

TISCO Bank Public Company Limited  
Report and financial statements  
30 June 2025

## **Independent Auditor's Report**

To the Shareholders of TISCO Bank Public Company Limited

### **Opinion**

I have audited the accompanying financial statements of TISCO Bank Public Company Limited (the Bank), which comprise the statement of financial position as at 30 June 2025, and the related statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the financial statements, including material accounting policy information (collectively “the financial statements”).

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TISCO Bank Public Company Limited as at 30 June 2025, its financial performance and cash flows for the six-month period then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand’s regulations.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Bank in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.

## **Review Report of Interim Financial Information**

I have reviewed the accompanying statements of comprehensive income for the three-month period ended 30 June 2025 of TISCO Bank Public Company Limited as well as the notes to the interim financial statements (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting and the Bank of Thailand's regulations. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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



Saranya Pludsri

Certified Public Accountant (Thailand) No. 6768

EY Office Limited

Bangkok: 28 August 2025

**TISCO Bank Public Company Limited**

**Statement of financial position**

**As at 30 June 2025**

(Unit: Thousand Baht)

	Note	30 June 2025	31 December 2024
<b>Assets</b>			
Cash		884,561	901,308
Interbank and money market items - net	3.2, 3.8	36,093,472	38,091,183
Financial assets measured at fair value through profit or loss	3.3	1,434,960	1,293,898
Derivatives assets	3.4	77,839	55,782
Investments - net	3.5, 3.8	5,393,560	4,075,276
Loans to customers and accrued interest receivables	3.6, 3.8		
Loans to customers		240,150,346	238,103,818
Accrued interest receivables and undue interest income		1,728,297	1,658,586
Total loans to customers and accrued interest receivables		241,878,643	239,762,404
Less: Deferred revenue		(9,955,284)	(10,252,070)
Less: Allowance for expected credit loss	3.7	(7,680,102)	(7,464,893)
Total loans to customers and accrued interest receivables - net		224,243,257	222,045,441
Properties foreclosed - net	3.9	8,565	14,126
Investment properties	3.10	50,885	50,885
Premises and equipment - net	3.11	743,802	747,757
Right-of-use assets - net	3.12	346,252	399,750
Intangible assets - net	3.13	15,635	17,157
Deferred tax assets	3.30	298,072	324,032
Other assets	3.14	1,273,476	845,155
<b>Total assets</b>		<b>270,864,336</b>	<b>268,861,750</b>

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

**TISCO Bank Public Company Limited****Statement of financial position (continued)****As at 30 June 2025**


		(Unit: Thousand Baht)	
	Note	30 June 2025	31 December 2024
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Deposits	3.15	211,184,569	208,230,353
Interbank and money market items	3.16	10,280,247	9,856,352
Liabilities payable on demand		210,180	239,179
Debts issued and borrowings	3.17	2,986,122	2,776,122
Lease liabilities	3.18	348,556	401,380
Provisions	3.19	1,306,001	1,237,106
Accrued interest payable		1,175,995	1,726,448
Income tax payable		420,944	403,746
Dividend payable	4	1,013,724	2,156,468
Other liabilities	3.20	5,266,150	5,201,087
<b>Total liabilities</b>		<b>234,192,488</b>	<b>232,228,241</b>

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


**TISCO Bank Public Company Limited**  
**Statement of financial position (continued)**  
**As at 30 June 2025**

		(Unit: Thousand Baht)	
	Note	30 June 2025	31 December 2024
<b>Equity</b>			
Share capital			
Registered			
104 preference shares of Baht 10 each	3.21	1	1
921,567,588 ordinary shares of Baht 10 each		9,215,676	9,215,676
		<u>9,215,677</u>	<u>9,215,677</u>
Issued and fully paid-up			
104 preference shares of Baht 10 each	3.21	1	1
921,567,588 ordinary shares of Baht 10 each		9,215,676	9,215,676
		<u>9,215,677</u>	<u>9,215,677</u>
Share premium on ordinary shares		2,543,024	2,543,024
Other components of equity	3.23	364,417	357,138
Retained earnings			
Appropriated - statutory reserve		984,000	984,000
Unappropriated		23,564,730	23,533,670
<b>Total equity</b>		<u>36,671,848</u>	<u>36,633,509</u>
<b>Total liabilities and equity</b>		<u>270,864,336</u>	<u>268,861,750</u>

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

  
 Mr. Sakchai Peechapat  
 (Chairman of the Executive Board)



  
 Mr. Metha Pingsuthiwong  
 (President)



(Unaudited but reviewed)

**TISCO Bank Public Company Limited**

**Statement of comprehensive income**

**For the three-month period ended 30 June 2025**

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

	Note	2025	2024
<b>Profit or loss:</b>			
Interest income	3.24	4,181,286	4,403,618
Interest expenses	3.25	(1,214,533)	(1,312,368)
<b>Net interest income</b>		2,966,753	3,091,250
Fee and service income		436,252	372,881
Fee and service expenses		(23,347)	(21,184)
<b>Net fee and service income</b>	3.26	412,905	351,697
Net gain on financial instruments measured at fair value through profit or loss	3.27	132,977	203,292
Net gain on investments	3.28	1,960	831
Penalty fee income from loans		18,645	23,964
Other operating income		106,108	40,817
<b>Total operating income</b>		3,639,348	3,711,851
<b>Operating expenses</b>			
Employee expenses		606,506	646,139
Premises and equipment expenses		298,579	305,963
Taxes and duties		92,422	93,749
Intercompany supporting fee expenses	3.32	771,218	783,829
Other operating expenses		168,448	180,248
<b>Total operating expenses</b>		1,937,173	2,009,928
Expected credit loss	3.29	415,091	233,269
<b>Profit from operations before income tax expenses</b>		1,287,084	1,468,654
Income tax expenses	3.30	257,223	291,570
<b>Profit for the period</b>		1,029,861	1,177,084

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

(Unaudited but reviewed)

**TISCO Bank Public Company Limited**

**Statement of comprehensive income (continued)**

**For the three-month period ended 30 June 2025**

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

	Note	2025	2024
<b>Other comprehensive income:</b>			
<b><i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i></b>			
Gain on valuation of investments in debt instruments measured at fair value through other comprehensive income		5,870	705
Income tax effects	3.30	(1,174)	(141)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		4,696	564
<b><i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i></b>			
Changes in surplus on revaluation of assets		-	15,343
Actuarial loss		(91,008)	(10,504)
Income tax effects	3.30	18,202	(968)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(72,806)	3,871
<b>Other comprehensive income for the period (loss)</b>		(68,110)	4,435
<b>Total comprehensive income for the period</b>		961,751	1,181,519
<b>Earnings per share</b>			
Basic earnings per share (Baht per share)	3.31	1.12	1.28

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

**TISCO Bank Public Company Limited****Statement of comprehensive income****For the six-month period ended 30 June 2025**

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

	Note	2025	2024
<b>Profit or loss:</b>			
Interest income	3.24	8,390,220	8,826,615
Interest expenses	3.25	(2,436,204)	(2,637,426)
<b>Net interest income</b>		<b>5,954,016</b>	<b>6,189,189</b>
Fee and service income		834,492	750,620
Fee and service expenses		(47,477)	(42,479)
<b>Net fee and service income</b>	3.26	<b>787,015</b>	<b>708,141</b>
Net gain on financial instruments measured at fair value through profit or loss	3.27	124,475	200,275
Net gain on investments	3.28	3,099	1,310
Penalty fee income from loans		44,532	54,891
Other operating income		158,023	78,469
<b>Total operating income</b>		<b>7,071,160</b>	<b>7,232,275</b>
<b>Operating expenses</b>			
Employee expenses		1,245,358	1,292,859
Premises and equipment expenses		594,052	605,913
Taxes and duties		186,234	187,297
Intercompany supporting fee expenses	3.32	1,542,716	1,545,446
Other operating expenses		311,755	329,935
<b>Total operating expenses</b>		<b>3,880,115</b>	<b>3,961,450</b>
Expected credit loss	3.29	624,460	382,421
<b>Profit from operations before income tax expenses</b>		<b>2,566,585</b>	<b>2,888,404</b>
Income tax expenses	3.30	511,208	575,504
<b>Profit for the period</b>		<b>2,055,377</b>	<b>2,312,900</b>

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

**TISCO Bank Public Company Limited****Statement of comprehensive income (continued)****For the six-month period ended 30 June 2025**

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

	Note	2025	2024
<b>Other comprehensive income:</b>			
<b><i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i></b>			
Gain on valuation of investments in debt instruments measured at fair value through other comprehensive income	3.23	10,633	6,268
Income tax effects	3.30	(2,127)	(1,254)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		8,506	5,014
<b><i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i></b>			
Changes in surplus on revaluation of assets	3.23	-	15,343
Actuarial loss		(91,008)	(10,504)
Income tax effects	3.30	18,202	(968)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(72,806)	3,871
<b>Other comprehensive income for the period (loss)</b>		(64,300)	8,885
<b>Total comprehensive income for the period</b>		1,991,077	2,321,785
<b>Earnings per share</b>			
Basic earnings per share (Baht per share)	3.31	2.23	2.51

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

**TISCO Bank Public Company Limited****Statement of cash flows****For the six-month period ended 30 June 2025**

	(Unit: Thousand Baht)	
	2025	2024
<b>Cash flows from operating activities</b>		
Profit from operations before income tax	2,566,585	2,888,404
Adjustments to reconcile profit from operations before income tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	109,339	109,599
Expected credit loss	1,492,136	1,320,280
Other provisions (reversal)	(42,453)	873
Allowance for impairment of properties foreclosed	21	18
Gain on disposal of investments in securities	(2,672)	(36)
Unrealised (gain) loss on foreign exchange transactions and trading derivatives	98,101	(105,872)
Gain on financial instruments measured at fair value through profit or loss	(141,062)	(212,733)
Gain on disposal of properties foreclosed	(4,012)	(5,095)
Loss on changes in fair value of investment properties	-	(1,257)
(Gain) loss on disposal/write-off of equipment, vehicles and intangible assets	(512)	580
Employee benefit expenses	65,760	81,264
(Increase) decrease in accrued income	(15,553)	12,194
Increase in accrued expenses	170,797	285,782
Net interest income	(5,954,016)	(6,189,189)
Dividend income	(34,708)	(34,298)
Cash received on interest income	8,294,672	8,778,024
Cash paid on interest expenses	(2,491,230)	(2,112,812)
Cash received on dividend income	34,688	34,098
Cash paid on income tax	(451,668)	(684,068)
Profit from operating activities before changes in operating assets and liabilities	3,694,213	4,165,756

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

**TISCO Bank Public Company Limited****Statement of cash flows (continued)****For the six-month period ended 30 June 2025**

	(Unit: Thousand Baht)	
	2025	2024
Operating assets (increase) decrease		
Interbank and money market items	1,991,012	9,588,989
Loans to customers	(3,808,440)	(3,821,079)
Properties foreclosed	5,540	12,113
Other assets	(412,495)	165,049
Operating liabilities increase (decrease)		
Deposits	2,954,216	(2,520,426)
Interbank and money market items	423,895	1,561,993
Liabilities payable on demand	(28,999)	21,860
Short-term debts issued and borrowings	(100,000)	-
Provision for long-term employee benefits	(11,081)	(8,364)
Other liabilities	(547,660)	(544,208)
<b>Net cash flows from operating activities</b>	<b>4,160,201</b>	<b>8,621,683</b>
<b>Cash flows from investing activities</b>		
Cash paid for purchase of investments in securities	(5,329,869)	(2,713,805)
Cash received from disposal of investments in securities	4,048,810	2,665,786
Cash paid for purchase of building improvements, equipment and vehicles	(18,080)	(14,916)
Cash paid for purchase of intangible assets	(1,066)	-
Cash received from disposal of building improvements, equipment and vehicles	546	286
<b>Net cash flows used in investing activities</b>	<b>(1,299,659)</b>	<b>(62,649)</b>
<b>Cash flows from financing activities</b>		
Cash received from issuance of long-term debentures	1,000,000	-
Cash paid for redemption of long-term debentures	(690,000)	(5,200,000)
Cash paid on lease liabilities	(91,500)	(88,404)
Dividend paid	(3,095,789)	(3,216,271)
<b>Net cash flows used in financing activities</b>	<b>(2,877,289)</b>	<b>(8,504,675)</b>
<b>Net increase (decrease) in cash</b>	<b>(16,747)</b>	<b>54,359</b>
Cash at beginning of the period	901,308	911,497
<b>Cash at end of the period</b>	<b>884,561</b>	<b>965,856</b>
	-	
<b>Supplement cash flows information</b>		
Non-cash transactions		
Right-of-use assets	35,749	28,795
Transfer-in of properties foreclosed in settlement of loans to customers	368,018	419,519

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

**TISCO Bank Public Company Limited**

**Statement of changes in equity**

**For the six-month period ended 30 June 2025**

(Unit: Thousand Baht)

	Other components of equity								
	Surplus (deficit) on changes						Retained earnings		
	Issued and fully paid-up		Share premium	in value of investments		Surplus on			
				measured at fair value	through other				
	Preference	Ordinary	on ordinary	comprehensive income	of assets	Total	Appropriated	Unappropriated	Total
shares	shares	shares							
Balance as at 1 January 2024	1	9,215,676	2,543,024	(1,434)	340,070	338,636	984,000	23,341,049	36,422,386
Dividend paid (Note 4)	-	-	-	-	-	-	-	(1,824,704)	(1,824,704)
Profit for the period	-	-	-	-	-	-	-	2,312,900	2,312,900
Other comprehensive income for the period (loss)	-	-	-	5,014	12,274	17,288	-	(8,403)	8,885
Total comprehensive income for the period	-	-	-	5,014	12,274	17,288	-	2,304,497	2,321,785
Transfer surplus on revaluation of assets									
to retained earnings	-	-	-	-	(1,270)	(1,270)	-	1,588	318
Balance as at 30 June 2024	1	9,215,676	2,543,024	3,580	351,074	354,654	984,000	23,822,430	36,919,785
Balance as at 1 January 2025	1	9,215,676	2,543,024	7,307	349,831	357,138	984,000	23,533,670	36,633,509
Dividend paid (Note 4)	-	-	-	-	-	-	-	(1,953,045)	(1,953,045)
Profit for the period	-	-	-	-	-	-	-	2,055,377	2,055,377
Other comprehensive income for the period (loss)	-	-	-	8,506	-	8,506	-	(72,806)	(64,300)
Total comprehensive income for the period	-	-	-	8,506	-	8,506	-	1,982,571	1,991,077
Transfer surplus on revaluation of assets									
to retained earnings	-	-	-	-	(1,227)	(1,227)	-	1,534	307
Balance as at 30 June 2025	1	9,215,676	2,543,024	15,813	348,604	364,417	984,000	23,564,730	36,671,848

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

# **TISCO Bank Public Company Limited**

## **Notes to financial statements**

**For the six-month period ended 30 June 2025**

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

#### **1.1 Basis for preparation of financial statements**

The financial statements for the six-month period ended 30 June 2025 have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and with reference to the regulations stipulated by the Bank of Thailand ("BOT"). The presentation of the financial statements has been made in compliance with the BOT's Notification No. Sor Nor Sor. 21/2561 regarding "Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups", dated 31 October 2018.

The statement of comprehensive income and notes to the financial statements for the three-month period ended 30 June 2025 were prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, whereby the Bank chose to present the statement of comprehensive income and notes to the financial statements in the full format, as presented in the annual financial statements.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### **1.2 New financial reporting standards**

##### **Financial reporting standards that became effective in the current period**

During the period of 2025, the Bank has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025. 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 Bank's financial statements.



## **1.3 Accounting policies**

### **1.3.1 Revenue and expenses recognition**

#### **a) Interest income and discounts on loans**

The Bank recognises interest on loans on an accrual basis, using the effective interest rate method, applied to the outstanding principal amount. The effective interest rate is the discount rate that estimates future cash flows over the expected life of the financial instrument to the net carrying amount of the financial asset. The effective interest rate is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the effective interest rate.

For hire purchase receivables, fee income, commissions and direct expenses incurred at the initiation of hire purchase are recognised over time using the effective interest rate method, and are presented as deductions from interest income on hire purchase over the contract term in order to reflect the effective rate of return of the contract.

Deferred revenue on hire purchase is stated net of commissions and direct expenses incurred at the initiation of hire purchase.

For loans to customers that are later credit-impaired, the Bank recognises interest income using the effective interest rate method applied to the net carrying value of the loan (the loan amount net of allowance for expected credit loss). Subsequently, if the financial asset is no longer credit-impaired, the Bank reverts to calculating interest income on a gross carrying amount.

#### **b) Gain (loss) on financial instruments measured at fair value through profit or loss**

Gain (loss) on financial instruments measured at fair value through profit or loss consists of gain (loss) on trading and foreign exchange transactions, gain (loss) on changes in fair value of derivatives and financial assets measured at fair value through profit or loss, and gain (loss) on sales of financial assets measured at fair value through profit or loss and derivatives, which the Bank recognises as income or expenses on the transaction date.

#### **c) Interest and dividend on investments in securities**

Interest on investments is recognised as income on an accrual basis. Dividend on investments is recognised as income when the right to receive the dividend is established.

#### **d) Fee and service income**

Fee and service income is recognised as income on an accrual basis except fee income that is an integral part of the effective interest rate.

e) Interest expenses

Interest expenses are recognised on an accrual basis using the effective interest rate method.

f) Fee and service expenses and other operating expenses

Fee and service expenses and other operating expenses are recognised on an accrual basis.

**1.3.2 Securities purchased under resale agreements according to private repurchase transactions**

The Bank has purchased securities under resale agreements according to private repurchase transactions, which stipulate definite dates, terms and prices. Amounts paid for the securities purchased under resale agreements are presented under the caption of “Interbank and money market items - net” in the statement of financial position, and the securities purchased are used as collateral.

Under securities purchased under resale agreements according to private repurchase transactions, the Bank obtains securities under resale agreements as collateral securities on terms which permit it to repledge or resell the securities to others.

**1.3.3 Financial assets**

Financial assets - Debt instruments

The Bank classifies its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Bank’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets, based on the facts and circumstances as of the date these financial reporting standards were initially adopted or the acquisition date. Classifications are as follows:

a) Financial assets measured at fair value through profit or loss

Investments in debt instruments held within a business model whose objective is not to hold financial assets in order to collect contractual cash flows, or the contractual terms of the financial assets represent contractual cash flows that are not solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at fair value through profit or loss. These financial assets are initially recognised at fair value.

After initial recognition, unrealised gain or loss on changes in fair value is recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through profit or loss are presented in the statement of financial position at fair value.

b) Financial assets measured at fair value through other comprehensive income

Investments in debt instruments whose both of the following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at fair value through other comprehensive income. These financial assets are initially recognised at fair value.

After initial recognition, unrealised gain or loss on changes in fair value is presented as a separate item in other comprehensive income until disposal. Gain or loss on disposal of the instruments are recognised in profit or loss. Expected credit loss and interest income calculated using the effective interest rate method are recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through other comprehensive income are presented in the statement of financial position at fair value.

c) Financial assets measured at amortised cost

Investments in debt instruments whose both of the following conditions are met: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Bank recognises these as financial assets measured at amortised cost. These financial assets are initially recognised at fair value.

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

Financial assets - Equity instruments

All investments in equity instruments are measured at fair value in the statement of financial position. The Bank classifies investments in equity instruments as financial assets measured at fair value through profit or loss.

After initial recognition, unrealised gain or loss on subsequent changes in fair value of investments is recognised in profit or loss. Dividends on these investments are recognised in profit or loss.

At the end of reporting period, investments in equity instruments measured at fair value through profit or loss are presented in the statement of financial position at fair value.

Recognition

Purchases and sales of investments are recognised on the settlement date. The weighted average method is used for computation of investment cost.

#### Changes in classification of investments in debt instruments

When there are changes in the Bank's business model for management of financial assets, the Bank has to reclassify investments in debt instruments and adjust the value of these investments to their fair value on the reclassification date. Differences between the book value and fair value of investments on the reclassification date are recorded in profit or loss or other comprehensive income, depending on the classification of the investments.

#### **1.3.4 Classification and measurement of financial liabilities**

The Bank classifies and measures its financial liabilities at amortised cost, except for derivatives liabilities which are measured at fair value through profit or loss.

#### **1.3.5 Investments in receivables purchased or transferred in**

The Bank classifies investments in receivables purchased or transferred in as financial assets measured at amortised cost which are initially recognised at acquisition cost. At the end of reporting period, these investments in receivables are presented in the statement of financial position at amortised cost net of allowance for expected credit loss (if any).

#### **1.3.6 Loans to customers**

Loans to customers are stated at the principal balance, excluding accrued interest receivables. Unrecognised deferred revenue/discounts on loans to customers are presented as deductions from loans to customers.

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

#### **1.3.7 Allowance for expected credit loss on financial assets**

The Bank applies the General Approach to calculate allowance for expected credit loss on its financial assets, such as deposits at financial institutions, investments in debt instruments measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, loans to customers and accrued interest receivables, and committed credit lines.

The Bank classifies financial assets into three groups (Three-stage approach) in order to measure the allowance for expected credit loss, with the classification of the financial assets determined on the basis of the change in credit quality since the initial transaction date, as follows:

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

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

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

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

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

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

At the end of each reporting period, the Bank assesses whether the credit risk of financial assets has increased significantly since the initial recognition date, by comparing the risk of expected default on the financial assets as at reporting date with the risk of default as at the initial recognition date. The Bank uses internal quantitative and qualitative bases and forward-looking information as a basis for assessing a decrease in credit quality, such as debtors overdue for more than 30 days or credit rating. Evaluations of whether credit risk has increased significantly since the initial recognition date may be conducted individually or collectively for groups of financial assets.

Loans to customers are considered to be credit-impaired when one or more events occur affecting the estimated future contractual cash flows of the counterparties. Evidence that financial assets are credit-impaired includes being overdue for more than 90 days or indications that debtors are facing significant financial difficulties, breaches of contract, the legal status, renegotiation of terms of repayment or debt restructuring.

In subsequent periods, if the credit quality of financial assets improves and it is assessed that there is no longer significant increase in credit risk from the initial recognition date that was assessed in the previous period, the Bank will change from recognising expected credit loss over the expected lifetime to recognising the 12-month expected credit loss.

When the terms of repayment of a loan to customer are renegotiated or the terms of the contractual cash flow are modified because the debtors are in financial difficulty, the loan is considered to be a financial asset with a significant increase in credit risk or credit-impaired, unless there is evidence that the risk that contractual cash flows will not be recoverable has decreased significantly and there are no other indicators of impairment.

Expected credit loss is the probability-weighted estimate of expected credit loss over the lifetime of a financial instrument, taking into account the present value of all cash flows that are expected not to be recoverable. This is determined with reference to historical loss experience data grouped by asset on the basis of shared credit risk characteristics, taking into account type of loan, type of collateral, months on books, and other relevant factors, adjusted for current observable data, as well as forward-looking information that is supportable and reasonable, provided it can be shown to be statistically related. It also involves the appropriate exercise of judgement to estimate the amount of expected credit loss, using macroeconomic data. The Bank determines both current and future economic scenarios, and probability-weights each scenario (base scenario, upturn scenario, downturn scenario and stress scenario) for the purpose of calculating expected credit loss. Use of forward-looking data increases the degree of judgement required in evaluating how relevant macroeconomic changes affect expected credit loss. However, the Bank has established a process to review and monitor the methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis. In addition, expected credit loss also includes a management overlay.

For financial assets that are credit-impaired upon initial acquisition (investments in receivables purchased or transferred in), the Bank measures allowance for expected credit loss at an amount equal to the outstanding receivable balance because it does not expect to receive cash flows from these receivables.

The measurement of expected credit loss on loan commitments is the present value difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive. The measurement of expected credit loss for financial guarantees is based on the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

The increase (decrease) in an allowance for expected credit loss is recognised as an expense in profit or loss in the statement of comprehensive income. The Bank has a policy to write off receivables when they are identified as bad debts.

The Bank considers using the Simplified Approach to determine allowance for expected credit loss over a lifetime for accrued fee and service income and other receivables.

### **1.3.8 Financial assets with modifications of terms/Debt restructuring**

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or an existing financial asset is replaced with a new financial asset because the debtor is having financial difficulties, the Bank assesses whether to derecognise the financial asset and measures the expected credit loss, as follows:

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

If the debt restructuring does not meet the criteria for derecognition as of the restructuring date, the debtor continues to be classified as a financial asset with a significant increase in credit risk (Stage 2) until the debtor has been able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period; or continues to be classified as a financial asset that is credit-impaired (Stage 3) until the debtor has been able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period, before being able to be reclassified as a financial asset with a significant increase in credit risk (Stage 2), and if the debtor is able to make payment for additional 9 consecutive months or installments, it can be reclassified as a financial asset with no significant increase in credit risk (Stage 1).

If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

### **1.3.9 Properties foreclosed**

Properties foreclosed represents assets transferred in respect of receivables on which the debtors have defaulted or restructured receivables.

At the end of reporting period, the value of properties foreclosed is stated at the lower of cost or net realisable value. Net realisable value is determined at the market value or the appraisal value less estimated selling expenses. In addition, the Bank is required to record additional allowance for impairment of properties foreclosed in accordance with the notifications of the BOT.

The Bank recognises loss on impairment in profit or loss. Gain or loss from disposal of properties foreclosed is recognised in profit or loss in the statement of comprehensive income upon disposal.

#### **1.3.10 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gain or loss arising from changes in the fair value is recognised in profit or loss when incurred.

The difference between the net disposal proceed and the carrying amount of the asset is recognised in profit or loss in the period in which the asset is derecognised.

#### **1.3.11 Premises and equipment/Depreciation**

Land is stated at cost. Buildings, office condominiums and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Office condominiums are initially recorded at cost on the acquisition date, subsequently revalued by an independent professional appraiser, and then recorded at revalued amount. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of the revaluation of the Bank's assets, the increase is credited directly to other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, the revaluation increase is recognised as income to the extent that it reverses the revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of the revaluation of the Bank's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to other comprehensive income to the extent that it does not exceed the amount already held in "Surplus on revaluation of assets" in respect of the same asset.

The surplus on revaluation of assets is amortised to retained earnings on a straight-line basis over the remaining life of the related assets. The revaluation surplus which is transferred to retained earnings is the difference between the depreciation calculated on book value of the revalued assets and the depreciation calculated on original cost of the assets. The revaluation surplus can neither be offset against deficit nor used for dividend payment.



Depreciation of buildings, office condominiums and equipment is calculated by reference to their cost or revalued amount on the straight-line basis (except for the depreciation of communications equipment, which is calculated using the sum-of-the-year-digits method over estimated useful lives of 3 years) over the following estimated useful lives:

Buildings	-	20 years
Office condominiums	-	25 years
Office improvements	-	5, 15 years
Furniture, fixtures and equipment	-	5 years
Motor vehicles	-	6 years

Depreciation attributed to the original cost portion and the revaluation portion is included in determining income.

No depreciation is provided on land and assets under installation.

An item of land, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised. Remaining surplus on revaluation of assets as at the date of derecognition is directly transferred to retained earnings.

#### **1.3.12 Leases**

At inception of contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date of the lease, the Bank recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments. The Bank applies a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, accumulated impairment loss, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the estimated useful lives and the lease term, as follows:

Buildings	-	1 - 20 years
-----------	---	--------------

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and payments of penalties for terminating the lease if the lease term reflects the Bank exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Bank discounts the present value of the lease payments by the Bank's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments, or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term of less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

## **1.3.13 Intangible assets**

The Bank initially recognises intangible assets at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss (if any).

The Bank amortises intangible assets with finite lives on a straight-line basis over the economic useful life and tests for impairment whenever there is an indication that the intangible assets may be impaired. The Bank reviews the amortisation period and the amortisation method of such intangible assets at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite lives are computer software that the Bank amortises over the following estimated useful lives:

The license agreements with specified number of years of usage	- according to the period of license agreement
The license agreements with no specified number of years of usage	- 5 years
No license agreements	- 5 years

#### **1.3.14 Income tax**

Income tax represents the sum of corporate income tax currently payable and deferred tax.

##### **Current income tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred tax assets/liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts as at the end of reporting period. They will be realised as tax income or tax expenses when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

The Bank recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such deductible deferred tax assets can be utilised. The Bank recognises deferred tax liabilities for all taxable temporary differences.

The Bank records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

At the end of each reporting period, the Bank reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

#### **1.3.15 Impairment of non-financial assets**

At the end of each reporting period, the Bank assesses whether there is an indication that a non-financial asset may be impaired. If any indication exists, an impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. Fair value less costs to sell reflects the amount that the Bank could obtain from the disposal of the asset on the statement of financial position in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in profit or loss. However, in cases where assets were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment, if there is any indication that a previously recognised impairment loss may no longer exist or may have decreased, the Bank estimates the asset's recoverable amount. The previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised immediately in profit or loss in the statement of comprehensive income.

#### **1.3.16 Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when the Bank has transferred substantially all risks and rewards of ownership. If the Bank neither transfers nor retains substantially all risks and rewards of ownership of such financial assets, and retains control of such financial assets, the Bank continues to recognise the financial assets to the extent of its continuing involvement. Financial liabilities are derecognised when they are extinguished e.g. when the obligation specified in the contract is discharged, cancelled or expired.

#### **1.3.17 Foreign currencies**

The financial statements are presented in Baht, which is also the Bank's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the reference rates announced by the BOT at the end of each reporting period.

Gain or loss on exchange is included in determining income.

### 1.3.18 Employee benefits

#### a) Short-term employee benefits

The Bank records salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Apart from the annual bonus portion of bonus expenses which is remuneration for employees' annual performance that is paid in cash, the Bank also has another portion of bonus expenses which is paid in cash with reference to the parent company's share price. The Bank records this portion of expenses and related accrued bonus over the service period of those employees, counting from the grant date. It is recorded based on the average daily share price from the grant date to the end of reporting period, and any increase or decrease in the expenses according to changes in the share price is recognised in order to reflect the fair value of accrued bonus liability at the end of each reporting period, until the bonuses are settled.

#### b) Post-employment benefits and other long-term employee benefits

##### *Defined contribution plans*

The Bank and its employees have jointly established a provident fund. The fund is monthly contributed by the employees and by the Bank. The fund's assets are held in a separate trust fund and the Bank's contributions are recognised as expenses when incurred.

##### *Defined benefit plans and other long-term employee benefits*

The Bank has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Bank treats these severance payment obligations as a defined benefit plan. In addition, the Bank provides other long-term employee benefit plans, namely long service awards.

The obligation under the defined benefit plan is determined by the Bank based on actuarial techniques.

Actuarial gain or loss arising from post-employment benefits is recognised immediately in other comprehensive income.

Actuarial gain or loss arising from other long-term benefits is recognised immediately in profit or loss.

### **1.3.19 Provisions**

Provisions are recognised when the Bank has a present obligation as a result of a past event, it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **1.3.20 Derivatives**

Derivatives are initially recognised at fair value on the trade date and are classified as trading. Derivatives are subsequently remeasured at fair value. Subsequent changes are recognised as net gain (loss) on financial instruments measured at fair value through profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair value of derivatives is based on the market price, or a formula which is generally accepted in cases where there is no market price.

### **1.3.21 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Bank applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Bank measures fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Bank determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### 1.3.22 Financial instruments

#### a) Financial risk management

The Bank has financial risks associated with financial instruments and has financial risk management policy as described in Note 3.36 to the financial statements.

#### b) Fair value of financial instruments

In determining the fair value of financial instruments, the estimated fair value will be adjusted by allowance for expected credit loss with respective risk. For financial instruments with duration of one year or less, the book value represents a reasonable estimate of fair value. For financial instruments with duration of greater than one year, fair value is determined based on the quoted market prices, where available, or otherwise based on present value of contractual cash flows, discounted using the rate used for financial instruments with similar features.

The methods used by the Bank in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities or carry interest at rates approximating the market rate, including cash, interbank and money market items (assets), fee and service receivables, other receivables, deposits, interbank and money market items (liabilities), liabilities payable on demand, and accrued insurance premium, the carrying amounts in the statement of financial position approximate their fair value.
- For investments in marketable equity securities, their fair value is stated based on the latest bid price at the end of last working day of the period as quoted by the Stock Exchange of Thailand. For investments in non-marketable equity securities, the discounted future cash flows and/or the book value of the investees and/or other generally accepted valuation methods are applied in the calculation.
- Government and state enterprise securities and private debt securities are stated at fair value which is determined using yield rates quoted by the Thai Bond Market Association.
- Unit trusts are stated at fair value based on their net asset value at the end of reporting period.

- Loans to customers and accrued interest receivables, except for hire purchase receivables and other retail loans, are presented at fair value which is estimated from balance of loans to customers and accrued interest receivables as stated in the financial statements less allowance for expected credit loss, since most loans to customers carry interest at floating rates. Fair value of hire purchase receivables and other retail loans is calculated from the present value of future cash inflows, discounted by the current interest rate for new loans, less allowance for expected credit loss.
- The fair value of debts issued and borrowings is estimated by discounting expected future cash outflows by the current market interest rates of the borrowings with similar terms and conditions.
- For derivatives, their fair value is determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Bank has considered the counterparty's credit risk when determining the fair value of derivatives.

### **1.3.23 Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### ***Recognition or derecognition of assets and liabilities***

In considering whether to recognise or to derecognise assets and liabilities, the management is required to make judgement on whether significant risks and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

#### ***Allowance for expected credit loss on financial assets***

The management is required to use judgement in estimating the allowance for expected credit loss on financial assets. The estimation relies on a complex model, a dataset of assumptions, model development and assessments related to the increase in credit risk, as well as the selection of forward-looking information, which involves a large number of variables. Therefore, actual results could differ from these estimates.



### ***Fair value of financial instruments***

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk of both the Bank and the counterparty, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### ***Investment properties***

The Bank presents investment properties at the fair value estimated by an internal appraiser of the Bank, and recognises changes in the fair value in profit or loss. The appraiser valued the investment properties using the market approach. The key assumptions used in estimating the fair value are described in Note 3.10 to the financial statements.

### ***Premises and equipment/Depreciation***

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful life and residual value of the buildings and equipment and to review estimated useful life and residual value when there are any changes.

The Bank measures office condominiums at revalued amounts. Such amounts are determined by the independent professional appraiser using the market approach. The valuation involves certain assumptions and estimates as described in Note 3.11 to the financial statements.

In addition, the management is required to review land, buildings and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### ***Leases***

In determining the lease terms, the management is required to use judgement to assess whether the Bank is reasonably certain to exercise options to extend the terms of leases or to cancel the leases, taking into account all relevant facts and circumstances that create economic incentives for the Bank to exercise or not to exercise such options.

In addition, the management is required to exercise judgement in estimating the incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar

security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### ***Deferred tax assets***

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

### ***Post-employment benefits under defined benefit plans and other long-term employee benefits***

The obligation under the defined benefit plans and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, and staff turnover rate.

### ***Litigation***

The Bank has contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation. In case the management believes that there will be no loss, no provisions are recognised at the end of the reporting period.

## **2. General information**

### **2.1 The Bank's information**

TISCO Bank Public Company Limited ("the Bank") is a public company incorporated and domiciled in Thailand. Its parent company is TISCO Financial Group Public Company Limited, which was incorporated in Thailand. The Bank has been licensed by the Ministry of Finance to operate a commercial banking business. Its registered address is 48/2 TISCO Tower, 1st Floor, North Sathorn Road, Silom, Bangrak, Bangkok. As at 30 June 2025 and 31 December 2024, the Bank has 52 branches in Thailand.

## **2.2 Statutory reserve**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until such reserve reaches 10 percent of its registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## **2.3 Directors' remuneration**

Directors' remuneration represents the benefits paid to the Bank's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries and related benefits payable to directors who hold executive positions.

## **2.4 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Bank, whether directly or indirectly, or which are under common control with the Bank. They also include individuals or enterprises which directly or indirectly own a voting interest in the Bank that gives them significant influence over the Bank, key management personnel, directors and officers with authority in the planning and direction of the Bank's operations.

The Bank has significant business transactions with related parties. These transactions have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Bank and those related parties, which are in reference to the terms and prices as charged to other customers.

### 3. Supplemental information

#### 3.1 Classification of financial assets and financial liabilities

The Bank has a classification of significant financial assets and financial liabilities as follows:

(Unit: Thousand Baht)

	As at 30 June 2025			
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
<b><u>Financial assets</u></b>				
Cash	-	-	884,561	884,561
Interbank and money market items	-	-	36,093,472	36,093,472
Financial assets measured at fair value				
through profit or loss	1,434,960	-	-	1,434,960
Derivatives assets	77,839	-	-	77,839
Investments	-	5,393,560	-	5,393,560
Loans to customers and accrued interest				
receivables	-	-	224,243,257	224,243,257
Other assets - fee and service receivables	-	-	128,909	128,909
Other assets - other receivables	-	-	334,430	334,430
<b><u>Financial liabilities</u></b>				
Deposits	-	-	211,184,569	211,184,569
Interbank and money market items	-	-	10,280,247	10,280,247
Liabilities payable on demand	-	-	210,180	210,180
Debts issued and borrowings	-	-	2,986,122	2,986,122
Lease liabilities	-	-	348,556	348,556
Accrued interest payable	-	-	1,175,995	1,175,995
Other liabilities - accrued insurance premium	-	-	175,233	175,233

(Unit: Thousand Baht)

As at 31 December 2024				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
<b><u>Financial assets</u></b>				
Cash	-	-	901,308	901,308
Interbank and money market items	-	-	38,091,183	38,091,183
Financial assets measured at fair value				
through profit or loss	1,293,898	-	-	1,293,898
Derivatives assets	55,782	-	-	55,782
Investments	-	4,075,276	-	4,075,276
Loans to customers and accrued interest				
receivables	-	-	222,045,441	222,045,441
Other assets - fee and service receivables	-	-	113,356	113,356
Other assets - other receivables	-	-	233,738	233,738
<b><u>Financial liabilities</u></b>				
Deposits	-	-	208,230,353	208,230,353
Interbank and money market items	-	-	9,856,352	9,856,352
Liabilities payable on demand	-	-	239,179	239,179
Debts issued and borrowings	-	-	2,776,122	2,776,122
Lease liabilities	-	-	401,380	401,380
Accrued interest payable	-	-	1,726,448	1,726,448
Other liabilities - accrued insurance premium	-	-	166,109	166,109

### 3.2 Interbank and money market items (assets)

(Unit: Thousand Baht)

	As at					
	30 June 2025			31 December 2024		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Bank of Thailand and Financial Institutions						
Development Fund	1,605,993	-	1,605,993	1,623,499	-	1,623,499
Commercial banks	179,905	19,800,000	19,979,905	228,468	19,500,000	19,728,468
Specialised Financial Institutions	592	14,500,000	14,500,592	535	16,700,000	16,700,535
Other financial institutions	-	-	-	25,000	-	25,000
<b>Total</b>	<b>1,786,490</b>	<b>34,300,000</b>	<b>36,086,490</b>	<b>1,877,502</b>	<b>36,200,000</b>	<b>38,077,502</b>
Add: Accrued interest receivables	12	7,339	7,351	9	14,278	14,287
Less: Allowance for expected credit loss	(369)	-	(369)	(606)	-	(606)
<b>Total domestic</b>	<b>1,786,133</b>	<b>34,307,339</b>	<b>36,093,472</b>	<b>1,876,905</b>	<b>36,214,278</b>	<b>38,091,183</b>

As at 30 June 2025 and 31 December 2024, all outstanding interbank and money market items are in Baht.

The Bank entered into securities purchases under resale agreements according to private repurchase transactions. Securities received under resale agreements are used as collateral. Details of transactions are as follows:

(Unit: Thousand Baht)

Securities purchased under resale agreements  
according to private repurchase transactions

as at

	30 June 2025	31 December 2024
Commercial banks	19,800,000	19,500,000
Specialised Financial Institutions	14,500,000	16,700,000

Fair value of securities received as collateral is as follows:

(Unit: Thousand Baht)

Fair value of securities received as collateral

as at

	30 June 2025	31 December 2024
Commercial banks	19,381,600	19,640,800
Specialised Financial Institutions	14,180,600	16,647,500

### 3.3 Financial assets measured at fair value through profit or loss

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

(Unit: Thousand Baht)

Investments	As at			
	30 June 2025		31 December 2024	
	Cost	Fair value	Cost	Fair value
<b>Others</b>				
Domestic marketable equity instruments	9,320	3,102	9,320	4,312
Domestic non-marketable equity instruments	234,414	1,431,858	234,414	1,289,586
	243,734	1,434,960	243,734	1,293,898
Add: Allowance for changes in value	1,191,226		1,050,164	
Total	1,434,960		1,293,898	

#### 3.3.2 Investments in non-marketable equity instruments include investments in which the Bank holds not less than 10 percent of the equity of the investees, as follows:

(Unit: Thousand Baht)

Securities' name	As at					
	30 June 2025			31 December 2024		
	Fair value of investments	Unpaid amount	Percentage of holding (%)	Fair value of investments	Unpaid amount	Percentage of holding (%)
<b>Services:</b>						
Jiji Press (Thailand) Co., Ltd.	1,648	300	10	1,751	300	10
<b>Trading import and export:</b>						
Juki (Thailand) Co., Ltd.	2,449	-	10	2,384	-	10
PDTL Trading Co., Ltd.	-	-	10	-	-	10
Wattana Inter-Trade Co., Ltd.	15,117	-	10	13,349	-	10
<b>Real estate:</b>						
UMI Property Co., Ltd.	1,362	-	10	1,365	-	10
<b>Industrial:</b>						
Siam Art Ceramic Co., Ltd.	7,738	-	10	7,816	-	10

### 3.3.3 Investments in companies with weak financial positions and poor operating results

As at 30 June 2025 and 31 December 2024, investments in securities of the Bank include investments in securities issued by companies with weak financial positions and poor operating results as follows:

(Unit: Thousand Baht)

	As at			
	30 June 2025		31 December 2024	
	Cost	Fair value	Cost	Fair value
Companies with weak financial positions				
and poor operating results	23,410	10,511	23,410	10,791

### 3.4 Derivatives assets/derivatives liabilities

The Bank entered into foreign exchange contracts to manage the risk associated with financial assets, as follows:

(Unit: Thousand Baht)

Type of risks	As at					
	30 June 2025			31 December 2024		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Exchange rate	77,839	-	2,824,756	55,782	-	2,771,366
Total	77,839	-	2,824,756	55,782	-	2,771,366

All counterparties of these derivatives transactions are financial institutions.



### 3.5 Investments

#### 3.5.1 Investments classified by type of investments

As at 30 June 2025 and 31 December 2024, investments classified by type of investments are as follows:

(Unit: Thousand Baht)

	As at			
	30 June 2025		31 December 2024	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Investments in debt instruments</b>				
<b>measured at fair value through</b>				
<b>other comprehensive income</b>				
Government and state enterprise securities	5,355,673	5,367,603	4,048,022	4,052,603
Private sector debt instruments	39,210	25,957	39,210	22,673
	5,394,883	5,393,560	4,087,232	4,075,276
Less: Allowance for changes in value	(1,323)		(11,956)	
Total	5,393,560		4,075,276	
Allowance for expected credit loss	21,090		21,090	
<b>Investments in debt instruments</b>				
<b>measured at amortised cost</b>				
Investments in receivables	8,688		8,685	
Less: Allowance for expected credit loss	(8,688)		(8,685)	
Total	-		-	
Total investments	5,393,560		4,075,276	

#### 3.5.2 Investments subject to restrictions

(Unit: Million Baht)

Type of investments	As at		Type of restrictions
	30 June 2025	31 December 2024	
Government debt securities	1	1	Pledge for electricity usage

### 3.5.3 Investments in companies with weak financial positions and poor operating results

As at 30 June 2025 and 31 December 2024, investments in securities of the Bank include investments in securities issued by companies with weak financial positions and poor operating results as follows:

(Unit: Thousand Baht)

	As at					
	30 June 2025			31 December 2024		
	Cost	Fair value	Allowance for expected credit loss	Cost	Fair value	Allowance for expected credit loss
Companies having problems with debt repayment or in default	39,210	25,957	21,090	39,210	22,673	21,090

## 3.6 Loans to customers and accrued interest receivables

### 3.6.1 Classified by type of loans to customers

(Unit: Thousand Baht)

	As at	
	30 June 2025	31 December 2024
<b>Loans to customers</b>		
Overdrafts	359	364
Loans	134,763,408	131,873,469
Hire purchase receivables	105,386,579	106,229,985
Less: Deferred revenue	(9,955,284)	(10,252,070)
Total loans to customers	230,195,062	227,851,748
Add: Accrued interest receivables and undue interest income	1,728,297	1,658,586
Total loans to customers and accrued interest receivables	231,923,359	229,510,334
Less: Allowance for expected credit loss	(7,680,102)	(7,464,893)
Loans to customers and accrued interest receivables - net	224,243,257	222,045,441

### 3.6.2 Classified by residency of debtors

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
<b>Loans to customers net of deferred revenue</b>		
- Domestic	219,405,035	217,214,148
- Foreign	10,790,027	10,637,600
Total	230,195,062	227,851,748

### 3.6.3 Classified by loan classification

	(Unit: Thousand Baht)			
	As at			
	30 June 2025		31 December 2024	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	208,730,461	2,854,981	206,764,698	3,175,927
Financial assets with significant increase in credit risk (Under-performing)	18,188,936	2,791,401	17,915,338	2,557,338
Financial assets that are credit-impaired (Non-performing)	5,003,962	2,033,720	4,830,298	1,731,628
Total	231,923,359	7,680,102	229,510,334	7,464,893

### 3.6.4 Classified by loan classification and type of debtors

As at 30 June 2025 and 31 December 2024, loans to customers classified by loan classification and type of debtors are as follows:

(Unit: Million Baht)

	As at 30 June 2025							
	Hire purchase		Loan against auto license		Other loans		Total	
	receivables		receivables					
	Loans to		Loans to		Loans to		Loans to	
	customers		customers		customers		customers	
	and	Allowance	and	Allowance	and	Allowance	and	Allowance
	accrued	for	accrued	for	accrued	for	accrued	for
	interest	expected	interest	expected	interest	expected	interest	expected
	receivables	credit loss	receivables	credit loss	receivables	credit loss	receivables	credit loss
Financial assets with no significant increase in credit risk (Performing)	85,647	1,084	28,687	689	94,396	1,082	208,730	2,855
Financial assets with significant increase in credit risk (Under-performing)	8,197	1,188	6,629	1,051	3,363	552	18,189	2,791
Financial assets that are credit-impaired (Non-performing)	2,312	828	1,869	901	823	305	5,004	2,034
Total	96,156	3,100	37,185	2,641	98,582	1,939	231,923	7,680

(Unit: Million Baht)

	As at 31 December 2024							
	Hire purchase		Loan against auto license		Other loans		Total	
	receivables		receivables					
	Loans to		Loans to		Loans to		Loans to	
	customers		customers		customers		customers	
	and	Allowance	and	Allowance	and	Allowance	and	Allowance
	accrued	for	accrued	for	accrued	for	accrued	for
	interest	expected	interest	expected	interest	expected	interest	expected
	receivables	credit loss	receivables	credit loss	receivables	credit loss	receivables	credit loss
Financial assets with no significant increase in credit risk (Performing)	85,370	1,409	29,144	678	92,251	1,089	206,765	3,176
Financial assets with significant increase in credit risk (Under-performing)	9,051	1,158	6,821	844	2,043	555	17,915	2,557
Financial assets that are credit-impaired (Non-performing)	2,294	762	1,739	718	797	252	4,830	1,732
Total	96,715	3,329	37,704	2,240	95,091	1,896	229,510	7,465

### 3.6.5 Hire purchase receivables

As at 30 June 2025, receivables of the Bank under hire purchase agreements amount to Baht 96,156 million (31 December 2024: Baht 96,715 million) and mostly comprise hire purchase agreements for cars. The terms of the agreements are generally between 1 to 8 years, and under most agreements interest is charged at a fixed rate as specified in agreements.

(Unit: Million Baht)

As at 30 June 2025					
Amounts of installments due under the long-term lease agreements					
	Not over 1 year	Over 1 year but not over 5 years	Over 5 years	Financial assets that are credit-impaired	Total
Gross investment in the agreements	34,701	65,393	2,731	2,561	105,386
Less: Deferred revenue <sup>(1)</sup>	(4,083)	(5,265)	(100)	(333)	(9,781)
Present value of minimum lease payment from agreements	30,618	60,128	2,631	2,228	95,605
Accrued interest receivables	467	-	-	84	551
Total	31,085	60,128	2,631	2,312	96,156
Allowance for expected credit loss					(3,100)
Net hire purchase receivables					93,056

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

(Unit: Million Baht)

As at 31 December 2024					
Amounts of installments due under the long-term lease agreements					
	Not over 1 year	Over 1 year but not over 5 years	Over 5 years	Financial assets that are credit-impaired	Total
Gross investment in the agreements	34,920	65,816	2,915	2,579	106,230
Less: Deferred revenue <sup>(1)</sup>	(4,140)	(5,469)	(114)	(356)	(10,079)
Present value of minimum lease payment from agreements	30,780	60,347	2,801	2,223	96,151
Accrued interest receivables	493	-	-	71	564
Total	31,273	60,347	2,801	2,294	96,715
Allowance for expected credit loss					(3,329)
Net hire purchase receivables					93,386

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

### 3.6.6 Troubled debt restructuring

As at 30 June 2025 and 31 December 2024, the Bank has outstanding balances with troubled debt restructuring debtors as follows:

	As at			
	30 June 2025		31 December 2024	
	Number	Outstanding	Number	Outstanding
	of debtors	balances (Million Baht)	of debtors	balances (Million Baht)
Balances of restructured debts	8,647	2,649	1,014	863

### 3.7 Allowance for expected credit loss

As at 30 June 2025 and 31 December 2024, the Bank has allowance for expected credit loss classified by type of financial assets as follows:

	(Unit: Thousand Baht)			
	For the six-month period ended 30 June 2025			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach
				Total
<b>Interbank and money market items (assets)</b>				
Balance - beginning of period	606	-	-	606
Changes from revaluation of allowance for credit loss	(237)	-	-	(237)
Balance - end of period	369	-	-	369
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>				
Balance - beginning of period	-	-	21,090	21,090
Changes from revaluation of allowance for credit loss	-	-	-	-
Balance - end of period	-	-	21,090	21,090

(Unit: Thousand Baht)

For the six-month period ended 30 June 2025

	Financial assets				Total
	with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	
<b>Investments in debt instruments measured at amortised cost</b>					
Balance - beginning of period	-	-	8,685	-	8,685
Changes from revaluation of allowance for credit loss	-	-	3	-	3
Balance - end of period	-	-	8,688	-	8,688
<b>Loans to customers and accrued interest receivables</b>					
Balance - beginning of period	3,175,927	2,557,338	1,731,628	-	7,464,893
Changes from transfers among stages	160,062	(258,197)	98,135	-	-
Changes from revaluation of allowance for credit loss	(878,621)	521,013	1,551,459	-	1,193,851
New financial assets purchased or acquired	573,262	281,397	143,814	-	998,473
Derecognition	(175,649)	(310,150)	(192,798)	-	(678,597)
Write-off	-	-	(1,298,518)	-	(1,298,518)
Balance - end of period	2,854,981	2,791,401	2,033,720	-	7,680,102
<b>Other assets - other receivables</b>					
Balance - beginning of period	-	-	-	4,362	4,362
Changes from revaluation of allowance for credit loss	-	-	-	541	541
Derecognition	-	-	-	(208)	(208)
Write-off	-	-	-	(56)	(56)
Balance - end of period	-	-	-	4,639	4,639

(Unit: Thousand Baht)

For the year ended 31 December 2024

	Financial assets				
	with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	Total
<b>Interbank and money market items (assets)</b>					
Balance - beginning of year	1,288	-	-	-	1,288
Changes from revaluation of allowance for credit loss	(682)	-	-	-	(682)
Balance - end of year	606	-	-	-	606
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>					
Balance - beginning of year	-	-	27,460	-	27,460
Changes from revaluation of allowance for credit loss	-	-	(6,370)	-	(6,370)
Balance - end of year	-	-	21,090	-	21,090
<b>Investments in debt instruments measured at amortised cost</b>					
Balance - beginning of year	-	-	8,724	-	8,724
Changes from revaluation of allowance for credit loss	-	-	(39)	-	(39)
Balance - end of year	-	-	8,685	-	8,685
<b>Loans to customers and accrued interest receivables</b>					
Balance - beginning of year	4,947,414	2,505,788	1,444,283	-	8,897,485
Changes from transfers among stages	(78,754)	(372,958)	451,712	-	-
Changes from revaluation of allowance for credit loss	(2,159,230)	226,399	3,887,914	-	1,955,083
New financial assets purchased or acquired	1,152,781	521,782	249,812	-	1,924,375
Derecognition	(686,284)	(323,673)	(133,014)	-	(1,142,971)
Write-off	-	-	(4,169,079)	-	(4,169,079)
Balance - end of year	3,175,927	2,557,338	1,731,628	-	7,464,893



(Unit: Thousand Baht)

For the year ended 31 December 2024

	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit- impaired	Financial assets applying a simplified approach	Total
<b>Other assets - accrued interest receivables on investments</b>					
Balance - beginning of year	-	-	916	-	916
Changes from revaluation of allowance for credit loss	-	-	(916)	-	(916)
Balance - end of year	-	-	-	-	-
<b>Other assets - other receivables</b>					
Balance - beginning of year	-	-	-	4,038	4,038
Changes from revaluation of allowance for credit loss	-	-	-	796	796
New financial assets purchased or acquired	-	-	-	71	71
Derecognition	-	-	-	(532)	(532)
Write-off	-	-	-	(11)	(11)
Balance - end of year	-	-	-	4,362	4,362

### 3.8 Classification of assets

#### 3.8.1 Classification of assets under the BOT's guidelines

As at 30 June 2025 and 31 December 2024, classification of financial assets is as follows:

(Unit: Thousand Baht)

As at 30 June 2025

	Financial assets				
	Debt instruments measured at fair value		Loans to customers and accrued interest receivables		Total
	Interbank and money market items	through other comprehensive income	Debt instruments measured at amortised cost		
Financial assets with no significant increase in credit risk (Performing)	36,093,841	5,367,603	-	208,730,461	250,191,905
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	18,188,936	18,188,936
Financial assets that are credit-impaired (Non-performing)	-	25,957	8,688	5,003,962	5,038,607
Total	36,093,841	5,393,560	8,688	231,923,359	273,419,448

(Unit: Thousand Baht)

As at 31 December 2024					
Financial assets					
	Debt instruments measured at fair value			Loans to customers and accrued interest receivables	
	Interbank and money market items	through other comprehensive income	Debt instruments measured at amortised cost		Total
Financial assets with no significant increase in credit risk (Performing)	38,091,789	4,052,603	-	206,764,698	248,909,090
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	17,915,338	17,915,338
Financial assets that are credit-impaired (Non-performing)	-	22,673	8,685	4,830,298	4,861,656
Total	38,091,789	4,075,276	8,685	229,510,334	271,686,084

### 3.8.2 Credit-impaired loans to customers

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

(Unit: Million Baht)

	As at	
	30 June 2025	31 December 2024
Non-performing loans to customers	4,767	4,632
Total loans to customers	230,195	227,852
Percentage of non-performing loans to customers	2.07	2.03

### 3.8.3 Loans to customers with weak financial positions and poor operating results

	Number of debtors as at		Loans to customers and accrued interest receivables as at		Collateral value as at		Allowance for expected credit loss provided in the accounts	
							as at	
	30	31	30	31	30	31	30	31
	June	December	June	December	June	December	June	December
	2025	2024	2025	2024	2025	2024	2025	2024
			(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET	11	9	946	970	673	664	370	376

### 3.9 Properties foreclosed

	(Unit: Thousand Baht)	
	For the six-month period ended 30 June 2025	For the year ended 31 December 2024
<b>Assets from debt settlement - Movable assets</b>		
Balance - beginning of period/year	14,126	24,955
Additions	368,018	835,970
Disposals	(373,558)	(846,799)
Balance - end of period/year	8,586	14,126
Less: Allowance for impairment		
Balance - beginning of period/year	-	36
Increase	307	377
Decrease	(286)	(413)
Balance - end of period/year	21	-
Total properties foreclosed - net	8,565	14,126

### 3.10 Investment properties

The book value of investment properties as at 30 June 2025 and 31 December 2024 is as follows:

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
Book value - beginning of period/year	50,885	26,786
Transfers from premises and equipment	-	22,842
Gain on changes in fair value	-	1,257
Book value - end of period/year	50,885	50,885

Investment properties of the Bank are office condominiums for rent and are stated at fair value. The fair value of investment properties is calculated using the asset appraisal method based on the market approach, with reference to market data of the similar and comparable assets. These valuations were made by in-house appraisers of the Bank who have professional experience and are capable of the asset appraisal, and were based on the asset valuation standards and code of professional ethics in Thailand.

As of the appraisal date, key assumptions that are unobservable inputs used in the valuation are summarised below.

	As of	Result to fair value
	the appraisal date	whereas an increase in assumption value
Estimated office condominium price rate (Baht/Sq.m.)	95,931 and 143,852	Increase in fair value

The Bank has rented part of its office condominiums under operating leases with a lease term of 3 years, and has future minimum rental fee as at 30 June 2025 and 31 December 2024 as follows:

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
Not over 1 year	4,481	4,481
Over 1 year but not over 3 years	3,575	5,816
Total	8,056	10,297

During the six-month periods ended 30 June 2025 and 2024, the Bank has rental income of Baht 3 million and 2 million, respectively.

### 3.11 Premises and equipment

(Unit: Thousand Baht)

	Revaluation basis	Cost basis				
	Office condominiums and building improvements	Land	Buildings and building improvements	Furniture, fixtures, computers and equipment	Motor vehicles	Total
<b><u>Cost:</u></b>						
As at 1 January 2024	637,514	17,509	412,566	392,303	46,361	1,506,253
Additions/transfers-in	-	-	16,211	5,513	1,219	22,943
Disposals/write-offs/ transfers-out	(22,910)	-	(3,031)	(53,286)	(576)	(79,803)
Surplus on revaluation	15,343	-	-	-	-	15,343
As at 31 December 2024	629,947	17,509	425,746	344,530	47,004	1,464,736
Additions/transfers-in	-	-	11,026	3,395	3,659	18,080
Disposals/write-offs/ transfers-out	-	-	(10,071)	(805)	(2,603)	(13,479)
Surplus on revaluation	-	-	-	-	-	-
As at 30 June 2025	629,947	17,509	426,701	347,120	48,060	1,469,337
<b><u>Accumulated depreciation:</u></b>						
As at 1 January 2024	-	-	356,602	339,712	28,596	724,910
Depreciation for the year	7,073	-	19,174	16,169	5,719	48,135
Depreciation on disposals/ write-offs/transfers-out	(68)	-	(3,024)	(52,403)	(571)	(56,066)
As at 31 December 2024	7,005	-	372,752	303,478	33,744	716,979
Depreciation for the period	3,474	-	8,921	6,952	2,654	22,001
Depreciation on disposals/ write-offs/transfers-out	-	-	(10,037)	(805)	(2,603)	(13,445)
As at 30 June 2025	10,479	-	371,636	309,625	33,795	725,535
<b><u>Net book value:</u></b>						
As at 31 December 2024	622,942	17,509	52,994	41,052	13,260	747,757
As at 30 June 2025	619,468	17,509	55,065	37,495	14,265	743,802
<b><u>Depreciation for the six-month periods ended 30 June:</u></b>						
2024						24,233
2025						22,001

As at 30 June 2025 and 31 December 2024, the Bank has buildings and equipment which have been fully depreciated but are still in use with the gross carrying amount, before deducting accumulated depreciation and allowance for loss on impairment, of approximately Baht 654 million and Baht 634 million, respectively.

The Bank arranged for an independent professional appraiser to appraise the value of the office condominiums in 2023, using the market approach.

Had the office condominiums been carried in the financial statements based on cost model, their net book value as at 30 June 2025 and 31 December 2024 would have been as follows:

(Unit: Thousand Baht)

	As at	
	30 June 2025	31 December 2024
Office condominiums - net of accumulated depreciation	183,783	185,723

As of the appraisal date, key assumptions that are unobservable inputs used in the valuation are summarised below.

	As of	Result to fair value whereas an increase in
	the appraisal date	assumption value
Estimated office condominium price rate (Baht/Sq.m.)	85,272 - 186,533	Increase in fair value

### 3.12 Right-of-use assets

Movements of right-of-use assets for the six-month period ended 30 June 2025 and for the year ended 31 December 2024 are as follows:

(Unit: Thousand Baht)

	For the six-month period ended	For the year ended
	30 June 2025	31 December 2024
Book value - beginning of period/year	399,750	458,450
Additions	34,837	108,882
Contract amendment	912	(1,900)
Contract termination	(4,497)	-
Depreciation for the period/year	(84,750)	(165,682)
Book value - end of period/year	346,252	399,750

### 3.13 Intangible assets

The book value of intangible assets - computer software as at 30 June 2025 and 31 December 2024 is presented as follows:

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
Cost	880,237	879,171
Less: Accumulated amortisation	(864,602)	(862,014)
Net book value	15,635	17,157

A reconciliation of the net book value of intangible assets for the six-month period ended 30 June 2025 and for the year ended 31 December 2024 is presented as follows:

	(Unit: Thousand Baht)	
	For the six-month	For the
	period ended	year ended
	30 June 2025	31 December 2024
Book value - beginning of period/year	17,157	21,179
Acquisitions of computer software	1,066	1,065
Amortisation for the period/year	(2,588)	(5,087)
Book value - end of period/year	15,635	17,157

As at 30 June 2025 and 31 December 2024, the Bank has computer software which has been fully amortised but is still in use with the gross carrying amount, before deducting accumulated amortisation, of approximately Baht 854 million and Baht 853 million, respectively.

### 3.14 Other assets

(Unit: Thousand Baht)		
As at		
	30 June 2025	31 December 2024
Value added tax - net	374,387	283,073
Accrued interest receivables	6,356	7,071
Fee and service receivables	128,909	113,356
Deposits	58,395	59,396
Other receivables	334,430	233,738
Other assets	370,999	148,521
Total other assets	1,273,476	845,155

### 3.15 Deposits

#### 3.15.1 Classified by type of deposits

(Unit: Thousand Baht)		
As at		
	30 June 2025	31 December 2024
Deposits		
Current accounts	2,232,778	3,286,507
Saving accounts	27,643,180	26,922,557
Fixed accounts		
- not over 6 months	17,407,387	11,815,210
- over 6 months but not over 1 year	47,554,439	54,004,216
- over 1 year	4,564,308	8,789,082
Certificates of deposits/negotiable certificates of deposits	111,782,477	103,412,781
Total	211,184,569	208,230,353

**3.15.2** As at 30 June 2025 and 31 December 2024, all outstanding deposits are deposits from domestic depositors and are in Baht.



### 3.16 Interbank and money market items (liabilities)

(Unit: Thousand Baht)

	As at					
	30 June 2025			31 December 2024		
	At call	Term	Total	At call	Term	Total
<u>Domestic</u>						
Bank of Thailand	-	7,987,034	7,987,034	-	8,246,354	8,246,354
Commercial banks	104,295	-	104,295	57,039	-	57,039
Specialised Financial Institutions	-	723,973	723,973	-	392,339	392,339
Other financial institutions	1,238,294	226,651	1,464,945	1,111,581	49,039	1,160,620
<b>Total</b>	<b>1,342,589</b>	<b>8,937,658</b>	<b>10,280,247</b>	<b>1,168,620</b>	<b>8,687,732</b>	<b>9,856,352</b>

### 3.17 Debts issued and borrowings

(Unit: Thousand Baht)

	As at	
	30 June 2025	31 December 2024
<u>Domestic borrowings</u>		
Subordinated unsecured debentures	2,950,000	2,640,000
Unsubordinated unsecured debentures	-	100,000
Bills of exchange	36,122	36,122
<b>Total</b>	<b>2,986,122</b>	<b>2,776,122</b>

#### 3.17.1 Subordinated unsecured debentures

As at 30 June 2025 and 31 December 2024, the Bank has long-term subordinated unsecured debentures with an early redemption right in accordance with the BOT's regulations as follows:

Issued year	Units as at		Face value (Baht per unit)	Balance as at		Maturity in the year	Interest rate
	30 June 2025	31 December 2024		30 June 2025	31 December 2024		
	(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2020	1.25	1.25	1,000	1,250	1,250	2030	3.50 percent per annum
2020	-	0.69	1,000	-	690	2030	3.15 percent per annum
2021	0.70	0.70	1,000	700	700	2031	3.25 percent per annum
2025	1.00	-	1,000	1,000	-	2035	3.25 percent per annum
<b>Total</b>				<b>2,950</b>	<b>2,640</b>		

### 3.17.2 Unsubordinated unsecured debentures

As at 30 June 2025 and 31 December 2024, the Bank has short-term unsubordinated unsecured debentures as follows:

Issued year	Type of debentures	Units as at		Face value (Baht per unit)	Balance as at		Maturity in the year	Interest rate
		30	31		30	31		
		June	December		June	December		
		2025	2024		2025	2024		
		(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2024	Short-term debenture	-	0.10	1,000	-	100	2025	2.50 percent per annum
Total					-	100		

### 3.17.3 Bills of exchange

Bills of exchange comprise bills of exchange that mature at call and bear interest at a fixed rate of 2.50 percent per annum.

### 3.18 Lease liabilities

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
Balance - beginning of period/year	433,240	495,404
Increase during the period/year	36,488	115,060
Contract amendment	2,023	(2,496)
Paid during the period/year	(91,500)	(174,728)
Terminated during the period/year	(4,981)	-
Balance - end of period/year	375,270	433,240
Less: Deferred interest expenses	(26,714)	(31,860)
Lease liabilities - net	348,556	401,380
Current portion	(138,555)	(140,300)
Lease liabilities - net of current portion	210,001	261,080

The Bank had total cash outflows on leases during the six-month periods ended 30 June 2025 and 2024 of Baht 95 million and Baht 92 million, respectively.

Expenses relating to leases that are recognised in profit or loss for the six-month periods ended 30 June 2025 and 2024 are as follows:

	(Unit: Million Baht)	
	For the six-month periods ended	
	30 June	
	2025	2024
Depreciation expenses of right-of-use assets	85	83
Interest expenses on lease liabilities	6	7
Expenses relating to variable lease payments	3	4
Total	94	94

### 3.19 Provisions

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
Allowance for expected credit loss on loan commitments and financial guarantees	27,875	62,215
Provision for employee benefits	1,278,126	1,132,438
Other provisions	-	42,453
Total provisions	1,306,001	1,237,106

#### 3.19.1 Allowance for expected credit loss on loan commitments and financial guarantees

As at 30 June 2025 and 31 December 2024, allowance for expected credit loss on loan commitments and financial guarantees by classification is as follows:

	(Unit: Thousand Baht)			
	As at			
	30 June 2025		31 December 2024	
	Loan commitments and financial guarantees	Allowance for expected credit loss	Loan commitments and financial guarantees	Allowance for expected credit loss
Financial assets with no significant increase in credit risk (Performing)	6,653,281	27,861	8,562,419	62,054
Financial assets with significant increase in credit risk (Under-performing)	679	11	2,442	61
Financial assets that are credit-impaired (Non-performing)	6	3	268	100
Total	6,653,966	27,875	8,565,129	62,215

Changes in allowance for expected credit loss on loan commitments and financial guarantees are as follows:

	(Unit: Thousand Baht)			
	For the six-month period ended 30 June 2025			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Balance - beginning of period	62,054	61	100	62,215
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	(34,193)	(50)	(97)	(34,340)
Balance - end of period	27,861	11	3	27,875

	(Unit: Thousand Baht)			
	For the year ended 31 December 2024			
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Total
Balance - beginning of year	25,278	93	-	25,371
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	36,776	(32)	100	36,844
Balance - end of year	62,054	61	100	62,215

### 3.19.2 Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement and other long-term benefits, is as follows:

	(Unit: Thousand Baht)	
	For the six-month period ended 30 June 2025	For the year ended 31 December 2024
Defined post-employment benefit obligation at beginning of period/year	875,898	743,975
Current service cost	28,530	51,530
Interest cost	10,212	21,326
Past service cost	-	15,253
Benefits paid during the period/year	(2,803)	(29,519)
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	44,619	59,815
Financial assumptions changes	13,953	(42,105)
Other assumptions changes	32,436	55,623
Defined post-employment benefit obligation at end of period/year	1,002,845	875,898
Other long-term benefits	275,281	256,540
Total provision for long-term employee benefits at end of period/year	1,278,126	1,132,438

Long-term employee benefit expenses included in profit or loss for the six-month periods ended 30 June 2025 and 2024 are as follows:

	(Unit: Thousand Baht)	
	For the six-month periods ended	
	30 June	
	2025	2024
Current service cost	39,002	34,024
Interest cost	12,924	13,006
Past service cost	-	15,253
Actuarial loss	13,834	18,981
Total employee benefit expenses	65,760	81,264

As at 30 June 2025 and 31 December 2024, the Bank expects to pay long-term employee benefits during the next year of Baht 83 million.

As at 30 June 2025 and 31 December 2024, the weighted average duration of the liabilities for long-term employee benefits are 13 and 14 years, respectively.

Significant actuarial assumptions as at the assessment date are summarised below.

	(Unit: Percent per annum)	
	As at	
	30 June 2025	31 December 2024
Discount rate	1.00 - 2.82	1.00 - 3.26
Average salary increase rate	5.00	5.00
Turnover rate	0.56 - 6.95	0.72 - 7.08

The results of sensitivity analysis for significant assumptions that affect the increase (decrease) in the present value of the employee benefit obligation as at 30 June 2025 and 31 December 2024 are summarised below.

	(Unit: Thousand Baht)			
	As at			
	30 June 2025		31 December 2024	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Discount rate	(27,244)	28,353	(23,321)	24,267
Average salary increase rate	26,926	(26,022)	23,284	(22,501)
Turnover rate	(2,885)	2,885	(2,593)	2,593

### 3.20 Other liabilities

(Unit: Thousand Baht)		
	As at	
	30 June 2025	31 December 2024
Withholding income tax and other tax payables	167,913	340,481
Accrued insurance premium	175,233	166,109
Deferred income	1,454,569	1,458,457
Accrued expenses	2,310,848	2,140,051
Suspense creditors	609,792	587,113
Other liabilities	547,795	508,876
Total other liabilities	5,266,150	5,201,087

The above accrued expenses include accrued bonus expenses which are remunerations paid to employees and management based on annual performance. These accrued bonus expenses include costs of annual bonus that are determined with reference to the parent company's share price, paid to employees whose performance impacts the Bank's operating results, as an incentive to work effectively and to build loyalty to the Bank. This vested bonus is continuously set aside for payment five years later. It is paid in cash and partly determined based on the average daily price of the parent company's shares over the period of five years from grant date to settlement date. As of 30 June 2025 and 31 December 2024, the Bank has accrued bonus under this scheme amounting to Baht 119 million and Baht 100 million, respectively, and recognised expenses in profit or loss during the six-month periods ended 30 June 2025 and 2024 amounting to Baht 19 million and Baht 23 million, respectively.

As at 30 June 2025, the above other liabilities include advances received from Electronic Funds Transfer transactions amounting to Baht 1,393 (31 December 2024: no outstanding balance). In addition, the Bank maintained an asset amounting to Baht 10 million to reserve for advances received through such transactions, presented under interbank and money market items (assets) in the statement of financial position as at 30 June 2025 and 31 December 2024.

### 3.21 Preference shares converted to ordinary shares

Up to 30 June 2025 and 31 December 2024, preference shares have been converted into ordinary shares totalling 627,952,146 shares.

As at 30 June 2025 and 31 December 2024, there are preference shares which are convertible to ordinary shares totalling 104 shares.

### 3.22 Capital funds

The primary objectives of the Bank's capital management are to maintain its ability to continue as a going concern and to maintain capital adequacy ratio in accordance with the regulations of the BOT.

The Bank maintains capital adequacy ratio in compliance with Basel III principles by implementing capital to risk assets requirement based on Internal Ratings-Based Approach (IRB) for hire purchase receivables, loan against auto license receivables, corporate lending and SME business loans that are qualified to the specified requirements, and for equity exposure and other assets. For such loans that are not qualified to the requirements and other loans, the Standardized Approach (SA) is implemented to maintain capital adequacy ratio.

Regarding Capital funds as at 30 June 2025 and 31 December 2024, the Bank has allocated the additional reserve from loan classification as part of regulatory capital funds. Such reserve has been allocated to Tier 1 capital and Tier 2 capital based on method under the BOT's regulations.

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

	(Unit: Thousand Baht)	
	As at	
	30 June 2025	31 December 2024
<b><u>Common Equity Tier I capital</u></b>		
Issued and fully paid-up share capital	9,215,676	9,215,676
Premium on share capital	2,543,024	2,543,024
Statutory reserve	984,000	984,000
Net profits after appropriation	22,594,350	22,649,873
Other components of equity	311,839	304,257
Less: Deductions from Common Equity Tier I items	(316,218)	(360,082)
<b>Total Common Equity Tier I capital</b>	<b>35,332,671</b>	<b>35,336,748</b>
<b><u>Financial Instrument Tier I capital</u></b>		
Issued and fully paid-up share capital - non-cumulative preference shares	1	1
<b>Total Tier I capital</b>	<b>35,332,672</b>	<b>35,336,749</b>
<b><u>Tier II capital</u></b>		
Long-term subordinated debentures	2,950,000	2,640,000
Surplus of provision	722,993	439,756
Reserve for loans classified as normal	213,426	291,898
<b>Total Tier II capital</b>	<b>3,886,419</b>	<b>3,371,654</b>
<b>Total capital funds</b>	<b>39,219,091</b>	<b>38,708,403</b>

(Unit: Percent)

Capital fund ratios	As at			
	30 June 2025		31 December 2024	
	The Bank	Requirement	The Bank	Requirement
Common Equity Tier I capital to risk assets	18.58	7.00	18.70	7.00
Tier I capital to risk assets	18.58	8.50	18.70	8.50
Total capital to risk assets	20.62	11.00	20.48	11.00

To comply with the Notification of the BOT No. Sor Nor Sor. 14/2562 regarding “Public Disclosure of Capital Maintenance for Commercial Banks (No. 2)”, the Bank will disclose capital maintenance information as at 30 June 2025 on its website ([www.tisco.co.th](http://www.tisco.co.th)) by October 2025.

### 3.23 Other components of equity

#### 3.23.1 Surplus (deficit) on valuation of investments measured at fair value through other comprehensive income

	(Unit: Thousand Baht)	
	For the six-month period ended	For the year ended
	30 June 2025	31 December 2024
Balance - beginning of period/year	9,134	(1,792)
Increase from changes in value of investments during the period/year	10,633	10,926
	19,767	9,134
Less: Effect of deferred tax liabilities	(3,954)	(1,827)
Balance - end of period/year	15,813	7,307

#### 3.23.2 Surplus on revaluation of assets

This represents surplus arising from revaluation of office condominiums. The surplus is amortised to retained earnings on a straight-line basis over the remaining life of the related assets.

	(Unit: Thousand Baht)	
	For the six-month period ended	For the year ended
	30 June 2025	31 December 2024
Balance - beginning of period/year	437,288	425,087
Revaluation	-	15,343
Transfer to retained earnings	(1,534)	(3,142)
	435,754	437,288
Less: Effect of deferred tax liabilities	(87,150)	(87,457)
Balance - end of period/year	348,604	349,831



### 3.24 Interest income

Interest income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Interbank and money market items	155,105	219,047	322,546	485,757
Investments in debt instruments	34,743	21,141	69,403	39,196
Loans to customers	2,721,122	2,815,399	5,459,729	5,586,653
Hire purchase receivables	1,270,316	1,348,031	2,538,542	2,715,009
Total interest income	4,181,286	4,403,618	8,390,220	8,826,615

Interest income for the three-month and six-month periods ended 30 June 2025 included interest income on credit-impaired financial assets amounting to Baht 81 million and Baht 185 million, respectively (2024: Baht 81 million and Baht 195 million, respectively). The Bank fully recognised expected credit loss on such interest income.

### 3.25 Interest expenses

Interest expenses in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Deposits	939,012	1,040,536	1,893,189	2,068,963
Interbank and money market items	1,211	873	2,210	1,705
Contribution fee to the Deposit Protection Agency and the Bank of Thailand	248,035	245,221	489,156	497,475
Issued debt securities				
- Subordinated debentures	22,973	21,998	44,730	54,912
- Unsubordinated debentures	-	-	199	6,712
Borrowings	225	225	448	450
Others	3,077	3,515	6,272	7,209
Total interest expenses	1,214,533	1,312,368	2,436,204	2,637,426

### 3.26 Net fee and service income

Net fee and service income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Fee and service income				
- Acceptance, aval and guarantees	2,869	4,145	5,831	5,598
- Insurance service	297,171	249,592	540,548	499,618
- Others	136,212	119,144	288,113	245,404
Total fee and service income	436,252	372,881	834,492	750,620
Fee and service expenses	(23,347)	(21,184)	(47,477)	(42,479)
Net fee and service income	412,905	351,697	787,015	708,141

### 3.27 Net gain on financial instruments measured at fair value through profit or loss

Net gain on financial instruments measured at fair value through profit or loss in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Gain (loss) on trading and foreign exchange transactions				
- Foreign currencies and derivatives on foreign exchange	(18,019)	(15,202)	(32,541)	(25,510)
- Debt instruments	9,340	6,333	15,954	13,052
- Equity instruments	141,656	212,161	141,062	212,733
Net gain on financial instruments measured at fair value through profit or loss	132,977	203,292	124,475	200,275

### 3.28 Net gain on investments

Net gain on investments in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Gain on derecognition				
- Debt instruments measured at fair value through other comprehensive income	1,723	-	2,672	36
- Debt instruments measured at amortised cost	237	831	427	1,274
Net gain on investments	1,960	831	3,099	1,310

### 3.29 Expected credit loss

Expected credit loss and gain or loss from the modification of terms of financial assets in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 consisted of the following:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Expected credit loss				
- Interbank and money market items (reversal)	(1,853)	61	(237)	(794)
- Investments in debt instruments measured at amortised cost (reversal)	2	(45)	3	(49)
- Loans to customers <sup>(1)</sup>	412,477	246,474	646,080	391,859
- Other receivables (reversal)	(409)	(410)	277	521
(Gain) loss from the modification of terms				
- Loans to customers	10,646	(8,143)	12,677	(962)
Loan commitments and financial guarantees (reversal)	(5,772)	(4,668)	(34,340)	(8,154)
Total	415,091	233,269	624,460	382,421

(1) Net of bad debt recovery

### 3.30 Income tax expenses

Income tax expenses for the three-month and six-month periods ended 30 June 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Current income tax:				
Income tax expenses for the period	215,961	250,232	468,866	594,064
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	41,262	41,338	42,342	(18,560)
Income tax expenses reported in the statement of comprehensive income	<u>257,223</u>	<u>291,570</u>	<u>511,208</u>	<u>575,504</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Gain on valuation of investments in debt instruments measured at fair value through other comprehensive income	(1,174)	(141)	(2,127)	(1,254)
Changes in surplus on revaluation of assets	-	(3,069)	-	(3,069)
Actuarial loss	<u>18,202</u>	<u>2,101</u>	<u>18,202</u>	<u>2,101</u>
Income tax expenses recorded directly to other comprehensive income	<u>17,028</u>	<u>(1,109)</u>	<u>16,075</u>	<u>(2,222)</u>

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month and six-month periods ended 30 June 2025 and 2024 is as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Accounting profit before tax	<u>1,287,084</u>	<u>1,468,654</u>	<u>2,566,585</u>	<u>2,888,404</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	257,417	293,731	513,317	577,681
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	<u>(194)</u>	<u>(2,161)</u>	<u>(2,109)</u>	<u>(2,177)</u>
Income tax expenses reported in the statement of comprehensive income	<u>257,223</u>	<u>291,570</u>	<u>511,208</u>	<u>575,504</u>
Weighted average tax rate	19.99%	19.85%	19.92%	19.92%

The components of deferred tax assets/liabilities are as follows:

(Unit: Thousand Baht)				
Changes in deferred tax assets/liabilities reported in profit or loss for the six-month periods ended				
	As at		30 June	
	30 June	31 December		
	2025	2024	2025	2024
Allowance for expected credit loss	12,240	19,099	(6,859)	(1,697)
Allowance for impairment of investments	1,469	1,469	-	(1,120)
Allowance for impairment of properties foreclosed	4	-	4	4
Non-accrual of interest income	2,833	2,834	(1)	(52)
Depreciation of assets	(11,550)	(11,021)	(529)	137
Gain on changes in fair value of investment properties	(78)	(78)	-	(251)
Surplus on revaluation of assets	(87,150)	(87,457)	-	-
Surplus on changes in value of investments	(3,954)	(1,827)	-	-
Gain on changes in value of investments	(238,245)	(210,033)	(28,212)	(42,547)
Deferred commission and direct expenses incurred at the initiation of hire purchase	(3,489)	(8,287)	4,798	12,735
Loss on disposal of properties foreclosed	15,850	28,987	(13,137)	(4,187)
Accrued expenses	214,487	214,487	-	-
Employee benefit expenses	255,625	226,487	10,936	14,580
Others	140,030	149,372	(9,342)	40,958
<b>Deferred tax assets</b>	<b>298,072</b>	<b>324,032</b>	<b>(42,342)</b>	<b>18,560</b>

### 3.31 Earnings per share

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

	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2025	2024	2025	2024
Profit attributable to equity holders of the Bank (Thousand Baht)	1,029,861	1,177,084	2,055,377	2,312,900
Weighted average number of shares (Thousand shares)	921,568	921,568	921,568	921,568
Basic earnings per share (Baht/share)	1.12	1.28	2.23	2.51

### 3.32 Related party transactions

The relationships between the Bank and its related parties

Name of related parties	Relationship
TISCO Financial Group Plc.	Parent company
TISCO Securities Co., Ltd.	Common shareholders
TISCO Asset Management Co., Ltd.	Common shareholders
Hi-Way Co., Ltd.	Common shareholders
TISCO Insurance Solution Co., Ltd.	Common shareholders
TISCO Information Technology Co., Ltd.	Common shareholders
TISCO Learning Center Co., Ltd.	Common shareholders
All-Ways Co., Ltd.	Common shareholders
Primus Leasing Co., Ltd. (In the process of liquidation)	Common shareholders
TISCO Tokyo Leasing Co., Ltd.	Common shareholders

As at 30 June 2025 and 31 December 2024, the balances of accounts between the Bank and its related companies are as follows:

		(Unit: Thousand Baht)	
		As at	
		30 June 2025	31 December 2024
<b><u>Outstanding balances</u></b>			
<b>Parent company</b>			
TISCO Financial Group Plc.			
Loans to customers		3,980,000	4,240,000
Other assets		110	-
Deposits		34,797	36,536
Lease liabilities		50,099	55,089
Accrued interest payable		2	1
Dividend payable		1,013,601	2,156,205
Other liabilities		141,625	141,708
<b>Related companies</b>			
Interbank and money market item (assets)			
TISCO Asset Management Co., Ltd.		-	25,000
Other assets			
TISCO Securities Co., Ltd.		295	130
TISCO Asset Management Co., Ltd.		7,310	3,494
Hi-Way Co., Ltd.		1,860	1,056
TISCO Insurance Solution Co., Ltd.		11,242	11,199
TISCO Information Technology Co., Ltd.		56	-
TISCO Learning Center Co., Ltd.		27	-
All-Ways Co., Ltd.		24	-
Deposits			
Hi-Way Co., Ltd.		128,221	162,055
TISCO Insurance Solution Co., Ltd.		345,302	531,753
TISCO Information Technology Co., Ltd.		539,247	556,453
TISCO Learning Center Co., Ltd.		49,497	73,380
All-Ways Co., Ltd.		291,881	300,413
Primus Leasing Co., Ltd.		32,896	32,897
TISCO Tokyo Leasing Co., Ltd.		2,086	2,516
Interbank and money market items (liabilities)			
TISCO Securities Co., Ltd.		209,713	306,646
TISCO Asset Management Co., Ltd.		56,739	90,091
Lease liabilities			
TISCO Securities Co., Ltd.		1,390	66
Hi-Way Co., Ltd.		137	610



(Unit: Thousand Baht)		
As at		
	30 June 2025	31 December 2024
<b>Related companies (continued)</b>		
Accrued interest payable		
TISCO Securities Co., Ltd.	253	17
TISCO Asset Management Co., Ltd.	3	4
Hi-Way Co., Ltd.	6	5
TISCO Insurance Solution Co., Ltd.	60	11
TISCO Information Technology Co., Ltd.	775	27
TISCO Learning Center Co., Ltd.	2	4
All-Ways Co., Ltd.	150	91
Other liabilities		
Hi-Way Co., Ltd.	329,290	386,400
TISCO Insurance Solution Co., Ltd.	17,063	24,737
TISCO Learning Center Co., Ltd.	2,478	1,052
All-Ways Co., Ltd.	8,899	8,066
<b>Management - departmental managers upward</b>		
Loans <sup>(1)</sup>	13,201	13,607
<b>Directors and management - departmental managers upward</b>		
Deposits	233,388	302,421
<b>Companies which directors or their related persons have significant influence over</b>		
Deposits	1,406,639	63,086
<b>Related persons of directors and key management</b>		
Deposits	49,877	65,886
<b>Commitments - guarantees</b>		
<b>Parent company</b>		
TISCO Financial Group Plc.	1,040	1,040
<b>Related companies</b>		
TISCO Securities Co., Ltd.	540	540
TISCO Asset Management Co., Ltd.	440	440
TISCO Insurance Solution Co., Ltd.	200	200
TISCO Information Technology Co., Ltd.	1,014	1,014
<b>Commitments - undrawn overdraft facilities</b>		
<b>Related companies</b>		
TISCO Securities Co., Ltd.	30,000	30,000
TISCO Asset Management Co., Ltd.	200,000	200,000

(1) Including employee welfare loans and normal loans.

(Unit: Thousand Baht)		
As at		
	30 June 2025	31 December 2024
<b>Commitments - loan credit lines <sup>(2)</sup></b>		
<b>Parent company</b>		
TISCO Financial Group Plc.	9,500,000	9,500,000
<b>Related companies</b>		
TISCO Securities Co., Ltd. <sup>(3)</sup>	5,000,000	5,000,000
TISCO Asset Management Co., Ltd. <sup>(3)</sup>	500,000	500,000
Hi-Way Co., Ltd.	3,500,000	3,500,000
TISCO Insurance Solution Co., Ltd.	500,000	500,000
TISCO Information Technology Co., Ltd.	50,000	50,000
All-Ways Co., Ltd.	1,000,000	1,000,000
TISCO Tokyo Leasing Co., Ltd.	500,000	500,000
<b>Commitments - financial guarantees</b>		
TISCO Tokyo Leasing Co., Ltd.	-	8,000

(2) Total loan balances for all credit lines granted to all companies in TISCO Group must not exceed Baht 9,500 million.

(3) Credit line for subordinated loan

### Loans to related companies

As at 30 June 2025 and 31 December 2024, the balances of loans between the Bank and its related companies and their movements are as follows:

(Unit: Thousand Baht)				
For the six-month period ended 30 June 2025				
	Balance - beginning of period	Increase	Decrease	Balance - end of period
<b>Parent company</b>				
Loans				
TISCO Financial Group Plc.	4,240,000	38,885,000	(39,145,000)	3,980,000
<b>Related companies</b>				
Interbank and money market items (Assets)				
TISCO Asset Management Co., Ltd.	25,000	-	(25,000)	-

(Unit: Thousand Baht)

For the year ended 31 December 2024				
	Balance - beginning			Balance - end
	of year	Increase	Decrease	of year
<b>Parent company</b>				
Loans				
TISCO Financial Group Plc.	-	66,160,000	(61,920,000)	4,240,000
<b>Related companies</b>				
Interbank and money market				
items (Assets)				
TISCO Asset Management				
Co., Ltd.	135,000	25,000	(135,000)	25,000

During the periods, the Bank had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on bases agreed upon between the Bank and those related parties.

(Unit: Thousand Baht)

	For the three-month		For the six-month		Terms and pricing policies
	periods ended 30 June		periods ended 30 June		
	2025	2024	2025	2024	
<b><u>Transactions occurred during the periods</u></b>					
<b>Parent company</b>					
Interest income	13,254	16,883	31,809	20,200	With reference to the terms and prices as offered to other customers
Other income	771	180	1,543	360	With reference to the terms and prices as offered to other customers
Risk and financial management fee expenses, human resources management fee expenses and office administration fee expenses	422,500	425,000	845,000	850,000	Determined on actual costs in compliance with the criteria specified by the BOT
Interest expenses	531	649	1,064	1,254	With reference to the terms and prices as offered to other customers
Other expenses	2,992	2,830	5,983	5,339	With reference to the terms and prices as offered to other customers

(Unit: Thousand Baht)

	For the three-month		For the six-month		
	periods ended 30 June		periods ended 30 June		
	2025	2024	2025	2024	Terms and pricing policies
<b><u>Transactions occurred during</u></b>					
<b><u>the periods (continued)</u></b>					
<b>Related companies</b>					
Interest income	-	-	4	206	With reference to the terms and prices as offered to other customers
Insurance service income	12,969	12,258	25,714	24,588	With reference to the terms and prices as offered to other customers
Other income	21,490	12,851	64,534	25,192	With reference to the terms and prices as offered to other customers
Expenses involving loans	329,256	340,640	658,512	657,591	Determined on actual costs
Computer system advisory service expenses	170,750	173,000	341,500	346,000	Determined on actual costs in compliance with the criteria specified by the BOT
Training expenses	3,696	4,608	7,445	10,452	With reference to the prices as offered from other service providers
Interest expenses	3,380	4,195	5,825	7,213	With reference to the terms and prices as offered to other customers
Other expenses	10,022	10,115	19,342	20,569	With reference to the terms and prices as offered to other customers

**Directors' and key management's benefits**

During the three-month and six-month periods ended 30 June 2025 and 2024, the Bank had short-term benefit expenses and post-employment benefit expenses to its directors and key management as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2025	2024	2025	2024
Short-term benefits	30	29	59	56
Post-employment benefits	5	5	11	10
Total	35	34	70	66

The Bank has other employee benefit expenses to its directors and key management recognised in profit or loss during the six-month periods ended 30 June 2025 and 2024 amounting to Baht 10 million and Baht 11 million, respectively.

### **3.33 Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Chairman of the Executive Board.

For management purposes, the Bank is organised into business units based on its products and services and has the following three reportable segments:

1. Retail banking business: Provision of credit facilities to retail customers, who are mostly individuals, principally comprised of consumer credit.
2. Corporate banking business: Provision of financial services, in the form of loans and related services, to medium and large corporate clients for commercial purposes and related services.
3. Treasury investment and other businesses: Responsible for asset and liability management activities of the Bank and other businesses.

No operating segments have been aggregated from the above reportable operating segment.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets in which operating expenses are allocated on a basis of loans and operating income of each segment. However, the Bank's income taxes are managed on a group basis; therefore, income tax expenses are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Bank operates in Thailand only. As a result, all the revenues and assets as reflected in the financial statements pertain exclusively to this geographical reportable segment.

During the three-month and six-month periods ended 30 June 2025 and 2024, the Bank did not have income from any customers amounting to or over 10 percent of its income.

Revenue and profit information regarding the Bank's operating segments for the three-month and six-month periods ended 30 June 2025 and 2024 is as follows:

(Unit: Million Baht)

For the three-month period ended 30 June 2025						
	Retail banking	Corporate banking	Treasury investment and others	Total segments	Eliminations	Financial statements
<b>Revenue:</b>						
External customers	2,620	637	382	3,639	-	3,639
Inter-segment	-	-	785	785	(785)	-
<b>Total revenue</b>	<b>2,620</b>	<b>637</b>	<b>1,167</b>	<b>4,424</b>	<b>(785)</b>	<b>3,639</b>
<b>Operating results:</b>						
Net interest income	2,176	602	189	2,967	-	2,967
Net fee and service income	366	53	(6)	413	-	413
Other operating income	78	(18)	984	1,044	(785)	259
<b>Total operating income</b>	<b>2,620</b>	<b>637</b>	<b>1,167</b>	<b>4,424</b>	<b>(785)</b>	<b>3,639</b>
Premises and equipment expenses and amortisation	(57)	(11)	(233)	(301)	-	(301)
Other operating expenses	(1,611)	(254)	(556)	(2,421)	785	(1,636)
Expected credit loss	(401)	-	(14)	(415)	-	(415)
<b>Total operating expenses</b>	<b>(2,069)</b>	<b>(265)</b>	<b>(803)</b>	<b>(3,137)</b>	<b>785</b>	<b>(2,352)</b>
<b>Segment profit before income tax expenses</b>	<b>551</b>	<b>372</b>	<b>364</b>	<b>1,287</b>	<b>-</b>	<b>1,287</b>
Income tax expenses						(257)
<b>Profit for the period</b>						<b>1,030</b>

(Unit: Million Baht)

For the three-month period ended 30 June 2024

	Treasury					
	Retail banking	Corporate banking	investment and others	Total segments	Eliminations	Financial statements
<b>Revenue:</b>						
External customers	2,631	619	462	3,712	-	3,712
Inter-segment	-	-	834	834	(834)	-
<b>Total revenue</b>	<u>2,631</u>	<u>619</u>	<u>1,296</u>	<u>4,546</u>	<u>(834)</u>	<u>3,712</u>
<b>Operating results:</b>						
Net interest income	2,254	594	243	3,091	-	3,091
Net fee and service income	318	40	(6)	352	-	352
Other operating income	59	(15)	1,059	1,103	(834)	269
<b>Total operating income</b>	<u>2,631</u>	<u>619</u>	<u>1,296</u>	<u>4,546</u>	<u>(834)</u>	<u>3,712</u>
Premises and equipment expenses and amortisation	(58)	(10)	(239)	(307)	-	(307)
Other operating expenses	(1,684)	(253)	(600)	(2,537)	834	(1,703)
Expected credit loss	(853)	43	577	(233)	-	(233)
<b>Total operating expenses</b>	<u>(2,595)</u>	<u>(220)</u>	<u>(262)</u>	<u>(3,077)</u>	<u>834</u>	<u>(2,243)</u>
<b>Segment profit before income tax expenses</b>	<u>36</u>	<u>399</u>	<u>1,034</u>	<u>1,469</u>	<u>-</u>	<u>1,469</u>
Income tax expenses						(292)
<b>Profit for the period</b>						<u>1,177</u>

(Unit: Million Baht)

For the six-month period ended 30 June 2025

	Treasury					
	Retail banking	Corporate banking	investment and others	Total segments	Eliminations	Financial statements
<b>Revenue:</b>						
External customers	5,169	1,276	626	7,071	-	7,071
Inter-segment	-	-	1,572	1,572	(1,572)	-
<b>Total revenue</b>	<u>5,169</u>	<u>1,276</u>	<u>2,198</u>	<u>8,643</u>	<u>(1,572)</u>	<u>7,071</u>
<b>Operating results:</b>						
Net interest income	4,360	1,198	396	5,954	-	5,954
Net fee and service income	694	105	(12)	787	-	787
Other operating income	115	(27)	1,814	1,902	(1,572)	330
<b>Total operating income</b>	<u>5,169</u>	<u>1,276</u>	<u>2,198</u>	<u>8,643</u>	<u>(1,572)</u>	<u>7,071</u>
Premises and equipment expenses and amortisation	(115)	(22)	(461)	(598)	-	(598)
Other operating expenses	(3,226)	(508)	(1,121)	(4,855)	1,572	(3,283)
Expected credit loss	(1,258)	13	621	(624)	-	(624)
<b>Total operating expenses</b>	<u>(4,599)</u>	<u>(517)</u>	<u>(961)</u>	<u>(6,077)</u>	<u>1,572</u>	<u>(4,505)</u>
<b>Segment profit before income tax expenses</b>	<u>570</u>	<u>759</u>	<u>1,237</u>	<u>2,566</u>	<u>-</u>	<u>2,566</u>
Income tax expenses						(511)
<b>Profit for the period</b>						<u>2,055</u>



(Unit: Million Baht)

For the six-month period ended 30 June 2024

	Treasury					
	Retail banking	Corporate banking	investment and others	Total segments	Eliminations	Financial statements
<b>Revenue:</b>						
External customers	5,242	1,228	762	7,232	-	7,232
Inter-segment	-	-	1,653	1,653	(1,653)	-
<b>Total revenue</b>	<u>5,242</u>	<u>1,228</u>	<u>2,415</u>	<u>8,885</u>	<u>(1,653)</u>	<u>7,232</u>
<b>Operating results:</b>						
Net interest income	4,509	1,171	509	6,189	-	6,189
Net fee and service income	643	77	(12)	708	-	708
Other operating income	90	(20)	1,918	1,988	(1,653)	335
<b>Total operating income</b>	<u>5,242</u>	<u>1,228</u>	<u>2,415</u>	<u>8,885</u>	<u>(1,653)</u>	<u>7,232</u>
Premises and equipment expenses and amortisation	(115)	(20)	(473)	(608)	-	(608)
Other operating expenses	(3,315)	(503)	(1,189)	(5,007)	1,653	(3,354)
Expected credit loss	(1,463)	67	1,014	(382)	-	(382)
<b>Total operating expenses</b>	<u>(4,893)</u>	<u>(456)</u>	<u>(648)</u>	<u>(5,997)</u>	<u>1,653</u>	<u>(4,344)</u>
<b>Segment profit before income tax expenses</b>	<u>349</u>	<u>772</u>	<u>1,767</u>	<u>2,888</u>	<u>-</u>	<u>2,888</u>
Income tax expenses						(575)
<b>Profit for the period</b>						<u>2,313</u>

Total assets information regarding the Bank's operating segments as at 30 June 2025 and 31 December 2024 is as follows:

(Unit: Million Baht)

	As at 30 June 2025			
	Retail banking	Corporate banking	Treasury investment and others	Total segments
<b>Segment total assets</b>	154,369	65,031	51,464	270,864
Premises and equipment - net	11	2	731	744

(Unit: Million Baht)

	As at 31 December 2024			
	Retail banking	Corporate banking	Treasury investment and others	Total segments
<b>Segment total assets</b>	157,036	60,561	51,265	268,862
Premises and equipment - net	13	2	733	748

### 3.34 Provident fund

The Bank and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Bank and the employees contribute to the fund monthly at the rates of 5 to 15 percent of the employees' salaries, in accordance with the rules prescribed in the fund's articles. The fund, which is managed by TISCO Asset Management Co., Ltd, will be paid to the employees upon termination in accordance with the fund rules. During the three-month and six-month periods ended 30 June 2025, the Bank recognised contributions as expenses totalling Baht 49 million and Baht 98 million, respectively (2024: Baht 48 million and Baht 95 million, respectively).

### 3.35 Commitments and contingent liabilities

#### 3.35.1 Avals, guarantees and commitments

(Unit: Thousand Baht)		
	As at	
	30 June 2025	31 December 2024
Avals to bills	-	364,740
Other guarantees	2,380,246	2,846,525
Undrawn client overdraft facilities	255,000	255,000
Foreign exchange contracts (Note 3.36.4)	2,824,756	2,771,366
Others	6,398,966	7,937,389
Total	11,858,968	14,175,020

#### 3.35.2 Litigation

As at 30 June 2025 and 31 December 2024, the Bank has been sued for compensation totalling approximately Baht 183 million and Baht 190 million, respectively. Final judgements have not yet been reached in respect of these cases. The management of the Bank believes that no material loss will be incurred as a result of the mentioned lawsuits. The management has exercised judgements in assessing the possible loss to the Bank and recorded the amount under “Provisions” as presented in Note 3.19 to the financial statements.

#### 3.35.3 Other commitments

The Bank has commitments in relation to computer service agreements with a related party and other companies, whereby it is to pay both fixed fees and service fees which vary according to the quantity and type of services, as stipulated in the agreements.

### 3.36 Risk management

#### 3.36.1 Credit risk

Credit Risk is defined as the possibility that the obligor or borrower will be unable to comply with the terms and conditions of agreements, causing them to be unable to settle liabilities to the Bank when due or to deliberately breach the terms of payment to the Bank. If this occurs without collateral coverage, the Bank will need to increase its bad debt provisions, adversely impacting the net income and capital of the Bank.

## **Credit Risk Management Framework**

The Risk Management Committee has been appointed to oversee credit risk management of the overall portfolio. The committee is responsible for formulating credit risk strategies and establishing guidelines and limits, as well as advising other credit risk authorities on related issues. It also monitors and reviews credit risks at the portfolio level and reports essential credit risk information to the Board. In addition, the Risk Oversight Committee is to advise the Board of Directors on the risk governance framework to ensure that top management and heads of risk management functions comply with the approved risk management policy, strategies, and risk appetites, while reviewing the sufficiency and effectiveness of the overall risk management policy and strategies. The Risk Oversight Committee is also to report to the Board of Directors on risk exposures and to participate in evaluation of the performance of the heads of the risk management functions.

Specific-area credit risk at in-depth transaction level is under the supervision of the Credit Committee and the Problem Loan Committee. The Credit Committee is responsible for reviewing and granting credit approvals, and may delegate its authority to oversee credit risk to designated persons for lower-risk transactions. In addition, the Problem Loan Committee was set up to closely monitor and follow up on overdue payments of problem loan accounts and properties foreclosed.

The credit risk assessment processes are key practices of the Bank which include credit rating, delinquency analysis, concentration analysis and risk capital analysis. The Bank is aware of the importance of the credit risk assessment process and so all credit activities must operate under a sound credit approval process in which an effective credit rating system is employed. In the retail lending area, quantitative-oriented approaches to credit grading are implemented, considering homogenous high-volume characteristics at the portfolio level. In the corporate lending area, qualitative-oriented credit grading approaches are employed, taking into account the widely varying risk profiles.

Concentration risk is another key factor in credit portfolio risk management. Appropriate guidelines are set to control credit concentration, taking into account appropriateness to and alignment with business practices and the Bank's capital. In addition, the Bank uses credit risk management guidelines and limits that are comprehensively and strictly applied to all credit-related functions both at the portfolio and transactional levels, as well as monitoring and managing problem loan and properties foreclosed.

## The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown at gross before both the effect of mitigation through use of master netting and collateral arrangements.

For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their gross carrying amount before deductions of allowance for expected credit loss.

For loan commitments that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

As at 30 June 2025 and 31 December 2024, the exposure to credit risk is as follows:

	(Unit: Million Baht)	
	As at	
	30 June 2025	31 December 2024
Interbank and money market items (Assets)	36,094	38,092
Investments in debt instruments measured at		
fair value through other comprehensive income	5,394	4,075
Investments in debt instruments measured at amortised cost	9	9
Loans to customers and accrued interest receivables	231,923	229,510
Other assets - accrued interest receivables on investments	6	7
Other assets - fee and service receivables	129	113
Other assets - other receivables	339	238
Total financial assets	273,894	272,044
Loan commitments	6,654	8,565
Total credit risk exposure	280,548	280,609

## Collateral and any operations to increase creditability

The Bank has held collateral and any operations to increase creditability of exposure to risk. The details of the exposure to risk with collateral held by the Bank for each type of financial assets are as follows:

(Unit: Million Baht)			
	Exposure to risk with collateral		
	as at		Type of collateral
	30 June	31 December	
	2025	2024	
Interbank and money market items	34,307	36,214	Bonds
Loans to customers and accrued interest receivables	226,100	223,363	Motor vehicles, land and buildings, deposits, securities

## Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before allowance for expected credit loss). For loan commitments, the amounts in the table represent the amounts committed.

(Unit: Million Baht)

	As at 30 June 2025				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
<b>Interbank and money market items</b>					
<b>(Assets)</b>					
Investment grade	36,094	-	-	-	36,094
Non-investment grade	-	-	-	-	-
Total	36,094	-	-	-	36,094
Allowance for expected credit loss	1	-	-	-	1
<b>Investments in debt instruments measured at fair value through other comprehensive income</b>					
Investment grade	5,368	-	-	-	5,368
Non-investment grade	-	-	26	-	26
Total	5,368	-	26	-	5,394
Allowance for expected credit loss	-	-	21	-	21
<b>Investments in debt instruments measured at amortised cost</b>					
Investment grade	-	-	-	-	-
Non-investment grade	-	-	9	-	9
Total	-	-	9	-	9
Allowance for expected credit loss	-	-	9	-	9

(Unit: Million Baht)

As at 30 June 2025

	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
<b>Loans to customers and accrued interest receivables</b>					
0 day overdue	197,978	4,165	516	-	202,659
1 - 30 days overdue	10,752	2,275	330	-	13,357
31 - 60 days overdue	-	8,284	265	-	8,549
61 - 90 days overdue	-	3,465	170	-	3,635
Over 90 days overdue	-	-	3,723	-	3,723
Total	208,730	18,189	5,004	-	231,923
Allowance for expected credit loss	2,855	2,791	2,034	-	7,680
<b>Other assets - accrued interest receivables on investments</b>					
Investment grade	6	-	-	-	6
Non-investment grade	-	-	-	-	-
Total	6	-	-	-	6
Allowance for expected credit loss	-	-	-	-	-
<b>Other assets - fee and service receivables</b>					
0 day overdue	-	-	-	129	129
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	129	129
Allowance for expected credit loss	-	-	-	-	-
<b>Other assets - other receivables</b>					
0 day overdue	-	-	-	331	331
1 - 30 days overdue	-	-	-	1	1
31 - 90 days overdue	-	-	-	1	1
91 - 180 days overdue	-	-	-	1	1
Over 180 days overdue	-	-	-	5	5
Total	-	-	-	339	339
Allowance for expected credit loss	-	-	-	5	5
<b>Commitments</b>					
Loan commitments and financial guarantees	6,653	1	-	-	6,654
Total	6,653	1	-	-	6,654
Allowance for expected credit loss	28	-	-	-	28

(Unit: Million Baht)

As at 30 June 2025

Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
--	---	--	---	-------

(Unit: Million Baht)

As at 31 December 2024

Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
--	---	--	---	-------

**Interbank and money market items****(Assets)**

Investment grade	38,092	-	-	-	38,092
Non-investment grade	-	-	-	-	-
Total	38,092	-	-	-	38,092
Allowance for expected credit loss	1	-	-	-	1

**Investments in debt instruments  
measured at fair value through  
other comprehensive income**

Investment grade	4,052	-	-	-	4,052
Non-investment grade	-	-	23	-	23
Total	4,052	-	23	-	4,075
Allowance for expected credit loss	-	-	21	-	21

**Investments in debt instruments  
measured at amortised cost**

Investment grade	-	-	-	-	-
Non-investment grade	-	-	9	-	9
Total	-	-	9	-	9
Allowance for expected credit loss	-	-	9	-	9

**Loans to customers and accrued  
interest receivables**

0 day overdue	195,554	1,565	229	-	197,348
1 - 30 days overdue	11,211	2,477	139	-	13,827
31 - 60 days overdue	-	9,739	170	-	9,909
61 - 90 days overdue	-	4,134	187	-	4,321
Over 90 days overdue	-	-	4,105	-	4,105
Total	206,765	17,915	4,830	-	229,510



(Unit: Million Baht)

	As at 30 June 2025				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Allowance for expected credit loss	3,176	2,557	1,732	-	7,465

(Unit: Million Baht)

As at 31 December 2024

	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
<b>Other assets - accrued interest receivables on investments</b>					
Investment grade	7	-	-	-	7
Non-investment grade	-	-	-	-	-
Total	7	-	-	-	7
Allowance for expected credit loss	-	-	-	-	-
<b>Other assets - fee and service receivables</b>					
0 day overdue	-	-	-	113	113
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	113	113
Allowance for expected credit loss	-	-	-	-	-
<b>Other assets - other receivables</b>					
0 day overdue	-	-	-	232	232
1 - 30 days overdue	-	-	-	-	-
31 - 90 days overdue	-	-	-	1	1
91 - 180 days overdue	-	-	-	1	1
Over 180 days overdue	-	-	-	4	4
Total	-	-	-	238	238
Allowance for expected credit loss	-	-	-	4	4
<b>Commitments</b>					
Loan commitments and financial guarantees	8,563	2	-	-	8,565
Total	8,563	2	-	-	8,565
Allowance for expected credit loss	62	-	-	-	62

The Bank has centralised its risk management function under the regulatory guidelines for consolidated supervision issued by the BOT. The Bank manages credit risk by adopting appropriate credit control policies and procedures in the credit approval process, and by analysis of risk factors and the ability of customers to service debt. For hire purchase receivables and other retail loans, the Bank has implemented a credit scoring system, in order to enhance efficiency in the credit approval process and better reflect the credit risk. The Bank also adopted a credit review process that examines and reviews the quality of loans so as to prevent and provide a remedy for problem loans in the future. Therefore, the Bank does not expect to incur material financial loss from loans and guarantees of loans. In addition, the Bank is not exposed to concentrations of credit risk because it has a varied customer base and a large number of customers. The maximum exposure to credit risk is limited to the carrying amount of loans to customers as stated in the financial statements.

Quality of risk from credit granted by the Bank is mainly from the provision of hire purchase receivables. The Bank considers risk of hire purchase receivables as follows.

The risk of hire purchase receivables with no significant increase in credit risk can be classified into three groups, based on quality of risk in respect of expected loss that will be incurred within one year. These are “Very high grade”, “High grade” and “Medium grade”, with “Very high grade” credit defined as credit from which expected loss within one year is less than or equal to 0.2% of the balance; “High grade” as credit from which loss within one year is expected to be between 0.2% and 2.0% and “Medium grade” as credit from which loss within one year is expected to exceed 2.0% of the balance.

Credit risk of hire purchase receivables classified by quality of credit is as follows:

	(Unit: Million Baht)	
	As at	
	30 June 2025	31 December 2024
Hire purchase receivables with no significant increase in credit risk		
Very high grade	42,109	43,661
High grade	35,134	35,101
Medium grade	8,404	6,608
Subtotal	85,647	85,370
Hire purchase receivables with significant increase in credit risk	8,197	9,051
Hire purchase receivables that are credit-impaired	2,312	2,294
Total	96,156	96,715

### 3.36.2 Market risk

Market risk is defined as the degree of vulnerability to movements in securities market prices and interest rates, which may affect income or the capital funds of the Bank. In order to effectively manage market risk, a suitable risk treatment framework is to be implemented. Market risk of both financial assets and liabilities of the Bank is assessed by employing the Value at Risk (VaR) model and methodologies appropriate to the nature of risks involved. On-going Back-testing is also performed to validate the internal Value at Risk model, and stress testing is performed under various extreme scenarios as a supplement to VaR. The risk assessment and corresponding risk treatment takes into account the transaction intent as well as the market liquidity of the securities.

#### 3.36.2.1 Market risk - Marketable portfolio

The following table shows the VaR calculation for marketable portfolio position as at the financial statements date. The VaR that the Bank measures is an estimate, using a confidence level of 99%, of the potential loss that is not expected to be exceeded if the current marketable portfolio position were to be held unchanged for one year.

(Unit: Million Baht)

	Market risk as at	
	30 June 2025	31 December 2024
Marketable financial assets		
Equity securities	1	1
Debt securities	8	7

#### 3.36.2.2 Market risk sensitivity - Interest bearing assets and liabilities

The market risk sensitivity of interest bearing assets and liabilities is measured by assessing the effect of changes in interest rates on the net interest income over one year, based on the interest bearing asset and liability positions held by the Bank at the financial statements date. In making such assessment, changes in interest rates are applied prospectively and normal increases in assets and liabilities are not taken into account as presented below.

(Unit: Million Baht)

	Increase (decrease) in sensitivity of net interest income as at	
	30 June 2025	31 December 2024
Changes in interest rate		
Increase by 1 percent	1.75	(152.55)
Decrease by 1 percent	(1.75)	152.55

However, to better reflect a realistic business environment, the sensitivity to interest rate risk is adjusted taking into account that business growth and interest rate shift are actually gradual. The net interest rate sensitivity incurred would be less than the effect on net interest income as illustrated in the analysis. In addition, this market risk sensitivity of interest bearing assets and liabilities does not include the status of marketable debt securities, which is presented in the market risk - marketable portfolio.

### 3.36.2.3 Interest rate risk

The Bank has the following significant exposures to interest rate risk related to financial instruments which are classified below by the periods from the financial statements date to the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 30 June 2025						
Transactions	Repricing or maturity date					Total
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Non-interest bearing	
<b><u>Financial assets</u></b>						
Cash	-	-	-	-	885	885
Interbank and money market items	34,309	-	-	-	1,785	36,094
Financial assets measured at fair value through profit or loss	-	-	-	-	1,435	1,435
Derivatives assets	-	-	-	-	78	78
Investments	301	836	27	-	4,230	5,394
Loans to customers	83,153	9,286	121,651	17,833	-	231,923
Other assets - accrued interest receivables on investments	-	-	-	-	6	6
Other assets - fee and service receivables	-	-	-	-	129	129
Other assets - other receivables	-	-	-	-	339	339
	<u>117,763</u>	<u>10,122</u>	<u>121,678</u>	<u>17,833</u>	<u>8,887</u>	<u>276,283</u>
<b><u>Financial liabilities</u></b>						
Deposits	103,813	106,242	428	-	702	211,185
Interbank and money market items	492	2,094	6,717	-	977	10,280
Liabilities payable on demand	-	-	-	-	210	210
Debts issued and borrowings	36	-	-	2,950	-	2,986
Lease liabilities	1	18	253	77	-	349
Accrued interest payable	-	-	-	-	1,176	1,176
Other liabilities - accrued insurance premium	-	-	-	-	175	175
	<u>104,342</u>	<u>108,354</u>	<u>7,398</u>	<u>3,027</u>	<u>3,240</u>	<u>226,361</u>

(Unit: Million Baht)

As at 31 December 2024						
Transactions	Repricing or maturity date					Total
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Non-interest bearing	
<b><u>Financial assets</u></b>						
Cash	-	-	-	-	901	901
Interbank and money market items	36,241	-	-	-	1,851	38,092
Financial assets measured at fair value through profit or loss	-	-	-	-	1,294	1,294
Derivatives assets	-	-	-	-	56	56
Investments	-	2,654	24	-	1,397	4,075
Loans to customers	80,335	7,467	122,556	19,152	-	229,510
Other assets - accrued interest receivables on investments	-	-	-	-	7	7
Other assets - fee and service receivables	-	-	-	-	113	113
Other assets - other receivables	-	-	-	-	238	238
	<u>116,576</u>	<u>10,121</u>	<u>122,580</u>	<u>19,152</u>	<u>5,857</u>	<u>274,286</u>
<b><u>Financial liabilities</u></b>						
Deposits	116,045	90,959	392	-	834	208,230
Interbank and money market items	526	34	8,612	-	684	9,856
Liabilities payable on demand	-	-	-	-	239	239
Debts issued and borrowings	136	-	-	2,640	-	2,776
Lease liabilities	1	15	294	91	-	401
Accrued interest payable	-	-	-	-	1,726	1,726
Other liabilities - accrued insurance premium	-	-	-	-	166	166
	<u>116,708</u>	<u>91,008</u>	<u>9,298</u>	<u>2,731</u>	<u>3,649</u>	<u>223,394</u>

### 3.36.3 Liquidity risk

Liquidity risk is uncertainty that the Bank is unable to meet repayment obligations when they fall due. This could arise from a failure in asset conversion or to raise adequate fund for timely fulfillment of obligations, which could result in damages to the Bank. Liquidity risk may result from both internal and external factors. Internal factors hinge on liquidity reserve and a structure of assets and liabilities. Meanwhile, external factors are mainly driven by market liquidity and confidence of depositors.

#### Liquidity risk management framework

The overall liquidity risk management is overseen by the Risk Management Committee. Treasury function will be responsible for ensuring that daily liquidity position complies with the risk management policy of the Bank and regulatory requirement. On the other hand, the Risk Management function will monitor and control liquidity risk based on the prescribed risk limits.

The key liquidity risk management policies involve the management of cash flow maturity profiles, deposit concentrations, liquidity reserve assets and emergency contingency plan. Liquidity risk strategies will take into account market liquidity and how unexpected changes would affect the Bank's risks. A manageable level of maturity mismatches of cash flows from assets and liabilities will then be consistently maintained and regularly monitored, together with the level of liquidity reserve assets. The procurement and concentration of funding sources will be well-planned to optimise risk and return. Contingency procedures for liquidity management in the times of unexpected financial crisis must be established and made ready for timely activation. In addition to the liquidity risk measurement, the Bank sets the limit of loan to total borrowing ratio and liquidity reserve asset level. The position of liquidity risk is monitored daily and reported to the management and other relevant functions.

The Bank has set stress testing scenarios for liquidity risk where the scenarios cover the Bank's specific scenarios and industry-based scenarios, which cause unusual cash outflow from the Bank.

The main sources of fund came from deposits. In the past, there was high rollover rate for matured deposits. Besides, the Bank also issues debentures as another source of fund. On the uses of fund, the majority of fund is used in lending business while a proportion of fund is maintained as liquidity reserve assets to cushion against liquidity risk. Moreover, the Bank provides credit line to other companies under TISCO Group to support liquidity position if required.

The matured liabilities are generally rolled-over with 90 percent average rollover rate. By taking into account high rollover rate, the cash outflow at maturity will be lower than those

presented by contractual maturity. On the other hand, the liabilities with remaining maturity of less than three months comprise current deposits and saving deposits. Both current deposits and saving deposits are considered to be more stable than term deposits in terms of cash outflow.

### 3.36.3.1 Volume and composition of highly liquid assets and internal ratio

	(Unit: Million Baht)	
	As at	
	30 June 2025	31 December 2024
Composition of highly liquid assets		
Cash	885	901
Interbank and money market items	36,094	38,092
Current investments	5,371	4,057
Total highly liquid assets	42,350	43,050
Liquid asset requirement according to the LCR criteria	28,867	29,002

The Bank has a policy to maintain the highly liquid assets higher than the liquid asset requirement according to the Liquidity Coverage Ratio criteria. As at 30 June 2025 and 31 December 2024, the Bank has highly liquid assets higher than the liquid asset requirement according to the Liquidity Coverage Ratio criteria. In addition, the Bank has operating cash inflows from business, and available credit lines from other financial institutions which are available to support uncertain liquidity requirement.

### 3.36.3.2 Counting from the financial statements date, as at 30 June 2025 and 31 December 2024, the periods to the maturity dates of financial instruments are as follows:

Transactions	As at 30 June 2025							Financial assets that are credit-impaired	Total
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified			
<b>Financial assets</b>									
Cash	885	-	-	-	-	-	-	-	885
Interbank and money market items	1,787	34,307	-	-	-	-	-	-	36,094
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,435	-	-	1,435
Derivatives assets	-	31	47	-	-	-	-	-	78
Investments	-	1,094	4,273	1	-	-	26	-	5,394
Loans to customers	5,764	12,937	40,163	116,207	51,848	-	5,004	-	231,923
Other assets - accrued interest receivables on investments	-	4	2	-	-	-	-	-	6
Other assets - fee and service receivables	-	129	-	-	-	-	-	-	129
Other assets - other receivables	8	311	-	6	-	14	-	-	339
	8,444	48,813	44,485	116,214	51,848	1,449	5,030	-	276,283



(Unit: Million Baht)

As at 30 June 2025

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit- impaired	Total
<b><u>Financial liabilities</u></b>								
Deposits	30,262	74,253	106,242	428	-	-	-	211,185
Interbank and money market items	1,342	127	2,094	6,717	-	-	-	10,280
Liabilities payable on demand	210	-	-	-	-	-	-	210
Debts issued and borrowings	36	-	-	-	2,950	-	-	2,986
Lease liabilities	-	27	112	169	41	-	-	349
Accrued interest payable	16	618	537	5	-	-	-	1,176
Other liabilities - accrued insurance premium	-	175	-	-	-	-	-	175
	<u>31,866</u>	<u>75,200</u>	<u>108,985</u>	<u>7,319</u>	<u>2,991</u>	<u>-</u>	<u>-</u>	<u>226,361</u>

**Commitments and contingent****liabilities**

Avals to bills and other guarantees	-	15	35	9	-	2,321	-	2,380
Other commitments	1,223	1,465	1,691	3,004	2,096	-	-	9,479

(Unit: Million Baht)

As at 31 December 2024

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit- impaired	Total
<b><u>Financial assets</u></b>								
Cash	901	-	-	-	-	-	-	901
Interbank and money market items	1,878	36,214	-	-	-	-	-	38,092
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,294	-	1,294
Derivatives assets	-	56	-	-	-	-	-	56
Investments	-	119	3,932	1	-	-	23	4,075
Loans to customers	6,156	13,724	39,068	115,843	49,889	-	4,830	229,510
Other assets - accrued interest receivables on investments	-	5	2	-	-	-	-	7
Other assets - fee and service receivables	-	113	-	-	-	-	-	113
Other assets - other receivables	6	212	-	6	-	14	-	238
	<u>8,941</u>	<u>50,443</u>	<u>43,002</u>	<u>115,850</u>	<u>49,889</u>	<u>1,308</u>	<u>4,853</u>	<u>274,286</u>

(Unit: Million Baht)

As at 31 December 2024								
Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
<b>Financial liabilities</b>								
Deposits	30,579	86,300	90,959	392	-	-	-	208,230
Interbank and money market items	1,168	42	34	8,612	-	-	-	9,856
Liabilities payable on demand	239	-	-	-	-	-	-	239
Debts issued and borrowings	36	100	-	-	2,640	-	-	2,776
Lease liabilities	-	27	113	215	46	-	-	401
Accrued interest payable	18	994	707	7	-	-	-	1,726
Other liabilities - accrued insurance premium	-	166	-	-	-	-	-	166
	<u>32,040</u>	<u>87,629</u>	<u>91,813</u>	<u>9,226</u>	<u>2,686</u>	<u>-</u>	<u>-</u>	<u>223,394</u>

**Commitments and contingent****liabilities**

Avals to bills and other guarantees	10	377	41	14	-	2,769	-	3,211
Other commitments	1,114	161	2,992	3,472	3,225	-	-	10,964

Regarding the disclosure of the Bank's Liquidity Coverage Ratio as at 30 June 2025, it will be disclosed via the Bank's website by October 2025.

**3.36.4 Derivatives**

As at 30 June 2025 and 31 December 2024, the Bank has a policy to enter into foreign exchange contracts to manage the risk associated with its financial assets. The Bank classified them as trading derivatives and measured them at fair value through profit or loss, as follows:

(Unit: Million Baht)

As at 30 June 2025		
Maturity	Notional amount	Gain on measurement of fair value
Year 2025 - 2026	2,825	78

(Unit: Million Baht)

As at 31 December 2024		
Maturity	Notional amount	Gain on measurement of fair value
Year 2025	2,771	56

### 3.37 Fair value hierarchy

**3.37.1** As at 30 June 2025 and 31 December 2024, the Bank has assets and liabilities that are measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 30 June 2025				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at fair value</u></b>					
Financial assets measured at fair value through profit or loss					
Equity instruments	1,435	3	-	1,432	1,435
Derivatives assets					
Foreign exchange contracts	78	-	78	-	78
Investments - debt instruments	5,394	-	5,368	26	5,394
<b><u>Assets measured at fair value</u></b>					
Investment properties	51	-	-	51	51
Office condominiums	619	-	-	619	619
<b><u>Financial assets for which fair value is disclosed</u></b>					
Cash	885	885	-	-	885
Interbank and money market items	36,093	1,786	34,307	-	36,093
Loans to customers and accrued interest receivables	224,243	-	90,684	132,862	223,546
Other assets - accrued interest receivables on investments	6	-	6	-	6
Other assets - fee and service receivables	129	-	129	-	129
Other assets - other receivables	334	-	334	-	334
<b><u>Financial liabilities for which fair value is disclosed</u></b>					
Deposits	211,185	29,876	181,309	-	211,185
Interbank and money market items	10,280	1,343	8,937	-	10,280
Liabilities payable on demand	210	210	-	-	210
Debts issued and borrowings	2,986	-	2,807	-	2,807
Accrued interest payable	1,176	3	1,173	-	1,176
Other liabilities - accrued insurance premium	175	-	175	-	175

(Unit: Million Baht)

	As at 31 December 2024				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
<b><u>Financial assets measured at fair value</u></b>					
Financial assets measured at fair value through profit or loss					
Equity instruments	1,294	4	-	1,290	1,294
Derivatives assets					
Foreign exchange contracts	56	-	56	-	56
Investments - debt instruments	4,075	-	4,052	23	4,075
<b><u>Assets measured at fair value</u></b>					
Investment properties	51	-	-	51	51
Office condominiums	623	-	-	623	623
<b><u>Financial assets for which fair value is disclosed</u></b>					
Cash	901	901	-	-	901
Interbank and money market items	38,091	1,877	36,214	-	38,091
Loans to customers and accrued interest receivables	222,045	-	85,247	136,611	221,858
Other assets - accrued interest receivables on investments	7	-	7	-	7
Other assets - fee and service receivables	113	-	113	-	113
Other assets - other receivables	234	-	234	-	234
<b><u>Financial liabilities for which fair value is disclosed</u></b>					
Deposits	208,230	30,209	178,021	-	208,230
Interbank and money market items	9,856	1,168	8,688	-	9,856
Liabilities payable on demand	239	239	-	-	239
Debts issued and borrowings	2,776	-	2,541	-	2,541
Accrued interest payable	1,726	3	1,723	-	1,726
Other liabilities - accrued insurance premium	166	-	166	-	166

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

**3.37.2** A reconciliation of the financial assets measured at fair value on a recurring basis which are categorised within level 3 of the fair value hierarchy is presented as follows:

(Unit: Million Baht)

	Non-marketable equity instruments	Investments - private sector debt instruments	Total
Balance as at 1 January 2025	1,290	23	1,313
Net gain recognised in profit or loss	142	-	142
Net gain recognised in other comprehensive income	-	3	3
Balance as at 30 June 2025	1,432	26	1,458

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investments in non-marketable equity instruments	Discounted future cash flows	Terminal growth rate	0%	1% increase in the terminal growth rate would result in an increase in fair value by Baht 155 million.
		Equity risk premium	9.80%, 10.30%	1% increase in the equity risk premium would result in a decrease in fair value by Baht 97 million.
	Relative Valuation - Price per Earning	WACC	4.77%	1% increase in the WACC would result in a decrease in fair value by Baht 0.1 million.

Fair value of investments in private sector debt instruments is wholly determined using yield rates quoted by the Thai Bond Market Association. However, as they are investments in companies with weak financial positions and poor operating results, they are categorised within level 3, and sensitivity of the input to fair value has not been calculated.

#### 4. Dividend payment

	Approved by	Dividend per share		Amounts of	Dividend
		Preference	Ordinary	dividend paid	payment period
		share	share	(Million Baht)	
		(Baht per share)	(Baht per share)		
Annual dividend for the year 2023	The 2024 Annual General Meeting of the Shareholders on 18 April 2024	0.75	0.75	691	May 2024
Interim dividend for the year 2024	The 3/2024 Meeting of the Board of Directors on 20 June 2024	1.23	1.23	1,134	July 2024
Total dividend payment in the year 2024				<u>1,825</u>	
Annual dividend for the year 2024	The 2025 Annual General Meeting of the Shareholders on 18 April 2025	1.02	1.02	939	May 2025
Interim dividend for the year 2025	The 3/2025 Meeting of the Board of Directors on 25 June 2025	1.10	1.10	1,014	July 2025
Total dividend payment in the year 2025				<u>1,953</u>	

#### 5. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 28 August 2025.