



## **LH FINANCIAL GROUP PUBLIC COMPANY**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

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

## Overview of Business Operation

LH Financial Group Public Company Limited is a 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 LH Financial Group Public Company Limited Financial Business Group



The company has set the goal to reduce the greenhouse gas emission from own operations by 25% within 2030 and committed to achieving net-zero greenhouse gas emission by 2050.

## 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.

**Credit Rating**

<b>Fitch Ratings (Thailand) Limited</b>		
	<b>2024</b>	<b>2025</b>
National Long-term Rating	AA+(tha)	AA+(tha)
Outlook	“Stable”	“Stable”
National Short-term Rating	F1+ (tha)	F1+ (tha)
LHFG’s Senior Debt Rating	-	AA+(tha)
<b>TRIS Rating Company Limited</b>		
Company Rating	AA+	AA+
Outlook	“Stable”	“Stable”

**Economic Overview and Competition in Commercial Banking Industry**

In the first quarter of 2025, Thai economy expanded constantly, mainly supported by overseas economies, particularly robust exports, which experienced a notable surge ahead of the implementation of new US import tariffs, and a steady increase in numbers of tourists. Private consumption showed signs of improvement from the easing of policy rate cut and stable inflation at low levels. However, the recent escalation in global trade tensions was expected to dampen growth in exports and tourism, potentially affecting global demand. The baht value exhibited heightened volatility due to the prevailing uncertainty over international trade policies and adjustments in monetary policy stances by major central banks worldwide.

The National Economic and Social Development Board estimates the Thai economy to expand by 2.3-3.3 percent (as of February 2025), supported by government investments, which is expected to expand well and the continued recovery in tourism. Similarly, private consumption is projected to maintain its growth trajectory, supported by government stimulus measures and subdued inflation. However, the Thai economy still faces several risk factors, for instance, high household debt and corporate debt, and the implementation of US economic policies that may result in the slowdown in exports and domestic production going forward.

As for the banking sector in the first quarter of 2025, commercial bank loans was slow down, especially in the consumer loan segment, which contracted due to high household debt, which affected hire-purchase loans and put pressure on the recovery of household purchasing power. As for corporate loans, loans to large firms expanded slightly, while loans to SMEs contracted as commercial banks became more cautious in lending, in line with the high level of defaults among SMEs. However, there was an overall improvement in the quality of loans, partly due to effective debt quality management and the ability of some debtors to repay debts according to the terms and conditions. The commercial banking system has maintained its stability, substantial capital, high reserves and liquidity.

**Analysis of Operating Results**

In the first quarter of 2025, the operating results of the company and its subsidiaries showed the net profit of Baht 569.7 million, decreased by 1.2% when compared to the fourth quarter of 2024 with the net profit of Baht 576.5 million as a result of the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and other operating income. And the net profit increased by 42.7% when compared to the first quarter of 2024 with the net profit of Baht 399.2 million due to the increase in net fees and service income and decreased in expected credit losses.

Please note that, the operating results of the company and its subsidiaries for the first quarter of 2025 in this report differ from the results in the previously unreviewed report. This is due to the additional provision for expenses related to the measures assisting retail and SME debtors, in accordance with the Bank of Thailand's policy.

**Net Interest Income**

In the first quarter of 2025, net interest income amounted to Baht 1,671.9 million, increased by 0.8% when compared to the fourth quarter of 2024 and decreased by 1.6% when compared to the first quarter of 2024. In the first quarter of 2025 interest income was Baht 3,393.6 million, increased by 4.0% and interest expenses amounted to Baht 1,721.7 million, increased by 10.0% when compared to the first quarter of 2024.

**Net Non-interest Income**

In the first quarter of 2025, net non-interest income amounted to Baht 350.4 million, decreased by 9.0% when compared to the fourth quarter of 2024, mainly due to the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and other operating incomes. Non-interest income decreased by 7.4% when compared to the first quarter of 2024, mainly due to the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and gains on investments.

**Other Operating Expenses**

In the first quarter of 2025, other operating expenses amounted to Baht 1,118.7 million, decreased by 2.1% when compared to the fourth quarter of 2024, mainly due to the decrease in other expenses and increased by 5.3% when compared to the first quarter of 2024, mainly due to the increase in premises and equipment expenses.

### Profit from Operations before Expected Credit Losses and Income Tax

In the first quarter of 2025, profit from operations before expected credit losses and income tax amounted to Baht 903.6 million, increased by 0.2% when compared to the fourth quarter of 2024 and decreased by 11.0% when compared to the first quarter of 2024.

In the first quarter of 2025, basic earnings per share stood at Baht 0.027 per share, decreased by 3.6% when compared to fourth quarter of 2024 and increased by 42.1% when compared to the first quarter of 2024.

### Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Interest income	3,393.6	3,363.6	30.0	0.9	3,264.6	129.0	4.0
Interest expense	(1,721.7)*	(1,704.2)	17.5	1.0	(1,565.7)	156.0	10.0
<b>Net interest income</b>	<b>1,671.9*</b>	<b>1,659.4</b>	<b>12.5</b>	<b>0.8</b>	<b>1,698.9</b>	<b>(27.0)</b>	<b>(1.6)</b>
Fees and service income	263.7	258.2	5.5	2.1	237.1	26.6	11.2
Fees and service expense	(56.6)	(58.1)	(1.5)	(2.6)	(53.3)	3.3	6.2
<b>Net fees and service income</b>	<b>207.1</b>	<b>200.1</b>	<b>7.0</b>	<b>3.5</b>	<b>183.8</b>	<b>23.3</b>	<b>12.7</b>
Gains (losses) on financial instruments measured at fair value through profit or loss	3.1	41.3	(38.2)	(92.5)	24.9	(21.8)	(87.6)
Gains on investments	-	(5.1)	5.1	100.0	7.4	(7.4)	(100.0)
Dividend income	104.6	87.6	17.0	19.4	131.9	(27.3)	(20.7)
Other operating incomes	35.6	61.0	(25.4)	(41.6)	30.5	5.1	16.7
<b>Operating income</b>	<b>2,022.3*</b>	<b>2,044.3</b>	<b>(22.0)</b>	<b>(1.1)</b>	<b>2,077.4</b>	<b>(55.1)</b>	<b>(2.7)</b>
<b>Other operating expenses</b>	<b>1,118.7</b>	<b>1,142.5</b>	<b>(23.8)</b>	<b>(2.1)</b>	<b>1,061.9</b>	<b>56.8</b>	<b>5.3</b>
<b>Expected credit losses</b>	<b>192.2</b>	<b>179.8</b>	<b>12.4</b>	<b>6.9</b>	<b>526.6</b>	<b>(334.4)</b>	<b>(63.5)</b>
<b>Income tax</b>	<b>141.7*</b>	<b>145.5</b>	<b>(3.8)</b>	<b>(2.6)</b>	<b>89.7</b>	<b>52.0</b>	<b>58.0</b>
<b>Profits from operations before expected credit losses and income tax</b>	<b>903.6*</b>	<b>901.8</b>	<b>1.8</b>	<b>0.2</b>	<b>1,015.5</b>	<b>(111.9)</b>	<b>(11.0)</b>
<b>Profits from operations before income tax</b>	<b>711.4*</b>	<b>722.0</b>	<b>(10.6)</b>	<b>(1.5)</b>	<b>488.9</b>	<b>222.5</b>	<b>45.5</b>

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Net profit	569.7*	576.5	(6.8)	(1.2)	399.2	170.5	42.7
Basic earnings per share (Baht)	0.027*	0.028	(0.001)	(3.6)	0.019	0.008	42.1
ROA	0.66*				0.51	0.15	29.4
ROE	5.91*				4.41	1.50	34.0

**Remarks:** \*This item differs from the previously unreviewed operating results report due to the additional provision for expenses related to the measures assisting retail and SME debtors, in accordance with the Bank of Thailand's policy.

**Table: Other Operating Expenses**

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Employees' expenses	621.0	627.5	(6.5)	(1.0)	568.5	52.5	9.2
Premises and equipment expenses	244.3	239.7	4.6	1.9	200.2	44.1	22.0
Other expenses	253.4	275.3	(21.9)	(8.0)	293.2	(39.8)	(13.6)
<b>Total</b>	<b>1,118.7</b>	<b>1,142.5</b>	<b>(23.8)</b>	<b>(2.1)</b>	<b>1,061.9</b>	<b>56.8</b>	<b>5.3</b>

**Analysis of Financial Position**
**Total Assets**

As of 31 March 2025, total assets amounted to Baht 358,466.8 million, increased by Baht 11,604.2 million or 3.3% when compared to the end of the year 2024. Core assets comprised loans to customers - net at 68.3% of total assets, followed by investments - net at 15.0% of total assets.

**Table: Total Assets**

(Unit: Million Baht)

Items	March	December	Variance	
	2025	2024	Amount	(%YTD)
Interbank and money market items - net	45,975.7	41,866.5	4,109.2	9.8
Investments - net	53,805.7	47,663.6	6,142.1	12.9
Loans to customers - net	244,800.5	243,305.7	1,494.8	0.6
Other assets - net	13,884.9	14,026.8	(141.9)	(1.0)
<b>Total assets</b>	<b>358,466.8</b>	<b>346,862.6</b>	<b>11,604.2</b>	<b>3.3</b>

### Total Liabilities

As of 31 March 2025, total liabilities amounted to Baht 318,658.5 million, increased by Baht 10,439.7 million or 3.4% when compared to the end of the year 2024. Most of liabilities were deposits, accounting for 89.8% of total liabilities.

### Total Owners' Equity

As of 31 March 2025, total owners' equity amounted to Baht 39,808.3 million, increased by Baht 1,164.5 million or 3.0% when compared to the end of the year 2024.

**Table: Total Liabilities and Owners' Equity**

(Unit: Million Baht)

Items	March	December	Variance	
	2025	2024	Amount	(%YTD)
Deposits	286,291.8	274,752.6	11,539.2	4.2
Interbank and money market items	12,131.0	10,593.1	1,537.9	14.5
Debts issued and borrowings - net	14,460.2	17,398.8	(2,938.6)	(16.9)
Other liabilities	5,775.5*	5,474.3	301.2	5.5
<b>Total liabilities</b>	<b>318,658.5*</b>	<b>308,218.8</b>	<b>10,439.7</b>	<b>3.4</b>
<b>Total owners' equity</b>	<b>39,808.3*</b>	<b>38,643.8</b>	<b>1,164.5</b>	<b>3.0</b>

Remarks: \*This item differs from the previously unreviewed operating results report due to the additional provision for expenses related to the measures assisting retail and SME debtors, in accordance with the Bank of Thailand's policy.

### Number of Employees

As of 31 March 2025, the company and its subsidiaries had 1,785 employees, increased by 3 employees, when compared to the end of the year 2024.

## Performance Analysis of Subsidiaries

### 1. COMMERCIAL BANKING BUSINESS

#### Land and Houses Bank Public Company Limited

##### Credit Rating

Fitch Ratings (Thailand) Limited		
	2024	2025
National Long-term Rating	AA+(tha)	AA+(tha)
Outlook	“Stable”	“Stable”
National Short-term Rating	F1+ (tha)	F1+ (tha)
Subordinated Debt Rating	AA-(tha)	AA-(tha)
TRIS Rating Company Limited		
Company Rating	AAA	AAA
Outlook	“Stable”	“Stable”
Tier-2 Subordinated Debt	AA	AA
Additional Tier-1 Subordinated Debt	-	A+

The bank places the priority on responsible lending and sustainable banking by providing assistance for debtors who face with their debt repayment challenge, promoting sustainability-linked loans, green loans and green transition loans, invested in green bonds and provided consultation on energy saving, greenhouse gas emission reduction from leading consulting partners both domestic and overseas.

##### Analysis of Operating Results

In the first quarter of 2025, the operating results of the bank showed the net profit of Baht 588.4 million, decreased by 3.7% when compared to the fourth quarter of 2024 with the net profit of Baht 611.1 million due to the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and other operating income. The net profit increased by 58.9% when compared to the first quarter of 2024 with the net profit of Baht 370.3 million due to the increase in fees and service income and decrease in expected credit losses.



**Net Interest Income**

In the first quarter of 2025, net interest income amounted to Baht 1,700.8 million, increased by 0.3% when compared to the fourth quarter of 2024 and decreased by 2.0% when compared to the first quarter of 2024. In the first quarter of 2025, interest income was Baht 3,378.0 million, increased by 3.3% and interest expenses was Baht 1,677.2 million, increased by 9.4% when compared to the first quarter of 2024.

In the first quarter of 2025, net interest margin (NIM) stood at 2.10%, decreased when compared to the year 2024 which was 2.32%.

**Net Non-Interest Income**

In the first quarter of 2025, net non-interest income amounted to Baht 194.4 million, decreased by 17.3% when compared to the fourth quarter of 2024 mainly due to the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and other operating income, and decreased by 1.5% when compared to the first quarter of 2024 mainly due to the decrease in gains (losses) on financial instruments measured at fair value through profit or loss and dividend income.

**Other Operating Expenses**

In the first quarter of 2025, other operating expenses were Baht 999.0 million, decreased by 2.2% when compared to the fourth quarter of 2024 due to the decrease in other expenses, increased by 5.1% when compared to the first quarter of 2024 due to the increase in premises and equipment expenses and employee expenses.

**Expected Credit Losses**

In the first quarter of 2025, the expected credit losses amounted to Baht 165.7 million, increased by 10.4% when compared to the fourth quarter of 2024 and decreased by 68.5% when compared to the first quarter of 2024. As a result, in the first quarter of 2025, the coverage ratio stood at 172.94%.

In the first quarter of 2025, basic earnings per share stood at Baht 0.290 per share, decreased by 6.5% when compared to the fourth quarter of 2024, and increased by 52.6% when compared to the first quarter of 2024.

**Table: Operating Results**

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Interest income	3,378.0	3,346.7	31.3	0.9	3,270.0	108.0	3.3
Interest expense	(1,677.2)*	(1,651.2)	26.0	1.6	(1,533.7)	143.5	9.4
<b>Net interest income</b>	<b>1,700.8*</b>	<b>1,695.5</b>	<b>5.3</b>	<b>0.3</b>	<b>1,736.3</b>	<b>(35.5)</b>	<b>(2.0)</b>
Fees and service income	124.9	114.9	10.0	8.7	106.5	18.4	17.3
Fees and service expense	(18.4)	(23.4)	(5.0)	(21.4)	(24.7)	(6.3)	(25.5)
<b>Net fees and service income</b>	<b>106.5</b>	<b>91.5</b>	<b>15.0</b>	<b>16.4</b>	<b>81.8</b>	<b>24.7</b>	<b>30.2</b>
Gains (losses) on financial instruments measured at fair value through profit or loss	3.3	39.5	(36.2)	(91.6)	22.5	(19.2)	(85.3)
Gains on investments	-	(5.1)	5.1	100.0	7.4	(7.4)	(100.0)
Dividend income	55.1	49.9	5.2	10.4	56.1	(1.0)	(1.8)
Other operating incomes	29.5	59.4	(29.9)	(50.3)	29.5	0.0	0.0
<b>Operating income</b>	<b>1,895.2*</b>	<b>1,930.7</b>	<b>(35.5)</b>	<b>(1.8)</b>	<b>1,933.6</b>	<b>(38.4)</b>	<b>(2.0)</b>
<b>Other operating expenses</b>	<b>999.0</b>	<b>1,021.5</b>	<b>(22.5)</b>	<b>(2.2)</b>	<b>950.4</b>	<b>48.6</b>	<b>5.1</b>
<b>Expected credit losses</b>	<b>165.7</b>	<b>150.1</b>	<b>15.6</b>	<b>10.4</b>	<b>526.6</b>	<b>(360.9)</b>	<b>(68.5)</b>
<b>Income tax</b>	<b>142.1*</b>	<b>148.0</b>	<b>(5.9)</b>	<b>(4.0)</b>	<b>86.3</b>	<b>55.8</b>	<b>64.7</b>
<b>Profits from operations before expected credit losses and income tax</b>	<b>896.2*</b>	<b>909.2</b>	<b>(13.0)</b>	<b>(1.4)</b>	<b>983.2</b>	<b>(87.0)</b>	<b>(8.8)</b>
<b>Profits from operations before income tax</b>	<b>730.5*</b>	<b>759.1</b>	<b>(28.6)</b>	<b>(3.8)</b>	<b>456.6</b>	<b>273.9</b>	<b>60.0</b>
<b>Net profit</b>	<b>588.4*</b>	<b>611.1</b>	<b>(22.7)</b>	<b>(3.7)</b>	<b>370.3</b>	<b>218.1</b>	<b>58.9</b>
<b>Basic earnings per share (Baht)</b>	<b>0.290*</b>	<b>0.310</b>	<b>(0.020)</b>	<b>(6.5)</b>	<b>0.190</b>	<b>0.100</b>	<b>52.6</b>
<b>ROA</b>	<b>0.70*</b>				<b>0.48</b>	<b>0.22</b>	<b>45.8</b>
<b>ROE</b>	<b>6.21*</b>				<b>4.17</b>	<b>2.04</b>	<b>48.9</b>

**Remarks:** \*This item differs from the previously unreviewed operating results report due to the additional provision for expenses related to the measures assisting retail and SME debtors, in accordance with the Bank of Thailand's policy.

**Table: Other Operating Expenses**

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Employees' expenses	453.8	461.9	(8.1)	(1.8)	418.7	35.1	8.4
Premises and equipment expenses	222.5	218.1	4.4	2.0	180.1	42.4	23.5
Other expenses	322.7	341.5	(18.8)	(5.5)	351.6	(28.9)	(8.2)
<b>Total</b>	<b>999.0</b>	<b>1,021.5</b>	<b>(22.5)</b>	<b>(2.2)</b>	<b>950.4</b>	<b>48.6</b>	<b>5.1</b>

**Analysis of Financial Position**
**Total Assets**

As of 31 March 2025, total assets amounted to Baht 352,568.5 million, increased by Baht 12,122.6 million or 3.6% when compared to the end of the year 2024. Core assets comprised loans to customers - net at 69.1% of total assets, followed by investments - net at 14.0% of total assets, interbank and money market items - net at 13.2% of total assets.

**Table: Total Assets**

(Unit: Million Baht)

Items	March	December	Variance	
	2025	2024	Amount	(%YTD)
Interbank and money market items - net	46,381.4	42,391.3	3,990.1	9.4
Investments - net	49,269.2	42,728.2	6,541.0	15.3
Loans to customers - net	243,627.1	241,882.2	1,744.9	0.7
Other assets - net	13,290.8	13,444.2	(153.4)	(1.1)
<b>Total assets</b>	<b>352,568.5</b>	<b>340,445.9</b>	<b>12,122.6</b>	<b>3.6</b>

**Loans to Customers**

As of 31 March 2025, loans to customers net of deferred revenue and modification gain or loss (Interbank and money market items included) amounted to Baht 294,581.9 million, increased by Baht 5,093.3 million or 1.8% when compared to the end of the year 2024.

**Loans to Customers by Segment**

Conglomerate & corporate loans amounted to Baht 156,793.9 million, increased by Baht 16,267.2 million or 13.8% when compared to the end of the year 2024.

Commercial & SME loans amounted to Baht 76,744.3 million, decreased by Baht 13,028.5 million or 13.5% when compared to the end of the year 2024.

Retail loans amounted to Baht 61,043.7 million, increased by Baht 1,854.6 million or 3.5% 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	March	December	Variance	
	2025	2024	Amount	(%YTD)
Conglomerate & Corporate	156,793.9	140,526.7	16,267.2	13.8
Commercial & SME	76,744.3	89,772.8	(13,028.5)	(13.5)
Retail	61,043.7	59,189.1	1,854.6	3.5
<b>Total loans to customers - net*</b>	<b>294,581.9</b>	<b>289,488.6</b>	<b>5,093.3</b>	<b>1.8</b>

**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 30.1%, 22.7% and 19.8% of total loans, respectively.

**Table: Loans to Customers by Type of Businesses**

(Unit: Million Baht)

Loans to Customers by Type of Businesses	March	December	Variance	
	2025	2024	Amount	(%YTD)
Agricultural and mining	945.0	991.0	(46.0)	(4.6)
Manufacturing and commerce	66,858.0	69,401.3	(2,543.3)	(3.7)
Real estate and construction	31,754.1	28,795.2	2,958.9	10.3
Public utilities and services	43,719.1	45,339.1	(1,620.0)	(3.6)
Housing loan	58,211.9	56,420.2	1,791.7	3.2
Financial intermediary	88,666.9	83,887.6	4,779.3	5.7
Savings cooperative	1,055.0	1,772.0	(717.0)	(40.5)
Others	3,371.9	2,882.2	489.7	17.0
<b>Total loans to customers - net*</b>	<b>294,581.9</b>	<b>289,488.6</b>	<b>5,093.3</b>	<b>1.8</b>

**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 March 2025, non-performing loans (Gross) amounted to Baht 7,394.5 million, increased by Baht 630.5 million or 9.3% when compared to the end of the year 2024.

NPL ratio was 2.51% 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 March 2025, net investments had the book value of Baht 49,269.2 million, increased by Baht 6,541.0 million or 15.3% when compared to the end of the year 2024.

### Total Liabilities

As of 31 March 2025, total liabilities amounted to Baht 313,517.5 million, increased by Baht 11,035.1 million or 3.6% when compared to the end of the year 2024. Most of liabilities were deposits, accounting for 91.4% of total liabilities.

### Total Owners' Equity

As of 31 March 2025, total owners' equity amounted to Baht 39,051.0 million, increased by Baht 1,087.5 million or 2.9% when compared to the end of the year 2024.

**Table: Total Liabilities and Owners' Equity**

(Unit: Million Baht)

Items	March	December	Variance	
	2025	2024	Amount	(%YTD)
Deposits	286,611.6	279,907.7	6,703.9	2.4
Interbank and money market items	12,014.4	10,146.1	1,868.3	18.4
Debts issued and borrowings - net	9,385.5	7,217.7	2,167.8	30.0
Other liabilities	5,506.0*	5,210.9	295.1	5.7
<b>Total liabilities</b>	<b>313,517.5*</b>	<b>302,482.4</b>	<b>11,035.1</b>	<b>3.6</b>
<b>Total owners' equity</b>	<b>39,051.0*</b>	<b>37,963.5</b>	<b>1,087.5</b>	<b>2.9</b>

**Remarks:** \*This item differs from the previously unreviewed operating results report due to the additional provision for expenses related to the measures assisting retail and SME debtors, in accordance with the Bank of Thailand's policy.

### Deposits

As of 31 March 2025, the bank had the total deposit of Baht 286,611.6 million, increased by Baht 6,703.9 million or 2.4% when compared to the end of the year 2024. Time deposit formed the majority of 60.5%, followed by savings deposit of 20.3% of total deposit.

**Table: Deposits by Type of Deposits**

(Unit: Million Baht)

Type of Deposits	March	December	Variance	
	2025	2024	Amount	(%YTD)
Demand deposit	2,382.5	2,659.6	(277.1)	(10.4)
Savings deposit	58,132.1	58,116.8	15.3	0.0
Time deposit	173,456.7	162,871.3	10,585.4	6.5
Fixed deposit receipt	52,640.3	56,260.0	(3,619.7)	(6.4)
<b>Total deposit</b>	<b>286,611.6</b>	<b>279,907.7</b>	<b>6,703.9</b>	<b>2.4</b>

### Capital Adequacy Ratio and BIS Ratio

As of 31 March 2025, the capital to risk-weighted assets ratio (BIS ratio) was 17.890%, which was 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 15.781%, which was 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 March 2025		As of 31 December 2024	
	Million Baht	%	Million Baht	%
<b>Common Equity Tier-1 capital</b>				
Bank	35,957.0	13.854	34,311.0	13.119
Minimum rate required by law		7.000		7.000
Difference		6.854		6.119
<b>Additional Tier-1 capital</b>	5,000.0		-	
<b>Tier-1 capital</b>				
Bank	40,957.0	15.781	34,311.0	13.119
Minimum rate required by law		8.500		8.500
Difference		7.281		4.619
<b>Total capital</b>				
Bank	46,432.1	17.890	39,812.0	15.222
Minimum rate required by law		11.000		11.000
Difference		6.890		4.222

**Branch Network**

As of 31 March 2025, Land and Houses Bank Public Company Limited had the total of 73 branches, increased by 2 branches from the end of 2024.

**2. SECURITIES BUSINESS****Land and Houses Securities Public Company Limited****Overview of the Stock Exchange of Thailand**

In the first quarter of 2025, the Thai stock market declined sharply from the end of the previous year, pressured by both internal and external factors. On the external front, a major headwind came from Donald Trump's announcement of tariff hikes on U.S. trading partners, aiming at addressing trade imbalances. The move significantly affected the global economy. Domestically, the market was pressured by the Thailand's lower-than-expected economic growth in the fourth quarter and 2024 which expanded by 3.2% and 2.5% YoY. Additionally, the performance of listed companies in 2024 broadly missed expectations. As a result, the SET Index closed at 1,158.09 points, down 17.29% from the end of previous year. The average daily turnover fell to Baht 42,826 billion, a decline of 8.4% from the previous quarter, while foreign investors recorded net sales of Baht 39.9 billion.

**Analysis of Operating Results**

In the first quarter of 2025, the operating results of the company and its subsidiaries showed the net loss of Baht 27.4 million, decreased by 9.0% when compared to the fourth quarter of 2024 and increased by 661.1% when compared to the first quarter of 2024.

**Total Income**

In the first quarter of 2025, total income was Baht 58.8 million, decreased by 7.3% when compared to the fourth quarter of 2024 and decreased by 28.1% when compared to the first quarter of 2024.

**Brokerage Fees Income**

In the first quarter of 2025, brokerage fees income was Baht 20.7 million, decreased by 10.0% when compared to the fourth quarter of 2024 and decreased by 26.1% when compared to the first quarter of 2024.

### Other Incomes apart from Brokerage Fees Income

In the first quarter of 2025, other incomes apart from brokerage fees income consisted of interest income, gains and returns on financial instruments and other incomes amounted to Baht 22.1, 7.4 and 8.6 million, respectively.

### Total Expenses

In the first quarter of 2025, total expenses were Baht 90.9 million, decreased by 8.4% when compared to the fourth quarter of 2024 and increased by 5.3% when compared to the first quarter of 2024.

### Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Brokerage fees income	20.7	23.0	(2.3)	(10.0)	28.0	(7.3)	(26.1)
Interest income	22.1	27.2	(5.1)	(18.8)	35.3	(13.2)	(37.4)
Gains and return on financial instruments	7.4	8.7	(1.3)	(14.9)	17.7	(10.3)	(58.2)
Other incomes	8.6	4.5	4.1	91.1	0.8	7.8	975.0
<b>Total income</b>	<b>58.8</b>	<b>63.4</b>	<b>(4.6)</b>	<b>(7.3)</b>	<b>81.8</b>	<b>(23.0)</b>	<b>(28.1)</b>
<b>Total expenses</b>	<b>90.9</b>	<b>99.3</b>	<b>(8.4)</b>	<b>(8.5)</b>	<b>86.3</b>	<b>4.6</b>	<b>5.3</b>
<b>Profits before income tax</b>	<b>(32.1)</b>	<b>(35.9)</b>	<b>3.8</b>	<b>(10.6)</b>	<b>(4.5)</b>	<b>(27.6)</b>	<b>613.3</b>
<b>Income tax</b>	<b>(4.7)</b>	<b>(5.8)</b>	<b>1.1</b>	<b>(19.0)</b>	<b>(0.9)</b>	<b>(3.8)</b>	<b>422.2</b>
<b>Net profits</b>	<b>(27.4)</b>	<b>(30.1)</b>	<b>2.7</b>	<b>(9.0)</b>	<b>(3.6)</b>	<b>(23.8)</b>	<b>661.1</b>
<b>Basic earnings per share (Baht)</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>-</b>	<b>-</b>	<b>(0.00)</b>	<b>(0.02)</b>	<b>(100.0)</b>

## 3. FUND MANAGEMENT BUSINESS

### Land and Houses Fund Management Company Limited

#### Overview of Fund Management Business

In the first quarter of 2025, the total net asset value of mutual funds amounted to Baht 5.89 trillion, representing a decline of Baht 0.02 trillion or 0.26% from the year end 2024. Upon classification by fund types, fixed income funds, mixed funds, and other funds have increased, while equity funds and property funds & REITs have declined.



## Analysis of the Operating Results

In the first quarter of 2025, the net profit was Baht 15.4 million, increased by 3.4% when compared to the fourth quarter of 2024 and decreased by 16.3% when compared to the first quarter of 2024.

### Total Incomes

In the first quarter of 2025, total incomes amounted to Baht 135.7 million, increased by 2.3% when compared to the fourth quarter of 2024 and increased by 15.0% when compared to the first quarter of 2024.

### Fees and Service Income

In the first quarter of 2025, fees and service income amounted to Baht 131.0 million, increased by 2.0% when compared to the fourth quarter of 2024. Most of fees and service income were derived from the management of mutual funds and increased by 15.4% when compared to the first quarter of 2024.

### Other Incomes apart from Fees and Service Income

In the first quarter of 2025, other incomes apart from fee and service income consisted of interest income, gains and returns on financial instruments and other incomes were Baht 0.5, 3.6 and 0.7 million, respectively.

### Total expenses

In the first quarter of 2025, total expenses amounted to Baht 116.7 million, increased by 2.1% when compared to the fourth quarter of 2024 and increased by 22.5% when compared to the first quarter of 2024.

## Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Fees and Service Income	131.0	128.4	2.6	2.0	113.5	17.5	15.4
Interest income	0.5	1.0	(0.5)	(50.0)	0.8	(0.3)	(37.5)
Gains and return on financial instruments	3.6	3.2	0.4	12.5	3.4	0.2	5.9
Other incomes	0.7	0.1	0.6	600.0	0.4	0.3	75.0
<b>Total income</b>	<b>135.7</b>	<b>132.7</b>	<b>3.0</b>	<b>2.3</b>	<b>118.0</b>	<b>17.7</b>	<b>15.0</b>
<b>Total expenses</b>	<b>116.7</b>	<b>114.3</b>	<b>2.4</b>	<b>2.1</b>	<b>95.3</b>	<b>21.4</b>	<b>22.5</b>
<b>Profits before income tax</b>	<b>19.0</b>	<b>18.4</b>	<b>0.6</b>	<b>3.3</b>	<b>22.7</b>	<b>(3.7)</b>	<b>(16.7)</b>
<b>Income tax</b>	<b>3.6</b>	<b>3.4</b>	<b>0.2</b>	<b>5.9</b>	<b>4.3</b>	<b>(0.7)</b>	<b>(16.3)</b>

Items	Quarter		Variance		Quarter	Variance	
	1/2025	4/2024	Amount	(%QoQ)	1/2024	Amount	(%YoY)
Net profits	15.4	14.9	0.5	3.4	18.4	(3.0)	(16.3)
Basic earnings per share (Baht)	5.1	5.0	0.1	2.0	6.1	(1.0)	(16.4)

### Net Asset Value under Management

As of 31 March 2025, the company had 199 funds under management, decreased by 18 funds when compared to the end of year 2024. The company's total net asset value was Baht 65,996.1 million, increased by 3.8% when compared to the end of year 2024. The mutual funds under management were as follows:

- Property fund and real estate investment trust	40,233.7	million Baht
- Fixed income fund	8,507.0	million Baht
- Equity fund	12,588.8	million Baht
- Mixed fund	1,338.4	million Baht
- Fund of Property Fund	3,328.2	million Baht

In case the net asset values of Baht 13,757.9 million in private funds and Baht 9,335.1 million in provident funds are included, the company's net asset value will be Baht 89,089.1 million.