ธนาคารทหารไทยธนชาต จำกัด (มหาชน)
TMBThanachart Bank Public Company Limited

# Management Discussion and Analysis

## For the 2nd quarter and 6-month period ended 30 June 2026

## (Unaudited financial statements)

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# Executive summary

## Economic review & outlook

**Thai economy in the second quarter of 2026:** Thailand's economic activities moderated from the previous quarter. While private consumption showed some resilience toward the end of the quarter, supported by stronger spending on non-durable goods following broad-based government cost-of-living support measures, while expenditure on durable goods softened in line with weaker domestic vehicle sales. Services consumption also lost momentum, partly reflecting the spillover effects of tensions in the Middle East, which weighed on tourism receipts, particularly from high-spending long-haul visitors. As a result, foreign tourist arrivals averaged 2.36 million per month in April–May, down from 3.11 million per month in the preceding quarter. Private investment indicators also weakened, driven by declines in machinery and equipment investment as well as construction activity. Meanwhile, merchandise export growth began to show signs of moderation in several key markets, partly due to the unwinding of earlier front-loaded shipments. Headline inflation averaged 2.70% YoY during the quarter, accelerating from -0.54% YoY in the previous quarter. The increase was primarily attributable to rising global crude oil prices amid escalating geopolitical tensions in the Middle East and concerns over potential disruptions to shipping through the Strait of Hormuz. With domestic fuel prices remaining elevated relative to a year earlier, cost pressures gradually passed through to a broad range of goods and services. Nevertheless, the overall inflationary impact remained considerably more contained than during the 2021 energy crisis, as weak domestic demand continued to limit firms' ability to fully pass higher costs on to consumers.

**Financial market & banking industry:** The Monetary Policy Committee (MPC) voted to maintain the policy interest rate at 1.00% at both its April 2026 in the second meeting of 2026 and June 2026 in the third meeting of 2026. The MPC assessed that the Thai economy is likely to expand at a stronger pace than previously projected, supported primarily by continued robust growth in merchandise exports and private investment. In addition, the economic impact of the Middle East conflict has been less severe than initially anticipated. Inflation is expected to rise temporarily due to supply-side factors, although these pressures are projected to ease gradually as supply disruptions unwind. Meanwhile, overall credit growth remains subdued. As of May 2026, loan growth among domestically registered commercial banks increased modestly by 0.7% YoY, recovering from a contraction of 0.8% YoY at the end of the previous quarter. This contrasted with deposit growth, which accelerated to 3.0% YoY from 2.5% YoY in the preceding quarter, highlighting continued caution in credit expansion despite improving economic activities. Regarding the Thai baht, it averaged 32.60 per US dollar in the second quarter of 2026, weakening from 31.62 in the previous quarter, representing a depreciation of 3.12% quarter-on-quarter (QoQ) and 3.41% compared with end-2025 (YTD). The Thai baht came under pressure from broad US dollar strength amid uncertainty from geopolitical tensions in the Middle East and growing expectations of a more hawkish Federal Reserve, as inflation risks raised the likelihood of further rate hikes in the second half of the year. In addition, the Thai baht was further weighed down by lower global gold prices as US real Treasury yields continued to rise.

**Economic outlook for 3Q26:** Thailand's economic outlook is expected to improve relative to the previous quarter, supported by the gradual easing of geopolitical tensions in the Middle East and the implementation of broad-based cost-of-living support measures. Nevertheless, household purchasing power is likely to remain fragile, as the recovery in household income continues to lag and high household debt burdens remain a key constraint on consumption. Overall investment activity is expected to expand, driven by rising capital goods imports and large-scale foreign investment projects. In the tourism sector, international tourist arrivals in 2026 are projected to decline slightly from the previous year, reflecting softer arrivals from the Middle East and Europe amid safety concerns, elevated energy costs, flight capacity constraints, and the slower-than-expected recovery of Chinese tourists. However, given that the economic impact of the Middle East conflict has been less severe than previously anticipated, together with ongoing measures to support economic activity and household purchasing power, ttb analytics expects Thailand's economic growth in 2026 to exceed its earlier forecast of 1.7%. Despite the improving outlook, underlying economic growth is expected to remain subdued, while monetary policy space remains limited. Although inflation is likely to rise temporarily due to supply-side factors, and it is expected to moderate as these pressures gradually dissipate. Against this backdrop, ttb analytics projects the Bank of Thailand's policy rate to remain unchanged at 1.00% by the end of 2026. Meantime, Thai baht in the third quarter of 2026 would move within the range of 32.50-34.50 baht per US dollar.

Research by ttb analytics

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## Executive summary

## Operating performance and key development

**Operating under pressures from geopolitical unrest and domestic structural issues, TMBThanachart (TTB) closely gauged these headwinds and maintained rigorous balance sheet and risk discipline. This prudent execution led to resilient 1H26 performance together with active capital management initiative, aiming to enhance long-term value and returns for shareholders. Demonstrating our strong commitment to capital management, the Bank completed THB21 billion of share repurchase program one year ahead of the original plan.**

**The financial highlights in 1H26 were as follows:**

TTB posted a 1H26 net profit of THB10,683 million, increasing 5.8% YoY and equivalent to ROE at 9.0%. The decent growth of operating income was bolstered by non-NII recovery despite slow core top-line growth. An increase in OPEX was a result of one-time expenses from balance sheet cleanup activities to strengthen our financial position while risk costs remained well-contained.

- **Cushioning margin amid low-rate environment.** NIM was pressured during rate cut cycle but successfully held up within the target at 3.02%, reflecting effective funding cost management and loan mix shift toward selective retail high-yield loans.
- **Recovering non-NII performance driven by both core fees and other Non-NII items.** The key strategic fees growth, especially BA and Mutual fund, partly benefited from wealth reallocation activities toward investment products during low-deposit-rate environment. Additionally, non-core operating income improved from investment-related gains, dividends and 'You Fight, We Help' FIDF subsidy. As these catalysts normalize, fee and overall revenue growth momentum in 2H26 is likely to moderate.
- **Higher OPEX reflecting more stringent balance sheet management**. The incremental costs in 1H26 resulted from proactive cleanup activities, including online platform impairment, software write-off and the revaluation of dealer relationships, affirming TTB's investment discipline and strengthening its financial position over the long term. However, fixed operating costs, such as personnel and premise costs, trended downward in line with the digital transformation roadmap.
- **Manageable asset quality with prudent risk buffers.** With stringent risk management coupled with proactive customer assistance program, NPL was stable at 2.93% and ECL cost continued to decline (-9.5% YoY). Nonetheless, the Bank continued to set aside management overlay to buffer risk against economic uncertainty, raising LLR coverage ratio to 157%.

**Continue to reshape loan mix towards high-yield retail segments:** TTB reiterated selective loan growth and focused to steer loan mix toward high-yield retail loan products. As of June 2026, the loan portfolio regained growth momentum +0.5% QoQ due mainly to large corporate segment and the targeted high-yield products, including Cash Your Home (CYH), Cash Your Book (CYB), credit card and personal loan. The risk-based pricing model has been applied to 'Cash2Go' to acquire higher-quality on higher-yield loans, successfully bolstering personal loan growth in this quarter. However, overall HP portfolio growth remained subdued as customer loan repayment continued to outpace new loan booking. Additionally, motocycle leasing under ttb leasing started to commence with the portfolio size approximately THB800 million.

**Rundown of high-cost deposits to manage funding costs throughout the rate-cut cycle:** Deposit volume was balanced with the pace of loan growth alongside deposit mix adjustment. This approach focused on high-cost TD deposits reduction and build hybrid savings products (no-fixed) base to serve as a gateway before customers transfer their wealth to investment products. Moreover, the Bank continued to fortify CASA deposits through our flagship product - ttb all free - to strengthen low-cost deposit base as well as pursue our main-bank customer acquisition goal.

At the end of June 2026, the Bank has the remaining tax benefit of THB3.4 billion to be subsequently recognized within 2028. The recognition will not be on a straight-line basis but will be subject to future net profit stream.

## Executive summary

## Operating performance and key development

**Key development in 1H26**
**Responsible lending and customer assistance programs:**

As one of our key commitments, TTB encourages responsible lending practices and continues to support customers to sustainably resolve their debt burdens. Through various financial solution programs, we aim to address Thailand's high household debt levels and assist vulnerable customers with debt resolution programs tailored to their repayment capabilities. These include initiatives such as 'You Fight, We Help' and 'Tang Lak', alongside ongoing programs like 'Debt Consolidation' and 'Pay Well, Get More'."

- **Debt consolidation program:** The Bank offers debt consolidation programs designed to help customers manage high-interest debt by consolidating multiple debts—such as credit cards, personal loans, and car loans—into a single, lower-interest account. As of 2Q26, the number of participants in this program increased to approximately 80,000 customers which helped reduce customers' interest expenses by more than THB3,200 million.
- **Pay Well, Get More program:** TTB was considered the first bank to initiate this program in 2025 which is designed to reward customers who make punctual repayments. This initiative promotes financial discipline and assists creditworthy customers in reducing their interest burdens. As of 2Q26, loans under 'Pay Well, Get More' program amounted around THB5,300 million or approximately 11,400 customers.

**Capital management plan:**

Backed by resilient financial performance, TTB has maintained a robust capital position, providing the flexibility to manage capital as well as enhance shareholder value and returns. Our capital management plan remains on track with key initiatives including:

- **Dividend payout enhancement**: TTB increased its dividend payout ratio from 35% in 2021 to 60% in 2024. For 2025, the payout ratio is around 60%. This reflects our commitment to maintain a high and consistent dividend payout level.
- **Strategic acquisitions:** amid a challenging environment for loan growth, TTB remains open for inorganic growth opportunities. The Bank aims to reinvest excess capital in businesses which would complement our core operations and strengthen our ecosystem play capabilities. Key updates include:
  - **The acquisition of securities business:** TTB acquired Thanachart Securities (TNS) on 1 July 2025 and held 99.97% of TNS shares. The strengths of TTB and TNS would enhance investment advisory service quality and deliver an elevated Wealth Management experience tailored to customer needs. As a part of rebranding plan, TNS was changed its name to 'ttb wealth securities public company limited' (ttb wealth securities), effective from 27 February 2026 onwards.
  - **New motorcycle financing joint venture:** In line with TTB's strategy to broaden its financial services footprint, ttb consumer, the Bank's subsidiary, entered into an agreement with TLS Plus Company Limited on 3 November 2025 to establish a motorcycle hire-purchase and leasing joint venture. Registered as 'ttb leasing company limited' in February 2026, the JV commenced its operations in the second quarter of 2026.
- **Share buyback program:** The Bank aims to utilize excess capital to enhance shareholder returns and align the Bank's share price more closely with its intrinsic value.
  - **Successful execution:** The Bank completed the initial repurchase program with a total budget of THB 21 billion, finishing one year ahead of schedule. As of June 2026, cumulative repurchased shares amounted to 10.04 billion shares, representing 10.29% of the Bank's paid-up shares.
  - **Remaining budget:** Following shareholder approval at the 2026 Annual General Meeting, the program was extended by one year to 2028 and the total budget increased to THB35 billion. As of 2Q26, the remaining budget stood at THB14 billion.

# Discussion of operating performance

**Figure 1: Selected Statement of Comprehensive Income**

| (THB million) | 2Q26 | 1Q26 | % QoQ | 2Q25 | % YoY | 1H26 | 1H25 | % YoY |
|---|---|---|---|---|---|---|---|---|
| Interest income | 16,493 | 16,570 | -0.5% | 18,220 | -9.5% | 33,063 | 37,185 | -11.1% |
| Interest expenses | 4,228 | 4,419 | -4.3% | 5,479 | -22.8% | 8,647 | 11,224 | -23.0% |
| **Net interest income** | **12,265** | **12,150** | **0.9%** | **12,742** | **-3.7%** | **24,415** | **25,961** | **-6.0%** |
| Fees and service income | 4,117 | 3,849 | 7.0% | 3,128 | 31.6% | 7,966 | 6,367 | 25.1% |
| Fees and service expenses | 974 | 984 | -1.1% | 876 | 11.1% | 1,958 | 1,767 | 10.8% |
| **Net fees and service income** | **3,144** | **2,865** | **9.7%** | **2,252** | **39.6%** | **6,009** | **4,600** | **30.6%** |
| Other operating income | 1,935 | 1,717 | 12.7% | 1,387 | 39.5% | 3,652 | 2,374 | 53.8% |
| **Non-interest income** | **5,079** | **4,582** | **10.8%** | **3,639** | **39.5%** | **9,660** | **6,974** | **38.5%** |
| **Total operating income** | **17,343** | **16,732** | **3.7%** | **16,381** | **5.9%** | **34,076** | **32,934** | **3.5%** |
| **Total other operating expenses** | **8,051** | **7,642** | **5.3%** | **7,271** | **10.7%** | **15,693** | **14,369** | **9.2%** |
| **Pre-provision operating profit (PPOP)** | **9,292** | **9,090** | **2.2%** | **9,110** | **2.0%** | **18,382** | **18,566** | **-1.0%** |
| Expected credit loss | 4,040 | 3,994 | 1.1% | 4,294 | -5.9% | 8,035 | 8,874 | -9.5% |
| **Profit from operations before income tax** | **5,252** | **5,095** | **3.1%** | **4,816** | **9.1%** | **10,348** | **9,692** | **6.8%** |
| Tax expense (income) | -255 | -74 | N/A | -188 | N/A | -330 | -409 | N/A |
| **Profit for the period** | **5,508** | **5,170** | **6.5%** | **5,004** | **10.1%** | **10,677** | **10,100** | **5.7%** |
| **Profit (loss) to non-controlling interest of subsidiaries** | **-5** | **-** | **N/A** | **-** | **N/A** | **-5** | **-** | **N/A** |
| **Profit to equity holders of the Bank** | **5,513** | **5,170** | **6.6%** | **5,004** | **10.2%** | **10,683** | **10,100** | **5.8%** |
| Other comprehensive income | 684 | -749 | N/A | 421 | 62.5% | -65 | 548 | -111.8% |
| **Total comprehensive income** | **6,192** | **4,421** | **40.0%** | **5,425** | **14.1%** | **10,613** | **10,648** | **-0.3%** |
| **Basic earnings per share (THB/share)** | **0.06** | **0.06** | **-** | **0.05** | **20.0%** | **0.12** | **0.10** | **20.0%** |

*Note: Consolidated financial statement.*
*The basic earnings per share is calculated using the number of total paid-up shares, excluding treasury shares under the share repurchase program.*

## Net interest income (NII) and Net interest margin (NIM)

- **For the 2nd quarter of 2026:** TTB recorded THB12,265 million of net interest income (NII) in 2Q26, a slight increase of 0.9% compared to the previous quarter (QoQ). NII performance remained resilient despite pressures from ongoing customer support programs and an earlier-than-expected policy rate cut in February 2026. This stability was driven by efficient deposit structure management that successfully lowered deposit costs, combined with a strategic loan mix shift that bolstered interest income on loans. As a result, the margin was cushioned amid a prolonged low-interest-rate environment.

  **On YoY basis,** NII decreased by 3.7% compared to the same period last year (YoY), driven by the cumulative impact of policy rate cuts since 4Q24 and lower loan volumes from a strategic selective lending approach which pressured interest income growth. On the funding side, interest expenses declined significantly due to the strategic runoff of high-cost deposits and deposit rate repricing, serving as a key factor in sustaining the NIM level.

- **In the first half of 2026:** Net interest income decreased by 6.0% YoY to THB24,415 million primarily due to declining interest income. The contraction primarily came from relatively lower interest rate environment, derived from the interest rate cut cycle and rate reduction from customer debt assistant programs, especially the 'You Fight, We Help' program. Note that, the FIDF subsidy from BOT under 'You Fight, We Help' program was recognized as other income in Non-NII. Conversely, proactive management of deposits and borrowings continued to optimize funding costs, thereby supporting the YoY performance of NII for the first half of the year.

*NIM slightly increased QoQ to 3.03% in 2Q26 from 3.02% in 1Q26.*

**NIM** stood at 3.03% in 2Q26 which marginally rose by 1 bps from 3.02% in 1Q26 but declined by 4 bps from 3.07% in 2Q25. The asset and liability management were crucial initiatives that defended NIM performance amidst the interest rate downturn. Although the earning asset yield compressed slightly by 4 bps QoQ, the funding cost continued to decline at a faster pace by 7 bps, cushioning margins QoQ.

Meanwhile, the YoY decrease was attributable to a lower yield on earning assets as well given relatively lower rate environment compared to 2Q25. This reduction was mitigated by ongoing funding costs optimization, lessening NIM compression impact.

**For the first half of 2026**, NIM was down by 11 bps to 3.02% from 3.13% in 1H25. NIM contraction was driven by diminishing in earning assets yield. In turn, the disciplined funding management helped mitigate the net impact on profitability.

Operating within a prolonged low interest rate environment remains challenging. To navigate these conditions, the Bank continues to refine its business direction with a strategic focus on high-yield retail lending expansion, including additional motorcycle leasing to its product suite, to enhance risk-adjusted returns. Furthermore, disciplined funding management remains a critical lever in sustaining overall margins.

**Figure 2: Net interest income (NII)**

| (THB million) | 2Q26 | 1Q26 | % QoQ | 2Q25 | % YoY | 1H26 | 1H25 | % YoY |
|---|---|---|---|---|---|---|---|---|
| **Interest income** | **16,493** | **16,570** | **-0.5%** | **18,220** | **-9.5%** | **33,063** | **37,185** | **-11.1%** |
| Interest on interbank and money market items | 630 | 679 | -7.3% | 1,306 | -51.8% | 1,309 | 2,822 | -53.6% |
| Investments and trading transactions | 44 | 48 | -8.3% | 47 | -6.2% | 92 | 101 | -8.3% |
| Investments in debt securities | 1,090 | 1,038 | 5.0% | 869 | 25.4% | 2,129 | 1,708 | 24.7% |
| Interest on loans | 10,102 | 10,008 | 0.9% | 10,922 | -7.5% | 20,109 | 22,257 | -9.6% |
| Interest on hire purchase and financial lease | 4,627 | 4,796 | -3.5% | 5,077 | -8.9% | 9,423 | 10,298 | -8.5% |
| **Interest expenses** | **4,228** | **4,419** | **-4.3%** | **5,479** | **-22.8%** | **8,647** | **11,224** | **-23.0%** |
| Interest on deposits | 2,339 | 2,523 | -7.3% | 3,350 | -30.2% | 4,861 | 6,858 | -29.1% |
| Interest on interbank and money market items | 249 | 292 | -14.8% | 389 | -36.1% | 540 | 828 | -34.7% |
| Contributions to the Deposit Protection Agency | 1,487 | 1,455 | 2.2% | 1,518 | -2.0% | 2,942 | 3,040 | -3.2% |
| Interest on debt issued and borrowings | 138 | 134 | 2.5% | 206 | -33.1% | 272 | 467 | -41.8% |
| Borrowing fee | 0.3 | 0.3 | 0.3% | 1.2 | -76.2% | 0.6 | 2.7 | -78.6% |
| Others | 16 | 15 | 0.9% | 15 | 6.3% | 31 | 29 | 5.9% |
| **Net interest income (NII)** | **12,265** | **12,150** | **0.9%** | **12,742** | **-3.7%** | **24,415** | **25,961** | **-6.0%** |

*Note: Consolidated financial statements*

**Figure 3: Yields and cost**

| (Annualized percentage) | 2Q26 | 1Q26 | 4Q25 | 3Q25 | 2Q25 | 1H26 | 1H25 |
|---|---|---|---|---|---|---|---|
| Yield on loans | 5.00% | 5.04% | 5.04% | 5.15% | 5.31% | 5.01% | 5.39% |
| Yield on earning assets | 4.07% | 4.11% | 4.14% | 4.25% | 4.39% | 4.08% | 4.48% |
| Cost of deposit | 1.21% | 1.27% | 1.38% | 1.47% | 1.51% | 1.24% | 1.53% |
| Cost of funds | 1.23% | 1.30% | 1.41% | 1.51% | 1.56% | 1.27% | 1.59% |
| Net interest margin (NIM) | 3.03% | 3.02% | 2.95% | 2.97% | 3.07% | 3.02% | 3.13% |

*Note: Consolidated financial statements*

## Non-interest income (Non-NII)

- **For the 2nd quarter of 2026:** The Bank posted THB5,079 million of non-interest income, which increased by 10.8% QoQ. This growth was primarily supported by net fees and service income, gain on investment and dividend income, offset by lower gain on financial instrument measured at fair value through profit or loss.

  **On YoY basis**, Non-NII increased by 39.5% YoY due to net fees and service income, gain on financial instrument measured at fair value through profit or loss, dividend income and other incomes which partly came from the 'You Fight, We Help' FIDF subsidy.

- **In the first half of 2026:** Non-NII reported at THB9,660 million, improved by 38.5% YoY due to net fees and service income, gain on financial instruments measured at fair value through profit or loss, dividend income and other incomes.

**Figure 4: Non-interest income (Non-NII)**

| (THB million) | 2Q26 | 1Q26 | % QoQ | 2Q25 | % YoY | 1H26 | 1H25 | % YoY |
|---|---|---|---|---|---|---|---|---|
| **Fees and service income** | **4,117** | **3,849** | **7.0%** | **3,128** | **31.6%** | **7,966** | **6,367** | **25.1%** |
| Acceptance, Aval & Guarantee | 123 | 121 | 1.6% | 126 | -2.1% | 245 | 259 | -5.6% |
| Other fee and service income | 3,994 | 3,728 | 7.1% | 3,002 | 33.0% | 7,722 | 6,108 | 26.4% |
| **Fees and service expenses** | **974** | **984** | **-1.1%** | **876** | **11.1%** | **1,958** | **1,767** | **10.8%** |
| **Net fees and service income** | **3,144** | **2,865** | **9.7%** | **2,252** | **39.6%** | **6,009** | **4,600** | **30.6%** |
| Gain on financial instrument measured at fair value through profit or loss | 942 | 1,000 | -5.8% | 702 | 34.2% | 1,941 | 1,303 | 49.0% |
| Gain on investments, net | 61 | 15 | 304.3% | 11 | 442.2% | 76 | 58 | 30.1% |
| Share of profit from investment using equity method | 82 | 74 | 11.2% | 60 | 36.4% | 156 | 125 | 25.0% |
| Gain on sale of properties foreclosed, assets & other assets | 30 | 31 | -3.0% | 40 | -25.7% | 60 | 64 | -6.2% |
| Dividend income | 303 | 4 | 8070.8% | 141 | 114.1% | 306 | 141 | 116.6% |
| Others | 518 | 594 | -12.8% | 433 | 19.7% | 1,112 | 682 | 62.9% |
| **Non-interest income** | **5,079** | **4,582** | **10.8%** | **3,639** | **39.5%** | **9,660** | **6,974** | **38.5%** |

*Note: Consolidated financial statements*

**Details of key strategic fees income** are as follows:

- **On QoQ basis:** Overall core-fee performance remained on course, benefiting from favorable capital market dynamics and a low-rate environment which urged customers to reallocate assets towards investment products for better returns especially among the wealth segments.

  In detail, **BA fee** gained positive traction QoQ, driven primarily by non-loan linked BA fees, whereas loan-linked BA growth softened following the lingering loan demands. The Bank continues to develop our product offerings focusing on health and protection insurance tied to investment features to serve as alternative investment solutions for customers. Consequently, non-loan-linked BA fee performance was underpinned by the successful rollout of new index-linked savings insurance, together with leveraging wealth ecosystem.

  **Mutual fund and structured note fees** maintained their growth momentum from 1Q26, supported by AUM expansion in high front-end fee MF products as well as structured note fee contributions. The robust growth was bolstered by capital shifting toward alternative investment products during a low-deposit-rate environment, combined with improved capital market conditions in this quarter. This growth trajectory is expected to become more moderate in 2H26 once the reallocation fades. Still, the Bank aims to sustain growth by steering toward a data-driven sales model and utilizing the digital platform to improve fee performance sustainably.

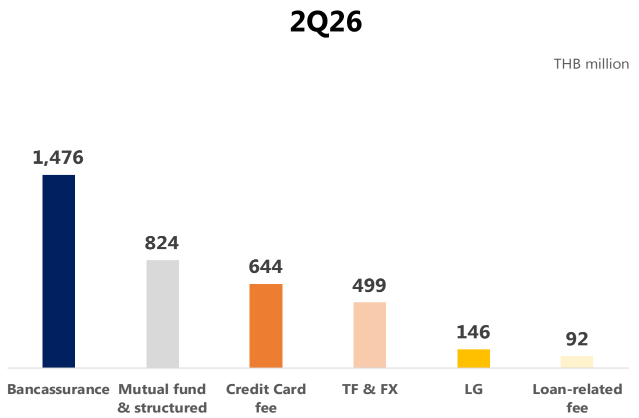
**Credit card fees** rebounded this quarter while **trade finance and FX fees** slightly decreased primarily due to frontloaded hedging activities amid rising global trade uncertainties in 1Q26. **Credit related fees** increased QoQ aligned with the growth in corporate lending.

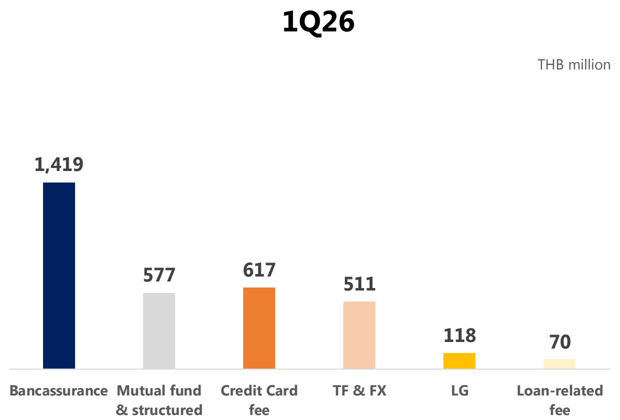
**On YoY basis**: As the market condition unwound, key strategic fees showed broad base improvement excluding trade finance and FX fees. The core fee growth led by mutual fund fees, BA, credit card fees and credit related fees while trade finance and FX was softer due to the delayed business and hedging transactions amid uncertainty in Middle East war.

- **In the first half of 2026**: Overall net fees maintained a steady recovering trend YoY despite a challenging economic landscape. All key strategic fee products regained positive momentum, including BA, mutual fund, credit card fees and credit related fees. Conversely, trade finance and FX fess declined YoY due to a high base in 1H25 ahead of the US-tariff impact. Additionally, securities fees from ttb wealth securities became new fee income in 1H26.

  Looking ahead, the Bank continues to scale fee-based businesses through ongoing digital platform development and fee initiatives, aiming to create a healthy ecosystem and boost personalize offer capabilities. This strategy will help strengthen recurring fee income and support core revenue amid muted loan growth to cushion profitability over the long term.

**Figure 5**: **Strategic non-interest income**




*Note: Consolidated financial statements, gross income (prelim data)*

## Non-interest expenses

- **For the 2nd quarter of 2026:** The Bank recorded THB8,051 million of total non-interest expenses, representing an increase of 5.3% QoQ mainly from one-time expenses particularly in relation to an impairment of 'Roddonjai' online platform for used-car sales, software and IT write-off and the revaluation of dealer relationships to reflect current economic values. These actions underlined the Bank's discipline in balance sheet management, aiming at cleaning and strengthening balance sheet.

  **On YoY basis**: The non-interest expenses increased 10.7% mainly due to the one-time IT write-off and HR costs from the consolidation of new businesses including ttb wealth and ttb leasing expenses. Excluding costs from subsidiaries, OPEX was well-contained especially premise expenses aligned with the branch optimization initiatives.

- **For the first half of 2026:** Non-interest expenses rose by 9.2% YoY to THB15,693 million. The incremental expenses mainly came from incentives and bonuses, which varied in line with business performance, as well as one-time IT write-off expense. In turn, the fixed personnel and premises costs were reduced aligned with the digital transformation roadmap.

*2Q26 cost to income ratio was at 46%, in line with target.*

**In 2Q26, the cost-to-income ratio (C/I ratio)** reported at 46%, stable compared to 1Q26 but rising from 44% in 2Q25. As persistent headwinds pressured topline growth, the Bank remained committed to cost discipline and operational efficiency enhancement, reflecting in stabilizing C/I.

**For the first half of 2026, C/I ratio** was at 46%, rose from 44% in 1H25. The incremental costs in 1H26 resulted from proactive cleanup activities. The Bank not only applied these measures to asset quality but also extended them to the balance sheet, aiming to strengthen its financial position over the long term.

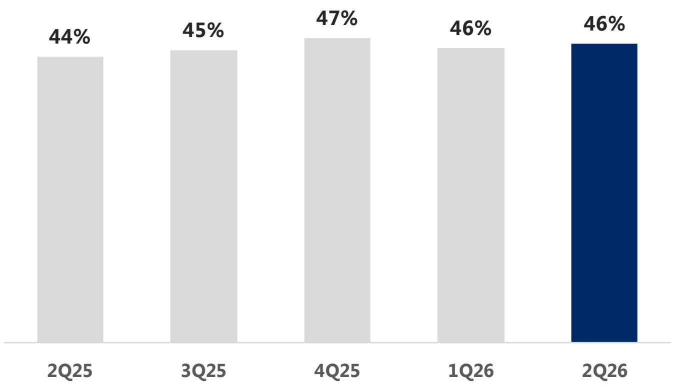
Meanwhile, recurring costs have trended downward since post-merger, driven by branch and personnel optimization initiatives, and have now started to normalize. To achieve its target C/I ratio in the low-40s, the Bank persists to cost discipline approach and transforms toward the 'Digital-first, Digital-only' business model which would gradually reduce the cost-to-serve further. On the revenue side, the Bank is expanding and strengthening its business by providing more comprehensive financial services, which will boost cross-selling capabilities and enhance sustainable revenue streams.

**Figure 6: Non-interest expenses**

| (THB million) | 2Q26 | 1Q26 | % QoQ | 2Q25 | % YoY | 1H26 | 1H25 | % YoY |
|---|---|---|---|---|---|---|---|---|
| Employee expenses | 4,244 | 4,306 | -1.4% | 3,814 | 11.3% | 8,550 | 7,655 | 11.7% |
| Directors' remuneration | 32 | 27 | 20.1% | 33 | -2.1% | 58 | 58 | 1.1% |
| Premises and equipment expenses | 791 | 780 | 1.5% | 835 | -5.3% | 1,571 | 1,596 | -1.6% |
| Taxes and duties | 409 | 403 | 1.4% | 425 | -3.8% | 812 | 859 | -5.5% |
| Other expenses | 2,575 | 2,127 | 21.1% | 2,164 | 19.0% | 4,702 | 4,201 | 11.9% |
| **Non-interest expenses** | **8,051** | **7,642** | **5.3%** | **7,271** | **10.7%** | **15,693** | **14,369** | **9.2%** |

*Note: Consolidated financial statements*

**Figure 7**: **Cost to income ratio**




*Note: Consolidated financial statements*

## Expected Credit Loss and Net Profit

*Setting aside 2Q26 ECL of THB4,040 million including extra provision under prudent ECL model.*

**Expected Credit Loss (ECL):** Asset quality management remained one of our priorities amid this uncertain economic environment. The Bank has maintained a prudent approach and closely monitored asset quality with a prudent ECL model and considered forward-looking risks through Management Overlay setting aside to cover the Probability of default (PD) and Loss given default (LGD) shift to ensure sufficient buffer against unforeseen downside risks. Moreover, the Bank remains vigilant and ensure the quality of loan portfolio with ongoing de-risking weak loan initiatives and proactive NPL resolution activities as well as tightening underwriting criteria for new quality loans.

**As of 2Q26,** the total ECL was reported at THB4,040 million, increasing 1.1% QoQ but declined by 5.9% YoY, or equivalent to 137 bps in terms of credit cost.

The well-contained ECL level underscored the Bank's holistic management of both balance sheet and asset quality, including selective loan growth, portfolio de-risking, stringent risk management and staging policy alongside proactive customer assistance programs. Consequently, if we considered the risk cost from normal business operations - amounting to THB2,923 million or equivalent to a credit cost of 99 bps, the level of ECL remained below the target guidance of 130-135 bps.

Although the asset quality was stable, we continued to set aside an additional management overlay (MO) of approximately THB1.1 billion against economic uncertainty.

**For the first half of 2026,** the total ECL amounted to THB8,035 million, a decline of 9.5% YoY, equivalent to 136 bps in terms of credit cost. The normal risk cost equaled to THB5,358 million, or equivalent to a credit cost of 91 bps, representing a decrease of 19.1% YoY. The downward trend reflected the stable and manageable asset quality. However, adhering to conservative risk management, the management overlay continued to be built as a buffer. This strengthened our loan loss reserve (LLR) and uplifted the coverage ratio to 157% in 2Q26, compared to 154% in 1Q26 and 149% in 2Q25.

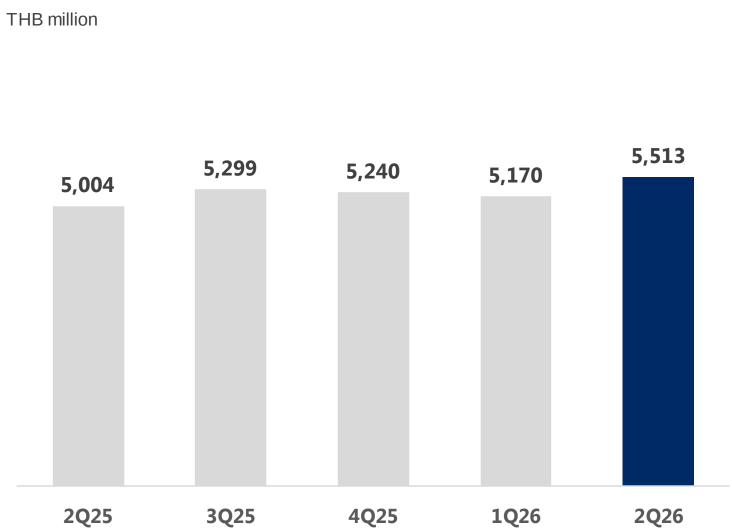
**Figure 8: Expected Credit Loss (ECL) and credit cost**

| (THB million) | 2Q26 | 1Q26 | % QoQ | 2Q25 | % YoY | 1H26 | 1H25 | % YoY |
|---|---|---|---|---|---|---|---|---|
| Expected credit loss | **4,040** | 3,994 | 1.1% | 4,294 | -5.9% | **8,035** | 8,874 | -9.5% |
| Credit cost (bps) - annualized | **137** | 136 | | 143 | | **136** | 147 | |

*Note: Consolidated financial statements*

**Net profit:** After provision and tax benefit, net profit in 2Q26 was THB5,513 million which rose by 6.6% QoQ and 10.2% from the same period last year. It represented an ROE of 9.3%, higher than 8.6% in 1Q26 and 8.3% in 2Q25. For the 6-month period of 2026, net profit equaled THB10,683 million, an increase of 5.8% YoY, representing an ROE of 9.0%.

**Figure 9**: **Net Profit (to equity holders of the Bank)**




*Note: Consolidated financial statements*

(Please see the next session for the discussion of financial position)

# Discussion of financial position

**Figure 10: Selected financial position (Consolidated)**

| (THB million) | Jun-26 | Mar-26 | %QoQ | Dec-25 | %YTD |
|---|---|---|---|---|---|
| Cash | 8,863 | 10,573 | -16.2% | 12,633 | -29.8% |
| Interbank and money market items, net | 175,147 | 181,344 | -3.4% | 181,399 | -3.4% |
| Financial assets measured at fair value through profit or loss | 22,705 | 27,912 | -18.7% | 22,943 | -1.0% |
| Derivative assets | 12,344 | 13,135 | -6.0% | 9,602 | 28.6% |
| Investments, net | 249,042 | 233,665 | 6.6% | 237,852 | 4.7% |
| Investments in subsidiaries and associate, net | 8,613 | 8,666 | -0.6% | 8,593 | 0.2% |
| Total loans to customers | 1,183,544 | 1,178,184 | 0.5% | 1,204,800 | -1.8% |
| *Add* accrued interest receivables and undue interest receivables* | 8,281 | 8,284 | 0.0% | 8,239 | 0.5% |
| *Less* allowance for expected credit loss | 61,049 | 59,720 | 2.2% | 59,464 | 2.7% |
| Total loans to customers and accrued interest receivables, net | 1,130,776 | 1,126,748 | 0.4% | 1,153,575 | -2.0% |
| Properties for sale, net | 16,045 | 16,211 | -1.0% | 16,289 | -1.5% |
| Premises and equipment, net | 14,443 | 14,980 | -3.6% | 15,186 | -4.9% |
| Goodwill and other intangible assets, net | 25,219 | 25,718 | -1.9% | 25,310 | -0.4% |
| Deferred tax assets | 4,037 | 3,835 | 5.3% | 3,474 | 16.2% |
| Other assets, net | 21,364 | 19,910 | 7.3% | 15,110 | 41.4% |
| **Total Assets** | **1,688,598** | **1,682,697** | **0.4%** | **1,701,966** | **-0.8%** |
| Deposits | 1,274,111 | 1,255,805 | 1.5% | 1,269,509 | 0.4% |
| Interbank and money market items | 94,589 | 97,174 | -2.7% | 98,179 | -3.7% |
| Financial liabilities measured at fair value through profit or loss | 15,978 | 15,283 | 4.5% | 13,729 | 16.4% |
| Debts issued and borrowings, net | 15,244 | 15,129 | 0.8% | 15,126 | 0.8% |
| Deferred tax liabilities | 4 | - | N/A | - | N/A |
| Other liabilities | 55,637 | 56,785 | -2.0% | 61,229 | -9.1% |
| **Total Liabilities** | **1,455,563** | **1,440,177** | **1.1%** | **1,457,772** | **-0.2%** |
| Equity attributable to equity holders of the Bank | 232,995 | 242,475 | -3.9% | 244,194 | -4.6% |
| Non-controlling interest | 40 | 45 | -11.8% | - | N/A |
| **Total equity** | **233,035** | **242,520** | **-3.9%** | **244,194** | **-4.6%** |
| **Total liabilities and equity** | **1,688,598** | **1,682,697** | **0.4%** | **1,701,966** | **-0.8%** |
| **Book value per share** (Baht)** | 2.66 | 2.64 | 0.8% | 2.57 | 3.4% |

*Note: Consolidated financial statements*

** For credit impaired loans to customers and accrued interest are presented net from allowances for expected credit loss*

*** Book value per share is calculated using the number of total paid-up shares, excluding treasury shares under the share repurchase program*

## Assets

**As of 30 June 2026, total assets** on a consolidated basis were THB1,688,598 million, which increased marginally by 0.4% QoQ but declined by 0.8% YTD.

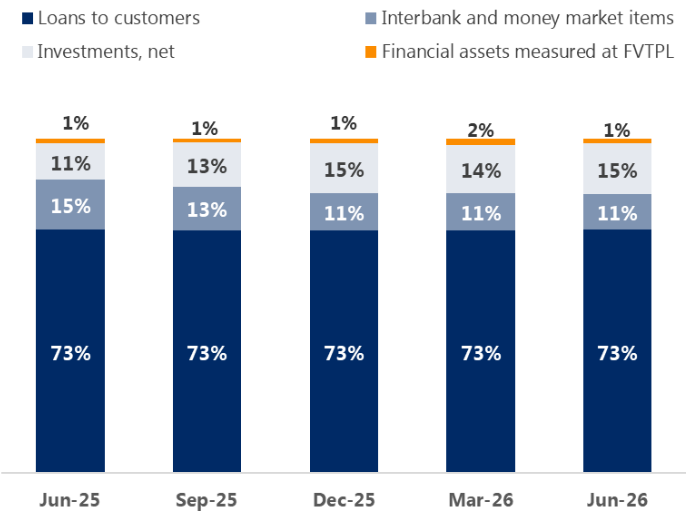
**Details of key earning asset figures are as follows:**

- Total loans to customers and accrued interest receivables amounted to THB1,130,776 million, a slight increase by 0.4% QoQ but declined by 2.0% YTD (see details in the following section).
- Net interbank and money market items amounted to THB175,147 million, declined by 3.4% QoQ and 3.4% YTD, in line with the Bank's liquidity management plan.
- Net investments and financial asset measured at fair value through profit or loss amounted to THB271,747 million, increased by 3.9% QoQ and 4.2% YTD. The growth

reflected the Bank's continued portfolio reallocation toward medium-term fixed-rate government bonds as it extended portfolio duration to capture attractive yields under a steep yield curve environment and improve portfolio returns.

Loans to customers is the largest portion of earning assets. As of 30 June 2026, loans to customers represented 73% of earning assets. This was followed by investments of 15%, interbank and money market of 11%, and financial assets measured at fair value through profit or loss of 1%, respectively.

**Figure 11: Earning assets**




*Note: Consolidated financial statements*

**Total loans to customers and accrued interest receivables**

As of 30 June 2026, TTB recorded total loans to customers and accrued interest receivables-net on a consolidated basis of THB1,131 billion, increased marginally by 0.4% QoQ but decreased by 2.0% from December 2025 (YTD).

In terms of total loans to customers on a consolidated basis (excluding accrued interest receivables and allowance for ECL), the balance amounted to THB1,184 billion, increased slightly by 0.5% QoQ but declined by 1.8% YTD.

Amid ongoing economic uncertainty, the Bank remained disciplined in pursuing quality loan growth, focusing on reshaping its portfolio toward targeted high-yield retail segments while enhancing portfolio quality and risk-adjusted returns. To strengthen loan growth quality, the Bank continued to implement its risk-based pricing strategy, initially in personal loan product Cash2Go, with plans to further expand the model across other targeted retail lending products.

To enhance lending capabilities and support sustainable growth, the Bank leveraged its digital platform and ecosystem to strengthen product offerings, improve customer journeys, and personalize offer opportunities. The introduction of motorcycle leasing under ttb leasing further broadened the Bank's financing ecosystem and product suite. These initiatives supported deeper customer engagement, increased product holdings, and improved operational efficiency across key customer segments, including salaryman customers, car owners, homeowners, and wealth customers.

Details are as follows:

- **Retail lending** declined by 0.4% QoQ and 1.4% YTD, primarily driven by the contraction in the hire purchase portfolio. This was partly offset by stable mortgage loans and continued growth in higher-yield retail segments, particularly Cash Your Home (CYH), Cash Your Book (CYB), and personal loans. To further strengthen growth in high-yield retail lending, the Bank introduced a risk-based pricing model for Cash2Go, enabling a more tailored pricing approach based on customer risk profiles.

  **Hire purchase:** HP loans fell 1.5% QoQ and 3.8% YTD, driven by softness in new car loans (-2.5% QoQ, -5.8% YTD). Used car loans and Cash Your Car (CYC) also declined (-1.1% QoQ, -0.9% YTD and -1.3% QoQ, -3.2% YTD, respectively). In contrast, CYB expanded strongly (+16.9% QoQ, +29.0% YTD).

  In addition, **motorcycle leasing under ttb leasing** was launched during the quarter, reaching an outstanding balance of approximately THB 800 million as of 2Q26. This new product supports portfolio diversification and provides a foundation for future growth opportunities.

  **Mortgage:** Mortgage loans remained broadly stable both QoQ and YTD. Underlying this stability is a strategic shift towards the strategic refinance segment to preserve portfolio quality amidst a fragile and slowing housing market, which resulted in a slight decline in new home loans by 0.6% QoQ and 1.0% YTD. Concurrently, we continue to enhance our overall portfolio yield through the targeted expansion of Cash Your Home (CYH), which performed well with a growth of 3.9% QoQ and 6.7% YTD.

  **Consumer loans**: Consumer loans grew by 3.0% QoQ and 2.5% YTD, supported by continued expansion in the personal loan portfolio. In particular, Cash2Go delivered strong growth of 10.5% QoQ and 21.6% YTD, reflecting the successful risk-based pricing model implementation to expand the Bank's targeted customer acquisition. Meanwhile, credit card loans increased by 2.3% QoQ but down 1.6% YTD. These performances align the Bank's strategic focus on expanding high-yield retail products while maintaining prudent risk management across consumer lending.

- **Corporate lending** increased by 2.6% QoQ but declined by 1.9% YTD, growth during the quarter was supported by term loans (+2.2% QoQ and +2.6% YTD) and trade finance loans (+7.8% QoQ and +6.8% YTD). However, this was partly offset by a decline in working capital of 1.7% QoQ and 11.7% YTD, resulting in a lower portfolio compared with year-end 2025.

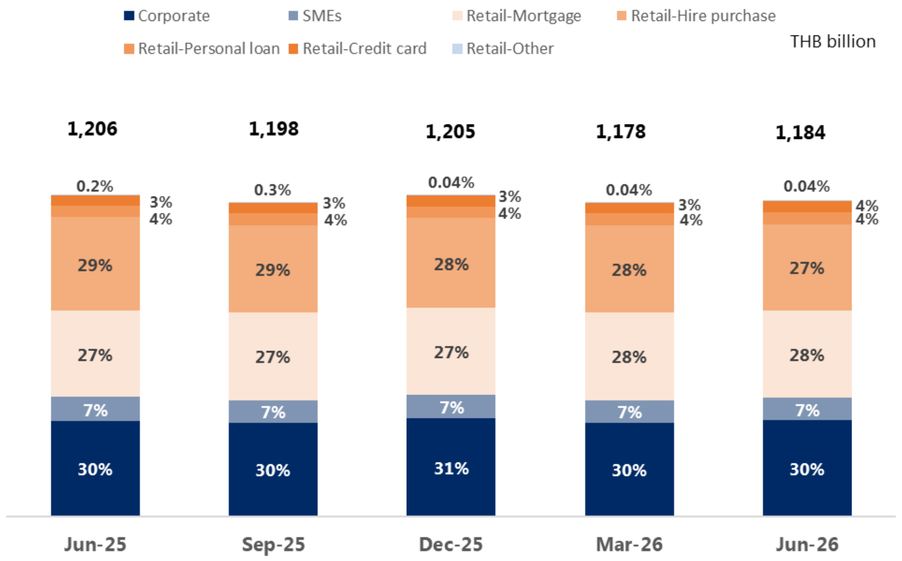
- **SME segment (Small and Medium SME)** declined by 1.5% QoQ and 4.0% YTD, in line with the Bank's ongoing de-risking strategy and prudent risk management approach.

In terms of loan breakdown by customer segments, as of 30 June 2026, retail loans accounted for 63% while corporate loans were 30% and SMEs were 7% of total portfolio.

In terms of key products, mortgage loans accounted for 28% of total loans, followed by hire purchase loans at 27%, term loans at 17%, working capital loans (OD & RPN) at 14%, unsecured loans and credit cards at 8%, trade finance loans at 6%, and others at 0.9%.

For HP portfolio, the portfolio consisted of new car of 60%, Cash Your Car (CYC) of 22%, used car of 16%, Cash Your Book (CYB) of 2%, and Motorcycle leasing under ttb leasing of 0.3%, respectively.

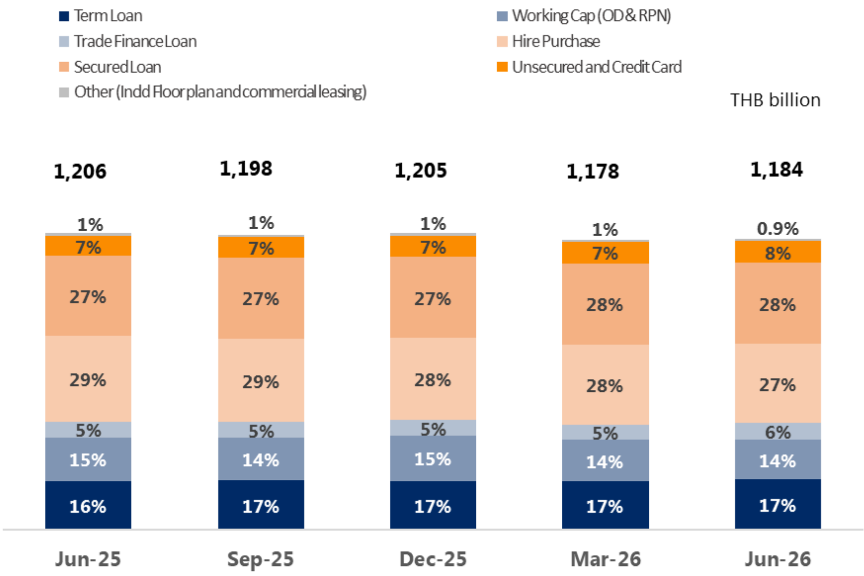
**Figure 12: Total loan to customers breakdown by customer segment**




*Note: Consolidated financial statements*

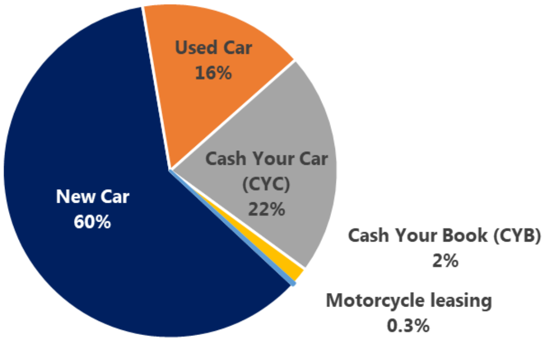
Segment definition:
Corporate: customers with annual sales volume more than THB400 million
SME: small and medium SME customers with annual sales volume up to THB400 million, including owner operators

**Figure 13: Total loan to customer breakdown by product**




*Note: Consolidated financial statements*

**Figure 14: Hire purchase breakdown**




*Note: Consolidated financial statements*

### Investment Classification

Under TFRS9, investment items are classified into 3 categories; fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) and measured at amortized cost. As of 30 June 2026, investments were classified as follows:

| (THB million) | 30 Jun 2026 | 31 Mar 2026 |
|---|---|---|
| **Financial assets measured at FVTPL** | **22,705** | **27,912** |
| Investments in debt securities measured at amortized cost | 59,781 | 59,790 |
| Investments in debt securities measured at FVOCI | 184,570 | 169,185 |
| Investments in equity securities measured at FVOCI | 4,691 | 4,690 |
| **Net Investment*** | **249,042** | **233,665** |
| **Total Investment** | **271,747** | **261,577** |

*Note: Consolidated financial statements*

- *Net investments comprised of investments measured at amortized cost and measured at FVOCI*

## Liabilities and Equity

**As of 30 June 2026, total liabilities and equity** on a consolidated basis was reported at THB1,688,598 million, which slightly increased by 0.4% QoQ but declined by 0.8% YTD.

**Total consolidated liabilities** were THB1,455,563 million, increasing by 1.1% QoQ but slightly declining 0.2% YTD.

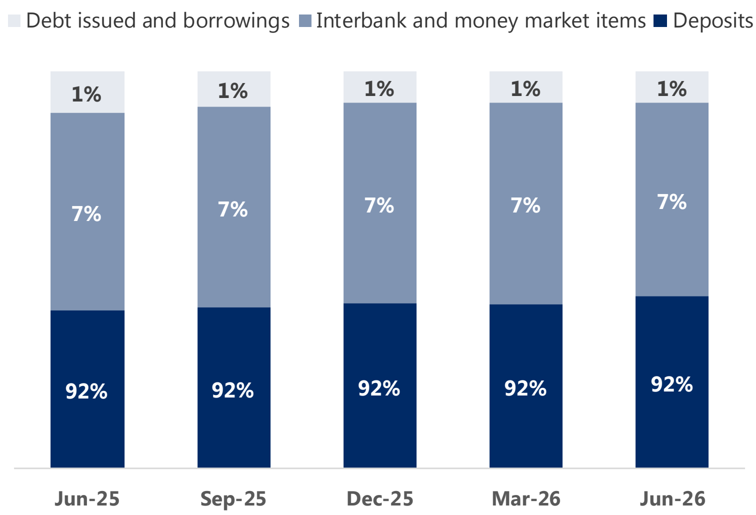
**The consolidated equity** was THB233,035 million, which decreased by 3.9% QoQ and 4.6% YTD, mainly due to the share repurchase activities.

**Details of key interest-bearing liability figures are as follows:**

- Total deposits were THB1,274,111 million, which increased 1.5% QoQ and 0.4% YTD. (see details in the following section)
- Interbank and money market items amounted to THB94,589 million, decreased by 2.7% QoQ and 3.7% YTD, in line with the Bank's liquidity management strategy.
- Borrowings were recorded at THB15,244 million, which increased 0.8% QoQ and 0.8% YTD. (see details in the following section)

As of 30 June 2026, deposits represented 92% of interest-bearing liabilities. This was followed by interbank and money market items of 7% and debt issued and borrowings of 1%.

**Figure 15: Interest-bearing liabilities breakdown**




*Note: Consolidated financial statement*

## Deposits

As of 30 June 2026, the Bank and its subsidiaries reported total deposits on a consolidated basis of THB1,274,111 million, which increased by 1.5% QoQ and 0.4% YTD. The increase in deposits was driven by continued growth in targeted hybrid deposits, reflecting the Bank's disciplined liquidity and funding management approach to maintaining funding cost efficiency.

As part of its proactive deposit strategy, the Bank continued to optimize its deposit mix and duration to effectively manage funding costs amid the interest rate downcycle. Through the strategic reduction of high-cost time deposits and continued growth in targeted hybrid deposit products, the Bank enhanced funding cost efficiency and maintained balance sheet flexibility, supporting margin in a lower-rate environment.

### Deposit breakdown by products

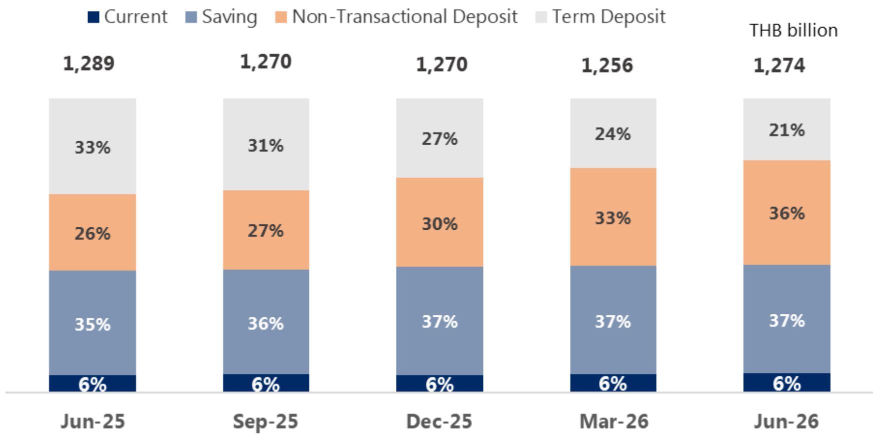
As a result of the Bank's funding cost strategy, total **TD** declined by 9.7% QoQ and 21.7% YTD, driven by the continued run-down of high-cost deposits across both short and long-term tenors. This was partly offset by growth in targeted deposit products, with **no-fixed** deposits increasing by 7.3% QoQ and 17.5% YTD, and **ME Save** rose by 19.1% QoQ and 22.1% YTD.

Regarding low-cost deposits, CASA increased by 2.4% QoQ and 2.0% YTD, supported by growth in both current accounts, which increased by 4.2% QoQ and 6.9% YTD, and savings deposits, which rose by 2.1% QoQ and 1.2% YTD. Meanwhile, the Bank's flagship retail transactional product, ttb all free, continued to grow, increasing by 0.4% QoQ and 2.0% YTD.

As of 30 June 2026, deposit structure by products consisted of 43% transactional deposit (CASA), 36% non-transactional deposit (no-Fixed and ME Save), and 21% term deposit. By customer segment, retail deposits represented 72% and commercial deposits represented 28% of total deposits.

The Bank's liquidity position remained robust, with the Loan-to-Deposit Ratio (LDR) at 93%. Supported by deposit growth during the period, the Bank maintained ample funding capacity and balance sheet flexibility while continuing to optimize funding costs amid the interest-rate downcycle.

**Figure 16: Deposit structure by products**




*Note: Consolidated financial statement*

*Remark: "ttb no Fixed" and "ME" are classified as savings account as they are not required to maintain minimum balance and have no restriction to term of deposit, presented in this graph as non-transactional deposit.*

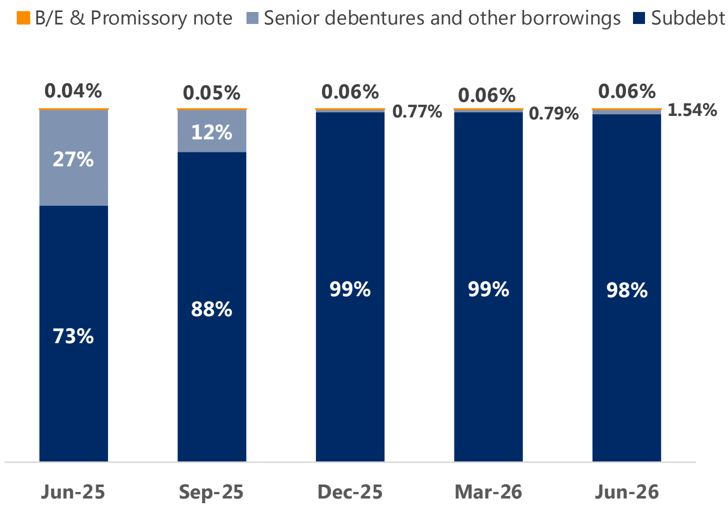
## Borrowings

*Borrowings increased by 0.8% YTD, from structured notes to support wealth product offerings.*

As of 30 June 2026, total borrowings of the Bank and its subsidiaries stood at THB15,244 million, increasing by 0.8% QoQ and 0.8% YTD, mainly attributable to higher structured notes issued to support wealth products offerings. Supported by a robust liquidity position and subdued loan growth, the Bank continued to optimize its funding structure through the run-down of high-cost borrowings. These efforts contributed to enhanced funding cost efficiency and balance sheet management amid the low-interest-rate environment.

In terms of borrowing structure, 98.40% was sub-debt. This was followed by senior debentures and other borrowings of 1.54% and BE of 0.06%.

**Figure 17: Borrowings breakdown**




*Note: Consolidated financial statements*

## Asset Quality

The operating environment remained challenging amid ongoing uncertainties surrounding both global and domestic economic recovery. Nevertheless, the Bank remained committed to its quality-focused growth strategy, with an emphasis on preserving financial resilience and portfolio quality. Supported by prudent risk management, selective lending growth, and continued de-risking initiatives, asset quality remained stable and manageable despite the challenging environment. The Bank continued to maintain disciplined underwriting standards, conservative staging practices, and proactive portfolio management to ensure risks remained well within its risk appetite.

As of 30 June 2026, Loans and allowance for expected credit loss were classified as follows:

**Figure 18: Loan and accrued interest receivables classification and allowance for expected credit loss***

| | 30 Jun 2026 | |
|---|---|---|
| (THB million) | **Loans to customer and accrued interest receivables** | **Allowance for expected credit Loss** |
| Stage 1 (Performing) | 1,053,215 | 16,588 |
| Stage 2 (Under-performing) | 99,724 | 26,324 |
| Stage 3 (Non-performing) | 38,886 | 18,137 |
| **Total** | **1,191,825** | **61,049** |

| | 31 Dec 2025 | |
|---|---|---|
| (THB million) | **Loans to customer and accrued interest receivables** | **Allowance for expected credit Loss** |
| Stage 1 (Performing) | 1,066,676 | 16,572 |
| Stage 2 (Under-performing) | 107,297 | 26,597 |
| Stage 3 (Non-performing) | 39,066 | 16,295 |
| **Total** | **1,213,039** | **59,464** |

*Note: Consolidated financial statement, Loan and accrued interest receivable of stage 3 is presented on a net basis*

**Stage 3 loans (Non-performing loan) and NPL ratio, excluded accrued interest receivables**

As of 30 June 2026, NPL outstanding remained stable, while the NPL ratio stayed well within the Bank's target guideline. The resilience of the portfolio reflected prudent portfolio management, disciplined risk controls, and ongoing efforts to maintain asset quality amid economic uncertainties. These measures helped preserve balance sheet resilience and capacity to manage potential downside risks.

To support portfolio quality, the Bank continued its de-risking efforts through regular write-off and NPL sale activities. During 2Q26, the Bank and its subsidiaries wrote off approximately THB 3.0 billion of NPLs, while NPL sales totaled THB 0.3 billion.

**Stage 3 loans (NPLs) excluded accrued interest receivables**

- **On consolidated basis,** the figure was reported at THB38,885 million as of 30 June 2026 was relatively stable from THB38,813 million at the end of March 2026, and dropped from THB39,066 million at the end of December 2025.
- **On bank-only basis,** NPLs amounted to THB34,550 million which decreased from THB34,757 million in March 2026 and decreased from THB34,857 million in December 2025.

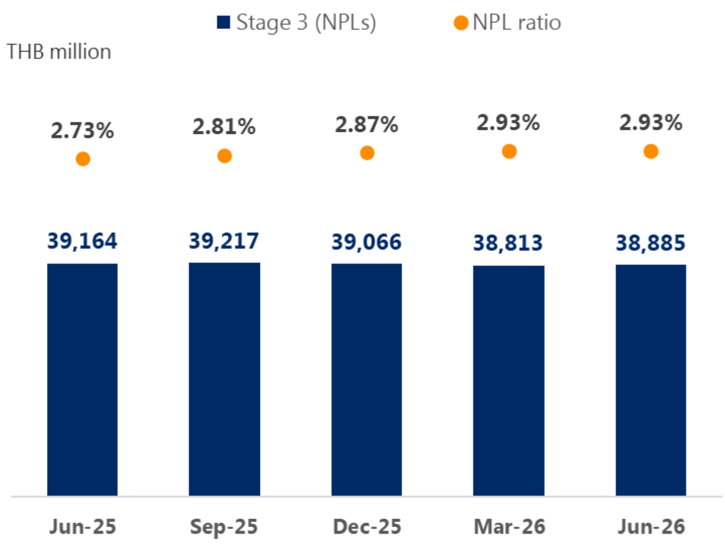
**Stage 3 or NPL ratio**

- **On consolidated basis,** NPL ratio was at 2.93%, stable compared to March 2026 and increased from 2.87% as of December 2025, remaining within the Bank's target guidance.
- **On bank-only basis,** NPL ratio stood at 2.60%, compared to 2.62% as of March 2026 and 2.55% as of December 2025.

**Allowance for expected credit loss**

As of 30 June 2026, the Bank and its subsidiaries reported allowance for expected credit losses of THB 61,049 million, increasing by 2.2% QoQ and 2.7% YTD, in line with its prudent risk management approach. Despite stable asset quality, the Bank maintained a management overlay (MO) to reinforce risk buffers against economic uncertainties. In addition, the Bank continued to ensure an appropriate distribution of loan loss reserves across risk stages. As a result, the loan loss reserve coverage ratio remained strong at 157%.

**Figure 19: Stage 3 loan (NPLs) and NPL ratio excluded accrued interest receivables**




*Note: Consolidated financial statement, non-performing loans classified as stage 3*

### Liquidity and loan-to-deposit ratio

The Bank has a strong liquidity position and has maintained a high proportion of liquid and low-risk assets.

As of 30 June 2026, on a consolidated basis, total liquid assets represented 16.1% of the total assets. The liquid assets consisted of cash (0.5%), interbank & money market items (10.4%), short-term investment (4.5%), and short-term financial assets measured at FVTPL (0.7%).

In terms of loan-to-deposit ratio (LDR), on a consolidated basis was at 93%, compared to 94% of March 2026 and from 94% of June 2025.

With the Bank's funding strategy to diversify funding sources through debt issued and borrowings, Loan to deposit and debt issue and borrowings was recorded at 92% as of June 2026.

**Figure 20: Liquid asset allocation and loan to deposit ratio**

| Liquid assets | Jun-26 | Mar-26 | Dec-25 | Sep-25 | Jun-25 |
|---|---|---|---|---|---|
| Cash | 0.5% | 0.6% | 0.7% | 0.7% | 0.7% |
| Interbank and money market | 10.4% | 10.8% | 10.7% | 12.7% | 15.1% |
| Short-term investment | 4.5% | 4.4% | 4.4% | 3.2% | 1.7% |
| Short-term financial assets at FVTPL | 0.7% | 1.0% | 0.7% | 0.3% | 0.9% |
| **Liquid assets/Total assets** | **16.1%** | **16.8%** | **16.5%** | **17.0%** | **18.3%** |
| **Loan to deposit ratio (LDR)** | **93%** | **94%** | **95%** | **94%** | **94%** |

*Note: Consolidated financial statement*

### Capital Adequacy

### Maintain high capital ratios under Basel III

The Bank consistently ensures a robust capital base. As of 30 June 2026, Capital Adequacy Ratio (CAR) on a consolidated basis under Basel III calculation was at 19.0%, while Tier 1 ratio & CET 1 ratio rose to 17.0%. Such levels were well above the Bank of Thailand's minimum requirement (including conservation buffer and the D-SIBs buffer) of 12.0%, 9.5%, and 8.0% of CAR, Tier 1 ratio, and Core Tier 1 ratio, respectively.

**Figure 21: Capital adequacy ratio (CAR) and Tier 1 capital under BASEL III**

| (as % to risk-weighted assets) | Jun-26 | Mar-26 | Dec-25 | Sep-25 | Jun-25 |
|---|---|---|---|---|---|
| **Capital Adequacy Ratio (CAR)** | **19.0%** | 19.7% | 19.5% | 19.9% | 20.0% |
| **Tier I Ratio (Tier 1)** | **17.0%** | 17.7% | 17.5% | 17.9% | 17.8% |
| **Core Tier 1 Ratio (CET1)** | **17.0%** | 17.7% | 17.5% | 17.9% | 17.8% |

*Note: Consolidated financial statement*

## TTB's Financial Summary

| (THB million) | 2Q26 | % QoQ | % YoY | 1H26 | % YoY |
|---|---|---|---|---|---|
| Net interest income (NII) | **12,265** | 0.9% | -3.7% | **24,415** | -6.0% |
| Non-interest income (Non-NII) | **5,079** | 10.8% | 39.5% | **9,660** | 38.5% |
| Non-interest expenses | **8,051** | 5.3% | 10.7% | **15,693** | 9.2% |
| **Pre-provision operating profit (PPOP)** | **9,292** | 2.2% | 2.0% | **18,382** | -1.0% |
| Expected credit loss (ECL) | **4,040** | 1.1% | -5.9% | **8,035** | -9.5% |
| **Net profit to equity holders of the Bank** | **5,513** | 6.6% | 10.2% | **10,683** | 5.8% |

| (THB million) | 30-Jun-26 | 31-Mar-26 | %QoQ | 31-Dec-25 | % YTD |
|---|---|---|---|---|---|
| Total loan to customers | **1,183,544** | 1,178,184 | 0.5% | 1,204,800 | -1.8% |
| Total assets | **1,688,598** | 1,682,697 | 0.4% | 1,701,966 | -0.8% |
| Deposit | **1,274,111** | 1,255,805 | 1.5% | 1,269,509 | 0.4% |
| Debt issued and borrowings, net | **15,244** | 15,129 | 0.8% | 15,126 | 0.8% |
| Total liabilities | **1,455,563** | 1,440,177 | 1.1% | 1,457,772 | -0.2% |
| Total equity | **233,035** | 242,520 | -3.9% | 244,194 | -4.6% |

| Key ratios | 2Q26 | 1Q26 | 2Q25 | 1H26 | 1H25 |
|---|---|---|---|---|---|
| Net interest margin (NIM) | **3.03%** | 3.02% | 3.07% | **3.02%** | 3.13% |
| Non-interest income to total assets | **1.21%** | 1.10% | 0.85% | **1.15%** | 0.82% |
| Cost to income ratio | **46%** | 46% | 44% | **46%** | 44% |
| Return on equity (ROE) | **9.3%** | 8.6% | 8.3% | **9.0%** | 8.5% |
| Return on asset (ROA) | **1.3%** | 1.2% | 1.2% | **1.3%** | 1.2% |
| | | | | | |
| NPL / Stage 3 (THB mn) | **38,885** | 38,813 | 39,164 | **38,885** | 39,164 |
| NPL / Stage 3 ratio | **2.93%** | 2.93% | 2.73% | **2.93%** | 2.73% |
| Credit cost (bps) - annualized | **137** | 136 | 143 | **136** | 147 |
| | | | | | |
| Loan to deposit ratio (LDR) | **93%** | 94% | 94% | **93%** | 94% |
| LDR + Debt issued & borrowings to deposit ratio | **92%** | 93% | 92% | **92%** | 92% |
| | | | | | |
| Capital adequacy ratio (CAR) | **19.0%** | 19.7% | 20.0% | **19.0%** | 20.0% |
| Tier 1 capital ratio (Tier 1) | **17.0%** | 17.7% | 17.8% | **17.0%** | 17.8% |
| Core tier 1 capital ratio (CET 1) | **17.0%** | 17.7% | 17.8% | **17.0%** | 17.8% |
| | | | | | |
| TTB Bank's employees | **11,768** | 12,124 | 12,860 | **11,768** | 12,860 |
| Group's employees | **13,101** | 13,211 | 13,751 | **13,101** | 13,751 |
| Domestic branches | **395** | 409 | 436 | **395** | 436 |
| ATMs, ADMs and All-in-One | **1,919** | 2,020 | 2,305 | **1,919** | 2,305 |

*Note: Consolidated financial statements*

# Additional Information: Credit rating profile

| Moody's Ratings | | |
|---|---|---|
| | **International rating** | **Outlook** |
| Bank Deposits | Baa1/P-2 | Stable |
| Baseline Credit Assessments (BCAs) | baa3 | |
| Senior Unsecured | (P)Baa1 | |

**Latest Changes**: April 2026, Moody's Ratings changed outlook from Stable to Negative following sovereign rating action.

| Standard & Poor's | | |
|---|---|---|
| | **International rating** | **Outlook** |
| Long-Term Counterparty | BBB- | Stable |
| Short-Term Counterparty | A-3 | |
| Senior Unsecured | BBB- | |
| Stand-Alone Credit Profile (SACP) | bb | |

**Latest Changes**: March 2022, Standard & Poor's has downgraded long-term rating and revised outlook to stable.

| Fitch Ratings | | |
|---|---|---|
| | **International rating** | **Outlook** |
| Long-Term IDR | BBB | Negative |
| Short-Term IDR | F2 | |
| Senior Unsecured | BBB | |
| Viability Rating | bbb- | |
| Support Rating Floor | BBB | |
| Support Rating | 2 | |
| | **National Rating** | |
| Long-Term | AA+ (tha) | |
| Short-Term | F1+(tha) | |
| Subordinated Debt | A (tha) | |

**Latest Changes**: September 2025, Fitch Ratings changed outlook from Stable to Negative following sovereign rating action.

ttb | Make **REAL** Change

**Disclaimer**