period		-	-	-	-	63,050	-	63,050	-	170,624	233,674
Transfer surplus on revaluation of assets to retained earnings		-	-	-	-	-	(313)	(313)	-	392	79
<b>Balance as at 30 June 2019</b>		99	8,006,456	87	7,031,436	13,429	306,612	320,041	801,000	2,049,230	18,208,349

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

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2019**

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

**1.1 Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in equity and cash flows in the same format as that used for the annual financial statements, and in accordance with the Bank of Thailand (“BOT”)’s Notification No. Sor Nor Sor. 21/2558 regarding “Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups”, dated 4 December 2015.

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

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

**1.2 Basis of interim consolidation**

The basis of interim consolidation is the same as that for the consolidated financial statements for the year ended 31 December 2018. During the period, there was no change in the composition of the subsidiaries.

**1.3 The separate financial statements**

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



## 1.4 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. 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 Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The Company and its subsidiaries adopted TFRS 15 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2019, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the financial statements.

**b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7                                      Financial Instruments: Disclosures

TFRS 9                                      Financial Instruments

Accounting standard:

TAS 32                                      Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16                                    Hedges of a Net Investment in a Foreign Operation

TFRIC 19                                    Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

### **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

### **1.5 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018, except for the change in the accounting policies due to the adoption of TFRS 15, *Revenue from Contracts with Customers*, as follows:

#### **Revenue recognition**

##### **Incentive fee income on fund management**

The subsidiary that operates an asset management business has reconsidered the basis applied for recognition of incentive fee income, which arises when the annual returns of funds that the subsidiary is managing exceed the threshold for the performance of the funds. The subsidiary recognises this variable consideration as revenue at the end of the year when there is a high likelihood that the income will occur.

### **1.6 Change in accounting estimation**

#### **Change in accounting estimation and recording of depreciation of revalued assets**

At the end of 2018, the Company and its subsidiaries reappraised office condominiums and at the same time had the useful lives of the office condominiums estimated by an independent professional appraiser. As a result, effective from 1 January 2019, the Company and its subsidiaries have changed the remaining useful lives of office condominiums from 15 years to 30 years in order to align them with the estimated useful lives of the assets determined using a prospective method. The change is expected to increase profit after tax and increase basic earnings per share of the current period as follows:

(Unaudited but reviewed)

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

	For the three-month period ended 30 June 2019	
	Consolidated	Separate
	financial statements	financial statements
Increase in profit after tax	3,896	1,087
Increase in basic earnings per share	0.005	0.001

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

	For the six-month period ended 30 June 2019	
	Consolidated	Separate
	financial statements	financial statements
Increase in profit after tax	7,792	2,174
Increase in basic earnings per share	0.01	0.003

The amounts affecting the future statements of comprehensive income are summarised below.

	Consolidated financial statements		Separate financial statements	
	Increase (decrease) in profit after tax	Increase (decrease) in basic earnings per share	Increase (decrease) in profit after tax	Increase (decrease) in basic earnings per share
	(Thousand Baht)	(Baht per share)	(Thousand Baht)	(Baht per share)
For the year 2019	15,584	0.02	4,347	0.01
For the year 2020	15,584	0.02	4,347	0.01
For the year 2021	15,584	0.02	4,347	0.01
For the year 2022	15,584	0.02	4,347	0.01
For the year 2023 - 2048	(62,337)	(0.08)	(17,388)	(0.02)

## 2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 1.4 to the financial statements, during the current period, the Company and its subsidiaries have adopted TFRS 15 using the modified retrospective method of adoption. Therefore, the comparative information was not restated.

(Unaudited but reviewed)

The amounts of adjustments affecting the consolidated statements of financial position as at 30 June 2019 and the consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		
	Previous accounting policy	Decrease	TFRS 15
<b>Statement of financial position</b>			
<b>As at 30 June 2019</b>			
<b>Assets</b>			
Other assets	2,739	(88)	2,651
<b>Total assets</b>	<b>292,467</b>	<b>(88)</b>	<b>292,379</b>
<b>Liabilities</b>			
Income tax payable	824	(18)	806
<b>Total liabilities</b>	<b>256,748</b>	<b>(18)</b>	<b>256,730</b>
<b>Equity</b>			
Retained earnings - Unappropriated	23,969	(70)	23,899
<b>Total equity</b>	<b>35,719</b>	<b>(70)</b>	<b>35,649</b>
<b>Total liabilities and equity</b>	<b>292,467</b>	<b>(88)</b>	<b>292,379</b>

(Unit: Million Baht)

	Consolidated financial statements		
	Previous accounting policy	Decrease	TFRS 15
<b>Statement of comprehensive income</b>			
<b>For the three-month period ended</b>			
<b>30 June 2019</b>			
<b>Profit or loss:</b>			
Fee and service income	1,589	(64)	1,525
Income tax expenses	451	(13)	438
<b>Profit for the period</b>	<b>1,852</b>	<b>(51)</b>	<b>1,801</b>
<b>Attributable to:</b>			
Profit attributable to equity holders of the Company	1,849	(51)	1,798
<b>Earnings per share (Baht):</b>			
Basic earnings per share	2.31	(0.06)	2.25

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		
	Previous		
	accounting policy	Decrease	TFRS 15
<b>Statement of comprehensive income</b>			
<b>For the six-month period ended</b>			
<b>30 June 2019</b>			
<b>Profit or loss:</b>			
Fee and service income	3,073	(88)	2,985
Income tax expenses	887	(18)	869
<b>Profit for the period</b>	<b>3,602</b>	<b>(70)</b>	<b>3,532</b>
<b>Attributable to:</b>			
Profit attributable to equity holders of the Company	3,598	(70)	3,528
<b>Earnings per share (Baht):</b>			
Basic earnings per share	4.50	(0.09)	4.41

The nature of these adjustments are described below:

### **Incentive fee income on fund management**

The subsidiary that operates an asset management business has reconsidered the basis applied for recognition of incentive fee income, which arises when the annual returns of funds that the subsidiary is managing exceed the threshold for the performance of the funds. The subsidiary recognises this variable consideration as revenue at the end of the year when there is a high likelihood that the income will occur, whereas it was previously recognised as revenue over the period that the subsidiary managed the funds.

## **3. General information**

### **3.1 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.

### 3.2 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies 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 reference to the terms and prices as charged to other customers.

## 4. Supplemental information

### 4.1 Consolidated financial statements

A list of subsidiaries included in the consolidated financial statements as at 30 June 2019 and 31 December 2018 is provided below.

Company's name	Nature of business	Country of incorporation	(Unit: Percent)	
			Percentage of shares held by the Company as at	
			30 June 2019	31 December 2018
<b><u>Subsidiaries directly held by the Company</u></b>				
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
<b><u>Subsidiaries indirectly held by the Company</u></b>				
Deutsche TISCO Investment Advisory Co., Ltd.	Securities business	Thailand	51.00	51.00

## 4.2 Derivatives

The subsidiary company operating a banking business entered into interest rate swap agreements and foreign exchange contracts to manage the risk associated with financial assets, as follows:

(Unit: Thousand Baht)

Type of risks	Consolidated financial statements as at					
	30 June 2019			31 December 2018		
	Fair value		Notional amount	Fair value		Notional amount
Assets	Liabilities	Assets		Liabilities		
Exchange rate	29,349	-	934,996	5,685	-	717,751
Interest rate	-	1,600	300,000	-	10,653	1,200,000
<b>Total</b>	<b>29,349</b>	<b>1,600</b>	<b>1,234,996</b>	<b>5,685</b>	<b>10,653</b>	<b>1,917,751</b>

All counterparties of these derivatives transactions are financial institutions.

## 4.3 Investments

### 4.3.1 Classified by type of investments

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
<b>Available-for-sale investments - fair value</b>		
Government and state enterprise securities	10,376,775	7,467,598
Private sector debt securities	184,683	186,078
Domestic marketable equity securities	303,442	299,562
Other securities - domestic unit trusts	61,346	60,777
Other securities - foreign unit trusts	815,944	780,284
Less: Allowance for impairment	(1,460)	(1,460)
<b>Total available-for-sale investments</b>	<b>11,740,730</b>	<b>8,792,839</b>
<b>Held-to-maturity debt securities - cost/amortised cost</b>		
Investment in receivables	12,517	13,352
Less: Allowance for impairment	(12,517)	(13,352)
<b>Total held-to-maturity debt securities</b>	<b>-</b>	<b>-</b>
<b>General investments - cost</b>		
Domestic non-marketable equity securities	254,134	254,134
Less: Allowance for impairment	(40,417)	(34,628)
<b>Total general investments</b>	<b>213,717</b>	<b>219,506</b>
<b>Investments - net</b>	<b>11,954,447</b>	<b>9,012,345</b>



(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements as at	
	30 June 2019	31 December 2018
<b>Available-for-sale investments - fair value</b>		
Government and state enterprise securities	122,989	-
Other securities - foreign unit trusts	815,944	780,284
<b>Investments - net</b>	<b>938,933</b>	<b>780,284</b>

## 4.3.2 Classified by remaining years to maturity of the debt securities

(Unit: Million Baht)

	Consolidated financial statements as at							
	30 June 2019				31 December 2018			
	Due within				Due within			
	Less than 1 year	1 - 5 years	Over 5 years	Total	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale investments</b>								
Government and state enterprise securities	10,374	3	-	10,377	7,464	3	-	7,467
Private sector debt securities	133	51	-	184	1	185	-	186
Total	10,507	54	-	10,561	7,465	188	-	7,653
Less: Allowance for impairment	(1)	-	-	(1)	(1)	-	-	(1)
<b>Total</b>	<b>10,506</b>	<b>54</b>	<b>-</b>	<b>10,560</b>	<b>7,464</b>	<b>188</b>	<b>-</b>	<b>7,652</b>
<b>Held-to-maturity debt securities</b>								
Investment in receivables	13	-	-	13	13	-	-	13
Less: Allowance for impairment	(13)	-	-	(13)	(13)	-	-	(13)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total debt securities</b>	<b>10,506</b>	<b>54</b>	<b>-</b>	<b>10,560</b>	<b>7,464</b>	<b>188</b>	<b>-</b>	<b>7,652</b>

(Unit: Million Baht)

	Separate financial statements as at							
	30 June 2019				31 December 2018			
	Due within				Due within			
	Less than 1 year	1 - 5 years	Over 5 years	Total	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale investments</b>								
Government and state enterprise securities	122,989	-	-	122,989	-	-	-	-
<b>Total debt securities</b>	<b>122,989</b>	<b>-</b>	<b>-</b>	<b>122,989</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4.3.3 Investments subject to restrictions

(Unit: Million Baht)

Type of investments	Consolidated financial statements as at		Type of restrictions
	30 June 2019	31 December 2018	
Government debt securities	2	2	Pledged for electricity usage
Government debt securities	182	648	Pledge for the use of credit balance on clearing position

## 4.3.4 Investments in companies with weak financial positions and poor operating results of a subsidiary company operating a banking business

(Unit: Thousand Baht)

	Consolidated financial statements as at 30 June 2019		
	Cost	Fair value	Allowance for impairment
	Companies having problems with debt repayment or in default	1,460	-

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December 2018		
	Cost	Fair value	Allowance for impairment
	Companies having problems with debt repayment or in default	1,460	-

## 4.3.5 Investments in which a subsidiary company operating a banking business holds not less than 10 percent of the equity of the investees

(Unit: Thousand Baht)

Securities' name	Consolidated financial statements as at					
	30 June 2019			31 December 2018		
	Book value	Unpaid amounts	Percentage of holding (%)	Book value	Unpaid amounts	Percentage of holding (%)
<b>Services:</b>						
Jiji Press (Thailand) Co., Ltd.	814	300	10	814	300	10
<b>Trading import and export:</b>						
Juki (Thailand) Co., Ltd.	5,707	-	10	3,659	-	10
PDTL Trading Co., Ltd.	3,637	-	10	4,320	-	10
Wattana Inter-Trade Co., Ltd.	5,382	-	10	5,382	-	10
<b>Real estate:</b>						
UMI Property Co., Ltd.	3,932	-	10	3,932	-	10
<b>Industrial:</b>						
Siam Art Ceramic Co., Ltd.	11,299	-	10	18,315	-	10

#### 4.4 Investments in subsidiaries and joint venture

(Unit: Thousand Baht)

	Consolidated financial statements as at		Separate financial statements as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Investments in subsidiaries	-	-	19,995,890	19,995,882
Investment in joint venture	769,088	800,151	73,245	73,245
	<u>769,088</u>	<u>800,151</u>	<u>20,069,135</u>	<u>20,069,127</u>

##### 4.4.1 Investments in subsidiaries

(Unit: Million Baht)

Company's name	Nature of business	Separate financial statements							
		Type of investments as at		Percentage of holding as at		Investment value - cost method as at		Dividend received for the six-month periods ended	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	30 June 2018
				(%)	(%)				
<b>Subsidiaries directly held by the Company</b>									
TISCO Bank Public Company Limited	Banking	Ordinary shares	Ordinary shares	99.99	99.99	17,641	17,641	-	-
TISCO Securities Co., Ltd.	Securities business	Ordinary shares	Ordinary shares	99.99	99.99	1,075	1,075	-	-
TISCO Asset Management Co., Ltd.	Asset management	Ordinary shares	Ordinary shares	99.99	99.99	110	110	-	-
Hi-Way Co., Ltd.	Hire purchase and retail loan	Preference shares	Preference shares	99.99	99.99	3	3	-	-
		Ordinary shares	Ordinary shares	99.99	99.99	770	270	-	-
TISCO Information Technology Co., Ltd.	Services	Ordinary shares	Ordinary shares	99.99	99.99	22	22	-	-
TISCO Insurance Solution Co., Ltd.	Insurance broker	Ordinary shares	Ordinary shares	99.99	99.99	137	137	-	-
Primus Leasing Co., Ltd. (In the process of liquidation)	Hire purchase	Ordinary shares	Ordinary shares	99.99	99.99	142	142	-	-
TISCO Learning Center Co., Ltd.	Services	Ordinary shares	Ordinary shares	99.99	99.99	5	5	-	-
All-Ways Co., Ltd.	Services	Ordinary shares	Ordinary shares	99.99	99.99	200	700	-	-
						<u>20,105</u>	<u>20,105</u>	<u>-</u>	<u>-</u>
Less: Allowance for impairment						(109)	(109)		
Investments in subsidiaries - net						<u>19,996</u>	<u>19,996</u>		

## 4.4.2 Investment in joint venture

## a) Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the Company and another company. Details of this investment are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements					
Jointly controlled entity	Nature of business	Shareholding percentage as at		Cost as at		Carrying amounts based on equity method as at	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(%)	(%)				
TISCO Tokyo Leasing Co., Ltd.	Leasing	49.00	49.00	73,245	73,245	769,088	800,151

(Unit: Thousand Baht)

		Separate financial statements							
Jointly controlled entity	Nature of business	Shareholding percentage as at		Cost as at		Allowance for impairment of investment as at		Carrying amounts based on cost method - net as at	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(%)	(%)						
TISCO Tokyo Leasing Co., Ltd.	Leasing	49.00	49.00	73,245	73,245	-	-	73,245	73,245

## b) Share of comprehensive income and dividend received

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

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investment in joint venture for the three-month periods ended 30 June		Share of other comprehensive income from investment in joint venture for the three-month periods ended 30 June		Dividend received for the three-month periods ended 30 June	
	2019	2018	2019	2018	2019	2018
TISCO Tokyo Leasing Co., Ltd.	5,294	23,529	94	620	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investment in joint venture for the six-month periods ended 30 June		Share of other comprehensive income from investment in joint venture for the six-month periods ended 30 June		Dividend received for the six-month periods ended 30 June	
Jointly controlled entity	2019	2018	2019	2018	2019	2018
TISCO Tokyo Leasing Co., Ltd.	(31,906)	169,306	843	2,366	-	-

## 4.5 Loans to customers and accrued interest receivables

### 4.5.1 Classified by type of loans to customers

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
<b>Loans to customers</b>		
Overdrafts	180,866	369,084
Loans	98,466,263	98,933,065
Hire purchase receivables	163,351,454	161,733,691
Finance lease receivables	33,499	53,970
Less: Deferred revenue	(20,796,770)	(20,402,559)
Advances received from finance lease receivables	(20,188)	(32,911)
Total loans to customers	241,215,124	240,654,340
Add: Accrued interest receivables	629,354	642,526
Less: Allowance for doubtful accounts	(11,301,241)	(11,665,492)
Allowance for loss on debt restructuring	(7,744)	(8,146)
Loans to customers and accrued interest receivables - net	230,535,493	229,623,228

(Unit: Thousand Baht)

	Separate financial statements as at	
	30 June 2019	31 December 2018
<b>Loans to customers</b>		
Loans	2,085,000	2,075,000
Add: Accrued interest receivables	-	-
Loans to customers and accrued interest receivables - net	2,085,000	2,075,000

## 4.5.2 Classified by currency and residency of debtors

(Unit: Thousand Baht)

	Consolidated financial statements as at					
	30 June 2019			31 December 2018		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	233,214,325	7,065,803	240,280,128	233,094,849	6,841,740	239,936,589
US Dollars	-	934,996	934,996	-	717,751	717,751
Total loans to customers						
net of deferred revenue	<u>233,214,325</u>	<u>8,000,799</u>	<u>241,215,124</u>	<u>233,094,849</u>	<u>7,559,491</u>	<u>240,654,340</u>

(Unit: Thousand Baht)

	Separate financial statements as at					
	30 June 2019			31 December 2018		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	2,085,000	-	2,085,000	2,075,000	-	2,075,000
Total loans to customers						
net of deferred revenue	<u>2,085,000</u>	<u>-</u>	<u>2,085,000</u>	<u>2,075,000</u>	<u>-</u>	<u>2,075,000</u>

## 4.5.3 Classified by loan classification of a subsidiary company operating a banking business

(Unit: Million Baht)

	As at					
	30 June 2019			31 December 2018		
	Loans to customers and accrued interest receivables	Net amount used for setting up allowance for doubtful accounts	Allowance for doubtful accounts <sup>(1) (2)</sup>	Loans to customers and accrued interest receivables	Net amount used for setting up allowance for doubtful accounts	Allowance for doubtful accounts <sup>(1) (2)</sup>
Provision under BOT's guidelines						
- Pass	212,912	174,705	2,304	214,194	178,483	2,512
- Special mention	17,362	16,094	2,564	16,706	15,096	3,194
- Sub-standard	4,028	3,394	1,611	3,356	3,073	1,269
- Doubtful	1,703	1,396	534	1,536	1,315	586
- Doubtful of loss	1,342	785	412	1,417	817	531
Allowance established in excess	-	-	3,248	-	-	2,951
Total	<u>237,347</u>	<u>196,374</u>	<u>10,673</u>	<u>237,209</u>	<u>198,784</u>	<u>11,043</u>

<sup>(1)</sup> Allowance for doubtful accounts for loans to customers is determined based on debt balance less collateral value in accordance with the BOT's guidelines (except for hire purchase and finance lease receivables, for which TISCO Bank does not deduct the collateral value from the outstanding loan balance).

<sup>(2)</sup> As at 30 June 2019, the provisions set aside by TISCO Bank exceeded the BOT's notification No. Sor Nor Sor. 5/2559 minimum requirement by a total of Baht 5,725 million (As at 31 December 2018: total of Baht 6,428 million). TISCO Bank allocated Baht 2,477 million of the excess provision to specific provision for individual debtors (As at 31 December 2018: total of Baht 3,477 million) and so combined with the minimum provision requirement of Baht 4,948 million (As at 31 December 2018: total of Baht 4,615 million), the total provision set aside in accordance with BOT's requirement is Baht 7,425 million (As at 31 December 2018: total of Baht 8,092 million).

## Percentage of allowance for doubtful accounts set up (%)

	Hire purchase receivables <sup>(1)</sup>		Loan against auto license receivables <sup>(1)</sup>		Other loans <sup>(2)</sup>	
	As at		As at		As at	
	30 June	31 December	30 June	31 December	30 June	31 December
	2019	2018	2019	2018	2019	2018
Pass	0.80	0.83	1.46	1.43	1	1
Special mention	7.73	11.56	17.21	16.80	2	2
Sub-standard	26.93	26.59	38.23	37.75	100	100
Doubtful	26.44	26.60	38.23	37.75	100	100
Doubtful of loss	27.94	27.67	38.23	37.75	100	100

<sup>(1)</sup> These percentages of allowance for doubtful accounts are average percentages used in setting up allowance for doubtful accounts, after inclusion of the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

<sup>(2)</sup> These percentages are the rates used to set aside allowance for doubtful accounts in accordance with the BOT's minimum requirement.

## 4.5.4 Hire purchase and finance lease receivables

As at 30 June 2019, receivables of the subsidiaries under hire purchase and finance lease agreements amount to Baht 142,746 million (31 December 2018: Baht 141,531 million) and mostly comprise hire purchase agreements for cars and finance lease agreements for machines and equipment for business operation. The terms of the agreements are generally between 1 to 7 years and under most agreements, interest is charged at a fixed rate as specified in agreements.

(Unit: Million Baht)

Consolidated financial statements as at 30 June 2019					
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	Non-performing loans	Total
Gross investment in the agreements	49,949	97,865	7,227	8,344	163,385
Less: Deferred revenue <sup>(1)</sup>	(6,879)	(9,134)	(310)	(4,296)	(20,619)
Advances received from finance lease receivables	(20)	-	-	-	(20)
Present value of minimum lease pay from agreements	43,050	88,731	6,917	4,048	142,746
Allowance for doubtful accounts <sup>(2)</sup>					(3,429)
Net hire purchase and finance lease receivables					139,317

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

<sup>(2)</sup> This allowance for doubtful accounts includes the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2018					
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	Non-performing loans	Total
Gross investment in the agreements	50,480	96,776	6,502	8,030	161,788
Less: Deferred revenue <sup>(1)</sup>	(6,878)	(8,926)	(277)	(4,143)	(20,224)
Advances received from finance lease receivables	(24)	(9)	-	-	(33)
Present value of minimum lease pay from agreements	43,578	87,841	6,225	3,887	141,531
Allowance for doubtful accounts <sup>(2)</sup>					(3,835)
Net hire purchase and finance lease receivables					137,696

<sup>(1)</sup> Net of deferred commissions and direct expenses incurred at the initiation of hire purchase.<sup>(2)</sup> This allowance for doubtful accounts includes the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

#### 4.5.5 Loans to customers of subsidiary companies for which the recognition of interest income has been ceased

(Unit: Million Baht)

TISCO Bank	Amounts calculated under BOT's guidelines <sup>(2)</sup>		Amounts calculated under TISCO Bank's policy	
	as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Loans to customers for which the recognition of interest income has been ceased <sup>(1)</sup>	8,349	8,040	9,161	8,618

<sup>(1)</sup> These amounts are calculated on an account by account basis.<sup>(2)</sup> Accrual of interest ceases when interest payments have been defaulted on for more than three months, counting from the due date.

(Unit: Million Baht)

Other subsidiaries	As at	
	30 June 2019	31 December 2018
Hire purchase receivables, finance lease receivables and other loan receivables for which the recognition of interest income has been ceased	673	615



(Unaudited but reviewed)

#### 4.5.6 Deferred revenue which is presented as a deduction against loans to customers of subsidiary companies

(Unit: Million Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Deferred revenue <sup>(1)</sup>	20,797	20,403

<sup>(1)</sup> These amounts include deferred revenue of hire purchase and finance lease contracts which are stated net of commissions and direct expenses incurred at the initiation of hire purchase.

#### 4.5.7 Troubled debt restructuring of a subsidiary company operating a banking business

	For the three-month		For the six-month periods	
	periods ended 30 June		ended 30 June	
	2019	2018	2019	2018
Debtors restructured during the period				
Number of debtors restructured by modification of terms (number)	329	283	606	632
Loan balances before restructuring (Million Baht)	120	83	203	185
Loan balances after restructuring (Million Baht)	121	83	205	185
Loss on troubled debt restructuring (Million Baht)	-	-	-	-
Average contract period of debt restructuring (years)				
Hire purchase receivables	5	4	4	4
Mortgage loan receivables	4	4	4	4
Loan against auto license receivables	5	5	5	5

Supplemental information for the three-month and six-month periods ended 30 June 2019 and 2018 relating to the restructured debts is as follows:

(Unit: Million Baht)

	For the three-month		For the six-month periods	
	periods ended 30 June		ended 30 June	
	2019	2018	2019	2018
Interest income on restructured receivables	47	71	102	151
Receipt of principal and interest	294	384	610	793

(Unaudited but reviewed)

As at 30 June 2019 and 31 December 2018, a subsidiary company operating a banking business has the outstanding balances with troubled debt restructuring debtors as follows:

(Unit: Million Baht)

	As at			
	30 June 2019		31 December 2018	
	Number of debtors	Outstanding balance	Number of debtors	Outstanding balance
The balance of the restructured debts	12,759	2,631	14,261	3,176

#### 4.6 Allowance for doubtful accounts/allowance for loss on debt restructuring

##### 4.6.1 Allowance for doubtful accounts - classified by receivables classification

(Unit: Thousand Baht)

Consolidated financial statements as at 30 June 2019

	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	Allowance	Total
						established in excess	
Balance - beginning of period	2,656,402	3,283,511	1,376,962	670,853	612,847	3,064,917	11,665,492
Increase (decrease) in allowance for doubtful accounts during the period	(173,737)	(601,999)	396,674	716,303	585,174	217,963	1,140,378
Bad debts written-off	(349)	(13,326)	(42,146)	(754,531)	(694,277)	-	(1,504,629)
Balance - end of period	<u>2,482,316</u>	<u>2,668,186</u>	<u>1,731,490</u>	<u>632,625</u>	<u>503,744</u>	<u>3,282,880</u>	<u>11,301,241</u>

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2018

	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	Allowance	Total
						established in excess	
Balance - beginning of year	3,608,773	3,677,986	996,640	488,633	473,173	2,201,961	11,447,166
Increase (decrease) in allowance for doubtful accounts during the year	(799,957)	(354,990)	761,179	1,556,488	2,872,834	862,956	4,898,510
Bad debts written-off	(10,266)	(30,732)	(305,846)	(1,373,488)	(2,733,124)	-	(4,453,456)
Transfer out from sales of receivables	(142,148)	(8,753)	(75,011)	(780)	(36)	-	(226,728)
Balance - end of year	<u>2,656,402</u>	<u>3,283,511</u>	<u>1,376,962</u>	<u>670,853</u>	<u>612,847</u>	<u>3,064,917</u>	<u>11,665,492</u>

## 4.6.2 Allowance for doubtful accounts - classified by loan loss provisioning method

(Unit: Thousand Baht)

	Consolidated financial statements as at 30 June 2019			
	Individual	Collective	Allowance	Total
	impairment	impairment	established in excess	
Balance - beginning of period	3,682,409	4,918,166	3,064,917	11,665,492
Increase (decrease) in allowance for doubtful accounts during the period	(245,527)	1,167,942	217,963	1,140,378
Bad debts written-off	(300,962)	(1,203,667)	-	(1,504,629)
Balance - end of period	<u>3,135,920</u>	<u>4,882,441</u>	<u>3,282,880</u>	<u>11,301,241</u>

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December 2018			
	Individual	Collective	Allowance	Total
	impairment	impairment	established in excess	
Balance - beginning of year	4,548,613	4,696,592	2,201,961	11,447,166
Increase in allowance for doubtful accounts during the year	1,249,326	2,786,228	862,956	4,898,510
Bad debts written-off	(2,021,999)	(2,431,457)	-	(4,453,456)
Transfer out from sales of receivables	(93,531)	(133,197)	-	(226,728)
Balance - end of year	<u>3,682,409</u>	<u>4,918,166</u>	<u>3,064,917</u>	<u>11,665,492</u>

## 4.6.3 Allowance for loss on debt restructuring of a subsidiary company operating a banking business

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Balance - beginning of period/year	8,146	8,948
Increase during the period/year	-	-
Amortisation during the period/year	(402)	(802)
Balance - end of period/year	<u>7,744</u>	<u>8,146</u>

#### 4.6.4 Non-performing loans to customers of a subsidiary company operating a banking business

(Unit: Million Baht)

	As at	
	30 June 2019	31 December 2018
Non-performing loans to customers	7,073	6,309
Allowance for doubtful accounts <sup>(1)</sup>	2,557	2,386

<sup>(1)</sup> This allowance for doubtful accounts includes the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

### 4.7 Classification of assets

#### 4.7.1 Investments in companies with weak financial positions and poor operating results of a subsidiary company operating a banking business

(Unit: Million Baht)

	Allowance for possible loss provided in the accounts					
	Cost as at		Fair value as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Debt instruments - debentures <sup>(1)</sup>	1	1	-	-	1	1

<sup>(1)</sup> Investments in subordinated debentures issued by financial institutions which the Bank of Thailand ordered closed on 8 December 1997.

#### 4.7.2 Classification of assets under the Bank of Thailand's guidelines of a subsidiary company operating a banking business.

As at 30 June 2019 and 31 December 2018, the quality of assets of a subsidiary company operating a banking business classified in accordance with the Bank of Thailand's guidelines is as follows:

(Unit: Million Baht)

	Loans to customers <sup>(1)</sup>		Investments in securities		Investments in receivables		Properties foreclosed		Total	
	as at		as at		as at		as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Pass	249,009	264,469	-	-	-	-	-	-	249,009	264,469
Special mention	17,183	16,533	-	-	-	-	-	-	17,183	16,533
Sub-standard	4,028	3,356	-	-	-	-	-	-	4,028	3,356
Doubtful	1,703	1,536	-	-	-	-	-	-	1,703	1,536
Doubtful of loss	1,342	1,417	42	36	13	13	-	12	1,397	1,478
<b>Total</b>	<b>273,265</b>	<b>287,311</b>	<b>42</b>	<b>36</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>12</b>	<b>273,320</b>	<b>287,372</b>

<sup>(1)</sup> Loans to customers include investments in debt securities under resale agreements of other commercial banks and loans to financial institutions (which are presented as part of interbank and money market items - net (assets) in the statement of financial position).

### 4.7.3 Classification of assets under the Bank of Thailand's guidelines for which a subsidiary company operating a banking business sets aside provision using a collective approach

#### 4.7.3.1 Hire purchase receivables

(Unit: Million Baht)

	Debt balance		Net amount used for setting up allowance for doubtful accounts <sup>(1)</sup>		Percentage of allowance for doubtful accounts setup <sup>(2)</sup>		Allowance for doubtful accounts <sup>(3)</sup>	
	as at		as at		as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
					(%)	(%)		
Pass	123,294	122,837	123,294	122,837	0.80	0.83	984	1,018
Special mention	11,567	11,319	11,567	11,319	7.73	11.56	894	1,309
Sub-standard	1,864	1,811	1,864	1,811	26.93	26.59	502	481
Doubtful	952	900	952	900	26.44	26.60	252	239
Doubtful of loss	617	614	617	614	27.94	27.67	172	170
<b>Total</b>	<b>138,294</b>	<b>137,481</b>	<b>138,294</b>	<b>137,481</b>			<b>2,804</b>	<b>3,217</b>

<sup>(1)</sup> The subsidiary company operating a banking business does not deduct the collateral value from the outstanding loan balance for calculation of allowance for doubtful accounts for hire purchase receivables.

<sup>(2)</sup> These percentages of allowance for doubtful accounts are average percentages used in setting up allowance for doubtful accounts, after inclusion of the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

<sup>(3)</sup> These amounts of allowance for doubtful accounts include the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

#### 4.7.3.2 Loan against auto license receivables

(Unit: Million Baht)

	Debt balance		Net amount used for setting up allowance for doubtful accounts		Percentage of allowance for doubtful accounts setup <sup>(1)</sup>		Allowance for doubtful accounts <sup>(2)</sup>	
	as at		as at		as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
					(%)	(%)		
Pass	23,158	22,835	23,158	22,835	1.46	1.43	338	327
Special mention	3,720	2,816	3,720	2,816	17.21	16.80	640	473
Sub-standard	1,152	923	1,152	923	38.23	37.75	441	348
Doubtful	300	236	300	236	38.23	37.75	115	89
Doubtful of loss	58	45	58	45	38.23	37.75	22	17
<b>Total</b>	<b>28,388</b>	<b>26,855</b>	<b>28,388</b>	<b>26,855</b>			<b>1,556</b>	<b>1,254</b>

<sup>(1)</sup> These percentages of allowance for doubtful accounts are average percentages used in setting up allowance for doubtful accounts, after inclusion of the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

<sup>(2)</sup> These amounts of allowance for doubtful accounts include the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

(Unaudited but reviewed)

4.7.4 Hire purchase receivables/finance lease receivables and other loan receivables of other subsidiaries classified in accordance with the Bank of Thailand's guidelines are as follows:

(Unit: Million Baht)

	Debt balance		Allowance for doubtful accounts		Debt balance - net	
	as at		as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Pass	3,269	2,960	179	138	3,090	2,822
Special mention	563	516	104	188	459	328
Sub-standard	220	201	120	108	100	93
Doubtful	182	163	99	85	83	78
Doubtful of loss	216	203	126	103	90	100
<b>Total</b>	<b>4,450</b>	<b>4,043</b>	<b>628</b>	<b>622</b>	<b>3,822</b>	<b>3,421</b>

4.7.5 Loans to customers with weak financial position and operating results of a subsidiary company operating a banking business

	Number of debtors		Debt balance		Collateral value		Allowance for doubtful accounts provided in the accounts <sup>(2)</sup>	
	as at		as at		as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
			(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
1. Listed companies vulnerable to delisting from the SET <sup>(1)</sup>	1	1	545	578	499	531	545 <sup>(3)</sup>	578 <sup>(3)</sup>
2. Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET	8	11	691	1,315	271	293	8	50
3. Listed companies under rehabilitation	-	-	-	-	-	-	-	-
4. Companies whose auditor's report cited going concern issues	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9</b>	<b>12</b>	<b>1,236</b>	<b>1,893</b>	<b>770</b>	<b>824</b>	<b>553</b>	<b>628</b>

<sup>(1)</sup> The company is currently under rehabilitation.

<sup>(2)</sup> This allowance for doubtful accounts includes the allowance for doubtful accounts from assigning provision in excess of BOT's minimum requirement to specific provision for individual debtors.

<sup>(3)</sup> This allowance for doubtful accounts includes the allowance for loss on debt restructuring.

**4.8 Other assets**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Receivables from clearing house	388,992	114,611	-	-
Value added tax - net	541,599	571,227	2,009	3,300
Accrued interest receivables	21,656	20,365	-	-
Fee and service receivables	419,412	346,994	134,353	124,128
Refundable income tax and prepaid income tax	23,526	35,156	-	-
Deposits	84,084	81,170	2,124	2,118
Other receivables	684,212	835,721	-	-
Other assets	487,534	404,043	63,053	37,437
<b>Total other assets</b>	<b>2,651,015</b>	<b>2,409,287</b>	<b>201,539</b>	<b>166,983</b>

**4.9 Deposits****4.9.1 Classified by type of deposits**

	(Unit: Thousand Baht)	
	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Deposits		
Current accounts	2,424,241	2,483,555
Saving accounts	40,282,069	54,683,842
Fixed accounts		
- not over 6 months	16,085,664	16,081,571
- over 6 months but not over 1 year	33,046,415	20,441,879
- over 1 year	4,377,885	3,551,294
Certificates of deposit/negotiable certificates of deposit	103,012,094	95,866,169
<b>Total</b>	<b>199,228,368</b>	<b>193,108,310</b>

**4.9.2 Classified by the remaining years of contract**

	(Unit: Thousand Baht)	
	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Not over 1 year <sup>(1)</sup>	198,612,140	189,170,624
Over 1 year	616,228	3,937,686
<b>Total deposits</b>	<b>199,228,368</b>	<b>193,108,310</b>

<sup>(1)</sup> Including fully-mature deposit contracts

4.9.3 As at 30 June 2019 and 31 December 2018, all outstanding deposits are deposits from domestic depositors and are in Baht.

#### 4.10 Debts issued and borrowings

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<u>Domestic borrowings</u>				
Subordinated unsecured debentures	6,680,000	6,680,000	-	-
Unsubordinated unsecured debentures	26,135,000	43,000,000	6,035,000	-
Bills of exchange	36,122	5,876,122	-	5,840,000
Promissory notes	797	797	-	-
<b>Total</b>	<b>32,851,919</b>	<b>55,556,919</b>	<b>6,035,000</b>	<b>5,840,000</b>

##### 4.10.1 Subordinated unsecured debentures

As at 30 June 2019 and 31 December 2018, a subsidiary company operating a banking business has long-term subordinated unsecured debentures as follows:

Issued year	Units as at		Face value per unit (Baht)	Balance as at		Maturity in the year	Interest rate
	30 June 2019	31 December 2018		30 June 2019	31 December 2018		
	(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2014	-	1.60	1,000	-	1,600	2024	6.00 percent per annum
2014	-	0.80	1,000	-	800	2024	6.00 percent per annum
2015	1.00	1.00	1,000	1,000	1,000	2025	4.50 percent per annum
2015	1.00	1.00	1,000	1,000	1,000	2025	4.25 percent per annum
2016	0.68	0.68	1,000	680	680	2026	3.875 percent per annum
2017	1.00	1.00	1,000	1,000	1,000	2027	4.00 percent per annum
2017	0.60	0.60	1,000	600	600	2027	3.70 percent per annum
2019	1.20	-	1,000	1,200	-	2029	4.00 percent per annum
2019	1.20	-	1,000	1,200	-	2029	4.00 percent per annum
<b>Total</b>				<b>6,680</b>	<b>6,680</b>		



#### 4.10.2 Unsubordinated unsecured debentures

As at 30 June 2019 and 31 December 2018, the Company and its subsidiary have short-term and long-term unsubordinated unsecured debentures as follows:

Consolidated financial statements								
Issued year	Type of debentures	Units as at		Face value per unit (Baht)	Balance as at		Maturity in the year	Interest rate
		30 June 2019	31 December 2018		30 June 2019	31 December 2018		
		(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2016	Long-term debenture	-	10.00	1,000	-	10,000	2019	1.85 - 1.95 percent per annum
2017	Long-term debenture	-	13.00	1,000	-	13,000	2019	1.75 - 1.85 percent per annum
2018	Long-term debenture	8.00	8.00	1,000	8,000	8,000	2019	1.68 - 1.75 percent per annum
2018	Long-term debenture	12.00	12.00	1,000	12,000	12,000	2020	1.65 - 2.05 percent per annum
2019	Short-term debenture	0.10	-	1,000	100	-	2019	1.85 percent per annum
2019	Short-term debenture	6.035	-	1,000	6,035	-	2019	1.85 - 1.90 percent per annum
Total					26,135	43,000		

Separate financial statements								
Issued year	Type of debentures	Units as at		Face value per unit (Baht)	Balance as at		Maturity in the year	Interest rate
		30 June 2019	31 December 2018		30 June 2019	31 December 2018		
		(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2019	Short-term debenture	6.035	-	1,000	6,035	-	2019	1.85 - 1.90 percent per annum
Total					6,035	-		

#### 4.10.3 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.

#### 4.11 Provision for long-term employee benefits

During the period, the Company and its subsidiaries recognised additional long-term employee benefit liabilities of Baht 213 million (The Company only: Baht 50 million) as a result of the amendment to legal severance pay rates under the Labor Protection Act (No. 7) B.E. 2562, which was announced in the Royal Gazette on 5 April 2019. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The Company and its subsidiaries have amended their rules and regulations to comply with the law, effective in the current period. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have reflected the effect of the change by recognising past service costs as expenses in the income statement of the current period.

**4.12 Other liabilities**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Payable to clearing house	35,491	60,565	-	-
Withholding income tax and other				
tax payables	150,730	477,062	12,591	127,572
Accrued insurance premium	517,198	638,693	-	-
Deferred income	1,651,846	1,464,621	-	-
Accrued expenses	4,985,151	3,876,110	1,608,649	1,353,893
Suspense creditors	1,281,359	1,082,473	-	-
Other liabilities	445,490	360,541	97	97
<b>Total other liabilities</b>	<b>9,067,265</b>	<b>7,960,065</b>	<b>1,621,337</b>	<b>1,481,562</b>

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 set aside for payment five years later. It is paid in cash and determined based on the average daily price of the Company's shares over the period of five years from grant date to settlement date. As of 30 June 2019 and 31 December 2018, the Company and its subsidiaries have issued bonus under this scheme amounting to Baht 934 million and Baht 859 million, respectively (The Company only: Baht 452 million and Baht 419 million, respectively).

### 4.13 Capital funds

4.13.1 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, cash liquidity and others in accordance with the regulations of the Bank of Thailand or relevant regulatory agencies.

4.13.2 TISCO 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, car inventory financing loans, equity exposure and other assets.

Regarding Capital funds as at 30 June 2019 and 31 December 2018, Financial Business Group has allocated the additional reserve from classification as part of regulatory capital funds. The reserve has been classified to Tier 1 capital and Tier 2 capital based on method under the BOT's regulation.

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

	(Unit: Thousand Baht)	
	As at	
	30 June 2019	31 December 2018
<b><u>Common Equity Tier I capital</u></b>		
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	20,512,152	19,122,322
Other components of equity	1,825,560	1,458,770
Less: Deductions from Common Equity Tier I items	(1,632,164)	(1,581,233)
<b>Total Common Equity Tier I capital</b>	<b>30,531,412</b>	<b>28,825,723</b>
<b><u>Financial Instrument Tier I capital</u></b>		
Issued and paid-up share capital - non cumulative preference shares	99	99
<b>Total Tier I capital</b>	<b>30,531,511</b>	<b>28,825,822</b>
<b><u>Tier II capital</u></b>		
Long-term subordinated debentures	6,680,000	6,680,000
Surplus of provision	704,032	682,051
Reserve for loans classified as pass	718,130	729,829
<b>Total Tier II capital</b>	<b>8,102,162</b>	<b>8,091,880</b>
<b>Total capital funds</b>	<b>38,633,673</b>	<b>36,917,702</b>

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	30 June 2019		31 December 2018	
	Financial Business Group	Requirement	Financial Business Group	Requirement
Common Equity Tier I capital to risk assets	17.47	7.00	16.75	6.375
Tier I capital to risk assets	17.47	8.50	16.75	7.875
Total capital to risk assets	22.10	11.00	21.46	10.375

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

(Unit: Thousand Baht)

	As at	
	30 June 2019	31 December 2018
<b><u>Common Equity Tier I capital</u></b>		
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	17,277,459	15,959,967
Other components of equity	305,643	197,999
Less: Deductions from Common Equity Tier I items	(1,016,742)	(972,378)
<b>Total Common Equity Tier I capital</b>	<b>29,309,060</b>	<b>27,928,288</b>
<b><u>Financial Instrument Tier I capital</u></b>		
Issued and fully paid-up share capital - non cumulative preference shares	1	1
<b>Total Tier I capital</b>	<b>29,309,061</b>	<b>27,928,289</b>
<b><u>Tier II Capital</u></b>		
Long-term subordinated debentures	6,680,000	6,680,000
Surplus of provision	686,169	664,553
Reserve for loans classified as pass	553,765	571,301
<b>Total Tier II capital</b>	<b>7,919,934</b>	<b>7,915,854</b>
<b>Total capital funds</b>	<b>37,228,995</b>	<b>35,844,143</b>

(Unaudited but reviewed)

(Unit: Percent)

Capital fund ratios	As at			
	30 June 2019		31 December 2018	
	TISCO		TISCO	
	Bank	Requirement	Bank	Requirement
Common Equity Tier I capital to risk assets	18.47	7.00	17.85	6.375
Tier I capital to risk assets	18.47	8.50	17.85	7.875
Total capital to risk assets	23.46	11.00	22.91	10.375

4.13.3 To comply with the Notification of the Bank of Thailand No. Sor Nor Sor. 5/2556 regarding “Public Disclosure of Capital Maintenance for Financial Business Group”, the Company will disclose capital maintenance information of the Financial Business Group as at 30 June 2019 on its website within October 2019.

#### 4.14 Interest income

Interest income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Interbank and money market items	154,860	162,955	365,015	322,431
Investments in debt securities	62,955	44,670	115,345	87,618
Loans to customers	1,999,379	2,012,536	3,954,843	4,105,027
Hire purchase and finance lease	2,162,876	2,191,114	4,334,499	4,387,184
Total interest income	4,380,070	4,411,275	8,769,702	8,902,260

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Interbank and money market items	1,892	1,346	4,742	3,295
Investments in debt securities	1,578	-	3,648	2,424
Loans to customers	13,063	16,020	25,632	32,411
Total interest income	16,533	17,366	34,022	38,130

#### 4.15 Interest expenses

Interest expenses in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Deposits	801,928	610,383	1,548,253	1,225,808
Interbank and money market items	5,710	6,895	13,025	14,158
Contribution fee to the Deposit Protection Agency and the Bank of Thailand	269,184	275,769	548,125	553,486
Issued debt securities				
- Subordinated debentures	67,826	79,793	137,932	158,709
- Unsubordinated debentures	127,714	240,934	299,626	485,458
Borrowings	227	18,819	12,804	38,808
Total interest expenses	<u>1,272,589</u>	<u>1,232,593</u>	<u>2,559,765</u>	<u>2,476,427</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Issued debt securities				
- Unsubordinated debentures	18,717	-	19,784	-
Borrowings	-	18,592	12,352	38,356
Total interest expenses	<u>18,717</u>	<u>18,592</u>	<u>32,136</u>	<u>38,356</u>

**4.16 Net fee and service income**

Net fee and service income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Fee and service income				
- Acceptance, aval and guarantees	1,890	2,458	3,287	4,217
- Insurance service	742,171	660,409	1,443,848	1,392,361
- Brokerage fee	192,853	209,952	365,228	470,794
- Fund management	292,985	298,835	578,695	594,285
- Financial advisory	14,008	4,077	16,830	20,643
- Underwriting fee	-	102	-	50,090
- Others	281,378	326,809	577,392	692,465
Total fee and service income	1,525,285	1,502,642	2,985,280	3,224,855
Fee and service expenses				
- Information service expenses	(3,944)	(3,841)	(7,742)	(7,536)
- Others	(72,917)	(57,649)	(130,127)	(116,890)
Total fee and service expenses	(76,861)	(61,490)	(137,869)	(124,426)
Net fee and service income	1,448,424	1,441,152	2,847,411	3,100,429

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Fee and service income	-	-	-	-
Fee and service expenses	(4,406)	(5,884)	(8,477)	(9,596)
Net fee and service income	(4,406)	(5,884)	(8,477)	(9,596)

**4.17 Net gains (losses) on trading and foreign exchange transactions**

Net gains (losses) on trading and foreign exchange transactions in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Gains (losses) on trading and foreign exchange transactions				
- Foreign currencies and derivatives on foreign exchange	(16,626)	50,248	(50,710)	11,452
- Derivatives on interest rates	(12)	(106)	4	(2,130)
- Debt securities	7,388	3,936	13,542	8,420
- Others	-	(62)	(16)	(62)
Net gains (losses) on trading and foreign exchange transactions	<u>(9,250)</u>	<u>54,016</u>	<u>(37,180)</u>	<u>17,680</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Gains (losses) on trading and foreign exchange transactions				
- Foreign currencies	(27,796)	50,206	(44,928)	11,353
Net gains (losses) on trading and foreign exchange transactions	<u>(27,796)</u>	<u>50,206</u>	<u>(44,928)</u>	<u>11,353</u>



**4.18 Net gains (losses) on investments**

Net gains (losses) on investments in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Gains (losses) on disposal				
- Available-for-sale investments	(205)	268	(721)	56,322
- Held-to-maturity debt securities	4,194	1,385	7,073	3,937
- General investments	-	8,799	-	204,365
Total	3,989	10,452	6,352	264,624
Reversal of allowance for losses (losses) on impairment				
- General investments	(7,867)	727	(5,789)	751
Total	(7,867)	727	(5,789)	751
Net gains (losses) on investments	<u>(3,878)</u>	<u>11,179</u>	<u>563</u>	<u>265,375</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Gains on disposal				
- Available-for-sale-investments	-	-	-	23
Net gains on investment	<u>-</u>	<u>-</u>	<u>-</u>	<u>23</u>

#### 4.19 Bad debts, doubtful accounts and impairment losses

Bad debts, doubtful accounts and impairment losses in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Interbank and money market items	-	73	-	73
Held-to-maturity debt securities (reversal)	(763)	(4)	(835)	(109)
Loans to customers	138,302	534,237	246,582	1,448,621
<b>Total</b>	<b>137,539</b>	<b>534,306</b>	<b>245,747</b>	<b>1,448,585</b>

#### 4.20 Other operating income

Other operating income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Gains on disposal of properties foreclosed	9,514	16,602	28,186	40,447
Gains on sales of receivables	-	41,321	-	41,321
Others	12,210	8,528	29,201	24,826
<b>Total</b>	<b>21,724</b>	<b>66,451</b>	<b>57,387</b>	<b>106,594</b>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Rental income	20,189	17,593	40,514	35,159
Others	1,711	671	2,207	1,371
<b>Total</b>	<b>21,900</b>	<b>18,264</b>	<b>42,721</b>	<b>36,530</b>

**4.21 Other operating expenses**

Other operating expenses in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Mailing expenses	16,599	18,128	36,314	38,877
Software amortisation expenses	41,530	42,134	84,140	82,938
Legal expenses relating to the business	78,387	80,935	149,042	355,209
Transportation expenses	25,496	26,093	50,609	51,385
Expenses related to the repossession and the disposal of repossessed assets	23,574	20,187	48,545	44,208
Advertising and business promotion expenses	45,074	41,907	61,369	63,622
Others	100,302	78,751	160,719	132,961
<b>Total</b>	<b>330,962</b>	<b>308,135</b>	<b>590,738</b>	<b>769,200</b>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Mailing expenses	27	25	60	148
Software amortisation expenses	16,283	18,128	33,873	35,598
Transportation expenses	2,178	2,244	4,237	4,402
Advertising and business promotion expenses	7,421	134	8,197	379
Others	13,827	34,319	16,613	37,902
<b>Total</b>	<b>39,736</b>	<b>54,850</b>	<b>62,980</b>	<b>78,429</b>

**4.22 Income tax expenses**

Income tax expenses of the Company and its subsidiaries for the three-month and six-month periods ended 30 June 2019 and 2018 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Income tax expenses for the period	437,727	502,154	987,632	1,015,351
<b>Deferred tax:</b>				
Deferred tax on temporary differences and reversion of temporary differences	255	(68,001)	(118,751)	(177,922)
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>437,982</b>	<b>434,153</b>	<b>868,881</b>	<b>837,429</b>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Income tax expenses for the period	18,666	37,094	47,871	44,052
<b>Deferred tax:</b>				
Deferred tax on temporary differences and reversion of temporary differences	146	(4,188)	(10,007)	(3,118)
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>18,812</b>	<b>32,906</b>	<b>37,864</b>	<b>40,934</b>

**4.23 Components of other comprehensive income**

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
<b>Other comprehensive income</b>				
Available-for-sale investments:				
Gains (losses) during the period	5,633	(136,362)	90,157	(108,070)
Add (less): Reclassification adjustments for (gains) losses included in profit or loss	205	(268)	721	(56,322)
	5,838	(136,630)	90,878	(164,392)
Actuarial losses	(178,686)	(20,446)	(178,686)	(20,446)
Share of other comprehensive income of joint venture:				
Cash flow hedges of joint venture	94	620	843	2,366
Other comprehensive income	(172,754)	(156,456)	(86,965)	(182,472)
Income tax effects relating to components of other comprehensive income	34,441	31,042	17,434	35,050
Net other comprehensive income for the period	<u>(138,313)</u>	<u>(125,414)</u>	<u>(69,531)</u>	<u>(147,422)</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
<b>Other comprehensive income</b>				
Available-for-sale investments:				
Gains (losses) during the period	5,147	(59,374)	78,812	(42,423)
Add (less): Reclassification adjustments for (gains) losses included in profit or loss	-	-	-	(23)
	5,147	(59,374)	78,812	(42,446)
Actuarial losses	(24,643)	(8,386)	(10,365)	(8,386)
Other comprehensive income	(19,496)	(67,760)	68,447	(50,832)
Income tax effects relating to components of other comprehensive income	3,900	13,552	(13,689)	10,166
Net other comprehensive income for the period	<u>(15,596)</u>	<u>(54,208)</u>	<u>54,758</u>	<u>(40,666)</u>

**4.24 Income tax effects relating to components of other comprehensive income**

(Unit: Thousand Baht)

Consolidated financial statements						
For the three-month periods ended 30 June						
2019			2018			
	Tax			Tax		
	(expense)	Net of tax	Before tax	(expense)	Net of tax	
	benefit	amount	amount	benefit	amount	
	amount	amount	amount	amount	amount	
Gains (losses) on valuation in						
available-for-sale investments	5,838	(1,168)	4,670	(136,630)	27,326	(109,304)
Actuarial losses	(178,686)	35,609	(143,077)	(20,446)	3,716	(16,730)
	<u>(172,848)</u>	<u>34,441</u>	<u>(138,407)</u>	<u>(157,076)</u>	<u>31,042</u>	<u>(126,034)</u>

(Unit: Thousand Baht)

Consolidated financial statements						
For the six-month periods ended 30 June						
2019			2018			
	Tax			Tax		
	(expense)	Net of tax	Before tax	(expense)	Net of tax	
	benefit	amount	amount	benefit	amount	
	amount	amount	amount	amount	amount	
Gains (losses) on valuation in						
available-for-sale investments	90,878	(18,175)	72,703	(164,392)	31,334	(133,058)
Actuarial losses	(178,686)	35,609	(143,077)	(20,446)	3,716	(16,730)
	<u>(87,808)</u>	<u>17,434</u>	<u>(70,374)</u>	<u>(184,838)</u>	<u>35,050</u>	<u>(149,788)</u>

(Unit: Thousand Baht)

Separate financial statements						
For the three-month periods ended 30 June						
2019			2018			
	Tax			Tax		
	(expense)	Net of tax	Before tax	(expense)	Net of tax	
	benefit	amount	amount	benefit	amount	
	amount	amount	amount	amount	amount	
Gains (losses) on valuation in						
available-for-sale investments	5,147	(1,029)	4,118	(59,374)	11,875	(47,499)
Actuarial losses	(24,643)	4,929	(19,714)	(8,386)	1,677	(6,709)
	<u>(19,496)</u>	<u>3,900</u>	<u>(15,596)</u>	<u>(67,760)</u>	<u>13,552</u>	<u>(54,208)</u>

(Unit: Thousand Baht)

	Separate financial statements					
	For the six-month periods ended 30 June					
	2019			2018		
	Before tax amount	Tax (expense) benefit	Net of tax amount	Before tax amount	Tax (expense) benefit	Net of tax amount
Gains (losses) on valuation in available-for-sale investments	78,812	(15,762)	63,050	(42,446)	8,489	(33,957)
Actuarial losses	(10,365)	2,073	(8,292)	(8,386)	1,677	(6,709)
	<u>68,447</u>	<u>(13,689)</u>	<u>54,758</u>	<u>(50,832)</u>	<u>10,166</u>	<u>(40,666)</u>

#### 4.25 Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares and preference shares in issue during the period. The rights and benefits of the preference shareholders have been equal to those of the ordinary shareholders.

	Consolidated financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2019	2018	2019	2018
	Profit for the period from continuing operations (Thousand Baht)	1,798,153	1,754,501	3,527,751
Basic earnings per share from continuing operations (Baht/share)	2.25	2.19	4.41	4.44
Loss for the period from discontinued operations (Thousand Baht)	-	(45,073)	-	(82,421)
Basic loss per share from discontinued operations (Baht/share)	-	(0.05)	-	(0.10)
Weighted average number of shares (Thousand shares)	800,655	800,655	800,655	800,655

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Profit for the period from continuing operations (Thousand Baht)	82,293	133,899	178,916	211,601
Basic earnings per share from continuing operations (Baht/share)	0.10	0.17	0.22	0.26
Weighted average number of shares (Thousand shares)	800,655	800,655	800,655	800,655

#### 4.26 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
Deutsche TISCO Investment Advisory 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



(Unaudited but reviewed)

As at 30 June 2019 and 31 December 2018, the balances of accounts between the Company and its related companies are as follows:

	(Unit: Thousand Baht)	
	As at	
	30 June 2019	31 December 2018
<b><u>Outstanding balance</u></b>		
(Eliminated from the consolidated financial statements)		
<b>Subsidiary companies</b>		
Interbank and money market items - net (Assets):		
TISCO Bank Public Company Limited	813,876	641,395
Dividend receivables:		
TISCO Bank Public Company Limited	-	3,593,665
TISCO Securities Co., Ltd.	-	140,000
TISCO Asset Management Co., Ltd.	-	934,994
Hi-Way Co., Ltd.	-	135,000
TISCO Information Technology Co., Ltd.	-	34,999
TISCO Insurance Solution Co., Ltd.	-	389,986
TISCO Learning Center Co., Ltd.	-	29,998
Other assets:		
TISCO Bank Public Company Limited	133,422	123,647
TISCO Learning Center Co., Ltd.	1,723	705
Other liabilities:		
TISCO Learning Center Co., Ltd.	865	971

**Loans to related companies**

As at 30 June 2019 and 1 January 2019, the balances of loans between the Company and its related companies and their movements are as follows:

	(Unit: Thousand Baht)			
	As at			As at
	1 January 2019	Increase	Decrease	30 June 2019
<b>Subsidiary companies</b>				
Loans				
Hi-Way Co., Ltd.	2,075,000	270,000	(260,000)	2,085,000

(Unaudited but reviewed)

During the period, 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.

(Unit: Thousand Baht)

	Separate financial statements				Terms and pricing policies
	For the three-month periods		For the six-month periods		
	ended 30 June		ended 30 June		
	2019	2018	2019	2018	
<b>Transactions occurred during the periods</b>					
(Eliminated from the consolidated financial statements)					
<b>Subsidiary companies</b>					
Interest income	14,899	17,325	30,318	35,665	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	553,921	562,506	1,127,925	1,086,173	Determined on market prices and/or actual cost in compliance with the criteria specified by the Bank of Thailand
Rental income	20,189	17,593	40,514	35,159	With reference to the terms and prices as offered to other customers
Computer system advisory service expenses	73,000	49,750	146,000	99,500	Determined on actual cost in compliance with the criteria specified by the Bank of Thailand
Training expenses	2,062	3,022	4,196	4,269	With reference to the prices as offered from other service providers
Other expenses	370	991	1,015	1,548	With reference to the terms and prices as offered to other customers

#### Loans to management-level employees (departmental manager upward)

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Loans <sup>(1)</sup>	25,653	17,581

<sup>(1)</sup> Including employee welfare loans and normal loans

#### Liabilities payable to directors and key management personnel

(Unit: Thousand Baht)

	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Deposits	275,766	383,693

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2019 and 2018, the Company and its subsidiaries had short-term benefit expenses paid to their directors and key management during the periods and other employee benefit expenses payable to their directors and management as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Short-term benefits	87	80	170	153
Post-employment benefits	15	13	30	26
<b>Total</b>	<b>102</b>	<b>93</b>	<b>200</b>	<b>179</b>

(Unit: Million Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Short-term benefits	46	41	90	78
Post-employment benefits	8	7	15	13
<b>Total</b>	<b>54</b>	<b>48</b>	<b>105</b>	<b>91</b>

**4.27 Segment information**

The Company and its subsidiaries are organised into business units based on their products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

(Unaudited but reviewed)

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2019 and 2018, respectively.

	Commercial banking business	Securities business	Asset management business	Support business	Total segments	Adjustments and eliminations	(Unit: Million Baht) Consolidated financial statements
<b>For the three-month period ended 30 June 2019</b>							
<b>Revenue</b>							
External customers	4,137	202	354	(44)	4,649	-	4,649
Inter-segment	139	99	(15)	838	1,061	(1,061)	-
<b>Total revenue</b>	<b>4,276</b>	<b>301</b>	<b>339</b>	<b>794</b>	<b>5,710</b>	<b>(1,061)</b>	<b>4,649</b>
<b>Operating results:</b>							
Net interest income	3,100	7	1	(1)	3,107	-	3,107
Net fee and service income	1,068	250	334	247	1,899	(450)	1,449
Other operating income	108	44	4	548	704	(611)	93
<b>Total operating income</b>	<b>4,276</b>	<b>301</b>	<b>339</b>	<b>794</b>	<b>5,710</b>	<b>(1,061)</b>	<b>4,649</b>
Premises and equipment expenses and amortisation	(392)	(21)	(6)	(201)	(620)	248	(372)
Other operating expenses	(1,801)	(252)	(160)	(462)	(2,675)	775	(1,900)
Bad debts, doubtful accounts and impairment losses	(137)	-	-	-	(137)	(1)	(138)
<b>Total operating expenses</b>	<b>(2,330)</b>	<b>(273)</b>	<b>(166)</b>	<b>(663)</b>	<b>(3,432)</b>	<b>1,022</b>	<b>(2,410)</b>
<b>Segment profit from continuing operations before income tax expenses</b>	<b>1,946</b>	<b>28</b>	<b>173</b>	<b>131</b>	<b>2,278</b>	<b>(39)</b>	<b>2,239</b>
Income tax expenses							(438)
Profit from continuing operations							1,801
Loss from discontinued operations							-
Non-controlling interests of the subsidiaries							(3)
<b>Profit for the period - equity holders of the Company</b>							<b>1,798</b>

(Unaudited but reviewed)

	(Unit: Million Baht)						
	Commercial banking business	Securities business	Asset management business	Support business	Total segments	Adjustments and eliminations	Consolidated financial statements
<b>For the six-month period ended 30 June 2019</b>							
<b>Revenue</b>							
External customers	8,281	386	686	(117)	9,236	-	9,236
Inter-segment	266	157	(23)	1,733	2,133	(2,133)	-
<b>Total revenue</b>	<b>8,547</b>	<b>543</b>	<b>663</b>	<b>1,616</b>	<b>11,369</b>	<b>(2,133)</b>	<b>9,236</b>
<b>Operating results:</b>							
Net interest income	6,191	14	2	3	6,210	-	6,210
Net fee and service income	2,111	481	657	487	3,736	(889)	2,847
Other operating income	245	48	4	1,126	1,423	(1,244)	179
<b>Total operating income</b>	<b>8,547</b>	<b>543</b>	<b>663</b>	<b>1,616</b>	<b>11,369</b>	<b>(2,133)</b>	<b>9,236</b>
Premises and equipment expenses and amortisation	(774)	(42)	(13)	(390)	(1,219)	498	(721)
Other operating expenses	(3,647)	(490)	(326)	(977)	(5,440)	1,572	(3,868)
Bad debts, doubtful accounts and impairment losses	(245)	-	-	-	(245)	(1)	(246)
<b>Total operating expenses</b>	<b>(4,666)</b>	<b>(532)</b>	<b>(339)</b>	<b>(1,367)</b>	<b>(6,904)</b>	<b>2,069</b>	<b>(4,835)</b>
<b>Segment profit from continuing operations before income tax expenses</b>	<b>3,881</b>	<b>11</b>	<b>324</b>	<b>249</b>	<b>4,465</b>	<b>(64)</b>	<b>4,401</b>
Income tax expenses							(869)
Profit from continuing operations							3,532
Loss from discontinued operations							-
Non-controlling interests of the subsidiaries							(4)
<b>Profit for the period - equity holders of the Company</b>							<b>3,528</b>

(Unaudited but reviewed)

	Commercial banking business	Securities business	Asset management business	Support business	Total segments	Adjustments and eliminations	(Unit: Million Baht) Consolidated financial statements
<b>For the three-month period ended 30 June 2018</b>							
<b>Revenue</b>							
External customers	4,242	214	357	48	4,861	-	4,861
Inter-segment	86	68	-	753	907	(907)	-
<b>Total revenue</b>	<b>4,328</b>	<b>282</b>	<b>357</b>	<b>801</b>	<b>5,768</b>	<b>(907)</b>	<b>4,861</b>
<b>Operating results:</b>							
Net interest income	3,180	4	2	-	3,186	(7)	3,179
Net fee and service income	982	277	354	170	1,783	(342)	1,441
Other operating income	166	1	1	631	799	(558)	241
<b>Total operating income</b>	<b>4,328</b>	<b>282</b>	<b>357</b>	<b>801</b>	<b>5,768</b>	<b>(907)</b>	<b>4,861</b>
Premises and equipment expenses and amortisation	(325)	(23)	(12)	(154)	(514)	171	(343)
Other operating expenses	(1,712)	(230)	(135)	(456)	(2,533)	744	(1,789)
Bad debts, doubtful accounts and impairment losses	(534)	-	-	-	(534)	-	(534)
<b>Total operating expenses</b>	<b>(2,571)</b>	<b>(253)</b>	<b>(147)</b>	<b>(610)</b>	<b>(3,581)</b>	<b>915</b>	<b>(2,666)</b>
<b>Segment profit from continuing operations before income tax expenses</b>	<b>1,757</b>	<b>29</b>	<b>210</b>	<b>191</b>	<b>2,187</b>	<b>8</b>	<b>2,195</b>
Income tax expenses							(434)
Profit from continuing operations							1,761
Loss from discontinued operations							(45)
Non-controlling interests of the subsidiaries							(7)
<b>Profit for the period - equity holders of the Company</b>							<b>1,709</b>

(Unaudited but reviewed)

	(Unit: Million Baht)						
	Commercial banking business	Securities business	Asset management business	Support business	Total segments	Adjustments and eliminations	Consolidated financial statements
<b>For the six-month period ended 30 June 2018</b>							
<b>Revenue</b>							
External customers	8,820	582	749	139	10,290	-	10,290
Inter-segment	167	169	-	1,330	1,666	(1,666)	-
<b>Total revenue</b>	<b>8,987</b>	<b>751</b>	<b>749</b>	<b>1,469</b>	<b>11,956</b>	<b>(1,666)</b>	<b>10,290</b>
<b>Operating results:</b>							
Net interest income	6,429	7	4	1	6,441	(15)	6,426
Net fee and service income	2,036	667	744	334	3,781	(681)	3,100
Other operating income	522	77	1	1,134	1,734	(970)	764
<b>Total operating income</b>	<b>8,987</b>	<b>751</b>	<b>749</b>	<b>1,469</b>	<b>11,956</b>	<b>(1,666)</b>	<b>10,290</b>
Premises and equipment expenses and amortisation	(651)	(43)	(21)	(304)	(1,019)	341	(678)
Other operating expenses	(3,565)	(476)	(270)	(883)	(5,194)	1,445	(3,749)
Bad debts, doubtful accounts and impairment losses	(1,448)	-	-	-	(1,448)	-	(1,448)
<b>Total operating expenses</b>	<b>(5,664)</b>	<b>(519)</b>	<b>(291)</b>	<b>(1,187)</b>	<b>(7,661)</b>	<b>1,786</b>	<b>(5,875)</b>
<b>Segment profit from continuing operations before income tax expenses</b>	<b>3,323</b>	<b>232</b>	<b>458</b>	<b>282</b>	<b>4,295</b>	<b>120</b>	<b>4,415</b>
Income tax expenses							(837)
Profit from continuing operations							3,578
Loss from discontinued operations							(83)
Non-controlling interests of the subsidiaries							(20)
<b>Profit for the period - equity holders of the Company</b>							<b>3,475</b>

The Company and its subsidiaries operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

During the three-month and six-month periods ended 30 June 2019 and 2018, the Company and its subsidiaries do not have income from any clients amounting to or over 10 percent of their income.

## 4.28 Commitments and contingent liabilities

### 4.28.1 Avals, guarantees and commitments

	(Unit: Thousand Baht)	
	Consolidated financial statements as at	
	30 June 2019	31 December 2018
Other guarantees	454,409	753,963
Undrawn client overdraft facilities	142,319	351,660
Interest rate swap agreements	300,000	1,200,000
Foreign exchange contracts	934,996	717,751
Others	707,068	517,961
Total	<u>2,538,792</u>	<u>3,541,335</u>

### 4.28.2 Litigation

As at 30 June 2019 and 31 December 2018, the subsidiaries have been sued for compensation totaling approximately Baht 327 million and Baht 334 million, respectively. Final judgements have not yet been reached in respect of these cases. The management of the Company and its subsidiaries believes that no material losses to the consolidated financial statements will be incurred as a result of the mentioned lawsuits.

### 4.28.3 Other commitments

- a) The subsidiary companies 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.
- b) The subsidiary companies have entered into several lease agreements in respect of the lease of office buildings and branch offices. The terms of the agreements are generally 1 - 15 years.



As at 30 June 2019 and 31 December 2018, the subsidiary companies have future minimum lease payments required under the non-cancellable operating lease contracts as follows:

	(Unit: Million Baht)	
	As at	
	30 June 2019	31 December 2018
Payable within		
Not over 1 year	205	192
Over 1 to 5 years	246	281
Over 5 years	48	56

- c) The subsidiary that operates a banking business has provided warranties in accordance with the terms of an agreement, related to the sale of a personal loan portfolio. The warranties cover a period of 3 years after the transfer date.
- d) The subsidiary has provided warranties in accordance with the terms of an agreement, related to the sale of a credit card business. The warranties cover a period of 2 years after the transfer of the business.

#### 4.29 Fair value of financial instruments

The Company and its subsidiaries use the market approach to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

##### Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to maximise the use of observable inputs that are relevant to the assets or liabilities to be measured at fair value. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising the inputs used in the valuation techniques into three levels to determine their fair value, 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

(Unaudited but reviewed)

As of 30 June 2019 and 31 December 2018, the Company and its subsidiaries have the financial assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 30 June 2019				
	Book	Fair Value			Total
Value	Level 1	Level 2	Level 3		
<b>Financial assets measured at fair value</b>					
Derivatives					
Foreign exchange contracts	29	-	29	-	29
Available-for-sale investments					
Equity securities	303	303	-	-	303
Debt securities	10,561	-	10,561	-	10,561
Unit trusts	877	816	61	-	877
<b>Financial liabilities measured at fair value</b>					
Derivatives					
Interest rate swap agreements	2	-	2	-	2

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2018				
	Book	Fair Value			Total
Value	Level 1	Level 2	Level 3		
<b>Financial assets measured at fair value</b>					
Derivatives					
Foreign exchange contracts	6	-	6	-	6
Available-for-sale investments					
Equity securities	300	300	-	-	300
Debt securities	7,652	-	7,652	-	7,652
Unit trusts	841	780	61	-	841
<b>Financial liabilities measured at fair value</b>					
Derivatives					
Interest rate swap agreements	11	-	11	-	11

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements				
	As at 30 June 2019				
	Book	Fair Value			Total
Value	Level 1	Level 2	Level 3		
<b>Financial assets measured at fair value</b>					
Available-for-sale investments					
Debt securities	123	-	123	-	123
Unit trusts	816	816	-	-	816

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2018				
	Book	Fair Value			Total
Value	Level 1	Level 2	Level 3		
<b>Financial assets measured at fair value</b>					
Available-for-sale investments					
Unit trusts	780	780	-	-	780

#### Valuation techniques and inputs to Level 2 and Level 3 valuations

- The fair value of investments in debt securities has been determined by using the yield curve as announced by the Thai Bond Market Association.
- The fair value of investments in non-marketable unit trusts has been determined by using the net asset value per unit amounted by fund manager.
- The fair value of derivatives has been 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.

During the current period, there were no transfers within the fair value hierarchy.

## 5. Dividend payment

	Approved by	Dividend per share		Amounts of	Dividend payment
		Preference	Ordinary	dividend paid	period
		share	share	(Million Baht)	
		(Baht per share)	(Baht per share)		
Annual dividends for 2017	The 2018 Annual General Meeting of the Shareholders on 23 April 2018	5.00	5.00	4,003	May 2018
Total dividend payment in year 2018				<u>4,003</u>	
Annual dividends for 2018	The 2019 Annual General Meeting of the Shareholders on 22 April 2019	7.00	7.00	5,604	May 2019
Total dividend payment in year 2019				<u>5,604</u>	

## 6. Significant events during the period

### Increase in registered share capital of subsidiary company

A resolution passed by the 2019 Annual General Meeting of the Shareholders of Hi-Way Co., Ltd. held on 19 April 2019 approved an increase of Baht 500 million in its registered share capital, from Baht 100 million to Baht 600 million, by issuing 5,000,000 new ordinary shares, resulting in the increase from 1,000,000 shares to 6,000,000 shares at Baht 100 each. The shares are to be 100% paid up. On 30 May 2019, the subsidiary company registered the increase in its registered share capital with the Ministry of Commerce.

### Decrease in registered share capital of subsidiary company

A resolution passed by the 2019 Annual General Meeting of the Shareholders of All-Ways Co., Ltd. held on 19 April 2019 approved a decrease of Baht 500 million in its registered share capital, from Baht 700 million to Baht 200 million, by reducing 5,000,000 ordinary shares. As a result, the number of ordinary shares decreased from 7,000,000 shares to 2,000,000 shares at Baht 100 each. On 27 May 2019, the subsidiary company registered the decrease in its registered share capital with the Ministry of Commerce.

## 7. Approval of interim financial statements

These interim financial statements were approved by the Company's Audit Committee on 9 August 2019.