



LH FINANCIAL GROUP PUBLIC COMPANY LIMITED

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED 31 DECEMBER 2025**

(THIS REPORT DISCUSSES PRINCIPAL CHANGES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENT)

Overview of Business Operation

LH Financial Group Public Company Limited is the parent company of the financial business group which consists of the companies as follows:

- Land and Houses Bank Public Company Limited
- Land and Houses Fund Management Company Limited
- Land and Houses Securities Public Company Limited

Structure of the Financial Business Group, LH Financial Group Public Company Limited



Result of Corporate Governance Assessment

The Thai Institute of Directors Association (IOD) disclosed the result of 2025 corporate governance evaluation of Thai listed companies. The company was rated among the top level of "Excellence : 5 Stars" for 11 consecutive years.

Result of the Quality Assessment of the Annual General Meeting of Shareholders

The Thai Investors Association has assessed the 2025 Annual General Meeting of Shareholders of the company with the full score of 100 for 13 consecutive years.

SET ESG Ratings

The company was evaluated under the SET ESG Ratings 2025 at "AA" rating by the Stock Exchange of Thailand. The company has been recognized as a sustainable stock for 5 consecutive years.

Climate Action Leading Organization (CALO) Program

The company has been selected as 1 of 10 companies for the Climate Action Leading Organization (CALO) Program to achieve the net-zero greenhouse gas emissions, organized by Thailand Greenhouse Gas Management Organization (Public Organization).

CAG Alliance

The company has joined the CAG Alliance as a leading company in climate-related corporate governance covering the entire supply chain, in collaboration with the Thaipat Institute.

ESG100 Certificate

The company has been selected to be 1 of 100 listed firms for outstanding ESG performance in terms of Environmental, Social and Governance (ESG 100) in 2025 for the 10th year and the company's securities have also been included in the ESG 100 universe in 2025.

Sustainability Disclosure Recognition

The company has received the sustainability disclosure recognition for the year 2025 from Thaipat Institute.

Plaque of “Ting To Trash” Project

The company has received a plaque of honor for its participation in the “Ting To Trash” Project. The project aims to promote knowledge and understanding of proper waste separation methods and foster a corporate culture that supports greenhouse gas reduction as well as information disclosure on environmental activities - waste separation. This project is organized by the Thai Listed Companies Association and the Securities and Exchange Commission (SEC).

Certificate of Carbon Footprint for Organization (CFO) and Carbon Neutral

The company has received the certificate of 2024 Carbon Footprint for Organization and Carbon Neutral from the Thailand Greenhouse Gas Management Organization (Public Organization) as an organization that fosters the reduction of greenhouse gas emissions within the country as to combat global warming. In 2024, the company was successful in offsetting corporate carbon footprint of 3,998 tons of carbon dioxide equivalent (tCO₂e).

Credit Rating

Fitch Ratings (Thailand) Limited	
National long-term rating	AA+(tha)
Outlook	“Stable”
National short-term rating	F1+ (tha)
TRIS Rating Company Limited	
Company rating	AA+
Outlook	“Stable”

Economic Overview and Competition among Commercial Banks

According to projections by the National Economic and Social Development Council (NESDC) as of November 2025, Thailand's economy is expected to grow by 2.0% in 2025. The main growth drivers are an acceleration in exports before the implementation of U.S. tariff measures, increased private consumption supported by government stimulus programs, and higher public investment in accordance with the 2025 budget. However, the tourism sector remains sluggish.

The NESDC forecasts that Thailand's economy is expected to expand by 1.7% in 2026 (as of November 2025), mainly driven by domestic demand. Private consumption is supported by government economic stimulus measures, low inflation, as well as policy rate cuts which will ease financial cost pressures. Meanwhile, private investment is projected to continue growing, especially in digital industries through investments in data centers and cloud infrastructure. However, external demand is expected to weaken in line with global trade conditions, and the tourism sector is expected to recover slowly. Key downside risks to Thailand's economy include rising U.S. import tariffs, the influx of Chinese and U.S. goods, lingering geopolitical uncertainty, climate change and related measures by trading partners.

In 2025, the operating performance of commercial banks improved compared to the previous year. This improvement was driven by higher non-interest income, particularly from investment income and mark-to-market gains of debt instruments. Nevertheless, loan growth of the commercial banking system slowed down for both corporate and consumer loans, particularly auto hire-purchase loans, which continued to contract significantly due to the unrecovered automotive market. In terms of loan quality, the NPL ratio remained relatively stable compared to the previous year. Meanwhile, deposits continued to grow, maintaining high liquidity levels despite the downtrend interest rate. Overall, the commercial banking system remains solid and stable, as evidenced by its robust capital, reserves, and high liquidity.

Analysis of Operating Results

In the fourth quarter of 2025, the operating results of the company and its subsidiaries showed the net profit of Baht 840.5 million, decreased by 9.1% when compared to the third quarter of 2025 with the net profit of Baht 924.6 million as a result of the decrease in gains on investments and dividend income. The net profit increased by 45.8% when compared to the fourth quarter of 2024 with the net profit of Baht 576.5 million due to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and the decrease in expected credit losses.

In 2025, the operating results of the company and its subsidiaries showed the net profit of Baht 2,885.8 million, increased by 41.0% when compared to the year 2024 with the net profit of Baht 2,047.0 million as a result of the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and gains on investments.

Net Interest Income

In the fourth quarter of 2025, net interest income amounted to Baht 1,835.2 million, increased by 5.7% when compared to the third quarter of 2025 and increased by 10.6% when compared to the fourth quarter of 2024. In the fourth quarter of 2025, interest income was Baht 3,454.7 million, increased by 2.3% and interest expenses amounted to Baht 1,619.5 million, decreased by 1.3% when compared to the third quarter of 2025.

In 2025, net interest income amounted to Baht 6,909.7 million, increased by 1.5% when compared to the year 2024. Interest income was Baht 13,595.5 million, increased by 3.2% while interest expenses were Baht 6,685.8 million, increased by 5.0% when compared to the year 2024.

Net Non-interest Income

In the fourth quarter of 2025, net non-interest income amounted to Baht 522.0 million, decreased by 33.6% when compared to the third quarter of 2025, mainly due to the decrease in gains on investments and dividend income. Non-interest income increased by 35.6% when compared to the fourth quarter of 2024, mainly due to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and dividend income.

In 2025, net non-interest income amounted to Baht 2,156.1 million, increased by 54.7% when compared to the year 2024 due mainly to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss.

Other Operating Expenses

In the fourth quarter of 2025, other operating expenses amounted to Baht 1,339.9 million, increased by 6.6% when compared to the third quarter of 2025 and increased by 16.8% when compared to the fourth quarter of 2024 due to the increase in advertising and promotional expenses and other expenses.

In 2025, other operating expenses amounted to Baht 4,860.2 million, increased by 12.3% when compared to the year 2024 due to the increase in advertising and promotional expenses and amortization of intangible assets.

Profit from Operations before Expected Credit Losses and Income Tax

In the fourth quarter of 2025, earnings from operations before expected credit losses and income tax amounted to Baht 1,023.3 million, decreased by 19.5% when compared to the third quarter of 2025 and increased by 13.5% when compared to the fourth quarter of 2024.

In 2025, earnings from operations before expected credit losses and income tax amounted to Baht 4,205.6 million, increased by 8.5% when compared to the year 2024.

In the fourth quarter of 2025, basic earnings per share stood at Baht 0.039 per share, decreased by 11.4% when compared to third quarter of 2025 and increased by 39.3% when compared to the fourth quarter of 2024.

In 2025, basic earnings per share stood at Baht 0.136 per share, increased by 40.2% when compared to the year 2024.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Interest income	3,454.7	3,377.8	2.3	3,363.6	2.7	13,595.5	13,176.2	3.2
Interest expense	(1,619.5)	(1,641.4)	(1.3)	(1,704.2)	(5.0)	(6,685.8)	(6,368.5)	5.0
Net interest income	1,835.2	1,736.4	5.7	1,659.4	10.6	6,909.7	6,807.7	1.5
Fees and service income	305.5	313.0	(2.4)	258.2	18.3	1,128.4	991.5	13.8
Fees and service expense	(64.3)	(63.8)	0.8	(58.1)	10.7	(238.6)	(223.4)	6.8
Net fees and service income	241.2	249.2	(3.2)	200.1	20.5	889.8	768.1	15.8
Gains (losses) on financial instruments measured at fair value through profit or loss	80.5	72.0	11.8	41.3	94.9	182.3	49.0	272.0

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Gains on investments	(0.2)	259.50	(100.1)	(5.1)	96.1	393.8	(30.7)	1,382.7
Dividend income	142.9	167.9	(14.9)	87.6	63.1	524.4	465.4	12.7
Other operating incomes	57.6	37.9	52.0	61.0	(5.6)	165.8	142.0	16.8
Operating income	2,357.2	2,522.9	(6.6)	2,044.3	15.3	9,065.8	8,201.5	10.5
Other operating expenses	1,333.9	1,251.1	6.6	1,142.5	16.8	4,860.2	4,326.2	12.3
Expected credit losses	(1.6)	144.8	(101.1)	179.8	(100.9)	666.6	1,329.9	(49.9)
Income tax	184.4	202.4	(8.9)	145.5	26.7	653.2	498.4	31.1
Profits from operations before expected credit losses and income tax	1,023.3	1,271.8	(19.5)	901.8	13.5	4,205.6	3,875.3	8.5
Profits from operations before income tax	1,024.9	1,127.0	(9.1)	722.0	42.0	3,539.0	2,545.4	39.0
Net profit	840.5	924.6	(9.1)	576.5	45.8	2,885.8	2,047.0	41.0
Basic earnings per share (Baht)	0.039	0.044	(11.4)	0.028	39.3	0.136	0.097	40.2
ROA						0.79	0.64	23.4
ROE						7.06	5.53	27.7

Table: Other Operating Expenses

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Employees' expenses	681.1	707.7	(3.8)	627.5	8.5	2,650.8	2,379.8	11.4
Premises and equipment expenses	280.3	248.7	12.7	239.7	16.9	1,018.2	880.8	15.6
Other expenses	372.5	294.7	26.4	275.3	35.3	1,191.2	1,065.6	11.8
Total	1,333.9	1,251.1	6.6	1,142.5	16.8	4,860.2	4,326.2	12.3

Analysis of Financial Position

Total Assets

As of 31 December 2025, total assets amounted to Baht 398,811.0 million, increased by Baht 51,948.4 million or 15.0% when compared to the end of the year 2024. Core assets comprised loans to customers - net at 68.9% of total assets, followed by investments - net at 14.2% of total assets.

Table: Total Assets

(Unit: Million Baht)

Items	December	December	Variance	
	2025	2024	Amount	(%YTD)
Interbank and money market items -net	53,653.3	41,866.5	11,786.8	28.2
Investments - net	56,627.0	47,704.8	8,922.2	18.7
Loans to customers - net	274,596.4	243,305.7	31,290.7	12.9
Other assets - net	13,934.3	13,985.6	(51.3)	(0.4)
Total assets	398,811.0	346,862.6	51,948.4	15.0

Total Liabilities

As of 31 December 2025, total liabilities amounted to Baht 356,094.3 million, increased by Baht 47,875.5 million or 15.5% when compared to the end of the year 2024. Most of liabilities were deposits, accounting for 88.9% of total liabilities.

Total Owners' Equity

As of 31 December 2025, total owners' equity amounted to Baht 42,716.7 million, increased by Baht 4,072.9 million or 10.5% when compared to the end of the year 2024.

Table: Total Liabilities and Owners' Equity

(Unit: Million Baht)

Items	December	December	Variance	
	2025	2024	Amount	(%YTD)
Deposits	316,722.8	274,752.6	41,970.2	15.3
Interbank and money market items	16,289.7	10,593.1	5,696.6	53.8
Debts issued and borrowings - net	13,886.7	17,398.8	(3,512.1)	(20.2)
Other liabilities	9,195.1	5,474.3	3,720.8	68.0
Total liabilities	356,094.3	308,218.8	47,875.5	15.5
Total owners' equity	42,716.7	38,643.8	4,072.9	10.5

Number of Employees

As of 31 December 2025, the company and its subsidiaries had 1,890 employees, increased by 108 employees, when compared to the end of the year 2024.

Key Milestones

- Providing loan support for SMEs in target industries by launching 12 product programs, resulting in a 454.0% growth in SME loans from the end of 2024
- Partnering with the Chambers of Commerce and Industry Federations of Nonthaburi, Ayutthaya, and Ratchaburi provinces to support loans for entrepreneurs
- Launching relief measures to assist customers affected by trade tariffs and the economic slowdown through the "You Fight, We Help" and "Quick Debt Payoff, Move Forward" projects, as well as help customers affected by the floods in southern Thailand and the dispute on the Thai-Cambodian border
- Expanding the retail customer base by 26.0% compared to 2024
- Growing fee income by 31% compared to 2024 through diverse mutual fund, life and health insurance products tailored to customer needs
- Developing a Life Path investment system for provident funds as investment options that suit with members' age and risk tolerance. This system will automatically rebalance investment allocations based on the age range of members so as to mitigate risks once they are approaching retirement and increase the potential for getting returns during the age range that they can tolerate higher volatility.

Sustainability Progress

- Providing sustainable financing including Green Loans, Sustainability-linked Loans, and Green Transition Advisory service to low-carbon industries. In 2025, the bank granted green loans totaling Baht 4,540 million, representing a 52.0% growth compared to the end of 2024.
- Launching the green deposit product
- Developing a greenhouse gas emission reduction plan (Transition Plan) for the Oil and Gas industry, covering sub-industries such as oil refinery, petrochemical, fuel and gas production and distribution as well as plastics and packaging products, along with a greenhouse gas emission reduction plan to align with Thailand's NDC 3.0 goal.

Factors Affecting Future Operations

Factors that may impact future operations include supportive elements from major economies' central banks and countries with easing monetary policy, which will lessen financing costs and support new lending to potential businesses. At the same time, the government is introducing measures that enable Asset Management Companies (AMCs) to purchase non-performing loans from banking sector. This is expected to reduce provisioning burdens and mitigate financial system fragility to some extent. In addition, other factors require vigilance. These include U.S. trade protectionism and trading partners, an influx of goods from China and the United States, China's economic vulnerabilities, geopolitical conflicts, which could heighten global financial market volatility. The entry of virtual banks into the market poses another challenge as they are expected to compete for market share in the retail and SME segments. This will encourage financial institutions to elevate their services and tailor their products that better meet consumer needs.

In addition to economic factors, businesses must recognize the growing significance of Environmental, Social, and Governance (ESG) considerations, which increasingly influence long-term competitiveness across multiple dimensions, including access to capital from sustainability-focused investors, compliance with stricter environmental regulations and greenhouse gas emission reduction requirements in many countries, as well as consumer and stakeholder expectations for corporate transparency and accountability.

Performance Analysis of Subsidiaries

1. COMMERCIAL BANKING BUSINESS

Land and Houses Bank Public Company Limited

Credit Rating

Fitch Ratings (Thailand) Limited	
National long-term rating	AA+(tha)
Outlook	“Stable”
National short-term rating	F1+(tha)
Basel III Tier 2 debentures	AA-(tha)
TRIS Rating Company Limited	
Company rating	AAA
Outlook	“Stable”
Basel III Tier-2 debentures	AA

Analysis of Operating Results

In the fourth quarter of 2025, the operating results of the bank showed the net profit of Baht 749.8 million, decreased by 6.6% when compared to the third quarter of 2025 with the net profit of Baht 802.7 million due to the decrease in gains on investments and expected credit losses. The net profit increased by 22.7% when compared to the fourth quarter of 2024 with the net profit of Baht 611.1 million due to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and the decrease in expected credit losses.

In 2025, the operating results of the bank showed the net profit of Baht 2,655.1 million, increased by 32.1% when compared to the year 2024 with the net profit of Baht 2,010.3 million due to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and the decrease in expected credit losses.

Net Interest Income

In the fourth quarter of 2025, net interest income amounted to Baht 1,820.4 million, increased by 5.5% when compared to the third quarter of 2025 and increased by 7.4% when compared to the fourth quarter of 2024. In the fourth quarter of 2025, interest income was Baht 3,440.9 million, increased by 2.3% and interest expenses were Baht 1,620.5 million, decreased by 1.1% when compared to the third quarter of 2025.

In 2025, net interest income amounted to Baht 6,906.2 million, decreased by 0.5% when compared to the year 2024. Interest income was Baht 13,537.2 million, increased by 2.9% and interest expenses were Baht 6,631.0 million, increased by 6.8% when compared to the year 2024.

In 2025, net interest margin (NIM) stood at 2.00%, decreased when compared to the year 2024 which was 2.32%.

Net Non-interest Income

In the fourth quarter of 2025, net non-interest income amounted to Baht 331.7 million, decreased by 41.6% when compared to the third quarter of 2025 mainly due to the decrease in gains on investments, and increased by 41.0% when compared to the fourth quarter of 2024 mainly due to the increase in net gains (losses) on financial instruments measured at fair value through profit or loss and fees and service income.

In 2025, net non-interest income amounted to Baht 1,432.8 million, increased by 104.9% when compared to the year 2024 due mainly to the increase in gains on investments and net gains (losses) on financial instruments measured at fair value through profit or loss.

Other Operating Expenses

In the fourth quarter of 2025, other operating expenses were Baht 1,236.2 million, increased by 8.9% when compared to the third quarter of 2025 and increased by 21.0% when compared to the fourth quarter of 2024 due to the increase in advertising and promotional expenses and other expenses.

In 2025, other operating expenses amounted to Baht 4,403.3 million, increased by 14.1% when compared to the year 2024 due to the increase in advertising and promotional expenses and amortization of intangible assets.

Expected Credit Losses

In the fourth quarter of 2025, the expected credit losses amounted to Baht 14.8 million, decreased by 109.3% when compared to the third quarter of 2025 and decreased by 109.9% when compared to the fourth quarter of 2024. As a result, in the fourth quarter of 2025, the coverage ratio stood at 158.32%.

In 2025, expected credit losses amounted to Baht 641.0 million, decreased by 50.0% when compared to the year 2024.

In the fourth quarter of 2025, basic earnings per share stood at Baht 0.380 per share, decreased by 5.0% when compared to the third quarter of 2025, and increased by 22.6% when compared to the fourth quarter of 2024.

In 2025, basic earnings per share stood at Baht 1.330 per share, increased by 31.7% when compared to the year 2024.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Interest income	3,440.9	3,364.1	2.3	3,346.7	2.8	13,537.2	13,151.1	2.9
Interest expense	(1,620.5)	(1,638.2)	(1.1)	(1,651.2)	(1.9)	(6,631.0)	(6,206.8)	6.8
Net interest income	1,820.4	1,725.9	5.5	1,695.5	7.4	6,906.2	6,944.3	(0.5)
Fees and service income	152.7	157.8	(3.2)	114.9	32.9	549.9	443.5	24.0
Fees and service expense	(22.3)	(21.9)	1.8	(23.4)	(4.7)	(82.8)	(95.8)	(13.6)
Net fees and service income	130.4	135.9	(4.0)	91.5	42.5	467.1	347.7	34.3
Gains (losses) on financial instruments measured at fair value through profit or loss	79.9	71.1	12.4	39.5	102.3	180.6	45.0	301.3

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Gains on investments	0.0	259.60	(100.0)	(5.1)	100.0	394.0	(30.7)	1,383.4
Dividend income	63.1	66.0	(4.4)	49.9	26.5	237.1	204.2	16.1
Other operating incomes	58.3	35.1	66.1	59.4	(1.9)	154.0	133.2	15.6
Operating income	2,152.1	2,293.6	(6.2)	1,930.7	11.5	8,339.0	7,643.7	9.1
Other operating expenses	1,236.2	1,135.1	8.9	1,021.5	21.0	4,403.3	3,858.6	14.1
Expected credit losses	(14.8)	160.0	(109.3)	150.1	(109.9)	641.0	1,283.0	(50.0)
Income tax	180.9	195.8	(7.6)	148.0	22.2	639.6	491.8	30.1
Profits from operations before expected credit losses and income tax	915.9	1,158.5	(20.9)	909.2	0.7	3,935.7	3,785.1	4.0
Profits from operations before income tax	930.7	998.5	(6.8)	759.1	22.6	3,294.7	2,502.1	31.7
Net profit	749.8	802.7	(6.6)	611.1	22.7	2,655.1	2,010.3	32.1
Basic earnings per share (Baht)	0.380	0.400	(5.0)	0.310	22.6	1.330	1.010	31.7
ROA						0.74	0.64	15.6
ROE						6.59	5.45	20.9

Table: Other Operating Expenses

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Employees' expenses	581.6	540.1	7.7	461.9	25.9	2,060.2	1,762.1	16.9
Premises and equipment expenses	258.7	227.3	13.8	218.1	18.6	931.2	795.9	17.0
Other expenses	395.9	367.7	7.7	341.5	15.9	1,411.9	1,300.6	8.6
Total	1,236.2	1,135.1	8.9	1,021.5	21.0	4,403.3	3,858.6	14.1

Analysis of Financial Position

Total Assets

As of 31 December 2025, total assets amounted to Baht 392,915.2 million, increased by Baht 52,469.3 million or 15.4% when compared to the end of the year 2024. Core assets comprised loans to customers - net at 69.6% of total assets, followed by interbank and money market items - net at 13.7% of total assets, investments - net at 13.3% of total assets.

Table: Total Assets

(Unit: Million Baht)

Items	December	December	Variance	
	2025	2024	Amount	(%YTD)
Interbank and money market items - net	53,703.0	42,391.3	11,311.7	26.7
Investments - net	52,218.4	42,728.2	9,490.2	22.2
Loans to customers - net	273,650.6	241,882.2	31,768.4	13.1
Other assets - net	13,343.2	13,444.2	(101.0)	(0.8)
Total assets	392,915.2	340,445.9	52,469.3	15.4

Loans to Customers

As of 31 December 2025, loans to customers net of deferred revenue and modification gain or loss from the new standard (Interbank and money market items included) amounted to Baht 333,467.1 million, increased by Baht 43,978.5 million or 15.2% when compared to the end of the year 2024.

Loans to Customers by Segment

Conglomerate & corporate loans amounted to Baht 172,757.9 million, increased by Baht 32,231.2 million or 22.9% when compared to the end of the year 2024.

Commercial & SME loans amounted to Baht 88,472.2 million, decreased by Baht 1,300.6 million or 1.4% when compared to the end of the year 2024.

Retail loans amounted to Baht 72,237.1 million, increased by Baht 13,048.0 million or 22.0% when compared to the end of the year 2024.

Table: Loans to Customers Classified by Segment

(Unit: Million Baht)

Loans to Customers Classified by Segment	December	December	Variance	
	2025	2024	Amount	(%YTD)
Conglomerate & Corporate	172,757.9	140,526.7	32,231.2	22.9
Commercial & SME	88,472.2	89,772.8	(1,300.6)	(1.4)
Retail	72,237.1	59,189.1	13,048.0	22.0
Total loans to customers - net*	333,467.1	289,488.6	43,978.5	15.2

Remarks: * Total loans to customers - net of deferred revenue and modification gain or loss from the new standard including interbank and money market items.

Loans to Customers by Type of Businesses

Loans to customers classified by type of businesses were mainly financial intermediary, followed by manufacturing and commerce and housing loans, accounting for 29.9%, 22.2% and 20.6% of total loans, respectively.

Table: Loans to Customers by Type of Businesses

(Unit: Million Baht)

Loans to Customers by Type of Businesses	December	December	Variance	
	2025	2024	Amount	(%YTD)
Financial intermediary	99,694.4	83,887.6	15,806.8	18.8
Manufacturing and commerce	74,045.1	69,401.3	4,643.8	6.7
Housing loan	68,660.0	56,420.2	12,239.8	21.7
Public utilities and services	47,002.4	45,339.1	1,663.3	3.7
Real estate and construction	34,665.0	28,795.2	5,869.8	20.4
Savings cooperative	3,000.0	1,772.0	1,228.0	69.3
Agricultural and mining	2,633.7	991.0	1,642.7	165.8
Others	3,766.6	2,882.2	884.4	30.7
Total loans to customers - net*	333,467.1	289,488.6	43,978.5	15.2

Remarks: * Total loans to customers - net of deferred revenue and modification gain or loss from the new standard including interbank and money market items.

Non-performing Loans

As of 31 December 2025, non-performing loans (Gross) amounted to Baht 8,146.3 million, increased by Baht 1,382.3 million or 20.4% when compared to the end of the year 2024.

NPL ratio was 2.44% of total loans (Interbank and money market items included) when compared to the end of the year 2024 which was 2.34%.

Investments

As of 31 December 2025, net investments had the book value of Baht 50,190.7 million, increased by Baht 7,462.5 million or 17.5% when compared to the end of the year 2024.

Total Liabilities

As of 31 December 2025, total liabilities amounted to Baht 351,860.3 million, increased by Baht 49,377.9 million or 16.3% when compared to the end of the year 2024. Most of liabilities were deposits, accounting for 90.4% of total liabilities.

Total Owners' Equity

As of 31 December 2025, total owners' equity amounted to Baht 41,054.9 million, increased by Baht 3,091.4 million or 8.1% when compared to the end of the year 2024.

Table: Total Liabilities and Owners' Equity

(Unit: Million Baht)

Items	December	December	Variance	
	2025	2024	Amount	(%YTD)
Deposits	318,013.3	279,907.7	38,105.6	13.6
Interbank and money market items	16,513.8	10,146.1	6,367.7	62.8
Debts issued and borrowings - net	8,392.1	7,217.7	1,174.4	16.3
Other liabilities	8,941.1	5,210.9	3,730.2	71.6
Total liabilities	351,860.3	302,482.4	49,377.9	16.3
Total owners' equity	41,054.9	37,963.5	3,091.4	8.1

Deposits

As of 31 December 2025, the bank had the total deposit of Baht 318,013.3 million, increased by Baht 38,105.6 million or 13.6% when compared to the end of the year 2024. Time deposit formed the majority of 47.9%, followed by savings deposit of 32.0% of total deposit.

Table: Deposits by Type of Deposits

(Unit: Million Baht)

Type of Deposits	December	December	Variance	
	2025	2024	Amount	(%YTD)
Demand deposit	6,049.7	2,659.6	3,390.1	127.5
Savings deposit	101,729.6	58,116.8	43,612.8	75.0
Time deposit	152,443.3	162,871.3	(10,428.0)	(6.4)
Fixed deposit receipt	57,790.7	56,260.0	1,530.7	2.7
Total deposit	318,013.3	279,907.7	38,105.6	13.6

Capital Adequacy Ratio and BIS Ratio

As of 31 December 2025, the capital to risk-weighted assets ratio (BIS ratio) was 17.272%, which is higher than the Bank of Thailand's minimum requirement of 11.000% and increased from 15.222% as at 31 December 2024.

Tier-1 capital ratio to risk-weighted assets was 15.245%, which is higher than the Bank of Thailand's minimum requirement of 8.500% and increased from 13.119% as at 31 December 2024.

Table: BIS Ratio

BIS Ratio	As of 31 December 2025		As of 31 December 2024	
	Million Baht	%	Million Baht	%
Common Equity Tier-1 capital				
Bank	38,008.6	13.473	34,311.0	13.119
Minimum rate required by law		7.000		7.000
Difference		6.473		6.119
Additional Tier-1 capital	5,000.0		-	
Tier-1 capital				
Bank	43,008.6	15.245	34,311.0	13.119
Minimum rate required by law		8.500		8.500
Difference		6.745		4.619
Total capital				
Bank	48,727.5	17.272	39,812.0	15.222
Minimum rate required by law		11.000		11.000
Difference		6.272		4.222

Branch Network

As of 31 December 2025, Land and Houses Bank Public Company Limited had a total of 71 branches, equal to that of the year 2024.

2. SECURITIES BUSINESS

Land and Houses Securities Public Company Limited

Overview of the Stock Exchange of Thailand

In 2025, the Thai stock market continued to be volatile from the previous year. During the first half of the year, market sentiment was pressured by the U.S. reciprocal tariff measures, geopolitical tensions between Iran and Israel and frictions along the Thailand–Cambodia border. These factors undermined political stability, pushing the SET Index down to a low of 1,053.79 points. The market began to recover in the second half of the year, supported by successful conclusion of U.S. tariffs, easing monetary policies by both the Bank of Thailand and the Federal Reserve as well as greater clarity in domestic politics.

SET Index ended at 1,259.67 points, down by 10.04% and marking the third consecutive annual decline. Net selling by foreign investors remained the primary drag on the market, with net outflows totaling Baht 107 billion, accounting for 52.8% of total market turnover. In 2025, the average daily trading volume shrank to Baht 41.045 billion, decreased by 11.8% from the previous year.

Analysis of Operating Results

The operating results of the company and its subsidiaries for the fourth quarter of 2025 showed a net profit of Baht 5.8 million, compared to a net loss of Baht 30.1 million in the fourth quarter of 2024.

For the year 2025, the operating results of the company and its subsidiary showed a net profit of Baht 2.5 million, compared to a net loss of Baht 51.5 million in the year 2024.

Total Income

In the fourth quarter of 2025, total income was Baht 64.3 million, increased by 1.4% when compared to the fourth quarter of 2024.

In 2025, total income was Baht 254.0 million, decreased by 15.1% when compared to the year 2024.

Brokerage Fees Income

In the fourth quarter of 2025, brokerage fees income was Baht 17.1 million, decreased by 25.7% when compared to the fourth quarter of 2024.

In 2025, brokerage fees income was Baht 82.1 million, decreased by 19.0% when compared to the year 2024.

Other Incomes apart from Brokerage Fees Income

In the fourth quarter of 2025, other incomes apart from brokerage fees income amounted to Baht 47.2 million, increased by 16.8% when compared to the fourth quarter of 2024.

In 2025, other incomes apart from brokerage fees income amounted to Baht 171.9 million, decreased by 13.1% when compared to the year 2024.

Total Expenses

In the fourth quarter of 2025, total expenses were Baht 60.3 million, decreased by 39.3% when compared to the fourth quarter of 2024.

In 2025, total expenses were Baht 256.8 million, decreased by 29.2% when compared to the year 2024.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Brokerage fees income	17.1	24.8	(31.0)	23.0	(25.7)	82.1	101.3	(19.0)
Interest income	15.9	16.4	(3.0)	27.2	(41.5)	73.6	125.5	(41.4)
Gains and return on financial instruments	28.5	34.3	(16.9)	8.7	227.6	83.8	64.3	30.3
Other incomes	2.8	2.0	40.0	4.5	(37.8)	14.5	8.2	76.8
Total income	64.3	77.5	(17.0)	63.4	1.4	254.0	299.3	(15.1)
Total expenses	60.3	44.1	36.7	99.3	(39.3)	256.8	362.5	(29.2)
Profits (Loss) before income tax	4.0	33.4	(88.0)	(35.9)	111.1	(2.8)	(63.2)	95.6
Income tax	(1.8)	1.6	212.5	(5.8)	(69.0)	(5.3)	(11.7)	(54.7)
Net profit (loss)	5.8	31.8	(81.8)	(30.1)	119.3	2.5	(51.5)	104.9
Basic earnings (losses) per share (Baht)	0.00	0.02	(82.1)	(0.02)	115.6	0.00	(0.04)	104.1

Factors Affecting Future Operations

Key factors that may affect the future operations of the securities business include volatility in economic conditions, money markets, and capital markets, both domestically and internationally. Such volatility thereby directly affects trading volumes on the Stock Exchange of Thailand and the company's revenue. In addition, these fluctuations may increase credit risk arising from customers' defaults in securities settlement and margin loan including intensifying competition, especially price-based competition, regulatory changes and public policy shifts.

3. FUND MANAGEMENT BUSINESS

Land and Houses Fund Management Company Limited

Overview of Fund Management Business

In the fourth quarter of 2025, the total net asset value of mutual funds was Baht 6.46 trillion, an increase of Baht 0.13 trillion or 2.05% from the previous quarter. Upon classification by fund types, most of mutual funds improved, except for fixed-income funds and property funds and REITs.

Analysis of the Operating Results

In the fourth quarter of 2025, the operating result showed a net profit of Baht 22.4 million, increased by 50.3% when compared to the fourth quarter of 2024.

In 2025, the operating result showed a net profit of Baht 77.7 million, increased by 1.6% when compared to the year 2024.

Total Income

In the fourth quarter of 2025, total income amounted to Baht 173.0 million, increased by 30.4% when compared to the fourth quarter of 2024, due to the increase in fees and service income.

In 2025, total income amounted to Baht 610.5 million, increased by 21.8% when compared to year 2024, due mainly to the increase in fees and service income and gains and returns on investments.

Fees and Service Income

In the fourth quarter of 2025, fees and service income amounted to Baht 168.3 million, increased by 31.1% when compared to the fourth quarter of 2024. The fees income was mostly from mutual fund management, accounting for 82.7% of total fees and service income.

In 2025, fees and service income amounted to Baht 590.1 million, increased by 23.5% when compared to year 2024. The fee income was mostly from mutual fund management, accounting for 79.5% of total fees and service income.

Other Incomes apart from Fees and Service Income

In the fourth quarter of 2025, other incomes apart from fees and service income amounted to Baht 4.7 million, increased by 9.3% when compared to the fourth quarter of 2024.

In 2025, other incomes apart from fees and service income amounted to Baht 20.4 million decreased by 12.8% when compared to the year 2024.

Total expenses

In the fourth quarter of 2025, total expenses amounted to Baht 145.2 million, increased by 27.0% when compared to the fourth quarter of 2024.

In 2025, total expenses amounted to Baht 514.5 million, increased by 26.9% when compared to the year 2024.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Fees and service income	168.3	161.1	4.5	128.4	31.1	590.1	477.8	23.5
Interest income	0.3	0.3	0.0	1.0	(70.0)	1.4	3.7	(62.2)
Gains and returns on financial instruments	3.6	4.0	(10.0)	3.2	12.5	14.1	12.9	9.3
Other incomes	0.8	(2.6)	(130.8)	0.1	700.0	4.9	6.8	(27.9)
Total income	173.0	162.8	6.3	132.7	30.4	610.5	501.2	21.8
Total expense	145.2	135.0	7.6	114.3	27.0	514.5	405.5	26.9
Profits before income tax	27.8	27.7	0.4	18.4	51.1	95.9	95.6	0.3
Income tax expense	5.4	5.3	1.9	3.4	58.8	18.2	19.1	(4.7)

Items	Quarter		Variance	Quarter	Variance	Year		Variance
	4/2025	3/2025	(%QoQ)	4/2024	(%YoY)	2025	2024	(%YoY)
Net profit	22.4	22.4	0.0	14.9	50.3	77.7	76.5	1.6
Basic earnings per share (Baht)	7.5	7.5	0.0	5.0	50.3	25.9	25.5	1.6

Net Asset Value under Management

As of 31 December 2025, the company had 208 funds under management, dropped by 9 funds when compared with the end of the year 2024 and had the total net asset value of Baht 70,245.6 million, increased by 67.1% when compared with the end of the year 2024. The company had the mutual funds under management consisting of:

- Property fund and REIT	40,929.2	million Baht
- Fixed income fund	8,397.2	million Baht
- Equity fund	16,205.3	million Baht
- Mixed fund	1,428.2	million Baht
- Fund of property fund	3,285.7	million Baht

However, in case private fund worth Baht 13,606.5 million and provident fund worth Baht 10,271.0 million were included, the net asset value will be Baht 94,123.0 million.

Factors Affecting Future Operations

In 2026, overall risk is expected to be higher than the previous year, driven by uncertainty of geopolitics, trade policies, and fiscal positions of many countries. These risks are considered primarily volatility-driven rather than crisis risk. However, key supportive factors remain in place, including continued investment in AI and technology, government industrial policies, and supply chain restructuring as major growth drivers. At the same time, easing inflationary pressures and a downward interest rate cycle are supportive of the investment environment.