

Thanachart Capital Public Company Limited
and its subsidiaries
Review report and interim financial information
31 March 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thanachart Capital Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of Thanachart Capital Public Company Limited and its subsidiaries as at 31 March 2020, the related consolidated statements of comprehensive income, changes in owners' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Thanachart Capital Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. 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.

Emphasis of Matter

I draw attention to Note 1.2 and 2.4 to the interim consolidated financial statements regarding the COVID-19 pandemic is continuing to evolve, impacting various businesses and industries. This situation could create uncertainties, and may be impacting the Group's operating results in the future. The impact cannot be reasonably estimated at this stage and due to the impact of the Covid-19 situation, the Company and its subsidiaries have elected to adopt the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy issued by the Federation of Accounting Professions in preparing the interim financial information. My conclusion is not modified in respect of this matter.

Other Matter

Due to the impact of COVID-19 outbreak situation, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Group for the accounting period of 2020 yet. However, the Board of Director of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Group for the accounting period of 2020. I therefore have conducted my review on the interim financial information for first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisory Board (CMSB) No. TorChor. 28/2563 dated 27 March 2020.

Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 15 May 2020

Thanachart Capital Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash		2,308	2,970	10	-
Interbank and money market items - net					
- deposits at financial institutions		8,643,973	7,404,040	977,806	29,841
Financial assets measured at fair value through profit or loss	5	6,264,603	-	2,536,462	-
Derivatives assets	6	33,808	12,755	-	-
Investments - net	7	24,841,411	41,550,937	4,665,972	22,597,140
Investments in subsidiary and associated companies - net	8	47,316,000	45,420,712	72,662,300	71,416,280
Loans to customers and accrued interest receivables - net	9	52,415,566	53,159,444	792,203	715,839
Property foreclosed - net		3,035,538	3,128,013	1,551,182	1,605,814
Land, premises and equipment - net		292,896	301,038	76,259	77,785
Right-of-use assets - net		449,968	-	75,074	-
Intangible assets - net		136,192	138,628	614	640
Deferred tax assets		882,855	809,047	-	-
Receivables from purchase and sale of securities		1,136,726	2,577,224	-	764,570
Asset classified as held for sale	11	-	3,423,074	-	-
Accrued interest and dividend receivables		127,650	124,462	208,246	1,166
Other assets - net	12	3,039,470	2,874,218	47,789	87,517
Total assets		148,618,964	160,926,562	83,593,917	97,296,592

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

Thanachart Capital Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and equity					
Interbank and money market items					
- borrowings from financial institutions		11,182,993	15,659,515	-	-
Derivatives liabilities	6	27,401	46,515	-	-
Debts issued and borrowings	13	42,625,631	44,780,435	13,600,000	17,587,468
Provisions	14	477,363	468,225	57,235	52,329
Deferred tax liabilities		85,877	209,995	43,561	148,869
Accrued interest payables		376,341	270,194	207,620	100,649
Insurance contracts liabilities	15	12,734,474	13,095,578	-	-
Payables from purchase and sale of securities		1,711,140	948,244	-	193,902
Dividend payable		2,338,703	4,582,651	1,887,510	4,582,651
Other liabilities	16	6,765,741	6,806,457	690,021	656,866
Total liabilities		78,325,664	86,867,809	16,485,947	23,322,734
Equity					
Share capital					
Registered, issued and paid-up					
13,156 preferred shares of Baht 10 each		132	132	132	132
1,165,116,547 common shares of Baht 10 each		11,651,165	11,651,165	11,651,165	11,651,165
		11,651,297	11,651,297	11,651,297	11,651,297
Premium on common share		2,065,645	2,065,645	2,065,645	2,065,645
Other components of equity	18	(2,833,877)	(2,540,472)	122,042	589,637
Retained earnings					
Appropriated - statutory reserve		1,277,830	1,277,830	1,277,830	1,277,830
- treasury share reserve		5,863,050	999,964	5,863,050	999,964
Unappropriated		50,405,453	53,378,669	51,991,156	58,389,449
Less: Treasury shares - common shares	17	(5,863,050)	(999,964)	(5,863,050)	(999,964)
Equity attributable to owners of the Company		62,566,348	65,832,969	67,107,970	73,973,858
Non-controlling interests		7,726,952	8,225,784	-	-
Total equity		70,293,300	74,058,753	67,107,970	73,973,858
Total liabilities and equity		148,618,964	160,926,562	83,593,917	97,296,592

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

Directors

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2020

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

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Profit or loss		(Restated)			
Continuing operations					
Interest income	20	1,134,870	1,061,794	46,243	20,169
Interest expenses	21	(403,730)	(371,878)	(154,687)	(120,415)
Net interest income		731,140	689,916	(108,444)	(100,246)
Fees and service income		424,616	326,359	312	161
Fees and service expenses		(72,424)	(56,311)	(305)	(27)
Net fees and service income	22	352,192	270,048	7	134
Gains (losses) on financial instruments measured at fair value through profit or loss	23	(166,980)	-	(9,203)	-
Gains on trading and foreign exchange transactions	24	-	9,964	-	-
Gains (losses) on investments	25	3,744,281	217,517	(22,692)	25,386
Gain on debt settlement/assets transferred for debt settlement		74,747	195,868	35,383	-
Gains (losses) on property foreclosed and other assets		129,192	(30,351)	104,878	(402)
Share of profit from investments accounted for under equity method		953,706	59,317	-	-
Insurance/Life insurance income		1,866,051	1,995,928	-	-
Dividend income		31,650	78,148	360,899	84,015
Other operating income		105,409	129,703	6,499	15,196
Total operating income		7,821,388	3,616,058	367,327	24,083
Insurance/Life insurance expenses		(1,445,555)	(1,605,345)	-	-
Net operating income		6,375,833	2,010,713	367,327	24,083
Other operating expenses					
Employee's expenses		444,784	466,784	37,009	29,151
Directors' remuneration		10,949	10,300	3,670	4,105
Premises and equipment expenses		59,863	63,760	5,276	4,593
Taxes and duties		6,509	15,584	1,567	537
Other expenses		212,226	213,198	18,536	14,631
Total other operating expenses		734,331	769,626	66,058	53,017
Expected credit losses	26	156,517	-	8,893	-
Reversal of impairment loss of loans and debt securities	27	-	(454,761)	-	(4,532)
Profit (losses) before income tax		5,484,985	1,695,848	292,376	(24,402)
Income tax	28	(883,348)	(371,516)	2,671	180
Profit (losses) for the period from continuing operations		4,601,637	1,324,332	295,047	(24,222)
Discontinued operations					
Profit for the period from discontinued operations		-	2,736,152	-	-
Total profit (losses) for the period		4,601,637	4,060,484	295,047	(24,222)

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the three-month period ended 31 March 2020**

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

Note	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	(Restated)			
Other comprehensive income				
Continuing operations				
<i>Transactions that will be reclassified subsequently to profit or loss</i>				
Gains (losses) on debt securities measured at fair value				
through other comprehensive income	10,417	-	(459)	-
Gains on change in value of available-for-sale investments	-	253,357	-	4,277
Share of other comprehensive income (losses) of associated companies	11,262	(33,455)	-	-
Income tax relating to components of other comprehensive income (loss)	(1,198)	(82,581)	92	(855)
	<u>20,481</u>	<u>137,321</u>	<u>(367)</u>	<u>3,422</u>
<i>Transactions that will never be reclassified subsequently to profit or loss</i>				
Losses on investments in equity measured				
at fair value through other comprehensive income	(1,396,978)	-	(718,580)	-
Share of other comprehensive income (loss) of associated companies	(36,225)	32	-	-
Actuarial losses on defined benefit plan	-	(1,012)	-	-
Income tax relating to components of other comprehensive income (loss)	244,802	(64)	143,716	-
	<u>(1,188,401)</u>	<u>(1,044)</u>	<u>(574,864)</u>	<u>-</u>
Total other comprehensive income (losses) from continuing operations	<u>(1,167,920)</u>	<u>136,277</u>	<u>(575,231)</u>	<u>3,422</u>
Discontinued operations				
Total other comprehensive income from discontinued operations	<u>-</u>	<u>453,957</u>	<u>-</u>	<u>-</u>
Total other comprehensive income (losses)	<u>(1,167,920)</u>	<u>590,234</u>	<u>(575,231)</u>	<u>3,422</u>
Total comprehensive income				
Total comprehensive income (losses) from continuing operations	3,433,717	1,460,609	(280,184)	(20,800)
Total comprehensive income from discontinued operations	37 -	3,190,109	-	-
Total comprehensive income (losses)	<u>3,433,717</u>	<u>4,650,718</u>	<u>(280,184)</u>	<u>(20,800)</u>
Total profit attributable to:				
The Company				
Profit (losses) attributable from continuing operations	4,315,584	629,585	295,047	(24,222)
Profit attributable from discontinued operations	-	1,386,086	-	-
Profit (losses) attributable to the Company	<u>4,315,584</u>	<u>2,015,671</u>	<u>295,047</u>	<u>(24,222)</u>
Non-controlling interests				
Profit attributable from continuing operations	286,053	694,747		
Profit attributable from discontinued operations	-	1,350,066		
Profit attributable to non-controlling interests	<u>286,053</u>	<u>2,044,813</u>		
	<u>4,601,637</u>	<u>4,060,484</u>		

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

Thanachart Capital Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2020

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

Note	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
Total comprehensive income attributable to:				
The Company				
Total comprehensive income (losses) attributable from continuing operations	3,338,197	690,589	(280,184)	(20,800)
Total comprehensive income attributable from discontinued operations	-	1,617,427	-	-
Total comprehensive income (losses) attributable to the Company	<u>3,338,197</u>	<u>2,308,016</u>	<u>(280,184)</u>	<u>(20,800)</u>
Non-controlling interests				
Total comprehensive income attributable from continuing operations	95,520	770,020		
Total comprehensive income attributable from discontinued operations	-	1,572,682		
Total comprehensive income attributable to non-controlling interests	<u>95,520</u>	<u>2,342,702</u>		
	<u>3,433,717</u>	<u>4,650,718</u>		
Earnings per share of the Company				
29				
Basic earnings per share (Baht per share)				
Profit (losses) from continuing operations	3.86	0.55	0.26	(0.02)
Profit from discontinued operations	-	1.21	-	-
	<u>3.86</u>	<u>1.76</u>	<u>0.26</u>	<u>(0.02)</u>
Diluted earnings per share (Baht per share)				
Profit (losses) from continuing operations	3.86	0.55	0.26	(0.02)
Profit from discontinued operations	-	1.21	-	-
	<u>3.86</u>	<u>1.76</u>	<u>0.26</u>	<u>(0.02)</u>

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries**Statement of cash flows****For the three-month period ended 31 March 2020**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (losses) before income tax	5,484,985	5,107,066	292,376	(24,402)
Adjustments to reconcile profit before income tax				
to net cash provided by (paid from) operating activities				
Share of profit from investments accounted for under equity method	(953,706)	(59,317)	-	-
Depreciation and amortisation	48,537	333,910	5,743	1,630
Deferred interest	2,996	-	447	-
Expected credit losses on loans and accrued interests	152,017	-	7,534	-
Impairment loss of loans and debt securities (reversal)	-	991,277	-	(4,532)
Increase in provisions	15,988	182,908	6,141	633
Increase (decrease) in allowance for impairment of property foreclosed	(21,320)	22,283	1,464	423
Gains and interest income from assets transferred for debt settlement	(1,097)	(1,232)	-	-
Increase (decrease) in allowance for impairment of equipments/other assets	(774)	12,666	-	(4)
Expected credit losses on investments in debt securities	4,500	-	1,359	-
Unrealised loss (gain) from change in value of investments/				
allowance for impairment of investments	-	(51,267)	25,500	-
Losses on financial instruments measured at fair value through profit and loss	174,569	-	10,924	-
Unrealised loss on exchange	-	152,980	-	-
Gains on disposal of equipment and intangible assets	(407)	(771)	-	(20)
Decrease (increase) in accrued other income receivables	155,879	251,983	(5,931)	(4,621)
	5,062,167	6,942,486	345,557	(30,893)
Net interest income	(731,140)	(7,921,829)	108,444	100,246
Dividend income	(31,650)	(119,140)	(360,899)	(84,015)
Cash received from interest on operating activities	1,028,764	11,431,966	10,088	17,188
Cash paid for interest on operating activities	(54,704)	(4,103,062)	-	-
Cash paid for income tax	(42,496)	(111,938)	(1,888)	(536)
Income from operating activities before				
changes in operating assets and liabilities	5,230,941	6,118,483	101,302	1,990

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Interbank and money market items	(1,242,680)	(8,109,662)	(946,778)	(23,328)
Financial assets measured at fair value through profit and loss	(586,804)	-	788,280	-
Derivatives assets	(21,053)	488,886	-	-
Investments in trading securities	-	(3,775,412)	-	-
Loans to customers	248,340	(12,706,631)	670	422,629
Property foreclosed	275,796	984,362	53,168	(812,624)
Receivables from purchase and sale of securities	1,440,498	(1,114,712)	764,570	289,344
Other assets	3,062,174	(571,475)	7,898	(4,460)
Increase (decrease) in operating liabilities				
Deposits	-	(8,357,879)	-	-
Interbank and money market items	(4,476,522)	3,569,227	-	-
Liability payable on demand	-	848,233	-	-
Derivatives liabilities	(19,114)	(537,817)	-	-
Payable from purchase and sales of securities	762,896	1,194,554	(193,902)	(192,451)
Insurance contract liabilities	(361,104)	45,939	-	-
Other liabilities	(924,580)	(3,520,233)	(43,637)	539,023
Net cash flows from (use in) operating activities	3,388,788	(25,444,137)	531,571	220,123
Cash flows from investing activities				
Decrease in investments in securities	10,100,751	22,542,897	14,029,949	77,052
Cash paid for purchase of investment in subsidiaries/associated companies	(1,232,512)	-	(1,232,512)	-
Cash received from interest	50,765	344,209	-	507
Cash received from dividend	22,590	32,737	155,228	1,981
Cash paid for purchase of premises and equipment/ intangible assets	(9,449)	(84,838)	(117)	(1,266)
Cash received from disposal of equipment	407	1,754	-	21
Net cash flows from investing activities	8,932,552	22,836,759	12,952,548	78,295

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2020

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash flows from financing activities				
Cash received from debts issued and borrowings	6,191,853	4,938,075	-	-
Cash paid for debts issued and borrowings	(8,346,657)	(3,175,635)	(4,000,000)	-
Cash paid for interest expenses on debts issued and borrowings	(242,879)	(490,169)	(34,683)	(63,424)
Cash paid for treasury shares	(4,863,086)	(234,984)	(4,863,086)	(234,984)
Cash paid for dividend	(4,582,442)	-	(4,582,442)	-
Cash paid for lease liability	(27,586)	-	(3,898)	-
Cash paid for dividend to non-controlling interests	(451,205)	(78,408)	-	-
Net cash flows from (use in) financing activities	(12,322,002)	958,879	(13,484,109)	(298,408)
Net increase (decrease) in cash	(662)	(1,648,499)	10	10
Cash at beginning of the period	2,970	11,021,897	-	-
Cash at end of the period	2,308	9,373,398	10	10

Supplemental cash flows information

Non-cash transactions

Property foreclosed transferred from loans to customers	162,001	1,740,083	-	-
Bad debt written-off	56,454	865,390	-	-
Payable from purchase of assets	210	15,449	-	-
Right-of-use assets	20,550	-	-	-
Dividend Payable	1,887,510	-	1,887,510	-
Transfer held for minority shareholders to investment in subsidiary and associated companies	39,008	-	39,008	-

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statement of changes in equity

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

Consolidated financial statements																
Equity attributable to the Company's shareholders																
Other components of equity																
Issued and paid-up share capital		Premium on common share	Share premium of a subsidiary	Surplus from the change in the ownership interests of investments	Amount by which the value of investment in subsidiary/ associate lower than attributable net book value	Revaluation surplus on investments - net	Revaluation surplus on assets	Share of other comprehensive income (loss) of associated companies	Share of surplus from the change in the ownership interests of an associate	Retained earnings			Treasury shares	Non-controlling interests	Total	
										Appropriated						
Preferred shares	Common shares									Statutory reserve	Treasury shares reserve	Unappropriated				
Balance as at 1 January 2019	132	11,651,165	2,065,645	775,814	-	230,085	351,460	620,882	314,874	59,138	1,277,830	764,980	48,388,381	(764,980)	72,182,857	137,918,263
Cash payment for treasury shares (Note 17)	-	-	-	-	-	-	-	-	-	-	-	-	-	(234,984)	-	(234,984)
Transfer of retained earnings to treasury shares reserve	-	-	-	-	-	-	-	-	-	-	-	234,984	(234,984)	-	-	-
Decrease in non - controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(78,388)	(78,388)
Surplus from the change in the ownership interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in subsidiaries of an associate	-	-	-	-	-	-	-	-	-	20	-	-	-	-	-	20
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	2,015,671	-	2,044,813	4,060,484
Other comprehensive income for the period (loss)	-	-	-	-	-	-	336,347	-	(43,487)	-	-	-	(515)	-	297,889	590,234
Balance as at 31 March 2019	132	11,651,165	2,065,645	775,814	-	230,085	687,807	620,882	271,387	59,158	1,277,830	999,964	50,168,553	(999,964)	74,447,171	142,255,629
Balance as at 1 January 2020	132	11,651,165	2,065,645	-	(4,639,664)	231,255	1,111,739	64,202	611,186	80,810	1,277,830	999,964	53,378,669	(999,964)	8,225,784	74,058,753
Cumulative effect of change in accounting policy (Note 3)	-	-	-	-	-	-	244,726	-	35,100	-	-	-	74,653	-	9,183	363,662
Balance as at 1 January 2020 - as restated	132	11,651,165	2,065,645	-	(4,639,664)	231,255	1,356,465	64,202	646,286	80,810	1,277,830	999,964	53,453,322	(999,964)	8,234,967	74,422,415
Dividend paid (Note 19)	-	-	-	-	-	-	-	-	-	-	-	-	(1,887,510)	-	-	(1,887,510)
Reversal of dividend on shares held by shareholders who are not entitled to receive dividend	-	-	-	-	-	-	-	-	-	-	-	-	209	-	-	209
Cash payment for treasury shares (Note 17)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,863,086)	-	(4,863,086)
Transfer of retained earnings to treasury shares reserve	-	-	-	-	-	-	-	-	-	-	-	4,863,086	(4,863,086)	-	-	-
Decrease in non - controlling interests of the subsidiaries	-	-	-	-	-	-	-	771	-	-	-	-	853	-	(453,676)	(452,052)
Surplus from the change in the ownership interests of investments	-	-	-	-	246,355	-	-	-	-	-	-	-	(456,889)	-	(149,859)	(360,393)
Transfer to retained earnings	-	-	-	-	-	-	177,403	(679)	(27,330)	-	-	-	(149,394)	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	4,315,584	-	286,053	4,601,637
Other comprehensive income for the period (losses)	-	-	-	-	-	-	(952,424)	-	(17,327)	-	-	-	(7,636)	-	(190,533)	(1,167,920)
Balance as at 31 March 2020	132	11,651,165	2,065,645	-	(4,393,309)	231,255	581,444	64,294	601,629	80,810	1,277,830	5,863,050	50,405,453	(5,863,050)	7,726,952	70,293,300

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

(Unaudited but reviewed)

Thanachart Capital Public Company Limited and its subsidiaries

Statement of changes in equity (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Separate financial statements									
	Issued and paid-up share capital			Other components of equity		Retained earnings				
	Preferred	Common	Premium on	Revaluation	Revaluation	Appropriated				
	shares	shares	common share	surplus on	surplus on	Statutory	Treasury shares	Unappropriated	Treasury shares	Total
				investments - net	assets	reserve	reserve			
Balance as at 1 January 2019	132	11,651,165	2,065,645	519,152	12,278	1,277,830	764,980	9,157,048	(764,980)	24,683,250
Cash payment for treasury shares (Note 17)	-	-	-	-	-	-	-	-	(234,984)	(234,984)
Transfer of retained earnings to treasury shares reserve	-	-	-	-	-	-	234,984	(234,984)	-	-
Loss for the period	-	-	-	-	-	-	-	(24,222)	-	(24,222)
Other comprehensive income for the period	-	-	-	3,422	-	-	-	-	-	3,422
Balance as at 31 March 2019	132	11,651,165	2,065,645	522,574	12,278	1,277,830	999,964	8,897,842	(999,964)	24,427,466
Balance as at 1 January 2020	132	11,651,165	2,065,645	546,731	42,906	1,277,830	999,964	58,389,449	(999,964)	73,973,858
Cumulative effect of change in accounting policy (Note 3)	-	-	-	108,095	-	-	-	56,588	-	164,683
Balance as at 1 January 2020 - as restated	132	11,651,165	2,065,645	654,826	42,906	1,277,830	999,964	58,446,037	(999,964)	74,138,541
Dividend paid (Note 19)	-	-	-	-	-	-	-	(1,887,510)	-	(1,887,510)
Reversal of dividend on shares held by shareholders										
who are not entitled to receive dividend	-	-	-	-	-	-	-	209	-	209
Cash payment for treasury shares (Note 17)	-	-	-	-	-	-	-	-	(4,863,086)	(4,863,086)
Transfer of retained earnings to treasury shares reserve	-	-	-	-	-	-	4,863,086	(4,863,086)	-	-
Transfer to retained earnings	-	-	-	-	(459)	-	-	459	-	-
Profit for the period	-	-	-	-	-	-	-	295,047	-	295,047
Other comprehensive income for the period (losses)	-	-	-	(575,231)	-	-	-	-	-	(575,231)
Balance as at 31 March 2020	132	11,651,165	2,065,645	79,595	42,447	1,277,830	5,863,050	51,991,156	(5,863,050)	67,107,970

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

Thanachart Capital Public Company Limited and its subsidiaries

Notes to interim financial information

For the three-month period ended 31 March 2020

1. General information

1.1 General information of the Company

Thanachart Capital Public Company Limited (“the Company” or “TCAP”) is incorporated as a public limited company and operated its business in Thailand. The Company is mainly engaged in investment holding and the registered office of the Company is at 444, 16-17th Floor, MBK Tower, Phayathai Road, Wangmai, Pathumwan, Bangkok.

All subsidiaries are registered limited or public limited companies under Thai laws and operate their businesses in Thailand. The subsidiaries’ businesses include non-performing assets management business, securities business, leasing and hire purchase business, non-life insurance business, life insurance business, and others.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, impacting various businesses and industries. This situation could create uncertainties and may be impacting the Group’s operating results in the future. However, the impact cannot be reasonably estimated at this stage. The Company’s and its subsidiaries’ management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

2. Basis for preparation of the financial information

2.1 Basis for preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial information. 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, which are in accordance with the Bank of Thailand (“BOT’s”) Notification relating to the preparation and format of the financial statements of Commercial Banks and holding company of financial business groups, date 31 October 2018 because the major business of the group is asset management.

These interim financial information is 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 information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official financial statement of the Company. The interim financial information in English language have been translated from the Thai language interim financial information.

2.2 Basis of preparation of the interim consolidated financial information

- a) The interim consolidated financial information were prepared on the same basis as the consolidated financial statements for the year ended 31 December 2019. Therefore, the interim consolidated financial information included the financial statements of the Company and the following subsidiary companies.

	Percentage of holding by the Company		Percentage of holding by the subsidiaries	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
<u>Subsidiaries directly held by the Company</u>				
NFS Asset Management Co., Ltd.	100.00	100.00	-	-
Thanachart SPV 1 Co., Ltd.	100.00	100.00	-	-
TS Asset Management Co., Ltd.	99.99	99.96	-	-
Thanachart SPV 2 Co., Ltd.	99.98	99.96	-	-
NASSET Property Fund 6	99.80	99.80	-	-
Max Asset Management Co., Ltd.	83.44	83.44	-	-
Thanachart Securities Plc.	50.96	50.96	-	-
Thanachart Insurance Plc.	50.96	50.96	-	-
MBK Life Assurance Plc.	51.00	51.00	-	-
TM Broker Co., Ltd.	51.00	51.00	-	-
MT Service 2016 Co., Ltd.	51.00	51.00	-	-
<u>Subsidiaries indirectly held by the Company</u>				
Ratchthani Leasing Plc.	2.02	-	55.47	55.47
Thanachart Group Leasing Co., Ltd.	-	-	100.00	100.00
Thanachart Management and Services Co., Ltd.	-	-	100.00	100.00
Thanachart Training and Development Co., Ltd.	-	-	100.00	100.00
Security Scib Services Co., Ltd.	-	-	100.00	100.00
RTN Insurance Broker Co., Ltd.	-	-	57.49	55.47

- b) Total assets and net operating income of the subsidiaries that have significant impact to and are included in the consolidated financial statements as at 31 March 2020 and 31 December 2019 and for the three-month periods ended 31 March 2020 and 2019, after eliminating significant intercompany transactions, are as follows:

(Unit: Million Baht)

	Total assets		Net operating income for the three-month periods ended 31 March	
	31 March	31 December		
	2020	2019	2020	2019
Thanachart Securities Plc.	6,001	6,678	304	326
Thanachart Insurance Plc.	14,277	15,025	515	853
NFS Asset Management Co., Ltd.	1,041	886	17	150
TS Asset Management Co., Ltd.	2,261	2,398	7	19
MBK Life Assurance Plc.	7,390	8,280	(115)	(30)
Ratchthani Leasing Plc.	50,005	50,407	793	742
Thanachart Bank Plc. ⁽¹⁾	-	-	-	8,436
Thanachart Fund Management Co., Ltd. ⁽¹⁾	-	-	-	428
Thanachart Broker Co., Ltd. ⁽¹⁾	-	-	-	47

(1) In December 2019, the Company and its subsidiaries sold investments in certain subsidiaries (Thanachart Bank Public Company Limited, Thanachart Fund Management Company Limited, and Thanachart Broker Company Limited) therefore net operating income for the three-month period ended 31 March 2019 presented the operating results in "discontinued operations".

- c) The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using the same significant accounting policies. In case where there are different accounting policies, the Company has adjusted the effect of such different transaction.

2.3 The separate financial statements present investments in subsidiary and associated companies under the cost method.

2.4 New financial reporting standards

a) Financial reporting standards that became effective in the current periods

During the period, the Company and its subsidiaries have adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. 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:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments, consisting 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
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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.

The impact of the adoption of these standards on the Group's financial statements is as follows:

Classification and measurement of Financial instruments

The Company and its subsidiaries reclassify financial instruments to be consistent with the business model for managing the Company and its subsidiaries assets, based on the facts and existing circumstances as of the date these financial reporting standards were initially adopted:

- Classification and measurement of investments in equity instruments of non-listed companies - The Company and its subsidiaries measure investment in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through either profit or loss or through other comprehensive income.

- Classification and measurement of investments in available-for-sale equity securities are designated at fair value through other comprehensive income. The Company and its subsidiaries have decided to classify some of these investments as financial assets at fair value through profit or loss. The cumulative gains or losses on changes in the value of reclassified available-for-sale investments that were previously presented in other comprehensive income is to be reclassified to retained earnings. For some of investments in available-for-sale equity securities which is still classify and designated at fair value through other comprehensive income. After initial recognition, gain or loss on changes in the fair value is recognised in other comprehensive income. Upon disposal, gain or loss arising from change in fair value will be recognised in retained earnings.
- Classification and measurement available-for-sale investments in debt instrument which measured at fair value through other comprehensive income. The Company and its subsidiaries have decided to classify these investments as financial assets at fair value through profit or loss and other comprehensive income. After initial recognition, gain (loss) on changes in fair value of debt instrument which measured at fair value through profit or loss is to be recognised in profit or loss. For debt instrument which measured at fair value through other comprehensive income, gain (loss) on change in fair value will be recognised in other comprehensive income, and when disposal, gain or loss on investment is to be recognise in profit or loss.
- Loans, which the Company holds to collect contractual cash flow (both principal and interest), the Company classifies and presents them as loans measured at amortised cost.

Classification of financial liabilities

The adoption of this standards does not have any significant impact on classification of the Group's financial liabilities. The Company and its subsidiaries still classify financial liabilities to be amortise cost.

Impairment of financial assets

The TFRS 9 requires the entity to estimate allowance of expected credit losses replacing incurred loss under previous accounting policy. This financial reporting standard requires recognition of impairment loss by using Expected Credit Loss model for all financial assets that are debt instruments and do not measured at fair value through profit or loss including undrawn commitment and financial guarantee, without requiring a credit-impaired event to have occurred prior to the recognition.

The Company and its subsidiaries adopt a general approach to determine expected credit losses of financial assets such as loan to customer.

Transition

The Company and its subsidiaries initially adopted this accounting guidance using the modified retrospective method whereby the adjustment of the cumulative effect was made against retained earnings or other components of owners' equity as at 1 January 2020, and the comparative information was not restated and cannot be compared with the presentation of the 2020 figures.

The cumulative effect of the change in accounting policy is described in Note 3 to interim financial information.

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.

The Company and its subsidiaries adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change in accounting policy is described in Note 3 to interim financial information.

Accounting Guidance on “Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy”

The Federation of Accounting Professions announced Accounting Guidance on “Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy”. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD.(23)C. 276/2563 “Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy” and the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563 “Measures to provide additional assistance to debtors during the COVID-19 situation” or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses. Entities providing assistance to debtors in accordance with the Bank of Thailand’s measures and electing to apply this Accounting Guidance have to apply all temporary relief measures in this guidance.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for entities providing assistance to debtors impacted by situations that affect the Thai economy during the period from 1 January 2020 to 31 December 2021 or until the Bank of Thailand makes changes, with which the entities are to comply. The guidance applies to large debtors, small- and medium-sized debtors and retail debtors who have the ability to run a business or to pay debts in the future and who have been impacted directly or indirectly by such situations, considering the following guidelines.

- Debtors who were not yet non-performing (Stage 1 or Stage 2) on or after 1 January 2020
- Debtors who became non-performing (Stage 3) on or after 1 January 2019, unless the entity is able to prove that the debtors becoming non-performing before 1 January 2019 are non-performing loans affected by the economic conditions

Since the Company and its subsidiaries is an entity providing assistance to affected debtors in accordance with the Bank of Thailand's guidelines and is able to apply these procedures.

- Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1), provided that analysis of its status and business shows that the debtor is able to comply with the debt restructuring agreement without compliance monitoring and the debt restructuring is considered a pre-emptive debt restructuring rather than a troubled debt restructuring. If it is a provision of assistance to debtors in accordance with the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563, classification of the debtor remains at the same stage as before.
- Non-performing loans (NPL) are classified as performing loans if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 months or 3 installments consecutively, whichever is the longer period.
- Additional working capital loans provided to a debtor in order to increase liquidity and enable the debtor to continue its business operations during the debt restructuring are classified by account level if the debtor has cash flows to support repayment or if, considering other factors, the debtor has the ability to pay the debt.
- The guidelines specified in the appendix of the circular of the Bank of Thailand relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is moving to Stage 2.
- Expected credit losses are determined based on the outstanding balance of the drawn down portion only.
- A newly calculated effective interest rate is applied to determine the present value of loans that have been restructured in accordance with guidelines to assist debtors specified in the circulars of the Bank of Thailand, if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan. the Company and its subsidiaries, is able to recognise interest income on the basis of this new effective interest rate during the grace period, or in accordance with regulations of the Bank of Thailand if there is a change.
- Consideration is given to placing less weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience, in cases where a general approach is used in determining expected credit losses.

As at 31 March 2020, the subsidiary company provide assistance to debtors and had elected to apply the above Accounting Guidance

Accounting Guidance on “Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic”

The Federation of Accounting Professions announced Accounting Guidance on “Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Company and its subsidiaries has elected to apply the following temporary relief measures on accounting alternatives:

- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.
- Not to use information relating to the COVID-19 situation that may affect financial forecasts used in measuring the fair values of property, plant and equipment, and investment property.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

2.5 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies that were initially applied on or after 1 January 2020 as follows:

2.5.1 Classification and measurement of Financial instrument

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss or designated at fair value through other comprehensive income.

Financial liabilities are classified and measured at amortised cost.

2.5.2 Revenue recognition - Income from hire purchase

a) Interest income and discounts on loans

Since 1 January 2020, the subsidiary company recognises interest income from hire purchase on an accrual basis, using the effective interest rate method, over the term of the contract with no stopping accrual of interest with the calculation based on the gross carrying amounts of the hire purchase receivables.

And when the hire purchase receivables subsequently become credit-impaired, the subsidiary recognises interest income by using the effective interest rate method, based on the net carrying amount (gross book value net of allowance for expected credit losses) of the receivables. (Before 1 January 2020, the subsidiary company ceases accruing income for receivables which installment payment has been defaulted for more than three installments past the due date).

Initial direct income/expenses at the inception of hire purchase/financial lease contracts are to be deferred and amortised using the effective interest method, with amortisation deducted from interest income throughout the contract period, in order to reflect the effective rate of return on the contracts.

From 1 January 2020, the Company recognised interest on loans purchased of receivables based on the amortised cost of the asset, net of allowance for expected credit losses, using an effective interest rate adjusted to reflect the credit risk and an accrual basis.

The credit risk-adjusted effective interest rate is calculated by discounting the estimated future cash flows to be paid or received over the expected life of the financial asset to derive the amortised cost of financial assets that are credit-impaired upon initial acquisition. In estimating the net expected cash inflows reference is made to historical data on net cash inflows from related actual expenses in the past to develop a model, based on the assumption that the net expected cash inflows and the expected life of financial instruments with similar characteristics can be estimated reliably.

In cases where the cost of an acquired NPL receivable has been fully amortised, the Company still has the right to demand the debtor make payment under the contract. When such payments are received from a debtor, the Company recognises the full amount as interest

b) Gains (losses) on financial instruments measured at fair value through profit or loss

Gains (losses) on trading in securities and derivatives are recognised as income/ expenses on the transaction dates. Changes in the fair value are recorded in profit or loss.

2.5.3 Investments in securities

From 1 January 2020, the Company and its subsidiaries has classified investments in securities as investments in securities measured at fair value through profit or loss, investments in securities measured at fair value through other comprehensive income or as investments in securities measured at amortised cost.

Investment in securities are measured at fair value through profit or loss

Investments in debt instruments and investments in equity instrument measured at fair value through profit or loss are initially recorded at fair value.

After initial recognition, gains or losses on changes in fair value are recognised in profit or loss.

Investment in securities are measured at fair value through other comprehensive income

Investments in debt instruments measured at fair value through other comprehensive income and investments in equity instruments designated at fair value through other comprehensive income are initially recorded at fair value.

After initial recognition, gains or losses on changes in fair value are presented as a separate item in other comprehensive income, with gains or losses on changes in the accumulated fair value of investments in debt instruments recognised as gain (loss) on investments in profit or loss when the investments are sold. Upon disposal of investments in equity instruments, gain or loss arising from change in fair value will be recognised in retained earnings.

At the period end, investments in debt instruments measured at fair value through other comprehensive income are presented in the balance sheet at fair value net of allowance for expected credit losses (if any).

Investment in securities are measured at amortised cost

Investments in securities measured at amortised cost are initially recorded at fair value.

At the end of reporting period, investments in debt instruments measured at amortised cost presented in statement of financial position at amortised cost net of allowance for expected credit losses (if any).

Revenue from investments and disposals of investments

Gains or losses on disposals of investments are recognised in profit or loss at transaction date.

Changes in classification of investments in debt instruments

When the Company's and its subsidiaries' business model for managing the financial assets has changed. The Company and its subsidiaries must reclassify type of investments in debt instruments. The Company and its subsidiaries adjust value of investment in debt instruments fair value at transfer date. The difference between book value and fair value transfer date is recognised in profit or loss or other comprehensive income depending on transferred type of investment in debt securities.

2.5.4 Loans to customers

Loans to customers are stated at the principal balances, excluding accrued interest receivables. Unrecognised deferred revenue/discounts on loans to customers are deducted from loans to customers.

Hire purchase and finance lease receivables are stated at outstanding balance, net of deferred revenue. Deferred revenue is stated net of commissions and direct expenses incurred at the initiation of hire purchase contracts and advances received from finance lease receivables.

Since the Company's operations involve the acquisition and receipt of non-performing loans (NPLs) from other financial institutions, the amounts paid to acquire loans purchased of receivables are recognised as financial assets that are credit-impaired upon initial acquisition, and presented at amortised cost. Costs of financial assets that are credit-impaired upon initial acquisition consist of cash paid (the fair value on the transaction date is equal to or close to the acquisition price), advances for legal expenses, collection expenses, advance for expenses on asset acquisition, insurance premiums and other costs which the portion transferred to an obligation to the debtor, the Company collects from the debtor when payment of the debtor is received.

2.5.5 Allowance for expected credit losses on financial assets/Allowance for doubtful accounts

Loans from purchases of receivables

From 1 January 2020, the Company and its subsidiaries apply the impairment approach used for financial assets that are credit-impaired upon initial acquisition to loans purchased of receivables .

The Company and its subsidiaries record allowance for expected credit losses when there are changes in the estimated cash inflows expected from financial assets, discounting the projected receipts with reference to historical data.

The Company and its subsidiaries recognise changes in lifetime of expected credit losses as gains or losses on impairment in profit or loss. The Company and its subsidiaries are required to recognise positive changes in lifetime of expected credit losses as impairment gains, to the extent that they do not exceed the lifetime of expected credit losses recognised in the past.

In making estimates of expected credit losses the Company and its subsidiaries consider historical loss experience and adjusts it on the basis of current observable data, as well as forward looking information that is supportable and reasonable, provided it can be shown to be statistically related, as well as exercising appropriate judgement. Macroeconomic data is used and both the current situation and economic forecasts are evaluated. Use of forward-looking data increases the degree of judgement required in evaluating how relevant current macroeconomic changes affect expected credit losses. However, the Company and its subsidiaries have a review process and the methods, assumptions and forecasts of future economic situations are regularly appraised.

Financial assets

The Company and its subsidiaries use general principles to calculate expected credit losses on financial assets, such as deposits at financial institutions, investments in debt instruments measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, loans to customers and accrued interest receivables and committed credit line and financial guarantees.

The general principles for financial assets with no credit impairment since the initial purchase or acquisition are to classify the financial assets into three groups (three-stage approach) to measure the value of the expected credit losses, with the classification of the financial assets determined on the basis of the change in credit quality since the initial transaction date, as follows:

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

For financial assets with no significant increase in credit risk since the initial recognition date, the Company and its subsidiaries calculate expected credit losses equal to credit losses resulting from events of default that are possible within the 12 months after the reporting date.

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

For financial assets with significant increases in credit risk since the initial recognition date but that are not credit-impaired, the Company and its subsidiaries recognise the expected credit losses over the expected lifetime of the financial instrument.

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

Financial assets are considered to be credit-impaired. the Company and its subsidiaries recognise credit losses over the expected lifetime.

At the end of the reporting period, the Company and its subsidiaries evaluate whether the credit risk of financial assets has increased significantly since the initial recognition date, by comparing the risk of default on the financial asset as at reporting date with the risk of default as at the initial recognition date. the Company and its subsidiaries may use internal quantitative or qualitative basis and expected data for evaluate a decrease in credit quality such as debtors which are overdue for more than 30 days.

In determining whether the credit risk has increased significantly since the initial recognition date, financial assets will be considered either by individual contract or group of financial assets.

Loans to customers are considered to be credit-impaired when one or more events occurs affecting the estimated future cash flows of the loan agreements, with evidences that loans to customers are credit-impaired, included overdue for more than 90 days or there are indicators that debtors are in significant trouble financial position, violation of contract, legal status, renegotiate terms of repayment or debt restructuring.

In subsequent periods, if the credit quality of financial assets improves and it is assessed that there is no longer the significant increase in credit risk from the initial recognition date that was assessed in the previous period, the Company and its subsidiaries will change from recognising expected credit losses over the expected lifetime to recognising them within the next 12 months.

When a loan to customer's terms of repayment are renegotiated or term of contractual cash flow are modified due to debtors are in trouble financial position, these loans to customers are considered to be financial assets that are significant increase in credit risk or credit-impaired. Except there is evidence that the risk of contractual cash flow expected not to be recoverable are significant decrease and no indication of impairment.

Expected credit loss is the probability-weighted estimate of credit loss over the expected lifetime of the financial asset, consider the present value of all cash expected not to be recoverable. The Company and its subsidiaries consider historical loss experience on the basis of shared credit risk characteristics, taking into account type of collateral, month on book, and other relevant factors, adjusts this for current observable data, as well as forward looking information that is supportable and reasonable, provide it can be shown as well as exercising appropriate of judgement, to estimate the amount of an expected credit losses based on macroeconomic data and determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit losses. Use of forward-looking data increases the degree of judgement required in evaluating how relevant current macroeconomic changes affect expected credit losses. However, the Company and its subsidiaries have established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. Furthermore, expected credit loss was included management overlay.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses in profit or loss in the statement of comprehensive income. The Company and its subsidiaries have a policy to write-off receivables when a court has ordered a debtor to make payment of a debt but the debtor is unable to do so.

2.5.6 Financial assets with modifications of terms/Debt restructuring

When a financial asset's terms of repayment are renegotiated or modified or debt is restructured or existing financial assets are replaced with new financial assets because the debtor is having financial problems, the Company and its subsidiaries assess whether to derecognise the financial asset and measures the expected credit losses as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Company and its subsidiaries calculate the gross book value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises loss on modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset as at the date of derecognition. The difference between book value and fair value will be recognised in profit or loss.

If they do not meet the criteria for derecognition as of the restructuring date they continue to be classified as financial assets with significant increases in credit risk (stage 2) or as financial assets that are credit-impaired (stage 3) until the debtor has been able to make payment in accordance with the debt restructuring agreement for not less than 12 months from the date of the restructuring. At that point, they can be reclassified as financial assets with no significant increase in credit risk (stage 1).

2.5.7 Leases

Right-of-use assets

The Company and its subsidiaries recognise right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Company and its subsidiaries are reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Company and its subsidiaries recognise lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company and its subsidiaries' incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

3. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 2.4 to the interim consolidated financial statement, during the current period, the Company and its subsidiaries have adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies due to the adoption of these standards on the beginning balance of retained earnings of 2020 is presented as follows:

(Unit: Million Baht)

	Consolidated financial statements			
		The impacts of		
	31 December 2019	TFRS 9	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Interbank and money market items - net	7,404	(4)	-	7,400
Financial assets measured at fair value				
through profit and loss	-	9,195	-	9,195
Investments - net	41,551	(9,105)	-	32,446
Loans to customers and accrued interest				
receivables - net	53,159	299	-	53,458
Investments in subsidiary and associated				
companies - net	45,421	56	-	45,477
Right-of-use assets	-	-	456	456
Deferred tax assets	809	(5)	-	804
Liabilities				
Deferred tax liabilities	210	72	-	282
Lease liabilities under TFRS 16	-	-	494	494
Other liabilities	6,806	-	(38)	6,768
Owners' equity				
Other components of owners' equity	(2,540)	280	-	(2,260)
Retained earnings - unappropriated	53,379	75	-	53,454
Non-controlling interests	8,226	9	-	8,235

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
		The impacts of		
	31 December 2019	TFRS 9	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Financial assets measured at fair value				
through profit and loss	-	3,336	-	3,336
Investments - net	22,597	(3,130)	-	19,467
Loans to customers and accrued interest				
receivables - net	716	79	-	795
Right-of-use assets	-	-	79	79
Liabilities				
Deferred tax liabilities	149	41	-	190
Lease liabilities under TFRS 16	-	-	79	79
Owners' equity				
Other components of owners' equity	590	108	-	698
Retained earnings - unappropriated	58,389	57	-	58,446

3.1 Financial instruments

Details of the impact on owners' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
<u>Other components of owners' equity</u>		
Investment in equity securities measured at fair value of non-listed company	246	110
Financial assets measured at fair value through profit and loss reclassification transferred from available-for-sale	(2)	(2)
Allowance for expected credit losses on financial assets	1	-
Effect from profit sharing of an associated company	35	-
Cumulative effects of the first time adoption of Financial Reporting Standard - Group of Financial Instruments as adjustment item with other components of equity	280	108
<u>Retained earnings – unappropriated</u>		
Investment in equity securities measured at fair value of non-listed company	55	55
Financial assets measured at fair value through profit and loss reclassification transferred from available-for-sale	2	2
Allowance for expected credit losses on financial assets	(3)	-
Effect from profit sharing from investments in an associated company	21	-
Cumulative effects of the first time adoption of Financial Reporting Standard - Group of Financial Instruments as adjustment item with retained earnings	75	57

(Unaudited but reviewed)

The Classification and measurement of financial assets in accordance with financial reporting standards related to financial instruments as at 1 January 2020, and with the classification and measurement under the former basis, are as follows.

(Unit: Million Baht)

Consolidated financial statements					
Classification and measurement under former basis		Classification and measurement under TFRS 9			
as at 31 December 2019		as at 1 January 2020			
		Fair value			
		Fair value	through other		
		through profit	comprehensive		
		or loss	income	Amortised cost	Total
Financial assets					
Cash	3	-	-	3	3
Interbank and money market items - net	7,404	-	-	7,400	7,400
Derivative assets	13	13	-	-	13
Investment - net					
- Debt securities	37,194	7,604	27,165	2,127	36,896
- Equity securities	4,357	1,591	3,154	-	4,745
Loans to customers and accrued interest					
- net	53,159	-	-	53,458	53,458
Other assets - Receivables from					
purchase and sales of securities	2,577	-	-	2,577	2,577

(Unit: Million Baht)

Separate financial statements					
Classification and measurement under former basis		Classification and measurement under TFRS 9			
as at 31 December 2019		as at 1 January 2020			
		Fair value			
		Fair value	through other		
		through profit	comprehensive		
		or loss	income	Amortised cost	Total
Financial assets					
Interbank and money market items- net	30	-	-	30	30
Investment - net					
- Debt securities	20,981	3,238	17,664	-	20,902
- Equity securities	1,616	98	1,724	-	1,822
Loans to customers and accrued interest					
- net	716	-	-	795	795
Other assets - Receivables from					
purchase and sales of securities	765	-	-	765	765

As at 1 January 2020, the Company and its subsidiaries designated all financial liabilities classify as financial liabilities measured at amortised cost, except derivative liabilities with a fair value of Baht 47 million, which are to be measured at fair value through profit and loss (Separate financial statements: all financial liabilities are classified as financial liabilities measured at amortised cost)

The table below present reconciliation of the allowance for impairment as of 31 December 2019 recognised in accordance with TAS 105, Accounting for Investments in Debt and Equity Securities and the allowance for impairment, as of 1 January 2020 recognised in accordance with TFRS 9. Such changes are a result the remeasurement of allowance for expected credit losses in accordance with this TFRS.

(Unit : Milion Baht)

	Consolidated financial statement			
	31 December 2019	Re- classification	Re- measurement	1 January 2020
Allowance for losses from				
Interbank and money market items- net (assets)	-	-	4	4
Held-to-maturity debt securities reclassified as loan to customers to be measured at amortised cost	200	(200)	-	-
Investments in debt securities measured at fair value through other comprehensive income	-	-	3	3
Loans to customers and accrued interest receivables	3,118	200	-	3,318
Total	3,318	-	7	3,325

(Unit : Milion Baht)

	Separate financial statement			
	31 December 2019	Re- classification	Re- measurement	1 January 2020
Allowance for losses from				
Held-to-maturity debt securities reclassified as loan to customers measured at amortised cost	127	(127)	-	-
Loans to customers and accrued interest receivables	28	127	-	155
Total	155	-	-	155

3.2 Leases

Upon initial application of TFRS 16 the Company and its subsidiaries recognised lease liabilities that were previously classified as operating leases at the present value of the remaining lease payments, discounted using the Company and its subsidiaries' incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Company and its subsidiaries recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	367	11
Less: Short-term leases and leases of low-value assets	(4)	-
Add: Option to extend lease term	148	43
Less: Contracts reassessed as service agreements	(38)	(7)
Add: Others	56	37
Less: Deferred interest expenses	(35)	(5)
Increase in lease liabilities due to TFRS 16 initial adoption	494	79

The adjustments of right-of-use assets due to TFRS 16 initial adoption as at 1 January 2020 are summarised below:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Buildings and building improvement	332	74
Furniture, fixtures and office equipment	95	-
Motor vehicles	29	5
Total right-of-use assets	456	79

4. Classification of financial assets and liabilities

(Unit: Million Baht)

Consolidated financial statements				
31 March 2020				
Financial Instruments measured at				
Fair value through				
other				
Fair value through	Fair value through	Amortised cost	Total	
profit or loss	comprehensive income			
<u>Financial assets</u>				
Cash	-	-	2	2
Interbank and money market items - net	-	-	8,644	8,644
Financial assets measured at fair value				
through profit or loss				
- Debt securities	5,477	-	-	5,477
- Equity securities	788	-	-	788
Derivatives assets	34	-	-	34
Investments - net				
- Debt securities	-	19,004	203	19,207
- Equity securities	-	5,634	-	5,634
Loans to customers and accrued interest				
receivables - net	-	-	52,416	52,416
Other assets - Receivables from purchase				
and sale of securities	-	-	1,137	1,137
Other assets - Receivables from clearing				
house	-	-	321	321
<u>Financial liabilities</u>				
Interbank and money market items - net	-	-	11,183	11,183
Derivatives liabilities	27	-	-	27
Debt issued and borrowings	-	-	42,626	42,626
Accrued interest payables	-	-	376	376
Other liabilities - Payables from purchase				
and sale of securities	-	-	1,711	1,711
Other liabilities - Payables to clearing house	-	-	6	6

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	31 March 2020			
	Financial Instruments measured at			
	Fair value through			
	other			
	Fair value through	comprehensive		
	profit or loss	income	Amortised cost	Total
<u>Financial assets</u>				
Interbank and money market items -				
net	-	-	978	978
Financial assets measured at fair value				
through profit and loss				
- Debt securities	2,438	-	-	2,438
- Equity securities	98	-	-	98
Investments - net				
- Debt securities	-	1,370	-	1,370
- Equity securities	-	3,296	-	3,296
Loans to customers and accrued				
interest receivables - net	-	-	792	792
<u>Financial liabilities</u>				
Debt issued and borrowings	-	-	13,600	13,600
Accrued interest payables	-	-	208	208

5. Financial assets measured at fair value through profit or loss

(Unit: Million Baht)

	Consolidated		Seperated	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	Fair value	Fair value	Fair value	Fair value
Government and state enterprises				
securities	684	-	-	-
Private debt securities	2,355	-	-	-
Domestic marketable equity securities	617	-	-	-
Unit trusts	2,438	-	2,438	-
Other	171	-	98	-
Total	6,265	-	2,536	-

6. Derivatives assets/derivatives liabilities

As at 31 March 2020 and 31 December 2019, the notional amount and the fair value of trading derivatives were classified by type of risk as follows:

(Unit: Million Baht)

Types of risk	Consolidated financial statements					
	31 March 2020			31 December 2019		
	Fair value		Notional amount*	Fair value		Notional amount*
	Assets	Liabilities		Assets	Liabilities	
Others						
Derivatives for trading	34	27	7,365	13	47	3,651
Total	34	27	7,365	13	47	3,651

* Disclosed only in case that the subsidiaries have an obligation to pay

7. Investments

7.1 Classified by type of investments

As at 31 March 2020 investments classified by type of investments are as follows;

(Unit: Million Baht)

	Consolidated	Seperated
	financial statements	financial statements
	31 March 2020	31 March 2020
	Amortised cost/ Fair value	Amortised cost/ Fair value
Investments in debt securities measured at amortised cost		
Government and state enterprises securities	203	-
Less: Allowance for expected credit losses	-	-
Total	203	-
Investments in debt securities measured at fair value through other comprehensive income⁽¹⁾		
Government and state enterprises securities	11,847	1,219
Private debt securities	7,157	151
Total	19,004	1,370
Investments in equity securities designated at fair value through other comprehensive income		
Domestic marketable equity securities	5,277	3,137
Domestic non-marketable equity securities	357	159
Total	5,634	3,296
Total	24,841	4,666

⁽¹⁾ Presented net of allowance for expected credit loss of Baht 8 million in the consolidated financial statements and Baht 1 million in the separate financial statements.

During the three-month period ended 31 March 2020, the Company and its subsidiaries did receive dividends from equity securities measured at fair value through other comprehensive income Baht 25 million in the consolidated financial statements and Baht 9 million in the separate financial statements.

As at 31 December 2019 investments classified by type of investments are as follows;

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2019		31 December 2019	
	Cost/ Amortised		Cost/ Amortised	
	cost	Fair value	cost	Fair value
Trading securities				
Government and state enterprises securities	1,701	1,705	-	-
Private debt securities	2,413	2,661	-	-
Domestic marketable equity securities	1,576	1,420	-	-
	5,690	5,786	-	-
Add: Allowance for change in value	96		-	
Net	5,786		-	
Available-for-sale securities				
Government and state enterprises securities	20,900	20,908	17,510	17,513
Private debt securities	6,179	6,257	150	151
Domestic marketable equity securities	1,560	2,794	888	1,565
Unit trusts	3,235	3,238	3,235	3,238
	31,874	33,197	21,783	22,467
Add: Allowance for change in value	1,323		684	
Net	33,197		22,467	
Held-to-maturity debt securities				
Government and state enterprises securities	2,127	2,139	-	-
Investment in receivables purchased	499	907	206	486
	2,626	3,046	206	486
Less: Allowance for impairment	(200)		(127)	
Net	2,426		79	
General investment				
Domestic non-marketable equity securities	167		76	
	167		76	
Less: Allowance for impairment	(25)		(25)	
Net	142		51	
Total investments - net	41,551		22,597	

Investments in receivables purchased are loans receivable purchased through bidding from local financial institutions. The outstanding balances of loans receivable as at 31 December 2019 can be summarised as follows:

(Unaudited but reviewed)

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
	31 December 2019	31 December 2019
Investments in receivables purchased	499	206
Less: Allowance for impairment	(200)	(127)
Investments in receivables purchased - net	299	79

	31 December 2019			
	Balance per			
	Number of	former	Purchase	Yield
	debtors	agreement	price	
		Million	Million	Percent
		Baht	Baht	

Consolidated financial statements

Total accumulated investments in receivables purchased	1,658	33,280	7,760	6.50 - 18.97
Outstanding investments in receivables purchased as at the end of the period	277	7,217	499	

Separate financial statements

Total accumulated investments in receivables purchased	691	8,190	1,937	11.94 - 18.97
Outstanding investments in receivables purchased as at the end of the period	192	4,697	206	

- 7.2** During the three-month period ended 31 March 2020, the subsidiary company wrote off its investments in equity securities designated as at fair value through other comprehensive income from the accounts. The Company and its subsidiaries have chosen to recognize changes in the fair value of these investments in other comprehensive income, to be transferred to retained earnings when wrote off its investments as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	31 March 2020			
	Fair value at the		Retained profit or	Reason for write-
	write-off date	Dividend received	loss from write-off	off
Investments in equity securities written off				
Domestic marketable equity securities	1,377	-	(177)	Disposal
Total	1,377	-	(177)	

- 7.3 Investments in companies having problems relating to financial position and operating results**

As at 31 December 2019, investments in securities of the Company and its subsidiaries included investments in companies having problems relating to financial position and operating results, which are summarised below.

Consolidated financial statements			
31 December 2019			
Number of debtors	Cost Million Baht	Fair value/ collateral value Million Baht	Allowance for possible loss/impairment provided in the accounts Million Baht
<u>Investments in receivables purchased</u>			
1. Companies which have loan settlement problems or have defaulted on the repayment	96	325	578
			118
Separate financial statements			
31 December 2019			
Number of debtors	Cost Million Baht	Fair value/ collateral value Million Baht	Allowance for possible loss/impairment provided in the accounts Million Baht
<u>Investments in receivables purchased</u>			
1. Companies which have loan settlement problems or have defaulted on the repayment	63	84	293
			59

8. Investments in subsidiary and associated companies

8.1 Separate financial statements

As at 31 March 2020 and 31 December 2019, investments in subsidiary and associated companies in the separate financial statements stated under the cost method consist of investment in ordinary shares of the following subsidiary and associated companies:

(Unit: Million Baht)

Company's name	Separate financial statements							
	Paid-up share capital		Percentage of holding (%)		Value of investment under the cost method		Dividend income for the three-month periods ended	
	31	31	31	31	31	31	31 March	
	March	December	March	December	March	December	2020	2019
	2020	2019	2020	2019	2020	2019	2020	2019
<u>Subsidiary companies</u>								
Thanachart SPV 1 Co., Ltd.	13,704	13,704	100.00	100.00	13,704	13,704	-	-
Thanachart SPV 2 Co., Ltd.	3,634	3,634	99.98	99.96	4,109	4,108	-	-
Thanachart Insurance Plc.	4,930	4,930	50.96	50.96	2,697	2,697	75	-
TS Asset Management Co., Ltd.	2,000	2,000	99.99	99.96	2,334	2,333	146	-
MBK Life Assurance Plc.	700	700	51.00	51.00	460	460	-	-
Thanachart Securities Plc.	3,000	3,000	50.96	50.96	1,771	1,771	122	-
Ratchthani Leasing Plc.	3,775	-	2.02	-	389	-	8	-
NFS Asset Management Co., Ltd.	175	175	100.00	100.00	175	175	-	-
Max Asset Management Co., Ltd.	40	40	83.44	83.44	33	33	-	-
MT Service 2016 Co., Ltd.	50	50	51.00	51.00	26	26	-	-
TM Broker Co., Ltd.	20	20	51.00	51.00	10	10	-	-
NASSET Property Fund 6	121	121	99.80	99.80	4	4	-	-
Total investment in subsidiary companies					25,712	25,321	351	-
Less: Allowance for impairment					(26)	-		
Total investment in subsidiary companies - net					25,686	25,321		
<u>Associated companies</u>								
TMB Bank Plc.	91,541	91,541	20.12	20.11	42,076	42,044	-	-
MBK Plc.	1,695	1,695	22.42	19.90	4,900	4,051	-	64
Total investment in associated companies					46,976	46,095	-	64
Total investments in subsidiary and associated companies					72,662	71,416	351	64

During the period the Company set aside allowance for impairment of MT Service 2016 Company Limited of Baht 26 million.

During the period the Company purchased additional investments in subsidiaries and associated companies totaling Baht 1,272 million. Details are as follows:

Company name	Number	Value of investment	Percentage of holding
		under the cost method	
	(Shares)	(million baht)	(%)
<u>Subsidiary companies</u>			
Ratchthani Leasing Plc.	76,250,524	389	2.02
TS Asset Management Co., Ltd.	63,196	1	0.03
Thanachart SPV 2 Co., Ltd.	74,853	1	0.05
<u>Associated companies</u>			
MBK Plc.	42,724,400	849	2.52
TMB Bank Plc.	14,891,927	32	0.01

8.2 Consolidated financial statements

As at 31 March 2020 and 31 December 2019, investment in associated companies in the consolidated financial statements, which are recorded under the equity method, consists of investment in ordinary shares of the following companies which operate in Thailand:

(Unit: Million Baht)

Company's name	Percentage of holding (%)		Value of investment				Dividend received		Share of profit		Share of other comprehensive income	
			Cost method ⁽¹⁾		Equity method		for the three-month periods ended		for the three-month periods ended		for the three-month periods ended	
	31	31	31	31	31	31	periods ended		periods ended		periods ended	
	March	December	March	December	March	December	31 March		31 March		31 March	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
TMB Bank Plc. (operating in banking business)	20.12	20.11	42,076	42,044	43,040	42,088	-	-	838	-	(3)	-
MBK Plc. (operating in property rental, hotel and services businesses)	22.42	19.90	1,704	855	4,276	3,333	-	127	116	59	(22)	(34)
Total investment in associated companies			43,780	42,899	47,316	45,421	-	127	954	59	(25)	(34)

(1) After deducting intergroup transactions

On 3 December 2019, the Company purchased 19,375 million additionally issued ordinary shares of TMB Plc. at a price of Baht 42,044 million. This represents an equity interest of 20.11 percent and the Company has therefore classified the investment in TMB Plc. as an investment in an associated company and recognised share of profit from investment accounted for under the equity method since the acquisition date.

During the period 2020, the Company purchased another 15 million ordinary shares of TMB Bank Plc., for Baht 32 million, bringing its total shareholding to 20.12 percent, and purchased 43 million ordinary shares of MBK Plc. for Baht 849 million, giving it a total shareholding of 22.42 percent. The Company is in the process of determining the net fair value of the identifiable assets and liabilities at the acquisition date of these investments in associated companies.

8.3 Summarised financial information of associated companies

- a) Summarised financial information of TMB Bank Plc. as at 31 March 2020 and 31 December 2019 and for the three-month periods ended 31 March 2020 and 2019 are as follows:

(Unit: Million Baht)											
Paid-up share capital		Total assets		Total liabilities		Total income for the		Profit for the		Other comprehensive	
						three-month		three-month		income for the	
						periods ended		periods ended		three-month	
						31 March		31 March		31 March	
31	31	31	31	31	31	2020	2019	2020	2019	2020	2019
March	December	March	December	March	December	2020	2019	2020	2019	2020	2019
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
91,541	91,541	1,889,189	1,858,190	1,690,776	1,663,379	25,381	-	4,164	-	(17)	-

- b) Summarised financial information of MBK Plc. as at 31 December 2019 and 30 September 2019 and for the three-month periods ended 31 December 2019 and 2018 are as follows:

(Unit: Million Baht)											
Paid-up share capital		Total assets ⁽¹⁾		Total liabilities ⁽¹⁾		Total income for the		Profit for the		Other comprehensive	
						three-month		three-month		income for the	
						periods ended		periods ended		three-month	
						31 December		31 December		31 December ⁽¹⁾	
31	30	31	30	31	30	2019	2018	2019	2018	2019	2018
December	September	December	September	December	September	2019	2018	2019	2018	2019	2018
2019	2019	2019	2019	2019	2019	2019	2018	2019	2018	2019	2018
1,695	1,695	56,310	56,009	28,510	29,056	3,530	2,868	1,166	391	(438)	(597)

(1) Presents in the amount after adjustment for the effect of differences in accounting policies.

The share of profit from investment in MBK Plc. accounted for under the equity method was determined based on financial statements of MBK Plc. that were prepared for periods different from those of the Company, due to limited information available. However, they are financial statements prepared for the same length of time and based on the principle of consistency. Therefore, share of profit of the associate under the equity method for the three-month period ended 31 March 2020 was determined based on financial statements that were prepared with reference to financial statements for the three-month period ended 31 December 2019 that had been audited or reviewed by the associate's auditor and adjusted for the effect of differences in accounting policies by the Company's management. In addition, the Company's management considered that the income for the period is not materially different from the income for the three-month period ended 31 March 2020.

C) Fair value of investment in associated companies

As at 31 March 2020 and 31 December 2019, the fair value of investment in associated companies which are listed on the Stock Exchange of Thailand is as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
TMB Bank Plc.	16,869	32,356	16,869	32,356
MBK Plc.	4,939	7,115	4,939	7,115

9. Loans to customers and accrued interest receivables

9.1 Classified by loan type

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<u>Loans to customers</u>				
Loans	1,588	1,127	238	33
Notes receivables	7	7	712	711
Hire purchase receivables	56,716	57,248	-	-
Financial lease receivables	836	752	-	-
Less: Deferred revenues	(5,896)	(6,062)	-	-
Total loans to customers net of deferred revenues	53,251	53,072	950	744
Add: Accrued interest receivables	30	11	5	-
Total loans to customers and accrued interest				
receivables net of deferred revenues	53,281	53,083	955	744
Less: Allowance for expected credit losses	(3,416)	-	(163)	-
Less: Allowance for doubtful accounts	-	(3,112)	-	(28)
Loans to customers and accrued interest				
receivables - net	49,865	49,971	792	716
<u>Securities business receivables</u>				
Credit balances receivables	2,519	3,155	-	-
Other receivables	38	39	-	-
Total securities business receivables	2,557	3,194	-	-
Less: Allowance for expected credit losses	(6)			
Less: Allowance for doubtful accounts	-	(6)	-	-
Securities business receivables - net	2,551	3,188	-	-
Total loans to customers and accrued interest				
receivables - net	52,416	53,159	792	716

9.2 Debt restructuring

During the three-month periods ended 31 March 2020, The subsidiaries have entered into debt restructuring agreements with their debtors as follows:

Type of restructuring	Consolidated financial statements				
	For the three-month period ended 31 March				
	Number of debtors	Outstanding balances before restructuring ⁽¹⁾	Outstanding balances after restructuring ⁽¹⁾	Type of assets to be transferred	Fair value of assets to be transferred under agreement
		Million Baht	Million Baht		Million Baht
2020					
Modification of repayment conditions	4	7	7		
Transfer of assets and/or modification of repayment conditions	2	2	2	Land and premise thereon	3
Total	6	9	9		

(1) Presents the outstanding balance per the books of account (principal plus accrued interest receivable)

Counting from the end of the period, the remaining periods to maturity of receivables which entered into debt restructuring agreements during the three-month periods ended 31 March 2020, are summarised below.

Periods	Consolidated financial statements	
	For the three-month period ended 31 March 2020	
	Number of debtors	Outstanding balances after restructuring
		Million Baht
Due within the year	3	4
5 - 10 years	3	5
Total	6	9

Supplemental information for the three-month period ended 31 March 2020 relating to restructured loans is as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	2020	2020
Interest income recognised in the statements of comprehensive income	6	-
Gain on debt settlement/assets transferred for debt settlement	8	-
Cash repayment from receivables	12	-
Property foreclosed received for debts settlement	8	-

As at 31 March 2020 and 31 December 2019, the Company and its subsidiaries have the following restructured receivables balances (principal and accrued interest receivable):

	Restructured receivables					
	Number of receivables		Outstanding balances		Outstanding balances, net of collateral	
	31	31	31	31	31	31
	March	December	March	December	March	December
	2020	2019	2020	2019	2020	2019
			Million Baht	Million Baht	Million Baht	Million Baht
Thanachart Capital Plc.	14	14	18	18	8	10
MAX Asset Management Co., Ltd.	51	51	151	151	-	62
Other subsidiaries	53	53	136	138	-	50

9.3 Classified by classification

As at 31 March 2020, the Company and its subsidiaries have the classified loans and related allowances as summarised below.

	(Unit: Million Baht)			
	Consolidated financial statement		Separate financial statement	
	31 March 2020		31 March 2020	
	Loans and accrued interest receivables	Allowance for expected credit loss	Loans and accrued interest receivables	Allowance for expected credit loss
Receivables without a significant increase in credit risk (12-month ECL)	45,171	190	710	7
Receivables with a significant increase in credit risk (Lifetime ECL - not credit impaired)	6,920	695	24	21
Receivables with credit impairment (Lifetime ECL - credit impaired)	3,747	2,537	221	135
Total	55,838	3,422	955	163

As at 31 December 2019, the Company and its subsidiaries have the classified loans and related allowances as summarised below.

(Unit: Million Baht)

	Consolidated financial statement		Separate financial statement	
	31 December 2019		31 December 2019	
	Loans and accrued interest receivables	Allowance for doubtful accounts	Loans and accrued interest receivables	Allowance for doubtful accounts
Normal	47,809	444	712	7
Special mention	5,642	112	-	-
Substandard	767	785	-	-
Doubtful	244	231	-	-
Doubtful of loss	1,815	1,546	32	21
Total	56,277	3,118	744	28

9.4 Hire purchase/financial lease receivables classified by aging

As at 31 March 2020 and 31 December 2019, the Company and its subsidiaries, which are engaged in hire purchases and financial leases businesses, have hire purchase and financial lease receivables. These mostly comprise hire purchase agreements or financial lease agreements for cars, trucks and motorcycles. The terms of the agreements are generally between 3 and 7 years and they carry interest at fixed rates stipulated in the agreements.

(Unit: Million Baht)

	Consolidated financial statement as at 31 March 2020			
	Amounts due under lease agreements			
	Not over 1 year*	1 - 5 years	Over 5 years	Total
Gross investment in the lease	3,529	53,585	438	57,552
Less: Unearned finance income	(158)	(5,672)	(66)	(5,896)
Present value of minimum lease payments receivables	3,371	47,913	372	51,656
Allowance for expected credit losses				(2,308)
Hire purchase/financial lease receivables - net				49,348

* Included non-performing receivables

(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statement as at 31 December 2019				
Amounts due under lease agreements				
	Not over			Total
	1 year*	1 - 5 years	Over 5 years	
Gross investment in the lease	3,424	54,101	475	58,000
Less: Unearned finance income	(152)	(5,838)	(72)	(6,062)
Present value of minimum lease payments receivables	3,272	48,263	403	51,938
Allowance for doubtful accounts				(2,656)
Hire purchase/financial lease receivables - net				49,282

* Included non-performing receivables

As at 31 March 2020 and 31 December 2019, hire purchase and financial lease receivables balances of subsidiary companies engaged in hire purchase and financial lease businesses are classified by the due date of the contracts (after elimination) as follows:

(Unit: Million Baht)

Consolidated financial statements	
31 March 2020	
Hire purchase and financial lease receivables balances	
Receivables without a significant increase in credit risk (12-month ECL)	42,305
Receivables with a significant increase in credit risk (Lifetime ECL - not credit impaired)	6,920
Receivables with credit impairment (Lifetime ECL - credit impaired)	2,431
Total	51,656
Allowance for expected credit losses	2,308

(Unit: Million Baht)

Consolidated financial statements	
31 December 2019	
Hire purchase and financial lease receivables balances	
Current or overdue not over 90 days	49,889
Overdue 91 - 365 days	937
Overdue more than 1 year	183
Debtors under legal actions	929
Total	51,938
Allowance for doubtful accounts provided in the accounts	2,656

9.5 Loans to companies which have settlement problems

As at 31 March 2020 and 31 December 2019, loans and accrued interest receivable of the Company and its subsidiaries included amounts due from companies with weak financial positions and poor operating results, as follows:

Consolidated financial statements								
						Allowance for expected credit loss/ Allowance for doubtful accounts provided in the accounts		
Number of debtors		Debt balances		Collateral value				
31	31	31	31	31	31	31	31	
March	December	March	December	March	December	March	December	
2020	2019	2020	2019	2020	2019	2020	2019	
		Million	Million	Million	Million	Million	Million	
		Baht	Baht	Baht	Baht	Baht	Baht	
1. Listed companies possible to delisting from the SET								
1	1	1	1	1	1	-	-	
2. Non - listed companies with similar operating results and financial position to listed companies possible to delisting from the SET								
3	5	4	4	-	-	4	4	
3. Companies which have loan settlement problems or have defaulted on the repayment								
941	800	1,776	1,319	304	522	1,043	1,220	
Separate financial statements								
						Allowance for expected credit loss/ Allowance for doubtful accounts provided in the accounts		
Number of debtors		Debt balances		Collateral value				
31	31	31	31	31	31	31	31	
March	December	March	December	March	December	March	December	
2020	2019	2020	2019	2020	2019	2020	2019	
		Million	Million	Million	Million	Million	Million	
		Baht	Baht	Baht	Baht	Baht	Baht	
1. Companies which have loan settlement problems or have defaulted on the repayment								
71	8	93	7	31	14	64	1	

10. Allowance for expected credit losses / Allowance for doubtful accounts

Movement of allowance for expected credit losses for the three-month period ended 31 March 2020 are as follows:

(Unit: Million Baht)

Consolidated financial statements						
31 March 2020						
Financial assets with credit risk						
	Without a significant increase in credit risk (12-mth ECL)	With a significant increase in credit risk (Lifetime ECL not credit impaired)	With credit impairment (Lifetime ECL - credit impaired)	With purchased or originated credit impairment (Purchased and originated credit-impaired)	Allowance for doubtful accounts	Total
Interbank and money market items (assets)						
Beginning balance	-	-	-	-	-	-
Changes to adoption of new accounting standards ⁽¹⁾	4	-	-	-	-	4
Change due to re-measurement of allowance for credit loss	(1)	-	-	-	-	(1)
Ending balance	3	-	-	-	-	3
Investments in debt securities measured at amortized cost						
Beginning balance	-	-	-	-	200	200
Changes to adoption of new accounting standards ⁽¹⁾	-	-	-	-	(200)	(200)
Ending balance	-	-	-	-	-	-

(1) Beginning balance of allowance for doubtful accounts are present at 12-mth ECL and Lifetime ECL on TFRS 9, without restatement of the comparative information.

(Unit: Million Baht)

Consolidated financial statements						
31 March 2020						
Financial assets with credit risk						
	Without a significant increase in credit risk (12-mth ECL)	With a significant increase in credit risk (Lifetime ECL not credit impaired)	With credit impairment (Lifetime ECL - credit impaired)	With purchased or originated credit impairment (Purchased and originated credit-impaired)	Allowance for doubtful accounts	Total
Investments in debt securities measured at fair value through other comprehensive income						
Beginning balance	-	-	-	-	-	-
Changes to adoption of new accounting standards ⁽¹⁾	3	-	-	-	-	3
Change due to re-measurement of allowance for credit loss	5	-	-	-	-	5
Ending balance	8	-	-	-	-	8
Loans to customers and accrued interest receivables						
Beginning balance	-	-	-	-	3,118	3,118
Changes to adoption of new accounting standards ⁽¹⁾	855	5	1,822	636	(3,118)	200
Change due to re-measurement of allowance for credit loss	(665)	690	107	21	-	153
Bad debts written-off	-	-	(57)	-	-	(57)
Bad debts recovery	-	-	8	-	-	8
Ending balance	190	695	1,880	657	-	3,422

(1) Beginning balance of allowance for doubtful accounts are present at 12-mth ECL and Lifetime ECL on TFRS 9, without restatement of the comparative information.

(Unit: Million Baht)

Seperate financial statements						
31 March 2020						
Financial assets with credit risk						
	Without a significant increase in credit risk (12-mth ECL)	With a significant increase in credit risk (Lifetime ECL not credit impaired)	With credit impairment (Lifetime ECL- credit impaired)	With purchased or originated credit impairment (Purchased and originated credit-impaired)	Allowance for doubtful accounts	Total
Investments in debt securities measured at amortized cost						
Beginning balance	-	-	-	-	127	127
Changes to adoption of new accounting standards ⁽¹⁾	-	-	-	-	(127)	(127)
Ending balance	-	-	-	-	-	-
Investments in debt securities measured at fair value through other comprehensive income						
Beginning balance	-	-	-	-	-	-
Changes to adoption of new accounting standards ⁽¹⁾	-	-	-	-	-	-
Change due to re-measurement of allowance for credit loss	1	-	-	-	-	1
Ending balance	1	-	-	-	-	1
Loans to customers and accrued interest receivables						
Beginning balance	-	-	-	-	28	28
Changes to adoption of new accounting standards ⁽¹⁾	7	-	21	127	(28)	127
Change due to re-measurement of allowance for credit loss	-	-	-	8	-	8
Ending balance	7	-	21	135	-	163

(1) Beginning balance of allowance for doubtful accounts are present at 12-mth ECL and Lifetime ECL on TFRS 9, without restatement of the comparative information.

Changes in allowance for doubtful account for the year ended 31 December 2019 as follow:

(Unit: Million Baht)

	For the year ended 31 December 2019	
	Consolidated financial statements	Separate financial statements
Balance - beginning of the year	24,144	86
Increase (decrease) during the year	2,515	(14)
Bad debts recovery	1,677	-
Bad debts written-off	(5,411)	(44)
Decrease from sales of subsidiaries	(19,807)	-
Balance - end of the year	3,118	28

11. Asset classified as held for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Asset classified as held for sale	-	3,423	-	-

During the three-month period ended 31 March 2020, a subsidiary sold investments in domestic non-marketable equity securities totaling Baht 7,167 million, with a profit on disposal of Baht 3,737 million.

12. Other assets

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Accrued premium insurance income	493	673	-	-
Estimated insurance claims recoveries	259	243	-	-
Reinsurance assets	937	968	-	-
Receivable from clearing house	321	-	-	-
Prepaid expenses	420	391	13	10
Prepaid corporate income tax	107	112	16	19
Other receivables	31	86	6	6
VAT refundable	24	33	-	-
Other receivables - VAT paid in advance for customers	71	68	-	-
Deposits	29	29	4	4
Leasehold right	10	11	8	8
Investments held for minority shareholders	-	46	-	46
Others	423	300	6	-
Total	3,125	2,960	53	93
Less: Allowance for impairment	(86)	(86)	(5)	(5)
Other assets - net	3,039	2,874	48	88

13. Debt issued and borrowings

As at 31 March 2020 and 31 December 2019, the balance of domestic debt issued and borrowings, stated in Baht, are as follows:

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face value per unit	Issuance unit		Consolidated financial statements		Separate financial statements	
						31 March	31 December	31 March	31 December	31 March	31 December
						2020	2019	2020	2019	2020	2019
				(Percent per annum)	(Baht)	(Thousand unit)	(Thousand unit)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
1	Unsubordinated debentures	Year 2012	Year 2022	4.60	1,000	3,000	3,000	3,000	3,000	3,000	3,000
2	Unsubordinated debentures	Year 2013	Year 2020	5.03	1,000	2,900	2,900	2,900	2,900	2,900	2,900
3	Unsubordinated debentures	Year 2013	Year 2023	4.85, 5.00	1,000	1,800	1,800	1,800	1,800	1,800	1,800
4	Unsubordinated debentures	Year 2013	Year 2025	4.95	1,000	900	900	900	900	900	900
5	Unsubordinated debentures	Year 2017	Year 2020	2.39 - 2.88	1,000	7,100	10,060	7,050	10,010	-	-
6	Unsubordinated debentures	Year 2017	Year 2020	2.58	1,000	70	70	70	70	-	-
7	Unsubordinated debentures	Year 2018	Year 2020	2.28 - 2.80	1,000	3,865	3,865	3,815	3,815	-	-
8	Unsubordinated debentures	Year 2018	Year 2021	2.31, 2.70	1,000	1,970	1,970	1,970	1,970	-	-
9	Unsubordinated debentures	Year 2018	Year 2021	2.30, 2.50	1,000	1,110	1,110	1,110	1,110	-	-
10	Unsubordinated debentures	Year 2018	Year 2020	2.80	1,000	140	140	140	140	-	-
11	Unsubordinated debentures	Year 2019	Year 2021	2.65, 2.66	1,000	675	675	675	675	-	-
12	Unsubordinated debentures	Year 2019	Year 2022	2.94, 3.30	1,000	3,815	3,815	3,775	3,775	-	-
13	Unsubordinated debentures	Year 2019	Year 2021	2.57, 2.67, 2.68, 2.99	1,000	1,865	1,865	1,865	1,865	-	-
14	Unsubordinated debentures	Year 2019	Year 2022	2.96, 3.00, 3.10	1,000	1,995	1,995	1,995	1,995	-	-
15	Unsubordinated debentures	Year 2019	Year 2023	3.40	1,000	486	486	486	486	-	-
16	Unsubordinated debentures	Year 2019	Year 2024	3.50	1,000	594	594	594	594	-	-
17	Unsubordinated debentures	Year 2019	Year 2029	3.01	1,000	5,000	5,000	5,000	5,000	5,000	5,000
18	Unsubordinated debentures	Year 2020	Year 2023	2.65	1,000	2,000	-	1,000	-	-	-
19	Unsubordinated debentures	Year 2020	Year 2024	2.80	1,000	2,000	-	2,000	-	-	-
20	Unsubordinated debentures	Year 2020	Year 2023	2.65	1,000	200	-	200	-	-	-
21	Structured notes		Year 2020					26	17	-	-
22	Promissory notes		At call	1.90, 5.65, 6.65				54	470	-	-
23	Promissory notes		Year 2020 - 2022	2.90, 3.30				201	201	-	-
24	Bill of Exchange	Year 2019	Year 2020	1.97, 2.00				-	3,987	-	3,987
25	Bill of Exchange	Year 2020	Year 2022	2.30				2,000	-	-	-
Total debt issued and borrowings								42,626	44,780	13,600	17,587

Instruments 5), 7), 8), 13), 14), 18) and 19) are name-registered, unsubordinated, unsecured debentures with no debenture holders' representative, paying interest semi-annually. The subsidiary has to comply with the terms and conditions specified in the loan agreement, such as maintenance of a debt to equity ratio.

Instruments 1) to 4), and 17) are name-registered, unsubordinated, unsecured debenture with no debentures holders' representative, paying interest semi-annually.

Instruments 6), 9) to 12),15),16) and 20) are name-registered, unsubordinated, unsecured debentures with no debenture holders' representative, paying interest quarterly. The subsidiary has to comply with the terms and conditions specified in the loan agreement, such as maintenance of a debt to equity ratio.

14. Provisions

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Employee benefits payable	477	468	57	52
Total	477	468	57	52

15. Insurance contract liabilities

	Consolidated financial statements					
	31 March 2020			31 December 2019		
	Insurance contract liabilities	Reinsurance assets	Net	Insurance contract liabilities	Reinsurance assets	Net
Life policy reserve	6,330	-	6,330	6,770	-	6,770
Loss reserves and outstanding claims	1,805	(245)	1,560	1,880	(251)	1,629
Unearned premium reserve	4,512	(692)	3,820	4,365	(717)	3,648
Unpaid policy benefits	11	-	11	13	-	13
Other liabilities under insurance policies	76	-	76	68	-	68
Total	12,734	(937)	11,797	13,096	(968)	12,128

16. Other liabilities

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Other payables	1,271	839	595	526
Suspense cash received from accounts receivable	142	103	-	-
Income received in advance	22	30	-	-
Corporate income tax payable	1,825	925	-	-
Accrued personnel expenses	170	365	52	70
Accrued other expenses	583	602	4	2
Insurance premium received in advance	1,789	1,841	-	-
Payable to clearing house	6	1,054	-	-
Others	958	1,047	39	59
Total other liabilities	6,766	6,806	690	657

17. Share capital/Treasury stocks

During the three-month period ended 31 March 2020, there is no conversion of preferred shares to the Company's common shares. Therefore, as at 31 March 2020, 13,156 preferred shares remained unconverted. Each preferred share can convert to 1 common share. The conversion right is unconditional and does not expire.

As at 31 December 2019, the Company has 19,467,000 treasury shares valued at Baht 1,000 million that were repurchased during 8 August 2018 to 7 February 2019. And in February and March 2020, the Company bought back 97,045,900 additional treasury shares, valued at Baht 4,863 million. The share repurchase period runs from 11 February 2020 to 10 August 2020. As a result of these repurchases there are 116,512,900 treasury shares with a total value of Baht 5,863 million, which reaches the limit of the budget approved by the Board of Directors. The repurchase program requires that the treasury shares be sold within 3 years from the repurchase date.

18. Other components of equity

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Surplus from the change in the ownership interests of investments	(4,393)	(4,640)	-	-
Amount by which the value of investment in subsidiary/associate lower than attributable net book value	231	231	-	-
Revaluation surplus on investments				
Debt instruments	57	47	4	4
Equity instruments	1,295	1,240	577	682
Total	1,352	1,287	581	686
Revaluation deficit on investments				
Debt instruments	(2)	(1)	-	-
Equity instruments	(752)	(24)	(481)	(2)
Total	(754)	(25)	(481)	(2)
Total revaluation surplus on investments	598	1,262	100	684
Less: The effect of deferred tax liabilities	(16)	(150)	(20)	(137)
Net revaluation surplus on investments	582	1,112	80	547
Revaluation surplus on assets	80	80	53	54
Less: The effect of deferred tax liabilities	(16)	(16)	(11)	(11)
Net revaluation surplus on assets	64	64	42	43
Share of other comprehensive income of associated companies	601	611	-	-
Share of surplus from the change in the ownership interests in subsidiaries of associated companies	81	81	-	-
Total	(2,834)	(2,541)	122	590

19. Dividends

During the period ended 31 March 2020, the Company has dividend payment as below.

Dividends	Approved by	Dividend payment	Dividend per share	Payment date
		Million Baht	Baht	
Interim dividend of 2019	The Company's Board of Directors on 30 March 2020	<u>1,888</u>	1.80	28 April 2020

20. Interest income

Interest income for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interbank and money market items -				
deposits at financial institutions	30	34	1	-
Investments and trading transactions	26	29	-	-
Investments in debt securities	95	60	30	3
Loans to customers	62	76	15	17
Hire purchase and financial lease	922	863	-	-
Total interest income	<u>1,135</u>	<u>1,062</u>	<u>46</u>	<u>20</u>

21. Interest expenses

Interest expenses for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interbank and money market items -				
borrowings from financial institutions	63	85	-	-
Debts issued and borrowings				
- Unsubordinated debentures/short-term				
debentures	320	277	142	119
- Others	17	6	12	-
Borrowings cost	4	4	1	1
Total interest expenses	<u>404</u>	<u>372</u>	<u>155</u>	<u>120</u>

22. Fees and service income

Fees and service income for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Fees and service income				
Brokerage fee from securities and derivatives	306	228	-	-
Hire purchase fee income	40	38	-	-
Insurance brokerage fee income	65	29	-	-
Others	14	31	-	-
Total fees and service income	425	326	-	-
Fees and service expenses	(73)	(56)	-	-
Net fees and service income	352	270	-	-

23. Gains (loss) on financial instruments measured at fair value through profit or loss

Gains (loss) on financial instruments measured at fair value through profit or loss for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Gains (loss) on trading and foreign exchange transactions				
Debt securities	60	-	-	-
Equity securities	(509)	-	-	-
Unit trusts	(9)	-	(9)	-
Others	291	-	-	-
Total	(167)	-	(9)	-

24. Gains on trading and foreign exchange transactions

Gains on trading and foreign exchange transactions for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Debt securities	-	(10)	-	-
Equity securities	-	50	-	-
Others	-	(30)	-	-
Total	-	10	-	-

25. Gains (losses) on investments

Gains on investments for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Gains on disposal of investments	3,737	180	-	-
Gains on debt settlement from investments in receivables purchased	-	37	-	25
Gain on disposal Investment measured at fair value through other comprehensive income (only debt securities)	7	-	3	-
Total	3,744	217	3	25
Losses on impairment - Investment in subsidiary	-	-	(26)	-
Total	-	-	(26)	-
Total	3,744	217	(23)	25

26. Expected credit losses

Expected credit losses for the three-month periods ended March 31 March 2020 and 2019 are as follows:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial Statements		financial statement	
	2020	2019	2020	2019
Expected credit losses (reversal)				
Interbank and money market items	(1)	-	-	-
Investment in debt securities measured at fair value through other comprehensive income	5	-	1	-
Loans to customers	153		8	-
Total	157	-	9	-

27. Reversal of impairment loss of loans and debt securities

Reversal of impairment loss of loans and debt securities for the three-month periods ended 31 March 2020 and 2019 consisted of the following:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Reversal of impairment loss of loans				
Loans to customers	-	(455)	-	(5)
Total	-	(455)	-	(5)

28. Income tax

Income tax expenses for the three-month periods ended 31 March 2020 and 2019 are as follows:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current income tax:				
Interim corporate income tax	914	368	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(31)	3	(3)	-
Income tax expense reported in statements of comprehensive income	883	371	(3)	-

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2020 and 2019 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred income tax relating to				
Gain (loss) on changes in value of available-for-sale securities	-	83	-	1
Gain (loss) on changes in value of debt securities measured at fair value through other comprehensive income	1	-	-	-
Loss on changes in value of investment in equity securities designated at fair value through other comprehensive income	(245)	-	(144)	-
Total	(244)	83	(144)	1

29. 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 common shares issued during the period, netting of treasury shares held by the Company.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the total sum of the weighted average number of common shares outstanding during the period, netting of treasury shares held by the Company, and the weighted average number of common shares that would be required to be issued to convert all potential common shares to common shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential common shares were issued.

	Consolidated financial statements					
	For the three-month period ended 31 March					
	Profit for the period		Weighted average number of common shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
	Thousand	Thousand	Thousand	Thousand	Baht	Baht
	Baht	Baht	shares	shares		(Restated)
		(Restated)				
<u>Profit from continuing operations</u>						
Basic earnings per share						
Profit attributable to the Company	4,315,584	629,585	1,116,608	1,145,884	3.86	0.55
Effect of dilutive securities						
Preferred shares convertible to common shares	-	-	13	13		
Diluted earnings per share						
Profit of common shareholders assuming conversion of dilutive securities	4,315,584	629,585	1,116,621	1,145,897	3.86	0.55
<u>Profit from discontinued operations</u>						
Basic earnings per share						
Profit attributable to the Company	-	1,386,086	1,116,608	1,145,884	-	1.21
Effect of dilutive securities						
Preferred shares convertible to common shares	-	-	13	13		
Diluted earnings per share						
Profit of common shareholders assuming conversion of dilutive securities	-	1,386,086	1,116,621	1,145,897	-	1.21

Separate financial statements					
For the three-month period ended 31 March					
Profit for the periods		Weighted average		Earnings per share	
		number of common shares			
2020	2019	2020	2019	2020	2019
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share					
Profit (loss) attributable to the Company					
295,047	(24,222)	1,116,608	1,145,884	0.26	(0.02)
Effect of dilutive securities					
Preferred shares convertible to common shares					
-	-	13	13		
Diluted earnings per share					
Profit of common shareholders assuming conversion of dilutive securities					
295,047	(24,222)	1,116,621	1,145,897	0.26	(0.02)

30. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with its related parties. These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	(For the period 2020)
Transactions occurred during the periods					
Subsidiary companies					
Purchase of debt securities	-	-	-	448	
Sales of debt securities	-	-	-	170	
Interest income	-	-	10	17	At interest rate of 5.65 percent per annum
Dividend income	-	-	352	-	As declared
Rental and other service income	-	-	6	14	At the rate agreed under the contract
Other expenses	-	-	1	-	
Associated company					
Dividend income	-	-	-	64	
Insurance premium/life insurance premium income	-	1	-	-	
Interest expenses	1	2	-	-	At interest rate of 5.65 percent per annum
Other expenses	12	26	3	3	

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	(For the period 2020)
Related companies					
Purchase of debt securities	10,825	321	1,569	-	At market price
Sales of debt securities	11,312	170	10,176	-	At market price
Purchase/sales of forward exchange contracts	-	384	-	-	
Interest income	14	75	1	-	At interest rate of 0.20 - 4.44 percent per annum
Dividend income	-	35	-	18	
Insurance premium/life insurance premium income	29	3	-	-	At the rate agreed under the contract
Other income	25	-	-	-	
Interest expenses	1	93	-	-	At interest rate of 1.30 percent per annum
Project management expenses	6	10	3	3	At the contract price calculated by reference to estimated usage time
Insurance premium/life insurance premium expenses	8	-	-	-	At the rate agreed under the contract
Other expenses	316	41	2	-	

The outstanding balances of the above transactions during the three-month periods ended 31 March 2020 and 2019 have been shown at the average balance at the end of each month as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Subsidiary companies</u>				
Interbank and money market items (assets)	-	-	-	33
Loans to customers	-	-	704	1,194
<u>Associated company</u>				
Interbank and money market items (assets)	183	-	-	-
Deposits	-	142	-	-
Debts issued and borrowings	52	122	-	-
<u>Related companies</u>				
Interbank and money market items (assets)	3,138	14	336	-
Loans to customers	-	6,279	-	-
Investment in debt securities	256	-	-	-
Deposits	-	1,495	-	-
Interbank and money market items (liabilities)	309	12,755	-	-

As at 31 March 2020 and 31 December 2019, the significant outstanding balances of the above transactions are as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	31 March 2020					
	Assets			Liabilities		
	Interbank and money market items	Loans to customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities
Associated company						
TMB Bank Plc.	279	-	-	-	-	-
MBK Plc.	-	-	11	-	54	396
Related companies						
Other related companies	5,070	-	278	51	300	331
	5,349	-	289	51	354	727

(Unit: Million Baht)

	Consolidated financial statements					
	31 December 2019					
	Assets			Liabilities		
	Loans to					
	Interbank and money market items	customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities
Associated companies						
TMB Bank Plc.	9	-	438	-	-	194
MBK Plc.	-	-	11	-	52	520
Related companies						
Other related companies	3,208	-	507	172	735	63
	3,217	-	956	172	787	777

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements						
31 March 2020						
Assets			Liabilities			
Loans to						
Interbank and money market items	customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities	
Subsidiary companies						
NFS Asset Management Co., Ltd.	-	442	3	-	-	-
Max Asset Management Co., Ltd.	-	260	2	-	-	-
TM Broker Co., Ltd.	-	2	-	-	-	-
MBK Life Assurance Plc.	-	-	1	-	-	-
Associated company						
MBK Plc.	-	-	-	-	-	73
Related companies						
Thanachart Bank Plc.	976	-	-	-	-	-
	976	704	6	-	-	73

(Unit: Million Baht)

Separate financial statements						
31 December 2019						
Assets			Liabilities			
Loans to						
Interbank and money market items	customers and interest receivables	Other assets	Interbank and money market items	Debt issued and borrowings	Other liabilities	
Subsidiary companies						
NFS Asset Management Co., Ltd.	-	442	-	-	-	-
Max Asset Management Co., Ltd.	-	260	-	-	-	-
TM Broker Co., Ltd.	-	1	-	-	-	-
Associated companies						
TMB Bank Plc.	-	-	438	-	-	194
MBK Plc.	-	-	3	-	-	520
Related companies						
Thanachart Bank Plc.	30	-	118	-	-	1
	30	703	559	-	-	715

As at 31 March 2020 and 31 December 2019, the Company has loans to subsidiary companies as follows:

		(Unit: Million Baht)	
		Outstanding balances	
Company's name	Interest rate	31 March 2020	31 December 2019
(For the year 2020)			
NFS Asset Management Co., Ltd.	MLR of Thanachart Bank - 1%	442	442
Max Asset Management Co., Ltd.	MLR of Thanachart Bank - 1%	260	260
TM Broker Co., Ltd.	MLR of Thanachart Bank - 1%	2	1
Total		704	703

As at 31 March 2020, the Company and its subsidiaries have investments amounting to Baht 1,670 million (Baht 1,485 million in the separate financial statements) in related companies in which they are related by means of members of their management being shareholders and/or directors of those companies. (31 December 2019: Baht 1,706 million in the consolidated financial statements and Baht 1,520 million in the separate financial statements).

As at 31 March 2020 and 31 December 2019, the Company and its subsidiaries have the following related parties transactions with executive employees of the Company and companies within Thanachart Group from management level up, including related persons who together with these employees:

		(Unit: Million Baht)	
		Consolidated	Separate
		financial statements	financial statements
		31 March	31 December
		2020	2019
		2020	2019
Loans to customers		5	6
		-	-

Directors and management's remuneration

During the three-month periods ended 31 March 2020 and 2019, the Company and its subsidiaries recorded the following benefits to their key management personnel, including directors:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	79	152	26	20
Post-employment benefits	2	5	-	-
	81	157	26	20

31. Financial information classified by operating segments

The Company and its subsidiaries' operations involve 6 principal segments: (1) Company; (2) Asset management business; (3) Securities business; (4) Life insurance business; and (5) Non-life insurance business; (6) Hire purchase and leasing business.

The chief operating decision maker reviews the operating results of each segment separately in order to make decisions on the allocation of resources to each operating segment and to assess performance. The Company and its subsidiaries measure segment performance based on net interest income generated by each segment with net interest income being interest income and interest expenses from external customers, net of interest income and interest expenses from inter-segment lending and borrowing with other business segment. For inter-segment borrowing, market interest rates are charged.

(Unaudited but reviewed)

Financial information of the Company and its subsidiaries presented by operating segments
are as follows:

(Unit: Million Baht)

For the three-month periods ended 31 March 2020

					Hire				
					purchase and				
					leasing	Other			
The	Securities	Life	Non-life	Asset					
Company	business	insurance	insurance	management	business	business	Eliminations	Consolidated	
Net interest income	(108)	45	46	53	9	672	14	-	731
Other operating income	476	261	(170)	447	41	120	4,192	278	5,645
Other operating expenses	(66)	(166)	(34)	(270)	(17)	(112)	(84)	15	(734)
Expected credit losses	(9)	-	-	(2)	(14)	(132)	-	-	(157)
Profit (losses) from continuing operations before income tax	293	140	(158)	228	19	548	4,122	293	5,485
Income tax	2	(28)	27	(46)	(6)	(112)	(720)	-	(883)
Profit (losses) before non- controlling interests	295	112	(131)	182	13	436	3,402	293	4,602

(Unit: Million Baht)

For the three-month periods ended 31 March 2019

					Hire				
					purchase				
					and leasing	Other	Discontinued		
The	Securities	Life	Non-life	Asset					
Company	business	insurance	insurance	management	business	business	operations	Eliminations	Consolidated
Net interest income	(100)	43	62	55	1	627	2	-	690
Other operating income	124	278	(93)	546	308	117	104	-	1,321
Other operating expenses	(53)	(202)	(42)	(256)	(37)	(116)	(81)	-	(770)
Impairment loss of loans and debt securities	5	-	-	-	289	(26)	-	-	455
Profit (losses) from continuing operations before income tax	(24)	119	(73)	345	561	602	25	-	1,696
Income tax	-	(20)	16	(67)	(135)	(125)	(4)	-	(371)
Profit (losses) from continuing operations	(24)	99	(57)	278	426	477	21	-	1,325
Profit from discontinued operations	-	-	-	-	-	-	-	2,736	2,736
Profit (losses) before non- controlling interests	(24)	99	(57)	278	426	477	21	2,736	4,061

(Unaudited but reviewed)

The segment assets of the Company and its subsidiaries as at 31 March 2020 and 31 December 2019 are as follows:

(Unit: Million Baht)

	The Company	Securities business	Life insurance business	Non-life insurance business	Asset management business	Hire purchase and leasing business	Other businesses	Eliminations	Consolidated
Segment assets									
As at 31 March 2020	83,594	6,001	7,591	15,235	4,019	50,309	21,747	(39,877)	148,619
As at 31 December 2019	97,297	6,684	8,329	15,190	3,976	48,986	19,504	(39,039)	160,927

32. Encumbrance of assets

As at 31 March 2020 and 31 December 2019, the Company and its subsidiaries have the following encumbrance assets, presented at book value as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Interbank and money market items (assets)				
Placed at insurance registrar	1,150	1,550	-	-
Placed at court	1	1	-	-
Placed at the Office of Insurance Commission	4	4	-	-
Investment in securities				
Placed at insurance registrar	1,777	2,015	-	-
Placed under financial derivative contract	-	113	-	-
Placed for electricity usage	1	1	-	-
Property foreclosed				
Immovable assets subject to buyback options or first rights refusal	1	1	-	-
Immovable assets subject to purchase or sell agreements with clients but currently being settled in installments or through transfer of ownership	22	20	2	-
	2,956	3,705	2	-

33. Commitments and contingent liabilities

As at 31 March 2020 and 31 December 2019, significant commitments and contingent liabilities consisted of:

33.1 Commitments

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Other obligations				
Others	49	44	1	1
Total	49	44	1	1

In addition, the subsidiaries have commitments in respect of gold futures contracts as mentioned in Note 6 to the interim consolidated financial statement.

33.2 As at 31 March 2020, the Company and its subsidiaries have commitments to pay the service fees in relation to property foreclosed, information technology system services and other services, including commitments in respect of office rental and related service fees, as follows:

Year	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Other companies	Other companies
2020	55	15
2021	2	1
2022 onward	1	-

In addition, the Company has obligations to pay an administrative fee to a subsidiary company, determined at actual cost plus a margin, for the period stipulated in the agreement.

34. Contingent liabilities/litigation

As at 31 March 2020, the Company and its subsidiaries have contingent liabilities amounting to approximately Baht 191 million (separate financial statements: Baht 44 million) in respect of litigation. However, the Company's and its subsidiaries' management have already made certain provisions for contingent losses, and for the remaining portion the Company's and its subsidiaries' management believes that no loss will result and therefore no liabilities are currently recorded.

35. Letter of guarantees

As at 31 March 2020, the Company had letter of guarantees issued by banks on behalf of the Company amounting approximately Baht 1 million, placed for electricity usage.

36. Fair value of financial instruments

As at 31 March 2020 and 31 December 2019, the Company and its subsidiaries had financial assets and financial liabilities that were measured at fair value which presented based on fair value hierarchy as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	31 March 2020				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss	6,265	6,265	617	5,477	171
Derivatives assets	34	34	34	-	-
Investment in debt securities measured at fair value through other comprehensive income	19,004	19,004	-	19,004	-
Investment in equity securities designated at fair value through other comprehensive income	5,634	5,634	5,277	-	357
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities	27	27	27	-	-

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements				
	31 December 2019				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured at fair value</u>					
Derivatives assets	13	13	13	-	-
Investments	38,983	38,983	4,214	34,769	-
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities	47	47	47	-	-

(Unit: Million Baht)

	Separate financial statements				
	31 March 2020				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured</u>					
<u>at fair value</u>					
Financial assets measured at fair					
value through profit or loss	2,536	2,536	-	2,438	98
Investment in debt securities					
measured at fair value through					
other comprehensive income	1,370	1,370	-	1,370	-
Investment in equity securities					
designated at fair value through					
other comprehensive income	3,296	3,296	3,137	-	159

(Unit: Million Baht)

Separate financial statements					
31 December 2019					
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<u>Financial assets measured at fair value</u>					
Investments	22,467	22,467	1,565	20,902	-

Valuation techniques and inputs used for fair value measurement

- a) The fair value of derivatives, which have no active market, has been determined by using valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as interest rate and foreign exchange rate and adjust with counterparty credit risk.
- b) The fair value of investments in debt securities has been determined by using the yield rates quoted by the Thai Bond Market Association or by other market.
- c) The fair value of investments in non-marketable equity securities is determined using common valuation techniques such as market approach, cost approach or income approach, as well as book value or adjusted book value.

During the current period, the Company and its subsidiaries did not transfer any items among fair value hierarchy levels.

37. Discontinued operations

On 3 December 2019, the Company sold the ordinary shares in Thanachart Bank Plc., Thanachart Fund Management Co., Ltd., and Thanachart Broker Co., Ltd., which had been recognised as investments in subsidiaries, to TMB Bank Plc. To comply with requirements of accounting standards, the Company presented the operating results of Thanachart Bank Plc. and its subsidiaries as "Profit for the period from discontinued operations" and "Other comprehensive income from discontinued operations" in the consolidated statement of comprehensive income for the three-month period ended 31 March 2019. The details are as follows:

(Unit: Million Baht)

2019

Statements of comprehensive income for the three-month period ended**31 March 2019****Profit or loss**

Interest income	11,081
Interest expenses	3,801
Net interest income	7,280
Fees and service income	2,424
Fees and service expenses	1,109
Net fees and service income	1,315
Gains on investments	108
Dividend income	41
Other operating income	512
Total operating income	9,256
Other operating expenses	
Employee's expenses	2,558
Premises and equipment expenses	562
Taxes and duties	167
Other expenses	1,112
Total other operating expenses	4,399
Bad debt, doubtful accounts and impairment losses	1,446
Profit before income tax	3,411
Income tax	675
Profit for the period from discontinued operations	2,736

Other comprehensive income*Transactions that will be reclassified subsequently to profit or loss*

Gains on change in value of available-for-sale securities	567
Relating income tax	(113)
Other comprehensive income (loss) from discontinued operations	454
Total comprehensive income	3,190

(Unaudited but reviewed)

Cash flow information of subsidiary companies which had been sold for the period ended 31 March 2019 are as follows:

	(Unit: Million Baht)
	2019
Net cash flows used in operating activities	(25,693)
Net cash flows from investing activities	24,402
Net cash flows used in financing activities	(353)
Net decrease in cash	(1,644)

38. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 15 May 2020.