LH FINANCIAL GROUP PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE SECOND QUARTER ENDED 30 JUNE 2026

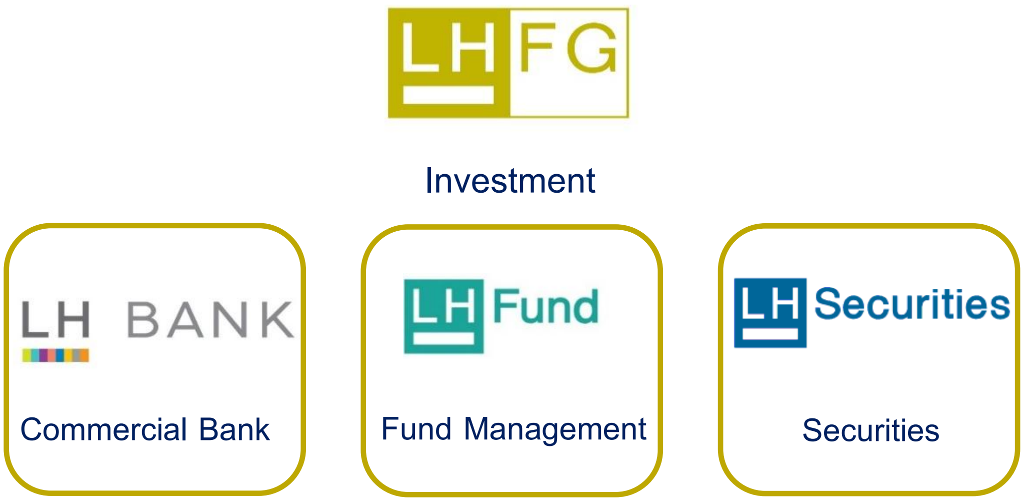
(THIS REPORT DISCUSSES PRINCIPAL CHANGES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENT)

Overview of Business Operation

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

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

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



ESG100 Certificate

The company has been selected to be 1 of 100 listed firms for outstanding ESG performance in terms of environmental, social and governance (ESG100) in 2026 for the 11th year and the company's securities have also been included in the ESG 100 universe in 2026.

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

The company received the certificate of 2025 Carbon Footprint for Organization and Carbon Neutral from the Thailand Greenhouse Gas Management Organization (Public Organization) as an organization that fosters the reduction of greenhouse gas emissions within the country as to combat global warming. In 2025, the company was successful in offsetting corporate carbon footprint of 3,418 tons of carbon dioxide equivalent (tCO_2e).

Credit Rating

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

Economic Overview and Competition in Commercial Banking Industry

The Thai economy in the second quarter of 2026 is expected to slow down from the previous quarter, affected by the conflict in the Middle East, which has driven up energy prices and dampened private consumption and tourism sector. However, exports continued to expand, particularly electronics, which benefited from the global electronics cycle. Overall, the Thai economy remains fragile with an uneven recovery across sectors.

The Office of the National Economic and Social Development Council (NESDC) projects that the Thai economy will grow by 1.5–2.5% in 2026 (as of May 2026). Growth has been driven by continued expansion in private consumption—supported in part by government measures along with export growth in line with the demand for advanced technology-related products, and higher public spending. Nevertheless, the Thai economy continues to face risks from geopolitical disputes in the Middle East, global economic slowdown, elevated household debt, intensely severe climate volatility, and diminishing fiscal space, which may increasingly constrain the government's capacity to introduce additional stimulus measures going forward.

As for the banking sector in the second quarter of 2026, commercial banks' loans showed the sign of recovery to modest growth, driven mainly by loans to large corporates, while SME loans remained subdued amid the still-fragile economic environment. Consumer loans continued to grow at a decelerating pace, particularly, hire-purchase and personal loans. New lending remained cautious, given still-elevated credit risk. Nonetheless, the commercial banking system remains solid, with high levels of capital, provisions and liquidity, sufficient for economic volatility and uncertainties ahead.

Analysis of Operating Results

In the second quarter of 2026, the operating results of the company and its subsidiaries posted the net profit of Baht 696.1 million, decreased by 17.4% when compared to the first quarter of 2026 with the net profit of Baht 842.5 million due to the decrease in gains on investments and dividend income. And the net profit increased by 26.3% when compared to the second quarter of 2025 with the net profit of Baht 551.0 million due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

In the 6-month period of 2026, the company and its subsidiaries recorded the net profit of Baht 1,538.6 million, increased by 37.3% when compared to the 6-month period of 2025 with the net profit of Baht 1,120.7 million due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

Net Interest Income

In the second quarter of 2026, net interest income amounted to Baht 1,918.2 million, increased by 8.3% when compared to the first quarter of 2026 and increased by 15.1% when compared to the second quarter of 2025. In the second quarter of 2026, interest income was Baht 3,316.4 million, decreased by 1.6% and interest expenses amounted to Baht 1,398.2 million, decreased by 17.9% when compared to the second quarter of 2025.

In the 6-month period of 2026, net interest income amounted to Baht 3,689.0 million, increased by 10.5% when compared to the 6-month period of 2025. Interest income was Baht 6,633.5 million, decreased by 1.9% and interest expenses were Baht 2,944.5 million, decreased by 14.0% when compared to the 6-month period of 2025.

Net Non-interest Income

In the second quarter of 2026, net non-interest income amounted to Baht 639.5 million, decreased by 6.6% when compared to the first quarter of 2026, mainly due to the decrease in gains on investments and dividend income. Non-interest income increased by 28.6% when compared to the second quarter of 2025, mainly due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss.

In the 6-month period of 2026, net non-interest income amounted to Baht 1,324.5 million, increased by 56.3% when compared to the 6-month period of 2025 due mainly to the increase in gains (losses) on financial instruments measured at fair value through profit or loss and net fees and service income.

Other Operating Expenses

In the second quarter of 2026, other operating expenses amounted to Baht 1,344.8 million, increased by 8.5% when compared to the first quarter of 2026, mainly due to the increase in directors' remuneration and increased by 16.3% when compared to the second quarter of 2025, mainly due to the increase in amortization of intangible assets and other expenses.

In the 6-month period of 2026, other operating expenses amounted to Baht 2,584.6 million, increased by 13.6% when compared to the 6-month period of 2025 mainly due to the increase in amortization of intangible assets and employee's expenses.

Profit from Operations before Expected Credit Losses and Income Tax

In the second quarter of 2026, profit from operations before expected credit losses and income tax amounted to Baht 1,212.9 million, decreased by 0.2% when compared to the first quarter of 2026 and increased by 20.5% when compared to the second quarter of 2025.

In the 6-month period of 2026, profit from operations before expected credit losses and income tax amounted to Baht 2,428.8 million, increased by 27.1% when compared to the 6-month period of 2025.

In the second quarter of 2026, basic earnings per share stood at Baht 0.033 per share, decreased by 17.5% when compared to the first quarter of 2026 and increased by 26.9% when compared to the second quarter of 2025.

In the 6-month period of 2026, basic earnings per share stood at Baht 0.073 per share, increased by 37.7% when compared to the 6-month period of 2025.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Interest income	3,316.4	3,317.1	(0.0)	3,369.4	(1.6)	6,633.5	6,763.0	(1.9)
Interest expense	(1,398.2)	(1,546.3)	(9.6)	(1,703.2)	(17.9)	(2,944.5)	(3,424.9)	(14.0)
Net interest income	**1,918.2**	**1,770.8**	**8.3**	**1,666.2**	**15.1**	**3,689.0**	**3,338.1**	**10.5**
Fees and service income	454.1	373.5	21.6	246.2	84.4	827.6	509.9	62.3
Fees and service expense	(109.5)	(68.4)	60.1	(53.9)	103.2	(177.9)	(110.5)	61.0
Net fees and service income	**344.6**	**305.1**	**12.9**	**192.3**	**79.2**	**649.7**	**399.4**	**62.7**

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Gains (losses) on financial instruments measured at fair value through profit or loss	87.4	19.0	360.0	26.7	227.3	106.4	29.8	257.0
Gains on investments	50.8	141.3	(64.0)	134.40	(62.2)	192.1	134.4	42.9
Dividend income	118.8	180.2	(34.1)	109.0	9.0	299.1	213.6	40.0
Other operating incomes	37.9	39.3	(3.6)	34.8	8.9	77.2	70.4	9.7
Operating income	**2,557.7**	**2,455.7**	**4.2**	**2,163.4**	**18.2**	**5,013.5**	**4,185.7**	**19.8**
Other operating expenses	**1,344.8**	**1,239.8**	**8.5**	**1,156.5**	**16.3**	**2,584.6**	**2,275.2**	**13.6**
Expected credit losses	**365.3**	**189.0**	**93.3**	**331.3**	**10.3**	**554.4**	**523.5**	**5.9**
Income tax	**151.5**	**184.4**	**(17.8)**	**124.6**	**21.6**	**335.9**	**266.3**	**26.1**
Profits from operations before expected credit losses and income tax	**1,212.9**	**1,215.9**	**(0.2)**	**1,006.9**	**20.5**	**2,428.9**	**1,910.5**	**27.1**
Profits from operations before income tax	**847.6**	**1,026.9**	**(17.5)**	**675.6**	**25.5**	**1,874.5**	**1,387.0**	**35.1**
Net profit	**696.1**	**842.5**	**(17.4)**	**551.0**	**26.3**	**1,538.6**	**1,120.7**	**37.3**
Basic earnings per share (Baht)	**0.033**	**0.040**	**(17.5)**	**0.026**	**26.9**	**0.073**	**0.053**	**37.7**
ROA						**0.76**	**0.64**	**18.8**
ROE						**7.35**	**5.73**	**28.3**

Table: Other Operating Expenses

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Employees' expenses	753.0	681.1	10.6	621.0	21.3	1,473.9	1,262.0	16.8
Premises and equipment expenses	267.7	280.3	(4.5)	244.3	9.6	528.8	489.2	8.1
Other expenses	324.1	372.5	(13.0)	253.4	27.9	581.9	524.0	11.1
Total	**1,344.8**	**1,239.8**	**8.5**	**1,156.5**	**16.3**	**2,584.6**	**2,275.2**	**13.6**

Analysis of Financial Position

Total Assets

As of 30 June 2026, total assets amounted to Baht 425,330.3 million, increased by Baht 26,519.3 million or 6.6% when compared to the end of the year 2025. Core assets comprise loans to customers - net at 69.0% of total assets, followed by interbank and money market items - net at 15.6% of total assets.

Table: Total Assets

(Unit: Million Baht)

Items	June	December	Variance	
	2026	2025	Amount	(%YTD)
Interbank and money market items - net	66,140.4	53,653.3	12,487.1	23.3
Investments - net	44,574.0	56,627.0	(12,053.0)	(21.3)
Loans to customers - net	293,516.8	274,596.4	18,920.4	6.9
Other assets - net	21,099.1	13,934.3	7,164.8	51.4
Total assets	**425,330.3**	**398,811.0**	**26,519.3**	**6.6**

Total Liabilities

As of 30 June 2026, total liabilities amounted to Baht 383,160.2 million, increased by Baht 27,065.9 million or 7.6% when compared to the end of the year 2025. Most of liabilities were deposits, accounting for 82.7% of total liabilities.

Total Owners' Equity

As of 30 June 2026, total owners' equity amounted to Baht 42,170.1 million, decreased by Baht 546.6 million or 1.3% when compared to the end of the year 2025.

Table: Total Liabilities and Owners' Equity

(Unit: Million Baht)

Items	June	December	Variance	
	2026	2025	Amount	(%YTD)
Deposits	316,969.0	316,722.8	246.2	0.1
Interbank and money market items	22,208.6	16,289.7	5,918.9	36.3
Debts issued and borrowings - net	32,092.7	13,886.7	18,206.0	131.1
Other liabilities	11,889.9	9,195.1	2,694.8	29.3
Total liabilities	**383,160.2**	**356,094.3**	**27,065.9**	**7.6**
Total owners' equity	**42,170.1**	**42,716.7**	**(546.6)**	**(1.3)**

Number of Employees

As of 30 June 2026, the company and its subsidiaries had 1,928 employees, increased by 38 employees when compared to the end of the year 2025.

Key Milestones

- Loan portfolio grew by 6.7% when compared to the end of 2025 mainly due to personal loan growth of 41.3%, housing loan of 9.9% and corporate loan of 5.3%.
- SME product program loans grew by 34% when compared to the end of 2025.
- Retail loan increased by 25.8% from 24.9% at the end of 2025, reflecting ongoing loan portfolio diversification.
- International business maintained strong momentum, supported by CTBC network, with loan growth of 27% when compared to the end of 2025. Trade finance fee increased by 147.7% and FX fees increased by 74.5% when compared to the same period last year.
- Retail customer base expanded to 16.7% from Lifestyle Banking that offers a variety of benefits and target-specific products that meet the lifestyle of each segment.
- Wealth management fee income grew by 127% when compared to the previous year due to the launch of high-growth & unique thematic funds.
- Launched "Genie AI" in March 2026. Land and Houses Bank is the first bank to introduce an AI assistant on its mobile banking application to elevate financial experience for customers through voice and natural language conversation.
- Launched LHS GlobalX, a platform for trading securities and international ETFs, to increase access to global capital markets, expand the customer base, and strengthen business growth potential.
- Launched mutual fund trading via Streaming Fund Plus to enhance investment experience and accommodate product accessibility.
- Developed LHS BondX, an online bond subscription system, to improve service efficiency, lean working process, and minimize paperwork.
- Developed products in line with global megatrends through collaboration with leading international fund management companies (Best-in-class Fund Houses) to select assets and generate sustainable returns for investors. In the first half of the year, LH Fund launched 12 new funds, representing a total IPO subscription value of Baht 2,145 billion, covering long-term investment themes and addressing various market conditions such as AI infrastructure, semiconductor, energy infrastructure, and thematic global equity.

Sustainability Milestones

- New sustainable financing reached Baht 5.8 billion, increased 2 times when compared to the previous year, driven by Green Loans and Sustainability-Linked Loans.
- Launched Green Deposits, raising Baht 1.48 billion to expand green funding solutions.
- Accelerated SME transition through integrated green advisory and sustainable financing solutions to improve energy efficiency and promoted digital adoption and carbon reduction.
- Developed Thailand NDC 3.0-aligned transition pathways for the Oil & Gas sector and its value chain, reinforcing the bank's commitment to supporting client's decarbonization journey.
- Developed investment funds with ESG-focused mandates, emphasizing the selection of high-quality assets with strong fundamentals, sustainable business practices, and good corporate governance while meeting the needs of investors who focus on responsible investing in line with global investment trends.

Factors Affecting Future Operations

The monetary policy stance is expected to remain accommodative, which will help ease the funding cost burden of private sector and households, while also facilitating a recovery in new loan demand. In addition, debt resolution mechanisms together with the role of the Thai Credit Guarantee Corporation (TCG) will remain pivotal tools for alleviating the vulnerability of borrowers and supporting SME accessibility to credit. Meanwhile, the Bank of Thailand will raise its policy rate to contain inflation remains limited. Nonetheless, the easing interest rate environment will continue to weigh on banks' net interest margins (NIM), compounded by intense price competition for high-quality borrowers. Commercial banks' profitability will therefore remain challenged in the period ahead.

Factors to monitor include a prolonged conflict in the Middle East, which could push energy prices and inflation higher. U.S. import tariff measures may weigh on Thai exports over the rest of the year, and the fragility of the Chinese economy could intensify competitive pressure from imported goods. In addition, the entry of virtual banks will heighten competition in the retail and SME segments. Furthermore, ESG considerations and climate-related risks are playing an increasingly significant role in business operations.

Performance Analysis of Subsidiaries

1. COMMERCIAL BANKING BUSINESS

Land and Houses Bank Public Company Limited

Credit Rating

Fitch Ratings (Thailand) Limited	
National long-term rating	AA+(tha)
Outlook	“Stable”
National short-term rating	F1+(tha)
Basel III Tier-2 debentures	AA-(tha)
TRIS Rating Company Limited	
Company rating	AAA
Outlook	“Stable”
Additional Tier 1 securities	A+
Basel III Tier-2 capital securities	AA

Analysis of Operating Results

In the second quarter of 2026, the operating results of the bank showed the net profit of Baht 645.2 million, decreased by 11.8% when compared to the first quarter of 2026 with the net profit of Baht 731.7 million due to the increase in expected credit losses and decrease in gains on investments. The net profit increased by 25.5% when compared to the second quarter of 2025 with the net profit of Baht 514.2 million due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

In the 6-month period of 2026, the operating results of the bank showed the net profit of Baht 1,376.9 million, increased by 24.9% when compared to the 6-month period of 2025 with the net profit of Baht 1,102.6 million due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

Net Interest Income

In the second quarter of 2026, net interest income amounted to Baht 1,891.0 million, increased by 8.1% when compared to the first quarter of 2026 and increased by 14.0% when compared to the second quarter of 2025. In the second quarter of 2026, interest income was Baht 3,300.8 million, decreased by 1.6% and interest expenses amounted to Baht 1,409.8 million, decreased by 16.8% when compared to the second quarter of 2025.

In the 6-month period of 2026, net interest income amounted to Baht 3,640.5 million, increased by 8.4% when compared to the 6-month period of 2025. Interest income was Baht 6,604.8 million, decreased by 1.9% and interest expenses were Baht 2,964.3 million, decreased by 12.1% when compared to the 6-month period of 2025.

In the 6-month period of 2026, net interest margin (NIM) stood at 1.90%, lower than the 6-month period of 2025 which was 2.04%.

Net Non-Interest Income

In the second quarter of 2026, net non-interest income amounted to Baht 457.6 million, increased by 1.1% when compared to the first quarter of 2026 mainly due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss, increased by 35.0% when compared to the second quarter of 2025 mainly due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

In the 6-month period of 2026, net non-interest income amounted to Baht 910.2 million, increased by 70.6% when compared to the 6-month period of 2025 mainly due to the increase in gains (Losses) on financial instruments measured at fair value through profit or loss and fees and service income.

Other Operating Expenses

In the second quarter of 2026, other operating expenses amounted to Baht 1,191.6 million, increased by 7.6% when compared to the first quarter of 2026 due to the increase in directors' remuneration, and increased by 15.4% when compared to the second quarter of 2025 due to the increase in directors' remuneration, amortization of intangible assets and other expenses.

In the 6-month period of 2026, other operating expenses amounted to Baht 2,299.0 million, increased by 13.1% when compared to the 6-month period of 2025 due to the increase in amortization of intangible assets and employees' expenses.

Expected Credit Losses

In the second quarter of 2026, expected credit losses amounted to Baht 363.7 million, increased by 93.7% when compared to the first quarter of 2026, and increased by 10.2% when compared to the second quarter of 2025. In the second quarter of 2026, the coverage ratio stood at 143.56%.

In the 6-month period of 2026, expected credit losses amounted to Baht 551.5 million, increased by 11.2% when compared to the 6-month period of 2025.

In the second quarter of 2026, basic earnings per share stood at Baht 0.320 per share, decreased by 13.5% when compared to the first quarter of 2026, and increased by 23.1% when compared to the second quarter of 2025.

In the 6-month period of 2026, basic earnings per share stood at Baht 0.690 per share, increased by 25.5% when compared to the 6-month period of 2025.

Table: Operating Results

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Interest income	3,300.8	3,304.0	(0.1)	3,354.2	(1.6)	6,604.8	6,732.2	(1.9)
Interest expense	(1,409.8)	(1,554.5)	(9.3)	(1,695.1)	(16.8)	(2,964.3)	(3,372.3)	(12.1)
Net interest income	**1,891.0**	**1,749.5**	**8.1**	**1,659.1**	**14.0**	**3,640.5**	**3,359.9**	**8.4**
Fees and service income	218.3	204.0	7.0	114.5	90.7	422.3	239.4	76.4
Fees and service expense	(23.6)	(24.6)	(4.1)	(20.2)	16.8	(48.2)	(38.6)	24.9
Net fees and service income	**194.7**	**179.4**	**8.5**	**94.3**	**106.5**	**374.1**	**200.8**	**86.3**
Gains (losses) on financial instruments measured at fair value through profit or loss	87.7	18.2	381.9	26.3	233.5	105.9	29.6	257.8
Gains on investments	50.8	141.30	(64.0)	134.4	(62.2)	192.1	134.4	42.9
Dividend income	86.8	74.0	17.3	52.9	64.1	160.8	108.0	48.9
Other operating incomes	37.6	39.7	(5.3)	31.1	20.9	77.3	60.6	27.6
Operating income	**2,348.6**	**2,202.1**	**6.7**	**1,998.1**	**17.5**	**4,550.7**	**3,893.3**	**16.9**
Other operating expenses	**1,191.6**	**1,107.4**	**7.6**	**1,033.0**	**15.4**	**2,299.0**	**2,032.0**	**13.1**
Expected credit losses	**363.7**	**187.8**	**93.7**	**330.1**	**10.2**	**551.5**	**495.8**	**11.2**
Income tax	**148.1**	**175.2**	**(15.5)**	**120.8**	**22.6**	**323.3**	**262.9**	**23.0**

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Profits from operations before expected credit losses and income tax	**1,157.0**	**1,094.7**	**5.7**	**965.1**	**19.9**	**2,251.7**	**1,861.3**	**21.0**
Profits from operations before income tax	**793.3**	**906.9**	**(12.5)**	**635.0**	**24.9**	**1,700.2**	**1,365.5**	**24.5**
Net profit	**645.2**	**731.7**	**(11.8)**	**514.2**	**25.5**	**1,376.9**	**1,102.6**	**24.9**
Basic earnings per share (Baht)	**0.320**	**0.370**	**(13.5)**	**0.260**	**23.1**	**0.690**	**0.550**	**25.5**
ROA						**0.69**	**0.64**	**7.8**
ROE						**6.86**	**5.70**	**20.4**

Table: Other Operating Expenses

(Unit: Million Baht)

Items	Quarter		Variance	Quarter	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Employees' expenses	619.0	586.5	5.5	484.7	27.7	1,205.4	938.5	28.4
Premises and equipment expenses	246.4	239.3	3.0	222.7	10.6	485.7	445.2	9.1
Other expenses	326.2	281.6	15.8	325.6	0.2	607.9	648.3	(6.2)
Total	**1,191.6**	**1,107.4**	**7.6**	**1,033.0**	**15.4**	**2,299.0**	**2,032.0**	**13.1**

Analysis of Financial Position

Total Assets

As of 30 June 2026, total assets amounted to Baht 419,138.6 million, increased by Baht 26,223.4 million or 6.7% when compared to the end of the year 2025. Core assets comprised loans to customers - net at 69.8% of total assets, followed by interbank and money market items - net at 15.8% of total assets, and investments - net at 9.5% of total assets

Table: Total Assets

(Unit: Million Baht)

Items	June	December	Variance	
	2026	2025	Amount	(%YTD)
Interbank and money market items - net	66,144.7	53,703.0	12,441.7	23.2
Investments - net	40,014.4	52,218.4	(12,204.0)	(23.4)
Loans to customers - net	292,496.9	273,650.6	18,846.3	6.9
Other assets - net	20,482.6	13,343.2	7,139.4	53.5
Total assets	**419,138.6**	**392,915.2**	**26,223.4**	**6.7**

Loans to Customers

As of 30 June 2026, loans to customers net of deferred revenue and modification gain or loss from the new standard (Interbank and money market items included) amounted to Baht 363,966.5 million, increased by Baht 30,499.4 million or 9.1% when compared to the end of the year 2025.

Loans to Customers by Segment

Conglomerate & corporate loans amounted to Baht 189,955.5 million, increased by Baht 17,197.7 million or 10.0% when compared to the end of the year 2025.

Commercial & SME loans amounted to Baht 94,317.9 million, increased by Baht 5,845.7 million or 6.6% when compared to the end of the year 2025.

Retail loans amounted to Baht 79,693.1 million, increased by Baht 7,456.0 million or 10.3% when compared to the end of the year 2025.

Table: Loans to Customers Classified by Segment

(Unit: Million Baht)

Loans to Customers Classified by Segment	June	December	Variance	
	2026	2025	Amount	(%YTD)
Conglomerate & Corporate	189,955.5	172,757.8	17,197.7	10.0
Commercial & SME	94,317.9	88,472.2	5,845.7	6.6
Retail	79,693.1	72,237.1	7,456.0	10.3
Total loans to customers - net*	**363,966.5**	**333,467.1**	**30,499.4**	**9.1**

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 Business

Loans to customers classified by type of business were mainly financial intermediaries, followed by manufacturing and commerce and housing loans, accounting for 31.7%, 22.4% and 21.7% of total loans, respectively.

Table: Loans to Customers by Type of Business

(Unit: Million Baht)

Loans to Customers Classified by Type of Business	June	December	Variance	
	2026	2025	Amount	(%YTD)
Agricultural and mining	2,483.9	2,633.7	(149.8)	(5.7)
Manufacturing and commerce	81,588.1	74,045.1	7,543.0	10.2
Real estate and construction	35,013.4	34,665.0	348.4	1.0
Public utilities and services	45,608.6	47,002.4	(1,393.8)	(3.0)
Housing loan	78,983.6	68,660.0	10,323.6	15.0
Financial intermediary	115,432.3	99,694.4	15,737.9	15.8
Savings cooperative	3,007.0	3,000.0	7.0	0.2
Others	1,849.6	3,766.6	(1,917.0)	(50.9)
Total loans to customers - net *	**363,966.5**	**333,467.1**	**30,499.4**	**9.1**

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 30 June 2026, non-performing loans (Gross) amounted to Baht 9,320.5 million, increased by Baht 1,174.2 million or 14.4% when compared to the end of the year 2025.

NPL ratio stood at 2.56% of total loans (Interbank and money market items included) when compared to the end of the year 2025 which was 2.44%.

Investments

As of 30 June 2026, net investments had the book value of Baht 40,014.4 million, decreased by Baht 12,204.0 million or 23.4% when compared to the end of the year 2025.

Total Liabilities

As of 30 June 2026, total liabilities amounted to Baht 378,478.0 million, increased by Baht 26,617.7 million or 7.6% when compared to the end of the year 2025. Most of liabilities were deposits, accounting for 83.8% of total liabilities.

Total Owners' Equity

As of 30 June 2026, total owners' equity amounted to Baht 40,660.6 million, decreased by Baht 394.3 million or 1.0% when compared to the end of the year 2025.

Table: Total Liabilities and Owners' Equity

(Unit: Million Baht)

Items	June	December	Variance	
	2026	2025	Amount	(%YTD)
Deposits	317,065.8	318,013.3	(947.5)	(0.3)
Interbank and money market items	22,591.8	16,513.8	6,078.0	36.8
Debts issued and borrowings - net	27,278.7	8,392.1	18,886.6	225.1
Other liabilities	11,541.7	8,941.1	2,600.6	29.1
Total liabilities	**378,478.0**	**351,860.3**	**26,617.7**	**7.6**
Total owners' equity	**40,660.6**	**41,054.9**	**(394.3)**	**(1.0)**

Deposits

As of 30 June 2026, the total deposit of Baht 317,065.8 million, decreased by Baht 947.5 million or 0.3% when compared to the end of the year 2025. Time deposit formed the majority of 41.4%, followed by savings deposit of 40.8% of total deposit.

Table: Deposits by Type of Deposits

(Unit: Million Baht)

Deposit Classified by Type of Deposits	June	December	Variance	
	2026	2025	Amount	(%YTD)
Demand deposit	2,692.1	6,049.7	(3,357.6)	(55.5)
Savings deposit	129,323.3	101,729.6	27,593.7	27.1
Time deposit	131,334.4	152,443.3	(21,108.9)	(13.8)
Fixed deposit receipt	53,716.0	57,790.7	(4,074.7)	(7.1)
Total deposit	**317,065.8**	**318,013.3**	**(947.5)**	**(0.3)**

Capital Adequacy Ratio and BIS Ratio

As of 30 June 2026, the capital to risk-weighted assets ratio (BIS ratio) was 15.624%, which was higher than the Bank of Thailand's minimum requirement of 11.000% and decreased from 17.272% as of 31 December 2025.

Tier-1 capital ratio to risk-weighted assets was 13.927%, which was higher than the Bank of Thailand's minimum requirement of 8.500% and decreased from 15.245% as of 31 December 2025.

Table: BIS Ratio

BIS Ratio	As of 30 June 2026		As of 31 December 2025	
	Million Baht	%	Million Baht	%
Common Equity Tier-1 capital				
Bank	**37,280.5**	**12.280**	**38,008.6**	**13.473**
Minimum rate required by law		7.000		7.000
Difference		5.280		6.473
Additional Tier-1 capital	**5,000.0**		**5,000.0**	
Tier-1 capital				
Bank	**42,280.5**	**13.927**	**43,008.6**	**15.245**
Minimum rate required by law		8.500		8.500
Difference		5.427		6.745
Total capital				
Bank	**47,433.0**	**15.624**	**48,727.5**	**17.272**
Minimum rate required by law		11.000		11.000
Difference		4.624		6.272

Branch Network

As of 30 June 2026, Land and Houses Bank Public Company Limited had a total of 68 branches, decreased by 3 branches from the end of 2025.

2. SECURITIES BUSINESS

Land and Houses Securities Public Company Limited

Overview of the Stock Exchange of Thailand

The stock market in the second quarter of 2026 continued to increase from the previous quarter, supported by improving domestic fundamentals, better-than-expected earnings of listed companies, and expectations of the government's economic stimulus and public investment measures. These factors attracted continued foreign fund inflows into the Thai stock market. In addition, easing tensions in the Middle East and progress in peace talks helped alleviate concerns over energy prices and production costs. However, the market remained volatile due to intermittent military confrontations and uncertainties over the monetary policy direction of the U.S. Federal Reserve.

At the end of the second quarter, the SET Index closed at 1,591.24 points, 9.88% up from the end of previous quarter. Average daily turnover increased to Baht 6.68 billion, while foreign investors were net buyer valued at Baht 7.85 billion in total.

Analysis of Operating Results

In the second quarter of 2026, the operating results of the company showed the net profit of Baht 6.5 million, decreased by 80.9% when compared to the first quarter of 2026, and increased by 185.5% when compared to the second quarter of 2025.

In the 6-month period of 2026, the operating results of the company showed the net profit of Baht 40.6 million, increased by 215.7% when compared to the 6-month period of 2025.

Total Income

In the second quarter of 2026, total income amounted to Baht 59.3 million, decreased by 37.7% when compared to the first quarter of 2026 and increased by 11.0% when compared to the second quarter of 2025.

In the 6-month period of 2026, total income amounted to Baht 154.6 million, increased by 37.8% when compared to the 6-month period of 2025.

Brokerage Fees Income

In the second quarter of 2026, brokerage fees income amounted to Baht 30.9 million, decreased by 7.8% when compared to the first quarter of 2026 and increased by 58.5% when compared to the second quarter of 2025.

In the 6-month period of 2026, brokerage fees income amounted to Baht 64.5 million, increased by 60.4% when compared to the 6-month period of 2025.

Other Incomes apart from Brokerage Fees Income

In the second quarter of 2026, other incomes apart from brokerage fees income amounted to Baht 28.4 million, decreased by 54.0% when compared to the first quarter of 2026 and decreased by 16.2% when compared to the second quarter of 2025.

In the 6-month period of 2026, other incomes apart from brokerage fees income amounted to Baht 90.1 million, increased by 25.1% when compared to the 6-month period of 2025.

Total Expenses

In the second quarter of 2026, total expenses amounted to Baht 58.5 million, increased by 2.3% when compared to the first quarter of 2026 and decreased by 4.7% when compared to the second quarter of 2025.

In the 6-month period of 2026, total expenses amounted to Baht 115.8 million, decreased by 24.0% when compared to the 6-month period of 2025.

Table: Operating Results

(Unit: Million Baht)

Items	Quater		Variance	Quater	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Brokerage fees income	30.9	33.5	(7.8)	19.5	58.5	64.5	40.2	60.4
Interest income	18.3	15.7	16.6	19.1	(4.2)	34.1	41.3	(17.4)
Gains on financial instruments	4.7	42.6	(89.0)	13.6	(65.4)	47.3	20.9	126.3
Other incomes	5.4	3.4	58.8	1.2	350.0	8.7	9.8	(11.2)
Total income	**59.3**	**95.2**	**(37.7)**	**53.4**	**11.0**	**154.6**	**112.2**	**37.8**
Total expenses	**58.5**	**57.2**	**2.3**	**61.4**	**(4.7)**	**115.8**	**152.3**	**(24.0)**
Profits (Loss) before income tax expenses	**0.8**	**38.0**	**(97.9)**	**(8.0)**	**110.0**	**38.8**	**(40.1)**	**196.8**
Income tax	**(5.7)**	**3.9**	**246.2**	**(0.4)**	**1,325**	**(1.8)**	**(5.0)**	**(64.0)**
Net profits (Loss)	**6.5**	**34.1**	**(80.9)**	**(7.6)**	**185.5**	**40.6**	**(35.1)**	**215.7**
Basic earnings per share (Baht)	**0.01**	**0.02**	**(50.0)**	**(0.02)**	**(150.0)**	**0.03**	**(0.02)**	**250.0**

Factors Affecting Future Operations

Factors that may impact the operations of the securities business include economic volatility, both domestically and internationally, geopolitical tensions between the US-Israel and Iran, and changes in regulations and policies by the government and regulators that may contribute to rising operating costs.

3. FUND MANAGEMENT BUSINESSS

Land and Houses Fund Management Company Limited

Overview of Fund Management Business

In the second quarter of 2026, the total net asset value (NAV) of mutual funds stood at Baht 6.84 trillion, increased by Baht 0.32 trillion or 4.90% from the previous quarter. When categorized by fund type, equity funds, fixed income funds, mixed funds, and other funds recorded an increase in NAV while property funds & REITs experienced a decline.

Analysis of Operating Results

The second quarter of 2026, the operating results of the company showed net profit of Baht 36.6 million, increased by 61.9% when compared to the first quarter of 2026 due to the increase in fees and service income, and increased by 109.1% when compared to the second quarter of 2025 due to the increase in fees and service income.

In the 6-month period of 2026, the operating results of the company showed the net profit of Baht 59.2 million, increased by 79.9% when compared to the 6-month period of 2025 due to the increase in fees and service income.

Total Income

In the second quarter of 2026, total income amounted to Baht 283.9 million, increased by 60.2% when compared to the first quarter of 2026 due to the decrease in fees and service income and increased by 109.7% when compared to the second quarter of 2025 due to the increase in fees and service income.

In the 6-month period of 2026, total income amounted to Baht 461.1 million, increased by 70.1% when compared to the 6-month period of 2025 due to the increase in fees and service income.

Fees and Service Income

In the second quarter of 2026, fees and service income amounted to Baht 280.6 million, increased by 63.6% when compared to the first quarter of 2026 and increased by 116.3% when compared to the second quarter of 2025, mainly due to the increase in mutual fund management fee income.

In the 6-month period of 2026, fees and service income amounted to Baht 452.1 million, increased by 73.4% when compared to the 6-month period of 2025, mainly due to the increase in mutual fund management fee income.

Other Incomes apart from Fees and Service Income

In the second quarter of 2026, other incomes apart from fees and service income amounted to Baht 3.3 million, decreased by 42.1% when compared to the first quarter of 2026 and decreased by 42.1% when compared to the second quarter of 2025.

In the 6-month period of 2026, other incomes apart from fees and service income amounted to Baht 9.0 million, decreased by 13.5% when compared to the 6-month period of 2025.

Total expenses

In the second quarter of 2026, total expenses amounted to Baht 238.6 million, increased by 59.9% when compared to the first quarter of 2026 and increased by 109.3% when compared to the second quarter of 2025.

In the 6-month period of 2026, total expenses amounted to Baht 387.7 million, increased by 68.1% when compared to the 6-month period of 2025.

Table: Operating Results

(Unit: Million Baht)

Items	Quater		Variance	Quater	Variance	For 6-month periods		Variance
	2/2026	1/2026	(%QoQ)	2/2025	(%YoY)	2026	2025	(%YoY)
Brokerage fees income	280.6	171.5	63.6	129.7	116.3	452.1	260.7	73.4
Interest income	0.3	0.3	-	0.3	-	0.6	0.8	(25.0)
Gains on financial instruments	3.0	3.6	(16.7)	3.0	-	6.6	6.6	-
Other incomes	-	1.8	(100.0)	2.4	(100.0)	1.8	3.0	(40.0)
Total income	**283.9**	**177.2**	**60.2**	**135.4**	**109.7**	**461.1**	**277.1**	**70.1**
Total expenses	**238.6**	**149.2**	**59.9**	**114.0**	**109.3**	**387.7**	**230.7**	**68.1**
Profits (Loss) before income tax expenses	**45.3**	**28.0**	**61.8**	**21.4**	**111.7**	**73.3**	**40.4**	**81.4**
Income tax	**8.7**	**5.4**	**61.1**	**3.9**	**123.1**	**14.1**	**7.5**	**88.0**
Net profits (Loss)	**36.6**	**22.6**	**61.9**	**17.5**	**109.1**	**59.2**	**32.9**	**79.9**
Basic earnings per share (Baht)	**12.2**	**7.5**	**62.2**	**5.8**	**110.3**	**19.7**	**11.0**	**79.4**

Net Asset Value under Management

As of 30 June 2026, the company had 220 funds under management, increased by 12 funds when compared to the end of the year 2025 with total net asset value of Baht 72,764.2 million, increased by 3.6% when compared to the end of the year 2025. The company had mutual funds under management as follows:

- Property fund and real estate investment trust	Baht	40,794.6	million
- Fixed income fund	Baht	9,342.7	million
- Equity fund	Baht	17,848.9	million
- Mixed fund	Baht	1,457.4	million
- Fund of Property Fund	Baht	3,320.6	million

In case the net asset values of Baht 15,105.4 million in private funds and Baht 10,920.9 million in provident funds were included, the company's net asset value would be Baht 98,790.5 million.

Factors Affecting Future Operations

Fund performance going forward will depend on several key factors, including global economic trends, direction of interest rates and inflations, financial market volatilities, geopolitical uncertainties, energy prices and supply chains as well as structural shifts in the global economy, such as the growth of technology and innovation, energy transition, and sustainable (ESG) investing trend. Furthermore, public policies and regulations may affect capital flows and investment opportunities for funds. The company will closely monitor and manage these risks to maintain appropriate returns in line with the defined risk profile.