TISCO Bank Public Company Limited
Report and financial statements
30 June 2026

Independent Auditor's Report

To the Shareholders of TISCO Bank Public Company Limited

Audit Report on the Financial Statements

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 2026, 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 2026, 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), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Thailand. I have also 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 also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

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Review Report on the Interim Financial Information

I have reviewed the accompanying statements of comprehensive income for the three-month period ended 30 June 2026 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 the standards as applicable to auditing issued by the Federation of Accounting Professions 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

Saranya Pludsri
Certified Public Accountant (Thailand) No. 6768

EY Office Limited
Bangkok: 25 August 2026

TISCO Bank Public Company Limited

Statement of financial position

As at 30 June 2026

(Unit: Thousand Baht)

	Note	30 June 2026	31 December 2025
Assets			
Cash		820,529	818,057
Interbank and money market items - net	*3.2, 3.8*	38,038,602	38,669,646
Financial assets measured at fair value through profit or loss	*3.3*	1,445,764	1,444,544
Derivatives assets	*3.4*	28	91,174
Investments - net	*3.5, 3.8*	6,649,723	6,929,890
Loans to customers and accrued interest receivables	*3.6, 3.8*		
Loans to customers		239,448,189	237,747,993
Accrued interest receivables and undue interest income		1,766,288	1,782,935
Total loans to customers and accrued interest receivables		241,214,477	239,530,928
Less: Deferred revenue		(10,451,475)	(10,296,491)
Less: Allowance for expected credit loss	*3.7*	(8,355,614)	(8,081,873)
Total loans to customers and accrued interest receivables - net		222,407,388	221,152,564
Properties foreclosed - net	*3.9*	1,543,647	1,273,103
Investment properties	*3.10*	50,885	50,885
Premises and equipment - net	*3.11*	737,945	738,057
Right-of-use assets - net	*3.12*	285,575	312,314
Intangible assets - net	*3.13*	10,359	12,954
Deferred tax assets	*3.30*	233,887	256,223
Other assets	*3.14*	1,566,435	1,458,415
Total assets		273,790,767	273,207,826

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 2026

(Unit: Thousand Baht)

	Note	30 June 2026	31 December 2025
Liabilities and equity			
Liabilities			
Deposits	*3.15*	216,237,657	213,119,187
Interbank and money market items	*3.16*	7,614,825	10,156,306
Liabilities payable on demand		393,119	222,901
Derivatives liabilities	*3.4*	130,766	-
Debts issued and borrowings	*3.17*	3,618,768	2,918,768
Lease liabilities	*3.18*	286,664	315,427
Provisions	*3.19*	1,297,711	1,343,616
Accrued interest payable		747,384	1,333,487
Income tax payable		427,479	331,702
Dividend payable	*4*	986,077	1,566,665
Other liabilities	*3.20*	4,908,911	5,078,561
Total liabilities		236,649,361	236,386,620

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 2026

(Unit: Thousand Baht)

	Note	30 June 2026	31 December 2025
Equity			
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
		9,215,677	9,215,677
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
		9,215,677	9,215,677
Share premium on ordinary shares		2,543,024	2,543,024
Other components of equity	*3.23*	362,092	359,803
Retained earnings			
Appropriated - statutory reserve		984,000	984,000
Unappropriated		24,036,613	23,718,702
Total equity		37,141,406	36,821,206
Total liabilities and equity		273,790,767	273,207,826

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

Mr. Sakchai Peechapat
(Chairman of the Executive Board)

TISCO
ธนาคารทิสโก้ จำกัด (มหาชน)
TISCO Bank Public Company Limited

Mr. Metha Pingsuthiwong
(President)

(Unaudited but reviewed)

TISCO Bank Public Company Limited

Statement of comprehensive income

For the three-month period ended 30 June 2026

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

	Note	2026	2025
Profit or loss:			
Interest income	*3.24*	3,980,139	4,181,286
Interest expenses	*3.25*	(875,363)	(1,214,533)
Net interest income		3,104,776	2,966,753
Fee and service income		516,510	436,252
Fee and service expenses		(17,380)	(23,347)
Net fee and service income	*3.26*	499,130	412,905
Net gain on financial instruments measured at			
fair value through profit or loss	*3.27*	381	132,977
Net gain on investments	*3.28*	1,474	1,960
Penalty fee income from loans		15,375	18,645
Other operating income		67,488	106,108
Total operating income		3,688,624	3,639,348
Operating expenses			
Employee expenses		692,725	606,506
Premises and equipment expenses		295,115	298,579
Taxes and duties		88,442	92,422
Intercompany supporting fee expenses	*3.32*	735,396	771,218
Other operating expenses		186,410	168,448
Total operating expenses		1,998,088	1,937,173
Expected credit loss	*3.29*	409,351	415,091
Profit from operations before income tax expenses		1,281,185	1,287,084
Income tax expenses	*3.30*	254,408	257,223
Profit for the period		1,026,777	1,029,861

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 2026

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

	Note	2026	2025
Other comprehensive income:			
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods			
Gain on valuation of investments in debt instruments			
measured at fair value through other comprehensive income	*3.23*	6,736	5,870
Income tax effects	*3.30*	(1,347)	(1,174)
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods - net of income tax		5,389	4,696
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods			
Actuarial gain (loss)		80,953	(91,008)
Income tax effects	*3.30*	(16,190)	18,202
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods - net of income tax (loss)		64,763	(72,806)
Other comprehensive income for the period (loss)		70,152	(68,110)
Total comprehensive income for the period		1,096,929	961,751
Earnings per share			
Basic earnings per share (Baht per share)	*3.31*	1.11	1.12

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 2026

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

	Note	2026	2025
Profit or loss:			
Interest income	*3.24*	7,982,153	8,390,220
Interest expenses	*3.25*	(1,834,894)	(2,436,204)
Net interest income		6,147,259	5,954,016
Fee and service income		1,065,122	834,492
Fee and service expenses		(38,414)	(47,477)
Net fee and service income	*3.26*	1,026,708	787,015
Net gain (loss) on financial instruments measured at			
fair value through profit or loss	*3.27*	(23,199)	124,475
Net gain on investments	*3.28*	3,672	3,099
Penalty fee income from loans		73,729	44,532
Other operating income		211,678	158,023
Total operating income		7,439,847	7,071,160
Operating expenses			
Employee expenses		1,330,921	1,245,358
Premises and equipment expenses		581,322	594,052
Taxes and duties		176,958	186,234
Intercompany supporting fee expenses	*3.32*	1,469,686	1,542,716
Other operating expenses		326,540	311,755
Total operating expenses		3,885,427	3,880,115
Expected credit loss	*3.29*	1,036,692	624,460
Profit from operations before income tax expenses		2,517,728	2,566,585
Income tax expenses	*3.30*	496,704	511,208
Profit for the period		2,021,024	2,055,377

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 2026

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

	Note	2026	2025
Other comprehensive income:			
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods			
Gain on valuation of investments in debt instruments			
measured at fair value through other comprehensive income	*3.23*	4,394	10,633
Income tax effects	*3.30*	(878)	(2,127)
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods - net of income tax		3,516	8,506
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods			
Actuarial gain (loss)		80,953	(91,008)
Income tax effects	*3.30*	(16,190)	18,202
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods - net of income tax (loss)		64,763	(72,806)
Other comprehensive income for the period (loss)		68,279	(64,300)
Total comprehensive income for the period		2,089,303	1,991,077
Earnings per share			
Basic earnings per share (Baht per share)	*3.31*	2.19	2.23

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 2026

(Unit: Thousand Baht)

	2026	2025
Cash flows from operating activities		
Profit from operations before income tax	2,517,728	2,566,585
Adjustments to reconcile profit from operations before income tax		
to net cash provided by (paid from) operating activities		
Depreciation and amortisation	105,022	109,339
Expected credit loss	1,952,233	1,492,136
Reversal of other provisions	-	(42,453)
Allowance for impairment of properties foreclosed	-	21
Gain on disposal of investments in securities	(9,594)	(2,672)
Unrealised loss on foreign exchange transactions		
and trading derivatives	64,364	98,101
Gain on financial instruments measured at		
fair value through profit or loss	(4,754)	(141,062)
Gain on disposal of properties foreclosed	(4,342)	(4,012)
Gain on disposal/write-off of equipment, vehicles		
and intangible assets	(982)	(512)
Employee benefit expenses	24,620	65,760
(Increase) decrease in accrued income	3,836	(15,553)
Increase in accrued expenses	50,115	170,797
Net interest income	(6,147,259)	(5,954,016)
Dividend income	(62,909)	(34,708)
Cash received on interest income	7,987,166	8,294,672
Cash paid on interest expenses	(1,923,043)	(2,491,230)
Cash received on dividend income	62,889	34,688
Cash paid on income tax	(395,354)	(451,668)
Profit from operating activities before changes in		
operating assets and liabilities	4,219,736	3,694,213

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 2026

(Unit: Thousand Baht)

	2026	2025
Operating assets (increase) decrease		
Interbank and money market items	627,299	1,991,012
Loans to customers	(3,091,506)	(3,808,440)
Properties foreclosed	(270,544)	5,540
Other assets	(108,098)	(412,495)
Operating liabilities increase (decrease)		
Deposits	3,118,470	2,954,216
Interbank and money market items	(2,541,481)	423,895
Liabilities payable on demand	170,218	(28,999)
Short-term debts issued and borrowings	-	(100,000)
Provision for employee benefits	(6,405)	(11,081)
Other liabilities	(642,972)	(547,660)
Net cash flows from operating activities	1,474,717	4,160,201
Cash flows from investing activities		
Cash paid for purchase of investments in securities	(7,313,348)	(5,329,869)
Cash received from disposal of investments in securities	7,597,965	4,048,810
Cash paid for purchase of building improvements, equipment and vehicles	(23,438)	(18,080)
Cash paid for purchase of intangible assets	-	(1,066)
Cash received from disposal of building improvements, equipment and vehicles	1,392	546
Net cash flows from (used in) investing activities	262,571	(1,299,659)
Cash flows from financing activities		
Cash received from issuance of long-term debentures	700,000	1,000,000
Cash paid for redemption of long-term debentures	-	(690,000)
Cash paid on lease liabilities	(84,818)	(91,500)
Dividend paid	(2,349,998)	(3,095,789)
Net cash flows used in financing activities	(1,734,816)	(2,877,289)
Net increase (decrease) in cash	2,472	(16,747)
Cash at beginning of the period	818,057	901,308
Cash at end of the period	820,529	884,561
Supplement cash flows information		
Non-cash transactions		
Right-of-use assets	52,549	35,749
Transfer-in of properties foreclosed in settlement of loans to customers	539,027	368,018

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 2026

(Unit: Thousand Baht)

	Issued and fully paid-up		Share premium	Other components of equity			Retained earnings		
	Preference shares	Ordinary shares	on ordinary shares	Surplus on changes in value of investments measured at fair value through other comprehensive income	Surplus on revaluation of assets	Total	Appropriated	Unappropriated	Total
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
Balance as at 1 January 2026	1	9,215,676	2,543,024	12,447	347,356	359,803	984,000	23,718,702	36,821,206
Dividend paid (Note 4)	-	-	-	-	-	-	-	(1,769,410)	(1,769,410)
Profit for the period	-	-	-	-	-	-	-	2,021,024	2,021,024
Other comprehensive income for the period	-	-	-	3,516	-	3,516	-	64,763	68,279
Total comprehensive income for the period	-	-	-	3,516	-	3,516	-	2,085,787	2,089,303
Transfer surplus on revaluation of assets to retained earnings	-	-	-	-	(1,227)	(1,227)	-	1,534	307
Balance as at 30 June 2026	1	9,215,676	2,543,024	15,963	346,129	362,092	984,000	24,036,613	37,141,406

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

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 2026 have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and with reference to the regulations stipulated by the Bank of Thailand ("BOT"). The presentation of the financial statements has been made in compliance with the BOT's Notification No. Sor Nor Sor. 21/2561 regarding "Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups", dated 31 October 2018.

The financial statements in Thai language are the official statutory financial statements of the 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

1.2.1 Financial reporting standards that became effective in the current period

During the period of 2026, the Bank has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2026. 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.

1.2.2. Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued new and revised financial reporting standards which will become effective in the future. The standard involving changes to key principles is summarised below:

TFRS 18 Presentation and Disclosure in Financial Statements

TFRS 18 will become effective for annual reporting periods beginning on or after 1 January 2028 and supersedes TAS 1, Presentation of Financial Statements. The standard introduces new requirements for classifying income and expenses into categories and presenting subtotals in profit or loss. It also requires disclosures of management-defined performance measures and includes new requirements for the aggregation and disaggregation of financial information.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year of initial adoption.

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 year 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 periods. 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 estimated the fair value of the investment properties using the market approach. The key assumptions used in estimating the fair value of the investment properties 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 premises 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 no loss will incur, 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 2026 and 31 December 2025, the Bank has 51 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 2026			
	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
Financial assets				
Cash	-	-	820,529	820,529
Interbank and money market items	-	-	38,038,602	38,038,602
Financial assets measured at fair value through profit or loss	1,445,764	-	-	1,445,764
Derivatives assets	28	-	-	28
Investments	-	6,649,723	-	6,649,723
Loans to customers and accrued interest receivables	-	-	222,407,388	222,407,388
Other assets - accrued interest receivables	-	-	8,157	8,157
Other assets - fee and service receivables	-	-	156,774	156,774
Other assets - other receivables	-	-	471,661	471,661
Financial liabilities				
Deposits	-	-	216,237,657	216,237,657
Interbank and money market items	-	-	7,614,825	7,614,825
Liabilities payable on demand	-	-	393,119	393,119
Derivatives liabilities	130,766	-	-	130,766
Debts issued and borrowings	-	-	3,618,768	3,618,768
Lease liabilities	-	-	286,664	286,664
Accrued interest payable	-	-	747,384	747,384
Other liabilities - accrued insurance premium	-	-	268,137	268,137

(Unit: Thousand Baht)

	As at 31 December 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
Financial assets				
Cash	-	-	818,057	818,057
Interbank and money market items	-	-	38,669,646	38,669,646
Financial assets measured at fair value through profit or loss	1,444,544	-	-	1,444,544
Derivatives assets	91,174	-	-	91,174
Investments	-	6,929,890	-	6,929,890
Loans to customers and accrued interest receivables	-	-	221,152,564	221,152,564
Other assets - accrued interest receivables	-	-	4,185	4,185
Other assets - fee and service receivables	-	-	160,610	160,610
Other assets - other receivables	-	-	524,668	524,668
Financial liabilities				
Deposits	-	-	213,119,187	213,119,187
Interbank and money market items	-	-	10,156,306	10,156,306
Liabilities payable on demand	-	-	222,901	222,901
Debts issued and borrowings	-	-	2,918,768	2,918,768
Lease liabilities	-	-	315,427	315,427
Accrued interest payable	-	-	1,333,487	1,333,487
Other liabilities - accrued insurance premium	-	-	284,191	284,191

3.2 Interbank and money market items (assets)

(Unit: Thousand Baht)

	As at					
	30 June 2026			31 December 2025		
	At call	Term	Total	At call	Term	Total
Domestic						
Bank of Thailand and Financial Institutions Development Fund	1,649,014	-	1,649,014	1,484,023	-	1,484,023
Commercial banks	185,420	22,300,000	22,485,420	177,026	22,500,000	22,677,026
Specialised Financial Institutions	205	13,900,000	13,900,205	889	14,500,000	14,500,889
Total	1,834,639	36,200,000	38,034,639	1,661,938	37,000,000	38,661,938
Add: Accrued interest receivables	-	4,358	4,358	15	8,057	8,072
Less: Allowance for expected credit loss	(395)	-	(395)	(364)	-	(364)
Total domestic	1,834,244	36,204,358	38,038,602	1,661,589	37,008,057	38,669,646

As at 30 June 2026 and 31 December 2025, 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 2026	31 December 2025
Commercial banks	22,300,000	22,500,000
Specialised Financial Institutions	13,900,000	14,500,000

Fair value of securities received as collateral is as follows:

(Unit: Thousand Baht)

	Fair value of securities received as collateral as at	
	30 June 2026	31 December 2025
Commercial banks	21,946,800	22,444,500
Specialised Financial Institutions	13,132,000	14,110,400

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)

	As at			
	30 June 2026		31 December 2025	
Investments	Cost	Fair value	Cost	Fair value
Others				
Domestic marketable equity instruments	19,925	25,177	23,460	29,592
Domestic non-marketable equity instruments	220,274	1,420,587	220,274	1,414,952
	240,199	1,445,764	243,734	1,444,544
Add: Allowance for changes in value	1,205,565		1,200,810	
Total	1,445,764		1,444,544	

As at 30 June 2026, the Bank's investments in domestic marketable instruments include investments in equity instruments of a company listed on the Stock Exchange of Thailand that are subject to selling restrictions. These investments, which have a fair value of Baht 23 million, will be tradable after 12 months from the date the securities are re-listed on the stock exchange (4 August 2025), in accordance with the conditions of the debt-to-equity conversion under the rehabilitation plan.

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)

	As at					
	30 June 2026			31 December 2025		
Securities' name	Fair value of investments	Unpaid amount	Percentage of holding	Fair value of investments	Unpaid amount	Percentage of holding
			(%)			(%)
Services:						
Jiji Press (Thailand) Co., Ltd.	1,330	300	10	1,638	300	10
Trading import and export:						
Juki (Thailand) Co., Ltd.	4,163	-	10	2,430	-	10
PDTL Trading Co., Ltd.	-	-	10	-	-	10
Wattana Inter-Trade Co., Ltd.	17,305	-	10	15,682	-	10
Real estate:						
UMI Property Co., Ltd.	2,978	-	10	1,337	-	10
Industrial:						
Siam Art Ceramic Co., Ltd.	7,724	-	10	7,734	-	10

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

As at 30 June 2026 and 31 December 2025, 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 2026		31 December 2025	
	Cost	Fair value	Cost	Fair value
Companies with weak financial positions and poor operating results	9,270	-	9,270	-

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)

	As at					
	30 June 2026			31 December 2025		
	Fair value		Notional	Fair value		Notional
Type of risks	Assets	Liabilities	amount	Assets	Liabilities	amount
Exchange rate	28	130,766	3,126,635	91,174	-	2,844,942
Total	28	130,766	3,126,635	91,174	-	2,844,942

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 2026 and 31 December 2025, investments classified by type of investments are as follows:

(Unit: Thousand Baht)

	As at			
	30 June 2026		31 December 2025	
	Amortised cost	Fair value	Amortised cost	Fair value
Investments in debt instruments measured at fair value through other comprehensive income				
Government and state enterprise securities	6,611,650	6,618,462	6,896,211	6,903,933
Private sector debt instruments	39,210	31,261	39,210	25,957
	6,650,860	6,649,723	6,935,421	6,929,890
Less: Allowance for changes in value	(1,137)		(5,531)	
Total	6,649,723		6,929,890	
Allowance for expected credit loss	21,090		21,090	
Investments in debt instruments measured at amortised cost				
Investments in receivables	8,704		8,698	
Less: Allowance for expected credit loss	(8,704)		(8,698)	
Total	-		-	
Total investments	6,649,723		6,929,890	

3.5.2 Investments subject to restrictions

(Unit: Million Baht)

	As at		
Type of investments	30 June 2026	31 December 2025	Type of restrictions
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 2026 and 31 December 2025, 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 2026			31 December 2025		
	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	1,460	-	1,460	1,460	-	1,460

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 2026	31 December 2025
Loans to customers		
Overdrafts	339	338
Loans	129,977,657	129,732,521
Hire purchase receivables	109,470,193	108,015,134
Less: Deferred revenue	(10,451,475)	(10,296,491)
Total loans to customers	228,996,714	227,451,502
Add: Accrued interest receivables and undue interest income	1,766,288	1,782,935
Total loans to customers and accrued interest receivables	230,763,002	229,234,437
Less: Allowance for expected credit loss	(8,355,614)	(8,081,873)
Loans to customers and accrued interest receivables - net	222,407,388	221,152,564

3.6.2 Classified by residency of debtors

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Loans to customers net of deferred revenue		
- Domestic	217,009,259	216,365,607
- Foreign	11,987,455	11,085,895
Total	228,996,714	227,451,502

3.6.3 Classified by loan classification

(Unit: Thousand Baht)

	As at			
	30 June 2026		31 December 2025	
	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)	210,574,185	3,833,697	207,963,416	3,289,894
Financial assets with significant increase in credit risk (Under-performing)	15,966,600	2,643,127	16,650,797	2,718,137
Financial assets that are credit-impaired (Non-performing)	4,222,217	1,878,790	4,620,224	2,073,842
Total	230,763,002	8,355,614	229,234,437	8,081,873

3.6.4 Classified by loan classification and type of debtors

As at 30 June 2026 and 31 December 2025, loans to customers classified by loan classification and type of debtors are as follows:

(Unit: Million Baht)

	As at 30 June 2026							
	Hire purchase receivables		Loan against auto license receivables		Other loans		Total	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	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)	90,535	1,433	28,951	786	91,088	1,615	210,574	3,834
Financial assets with significant increase in credit risk (Under-performing)	7,216	996	6,458	1,109	2,293	538	15,967	2,643
Financial assets that are credit-impaired (Non-performing)	1,993	696	1,637	908	592	275	4,222	1,879
Total	99,744	3,125	37,046	2,803	93,973	2,428	230,763	8,356

(Unit: Million Baht)

	As at 31 December 2025							
	Hire purchase receivables		Loan against auto license receivables		Other loans		Total	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss	Loans to customers and accrued interest receivables	Allowance for expected credit loss	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)	88,753	1,243	29,715	731	89,495	1,316	207,963	3,290
Financial assets with significant increase in credit risk (Under-performing)	7,526	1,093	6,501	1,086	2,624	539	16,651	2,718
Financial assets that are credit-impaired (Non-performing)	2,170	812	1,770	977	680	285	4,620	2,074
Total	98,449	3,148	37,986	2,794	92,799	2,140	229,234	8,082

3.6.5 Hire purchase receivables

As at 30 June 2026, receivables of the Bank under hire purchase agreements amount to Baht 99,744 million (31 December 2025: Baht 98,449 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 2026				
	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	35,498	68,777	2,972	2,223	109,470
Less: Deferred revenue (1)	(4,269)	(5,585)	(119)	(305)	(10,278)
Present value of minimum lease payment from agreements	31,229	63,192	2,853	1,918	99,192
Accrued interest receivables	477	-	-	75	552
Total	31,706	63,192	2,853	1,993	99,744
Allowance for expected credit loss					(3,125)
Net hire purchase receivables					96,619

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

(Unit: Million Baht)

	As at 31 December 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	35,201	67,492	2,912	2,410	108,015
Less: Deferred revenue (1)	(4,208)	(5,490)	(113)	(312)	(10,123)
Present value of minimum lease payment from agreements	30,993	62,002	2,799	2,098	97,892
Accrued interest receivables	485	-	-	72	557
Total	31,478	62,002	2,799	2,170	98,449
Allowance for expected credit loss					(3,148)
Net hire purchase receivables					95,301

(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 2026 and 31 December 2025, the Bank has outstanding balances with troubled debt restructuring debtors as follows:

	As at			
	30 June 2026		31 December 2025	
	Number of debtors	Outstanding balances	Number of debtors	Outstanding balances
		(Million Baht)		(Million Baht)
Balances of restructured debts	10,773	2,995	10,304	2,988

3.7 Allowance for expected credit loss

As at 30 June 2026 and 31 December 2025, 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 2026				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Interbank and money market items (assets)					
Balance - beginning of period	364	-	-	-	364
Changes from revaluation of allowance for credit loss	31	-	-	-	31
Balance - end of period	395	-	-	-	395
Investments in debt instruments measured at fair value through other comprehensive income					
Balance - beginning of period	19,630	-	1,460	-	21,090
Changes from revaluation of allowance for credit loss	-	-	-	-	-
Balance - end of period	19,630	-	1,460	-	21,090

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026				
	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
Investments in debt instruments measured at amortised cost					
Balance - beginning of period	-	-	8,698	-	8,698
Changes from revaluation of allowance for credit loss	-	-	6	-	6
Balance - end of period	-	-	8,704	-	8,704
Loans to customers and accrued interest receivables					
Balance - beginning of period	3,289,894	2,718,137	2,073,842	-	8,081,873
Changes from transfers among stages	193,223	(304,568)	111,345	-	-
Changes from revaluation of allowance for credit loss	(89,871)	243,685	1,517,228	-	1,671,042
New financial assets purchased or acquired	675,550	139,712	49,113	-	864,375
Derecognition	(235,099)	(153,839)	(258,737)	-	(647,675)
Write-off	-	-	(1,614,001)	-	(1,614,001)
Balance - end of period	3,833,697	2,643,127	1,878,790	-	8,355,614
Other assets - other receivables					
Balance - beginning of period	-	-	-	4,936	4,936
Changes from revaluation of allowance for credit loss	-	-	-	652	652
New financial assets purchased or acquired	-	-	-	35	35
Derecognition	-	-	-	(451)	(451)
Write-off	-	-	-	(1)	(1)
Balance - end of period	-	-	-	5,171	5,171

(Unit: Thousand Baht)

	For the year ended 31 December 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
Interbank and money market items (assets)					
Balance - beginning of year	606	-	-	-	606
Changes from revaluation of allowance for credit loss	(242)	-	-	-	(242)
Balance - end of year	364	-	-	-	364
Investments in debt instruments measured at fair value through other comprehensive income					
Balance - beginning of year	-	-	21,090	-	21,090
Changes from transfers among stages	19,630	-	(19,630)	-	-
Changes from revaluation of allowance for credit loss	-	-	-	-	-
Balance - end of year	19,630	-	1,460	-	21,090
Investments in debt instruments measured at amortised cost					
Balance - beginning of year	-	-	8,685	-	8,685
Changes from revaluation of allowance for credit loss	-	-	13	-	13
Balance - end of year	-	-	8,698	-	8,698
Loans to customers and accrued interest receivables					
Balance - beginning of year	3,175,927	2,557,338	1,731,628	-	7,464,893
Changes from transfers among stages	172,997	(355,481)	182,484	-	-
Changes from revaluation of allowance for credit loss	(845,879)	393,216	2,885,396	-	2,432,733
New financial assets purchased or acquired	1,228,442	608,169	376,122	-	2,212,733
Derecognition	(441,593)	(485,105)	(254,358)	-	(1,181,056)
Write-off	-	-	(2,847,430)	-	(2,847,430)
Balance - end of year	3,289,894	2,718,137	2,073,842	-	8,081,873

(Unit: Thousand Baht)

	For the year ended 31 December 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
Other assets - other receivables					
Balance - beginning of year	-	-	-	4,362	4,362
Changes from revaluation of allowance for credit loss	-	-	-	861	861
New financial assets purchased or acquired	-	-	-	338	338
Derecognition	-	-	-	(455)	(455)
Write-off	-	-	-	(170)	(170)
Balance - end of year	-	-	-	4,936	4,936

3.8 Classification of assets

3.8.1 Classification of assets under the BOT's guidelines

As at 30 June 2026 and 31 December 2025, classification of financial assets is as follows:

(Unit: Thousand Baht)

	As at 30 June 2026				
	Financial assets				
	Interbank and money market items	Debt instruments measured at fair value through other comprehensive income	Debt instruments measured at amortised cost	Loans to customers and accrued interest receivables	Total
Financial assets with no significant increase in credit risk (Performing)	38,038,997	6,649,723	-	210,574,185	255,262,905
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	15,966,600	15,966,600
Financial assets that are credit-impaired (Non-performing)	-	-	8,704	4,222,217	4,230,921
Total	38,038,997	6,649,723	8,704	230,763,002	275,460,426

(Unit: Thousand Baht)

	As at 31 December 2025				
	Financial assets				
	Interbank and money market items	Debt instruments measured at fair value through other comprehensive income	Debt instruments measured at amortised cost	Loans to customers and accrued interest receivables	Total
Financial assets with no significant increase in credit risk (Performing)	38,670,010	6,929,890	-	207,963,416	253,563,316
Financial assets with significant increase in credit risk (Under-performing)	-	-	-	16,650,797	16,650,797
Financial assets that are credit-impaired (Non-performing)	-	-	8,698	4,620,224	4,628,922
Total	38,670,010	6,929,890	8,698	229,234,437	274,843,035

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 2026	31 December 2025
Non-performing loans to customers	4,035	4,429
Total loans to customers	228,997	227,452
Percentage of non-performing loans to customers	1.76	1.95

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 June 2026	31 December 2025	30 June 2026	31 December 2025	30 June 2026	31 December 2025	30 June 2026	31 December 2025
			(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
Listed companies that have been delisted from the SET	1	1	348	352	291	291	348	352

3.9 Properties foreclosed

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Assets acquired through debt settlement		
Immovable assets		
Appraised by external appraisers		
Balance - beginning of period/year	1,257,973	-
Additions	278,172	1,257,973
Balance - end of period/year	1,536,145	1,257,973
Movable assets		
Balance - beginning of period/year	15,130	14,126
Additions	260,855	696,673
Disposals	(268,483)	(695,669)
Balance - end of period/year	7,502	15,130
Total properties foreclosed	1,543,647	1,273,103
Less: Allowance for impairment		
Balance - beginning of period/year	-	-
Increase	38	477
Decrease	(38)	(477)
Balance - end of period/year	-	-
Total properties foreclosed - net	1,543,647	1,273,103

3.10 Investment properties

The book value of investment properties as at 30 June 2026 and 31 December 2025 is as follows:

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Book value - beginning of period/year	50,885	50,885
Gain on changes in fair value	-	-
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 the appraisal date	Impact on fair value from 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 income as at 30 June 2026 and 31 December 2025 as follows:

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Not over 1 year	3,389	4,481
Over 1 year but not over 3 years	186	1,335
Total	3,575	5,816

During the six-month periods ended 30 June 2026 and 2025, the Bank has rental income of Baht 3 million.

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
Cost:						
As at 1 January 2025	629,947	17,509	425,746	344,530	47,004	1,464,736
Additions/transfers-in	-	-	17,376	8,943	8,087	34,406
Disposals/write-offs/ transfers-out	-	-	(14,525)	(18,428)	(2,631)	(35,584)
As at 31 December 2025	629,947	17,509	428,597	335,045	52,460	1,463,558
Additions/transfers-in	-	-	1,888	11,511	10,039	23,438
Disposals/write-offs/ transfers-out	-	-	(273)	(17,980)	(6,694)	(24,947)
As at 30 June 2026	629,947	17,509	430,212	328,576	55,805	1,462,049
Accumulated depreciation:						
As at 1 January 2025	7,005	-	372,752	303,478	33,744	716,979
Depreciation for the year	7,005	-	17,590	13,958	5,364	43,917
Depreciation on disposals/ write-offs/transfers-out	-	-	(14,340)	(18,424)	(2,631)	(35,395)
As at 31 December 2025	14,010	-	376,002	299,012	36,477	725,501
Depreciation for the period	3,474	-	9,019	7,391	3,255	23,139
Depreciation on disposals/ write-offs/transfers-out	-	-	(273)	(17,569)	(6,694)	(24,536)
As at 30 June 2026	17,484	-	384,748	288,834	33,038	724,104
Net book value:						
As at 31 December 2025	615,937	17,509	52,595	36,033	15,983	738,057
As at 30 June 2026	612,463	17,509	45,464	39,742	22,767	737,945
Depreciation for the six-month periods ended 30 June:						
2025						22,001
2026						23,139

As at 30 June 2026 and 31 December 2025, 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 614 million and Baht 637 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 2026 and 31 December 2025 would have been as follows:

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Office condominiums - net of accumulated depreciation	179,871	181,811

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

	As of the appraisal date	Impact on fair value from an increase in 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 2026 and for the year ended 31 December 2025 are as follows:

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Book value - beginning of period/year	312,314	399,750
Additions	50,004	78,462
Contract amendment	2,545	1,783
Contract termination	-	(4,979)
Depreciation for the period/year	(79,288)	(162,702)
Book value - end of period/year	285,575	312,314

3.13 Intangible assets

The book value of intangible assets - computer software as at 30 June 2026 and 31 December 2025 is presented as follows:

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Cost	817,274	880,237
Less: Accumulated amortisation	(806,915)	(867,283)
Net book value	10,359	12,954

A reconciliation of the net book value of intangible assets for the six-month period ended 30 June 2026 and for the year ended 31 December 2025 is presented as follows:

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Book value - beginning of period/year	12,954	17,157
Acquisitions of computer software	-	1,066
Amortisation for the period/year	(2,595)	(5,269)
Book value - end of period/year	10,359	12,954

As at 30 June 2026 and 31 December 2025, 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 791 million and Baht 854 million, respectively.

3.14 Other assets

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Value added tax - net	598,539	545,437
Accrued interest receivables	8,157	4,185
Fee and service receivables	156,774	160,610
Deposits	57,612	57,116
Other receivables	471,661	524,668
Other assets	273,692	166,399
Total other assets	1,566,435	1,458,415

3.15 Deposits

3.15.1 Classified by type of deposits

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Deposits		
Current accounts	2,585,137	3,298,915
Saving accounts	32,164,795	28,227,618
Fixed accounts		
- not over 6 months	18,325,293	16,752,622
- over 6 months but not over 1 year	41,531,844	47,076,369
- over 1 year	3,831,712	4,572,280
Certificates of deposits/negotiable certificates of deposits	117,798,876	113,191,383
Total	216,237,657	213,119,187

3.15.2 As at 30 June 2026 and 31 December 2025, 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 2026			31 December 2025		
	At call	Term	Total	At call	Term	Total
Domestic						
Bank of Thailand	-	5,237,632	5,237,632	-	7,667,034	7,667,034
Commercial banks	107,823	-	107,823	80,116	-	80,116
Specialised Financial Institutions	-	1,499,628	1,499,628	-	819,723	819,723
Other financial institutions	700,733	69,009	769,742	1,551,782	37,651	1,589,433
Total	808,556	6,806,269	7,614,825	1,631,898	8,524,408	10,156,306

3.17 Debts issued and borrowings

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Domestic borrowings		
Subordinated unsecured debentures	3,600,000	2,900,000
Bills of exchange	18,768	18,768
Total	3,618,768	2,918,768

3.17.1 Subordinated unsecured debentures

As at 30 June 2026 and 31 December 2025, 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	Balance as at		Maturity in the year	Interest rate
	30 June 2026	31 December 2025	(Baht per unit)	30 June 2026	31 December 2025		
	(Million units)	(Million units)		(Million Baht)	(Million Baht)		
2021	0.70	0.70	1,000	700	700	2031	3.25 percent per annum
2025	1.00	1.00	1,000	1,000	1,000	2035	3.25 percent per annum
2025	1.20	1.20	1,000	1,200	1,200	2035	3.15 percent per annum
2026	0.70	-	1,000	700	-	2036	3.15 percent per annum
Total				3,600	2,900		

3.17.2 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)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Balance - beginning of period/year	338,957	433,240
Increase during the period/year	52,174	81,596
Contract amendment	1,451	2,416
Paid during the period/year	(84,818)	(172,742)
Terminated during the period/year	-	(5,553)
Balance - end of period/year	307,764	338,957
Less: Deferred interest expenses	(21,100)	(23,530)
Lease liabilities - net	286,664	315,427
Current portion	(102,464)	(119,644)
Lease liabilities - net of current portion	184,200	195,783

The Bank had total cash outflows on leases during the six-month periods ended 30 June 2026 and 2025 of Baht 88 million and Baht 95 million, respectively.

Expenses relating to leases that are recognised in profit or loss for the six-month periods ended 30 June 2026 and 2025 are as follows:

(Unit: Million Baht)

	For the six-month periods ended 30 June	
	2026	2025
Depreciation expenses of right-of-use assets	79	85
Interest expenses on lease liabilities	4	6
Expenses relating to variable lease payments	3	3
Total	86	94

3.19 Provisions

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Allowance for expected credit loss on loan commitments and financial guarantees	53,056	36,224
Provision for employee benefits	1,244,655	1,307,392
Total provisions	1,297,711	1,343,616

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

As at 30 June 2026 and 31 December 2025, allowance for expected credit loss on loan commitments and financial guarantees by classification is as follows:

(Unit: Thousand Baht)

	As at			
	30 June 2026		31 December 2025	
	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)	7,697,825	44,350	7,269,324	36,149
Financial assets with significant increase in credit risk (Under-performing)	148,631	8,694	1,715	57
Financial assets that are credit-impaired (Non-performing)	23	12	34	18
Total	7,846,479	53,056	7,271,073	36,224

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 2026			
	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	36,149	57	18	36,224
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	8,201	8,637	(6)	16,832
Balance - end of period	44,350	8,694	12	53,056

(Unit: Thousand Baht)

	For the year ended 31 December 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 year	62,054	61	100	62,215
Changes from revaluation of allowance for credit loss/new financial assets/derecognition	(25,905)	(4)	(82)	(25,991)
Balance - end of year	36,149	57	18	36,224

3.19.2 Provision for employee benefits

Provision for 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 2026	For the year ended 31 December 2025
Defined post-employment benefit obligation at beginning of period/year	1,005,892	875,898
Current service cost	31,612	60,922
Interest cost	8,910	18,772
Benefits paid during the period/year	(1,166)	(40,638)
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	7,964	62,222
Financial assumptions changes	(155,095)	(32,717)
Other assumptions changes	66,178	61,433
Defined post-employment benefit obligation at end of period/year	964,295	1,005,892
Other long-term benefits	280,360	301,500
Total provision for employee benefits at end of period/year	1,244,655	1,307,392

Long-term employee benefit expenses included in profit or loss for the six-month periods ended 30 June 2026 and 2025 are as follows:

(Unit: Thousand Baht)

	For the six-month periods ended 30 June	
	2026	2025
Current service cost	42,485	39,002
Interest cost	11,652	12,924
Actuarial (gain) loss	(29,517)	13,834
Total employee benefit expenses	24,620	65,760

As at 30 June 2026 and 31 December 2025, the Bank expects to pay long-term employee benefits during the next year of Baht 94 million and Baht 102 million, respectively.

As at 30 June 2026 and 31 December 2025, the weighted average duration of the liabilities for long-term employee benefits are 13 years.

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

(Unit: Percent per annum)

	As at	
	30 June 2026	31 December 2025
Discount rate	0.95 - 3.79	1.00 - 2.67
Average salary increase rate	5.00	5.00
Turnover rate	0.63 - 7.35	0.56 - 6.95

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 2026 and 31 December 2025 are summarised below.

(Unit: Thousand Baht)

	As at			
	30 June 2026		31 December 2025	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Discount rate	(24,179)	25,104	(26,375)	27,429
Average salary increase rate	23,975	(23,217)	26,078	(25,218)
Turnover rate	(2,765)	2,765	(2,874)	2,874

3.20 Other liabilities

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Withholding income tax and other tax payables	138,469	257,573
Accrued insurance premium	268,137	284,191
Deferred income	1,250,473	1,333,442
Accrued expenses	2,199,922	2,149,807
Suspense creditors	555,746	571,514
Other liabilities	496,164	482,034
Total other liabilities	4,908,911	5,078,561

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 2026 and 31 December 2025, the Bank has accrued bonus under this scheme amounting to Baht 100 million and Baht 75 million, respectively, and recognised expenses in profit or loss during the six-month periods ended 30 June 2026 and 2025 amounting to Baht 26 million and Baht 19 million, respectively.

As at 30 June 2026, the above other liabilities include advances received from Electronic Funds Transfer transactions amounting to Baht 100 (31 December 2025: Baht 10,000). In addition, the Bank maintained assets amounting to Baht 11 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 2026 and 31 December 2025, respectively.

3.21 Preference shares converted to ordinary shares

Up to 30 June 2026 and 31 December 2025, preference shares have been converted into ordinary shares totalling 627,952,146 shares.

As at 30 June 2026 and 31 December 2025, 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 2026 and 31 December 2025, 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 methods under the BOT's regulations.

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

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Common Equity Tier I capital		
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	22,935,369	22,594,350
Other components of equity	310,126	307,534
Less: Deductions from Common Equity Tier I items	(262,380)	(270,549)
Total Common Equity Tier I capital	35,725,815	35,374,035
Financial Instrument Tier I capital		
Issued and fully paid-up share capital - non-cumulative preference shares	1	1
Total Tier I capital	35,725,816	35,374,036
Tier II capital		
Long-term subordinated debentures	3,600,000	2,900,000
Surplus of provision	879,101	857,130
Reserve for loans classified as normal	382,646	270,982
Total Tier II capital	4,861,747	4,028,112
Total capital funds	40,587,563	39,402,148

(Unit: Percent)

Capital fund ratios	As at 30 June 2026 The Bank	30 June 2026 Requirement	31 December 2025 The Bank	31 December 2025 Requirement
Common Equity Tier I capital to risk assets	18.17	7.00	18.43	7.00
Tier I capital to risk assets	18.17	8.50	18.43	8.50
Total capital to risk assets	20.65	11.00	20.53	11.00

In accordance 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 is required to disclose the capital maintenance information as follows:

Location of disclosure	The Bank's website at www.tisco.co.th
Date of disclosure	Within 4 months from the period end date of the financial statements
Information as at 30 June 2026	

3.23 Other components of equity

3.23.1 Surplus on valuation of investments measured at fair value through other comprehensive income

(Unit: Thousand Baht)

	For the six-month period ended 30 June 2026	For the year ended 31 December 2025
Balance - beginning of period/year	15,559	9,134
Increase from changes in value of investments during the period/year	4,394	6,425
	19,953	15,559
Less: Effect of deferred tax liabilities	(3,990)	(3,112)
Balance - end of period/year	15,963	12,447

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 30 June 2026	For the year ended 31 December 2025
Balance - beginning of period/year	434,195	437,288
Transfer to retained earnings	(1,534)	(3,093)
	432,661	434,195
Less: Effect of deferred tax liabilities	(86,532)	(86,839)
Balance - end of period/year	346,129	347,356

3.24 Interest income

Interest income in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Interbank and money market items	81,158	155,105	166,122	322,546
Investments in debt instruments	28,558	34,743	59,186	69,403
Loans to customers	2,560,797	2,721,122	5,144,603	5,459,729
Hire purchase receivables	1,309,626	1,270,316	2,612,242	2,538,542
Total interest income	3,980,139	4,181,286	7,982,153	8,390,220

Interest income for the three-month and six-month periods ended 30 June 2026 included interest income on credit-impaired financial assets amounting to Baht 66 million and Baht 141 million, respectively (2025: Baht 81 million and Baht 185 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 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Deposits	597,556	939,012	1,288,401	1,893,189
Interbank and money market items	507	1,211	1,016	2,210
Contribution fee to the Deposit Protection				
Agency and the Bank of Thailand	250,759	248,035	494,448	489,156
Issued debt securities				
- Subordinated debentures	24,347	22,973	47,290	44,730
- Unsubordinated debentures	-	-	-	199
Borrowings	117	225	233	448
Others	2,077	3,077	3,506	6,272
Total interest expenses	875,363	1,214,533	1,834,894	2,436,204

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 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Fee and service income				
- Acceptance, aval and guarantees	3,048	2,869	4,461	5,831
- Insurance service	305,377	297,171	637,032	540,548
- Others	208,085	136,212	423,629	288,113
Total fee and service income	516,510	436,252	1,065,122	834,492
Fee and service expenses	(17,380)	(23,347)	(38,414)	(47,477)
Net fee and service income	499,130	412,905	1,026,708	787,015

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

Net gain (loss) on financial instruments measured at fair value through profit or loss in the statements of comprehensive income for the three-month and six-month periods ended 30 June 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Gain (loss) on trading and foreign exchange transactions				
- Foreign currencies and derivatives on foreign exchange	(13,799)	(18,019)	(45,988)	(32,541)
- Debt instruments	5,439	9,340	11,848	15,954
- Equity instruments	8,741	141,656	10,941	141,062
Net gain (loss) on financial instruments measured at fair value through profit or loss	381	132,977	(23,199)	124,475

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 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Gain on derecognition				
- Debt instruments measured at fair value through other comprehensive income	1,362	1,723	3,407	2,672
- Debt instruments measured at amortised cost	112	237	265	427
Net gain on investments	1,474	1,960	3,672	3,099

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 2026 and 2025 consisted of the following:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Expected credit loss				
- Interbank and money market items (reversal)	(42)	(1,853)	31	(237)
- Investments in debt instruments measured at amortised cost	4	2	6	3
- Loans to customers (1)	403,777	412,477	976,755	646,080
- Other receivables (reversal)	(333)	(409)	235	277
Loss from the modification of terms				
- Loans to customers	2,841	10,646	42,833	12,677
Loan commitments and financial guarantees (reversal)	3,104	(5,772)	16,832	(34,340)
Total	409,351	415,091	1,036,692	624,460

(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 2026 and 2025 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Current income tax:				
Income tax expenses for the period	253,114	215,961	491,131	468,866
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	1,294	41,262	5,573	42,342
Income tax expenses reported in the statement of comprehensive income	254,408	257,223	496,704	511,208

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2026 and 2025 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Gain on valuation of investments in debt instruments measured at fair value through other comprehensive income	(1,347)	(1,174)	(878)	(2,127)
Actuarial (gain) loss	(16,190)	18,202	(16,190)	18,202
Income tax expenses recorded directly to other comprehensive income	(17,537)	17,028	(17,068)	16,075

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 2026 and 2025 is as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Accounting profit before tax	1,281,185	1,287,084	2,517,728	2,566,585
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	256,237	257,417	503,546	513,317
Tax effect of net tax-exempt income, net disallowed expenses and additional expense deductions allowed	(1,829)	(194)	(6,842)	(2,109)
Income tax expenses reported in the statement of comprehensive income	254,408	257,223	496,704	511,208
Weighted average tax rate	19.86%	19.99%	19.73%	19.92%

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

(Unit: Thousand Baht)

	As at		Changes in deferred tax assets/liabilities reported in profit or loss for the six-month periods ended 30 June	
	30 June 2026	31 December 2025	2026	2025
Allowance for expected credit loss	17,390	13,969	3,421	(6,859)
Allowance for impairment of investments	1,469	1,469	-	-
Allowance for impairment of properties foreclosed	-	-	-	4
Non-accrual of interest income	2,829	2,833	(4)	(1)
Depreciation of assets	(11,435)	(11,628)	193	(529)
Gain on changes in fair value of investment properties	(78)	(78)	-	-
Surplus on revaluation of assets	(86,532)	(86,839)	-	-
Surplus on changes in value of investments	(3,990)	(3,112)	-	-
Gain on changes in value of investments	(241,113)	(240,162)	(951)	(28,212)
Deferred commission and direct expenses incurred at the initiation of hire purchase	(240)	(1,124)	884	4,798
Loss on disposal of properties foreclosed	10,937	15,536	(4,599)	(13,137)
Accrued expenses	178,552	178,552	-	-
Employee benefit expenses	248,931	261,478	3,645	10,936
Others	117,167	125,329	(8,162)	(9,342)
Deferred tax assets	233,887	256,223	(5,573)	(42,342)

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 ended 30 June		For the six-month periods ended 30 June	
	2026	2025	2026	2025
Profit attributable to equity holders of the Bank (Thousand Baht)	1,026,777	1,029,861	2,021,024	2,055,377
Weighted average number of shares (Thousand shares)	921,568	921,568	921,568	921,568
Basic earnings per share (Baht/share)	1.11	1.12	2.19	2.23

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 2026 and 31 December 2025, the balances of accounts between the Bank and its related companies are as follows:

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Outstanding balances		
Parent company		
TISCO Financial Group Plc.		
Loans to customers	3,720,000	1,590,000
Other assets	110	-
Deposits	10,930	70,565
Lease liabilities	39,830	45,013
Accrued interest payable	2	6
Dividend payable	985,957	1,566,474
Other liabilities	140,458	141,375
Related companies		
Other assets		
TISCO Securities Co., Ltd.	265	117
TISCO Asset Management Co., Ltd.	17,798	7,887
Hi-Way Co., Ltd.	2,506	1,796
TISCO Insurance Solution Co., Ltd.	11,507	11,174
TISCO Information Technology Co., Ltd.	56	-
TISCO Learning Center Co., Ltd.	27	-
All-Ways Co., Ltd.	24	-
Deposits		
Hi-Way Co., Ltd.	176,292	169,710
TISCO Insurance Solution Co., Ltd.	348,820	544,861
TISCO Information Technology Co., Ltd.	534,591	583,808
TISCO Learning Center Co., Ltd.	55,251	67,344
All-Ways Co., Ltd.	296,353	326,695
Primus Leasing Co., Ltd.	32,896	32,896
TISCO Tokyo Leasing Co., Ltd.	1,453	730
Interbank and money market items (liabilities)		
TISCO Securities Co., Ltd.	255,917	175,181
TISCO Asset Management Co., Ltd.	71,582	106,018
Lease liabilities		
TISCO Securities Co., Ltd.	1,166	1,279

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Related companies (continued)		
Accrued interest payable		
TISCO Securities Co., Ltd.	6	5
TISCO Asset Management Co., Ltd.	2	3
Hi-Way Co., Ltd.	6	7
TISCO Insurance Solution Co., Ltd.	23	13
TISCO Information Technology Co., Ltd.	243	38
TISCO Learning Center Co., Ltd.	2	3
All-Ways Co., Ltd.	24	26
Other liabilities		
Hi-Way Co., Ltd.	291,500	329,719
TISCO Insurance Solution Co., Ltd.	10,850	9,752
TISCO Learning Center Co., Ltd.	2,716	130
All-Ways Co., Ltd.	9,585	746
Management - departmental managers upward		
Loans [(1)]	10,957	13,327
Directors and management - departmental managers upward		
Deposits	258,344	284,400
Companies which directors or their related persons have significant influence over		
Loans	2,768	3,217
Deposits	660,237	1,739,589
Related persons of directors and key management		
Loans	1,444	824
Deposits	52,886	73,586
Commitments - guarantees		
Parent company		
TISCO Financial Group Plc.	1,040	1,040
Related companies		
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
Commitments - undrawn overdraft facilities		
Related companies		
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 2026	31 December 2025
Commitments - loan credit lines (2)		
Parent company		
TISCO Financial Group Plc.	9,500,000	9,500,000
Related companies		
TISCO Securities Co., Ltd. (3)	5,000,000	5,000,000
TISCO Asset Management Co., Ltd. (3)	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

(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 2026 and 31 December 2025, 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 2026			
	Balance - beginning of period	Increase	Decrease	Balance - end of period
Parent company				
Loans				
TISCO Financial Group Plc.	1,590,000	38,070,000	(35,940,000)	3,720,000

	(Unit: Thousand Baht)			
	For the year ended 31 December 2025			
	Balance - beginning of year	Increase	Decrease	Balance - end of year
Parent company				
Loans				
TISCO Financial Group Plc.	4,240,000	106,490,000	(109,140,000)	1,590,000
Related companies				
Interbank and money market items (Assets)				
TISCO Asset Management Co., Ltd.	25,000	-	(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 periods ended 30 June		For the six-month periods ended 30 June		
	2026	2025	2026	2025	Terms and pricing policies
Transactions occurred during the periods					
Parent company					
Interest income	8,330	13,254	10,041	31,809	With reference to the terms and prices as offered to other customers
Other income	771	771	1,543	1,543	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	420,500	422,500	841,000	845,000	Determined on actual costs in compliance with the criteria specified by the BOT
Interest expenses	444	531	979	1,064	With reference to the terms and prices as offered to other customers
Other expenses	2,992	2,992	5,983	5,983	With reference to the terms and prices as offered to other customers

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June		
	2026	2025	2026	2025	Terms and pricing policies
Transactions occurred during the periods (continued)					
Related companies					
Interest income	-	-	-	4	With reference to the terms and prices as offered to other customers
Insurance service income	13,852	12,969	27,327	25,714	With reference to the terms and prices as offered to other customers
Other income	48,462	21,490	112,912	64,534	With reference to the terms and prices as offered to other customers
Expenses involving loans	294,771	329,256	589,299	658,512	Determined on actual costs
Computer system advisory service expenses	162,500	170,750	325,000	341,500	Determined on actual costs in compliance with the criteria specified by the BOT
Training expenses	6,894	3,696	14,674	7,445	With reference to the prices as offered from other service providers
Interest expenses	1,793	3,380	3,134	5,825	With reference to the terms and prices as offered to other customers
Other expenses	11,276	10,022	22,100	19,342	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 2026 and 2025, 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	
	2026	2025	2026	2025
Short-term benefits	34	30	67	59
Post-employment benefits	6	5	12	11
Total	40	35	79	70

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 2026 and 2025 amounting to Baht 12 million and Baht 10 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 2026 and 2025, 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 2026 and 2025 is as follows:

(Unit: Million Baht)

	For the three-month period ended 30 June 2026					
	Retail banking	Corporate banking	Treasury investment and others	Total segments	Eliminations	Financial statements
Revenue:						
External customers	2,913	654	122	3,689	-	3,689
Inter-segment	-	-	851	851	(851)	-
Total revenue	2,913	654	973	4,540	(851)	3,689
Operating results:						
Net interest income	2,406	594	105	3,105	-	3,105
Net fee and service income	430	73	(4)	499	-	499
Other operating income	77	(13)	872	936	(851)	85
Total operating income	2,913	654	973	4,540	(851)	3,689
Premises and equipment expenses and amortisation	(61)	(11)	(224)	(296)	-	(296)
Other operating expenses	(1,674)	(249)	(631)	(2,554)	851	(1,703)
Expected credit loss	(335)	(28)	(46)	(409)	-	(409)
Total operating expenses	(2,070)	(288)	(901)	(3,259)	851	(2,408)
Segment profit before income tax expenses	843	366	72	1,281	-	1,281
Income tax expenses						(254)
Profit for the period						1,027

(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
Revenue:						
External customers	2,620	637	382	3,639	-	3,639
Inter-segment	-	-	785	785	(785)	-
Total revenue	2,620	637	1,167	4,424	(785)	3,639
Operating results:						
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
Total operating income	2,620	637	1,167	4,424	(785)	3,639
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)
Total operating expenses	(2,069)	(265)	(803)	(3,137)	785	(2,352)
Segment profit before income tax expenses	551	372	364	1,287	-	1,287
Income tax expenses						(257)
Profit for the period						1,030

(Unit: Million Baht)

	For the six-month period ended 30 June 2026					
	Retail banking	Corporate banking	Treasury investment and others	Total segments	Eliminations	Financial statements
Revenue:						
External customers	5,802	1,340	298	7,440	-	7,440
Inter-segment	-	-	1,618	1,618	(1,618)	-
Total revenue	5,802	1,340	1,916	9,058	(1,618)	7,440
Operating results:						
Net interest income	4,739	1,199	209	6,147	-	6,147
Net fee and service income	890	144	(7)	1,027	-	1,027
Other operating income	173	(3)	1,714	1,884	(1,618)	266
Total operating income	5,802	1,340	1,916	9,058	(1,618)	7,440
Premises and equipment expenses and amortisation	(118)	(21)	(446)	(585)	-	(585)
Other operating expenses	(3,247)	(490)	(1,181)	(4,918)	1,618	(3,300)
Expected credit loss	(250)	(77)	(710)	(1,037)	-	(1,037)
Total operating expenses	(3,615)	(588)	(2,337)	(6,540)	1,618	(4,922)
Segment profit before income tax expenses	2,187	752	(421)	2,518	-	2,518
Income tax expenses						(497)
Profit for the period						2,021

(Unit: Million Baht)

	For the six-month period ended 30 June 2025					
	Retail banking	Corporate banking	Treasury investment and others	Total segments	Eliminations	Financial statements
Revenue:						
External customers	5,169	1,276	626	7,071	-	7,071
Inter-segment	-	-	1,572	1,572	(1,572)	-
Total revenue	5,169	1,276	2,198	8,643	(1,572)	7,071
Operating results:						
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
Total operating income	5,169	1,276	2,198	8,643	(1,572)	7,071
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)
Total operating expenses	(4,599)	(517)	(961)	(6,077)	1,572	(4,505)
Segment profit before income tax expenses	570	759	1,237	2,566	-	2,566
Income tax expenses						(511)
Profit for the period						2,055

Total assets information regarding the Bank's operating segments as at 30 June 2026 and 31 December 2025 is as follows:

(Unit: Million Baht)

	As at 30 June 2026			
	Retail banking	Corporate banking	Treasury investment and others	Total segments
Segment total assets	160,589	58,395	54,807	273,791
Premises and equipment - net	14	2	722	738

(Unit: Million Baht)

	As at 31 December 2025			
	Retail banking	Corporate banking	Treasury investment and others	Total segments
Segment total assets	158,704	60,220	54,284	273,208
Premises and equipment - net	11	2	725	738

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 2026, the Bank recognised contributions as expenses totalling Baht 50 million and Baht 99 million, respectively (2025: Baht 49 million and Baht 98 million, respectively).

3.35 Commitments and contingent liabilities

3.35.1 Avals, guarantees and commitments

(Unit: Thousand Baht)

	As at	
	30 June 2026	31 December 2025
Other guarantees	1,849,243	1,850,916
Undrawn client overdraft facilities	255,000	255,000
Foreign exchange contracts (Note 3.36.4)	3,126,635	2,844,942
Others	7,591,479	7,016,073
Total	12,822,357	11,966,931

3.35.2 Litigation

As at 30 June 2026 and 31 December 2025, the Bank has been sued for compensation totalling approximately Baht 116 million and Baht 113 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.

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 responsible for advising 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 2026 and 31 December 2025, the exposure to credit risk is as follows:

(Unit: Million Baht)

	As at	
	30 June 2026	31 December 2025
Interbank and money market items (Assets)	38,039	38,670
Investments in debt instruments measured at fair value through other comprehensive income	6,650	6,930
Investments in debt instruments measured at amortised cost	9	9
Loans to customers and accrued interest receivables	230,763	229,234
Other assets - accrued interest receivables on investments	8	4
Other assets - fee and service receivables	157	161
Other assets - other receivables	477	530
Total financial assets	276,103	275,538
Loan commitments	7,846	7,271
Total credit risk exposure	283,949	282,809

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		
	30 June 2026	31 December 2025	Type of collateral
Interbank and money market items	36,204	37,008	Bonds
Loans to customers and accrued interest receivables	225,312	225,842	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 2026				
	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	38,039	-	-	-	38,039
Non-investment grade	-	-	-	-	-
Total	38,039	-	-	-	38,039
Allowance for expected credit loss	-	-	-	-	-
Investments in debt instruments measured at fair value through other comprehensive income					
Investment grade	6,619	-	-	-	6,619
Non-investment grade	31	-	-	-	31
Total	6,650	-	-	-	6,650
Allowance for expected credit loss	20	-	1	-	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

(Unit: Million Baht)

	As at 30 June 2026				
	Financial assets with no significant increase in credit risk	Financial assets with significant increase in credit risk	Financial assets that are credit-impaired	Financial assets applying a simplified approach	Total
Loans to customers and accrued interest receivables					
0 day overdue	198,488	2,223	159	-	200,870
1 - 30 days overdue	12,086	2,077	172	-	14,335
31 - 60 days overdue	-	8,130	245	-	8,375
61 - 90 days overdue	-	3,537	238	-	3,775
Over 90 days overdue	-	-	3,408	-	3,408
Total	210,574	15,967	4,222	-	230,763
Allowance for expected credit loss	3,834	2,643	1,879	-	8,356
Other assets - accrued interest receivables on investments					
Investment grade	8	-	-	-	8
Non-investment grade	-	-	-	-	-
Total	8	-	-	-	8
Allowance for expected credit loss	-	-	-	-	-
Other assets - fee and service receivables					
0 day overdue	-	-	-	157	157
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	157	157
Allowance for expected credit loss	-	-	-	-	-
Other assets - other receivables					
0 day overdue	-	-	-	471	471
1 - 30 days overdue	-	-	-	-	-
31 - 90 days overdue	-	-	-	1	1
91 - 180 days overdue	-	-	-	-	-
Over 180 days overdue	-	-	-	5	5
Total	-	-	-	477	477
Allowance for expected credit loss	-	-	-	5	5
Commitments					
Loan commitments and financial guarantees	7,698	148	-	-	7,846
Total	7,698	148	-	-	7,846
Allowance for expected credit loss	44	9	-	-	53

(Unit: Million Baht)

	As at 31 December 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
Interbank and money market items (Assets)					
Investment grade	38,670	-	-	-	38,670
Non-investment grade	-	-	-	-	-
Total	38,670	-	-	-	38,670
Allowance for expected credit loss	1	-	-	-	1
Investments in debt instruments measured at fair value through other comprehensive income					
Investment grade	6,904	-	-	-	6,904
Non-investment grade	26	-	-	-	26
Total	6,930	-	-	-	6,930
Allowance for expected credit loss	20	-	1	-	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	197,647	3,088	353	-	201,088
1 - 30 days overdue	10,316	2,328	272	-	12,916
31 - 60 days overdue	-	7,933	271	-	8,204
61 - 90 days overdue	-	3,302	226	-	3,528
Over 90 days overdue	-	-	3,498	-	3,498
Total	207,963	16,651	4,620	-	229,234
Allowance for expected credit loss	3,290	2,718	2,074	-	8,082

(Unit: Million Baht)

	As at 31 December 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
Other assets - accrued interest receivables on investments					
Investment grade	4	-	-	-	4
Non-investment grade	-	-	-	-	-
Total	4	-	-	-	4
Allowance for expected credit loss	-	-	-	-	-
Other assets - fee and service receivables					
0 day overdue	-	-	-	161	161
1 - 30 days overdue	-	-	-	-	-
Total	-	-	-	161	161
Allowance for expected credit loss	-	-	-	-	-
Other assets - other receivables					
0 day overdue	-	-	-	523	523
1 - 30 days overdue	-	-	-	1	1
31 - 90 days overdue	-	-	-	-	-
91 - 180 days overdue	-	-	-	1	1
Over 180 days overdue	-	-	-	5	5
Total	-	-	-	530	530
Allowance for expected credit loss	-	-	-	5	5
Commitments					
Loan commitments and financial guarantees	7,269	2	-	-	7,271
Total	7,269	2	-	-	7,271
Allowance for expected credit loss	36	-	-	-	36

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 2026	31 December 2025
Hire purchase receivables with no significant increase in credit risk		
Very high grade	40,934	40,313
High grade	43,578	41,772
Medium grade	6,023	6,668
Subtotal	90,535	88,753
Hire purchase receivables with significant increase in credit risk	7,216	7,526
Hire purchase receivables that are credit-impaired	1,993	2,170
Total	99,744	98,449

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 transaction intent as well as the market liquidity of the securities shall be subject to adequate risk assessment and corresponding risk treatment.

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 2026	31 December 2025
Marketable financial assets		
Equity securities	9	14
Debt securities	5	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 2026	31 December 2025
Changes in interest rate		
Increase by 1 percent	(163.51)	(366.56)
Decrease by 1 percent	163.51	366.56

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 2026					
	Repricing or maturity date					
Transactions	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Non-interest bearing	Total
Financial assets						
Cash	-	-	-	-	821	821
Interbank and money market items	36,206	-	-	-	1,833	38,039
Financial assets measured at fair value through profit or loss	-	-	-	-	1,446	1,446
Investments	-	2,500	33	-	4,117	6,650
Loans to customers	80,559	8,427	122,744	19,033	-	230,763
Other assets - accrued interest receivables on investments	-	-	-	-	8	8
Other assets - fee and service receivables	-	-	-	-	157	157
Other assets - other receivables	-	-	-	-	477	477
	116,765	10,927	122,777	19,033	8,859	278,361
Financial liabilities						
Deposits	119,016	96,286	238	-	698	216,238
Interbank and money market items	696	595	5,961	-	363	7,615
Liabilities payable on demand	-	-	-	-	393	393
Derivatives liabilities	-	-	-	-	131	131
Debts issued and borrowings	19	-	-	3,600	-	3,619
Lease liabilities	9	13	190	75	-	287
Accrued interest payable	-	-	-	-	747	747
Other liabilities - accrued insurance premium	-	-	-	-	268	268
	119,740	96,894	6,389	3,675	2,600	229,298

(Unit: Million Baht)

Transactions	As at 31 December 2025					
	Repricing or maturity date					
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Non-interest bearing	Total
Financial assets						
Cash	-	-	-	-	818	818
Interbank and money market items	37,009	-	-	-	1,661	38,670
Financial assets measured at fair value through profit or loss	-	-	-	-	1,445	1,445
Derivatives assets	-	-	-	-	91	91
Investments	501	91	27	-	6,311	6,930
Loans to customers	81,524	8,229	120,848	18,633	-	229,234
Other assets - accrued interest receivables on investments	-	-	-	-	4	4
Other assets - fee and service receivables	-	-	-	-	161	161
Other assets - other receivables	-	-	-	-	530	530
	119,034	8,320	120,875	18,633	11,021	277,883
Financial liabilities						
Deposits	118,077	93,802	358	-	882	213,119
Interbank and money market items	434	2,547	5,944	-	1,231	10,156
Liabilities payable on demand	-	-	-	-	223	223
Debts issued and borrowings	19	-	-	2,900	-	2,919
Lease liabilities	2	47	189	77	-	315
Accrued interest payable	-	-	-	-	1,333	1,333
Other liabilities - accrued insurance premium	-	-	-	-	284	284
	118,532	96,396	6,491	2,977	3,953	228,349

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.

<u>Liquidity risk management framework</u>

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

(Unit: Million Baht)

	As at	
	30 June 2026	31 December 2025
Composition of highly liquid assets		
Cash	821	818
Interbank and money market items	38,039	38,670
Current investments	6,621	6,907
Total highly liquid assets	45,481	46,395
Liquid asset requirement according to the LCR criteria	31,716	29,060

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 2026 and 31 December 2025, 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 2026 and 31 December 2025, the periods to the maturity dates of financial instruments are as follows:

(Unit: Million Baht)

	As at 30 June 2026							
Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
Financial assets								
Cash	821	-	-	-	-	-	-	821
Interbank and money market items	1,835	36,204	-	-	-	-	-	38,039
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,446	-	1,446
Investments	-	858	5,759	33	-	-	-	6,650
Loans to customers	5,468	12,859	38,919	124,255	45,040	-	4,222	230,763
Other assets - accrued interest receivables on investments	-	8	-	-	-	-	-	8
Other assets - fee and service receivables	-	157	-	-	-	-	-	157
Other assets - other receivables	6	457	-	-	-	14	-	477
	8,130	50,543	44,678	124,288	45,040	1,460	4,222	278,361

(Unit: Million Baht)

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
	As at 30 June 2026							
Financial liabilities								
Deposits	35,074	84,640	96,286	238	-	-	-	216,238
Interbank and money market items	809	250	595	5,961	-	-	-	7,615
Liabilities payable on demand	393	-	-	-	-	-	-	393
Derivatives liabilities	-	131	-	-	-	-	-	131
Debts issued and borrowings	19	-	-	-	3,600	-	-	3,619
Lease liabilities	-	25	78	147	37	-	-	287
Accrued interest payable	12	439	293	3	-	-	-	747
Other liabilities - accrued insurance premium	-	268	-	-	-	-	-	268
	36,307	85,753	97,252	6,349	3,637	-	-	229,298
Commitments and contingent liabilities								
Avals to bills and other guarantees	-	6	51	4	-	1,788	-	1,849
Other commitments	2,289	3,296	223	2,945	2,220	-	-	10,973

(Unit: Million Baht)

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
	As at 31 December 2025							
Financial assets								
Cash	818	-	-	-	-	-	-	818
Interbank and money market items	1,662	37,008	-	-	-	-	-	38,670
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,445	-	1,445
Derivatives assets	-	-	91	-	-	-	-	91
Investments	-	1,500	5,403	27	-	-	-	6,930
Loans to customers	3,342	13,098	38,657	123,139	46,378	-	4,620	229,234
Other assets - accrued interest receivables on investments	-	4	-	-	-	-	-	4
Other assets - fee and service receivables	-	161	-	-	-	-	-	161
Other assets - other receivables	7	503	6	-	-	14	-	530
	5,829	52,274	44,157	123,166	46,378	1,459	4,620	277,883

(Unit: Million Baht)

Transactions	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Financial assets that are credit-impaired	Total
	As at 31 December 2025							
Financial liabilities								
Deposits	31,937	87,022	93,802	358	-	-	-	213,119
Interbank and money market items	1,632	33	2,547	5,944	-	-	-	10,156
Liabilities payable on demand	223	-	-	-	-	-	-	223
Debts issued and borrowings	19	-	-	-	2,900	-	-	2,919
Lease liabilities	-	27	93	157	38	-	-	315
Accrued interest payable	13	754	561	5	-	-	-	1,333
Other liabilities - accrued insurance premium	-	284	-	-	-	-	-	284
	33,824	88,120	97,003	6,464	2,938	-	-	228,349
Commitments and contingent liabilities								
Avals to bills and other guarantees	12	4	22	8	-	1,805	-	1,851
Other commitments	1,491	175	3,287	3,025	2,138	-	-	10,116

Regarding the disclosure of the Bank's Liquidity Coverage Ratio as at 30 June 2026, it will be disclosed via the Bank's website by October 2026.

3.36.4 Derivatives

As at 30 June 2026 and 31 December 2025, 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 2026		
Maturity	Notional amount	Loss on measurement of fair value
Year 2026	3,127	(131)

(Unit: Million Baht)

As at 31 December 2025		
Maturity	Notional amount	Gain on measurement of fair value
Year 2026	2,845	91

3.37 Fair value hierarchy

3.37.1 As at 30 June 2026 and 31 December 2025, 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 2026				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value					
through profit or loss					
Equity instruments	1,446	2	23	1,421	1,446
Investments - debt instruments	6,650	-	6,619	31	6,650
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
Foreign exchange contracts	131	-	131	-	131
<u>Assets measured at fair value</u>					
Investment properties	51	-	-	51	51
Office condominiums	612	-	-	612	612
<u>Financial assets for which fair value</u>					
<u>is disclosed</u>					
Cash	821	821	-	-	821
Interbank and money market items	38,039	1,835	36,204	-	38,039
Loans to customers and accrued interest					
receivables	222,407	-	87,984	135,135	223,119
Other assets - accrued interest receivables					
on investments	8	-	8	-	8
Other assets - fee and service receivables	157	-	157	-	157
Other assets - other receivables	472	-	472	-	472
<u>Financial liabilities for which fair value</u>					
<u>is disclosed</u>					
Deposits	216,238	34,750	181,488	-	216,238
Interbank and money market items	7,615	809	6,806	-	7,615
Liabilities payable on demand	393	393	-	-	393
Debts issued and borrowings	3,619	-	3,402	-	3,402
Accrued interest payable	747	3	744		747
Other liabilities - accrued insurance premium	268	-	268	-	268

(Unit: Million Baht)

	As at 31 December 2025				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Financial assets measured at fair value					
through profit or loss					
Equity instruments	1,445	3	27	1,415	1,445
Derivatives assets					
Foreign exchange contracts	91	-	91	-	91
Investments - debt instruments	6,930	-	6,904	26	6,930
Assets measured at fair value					
Investment properties	51	-	-	51	51
Office condominiums	616	-	-	616	616
Financial assets for which fair value					
is disclosed					
Cash	818	818	-	-	818
Interbank and money market items	38,670	1,662	37,008	-	38,670
Loans to customers and accrued interest					
receivables	221,153	-	84,575	136,851	221,426
Other assets - accrued interest receivables					
on investments	4	-	4	-	4
Other assets - fee and service receivables	161	-	161	-	161
Other assets - other receivables	525	-	525	-	525
Financial liabilities for which fair value					
is disclosed					
Deposits	213,119	31,527	181,592	-	213,119
Interbank and money market items	10,156	1,632	8,524	-	10,156
Liabilities payable on demand	223	223	-	-	223
Debts issued and borrowings	2,919	-	2,759	-	2,759
Accrued interest payable	1,333	3	1,330		1,333
Other liabilities - accrued insurance premium	284	-	284	-	284

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 2026	1,415	26	1,441
Net gain recognised in profit or loss	6	-	6
Net gain recognised in other comprehensive income	-	5	5
Balance as at 30 June 2026	1,421	31	1,452

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 201 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 84 million.

Fair value of investments in private sector debt instruments is wholly determined using reference yield rates announced by the Thai Bond Market Association. Therefore, they are categorised within level 3, and the sensitivity of the input to fair value has not been calculated.

4. Dividend payment

	Approved by	Dividend per share		Amounts of dividend paid	Dividend payment period
		Preference share	Ordinary share	(Million Baht)	
		(Baht per share)	(Baht per share)		
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 period of 2025				1,953	
Annual dividend for the year 2025	The 2026 Annual General Meeting of the Shareholders on 23 April 2026	0.85	0.85	783	May 2026
Interim dividend for the year 2026	The 3/2026 Meeting of the Board of Directors on 24 June 2026	1.07	1.07	986	July 2026
Total dividend payment in the period of 2026				1,769	

5. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 25 August 2026.