



Management Discussion and Analysis

For the Year 2024 ended December 31, 2024

(Unaudited Consolidated Financial Statements)

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Economic Conditions and Movement of Financial Market

In 2024, the Thai economy showed an uneven recovery with the growth mainly derived from a continual expansion in tourism sector following the VISA Exemption scheme to boost tourism, which resulted in the number of foreign tourist arrivals in 2024 exceeded 35 million. Export sector also recovered along with the increasing demands from trading partners. Nonetheless, private consumption was sluggish due to weak domestic purchasing power and subdued consumer confidence caused by a concern over slower-than-expected economic recovery and high level of household debt. The domestic car sale for the first 11 months of 2024 significantly declined by 26.7% comparing to the same period of last year, partly attributed to tightened loan underwriting by financial institutions and weakened consumer's credit quality. Private investment recovered slowly amid moderate public spending and investment. The economic stimulus programs were launched through the Digital Wallet scheme offering 10,000-baht cash handout to vulnerable groups in September 2024, as well as incorporated with the Bank of Thailand to provide debt relief project "You Fight, We Help" for retail and SME borrowers starting during the end of 2024. Headline inflation for the year 2024 increased by 0.4% driven by increasing food prices.

This year, the US Federal Reserve (FED) lowered the federal funds rate 4 times to 4.25-4.50% in the light of moderating inflation to its target. Meanwhile, the Bank of Thailand (BOT) reduced the policy rate 1 time to 2.25% in the fourth quarter with objective to ease household debt burden. Thus, the average 3-month fixed deposit rates of Top-4 commercial banks declined from 1.14% to 1.00% (YoY). The lending rates of Top-4 commercial banks also decreased, comprised of the average minimum lending rate (MLR) decreased from 7.12% to 6.98% (YoY), the average minimum overdraft rate (MOR) decreased from 7.56% to 7.32% (YoY) and the average minimum retail rate (MRR) decreased from 7.37% to 7.20% (YoY).

The capital market in 2024 was highly volatile caused by both domestic and global factors. Investor confidence remained low amid slower-than-expected economic recovery and political uncertainty during the first half of the year. Moreover, the capital market globally was fluctuated during the US Presidential Election. Whilst, the government launched a state investment "Vayupak Fund" and Thai ESG funds aiming to attract more fund inflow. However, market trading volume dropped from last year, with the average daily turnover of 45,079.67 million baht, decreased from 51,082.48 million baht in 2023. SET index closed at 1,400.21 points, declined by 15.64 points or 1.1% from the previous year.

Operating Results

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

TISCO Financial Group Public Company Limited, as a parent company of the group, had net profit from operations for the year 2024 on a standalone basis totaling 6,306.54 million baht, mainly contributed by dividend income and service fee income derived from subsidiary companies within the group. As a holding company, TISCO Financial Group Public Company Limited operates as a shareholder in other companies and no other major business. Therefore, the analysis was based on the Company’s consolidated operating performance and financial position which was comprised of 2 main businesses: commercial banking business and capital market businesses.

Operating Results for the year 2024

The net profit for the year 2024 was reported at 6,901.28 million baht, declined by 399.84 million baht or 5.5% from the year 2023, mainly due to an increase in expected credit loss (ECL) to 0.6% of average loans which went according to a plan to step up ECL expense before resuming to the normalized level, as well as to cushion against the risks from fragile economic conditions. Total operating income increased by 2.3% (YoY). Net interest income remained stable from last year owing to effective loan yield management that helped offset the rising cost of funds by 29.4% after the deposit rate repricing. Non-interest income expanded by 8.4% (YoY) mainly driven by a recognition of gain on financial instruments measured at fair value through profit or loss (FVTPL). In the core businesses, total asset management fee grew by 5.5% (YoY) aligning with provident fund business expansion, in combination with the record of performance fee during the end of the year. Moreover, investment banking fee increased from the IPO underwriting activities. On the other hand, banking business was affected by a sharp decline in domestic car sales, resulting in a portfolio contraction as well as weakened bancassurance fee. Brokerage fee income also dropped in relation to volatile capital market conditions and subdued market trading volume.

Basic earnings per share for the year 2024 were 8.62 baht per share, declined from 9.12 baht per share in 2023. The return on average equity (ROAE) for the year 2024 was reported at 16.1%.

Table 1.1 : Statement of Comprehensive Income (Yearly)

Statement of Comprehensive Income			
Unit: Million baht	2024	2023	%YoY
Interest income			
Interest on loans	11,581.08	10,286.35	12.6
Interbank and money market items	914.58	767.48	19.2
Hire purchase and financial lease income	6,318.28	6,568.25	(3.8)
Investments	199.65	159.09	25.5
Total interest income	19,013.59	17,781.17	6.9
Interest expenses	(5,443.73)	(4,208.39)	29.4
Net interest income	13,569.86	13,572.77	(0.0)
Fee income	5,408.74	5,310.86	1.8
Fee expenses	(437.29)	(443.37)	(1.4)
Net fee income	4,971.45	4,867.49	2.1
Gain (Loss) on the financial instruments measured at fair value through PL	314.35	(29.16)	n.a.
Gain (Loss) on Investments	2.92	5.36	(45.5)
Share of profit from investment under equity method	33.83	28.89	17.1
Other operating income	334.02	344.58	(3.1)
Total operating income	19,226.42	18,789.92	2.3
Operating expenses	(9,255.54)	(9,340.44)	(0.9)
Expected credit loss	(1,375.51)	(359.48)	282.6
Profit before tax and minority interest	8,595.37	9,090.00	(5.4)
Corporate income tax expenses	(1,693.68)	(1,788.39)	(5.3)
Profit before minority interest	6,901.70	7,301.60	(5.5)
Non-controlling interests of subsidiaries	(0.42)	(0.49)	(13.5)
Net profit	6,901.28	7,301.11	(5.5)

Operating Results for the Fourth Quarter of 2024

The net profit of the Company for the fourth quarter of 2024 was reported at 1,701.81 million baht, decreased by 11.63 million baht or 0.7% from the third quarter of 2024, mainly due to an increase in operating expenses by 2.3% (QoQ) following a seasonal increase in marketing expenses. Meanwhile, total operating income slightly improved by 0.2% (QoQ) thanks to an improvement in net interest income by 0.5% (QoQ) which attributed to a declining funding cost in line with the policy rate reduction direction. Non-interest income decreased by 0.3% (QoQ) due to a slowdown in capital market businesses amid unfavorable market conditions, which led to a contraction in brokerage fee, investment banking fee, asset management basic fee, as well as lower gain on investment portfolio. On the positive side, in the last quarter of the year, the Company recognized asset management performance fee, and bancassurance business recovered following a seasonal increase in new loan booking. ECL expense decreased by 6.0% (QoQ) and reported at 0.6% of average loans.

Basic earnings per share for the fourth quarter of 2024 equaled 2.13 baht per share, decreased from 2.14 baht per share in the previous quarter. The return on average equity (ROAE) was reported at 16.1%.

Table 1.2 : Statement of Comprehensive Income (Quarterly)

Statement of Comprehensive Income					
Unit: Million baht	4Q2024	3Q2024	%QoQ	4Q2023	%YoY
Interest income					
Interest on loans	2,918.91	2,901.20	0.6	2,847.70	2.5
Interbank and money market items	194.83	222.97	(12.6)	255.92	(23.9)
Hire purchase and financial lease income	1,573.11	1,580.40	(0.5)	1,622.35	(3.0)
Investments	59.36	44.56	33.2	49.65	19.6
Total interest income	4,746.21	4,749.12	(0.1)	4,775.62	(0.6)
Interest expenses	(1,344.67)	(1,363.72)	(1.4)	(1,273.34)	5.6
Net interest income	3,401.54	3,385.40	0.5	3,502.28	(2.9)
Fee income	1,425.51	1,364.55	4.5	1,367.26	4.3
Fee expenses	(115.04)	(103.45)	11.2	(115.84)	(0.7)
Net fee income	1,310.47	1,261.11	3.9	1,251.42	4.7
Gain (Loss) on the financial instruments measured at fair value through PL	9.15	40.82	(77.6)	(68.15)	n.a.
Gain (Loss) on Investments	0.83	0.64	29.3	0.49	68.7
Share of profit from investment under equity method	10.59	6.92	52.9	(2.56)	n.a.
Other operating income	66.25	92.62	(28.5)	78.64	(15.8)
Total operating income	4,798.83	4,787.52	0.2	4,762.13	0.8
Operating expenses	(2,344.97)	(2,292.25)	2.3	(2,352.65)	(0.3)
Expected credit loss	(337.08)	(358.69)	(6.0)	(187.15)	80.1
Profit before tax and minority interest	2,116.77	2,136.59	(0.9)	2,222.33	(4.7)
Corporate income tax expenses	(414.87)	(423.06)	(1.9)	(442.05)	(6.1)
Profit before minority interest	1,701.90	1,713.53	(0.7)	1,780.28	(4.4)
Non-controlling interests of subsidiaries	(0.09)	(0.10)	(9.5)	(0.12)	(22.0)
Net profit	1,701.81	1,713.43	(0.7)	1,780.16	(4.4)

Details of Financial Performance for the year 2024

Net Interest Income

In 2024, net interest income totaled 13,569.86 million baht, remained stable (YoY). Interest income totaled 19,013.59 million baht, increased by 1,232.42 million baht (6.9% YoY) following high-yield loan expansion. Interest expense totaled 5,443.73 million baht, increased by 1,235.34 million baht (29.4% YoY) aligning with deposit rate repricing amid interest rate upcycle. Nevertheless, in the fourth quarter of 2024, the Bank of Thailand lowered the policy rate by 0.25% to 2.25%, signaling the start of interest rate downcycle, which could lead to a potential decline in the Company's cost of funds in the future.

Net interest income for the fourth quarter of 2024 amounted 3,401.54 million baht, increased by 16.14 million baht (0.5% QoQ), owing to lower interest expense by 19.05 million baht (1.4% QoQ) totaling 1,344.67 million baht following a decline in cost of funds after the interest rate passed its peak. Interest income was stable at 4,746.21 from the previous quarter.

Yield on loans for the year 2024 was at 7.68%, increased from 7.42% in 2023, in line with the increased proportion of high-yield loans. The cost of funds rose from 1.92% to 2.42% (YoY) owing to an increase in funding cost amid high interest rate environment. Thus, loan spread in 2024 declined from 5.50% to 5.27% (YoY), and net interest margin (NIM) decreased from 4.95% to 4.85% (YoY).

Table 2 : Loan Spread

Unit: %	2023	1Q2024	2Q2024	3Q2024	4Q2024	2024
Yield on Loans	7.42	7.63	7.66	7.69	7.74	7.68
Cost of Funds	1.92	2.39	2.43	2.43	2.42	2.42
Loan Spread	5.50	5.24	5.23	5.26	5.32	5.27
Net Interest Margin (NIM)	4.95	4.76	4.88	4.88	4.93	4.85

Non-Interest Income

In 2024, non-interest income totaled 5,656.57 million baht, improved by 8.4% (YoY) mainly contributed by a recognition of gain on financial instruments measured at fair value through profit or loss (FVTPL) amounting 314.35 million baht compared to a loss of 29.16 million baht in 2023.

Non-interest income from core businesses totaled 5,562.90 million baht, increased by 1.0% (YoY) driven by a growth in asset management basic fee by 4.4% to 1,697.36 million baht along with an expansion in provident fund and mutual fund businesses. Additionally, the Company recorded asset management performance fee amounting 80 million baht during the last quarter. Investment banking fee totaled 114.85 million baht, increased from the IPO underwriting fee. Meanwhile, banking fee income totaled 3,238.80 million baht, dropped by 1.1% (YoY) primarily caused by a sharp decline in domestic car sales that led to a decline in bancassurance fee by 1.8% (YoY). Brokerage fee income totaled 511.89 million baht, decreased by 10.5% (YoY) following weakened market trading volume.

Table 3.1 : Non-Interest Income Breakdown (Yearly)

Type of Incomes Unit: Million baht	2024	2023	%YoY
Banking Fee	3,238.80	3,276.43	(1.1)
<i>Bancassurance Fee</i>	<i>2,477.39</i>	<i>2,523.58</i>	<i>(1.8)</i>
<i>Other Banking Fee</i>	<i>761.41</i>	<i>752.85</i>	<i>1.1</i>
Asset Management Basic Fee	1,697.36	1,625.44	4.4
Brokerage Fee	511.89	572.09	(10.5)
Investment Banking Fee	114.85	32.07	258.1
Non-Interest Income from Core Businesses	5,562.90	5,506.03	1.0
Gain (Loss) on Financial Instruments measured at fair value through PL	314.35	(29.16)	n.a.
Gain (Loss) on Investments	2.92	5.36	(45.5)
Share Profit from subsidiaries	33.83	28.89	17.1
Dividend Income	99.85	89.87	11.1
Asset Management Performance Fee	80.01	59.53	34.4
Fee Expenses	(437.29)	(443.37)	(1.4)
Total Non-Interest Income	5,656.57	5,217.15	8.4

Non-interest income for the fourth quarter of 2024 totaled 1,397.29 million baht, decreased by 0.3% comparing to the previous quarter driven by a slowdown in capital market businesses. Brokerage fee dropped by 18.0% (QoQ), investment banking fee declined by 83.9% (QoQ) and asset management basic fee decreased by 1.8% (QoQ). Furthermore, a gain on financial instruments measured at fair value through profit or loss (FVTPL) also slowed down amid unfavorable market conditions. Nonetheless, during the end of the year, the Company recognized asset management performance fee amounting 70.84 million baht. Additionally, banking business improved by 6.7% (QoQ) led by an increase in bancassurance fee by 10.5% (QoQ) following a seasonal increase in new loan booking.

Table 3.2 : Non-Interest Income Breakdown (Quarterly)

Type of Incomes Unit: Million baht	4Q2024	3Q2024	%QoQ	4Q2023	%YoY
Banking Fee	857.95	804.42	6.7	887.81	(3.4)
<i>Bancassurance Fee</i>	<i>675.78</i>	<i>611.69</i>	<i>10.5</i>	<i>699.32</i>	<i>(3.4)</i>
<i>Other Banking Fee</i>	<i>182.17</i>	<i>192.73</i>	<i>(5.5)</i>	<i>188.49</i>	<i>(3.4)</i>
Asset Management Basic Fee	429.11	436.75	(1.8)	390.61	9.9
Brokerage Fee	125.12	152.57	(18.0)	109.30	14.5
Investment Banking Fee	3.76	23.30	(83.9)	1.57	139.1
Non-Interest Income from Core Businesses	1,415.93	1,417.04	(0.1)	1,389.29	1.9
Gain (Loss) on Financial Instruments measured at fair value through PL	9.15	40.82	(77.6)	(68.15)	n.a.
Gain (Loss) on Investments	0.83	0.64	29.3	0.49	68.7
Share Profit from subsidiaries	10.59	6.92	52.9	(2.56)	n.a.
Dividend Income	4.99	34.38	(85.5)	5.22	(4.4)
Asset Management Performance Fee	70.84	5.76	1,130.1	51.39	37.8
Fee Expenses	(115.04)	(103.45)	11.2	(115.84)	(0.7)
Total Non-Interest Income	1,397.29	1,402.12	(0.3)	1,259.85	10.9

Operating Expenses

Operating expenses totaled 9,255.54 million baht, declined by 0.9% (YoY) mainly resulted from a decrease in variable expenses associated with profit reduction. The Company still maintained effective operating cost control with cost to income ratio at 48.1%.

Expected Credit Loss

Expected credit loss (ECL) of the year 2024 was reported at 1,375.51 million baht, increased from 359.48 million baht in 2023, and accounted for 0.6% of average loans. An increase in setup of ECL expense from last year was conducted according to a plan to step up ECL expense before resuming the normalized level in 2025, together with to reflect the risks from fragile economic factors and high household debt level, and to support the growth strategy into high-yield businesses. Non-performing loans (NPLs) increased from last year to 2.35% impacted by a slow economic recovery, and loan loss coverage ratio was at 155.3%.

Corporate Income Tax

The corporate income tax for 2024 was at 1,693.68 million baht, equivalent to the effective tax rate of 19.7%.

Financial Positions

Assets

As of December 31, 2024, the Company's total assets were 281,876.94 million baht, decreased by 3.0% (YoY), due to a contraction in loans by 1.1% (YoY) totaling 232,200.01 million baht and a decline in interbank and money market items by 18.0% (YoY) totaling 39,774.47 million baht. Financial assets measured at fair value through Profit or Loss amounted 2,559.44 million baht, increased by 22.9% (YoY), and investments amounted 4,495.38 million baht, increased by 35.7% (YoY).

Table 4 : Assets Breakdown

Assets Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Cash	909.67	895.97	1.5	918.26	(0.9)
Interbank and money market items	39,774.47	38,263.10	3.9	48,489.70	(18.0)
Derivatives	55.78	203.36	(0.7)	-	n.a.
Financial assets measured at fair value through Profit or Loss	2,559.44	2,422.44	5.7	2,081.77	22.9
Investments - net	4,495.38	3,743.47	20.1	3,313.59	35.7
Investments in subsidiaries and JV	913.82	903.65	1.1	891.49	2.5
Loans	232,200.01	229,947.98	1.0	234,815.18	(1.1)
Accrued interest receivables	1,884.55	1,938.41	(2.8)	1,928.55	(2.3)
Allowance for expected credit loss	(8,486.35)	(8,938.20)	(5.1)	(9,915.97)	(14.4)
Loans and accrued interest receivables – net	225,598.21	222,948.19	1.2	226,827.76	(0.5)
Other assets	7,570.16	8,199.91	(7.7)	8,201.68	(7.7)
Total assets	281,876.94	277,580.10	1.5	290,724.25	(3.0)

Liabilities

As of December 31, 2024, total liabilities were 238,832.02 million baht, decreased by 3.8% (YoY). Total deposits declined by 1.0% (YoY) totaling 206,572.99 million baht, and debentures decreased by 53.4% (YoY) totaling 8,040.00 million baht. On the contrary, interbank and money market items increased by 25.4% (YoY) totaling 10,664.82 million baht.

Table 5 : Liabilities Breakdown

Liabilities Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Deposits	206,572.99	204,789.97	0.9	208,680.79	(1.0)
Interbank and money market items	10,664.82	10,202.82	4.5	8,506.34	25.4
Debentures	8,040.00	6,795.00	18.3	17,250.00	(53.4)
Others	13,554.21	14,323.82	(5.4)	13,839.14	(2.1)
Total liabilities	238,832.02	236,111.61	1.2	248,276.27	(3.8)

Shareholders' Equity

As of December 31, 2024, shareholders' equity was 43,044.92 million baht, increased by 596.94 million baht (1.4% YoY) from an increase in retained earnings of the year 2024. As a result, the book value per share (BVPS) as of December 31, 2024 was 53.76 baht per share.

Business Segment Operations

(1) Banking Business

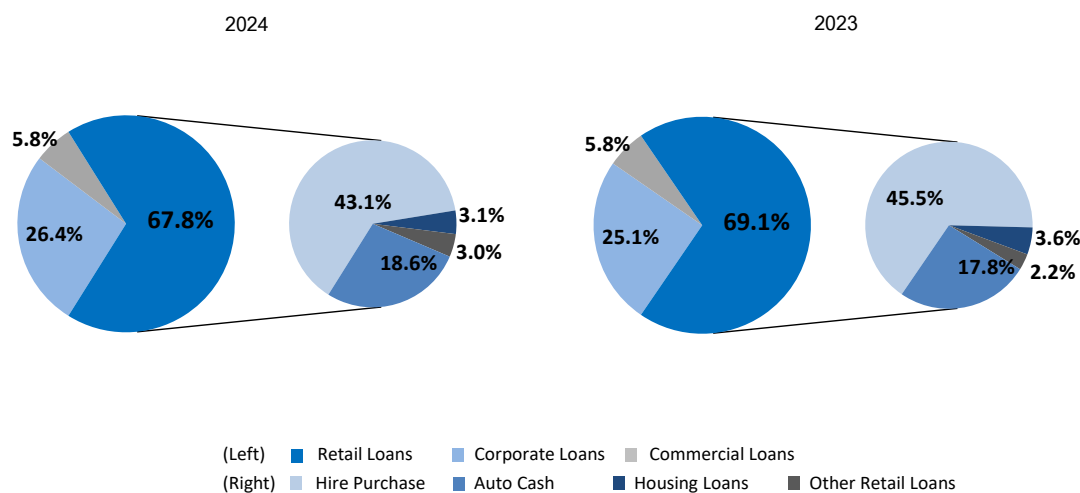
1.1 Loans

Total loans and receivables as of December 31, 2024 totaled 232,200.01 million baht, increased by 1.0% (QoQ) but declined by 1.1% (YoY) following a contraction in new car hire purchase loans, mortgage loans and commercial loans.

Table 6 : Loans

Loans Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Hire purchase	100,026.95	101,155.85	(1.1)	106,851.35	(6.4)
Loans against auto licenses	43,243.45	43,233.07	0.0	41,719.93	3.7
Housing loans	7,143.57	7,460.53	(4.2)	8,536.27	(16.3)
Others	7,019.31	5,696.42	23.2	5,100.97	37.6
Retail loans	157,433.27	157,545.87	(0.1)	162,208.52	(2.9)
Corporate loans	61,341.79	58,800.01	4.3	58,964.25	4.0
Commercial loans	13,424.95	13,602.10	(1.3)	13,642.41	(1.6)
Total loans	232,200.01	229,947.98	1.0	234,815.18	(1.1)

Loan Breakdown



Retail Lending portfolio totaled 157,433.27 million baht, declined by 2.9% (YoY). The total retail portfolio as of December 31, 2024 consisted of 63.5% car and motorcycle hire purchase loans, 27.5% loans against auto licenses, 4.5% housing loans and 4.5% other retail loans.

The outstanding hire purchase loans totaled 100,026.95 million baht, declined by 6.4% (YoY) mainly from a contraction in new car hire purchase by 10.3% (YoY) following the weakened domestic car sale and cautious underwriting policy. The domestic car sale for the first 11 months of 2024 totaled 518,659 units, decreased by 26.7% compared to 707,454 units in the first 11 months of 2023, partly due to tightened loan underwriting by the financial institutions, coupled with the weakened credit quality amid high household

debt level and declining purchasing power. The car penetration rate of TISCO for the first 11 months of 2024 improved to 4.8% comparing to 4.7% in the same period of last year. Meanwhile, used car hire purchase and motorcycle hire purchase expanded by 9.4% and 18.5% (YoY) respectively, which went according to the growth strategy into high-yield businesses.

Loans against auto licenses ("Auto Cash") totaled 43,243.45 million baht, increased by 3.7% (YoY) following the loan growth through "Somwang" branch network, of which delivered growth from this channel by 14.3% (YoY) ending at 32,457.22 million baht and accounted for 75.1% of total loans against auto licenses. In 2024, "Somwang" opened 163 new loan offices resulting in a total number of 808 branches nationwide, which was a part of the long-term business expansion strategy. Nevertheless, during this time, the Company conducted new loan underwriting with cautiousness and prudence amid high household debt level and slow economic recovery.

Housing loans totaled 7,143.57 million baht, dropped by 16.3% (YoY) following highly competitive market condition and rising risks. Other retail loans totaled 7,019.31 million baht, increased by 37.6% (YoY).

Corporate Lending portfolio totaled 61,341.79 million baht, grew by 4.0% (YoY) from all business segments.

Commercial Lending portfolio totaled 13,424.95 million baht, declined by 1.6% (YoY) from loan repayment in car inventory financing amid weak domestic car sales.

1.2 Asset Quality and Expected Credit Loss

In 2024, non-performing loans (NPLs) amounted 5,463.52 million baht, increased by 4.6% (YoY), but declined by 2.7% (QoQ), and accounted for NPL ratio of 2.35% of total loans. During the year, the Company has adjusted the loan growth strategy by increasing cautiousness in new loan underwriting, together with enhancing client follow-ups and proactive loan management, which led to a continual improvement in credit quality despite fragile economic factors and weak customer profile.

Total allowance for expected credit loss of the Company reported at 8,486.35 million baht, and loan loss coverage ratio was at 155.3%.

Table 7 : Loan Classification

Loan Classification ¹ Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Stage 1 loans (Performing)	208,242.98	205,328.32	1.4	209,708.78	(0.7)
Stage 2 loans (Under-performing)	18,493.51	19,002.04	(2.7)	19,883.50	(7.0)
Non-performing loans (NPLs)	5,463.52	5,617.62	(2.7)	5,222.91	4.6
Total loans	232,200.01	229,947.98	1.0	234,815.18	(1.1)

¹Excluding accrued interest in accordance with BOT's guideline.

Table 8 : NPLs Breakdown

NPLs ¹ Unit: Million baht, %	As of Dec 31, 2024		As of Sep 30, 2024		As of Dec 31, 2023	
	Million baht	%	Million baht	%	Million baht	%
Hire purchase	2,816.84	2.82	2,872.27	2.84	2,982.41	2.79
Loans against auto licenses	2,070.49	4.79	2,141.17	4.95	1,687.47	4.04
Housing loans	445.38	6.23	437.72	5.87	417.63	4.89
Others	17.31	0.25	20.89	0.37	8.30	0.16
NPLs - Retail loans	5,350.02	3.40	5,472.05	3.47	5,095.81	3.14
NPLs - Corporate loans	-	-	-	-	-	-
NPLs - Commercial loans	113.50	0.85	145.57	1.07	127.09	0.93
Total NPLs	5,463.52	2.35	5,617.62	2.44	5,222.91	2.22

¹Excluding accrued interest in accordance with BOT's guideline

1.3 Deposits and Borrowings

Total deposits and borrowings amounted 214,612.99 million baht, decreased by 5.0% (YoY) in line with the loan portfolio contraction. Total deposits reported at 206,572.99 million baht, declined by 1.0% (YoY), and debentures totaled 8,040.00 million baht, dropped by 53.4% (YoY). As of December 2024, the Bank had high-quality liquid assets according to the Liquidity Coverage Ratio (LCR) at 43,015.65 million baht, decreased by 15.6% (YoY). The high-quality liquid assets was accounted for 20.0% of total deposits and borrowings, and the projected LCR ratio as of December 2024 was at 152.0%.

Table 9 : Deposit Structure

Deposits Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Current accounts	1,793.02	1,796.81	(0.2)	1,529.43	17.2
Saving accounts	26,922.56	26,755.22	0.6	28,987.69	(7.1)
Fixed accounts	74,608.51	74,070.51	0.7	64,142.81	16.3
Negotiate certificate deposits	103,212.78	102,131.31	1.1	113,984.75	(9.5)
Short-term borrowings	36.12	36.12	0.0	36.12	0.0
Total deposits	206,572.99	204,789.97	0.9	208,680.79	(1.0)

(2) Securities Business

In 2024, average daily turnover of TISCO Securities dropped from 1,459.80 million baht in 2023 to 1,323.04 million baht following volatile capital market and weak market trading volume. Hence, brokerage fee income of TISCO Securities declined by 60.21 million baht (10.5% YoY) totaling 511.89 million baht. Investment banking fee was reported at 114.85 million baht, increased by 82.77 million baht from IPO underwriting activities. TISCO Securities' overall market share improved from 1.5% to 1.6% (YoY) from an increase in market shares of foreign institutions. TISCO brokerage volume comprised of 58.4% of local institutions, 7.8% of foreign institutions, and 33.8% of retail investors.

(3) Asset Management Business

As of December 31, 2024, assets under management of TISCO Asset Management totaled 406,802.48 million baht, grew by 3.7% (YoY) from an expansion in provident fund business and mutual fund business. Thereby, asset management basic fee income amounted 1,697.36 million baht, increased by 4.4% (YoY). Moreover, this year TISCO Asset Management reported performance fee amounting 80 million baht which were recognized in the fourth quarter of the year.

The composition of total assets under management was 70.6% provident fund, 15.1% private fund, and 14.3% mutual fund. Total market share of TISCO Asset Management as of November 30, 2024 was 4.3%, ranking 9th in the market. The market share of provident fund was 19.0%, ranking 1st in the market. The market share of private fund was 3.0%, ranking 6th in the market and the market share of mutual fund was 1.0%, ranking 14th in the market.

Table 10 : Assets under Management Breakdown

Funds Unit: Million baht	As of Dec 31, 2024	As of Sep 30, 2024	%QoQ	As of Dec 31, 2023	%YoY
Provident fund	287,198.86	281,884.20	1.9	262,352.77	9.5
Private fund	61,502.32	66,695.43	(7.8)	74,839.44	(17.8)
Mutual fund	58,101.30	59,356.29	(2.1)	54,936.11	5.8
Total AUMs	406,802.48	407,935.92	(0.3)	392,128.31	3.7

Risk Management

As of December 31, 2024, TISCO Group's internal capital (ICAAP) stood at 36,296.42 million baht comprising of Tier-I capital and available reserve adjustment. The integrated risk capital decreased by 20.80 million baht from the end of 2023 to 15,229.56 million baht mainly resulting from a decline in market risk capital. In addition, the capital surplus remained strong at 21,066.86 million baht or 58.0% of total capital.

Compared to the end of December 2023, the credit risk capital rose by 83.26 million baht, or 0.7%, to 12,489.48 million baht mostly resulting from loan expansion in auto cash portfolio. Total loan portfolio of TISCO Group contracted by 1.1%, while non-performing loans increased from 2.22% at the end of December 2023 to 2.35% with the end of December 2024 following a slow economic recovery. However, the Company still remained cautious and continued the prudent risk management policy.

The market risk capital decreased by 105.77 million baht during the period, from 290.95 million baht to 185.18 million baht, primarily due to an increase in the stock market's return during the period. Meanwhile, the overall duration gap rose from 0.75 year to 0.77 year, which was in a manageable level. The assets duration decreased from 1.13 year to 1.11 year, while the liabilities duration decreased from 0.38 year to 0.34 year.

Table 11 : Average Duration Mismatch of Assets and Liabilities and Its Impact

	Duration Unit: Years		1-Y Net interest income change to 1% interest rate increase Unit: Million baht	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Assets	1.11	1.13	1,431.83	1,464.91
Liabilities	0.34	0.38	(1,560.26)	(1,659.48)
Net gap	0.77	0.75	(128.42)	(194.57)

In terms of regulatory capital requirement of the Bank, TISCO Group, and Securities Company, the positions were strong and sufficient levels to cushion for the expansion of asset in the future. At the end of December 2024, the projected regulatory capital based on IRB approach of the Bank was 38,710.60 million baht, while the projected capital adequacy ratio (BIS ratio) stood at 20.5%, remaining higher than 11.0% required by the Bank of Thailand. The projected Tier-I and Tier-II ratios of the Bank stood at 18.7% and 1.8%, respectively, in which Tier-I ratio also remained higher than the minimum requirement at 8.5%. For TISCO Group, the projected regulatory capital based on IRB approach was 38,979.29 million baht, with projected BIS ratio, Tier-I and Tier-II ratios at 18.6%, 17.0% and 1.6%, respectively, which also remained higher than the minimum capital requirement. Meanwhile, the net capital rule (NCR) of TISCO Securities Co., Ltd. stood at 88.2%, which was higher than the minimum required ratio by the SEC of 7.0%.

Table 12 : Regulatory Capital Requirement

Capital Adequacy Unit: %	As of Dec 31, 2024 ¹	As of Sep 30, 2024	As of Dec 31, 2023
TISCO Financial Group			
Tier-I	17.0	17.2	16.3
Tier-II	1.6	1.8	3.2
BIS Ratio	18.6	19.0	19.5
TISCO Bank			
Tier-I	18.7	18.9	18.9
Tier-II	1.8	2.0	3.5
BIS Ratio	20.5	20.9	22.3

¹ Projected figures