

Industrial and Commercial Bank of China (Thai)
Public Company Limited and its subsidiaries
Report and consolidated and separate financial statements
31 December 2025

Independent Auditor's Report

To the Shareholders of Industrial and Commercial Bank of China (Thai) Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited for the same period (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries and of Industrial and Commercial Bank of China (Thai) Public Company Limited as at 31 December 2025, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards and the Bank of Thailand's regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Planned and performed the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.



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I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

A handwritten signature in black ink that reads 'Bongkot Kriangphanamorn'. The signature is written in a cursive style.

Bongkot Kriangphanamorn

Certified Public Accountant (Thailand) No. 6777

EY Office Limited

Bangkok: 27 March 2026

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2025

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Assets					
Cash		366,887	350,833	366,311	350,257
Interbank and money market items - net	8.3	34,978,339	36,744,587	33,973,517	35,842,159
Financial assets measured at fair value through					
profit or loss	8.4	1,667,465	796,544	1,667,465	796,544
Derivatives assets	8.5	311,707	677,079	311,707	677,079
Investments - net	8.6	75,600,358	82,343,486	75,600,358	82,343,486
Investments in subsidiaries - net	8.7	-	-	4,250,000	4,250,000
Loans to customers and accrued interest receivables - net	8.8	119,095,220	136,547,019	86,318,234	90,614,254
Properties foreclosed - net	8.10	91,138	163,051	25,016	25,016
Land, premises and equipment - net	8.11	453,152	554,038	271,014	336,647
Intangible assets - net	8.13	44,999	46,827	31,781	31,182
Deferred tax assets - net	8.14	1,182,395	1,176,591	427,352	506,471
Accrued income - net		477,720	555,217	462,910	534,793
Receivables on credit support for derivative contracts		220,343	48,257	220,343	48,257
Other receivables - net		322,912	347,904	149,402	149,861
Other assets - net	8.15	64,622	56,596	40,712	38,447
Total assets		234,877,257	260,408,029	204,116,122	216,544,453

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

Industrial and Commercial Bank of China (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2025

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Liabilities and equity					
Deposits	8.16	139,519,493	149,499,343	139,541,002	149,515,178
Interbank and money market items	8.17	20,168,162	19,458,977	15,168,162	16,418,977
Liabilities payable on demand		65,793	81,535	65,793	81,535
Derivatives liabilities	8.5	669,657	185,822	669,657	185,822
Debt issued and borrowings	8.18	20,068,397	40,239,713	-	4,994,564
Provisions for employee benefits	8.19	360,463	397,964	258,379	311,426
Other provisions		221,746	292,230	210,440	281,203
Accrued interest payables		584,860	903,611	528,837	808,602
Payable on credit support for derivative contracts		-	115,701	-	115,701
Lease liabilities	8.12	306,073	362,677	142,653	175,068
Other liabilities	8.20	4,090,453	3,149,984	3,711,722	2,681,106
Total liabilities		186,055,097	214,687,557	160,296,645	175,569,182
Equity					
Share capital	8.22				
Registered					
442,431 non-cumulative preference shares					
of Baht 8.92 each		3,946	3,946	3,946	3,946
2,253,716,655 ordinary shares of Baht 8.92 each		20,103,153	20,103,153	20,103,153	20,103,153
Issued and paid-up share capital					
442,431 non-cumulative preference shares					
of Baht 8.92 each		3,946	3,946	3,946	3,946
2,253,716,655 ordinary shares of Baht 8.92 each		20,103,153	20,103,153	20,103,153	20,103,153
Difference arising from business combination					
under common control		(24,849)	(24,849)	-	-
Other components of equity	8.24	85,667	(64,429)	130,730	2,242
Retained earnings					
Appropriated - legal reserve	8.23	2,015,000	2,015,000	2,015,000	2,015,000
Unappropriated		26,639,243	23,687,651	21,566,648	18,850,930
Equity attributable to equity holders of the Bank		48,822,160	45,720,472	43,819,477	40,975,271
Non-controlling interests		-	-	-	-
Total equity		48,822,160	45,720,472	43,819,477	40,975,271
Total liabilities and equity		234,877,257	260,408,029	204,116,122	216,544,453

The accompanying notes are an integral part of the financial statements



(Mr. Xiaobo Li)
Director




(Mr. Shuxian Cui)
Director

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2025

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
Profit or loss:					
Interest income	8.28	9,605,296	11,375,875	7,594,189	8,965,669
Interest expenses	8.29	4,294,158	5,237,928	3,423,140	4,199,471
Net interest income		5,311,138	6,137,947	4,171,049	4,766,198
Fees and service income	8.30	576,895	641,306	390,661	397,312
Fees and service expenses	8.30	253,075	287,908	236,846	263,513
Net fees and service income		323,820	353,398	153,815	133,799
Net gains on financial instruments measured at fair value					
through profit or loss	8.31	1,821,524	478,803	1,821,178	478,606
Net gains on investments		8	4	8	4
Gains on disposals of equipment, properties foreclosed					
and other assets		86,517	13,053	78,629	5,168
Bad debts recovery		302,426	908,061	7,077	604,423
Dividend income		471	470	471	470
Other operating income		70,894	57,727	6,733	10,925
Total operating income		7,916,798	7,949,463	6,238,960	5,999,593
Other operating expenses					
Employee's expenses		1,607,428	1,585,710	1,156,524	1,155,880
Directors' remuneration		5,761	5,793	5,761	5,793
Premises and equipment expenses		272,807	280,177	182,627	190,106
Taxes and duties		176,657	210,868	163,856	195,114
Amortisation expenses on intangible assets		8,368	7,651	5,738	5,138
Impairment losses on properties foreclosed and other assets		205,622	2,110,528	726	1,124
Others		452,022	492,390	193,826	189,954
Total other operating expenses		2,728,665	4,693,117	1,709,058	1,743,109
Expected credit losses (reversal)	8.33	1,537,398	156,883	1,160,012	(462,402)
Profit before income tax		3,650,735	3,099,463	3,369,890	4,718,886
Income tax	8.14	717,205	614,805	673,831	946,389
Net profit for the years		2,933,530	2,484,658	2,696,059	3,772,497

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2025

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
Other comprehensive income (loss):					
<i>Transactions that will be reclassified subsequently to profit or loss</i>					
Gains on debt securities measured at fair value					
through other comprehensive income		236,065	223,063	236,065	223,063
Gains arising from translating the financial statements of					
foreign operations		21,608	2,444	-	-
Income tax relating to other comprehensive income					
for items that will be reclassified subsequently to profit or loss	8.14	(47,213)	(44,613)	(47,213)	(44,613)
Transactions that will be reclassified subsequently					
 to profit or loss - net of income tax		210,460	180,894	188,852	178,450
<i>Transactions that will never be reclassified subsequently to</i>					
<i> profit or loss</i>					
Losses on investments in equity securities designated					
to be measured at fair value through other comprehensive income		(75,455)	(35,213)	(75,455)	(35,213)
Actuarial gains on defined benefit plan		22,577	5,281	24,574	-
Income tax relating to other comprehensive income					
for items that will never be reclassified subsequently to					
profit or loss	8.14	10,576	5,987	10,176	7,043
Transactions that will never be reclassified subsequently					
 to profit or loss - net of income tax		(42,302)	(23,945)	(40,705)	(28,170)
Other comprehensive income for the years		168,158	156,949	148,147	150,280
Total comprehensive income for the years		3,101,688	2,641,607	2,844,206	3,922,777

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2025

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

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Total profit attributable to:					
Equity holders of the Bank		2,933,530	2,484,658	2,696,059	3,772,497
Non-controlling interest		-	-	-	-
		<u>2,933,530</u>	<u>2,484,658</u>		
Total comprehensive income attributable to:					
Equity holders of the Bank		3,101,688	2,641,607	2,844,206	3,922,777
Non-controlling interest		-	-	-	-
		<u>3,101,688</u>	<u>2,641,607</u>		
Earnings per share of equity holders of the Bank					
Basic earnings per share (Baht)	8.34	<u>1.30</u>	<u>1.10</u>	<u>1.20</u>	<u>1.67</u>

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



(Mr. Xiaobo Li)
Director




(Mr. Shuxian Cui)
Director

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries
Statement of changes in equity

For the year ended 31 December 2025

(Unit: Thousand Baht)

Consolidated financial statements												
Attributable to equity holder of the Bank												
Other components of equity												
	Issued and paid-up share capital	Preference shares	Ordinary shares	Difference arising from business combinations under common control	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on revaluation of debt instruments	Surplus (deficit) on revaluation of equity instruments	Total	Retained earnings		Non-controlling interests	Total
									Appropriated	Unappropriated		
Balance as at 1 January 2024	3,946	20,103,153	(24,849)	(89,115)	(116,385)	(31,653)	(217,153)	2,015,000	21,198,768	43,078,865	-	43,078,865
Profit for the year	-	-	-	-	-	-	-	-	2,484,658	2,484,658	-	2,484,658
Other comprehensive income (loss) for the year	-	-	-	2,444	178,450	(28,170)	152,724	-	4,225	156,949	-	156,949
Total comprehensive income (loss) for the year	-	-	-	2,444	178,450	(28,170)	152,724	-	2,488,883	2,641,607	-	2,641,607
Balance as at 31 December 2024	3,946	20,103,153	(24,849)	(86,671)	62,065	(59,823)	(64,429)	2,015,000	23,687,651	45,720,472	-	45,720,472
Balance as at 1 January 2025	3,946	20,103,153	(24,849)	(66,671)	62,065	(59,823)	(64,429)	2,015,000	23,687,651	45,720,472	-	45,720,472
Profit for the year	-	-	-	-	-	-	-	-	2,933,530	2,933,530	-	2,933,530
Other comprehensive income (loss) for the year	-	-	-	21,608	188,852	(60,364)	150,096	-	18,062	168,158	-	168,158
Total comprehensive income (loss) for the year	-	-	-	21,608	188,852	(60,364)	150,096	-	2,951,592	3,101,688	-	3,101,688
Balance as at 31 December 2025	3,946	20,103,153	(24,849)	(45,063)	250,917	(120,187)	85,667	2,015,000	26,639,243	48,822,160	-	48,822,160

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of changes in equity (continued)

For the year ended 31 December 2025

(Unit: Thousand Baht)

	Separate financial statements										
	Issued and		Other components of equity				Retained earnings				Total
	Preference shares	paid-up share capital	Ordinary shares	Surplus (deficit) on revaluation of debt instruments	Surplus (deficit) on revaluation of equity instruments	Total	Appropriated	Unappropriated	Total		
Balance as at 1 January 2024	3,946	-	20,103,153	(116,385)	(31,653)	(148,038)	2,015,000	15,078,433	37,052,494		
Profit for the year	-	-	-	-	-	-	-	3,772,497	3,772,497		
Other comprehensive income (loss) for the year	-	-	-	178,450	(28,170)	150,280	-	-	150,280		
Total comprehensive income (loss) for the year	-	-	-	178,450	(28,170)	150,280	-	3,772,497	3,922,777		
Balance as at 31 December 2024	3,946	-	20,103,153	62,065	(59,823)	2,242	2,015,000	18,850,930	40,975,271		
Balance as at 1 January 2025	3,946	-	20,103,153	62,065	(59,823)	2,242	2,015,000	18,850,930	40,975,271		
Profit for the year	-	-	-	-	-	-	-	2,696,059	2,696,059		
Other comprehensive income (loss) for the year	-	-	-	188,852	(60,364)	128,488	-	19,659	148,147		
Total comprehensive income (loss) for the year	-	-	-	188,852	(60,364)	128,488	-	2,715,718	2,844,206		
Balance as at 31 December 2025	3,946	-	20,103,153	250,917	(120,187)	130,730	2,015,000	21,566,648	43,819,477		

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2025

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Cash flows from operating activities				
Profit before income tax	3,650,735	3,099,463	3,369,890	4,718,886
Adjustments to reconcile profit before income tax				
to net cash received (paid) from operating activities:				
Depreciation and amortisation expenses	169,907	184,106	124,593	132,749
Expected credit losses (reversal)	1,537,398	156,883	1,160,012	(462,402)
Gains on disposals of equipments	(484)	(1,101)	(484)	(1,101)
Gains on lease modification	(747)	(869)	(747)	(869)
Gains on disposals of properties foreclosed and other assets	(86,033)	(11,952)	(78,145)	(4,067)
Amortisation of deferred interest	9,857	10,941	4,456	4,944
Amortisation of discount on promissory notes	-	(556)	-	(556)
Losses on impairment of properties foreclosed and other assets	205,622	2,110,528	726	1,124
Unrealised gains on financial instruments measured at fair value				
through profit or loss	(1,821,524)	(478,803)	(1,821,178)	(478,606)
Provision for long-term employee benefits	39,160	54,162	19,646	39,370
Net interest income	(5,311,138)	(6,137,947)	(4,171,049)	(4,766,198)
Dividend income	(471)	(470)	(471)	(470)
Proceeds from interest income	5,123,199	8,835,962	5,295,909	6,485,703
Cash paid on interest expenses	(4,470,108)	(5,133,868)	(3,612,353)	(4,059,911)
Proceeds from dividend income	471	470	471	470
Cash paid on income tax	(706,232)	(818,746)	(584,606)	(684,090)
Profit (loss) from operating activities before changes in operating				
assets and liabilities	(1,660,388)	1,868,203	(293,330)	924,976
(Increase) decrease in operating assets				
Interbank and money market items	1,890,634	(443,944)	1,994,420	(411,335)
Derivatives assets	3,458,240	1,572,991	3,457,927	1,572,684
Loans to customers	17,821,467	14,834,928	2,857,586	11,241,158
Properties foreclosed	224,592	120,482	78,144	5,715
Receivables on credit support for derivative contracts	(172,024)	(12,376)	(172,024)	(12,376)
Accrued fee income	5,614	11,317	-	-
Other receivables	(247,277)	(1,795,671)	(267)	89,951
Other assets	(8,025)	(97,197)	(2,264)	11,165

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2025

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Cash flows from operating activities (continued)				
Increase (decrease) in operating liabilities				
Deposits	(9,979,850)	(4,090,089)	(9,974,176)	(4,090,564)
Interbank and money market items	709,185	(11,111,391)	(1,250,815)	(8,151,391)
Liabilities payable on demand	(15,742)	49,772	(15,742)	49,772
Derivatives liabilities	(2,089,689)	(1,234,925)	(2,089,721)	(1,234,815)
Employee benefit paid	(54,084)	(32,066)	(48,119)	(28,043)
Payable on credit support for derivative contracts	(115,500)	(127,998)	(115,500)	(127,998)
Other liabilities	798,781	(118,971)	894,528	(68,652)
Net cash flows from (used in) operating activities	10,565,934	(606,935)	(4,679,353)	(229,753)
Cash flows from investing activities				
Proceeds from interest income	2,286,263	2,663,435	2,286,263	2,663,435
Proceeds from disposals of investments in debt securities	49,837,086	41,494,218	49,837,086	41,494,218
Purchase of investments in debt securities	(42,336,370)	(43,835,312)	(42,336,370)	(43,835,312)
Proceeds from disposals of equipment	484	1,990	484	1,990
Purchase of equipment	(20,020)	(34,878)	(16,228)	(27,325)
Purchase of intangible assets	(3,653)	(9,888)	(3,449)	(7,931)
Net cash flows from investing activities	9,763,790	279,565	9,767,786	289,075
Cash flows from financing activities				
Proceeds from debt issued and borrowings	11,000,000	6,400,000	-	-
Repayments of debt issued and borrowings	(31,229,000)	(5,967,000)	(5,000,000)	-
Repayments of lease liabilities	(106,278)	(120,244)	(72,379)	(71,372)
Net cash flows from (used in) financing activities	(20,335,278)	312,756	(5,072,379)	(71,372)
Gains from translating the financial statements of foreign operations	21,608	2,444	-	-
Increase (decrease) in cash and cash equivalents	16,054	(12,170)	16,054	(12,050)
Cash and cash equivalents at beginning of year	350,833	363,003	350,257	362,307
Cash and cash equivalents at end of year	366,887	350,833	366,311	350,257

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

Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries
Table of notes to the financial statements
For the year ended 31 December 2025

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Industrial and Commercial Bank of China (Thai) Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2025

1. General information

Industrial and Commercial Bank of China (Thai) Public Company Limited, (the "Bank"), is incorporated in Thailand and has its registered office at No. 622, Sukhumvit Road, Klongton Sub-district, Klongtoey District, Bangkok. The Bank engages in commercial banking business. The principal activities of the Bank are the provision of financial products and services through its branch network in Thailand. Industrial and Commercial Bank of China Limited, which is incorporated in the People's Republic of China, is the parent company holding 97.98% of shares. As at 31 December 2025 and 2024, in addition to Head Office as mentioned above, the Bank has 19 branches and 20 branches, respectively.

2. Basis of preparation

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

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from the Thai language financial statements. In case of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements are presented in Thai Baht, which is the Bank's functional currency. All financial information presented in Thai Baht has been rounded in the financial statements and in the notes to financial statements to the nearest thousand unless otherwise stated.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Industrial and Commercial Bank of China (Thai) Public Company Limited ("the Bank") and its subsidiary companies ("the subsidiaries") (collectively as "the Bank and its subsidiaries") as mentioned in Note 8.7 to the financial statements.
- b) The Bank is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases.
- d) Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method, the acquirer recognises assets and liabilities of the acquired businesses at their carrying amount in the consolidated financial statements of the ultimate parent company at the moment of the transaction.

The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

- e) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Bank.
- f) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using the exchange rate prevailing on the dates of transactions. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statement of changes in equity.
- g) Material balances and transactions between the Bank and its subsidiaries have been eliminated from the consolidated financial statements.
- h) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Bank and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Bank and its subsidiaries have adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Bank and its subsidiaries' financial statements.

3.2 Financial reporting standard that will become effective for fiscal years beginning on or after 1 January 2026

The Federation of Accounting Professions issued a revised financial reporting standard, which is effective for fiscal years beginning on or after 1 January 2026. This financial reporting standard was aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Bank and its subsidiaries believes that adoption of these amendments will not have any significant impact on the Bank and its subsidiaries' financial statements.

4. Accounting policies

4.1 Revenue recognition

Interest income

The Bank and its subsidiaries recognise interest income by using the Effective Interest Rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset. The effective interest rate is calculated by including transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

The Bank and its subsidiaries calculate interest income by applying the effective interest rate to the gross carrying amount of financial assets. When a financial asset becomes credit-impaired, the Bank and its subsidiaries calculate interest income by applying the effective interest rate to the net carrying amount (gross carrying amount net of allowance for expected credit losses ("ECLs")) of the financial asset. If the financial asset is no longer credit-impaired, the Bank and its subsidiaries revert to calculating interest income on a gross carrying amount.

Fee and service income

Unless included in the effective interest rate calculation, the Bank and its subsidiaries recognise fee and service income on an accrual basis when the service has been provided or upon satisfaction of performance obligations.

The Bank and its subsidiaries operate as agents and recognise the net return from such contracts as brokerage fee income.

Dividend income

The Bank and its subsidiaries recognise dividend received as income in profit or loss on the date that the Bank and its subsidiaries have the right to receive the dividends. Dividend received are presented as operating income.

Other income

Other income is recognised in the statement of comprehensive income on an accrual basis.

4.2 Expense recognition

Interest expenses

Interest expenses on financial liabilities measured at amortised cost are calculated using the Effective Interest Rate method and recognised on an accrual basis.

Fee and service expenses, and other operating expenses

The Bank and its subsidiaries recognise fee and service expenses and other operating expenses on an accrual basis.

4.3 Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and cash in transit.

4.4 Derivatives and hedge accounting

Derivatives are initially recorded at fair value at the date on which a derivative contract is entered into (Trade Date) and are classified as trading, except for where they are designated as a part of an effective hedge relationship and classified as hedging derivatives. Derivatives are subsequently measured at fair value. The changes in fair values are recognised in profit or loss as a component of net income from other financial instruments measured at fair value through profit or loss ("FVTPL").

Hedge accounting

The Bank and its subsidiaries designate certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Bank and its subsidiaries formally documents the relationship between the hedging instruments and hedged items, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Bank and its subsidiaries make an assessment, both on inception of the hedging relationship and on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a specific range. For a cash flow hedge of a forecast transaction, the Bank and its subsidiaries make an assessment of whether the forecast transaction is highly probable to occur and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

The Bank and its subsidiaries have the hedging relationships as follows:

Fair value hedge

When a derivative is designated as the hedging instrument in a hedge of the changes in fair value of a recognised asset or liability or the Bank and its subsidiaries' commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss. The changes in fair value of the hedged item attributable to the hedged risk is recognised in profit or loss. If the hedged item would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly.

If the hedging derivative is expired or sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used to amortise to profit or loss as an adjustment to the recalculated effective interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument for which the effective interest method is used to amortise to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is derecognised.

Cash flow hedge

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income ("OCI") and presented in the hedging reserve within equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in the hedging reserve is reclassified from OCI to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of comprehensive income.

If the hedging derivative is expired, sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

If the hedged cash flows are no longer expected to occur, then the Bank and its subsidiaries immediately reclassify the amount in the hedging reserve from OCI to profit or loss. For terminated hedging relationships, if the hedged cash flows are still expected to occur, then the amount accumulated in the hedging reserve is not reclassified until the hedged cash flows affect profit or loss; if the hedged cash flows are expected to affect profit or loss in multiple reporting periods, then the Bank and its subsidiaries reclassify the amount in the hedging reserve from OCI to profit or loss on a straight line basis.

Other non-trading derivatives

Other non-trading derivatives are recognised on the statement of financial position at fair value on initial recognition and subsequently measured at fair value. If a derivative is not held for trading, and is not designated in a qualifying hedge relationship, then all changes in its fair value are recognised in profit or loss as a component of net income from other financial instruments measured at FVTPL.

4.5 Financial instruments

Recognition and initial measurement

The Bank and its subsidiaries initially recognised all financial instruments (including regular way purchases and sales of financial assets) on the trade date, which is the date on which the Bank and its subsidiaries become a party to the contractual provisions of the instrument, except for investments in debt instruments which are recognised on the settlement date. Under regular way purchases or sales with the delivery within time period established by regulation or market convention which account for changes in the fair value and interest calculation of financial asset or financial liability on the trade date and derivative is recognised on trade date.

A financial asset or financial liability that are not measured at FVTPL are measured initially at fair value plus, transaction costs that are directly attributable to its acquisition or issuance.

Classification and measurement of financial assets and financial liabilities

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost ("AMC"), fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

Financial assets - debt instruments

Classification of debt instruments depends on business model assessment and assessment of whether contractual cash flows are solely payments of principal and interest.

Business model assessment

The Bank and its subsidiaries make an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the financial assets;
- The performance of the portfolio is evaluated and reported to the Bank and its subsidiaries' management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- Investment managers are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank and its subsidiaries' stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held-for-trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flow nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI")

For the purposes of this assessment, "Principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (i.e. liquidity risk and administrative costs), including different in profit.

In assessing whether the contractual cash flows are SPPI, the Bank and its subsidiaries consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Bank and its subsidiaries considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Terms that limit the Bank and its subsidiaries' claim to cash flows from specified assets (e.g. non-recourse loans); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Measurement at amortised cost ("AMC")

A debt instrument that is not designated at FVTPL will be measured at AMC if it meets both of the following conditions:

- The debt instrument is held within a business model whose objective is to hold assets to collect contractual cash flows;
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Measurement at fair value through other comprehensive income ("FVOCI")

A debt instrument that is not designated at FVTPL will be measured at FVOCI only if it meets both of the following conditions:

- The debt instrument is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Measurement at fair value through profit or loss ("FVTPL")

Unless debt instruments are classified as measured at AMC or FVOCI, debt instruments are classified as measured at FVTPL.

On initial recognition, the Bank and its subsidiaries may designate a financial asset that otherwise meets the requirements to be measured at AMC, or at FVOCI, or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. When they are elected, it will be irrevocable.

Financial assets - equity instruments

All investments in equity instruments are measured at fair value in the statement of financial position. The Bank and its subsidiaries classify its investments in equity instruments as equity instruments measured at FVTPL, or equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

After initial recognition, gains or losses on changes in fair value of investments in equity instruments measured at FVTPL are recognised in profit or loss, and gains or losses on changes in fair value of investments in equity instruments designated at FVOCI are recognised in other comprehensive income. Gains and losses recognised in other comprehensive income are never recycled to profit or loss, instead, they are directly transferred to retained earnings upon disposal of the investments.

In addition, investments in equity instruments are not subject to impairment assessment.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank and its subsidiaries change its business model for managing financial assets.

Financial liabilities

The Bank and its subsidiaries classify its financial liabilities, other than financial guarantees and loan commitments, as measured at AMC or FVTPL.

Derecognition of financial instruments

Derecognition of financial assets

The Bank and its subsidiaries derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank and its subsidiaries neither transfer nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- (i) The consideration received (including any new asset obtained less any new liability assumed) and
- (ii) Any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain or loss recognised in other comprehensive income in respect of investments in equity instruments designated at FVOCI is not recognised in profit or loss on derecognition of such securities

Any interest in transferred financial assets that qualifies for derecognition that is created or retained by the Bank and its subsidiaries is recognised as a separate asset or liability.

The Bank and its subsidiaries enter into transactions whereby it transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Bank and its subsidiaries retain all or substantially all of the risks and rewards of ownership of such assets.

In the event of the transfer that causes the Bank and its subsidiaries to derecognise the entire financial asset while receiving new financial assets, the Bank and its subsidiaries will recognise new financial assets at fair value.

In the event that the Bank and its subsidiaries receive cash inflow from written off financial assets. The Bank and its subsidiaries will recognise the cash flow as bad debt recovery with the same amount that have been written off and the remaining will be recorded in interest income in profit or loss.

Derecognition of financial liabilities

The Bank and its subsidiaries derecognise a financial liability when its contractual obligations are discharged, cancelled or expired.

4.6 Modifications of financial assets

If the terms of a financial asset are modified, then the Bank and its subsidiaries evaluate whether the cash flows of the modified asset are significantly different.

If the cash flows are significantly different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value included any eligible transaction costs.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with significantly different terms. If the Bank and its subsidiaries plan to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at AMC or FVOCI does not result in derecognition of the financial asset, the Bank and its subsidiaries first recalculate the gross carrying amount of the financial asset using the original effective interest rate or reasonable reference rate of the asset at the time the transaction occurred and recognise the resulting adjustment as a modification gain or loss in profit or loss through the revaluation accounts which are presented as part of accrued interest receivables in the statements of financial position. Any costs or fees incurred, and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining terms of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the Effective Interest Rate method.

4.7 Allowance for expected credit losses of financial assets

The Bank and its subsidiaries recognised allowance for expected credit losses ("ECLs") applies to the following financial instruments that are not measured at FVTPL, using the General Approach:

- Financial assets that are debt instruments;
- Hire-purchase and finance lease receivables;
- Contract assets;
- Financial guarantee contracts issued; and
- Loan commitments.

Measurement of expected credit losses ("ECLs")

An ECLs represents the present value of expected cash shortfalls over the residual terms of a financial asset, undrawn commitment or financial guarantee. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Estimate of expected cash shortfalls is determined by multiplying the probability of default ("PD") with the loss given default ("LGD") with the expected exposure at the time of default ("EAD").

Forward-looking macro-economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as GDP, interest rates and unemployment rate. These assumptions are determined using all reasonable and supportable information, which includes both available internal and external information and are consistent with those used for financial and capital planning.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Bank and its subsidiaries are exposed to credit risk, except in the case of certain revolving facilities for which a historical behavioral life is estimated.

The estimation of expected cash shortfalls on collateralised financial instruments reflects the expected amount and timing of cash flows from foreclosure of the collateral less the costs of obtaining and selling the collateral, regardless of whether the foreclosure is deemed probable or not.

Cash shortfalls are discounted using the initial effective interest rate.

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the customers in accordance with the contract and the cash flows that the Bank and its subsidiaries expect to receive);
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank and its subsidiaries if the commitment is drawn down and the cash flows that the Bank and its subsidiaries expect to receive; and
- Financial guarantee contracts the expected payments to reimburse the holder less any amounts that the Bank and its subsidiaries expects to recover.

Staging

For ECLs recognition, financial assets are classified in any of the below 3 stages at each reporting date. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

Performing (Stage 1): Financial assets that has not been a significant increase in credit risk (Performing)

For financial assets that has not been a significant increase in credit risk ("SICR") since initial recognition (i.e. no Stage 2 or 3 triggers apply) or debt investment that considered to have low credit risk at each reporting date with the exception of purchased or originated credit impaired ("POCI") assets, the Bank and its subsidiaries recognise allowance for ECLs at the amount equal to 12-month ECLs. 12-month ECLs are the portion of lifetime ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. For financial assets with a remaining maturity of less than 12 months, the Bank and its subsidiaries will use a probability of default that corresponds to remaining maturity.

The Bank and its subsidiaries consider investments in debt instruments to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Bank and its subsidiaries do not apply the low credit risk exemption to any other financial instruments.

Under-performing (Stage 2): Financial assets that has been a significant increase in credit risk (Under-Performing)

When financial assets have a SICR since initial recognition but that are not credit-impaired, the Bank and its subsidiaries recognise allowance for ECLs at the amount equal to the lifetime ECLs of financial assets. SICR is assessed by using a number of quantitative and qualitative factors that are significant to the increase in credit risk. Financial assets that are past due more than 30 days and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Quantitative factors include an assessment of whether there has been a significant increase in the probability of default ("PD") since origination. Increase in PD is determined from economic conditions that are relating to changes in credit risk such as internal credit rating downgrade. If the changes exceed the thresholds, the financial assets are considered to have experienced a significant increase in credit risk.

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the customers' ability to repay. Qualitative indicators include operating results, financial liquidity and other reliable indicators.

Non-performing (Stage 3): Financial assets that are credit-impaired (Non-Performing)

Financial assets that are credit-impaired or in default represent those that are past due more than 90 days in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the customers are unlikely to repay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial assets.

Evidence that financial assets are credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower; or
- Purchase or origination of a financial asset at a significant discount that reflects incurred credit losses.

For financial assets that are credit-impaired, the Bank and its subsidiaries recognise allowance for ECLs at the amount equal to the lifetime ECLs of financial assets.

In order to assess the ECLs, models are developed based on historical repayment, default information and other information indicating default risk behavior.

In case that the models cannot captured the risk, the management overlay principle, covering industry, model and other risks, will be applied.

Improvement in credit risk

For financial assets within Stage 2, these can only be transferred to Stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the financial assets will automatically transfer back to Stage 1 when the original PD based transfer criteria are no longer met. Where financial assets were transferred to Stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the financial assets can be reclassified to Stage 1. This includes instances where required the action to be resolved before loans are reclassified to Stage 1. A period may elapse from the point at which instruments enter Stage 2 or Stage 3 and are reclassified back to Stage 1.

For financial assets that are credit-impaired (Stage 3), and have not been subject to restructuring, a transfer to Stage 2 or Stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For troubled debt restructuring (“TDR”) debtors classified as Stage 3, such loans can be transferred to Stage 2 when the debtors have made consecutive payments in accordance with the revised contractual terms for not less than six months or two instalment periods, whichever is longer. To be transferred to Stage 1, an additional monitoring period of at least six months is required, during which the debtors must have no outstanding past due balances in the account and is expected to repay its remaining obligations in full. Upon transfer to Stage 1, the credit risk rating is reset on the date of transfer.

For TDR debtors classified as Stage 2 that have never previously been classified as credit-impaired assets, such loans can be transferred to Stage 1 when the debtors have made consecutive payments in accordance with the revised contractual terms for not less than six months or two instalment periods, whichever is longer, and is expected to be able to fully repay the remaining debt. Upon transfer to Stage 1, the credit risk rating is reset on the date of transfer.

Loss provisions on purchased or originated credit impaired instruments (POCI)

The Bank and its subsidiaries measure expected credit loss on a lifetime basis for POCI instruments throughout the life of the instrument. However, expected credit losses is not recognised in a separate loss provision on initial recognition for POCI instruments as the lifetime expected credit loss is inherent within the gross carrying amount of the instruments. The Bank and its subsidiaries recognise the changes in lifetime expected credit losses arising subsequent to initial recognition in profit or loss and the cumulative change as a loss provision. Where lifetime expected credit losses on POCI instruments are less than those at initial recognition, then the favourable differences are recognised as reversal gains in profit or loss.

Allowances for ECLs are presented in the statement of financial position

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;

- Where a financial instrument includes both a drawn and an undrawn component, and the Bank and its subsidiaries cannot identify the ECLs on the loan commitment component separately from those on the drawn component: the Bank and its subsidiaries present a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as an other provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the other component of equity.

Write-off of credit-impaired instruments and reversal of impairment

To the extent a financial instrument which the loan is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related loan provision. Such loans are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery, and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off is recognised in profit or loss.

If, in a subsequent period, the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, such as an improvement in the debtor's credit rating, the previously recognised credit impairment loss is reversed by adjusting the provision account. The amount of the reversal is recognised in profit or loss.

Financial guarantee contracts held

The Bank and its subsidiaries assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for separately. The factors that the Bank and its subsidiaries considers when making this assessment include whether:

- The guarantee is implicitly part of the contractual terms of the debt instrument;
- The guarantee is required by laws or regulations that govern the contract of the debt instrument;
- The guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- The guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Bank and its subsidiaries determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Bank and its subsidiaries consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Bank and its subsidiaries determine that the guarantee is not an integral element of the financial asset, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in other assets. The Bank and its subsidiaries present gains or losses on a compensation right in profit or loss in impairment losses on financial instruments.

4.8 Hire-purchase and finance lease receivables

Hire-purchase and finance lease receivables are stated at the outstanding debt balance net of unearned hire-purchase and finance lease income, residual commissions and direct expenses incurred at the inception of the contracts less allowance for ECLs.

Accounting policy regarding hire-purchase and finance lease receivables, derecognition, contract modification, and allowance for ECLs are disclosed in Note 4.5 to the financial statements "Financial instruments".

4.9 Properties foreclosed

Properties foreclosed are stated at the lower of cost at the acquisition date or net realisable value. Net realisable value is determined with reference to the latest appraisal value less estimated selling expenses.

Gains or losses on disposals of properties foreclosed are recorded as revenue or expenses in profit or loss when significant risk and rewards have been transferred to the buyer. Impairment loss is recognised as expenses in profit or loss.

The management uses the BOT's regulation and judgment to estimate impairment losses, taking into consideration the latest appraisal values, types and characteristics of assets, the period of time for which to be recouped from disposals and changes in the economic conditions.

4.10 Land, premises and equipment and depreciation

Recognition and measurement

Land is stated at cost less allowance for impairment (if any).

Premises and equipment are measured at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, and also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of premises and equipment have different useful lives, they are accounted for separately by major components.

Gains or losses on disposal of premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net as profit or loss in the statement of comprehensive income.

Subsequent costs

The cost of replacing a part of an item of premises and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its subsidiaries, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised as an expense in statement of comprehensive income as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of premises and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of premises and equipment (except for the depreciation of the depreciation of motor vehicles of subsidiaries, which is calculated by reference to their cost, after deducting residual values, on the sum-of-the-years digit method). The estimated useful lives are as follows:

Buildings	34 years
Furniture, fixtures and office equipment	3 - 5 and 10 years
Motor vehicles	5 and 8 years

No depreciation is provided on freehold land.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Derecognition

The Bank and its subsidiaries derecognised an item of premises and equipment upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of an item of premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of premises and equipment and are recognised in profit or loss from operations when the Bank and its subsidiaries derecognised that assets.

4.11 Intangible assets

Intangible assets that are acquired by the Bank and its subsidiaries and have finite useful lives are measured at cost less accumulated amortisation and allowance for impairment losses (if any).

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use.

The estimated useful lives are as follows

Computer software	5 - 10 years
Deferred license fee	10 years

The Bank and its subsidiaries will review amortisation period, amortisation methods, and useful at least at each financial year-end and adjusted if appropriate.

Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

4.12 Impairment of non-financial assets

The carrying amounts of the Bank and its subsidiaries' assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised as an expense in the statement of comprehensive income unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to the statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised as an expense in the statement of comprehensive income.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, as if no impairment loss had been recognised.

4.13 Provision

Provisions are recognised when the Bank and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Litigation

The Bank and its subsidiaries have contingent liabilities as a result of litigation being made against them for claims of compensation. The management uses judgment to assess the results of the litigation and would record provisions as at the end of the reporting period (if any).

4.14 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank and its subsidiaries' net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense immediately in the statement of comprehensive income on a straight-line basis until the benefits become vested.

The Bank and its subsidiaries recognise all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of comprehensive income.

Past service cost related to the plan amendment is recognised as an expense in the statement of comprehensive income when the plan amendment is effective.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank and its subsidiaries have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

4.15 Foreign currencies transactions

Translation of foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Bank and its subsidiaries at exchange rates at the date of the transactions.

Outstanding of monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the end of reporting period.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- Investment in equity securities designated as at FVOCI except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss;
- Qualifying cash flow hedges to the extent the hedge is effective.

Translation of financial statements of foreign entity

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the end of reporting period.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

The financial statements of foreign entity are translated into Thai Baht at the reference rates announced by the BOT at the end of reporting period. Foreign exchange differences arising on translation is recognised in other comprehensive income until dissolution of the foreign entity's business.

4.16 Fair value measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Bank and its subsidiaries take into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorised into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are observable inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

At the end of each reporting period, the Bank and its subsidiaries determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.17 Leases

The Bank and its subsidiaries as lessees

The Bank and its subsidiaries assess whether a contract is or contains a lease, at inception of the contract. The Bank and its subsidiaries recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Bank and its subsidiaries recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Bank and its subsidiaries use its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantee;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options

Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Bank and its subsidiaries remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses (if any).

Whenever the Bank and its subsidiaries incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under TAS 37 "Provisions, Contingent Liabilities and Contingent Assets". To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Bank and its subsidiaries expect exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in premises and equipment in the consolidated and separate statement of financial position.

The Bank and its subsidiaries apply TAS 36 "Impairment of Assets" to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Land, premises and equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

The Bank and its subsidiaries as lessors

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.18 Income tax

Income tax expenses comprises the current income tax and deferred tax.

Current income tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current income tax

Current tax is the expected to be paid to the taxation authorities, based on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Bank and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are enacted at the end of the reporting period.

In determining the amount of current and deferred tax, the Bank and its subsidiaries take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Bank and its subsidiaries believe that its accruals for tax liabilities are adequate for income taxes to be paid in the future, based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Bank and its subsidiaries to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the year that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised. The Bank and its subsidiaries recognise all temporary difference of deferred tax liabilities in the consolidated and the separate financial statements.

4.19 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders and preference shareholders which are equivalent to the ordinary shareholders of the Bank (excluding other comprehensive income) by the weighted average number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding during the year, adjusted for own shares held.

4.20 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Bank and its subsidiaries; a person or entity that are under common control or under the same significant influence as the Bank and its subsidiaries and the Bank; or and its subsidiaries have direct or indirect control or joint control or have significant influence over the financial and managerial decision-making of a person or entity.

4.21 Segment reporting

Segment results that are reported to the Bank's Executive Committee (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4.22 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position when the Bank and its subsidiaries have a legal, enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

4.23 Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires the Bank and its subsidiaries to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Recognition and derecognition assets and liabilities

In considering whether to recognise or to derecognise assets and liabilities, the Excom is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Allowance for expected credit losses of financial assets

The Group Risk Supervision and Internal Control committee is required to use judgement in estimating the allowance for expected credit loss on financial assets. The estimation relies on a complex model, a dataset of assumptions, model development and assessments related to the increase in credit risk, as well as the selection of forward-looking information, which involves a large number of variables. Therefore, actual results could differ from these estimates.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk of both the Group and the counterparty, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plans and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, and staff turnover rate.

Litigation and contingent liabilities

The Bank and its subsidiaries have contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation. In case the management believes that there will be no loss, no provisions are recognised at the end of the reporting period.

6. Risk management

6.1 Risk management approach

The Bank and its subsidiaries have set up its risk management structure in order to efficiently manage its core risks, as follows strategic risk, credit risk, market risk, operational risk, liquidity risk, reputation risk and information technology risks. Appropriate risk policies and risk management procedures have been established to provide common guidelines and standards to be consistently applied across the Bank and its subsidiaries.

The Bank and its subsidiaries manage its risks under the following key principles: core risks must be identified, measured, monitored, reported, analysed and controlled; and business activities are managed under a risk-return framework to ensure that risks undertaken are commensurate with an appropriate return.

The Bank and its subsidiaries' risk governance structure consist of the Board of Directors (BOD), which holds the ultimate responsibility for the Bank and its subsidiaries' overall risk management, Group Risk Supervision and Internal Control Committee, which has been delegated by the BOD with the authority to review and oversee the management of all risks across the Bank and its subsidiaries and formulate risk management strategies, policies, frameworks and standards, as well as risk appetite and submit to the Board of Directors for approval. Additionally, the Bank has assigned the Credit Review Unit, under the Compliance Department, to conduct periodic credit reviews. The Audit Committee is also responsible for overseeing the Internal Audit Department to ensure that an appropriate internal audit plan is in place and aligned with relevant matters.

To strengthen Enterprise-Wide Risk Management, the Bank forms a risk governance where the 3 lines of defense work together to prevent and control risk. To follow 3 lines of defenses in which the Bank has set risk ownership, formulate segregation of duties, and form check and balance in the monitoring of risk management. The risk management related functions are under the stewardship of the Chief Executive Officer (CEO) are responsible for establishing Enterprise-Wide risk management policies and guidelines, and take care of the following roles: developing tools for managing risks; proposing risk management strategies and recommending risk appetite for approval in order to be used for monitoring, controlling and managing risk levels of the Bank and its subsidiaries.

6.2 Credit risk

Credit risk is the risk that a debtor and/or counterparty to a financial agreement fails to honour an obligation, or does not adhere to the contractual terms and conditions agreed upon with the Bank and its subsidiaries. The Bank and its subsidiaries have disclosed significant concentrations of credit risk occurred from loans to customer, loan commitments and financial guarantee.

The maximum amount of credit risk exposure is the carrying amount of the financial assets and provision on loans commitment and financial guarantee less provision for losses as stated in the statement of financial position.

Credit policies/Framework

The Board of Director and Group Risk Supervision and Internal Control Committee are responsible for strategy approval and credit risk appetite in order to manage credit risk properly. The Bank and its subsidiaries have put in place the Credit Policy and other related risk policy including the frameworks to ensure that credit decisions are prudently made and make credit risk management an integral part of all credit-related business processes. All other relevant business units and support units are required to formulate their own specific policies follow the main policy. The Bank and its subsidiaries have also established policies to ensure diversification of its credit portfolio to address various concentration risks covering single exposure concentration risk or a group basis that is economically interdependent, industry/business sector concentration risk and country exposure concentration risk. Additionally, the Bank and its subsidiaries' Stress Testing Policy ensure a consistent framework to assess the Bank and its subsidiaries' ability to withstand extreme but plausible adverse changes to economic conditions.

Credit Approval Process

In managing credit risk, the Bank and its subsidiaries segregate the roles and responsibilities of the credit marketing function from the credit approval function to ensure proper checks and balance. Individual credit risk is analysed and assessed by experienced credit officers and approved by an appropriate authority depending on the size and risk levels of credit requested.

Where appropriate, the Bank and its subsidiaries demand the placement of adequate collateral by customers in various forms including, for example, land and building, deposits, securities, and personal/corporate guarantees, etc.

The Bank and its subsidiaries have contingent liabilities by issuing loan payment and other forms of guarantees, as well as issuing letters of credit and endorsing aval on commercial bills and Notes for its customers. Such contingent transaction activities require assessment on financial condition of customers in the same manner as done for direct lending. The Bank and its subsidiaries also make a standard practice to set conditions to mitigate the elements of risk in the same manner as for direct lending procedures.

Credit Review

Credit Review unit under Compliance Department, independent unit, is responsible for performing the assessments and making recommendations to improve the adequacy and effectiveness of credit-related processes and the risk management processes. Moreover, the Credit Review unit under Compliance Department, independent unit, performs individual credit review plan to ensure that the credit process and account administration are effectively conducted in accordance with policies and procedures, and in compliance with the regulatory requirements.

Credit rating

Credit ratings are typically based on credit analysis factors and/or market condition indicators, considering both the quantitative and qualitative information. The Bank developed internal credit risk models as a tool for management and for supporting any activities relating to the Bank and its subsidiaries' credit risk. The model covered credit process such as the determination of risk appetite, credit approval process, measuring quality and effectiveness of portfolio. In addition, it can be used to predict changes in portfolio quality and early warning sign for deterioration trend and is useful for determining credit interest rate and measuring performance of credit portfolio. It also can be used as a communication tool within the Bank and its subsidiaries.

Credit risk models have been developed for expected credit loss (ECL) to determine probability of default (PD), exposure at default (EAD), and loss given default (LGD). All models comprise both quantitative and qualitative factors/information. For the quantitative aspect, the data is collected from historical or from service providers. In addition to their use in the credit processes described above, the Bank and its subsidiaries also use credit risk models in the process to determine loan loss provisioning, regulatory capital, and economic capital.

The Bank and its subsidiaries set up credit rating guideline to provide the logic and use of creating and verifying model-based credit ratings. Currently, the Bank and its subsidiaries use different credit rating models according to different borrower segment.

Credit risk grade is based on risk rating (or PD models). The Bank and its subsidiaries apply different types of internal rating models as 2 categories (1) Rating models for Commercial portfolio - based on most recent available financial position and qualitative assessment on the profile of the borrowers; and, (2) Rating models for small SME and retail portfolios are based on behavioral and/or credit performance proved by statistical methods to measure an appropriate credit risk grade or determining the appropriate probability of default based on borrowers' risk level.

Exposures and the corresponding credit risk grades are subject to review at a frequency stipulated in the policy. Model for evaluation and risk rating are subject to review and monitor regularly. This is a process to keep both risk grade and models up to date and healthiest.

A credit risk grade is ranked from lowest to highest by lower the number in the rank, the lower the probability of default. The highest rating represents non-performing loans with probability of default of 100%. In relation to Note 6.2.1 to the financial statements "Credit quality", the Bank and its subsidiaries segregate risk level according to the ability for customers to meet financial obligation into five level; Low, Medium, Rather high, High, and Defaults.

In addition to the internal rating, the Bank and its subsidiaries also use external ratings from an international rating agency as references for credit risk grade of investment in debt securities.

Information related to ECL

Significant increase in credit risk

SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination, the significance of which being determined by using a number of quantitative and qualitative factors. Financial assets that are more than 30 days past due and not credit-impaired will be considered to have experienced a significant increase in credit risk.

Qualitative factors assessed include those linked to current credit risk management processes. Indicators could include weak operating results or observed liquidity issues among a number of other factors.

Definition of default

Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment includes arrears of over 90 days on any material credit obligation, indications that the borrower is experiencing significant financial difficulty, bankruptcy or distressed restructuring.

ECL model

The Bank and its subsidiaries have recognised loss allowances based on the expected credit loss (ECL) model of TFRS 9 "Financial Instruments", which is designed to be forward-looking. The TFRS 9 impairment requirements are applicable to on-balance sheet financial assets measured at amortised cost (AMC) or fair value through other comprehensive income (FVOCI), such as loans and debt securities, as well as off-balance sheet items such as undrawn loan commitments, certain financial guarantees, and undrawn committed revolving credit facilities. These financial instruments are divided into three groups, depending on the stage of credit quality deterioration ("Staging"). The ECL model parameters are estimated based on statistical techniques and supported by expert judgment.

Incorporation of forward-looking information

TFRS 9 requires that expected credit loss should consider the effect from the economic movement or so-called forward-looking factor. The estimated of loss should also incorporate the state of economy.

The Bank and its subsidiaries apply forward-looking factor into the ECL models. For macroeconomic input/projections, the Bank and its subsidiaries leverage on information from external sources. Then, statistical techniques are applied to transform the data into a multiple scenario analysis. Finally, the scenarios are used to derive lifetime parameters, which are applied in the calculation of expected credit losses and in the identification of significant deterioration in credit quality of financial assets as described previously.

The Bank and its subsidiaries apply economic factors or any factor expected to occur as a part of formulated scenario for developing ECL. The Bank and its subsidiaries formulate three forward-looking economic scenarios; a normal case scenario, which is the normal case scenario, best case scenario and worst case scenario which is put different weighted average amount. Examples of the macro economic variables used in the forward-looking information are Gross Domestic Product (GDP), interest rate, and unemployment rate, etc.

Management Overlay

The Bank and its subsidiaries calculated the ECL based on the model. However, management overlay was considered when underlying assumptions or data used to estimate ECL do not reflect current circumstances, events or conditions of the Bank and its subsidiaries at the reporting date as post-model adjustments.

The maximum exposure to credit risk

The maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown at gross before both the effect of mitigation through use of master netting and collateral arrangements.

6.2.1 Credit quality

Credit risk refers to the risk that a debtor or a counterparty will default on its contractual obligations resulting in a financial loss to the Bank and its subsidiaries. The Bank and its subsidiaries have adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk, the amounts presented for financial assets are gross carrying amount (before allowance for expected credit losses). For loan commitments, the amounts in the table represent the amounts committed.

(Unit: Million Baht)

	Consolidated financial statements			
	2025			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Interbank and money market items (assets)				
Low risk	28,465	-	-	28,465
Medium risk	6,520	-	-	6,520
Total	34,985	-	-	34,985
<u>Less</u> Allowance for expected credit losses	(7)	-	-	(7)
Net book value	34,978	-	-	34,978
Investments in debt instruments measured at amortised cost				
Low risk	41,566	625	-	42,191
Total	41,566	625	-	42,191
<u>Less</u> Allowance for expected credit losses	(27)	(75)	-	(102)
Net book value	41,539	550	-	42,089
Investments in debt instruments measured at fair value through other comprehensive income				
Low risk	33,461	-	-	33,461
Net book value	33,461	-	-	33,461
Allowance for expected credit losses	-	-	-	-
Loans to customers and accrued interest receivables - net				
Low risk	68,992	-	-	68,992
Medium risk	40,324	3,985	-	44,309
Rather high/high risk	2,712	6,932	-	9,644
Defaults	-	-	1,287	1,287
Total	112,028	10,917	1,287	124,232
<u>Less</u> Allowance for expected credit losses	(2,764)	(2,106)	(267)	(5,137)
Net book value	109,264	8,811	1,020	119,095
Loan commitments and financial guarantee contracts				
Loan commitments and financial guarantee	93,482	45	5	93,532
<u>Less</u> Allowance for expected credit losses	(208)	(2)	-	(210)
Net book value	93,274	43	5	93,322

(Unit: Million Baht)

Consolidated financial statements				
2024				
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Interbank and money market items (assets)				
Low risk	29,247	-	-	29,247
Medium risk	7,578	-	-	7,578
Total	36,825	-	-	36,825
<u>Less</u> Allowance for expected credit losses	(80)	-	-	(80)
Net book value	36,745	-	-	36,745
Investments in debt instruments measured at amortised cost				
Low risk	46,356	998	-	47,354
Total	46,356	998	-	47,354
<u>Less</u> Allowance for expected credit losses	(44)	(3)	-	(47)
Net book value	46,312	995	-	47,307
Investments in debt instruments measured at fair value through other comprehensive income				
Low risk	34,911	-	-	34,911
Net book value	34,911	-	-	34,911
Allowance for expected credit losses	(1)	-	-	(1)
Loans to customers and accrued interest receivables - net				
Low risk	76,645	-	-	76,645
Medium risk	46,559	3,071	-	49,630
Rather high/high risk	4,122	9,308	-	13,430
Defaults	-	-	1,592	1,592
Total	127,326	12,379	1,592	141,297
<u>Less</u> Allowance for expected credit losses	(2,786)	(1,254)	(710)	(4,750)
Net book value	124,540	11,125	882	136,547
Loan commitments and financial guarantee contracts				
Loan commitments and financial guarantee	78,438	121	19	78,578
<u>Less</u> Allowance for expected credit losses	(270)	(4)	(7)	(281)
Net book value	78,168	117	12	78,297

(Unit: Million Baht)

	Separate financial statements			Total
	2025			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
Interbank and money market items (assets)				
Low risk	27,461	-	-	27,461
Medium risk	6,520	-	-	6,520
Total	33,981	-	-	33,981
<u>Less</u> Allowance for expected credit losses	(7)	-	-	(7)
Net book value	33,974	-	-	33,974
Investments in debt instruments measured at amortised cost				
Low risk	41,566	625	-	42,191
Total	41,566	625	-	42,191
<u>Less</u> Allowance for expected credit losses	(27)	(75)	-	(102)
Net book value	41,539	550	-	42,089
Investments in debt instruments measured at fair value through other comprehensive income				
Low risk	33,461	-	-	33,461
Net book value	33,461	-	-	33,461
Allowance for expected credit losses	-	-	-	-
Loans to customers and accrued interest receivables - net				
Low risk	38,568	-	-	38,568
Medium risk	40,861	3,985	-	44,846
Rather high/high risk	2,712	3,486	-	6,198
Defaults	-	-	717	717
Total	82,141	7,471	717	90,329
<u>Less</u> Allowance for expected credit losses	(2,560)	(1,398)	(53)	(4,011)
Net book value	79,581	6,073	664	86,318
Loan commitments and financial guarantee contracts				
Loan commitments and financial guarantee	93,512	45	5	93,562
<u>Less</u> Allowance for expected credit losses	(208)	(2)	-	(210)
Net book value	93,304	43	5	93,352

(Unit: Million Baht)

	Separate financial statements			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Interbank and money market items (assets)				
Low risk	28,344	-	-	28,344
Medium risk	7,578	-	-	7,578
Total	35,922	-	-	35,922
<u>Less</u> Allowance for expected credit losses	(80)	-	-	(80)
Net book value	35,842	-	-	35,842
Investments in debt instruments measured at amortised cost				
Low risk	46,356	998	-	47,354
Total	46,356	998	-	47,354
<u>Less</u> Allowance for expected credit losses	(44)	(3)	-	(47)
Net book value	46,312	995	-	47,307
Investments in debt instruments measured at fair value through other comprehensive income				
Low risk	34,911	-	-	34,911
Net book value	34,911	-	-	34,911
Allowance for expected credit losses	(1)	-	-	(1)
Loans to customers and accrued interest receivables - net				
Low risk	41,253	-	-	41,253
Medium risk	39,688	3,071	-	42,759
Rather high/high risk	4,122	5,066	-	9,188
Defaults	-	-	778	778
Total	85,063	8,137	778	93,978
<u>Less</u> Allowance for expected credit losses	(2,495)	(454)	(415)	(3,364)
Net book value	82,568	7,683	363	90,614
Loan commitments and financial guarantee contracts				
Loan commitments and financial guarantee	78,468	121	19	78,608
<u>Less</u> Allowance for expected credit losses	(270)	(4)	(7)	(281)
Net book value	78,198	117	12	78,327

6.2.2 Collateral held and other credit enhancements

In addition to determining counterparty credit quality through risk rating, the Bank and its subsidiaries also use collateral as one type of credit risk mitigation to reduce potential credit losses to the Bank and its subsidiaries. The type of eligible collateral consists of financial and non-financial collaterals which valued primarily based on their quality and liquidity. The value of collateral is primarily assessed on a prudent basis to ensure that the value assigned to the collateral remains current.

The assessment of the suitability of collateral for a specific credit transaction is part of the credit decision making which undertaken in a conservative way, including collateral haircuts that are applied. The Bank and its subsidiaries strive to avoid “wrong-way” risk characteristics where the borrower’s counterparty risk is positively correlated with the risk of deterioration in the collateral value.

For “guarantee”, the process for the analysis of the guarantor’s creditworthiness is aligned to the credit assessment process for borrowers as well as Loan-to-Value (LTV) ratio for credit processes.

Loan-to-Value (LTV) ratio is used in entire credit processes, including

- Credit evaluation process
- Different risk levels require different LTVs

Collateral Appraisal Approach

Asset being used for provisioning calculation and LTV calculation guidance has to be pass through an appraisal process. The appraisal shall be conducted according to the codes of professional ethics and standards of appraisal practice stipulated by the Office of the Securities and Exchange Commission (SEC) and is under responsibility of “Collateral Appraisal Unit” under Credit Risk Management Department.

The following are example of collateral appraisal approach:

- Immovable property for commercial purpose shall be appraised by the cost approach, or the direct sales comparison approach, or the income approach.
- Immovable property for residential purpose shall be appraised by the direct sales comparison approach, or the cost approach.
- Other immovable properties shall be appraised by the cost approach, or the direct sales comparison approach, or the income approach.

- Machinery and vehicle shall be appraised by the direct sales comparison approach, or the cost approach.
- Criteria for appraising marketable equity securities and debt securities collateral shall be established in writing and agreed among the Collateral Appraisal Committee members.

The following table sets out the credit exposures to risk with collateral held by the Bank and its subsidiaries for each types of financial assets as at 31 December 2025 and 2024.

(Unit: Million Baht)

Type of credit exposures	Consolidated		Principal type of collateral held
	financial statements		
	2025	2024	
Interbank and money market items	20,159	16,929	Debt securities
Loans to customers			
- Loans to corporate customers	39,393	43,439	Land, plant, equipment and guarantee by another banks
- Retail mortgage lending	2	2	Properties
- Hire-purchase and finance lease receivables	42,984	50,141	Vehicle

(Unit: Million Baht)

Type of credit exposures	Separate		Principal type of collateral held
	financial statements		
	2025	2024	
Interbank and money market items	20,159	16,929	Debt securities
Loans to customers			
- Loans to corporate customers	42,349	46,730	Land, plant, equipment and guarantee by another banks
- Retail mortgage lending	2	2	Properties

Concentrations of credit risk

The Bank and its subsidiaries monitor concentration in different dimensions including sector. Concentrations of credit risk from loans to customers (including loans to financial institutions, which are presented as a part of “interbank and money market items” (assets)), loan commitments and financial guarantees as at 31 December 2025 and 2024 are shown below:

(Unit: Million Baht)

	Consolidated financial statements		
	Loans to customers	Loan commitments	Financial guarantees
As at 31 December 2025			
Gross carrying amount	148,293	-	-
Amount committed/guaranteed	-	61,698	31,834
<i>Concentration by sector</i>			
Financial institutions	24,208	11,852	23,963
Agricultural and mining	1,344	53	-
Manufacturing and commerce	39,863	30,024	3,018
Real estate and construction	9,299	9,472	3,602
Public utilities and services	33,425	8,782	902
Retail mortgage lending	2	-	-
Hire-purchase and finance lease	40,027	-	-
Others	125	1,515	349
Total	148,293	61,698	31,834

(Unit: Million Baht)

	Consolidated financial statements		
	Loans to customers	Loan commitments	Financial guarantees
As at 31 December 2024			
Gross carrying amount	168,994	-	-
Amount committed/guaranteed	-	55,581	22,997
<i>Concentration by sector</i>			
Financial institutions	28,029	10,342	1,593
Agricultural and mining	1,606	54	-
Manufacturing and commerce	49,021	26,359	13,590
Real estate and construction	7,181	8,828	2,378
Public utilities and services	36,172	8,052	4,562
Retail mortgage lending	3	-	436
Hire-purchase and finance lease	46,850	-	-
Others	132	1,946	438
Total	168,994	55,581	22,997

(Unit: Million Baht)

	Separate financial statements		
	Loans to customers	Loan commitments	Financial guarantees
As at 31 December 2025			
Gross carrying amount	114,415	-	-
Amount committed/guaranteed	-	61,728	31,834
<i>Concentration by sector</i>			
Financial institutions	24,208	11,852	23,963
Agricultural and mining	1,344	53	-
Manufacturing and commerce	48,969	30,054	3,018
Real estate and construction	9,299	9,472	3,602
Public utilities and services	30,468	8,782	902
Retail mortgage lending	2	-	-
Others	125	1,515	349
Total	114,415	61,728	31,834

(Unit: Million Baht)

	Separate financial statements		
	Loans to customers	Loan commitments	Financial guarantees
As at 31 December 2024			
Gross carrying amount	121,694	-	-
Amount committed/guaranteed	-	55,611	22,997
<i>Concentration by sector</i>			
Financial institutions	28,029	10,342	1,593
Agricultural and mining	1,606	54	-
Manufacturing and commerce	51,863	26,389	13,590
Real estate and construction	7,181	8,828	2,378
Public utilities and services	32,880	8,052	4,562
Retail mortgage lending	3	-	436
Others	132	1,946	438
Total	121,694	55,611	22,997

6.3 Market risk

Market risk refers to losses that may happen due to the fluctuations of foreign exchange rates, interest rates, and prices of equity securities, all of which may impact the value of the Bank and its subsidiaries' assets and liabilities including financial commitment.

The Bank and its subsidiaries have established various market risk policies, which set standards and guidelines for market risk management. The sub-committee holds the responsibility to assist the BOD and the Bank and its subsidiaries Risk Supervision and Internal Control Committee to ensure that bank-wide market risk management complies with the relevant risk policies and defined levels of risk appetite. The Bank and its subsidiaries classify the overall market risk management into 2 parts: trading book and banking book. The Bank and its subsidiaries have developed a policy to set standards on the book definitions and transaction classification criteria as well as the treatment of each book.

Market risk in the trading book

Market risk in the trading book consists of market risk from exposures of financial instruments and derivatives that are held with trading intent or for hedging other positions in the trading book. The Bank and its subsidiaries has established the market risk policies for trading book to ensure the proper management of market risks in the trading book as well as impose limits to control the risks to be within the Bank and its subsidiaries' risk appetite.

Market risk in the Banking book

Market risk in the Banking book consists of market risks incurred from items on statement of financial position and financial commitment including derivatives designated to hedge other banking book items.

The Bank and its subsidiaries have established the market risk policies for banking book, which outlines the approach for managing market risks in the Banking book and setting the relevant limits appropriate to the positions of the risks in the book and in line with the Bank and its subsidiaries' risk appetite.

The Bank and its subsidiaries also analyse risks and regularly assesses the impact, the results of which are used as tools to manage the Bank's assets and liabilities structure to be in line with the changing market environment.

6.3.1 Interest rate risk

Interest rate risk is the risk from future movements in market interest rates including changes in interest rates of rate sensitive assets and liabilities that will have negative impact to the Bank and its subsidiaries' operating results, cash flows and economic value.

The Bank and its subsidiaries manage interest rate risk by means of an appropriate structuring of holdings in assets and liabilities with different repricing dates, taking into account the direction of market interest rates, in order to generate a suitable yield while maintaining risk at acceptable levels.

As at 31 December 2025 and 2024, significant financial assets and financial liabilities classified according to the earlier between their remaining maturity and interest repricing periods were as follows:

(Unit: Million Baht)

Consolidated financial statements								
2025								
Interest repricing/maturity								
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	Non-performing asset	Total
Financial assets								
Cash	-	-	-	-	-	367	-	367
Interbank and money market items	893	22,385	1,823	-	-	9,751	-	34,852
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,667	-	1,667
Derivative assets	-	-	-	-	-	312	-	312
Investments	-	18,109	17,689	36,282	3,572	51	-	75,703
Loans to customers	386	74,711	15,478	30,772	1,506	-	1,232	124,085
Total financial assets	1,279	115,205	34,990	67,054	5,078	12,148	1,232	236,986

(Unit: Million Baht)

Consolidated financial statements

	2025							
	At call	Interest repricing/maturity				Non-interest bearing	Non-performing asset	Total
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years			
Financial liabilities								
Deposits	56,974	49,379	29,794	2,352	-	1,020	-	139,519
Interbank and money market items	2,471	16,346	387	281	-	683	-	20,168
Liabilities payable on demand	-	-	-	-	-	66	-	66
Derivative liabilities	-	-	-	-	-	670	-	670
Debt issued and borrowings	-	-	9,007	11,061	-	-	-	20,068
Total financial liabilities	59,445	65,725	39,188	13,694	-	2,439	-	180,491

(Unit: Million Baht)

Consolidated financial statements

	2024							
	At call	Interest repricing/maturity				Non-interest bearing	Non-performing asset	Total
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years			
Financial assets								
Cash	-	-	-	-	-	351	-	351
Interbank and money market items	806	23,440	4,589	-	-	7,910	-	36,745
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	-	797
Derivative assets	-	-	-	-	-	677	-	677
Investments	-	14,294	30,333	36,077	1,561	126	-	82,391
Loans to customers	392	84,287	15,094	37,645	1,922	-	1,625	140,965
Total financial assets	1,198	122,021	50,016	73,722	3,483	9,861	1,625	261,926
Financial liabilities								
Deposits	49,654	58,181	36,321	3,663	-	1,680	-	149,499
Interbank and money market items	2,488	14,117	1,623	656	-	575	-	19,459
Liabilities payable on demand	-	-	-	-	-	82	-	82
Derivative liabilities	-	-	-	-	-	186	-	186
Debt issued and borrowings	-	8,104	12,980	19,156	-	-	-	40,240
Total financial liabilities	52,142	80,402	50,924	23,475	-	2,523	-	209,466

(Unit: Million Baht)

Separate financial statements								
2025								
	At call	Interest repricing/maturity			Non-interest bearing	Non-performing asset	Total	
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years				Over 5 years
Financial assets								
Cash	-	-	-	-	-	366	-	366
Interbank and money market items	2	22,385	1,823	-	-	9,637	-	33,847
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,667	-	1,667
Derivative assets	-	-	-	-	-	312	-	312
Investments	-	18,109	17,689	36,282	3,572	51	-	75,703
Loans to customers	6,832	71,102	6,119	5,294	197	-	662	90,206
Total financial assets	6,834	111,596	25,631	41,576	3,769	12,033	662	202,101
Financial liabilities								
Deposits	56,995	49,379	29,794	2,352	-	1,021	-	139,541
Interbank and money market items	2,471	11,346	387	281	-	683	-	15,168
Liabilities payable on demand	-	-	-	-	-	66	-	66
Derivative liabilities	-	-	-	-	-	670	-	670
Total financial liabilities	59,466	60,725	30,181	2,633	-	2,440	-	155,445

(Unit: Million Baht)

Separate financial statements								
2024								
	At call	Interest repricing/maturity			Non-interest bearing	Non-performing asset	Total	
		Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years				Over 5 years
Financial assets								
Cash	-	-	-	-	-	350	-	350
Interbank and money market items	2	23,440	4,589	-	-	7,811	-	35,842
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	-	797
Derivative assets	-	-	-	-	-	677	-	677
Investments	-	14,294	30,333	36,077	1,561	126	-	82,391
Loans to customers	431	80,510	5,171	6,706	35	-	812	93,665
Total financial assets	433	118,244	40,093	42,783	1,596	9,761	812	213,722
Financial liabilities								
Deposits	49,666	58,181	36,321	3,663	-	1,684	-	149,515
Interbank and money market items	2,488	11,077	1,623	656	-	575	-	16,419
Liabilities payable on demand	-	-	-	-	-	82	-	82
Derivative liabilities	-	-	-	-	-	186	-	186
Debt issued and borrowings	-	-	-	4,995	-	-	-	4,995
Total financial liabilities	52,154	69,258	37,944	9,314	-	2,527	-	171,197

The average balances of the significant financial assets and financial liabilities generating revenues and incurring expenses, calculated based on the average balances outstanding during the years, and the average interest rates for the year ended 31 December 2025 and 2024 can be summarised as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2025			2024		
	Average balances ⁽¹⁾	Interest	Average interest rate (%)	Average balances ⁽¹⁾	Interest	Average interest rate (%)
Financial assets						
Interbank and money market items	37,682	1,084	2.88	33,743	1,036	3.07
Investments	79,918	2,437	3.05	81,889	2,873	3.51
Loans to customers	139,494	6,083	4.36	158,604	7,466	4.71
Financial liabilities						
Deposits	135,383	2,211 ⁽²⁾	1.63	142,712	2,540 ⁽²⁾	1.78
Interbank and money market items	18,263	651	3.56	23,366	988	4.23
Debts issued and borrowings	34,150	911 ⁽³⁾	2.67	42,223	1,088 ⁽³⁾	2.58

⁽¹⁾ Calculated by average of month end balance.

⁽²⁾ Excluding contributions to Deposit Protection Agency and Bank of Thailand.

⁽³⁾ Including debentures fee expense.

(Unit: Million Baht)

	Separate financial statements					
	2025			2024		
	Average balances ⁽¹⁾	Interest	Average interest rate (%)	Average balances ⁽¹⁾	Interest	Average interest rate (%)
Financial assets						
Interbank and money market items	36,721	1,081	2.94	32,896	1,032	3.14
Investments	79,918	2,437	3.05	81,889	2,873	3.51
Loans to customers	92,427	4,074	4.41	100,929	5,060	5.01
Financial liabilities						
Deposits	135,401	2,211 ⁽²⁾	1.63	142,728	2,540 ⁽²⁾	1.78
Interbank and money market items	15,879	542	3.41	20,583	861	4.18
Debts issued and borrowings	3,842	149 ⁽³⁾	3.88	4,994	177 ⁽³⁾	3.54

⁽¹⁾ Calculated by average of month end balance.

⁽²⁾ Excluding contributions to Deposit Protection Agency and Bank of Thailand.

⁽³⁾ Including debentures fee expense.

Sensitivity analysis

Market risk in the Banking book

The Bank and its subsidiaries employ Repricing Gap Report in measuring and monitoring the interest rate in the Banking book in which the control limit has been set at the acceptable level.

In addition, the Bank and its subsidiaries conduct the stress test on the interest rate risk in the Banking book based on the assumptions in line with the principle of extreme but plausible scenarios and divided into individual currencies in a quarterly basis in order to report to the Group Risk Supervision and Internal Control Committee for consideration and revision of risk management strategy and backup plan.

At present, the Bank and its subsidiaries do not have the behavioral adjustments on both assets and liabilities, e.g. behavioral adjustment on prepayment schedule and the rollover of the deposit.

The Repricing Gap report in Banking Book by currency is reported to the Asset and Liabilities Committee on a monthly basis, and a report on interest rate risk to The Bank of Thailand on a quarterly basis.

The impacts of a change in interest rate on earnings of the consolidated and separate financial statements as at 31 December 2025 and 2024 are as follows:

(Unit: Million Baht)

Currency	Consolidated financial statements			
	2025		2024	
	Upward 100 bps	Downward 100 bps	Upward 100 bps	Downward 100 bps
Thai Baht	81	(81)	158	(158)
US Dollar	(27)	27	(70)	70
Renminbi	(60)	60	(35)	35
Euro	2	(2)	2	(2)
Total impact of the changes in interest rate	(4)	4	55	(55)

(Unit: Million Baht)

Currency	Separate financial statements			
	2025		2024	
	Upward 100 bps	Downward 100 bps	Upward 100 bps	Downward 100 bps
Thai Baht	165	(165)	237	(237)
US Dollar	(27)	27	(70)	70
Renminbi	(60)	60	(35)	35
Euro	2	(2)	2	(2)
Total impact of the change in interest rate	80	(80)	134	(134)

6.4 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiaries will be unable to liquidate its financial assets to cash or procure sufficient funds to discharge its obligations in a timely manner, resulting to occur a financial loss.

The Bank and its subsidiaries have established a liquidity management policy, to ensure that the Bank and its subsidiaries has sufficient liquidity to meet debt and other obligations when due in normal circumstances, and has liquidity contingency plans in place to handle crisis situations, as well as to ensure that management of liquidity strikes an appropriate balance between costs and benefits. The liquidity management policy is approved by the Bank and its subsidiaries Risk Supervision and Internal Control Committee under Financial Group, the Executive Committee and the Board of Directors, respectively.

To manage the Bank's liquidity, the Financial Markets Division projects funding demand and identifies appropriate sources of funds consistent with the Bank's business and strategic plans. For the purpose of liquidity risk management, the Bank has set risk limits, required liquidity ratios, liquidity control procedures, the liquidity gap and liquidity management's performance are reported to the Asset and Liability Committee (ALCO) on a monthly basis. Moreover, the Risk Management Division closely monitors risk to ensure it remains within the limits set, and reports to the Bank and its subsidiaries Risk Supervision and Internal Control Committee on a regular basis.

Moreover, the Bank has prepared the Early Warning System Indicator to monitor daily and monthly risk level and also set the trigger point in order to be prepared in case of any increasing of any risk factors and be used for liquidity risk management. The Portfolio Risk Management Department will inform the related party daily and submit to Asset and Liability Committee Meeting (ALCO) monthly. The Bank has also formulated the liquidity contingency plans to handle any potential liquidity problems. These plans designate working procedures and explicitly assign roles and responsibilities to the relevant parties.

The Asset and Liability Committee has the following roles and responsibilities:

1. Formulate strategies relating to the regular and daily liquidity management.
2. Ensure that liquidity management is efficient and appropriate policies and procedures for liquidity risk are established.
3. Ensure that the Bank has adequate information systems to measure, monitor, control and report liquidity risk.
4. Consider the liquidity risk limit and propose to the Executive Committee (EXCOM) for approval.
5. Review all assumptions which related to liquidity risk.

The Bank and its subsidiaries liquidity management is decentralised, with the subsidiaries, ICBC (Thai) Leasing Company Limited independently managing its own liquidity. ICBC (Thai) Leasing Company Limited's sources funds mainly from issuing debentures and loans from financial institutions, the Bank will provide liquidity support with the amount of funds based on Limited of Authority via the Board of Directors. Nevertheless, the Bank and its subsidiaries perform regular controlling and monitoring of the liquidity risk of its subsidiaries and the subsidiaries' liquidity gap is reported to the Asset and Liability Committee on a monthly basis.

The major uses of funds by the Bank are lending to corporate customers and investments in debt securities with an acceptable and low level of risk, but the Bank also designates limits to diversify the use of funds, such as limits on individual industries and lending limits for each individual. The Bank main sources of funds are public deposits and borrowings. The Bank has set guidelines to reduce deposit concentrations, such as limits of the amount deposited per customer and limits of the amount deposited per corporate customer and per state enterprise.

The Bank and its subsidiaries generate reports and set limits in liquidity management as follows:

1. Daily and monthly reports of Early Warning Indicator together with trigger points in order to monitor the liquidity risk such as 3 days consecutive withdrawal, Liquidity Coverage Ratio (LCR), High Quality of Liquid Assets (HQLA) and available of committed facility amount, Loan to Deposit, Credit Rating of the Bank and ICBC group, etc.
2. Daily reports on amounts and types of liquid assets and their returns.
3. Liquidity gap report, indicating expected cash inflows and outflows in different tenors, and cumulative net liquidity excess or shortfall, which the period to maturity both on the basis of the contract and after behavioral adjustment. The Bank and its subsidiaries prepare liquidity gap reports on a monthly basis for normal circumstances and on a quarterly basis for crisis situations.
4. Monthly reports on liquidity ratios, to be used to provide indications of the Bank's liquidity and early warnings, including loan to deposit ratio such as loan to asset ratio, investment to asset ratio, liquid asset to total asset ratio, liquid asset to short-term to 1 month deposit ratio, borrowing to total asset ratio, deposit to total asset ratio, proportion of large depositors to total deposits, maximum deposit withdrawal per day and rollover rate, etc.
5. Annual liquidity risk self-assessment report.
6. Monthly reports on any transactions or facilities exceeding approved limits.

The Bank also conducts stress tests on a quarterly basis, and regularly reviews the assumptions used to ensure they reflect current economic conditions, business strategies, and other relevant current and future factors. Stress test scenarios include a bank-specific crisis, a general market crisis and a combination of both scenarios that it is thought would have a severely adverse impact, and the Bank has prepared action plans to respond to the occurrence of such events. In addition, the Bank has prepared reports on its Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), in accordance with the BOT's guideline.

According to BOT Notification Number Sor Nor Sor. 2/2561, dated 25 January 2018, the Bank is required to disclose Liquidity Coverage Ratio (LCR) in The Bank's website. The Bank already disclose the LCR of the Bank as at 31 December 2024 in the Bank's website, www.icbcthai.com, under Financial Report section/Basel III Pillar III Disclosure, on 29 April 2025 and the Bank will disclose the LCR of the Bank as at 31 December 2025 within April 2026.

As at 31 December 2025 and 2024, significant financial assets and financial liabilities are classified according to their maturity date according to contract as follows:

(Unit: Million Baht)

Consolidated financial statements							
2025							
	Maturity						
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Cash	-	-	-	-	-	367	367
Interbank and money market items	11,289	21,690	961	445	467	-	34,852
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,667	1,667
Derivative assets	-	232	50	30	-	-	312
Investments	-	5,892	27,606	38,582	3,572	51	75,703
Loans to customers	215	25,172	26,443	56,819	13,818	1,618 ⁽¹⁾	124,085
Total financial assets	11,504	52,986	55,060	95,876	17,857	3,703	236,986
Financial liabilities							
Deposits	57,994	49,379	29,794	2,352	-	-	139,519
Interbank and money market items	3,154	16,346	387	281	-	-	20,168
Liabilities payable on demand	66	-	-	-	-	-	66
Derivative liabilities	-	422	45	172	31	-	670
Debt issued and borrowings	-	-	9,007	11,061	-	-	20,068
Total financial liabilities	61,214	66,147	39,233	13,866	31	-	180,491

⁽¹⁾ The total amount included non-performing loans amounting to Baht 1,232 million.

(Unit: Million Baht)

Consolidated financial statements							
2024							
	Maturity						
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Cash	-	-	-	-	-	351	351
Interbank and money market items	8,715	22,192	4,752	456	627	3	36,745
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	797
Derivative assets	-	41	298	317	21	-	677
Investments	-	3,215	40,539	36,950	1,561	126	82,391
Loans to customers	323	26,243	28,589	70,549	13,244	2,017 ⁽¹⁾	140,965
Total financial assets	9,038	51,691	74,178	108,272	15,453	3,294	261,926
Financial liabilities							
Deposits	51,334	58,181	36,321	3,663	-	-	149,499
Interbank and money market items	3,062	7,999	1,624	6,774	-	-	19,459
Liabilities payable on demand	82	-	-	-	-	-	82
Derivative liabilities	-	110	3	73	-	-	186
Debt issued and borrowings	-	8,104	12,980	19,156	-	-	40,240
Total financial liabilities	54,478	74,394	50,928	29,666	-	-	209,466

⁽¹⁾ The total amount included non-performing loans amounting to Baht 1,625 million.

(Unit: Million Baht)

Separate financial statements							
2025							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Cash	-	-	-	-	-	366	366
Interbank and money market items	10,284	21,690	961	445	467	-	33,847
Financial assets measured at fair value through profit or loss	-	-	-	-	-	1,667	1,667
Derivative assets	-	232	50	30	-	-	312
Investments	-	5,892	27,606	38,582	3,572	51	75,703
Loans to customers	6,661	21,779	16,870	31,290	12,558	1,048 ⁽¹⁾	90,206
Total financial assets	16,945	49,593	45,487	70,347	16,597	3,132	202,101
Financial liabilities							
Deposits	58,016	49,379	29,794	2,352	-	-	139,541
Interbank and money market items	3,154	11,346	387	281	-	-	15,168
Liabilities payable on demand	66	-	-	-	-	-	66
Derivative liabilities	-	422	45	172	31	-	670
Total financial liabilities	61,236	61,147	30,226	2,805	31	-	155,445

⁽¹⁾ The total amount included non-performing loans amounting to Bah 662 million.

(Unit: Million Baht)

Separate financial statements							
2024							
Maturity							
	At call	Within 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	No maturity	Total
Financial assets							
Cash	-	-	-	-	-	350	350
Interbank and money market items	7,813	22,192	4,752	456	627	2	35,842
Financial assets measured at fair value through profit or loss	-	-	-	-	-	797	797
Derivative assets	-	41	298	317	21	-	677
Investments	-	3,215	40,539	36,950	1,561	126	82,391
Loans to customers	362	22,467	18,666	39,564	11,402	1,204 ⁽¹⁾	93,665
Total financial assets	8,175	47,915	64,255	77,287	13,611	2,479	213,722
Financial liabilities							
Deposits	51,350	58,181	36,321	3,663	-	-	149,515
Interbank and money market items	3,062	4,959	1,624	6,774	-	-	16,419
Liabilities payable on demand	82	-	-	-	-	-	82
Derivative liabilities	-	110	3	73	-	-	186
Debt issued and borrowings	-	-	-	4,995	-	-	4,995
Total financial liabilities	54,494	63,250	37,948	15,505	-	-	171,197

⁽¹⁾ The total amount included non-performing loans amounting to Bah 812 million.

6.5 Foreign exchange risk

Foreign exchange risk is the risk that the value of the financial instruments will be affected by changes in foreign exchange rates.

In addition to the financial assets and financial liabilities denominated in foreign currencies already disclosed in related note to the financial statements. As at 31 December 2025 and 2024, the Bank and its subsidiaries' net foreign currency positions categorised by major foreign currencies were as follows:

(Unit: USD Million)

	Consolidated financial statements					
	2025			2024		
	US Dollar	CNY ⁽¹⁾	Other currencies ⁽¹⁾	US Dollar	CNY ⁽¹⁾	Other currencies ⁽¹⁾
Spot	(684)	(165)	9	270	(240)	9
Forward	728	171	(4)	(228)	237	(4)
Net position	44	6	5	42	(3)	5

⁽¹⁾ Balance denominated in CNY and other currencies are stated in US Dollar equivalents.

(Unit: USD Million)

	Separate financial statements					
	2025			2024		
	US Dollar	CNY ⁽¹⁾	Other currencies ⁽¹⁾	US Dollar	CNY ⁽¹⁾	Other currencies ⁽¹⁾
Spot	(684)	(165)	9	270	(240)	9
Forward	728	171	(4)	(228)	237	(4)
Net position	44	6	5	42	(3)	5

⁽¹⁾ Balance denominated in CNY and other currencies are stated in US Dollar equivalents.

6.6 Equity price risk

Equity price risk is the risk arising from changes in the price of equity instruments or equity securities. This causes fluctuations in the income or financial assets of the Bank and its subsidiaries.

The Bank and its subsidiaries have a policy to manage market risks. The ceiling risk limit is set in order to control the risk to be at the Bank and its subsidiaries' acceptable level. There is a Risk Control Unit, separated from the front office and the back office to control risks and report the status of limits to relevant departments or related management in order to manage risks promptly.

As at 31 December 2025 and 2024, the Bank has equity investments listed on Stock Exchange of Thailand at cost in the amount of Baht 790 million and Baht 179 million, respectively, with the mark to market value in the amount of Baht 1,708 million and Baht 116 million, respectively.

7. Capital fund

The Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by The Bank of Thailand. As announced by the BOT in its circulars dated 8 November 2012 and 7 May 2019, the Bank is required to calculate its Capital Fund in accordance with Basel III. The Bank and financial group comply with the regulatory capital according to Basel III.

As at 31 December 2025 and 2024, the consolidated supervision and the Bank's total capital funds could be categorised as follows:

	(Unit: Thousand Baht)	
	Consolidated supervision	
	2025	2024
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	24,866,310	22,204,680
Other comprehensive income	85,667	(64,429)
Other owner changes items	(24,849)	(24,849)
<u>Less</u> Capital deduction items on CET1	(1,227,394)	(1,223,418)
Total Tier 1 capital	45,821,833	43,014,083
Tier 2 capital		
Subordinated debentures	-	3,000,000
Allowance for assets classified as normal	2,076,625	2,294,449
Total Tier 2 capital	2,076,625	5,294,449
Total capital funds	47,898,458	48,308,532
Total risk-weighted assets	181,022,971	197,864,362

	(Unit: Percent)			
	Consolidated supervision			
	BOT's minimum requirement	2025	BOT's minimum requirement	2024
Capital ratio				
Total capital to total risk-weighted assets	11.0	26.46	11.0	24.41
Tier 1 capital to total risk-weighted assets	8.5	25.31	8.5	21.74
Tier 1 common equity to total risk-weighted assets	7.0	25.31	7.0	21.74
Tier 2 capital to total risk-weighted assets	-	1.15	-	2.67

	(Unit: Thousand Baht)	
	Separate financial statements	
	2025	2024
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	20,107,099	20,107,099
Legal reserve	2,015,000	2,015,000
Retained earnings after appropriations	19,729,033	16,685,546
Other comprehensive income	130,730	2,242
Less Capital deduction items on CET1	(459,133)	(537,653)
Total Tier 1 capital	41,522,729	38,272,234
Tier 2 capital		
Subordinated debentures	-	3,000,000
Allowance for assets classified as normal	1,748,088	1,882,853
Total Tier 2 capital	1,748,088	4,882,853
Total capital funds	43,270,817	43,155,087
Total risk-weighted assets	151,669,391	161,274,199

	(Unit: Percent)			
	Separate financial statements			
	BOT's minimum requirement	2025	BOT's minimum requirement	2024
Capital ratio				
Total capital to total risk-weighted assets	11.0	28.53	11.0	26.76
Tier 1 capital to total risk-weighted assets	8.5	27.38	8.5	23.73
Tier 1 common equity to total risk-weighted assets	7.0	27.38	7.0	23.73
Tier 2 capital to total risk-weighted assets	-	1.15	-	3.03

As disclosures of capital maintenance information under the Notification of The Bank of Thailand, the Public Disclosures of Capital Maintenance for Commercial Banks in accordance with the BOT's directive number Sor Nor Sor 14/2562 and the BOT's directive number Sor Nor Sor 15/2562, dated 7 May 2019, the Bank already disclose of Capital Maintenance and Information security risks for the Bank and financial Group as at 31 December 2024 in the Bank's website, www.icbcthai.com, under Financial Report section on 29 April 2025 and the Bank will disclose of Capital Maintenance and Information security risks for the Bank and financial Group as at 31 December 2025 within April 2026.

According to Bank of Thailand notification number For Gor Gor (12) Wor 1030/2562 dated 10 July 2019, the Bank is required to disclose regulatory capital and capital ratio after deducting capital add-on arising from Single Lending Limit. As at 31 December 2025 and 2024, the financial group and the Bank do not require to have capital add-on arising from Single Lending Limit.

Capital management

The primary objectives of the Bank's capital management are to support business growth and to maintain the capital adequacy ratio in accordance with Laws and the credit rating.

8. Supplemental information

8.1 Supplemental information of cash flows

8.1.1 Non-cash transactions for the year ended 31 December 2025 and 2024 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Properties foreclosed from debt repayment	888	2,659	-	-
Amortisation of deferred interest and fee	98	93	10	7
Increase (decrease) in account payable from purchases asset	(1)	(7)	1	-

8.1.2 Changes in liabilities arising from financing activities for the year ended 31 December 2025 and 2024 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			Balance as at 31 December 2025
	Balance as at 1 January 2025	Financing cash flows ⁽¹⁾	Other changes ⁽²⁾	
Debt issued and borrowings	40,240	(20,229)	58 ⁽²⁾	20,069
Lease liabilities	363	(107)	50	306
Total	40,603	(20,336)	108	20,375

⁽¹⁾ Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

⁽²⁾ Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

(Unit: Million Baht)

	Consolidated financial statements			Balance as at 31 December 2024
	Balance as at 1 January 2024	Financing cash flows ⁽¹⁾	Other changes	
	Debt issued and borrowings	39,895	433	
Lease liabilities	406	(120)	77	363
Total	40,301	313	(11)	40,603

⁽¹⁾ Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

⁽²⁾ Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

(Unit: Million Baht)

	Separate financial statements			Balance as at 31 December 2025
	Balance as at 1 January 2025	Financing cash flows ⁽¹⁾	Other changes	
	Debt issued and borrowings	4,995	(5,000)	
Lease liabilities	175	(72)	40	143
Total	5,170	(5,072)	45	143

⁽¹⁾ Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

⁽²⁾ Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

(Unit: Million Baht)

	Separate financial statements			Balance as at 31 December 2024
	Balance as at 1 January 2024	Financing cash flows ⁽¹⁾	Other changes	
	Debt issued and borrowings	4,993	-	
Lease liabilities	194	(71)	52	175
Total	5,187	(71)	54	5,170

⁽¹⁾ Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

⁽²⁾ Other changes were arisen from deferred interest expenses and accumulated amortisation of transaction costs relating to debentures.

8.1.3 Realised and unrealised gains (losses) on foreign exchange

In the preparation of cash flows statements, realised gains (losses) on foreign exchange are based on a cash basis. Unrealised gains (losses) on foreign exchange are based on the translation difference of assets and liabilities in foreign currencies as described in the accounting policies. It is presented as an adjustment to reconcile income before tax to cash received (paid) from operating activities.

8.2 Classification of financial assets and financial liabilities

Classification of financial assets and financial liabilities as at 31 December 2025 and 2024 as follows:

(Unit: Million Baht)

	Consolidated financial statements				Total
	2025				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	
Financial assets					
Cash	-	-	-	367	367
Interbank and money market items - net	-	-	-	34,978	34,978
Financial assets measured at fair value through profit or loss	1,667	-	-	-	1,667
Derivative assets	312	-	-	-	312
Investments - net	-	33,461	50	42,089	75,600
Loans to customers and accrued interest receivables - net	-	-	-	119,095	119,095
Receivables on credit support for derivative contracts	-	-	-	220	220
Total	1,979	33,461	50	196,749	232,239
Financial liabilities					
Deposits	-	-	-	139,519	139,519
Interbank and money market items	-	-	-	20,168	20,168
Liability payables on demand	-	-	-	66	66
Derivative liabilities	670	-	-	-	670
Debts issued and borrowings	-	-	-	20,068	20,068
Lease liabilities	-	-	-	306	306
Total	670	-	-	180,127	180,797

(Unit: Million Baht)

Consolidated financial statements

	2024				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets					
Cash	-	-	-	351	351
Interbank and money market items - net	-	-	-	36,745	36,745
Financial assets measured at fair value					
through profit or loss	797	-	-	-	797
Derivative assets	677	-	-	-	677
Investments - net	-	34,911	126	47,307	82,344
Loans to customers and accrued interest receivables - net	-	-	-	136,547	136,547
Receivables on credit support for derivative contracts	-	-	-	48	48
Total	1,474	34,911	126	220,998	257,509
Financial liabilities					
Deposits	-	-	-	149,499	149,499
Interbank and money market items	-	-	-	19,459	19,459
Liability payables on demand	-	-	-	82	82
Derivative liabilities	186	-	-	-	186
Debts issued and borrowings	-	-	-	40,240	40,240
Payables on credit support for derivative contracts	-	-	-	116	116
Lease liabilities	-	-	-	363	363
Total	186	-	-	209,759	209,945

(Unit: Million Baht)

Separate financial statements

	2025				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets					
Cash	-	-	-	366	366
Interbank and money market items - net	-	-	-	33,974	33,974
Financial assets measured at fair value					
through profit or loss	1,667	-	-	-	1,667
Derivative assets	312	-	-	-	312
Investments - net	-	33,461	50	42,089	75,600
Loans to customers and accrued interest receivables - net	-	-	-	86,318	86,318
Receivables on credit support for derivative contracts	-	-	-	220	220
Total	1,979	33,461	50	162,967	198,457
Financial liabilities					
Deposits	-	-	-	139,541	139,541
Interbank and money market items	-	-	-	15,168	15,168
Liability payables on demand	-	-	-	66	66
Derivative liabilities	670	-	-	-	670
Lease liabilities	-	-	-	143	143
Total	670	-	-	154,918	155,588

(Unit: Million Baht)

Separate financial statements

	2024				
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity instruments designated at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
Financial assets					
Cash	-	-	-	350	350
Interbank and money market items - net	-	-	-	35,842	35,842
Financial assets measured at fair value					
through profit or loss	797	-	-	-	797
Derivative assets	677	-	-	-	677
Investments - net	-	34,911	126	47,307	82,344
Loans to customers and accrued interest receivables - net	-	-	-	90,614	90,614
Receivables on credit support for derivative contracts	-	-	-	48	48
Total	1,474	34,911	126	174,161	210,672
Financial liabilities					
Deposits	-	-	-	149,515	149,515
Interbank and money market items	-	-	-	16,419	16,419
Liability payables on demand	-	-	-	82	82
Derivative liabilities	186	-	-	-	186
Debts issued and borrowings	-	-	-	4,995	4,995
Payables on credit support for derivative contracts	-	-	-	116	116
Lease liabilities	-	-	-	175	175
Total	186	-	-	171,302	171,488

8.3 Interbank and money market items - net (assets)

Interbank and money market items - net (assets) as at 31 December 2025 and 2024 as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Domestic items				
Bank of Thailand ⁽¹⁾	1,904,274	1,978,049	1,904,274	1,978,049
Commercial banks	6,423,576	7,944,143	5,457,165	7,081,628
Specialised financial institutions	5,902,987	6,080,666	5,900,000	6,080,000
Other financial institutions	8,147,950	7,699,250	8,147,950	7,699,250
Total	22,378,787	23,702,108	21,409,389	22,838,927
<u>Add</u> Accrued interest receivables and undue interest receivables	10,403	16,814	10,369	16,758
<u>Less</u> Allowance for expected credit losses	(2,235)	(16,011)	(2,235)	(16,011)
Total domestic items - net	22,386,955	23,702,911	21,417,523	22,839,674
Foreign items				
US Dollar	6,866,838	8,726,846	6,837,275	8,693,252
Renminbi	5,376,428	4,147,581	5,376,428	4,147,581
Euro	96,282	59,720	90,455	54,123
Hong Kong Dollar	47,736	13,601	47,736	13,601
Other currencies	85,912	94,131	85,912	94,131
Total	12,473,196	13,041,879	12,437,806	13,002,688
<u>Add</u> Accrued interest receivables and undue interest receivables	123,415	64,064	123,415	64,064
<u>Less</u> Allowance for expected credit losses	(5,227)	(64,267)	(5,227)	(64,267)
Total foreign items - net	12,591,384	13,041,676	12,555,994	13,002,485
Total domestic and foreign items - net	34,978,339	36,744,587	33,973,517	35,842,159

⁽¹⁾ As at 31 December 2025 and 2024, the Bank maintained assets as reserves for advances received from electronic funds transfer transactions at the Bank of Thailand in accordance with the BOT's Notification No. Sor Nor Sor. 2/2562, amounting to Baht 730 million and Baht 500 million, respectively.

8.4 Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss classified by type of investments as at 31 December 2025 and 2024 are as follows:

Investments	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2025	2024
Financial assets held for trading		
Marketable equity instruments	1,667	-
Non-marketable equity instruments	-	797
Total	1,667	797

8.5 Derivatives

8.5.1 Derivatives held for trading

The fair value and the notional amount classified by types of risks as at 31 December 2025 and 2024 are as follows:

Types of risks	(Unit: Thousand Baht)					
	Consolidated and separate financial statements					
	2025			2024		
	Fair value		Notional amount ⁽¹⁾	Fair value		Notional amount ⁽¹⁾
Assets	Liabilities	Assets		Liabilities		
Foreign exchange	224,014	452,901	62,069,414	251,231	113,279	28,486,168
Interest rate	14,218	1,420	771,152	62,045	4,285	1,680,757
Foreign exchange and interest rate	-	6,147	496,364	-	-	-
Total	238,232	460,468	63,336,930	313,276	117,564	30,166,925

⁽¹⁾ Disclosed only in case that the Bank has the commitment on the payment side.

Proportion of derivative trading transactions classified by types of counterparties are determined on the basis of the notional amount.

Counterparties:	Consolidated and separate financial statements	
	2025	2024
	(Percent)	(Percent)
Financial institutions	93.83	98.14
Corporations	6.17	1.86
Total	100.00	100.00

8.5.2 Derivatives held for hedging

The fair value and notional amounts classified by type of risk as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

Types of risks	Consolidated and separate financial statements					
	2025			2024		
	Fair value		Notional amount ⁽¹⁾	Fair value		Notional amount ⁽¹⁾
	Assets	Liabilities		Assets	Liabilities	
Interest rate						
- Fair value hedge	73,475	209,189	18,159,833	363,803	68,258	21,943,713
Total	73,475	209,189	18,159,833	363,803	68,258	21,943,713

⁽¹⁾ The value based on the contractual amount.

Hedge accounting methodology

Fair value hedges

The amounts relating to items designated as hedged items under fair value hedges are as follows:

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements			
	2025			
	Carrying amount of hedged items		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
Interest rate risk				
Fixed rate investments in debt instrument		A		
- Debt securities measured at amortised cost	17,810	-	153	-
- Debt securities measured at fair value through other comprehensive income	516	-	(4)	-
Total	18,326	-	149	-

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements			
	2024			
	Carrying amount of hedged items		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
Interest rate risk				
Fixed rate investments in debt instrument		A		
- Debt securities measured at amortised cost	20,386	-	(209)	-
- Debt securities measured at fair value through other comprehensive income	885	-	(3)	-
Fixed-rate loans to customers		B		
	448	-	(2)	-
Total	21,719	-	(214)	-

The items in the statement of financial position, where the hedged items and the cumulative fair value changes are recorded, include:

A. Investments - net

B. Loans to customers and accrued interest receivables - net

The Bank establishes a hedge ratio by aligning the par amount of the fixed-rate investments in debt securities and the notional amount of the interest rate swap designated as a hedging instrument. The Bank applies the hedge ratio of 1:1.

8.6 Investments - net

As at 31 December 2025 and 2024, investments classified by type of investments are as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2025	2024
Investments in debt securities measured at amortised cost	42,088,842	47,306,638
Investments in debt securities measured at fair value through other comprehensive income	33,460,874	34,910,751
Investments in equity securities designated at fair value through other comprehensive income	50,642	126,097
Total	75,600,358	82,343,486

8.6.1 Investments in debt securities measured at amortised cost

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	2025	2024
	Amortised cost	Amortised cost
Domestic private debt securities	29,092,257	34,286,307
Foreign private debt securities	13,098,945	13,068,006
Total	42,191,202	47,354,313
<u>Less</u> Allowance for expected credit losses	(102,360)	(47,675)
Total	42,088,842	47,306,638

As at 31 December 2025 and 2024, the Bank has no the investments in debt instruments measured at amortised cost are pledged as security on a contract for repurchase agreements.

8.6.2 Investments in debt securities measured at fair value through other comprehensive income

(Unit: Thousand Baht)

	Consolidated and separate	
	financial statements	
	2025	2024
	Fair value	Fair value
Government and state enterprise securities	32,945,215	34,025,746
Domestic private debt securities	515,659	885,005
Total	33,460,874	34,910,751
Allowance for expected credit losses	(264)	(772)

8.6.3 Investments in equity securities designated at fair value through other comprehensive income

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	2025		2024	
	Fair value	Dividend income	Fair value	Dividend income
Domestic marketable equity securities	40,117	-	116,281	-
Domestic non-marketable equity securities	10,525	471	9,816	470
Total	50,642	471	126,097	470

As of 31 December 2025 and 2024, the Bank has no investments in shares of other companies exceeding 10% of their paid-up capital, which did not qualify as investments in subsidiaries or associates.

8.7 Investments in subsidiaries - net

Investments in subsidiaries as presented in the separate financial statements as at 31 December 2025 and 2024 are summarised as follows:

(Unit: Million Baht)

Name of subsidiaries	Type of business	Percentage of holding		Paid-up capital		Investment (cost method)		Dividend received for the years ended 31 December	
		2025	2024	2025	2024	2025	2024	2025	2024
		(Percent)	(Percent)						
Direct subsidiary									
ICBC (Thai) Leasing Company Limited ⁽¹⁾	Hire-purchase, finance lease and factoring business	99.99	99.99	4,250	4,250	4,250	4,250	-	-
Indirect subsidiaries									
Sky High Li Leasing Designated Activity Company ⁽²⁾	Hire-purchase business	99.99	99.99	- ⁽³⁾	- ⁽³⁾	-	-	-	-
ICBC (Thai) Insurance Broker Company Limited ⁽¹⁾	Life and non-life insurance brokers	99.99	99.99	6	6	-	-	-	-
Total						4,250	4,250	-	-

⁽¹⁾ The subsidiaries are incorporated in Thailand.

⁽²⁾ The subsidiary is incorporated in Ireland.

⁽³⁾ Paid-up capital and cost are lower than Baht 1 million.

8.8 Loans to customers and accrued interest receivables - net

8.8.1 Classified by types of loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Overdrafts	387,700	391,781	387,700	391,781
Loans	59,680,982	66,728,995	62,469,374	69,862,235
Bills	19,421,971	19,833,855	25,867,971	19,872,855
Factoring receivables	1,610,453	3,868,728	1,481,390	3,538,009
Hire-purchase receivables	40,883,293	47,807,864	-	-
Finance lease receivables	2,100,331	2,333,475	-	-
Total loans to customers	124,084,730	140,964,698	90,206,435	93,664,880
Add Accrued interest receivables and undue interest income ⁽¹⁾	147,438	332,415	122,506	313,879
Total loans to customers and accrued interest receivables	124,232,168	141,297,113	90,328,941	93,978,759
Less Allowance for expected credit losses	(5,136,948)	(4,750,094)	(4,010,707)	(3,364,505)
Loans to customers and accrued interest receivables - net	119,095,220	136,547,019	86,318,234	90,614,254

⁽¹⁾ Net of allowance on revaluation from debt restructuring.

8.8.2 Classified by currencies and residences of customers

(Unit: Thousand Baht)

	Consolidated financial statements					
	2025			2024		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	115,536,922	24,889	115,561,811	129,320,142	30,125	129,350,267
US Dollar	6,892,413	680,872	7,573,285	10,344,726	921,723	11,266,449
Renminbi	576,981	529	577,510	6,558	747	7,305
Euro	372,028	96	372,124	340,632	45	340,677
Total ⁽¹⁾	123,378,344	706,386	124,084,730	140,012,058	952,640	140,964,698

⁽¹⁾ Excluding accrued interest receivables.

(Unit: Thousand Baht)

	Separate financial statements					
	2025			2024		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	81,659,422	24,889	81,684,311	82,021,975	30,125	82,052,100
US Dollar	3,935,456	3,637,034	7,572,490	7,053,013	4,211,785	11,264,798
Renminbi	576,981	529	577,510	6,558	747	7,305
Euro	372,028	96	372,124	340,632	45	340,677
Total ⁽¹⁾	86,543,887	3,662,548	90,206,435	89,422,178	4,242,702	93,664,880

⁽¹⁾ Excluding accrued interest receivables.

8.8.3 Classified by stages

(Unit: Thousand Baht)

	Consolidated financial statements			
	2025		2024	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets that has not been a significant increase in credit risk (Performing)	112,027,620	(2,763,766)	127,325,869	(2,785,927)
Financial assets that has been a significant increase in credit risk (Under-performing)	10,917,521	(2,106,576)	12,379,455	(1,253,655)
Financial assets that are credit-impaired (Non-performing)	1,287,027	(266,606)	1,591,789	(710,512)
Total	124,232,168	(5,136,948)	141,297,113	(4,750,094)

(Unit: Thousand Baht)

	Separate financial statements			
	2025		2024	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets that has not been a significant increase in credit risk (Performing)	82,141,693	(2,559,855)	85,063,005	(2,494,820)
Financial assets that has been a significant increase in credit risk (Under-performing)	7,470,662	(1,397,675)	8,137,337	(454,483)
Financial assets that are credit-impaired (Non-performing)	716,586	(53,177)	778,417	(415,202)
Total	90,328,941	(4,010,707)	93,978,759	(3,364,505)

8.8.4 Classified by business types and stages

(Unit: Thousand Baht)

	Consolidated financial statements			
	2025			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,342,907	909	-	1,343,816
Manufacturing and commerce	35,314,799	4,017,881	530,703	39,863,383
Property development and construction	8,813,347	375,926	110,018	9,299,291
Infrastructure and services	30,329,668	3,077,090	18,298	33,425,056
Housing loans	1,622	473	-	2,095
Others ⁽¹⁾	36,141,597	3,436,790	572,702	40,151,089
Total ⁽²⁾	111,943,940	10,909,069	1,231,721	124,084,730

⁽¹⁾ Incorporate hire-purchase and finance lease of subsidiaries.⁽²⁾ Excluding accrued interest receivables.

(Unit: Thousand Baht)

Consolidated financial statements

	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,604,437	1,162	-	1,605,599
Manufacturing and commerce	46,071,303	2,274,271	676,020	49,021,594
Property development and construction	6,353,648	716,739	111,077	7,181,464
Infrastructure and services	31,272,897	4,877,597	21,550	36,172,044
Housing loans	2,040	699	-	2,739
Others ⁽¹⁾	41,932,235	4,232,822	816,201	46,981,258
Total ⁽²⁾	127,236,560	12,103,290	1,624,848	140,964,698

⁽¹⁾ Incorporate hire-purchase and finance lease of subsidiaries.⁽²⁾ Excluding accrued interest receivables.

(Unit: Thousand Baht)

Separate financial statements

	2025			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Agriculture and mining	1,342,907	909	-	1,343,816
Manufacturing and commerce	44,420,128	4,017,881	530,703	48,968,712
Property development and construction	8,813,347	375,926	110,018	9,299,291
Infrastructure and services	27,372,711	3,077,090	18,298	30,468,099
Housing loans	1,622	473	-	2,095
Others	118,982	2,262	3,178	124,422
Total ⁽¹⁾	82,069,697	7,474,541	662,197	90,206,435

⁽¹⁾ Excluding accrued interest receivables.

(Unit: Thousand Baht)

	Separate financial statements			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
	Agriculture and mining	1,604,437	1,162	-
Manufacturing and commerce	48,912,825	2,274,271	676,020	51,863,116
Property development and construction	6,353,648	716,739	111,077	7,181,464
Infrastructure and services	27,981,184	4,877,597	21,550	32,880,331
Housing loans	2,040	698	-	2,738
Others	125,131	3,137	3,364	131,632
Total ⁽¹⁾	84,979,265	7,873,604	812,011	93,664,880

⁽¹⁾ Excluding accrued interest receivables.

8.8.5 Hire-purchase and financial lease receivables

As at 31 December 2025, the subsidiaries had net hire-purchase and finance lease receivables, which are hire-purchase or finance lease contracts for motor vehicles, aircrafts, machinery and equipment for businesses. The terms of the contracts are between 3 months to 21 years (31 December 2024: 1 to 21 years) and the interest is charged at floating or fixed rates as specified in the contracts.

(Unit: Million Baht)

	Consolidated financial statements			
	2025			
	Periods due for payments			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Gross investments in the agreements	14,880	28,911	3,956	47,747
<u>Less</u> Deferred revenue ⁽¹⁾	<u>(1,695)</u>	<u>(2,563)</u>	<u>(480)</u>	<u>(4,738)</u>
Present value of the minimum lease payments	13,185	26,348	3,476	43,009
<u>Less</u> Allowance for expected credit losses				<u>(1,611)</u>
Hire-purchase and finance lease receivables - net				41,398

⁽¹⁾ Net of commission and initial direct expense incurred at the inception of contracts.

(Unit: Million Baht)

Consolidated financial statements				
2024				
Periods due for payments				
	Less than		Over	Total
	1 year	1 - 5 years	5 years	
Gross investments in the agreements	16,016	35,037	5,143	56,196
<u>Less</u> Deferred revenue ⁽¹⁾	(2,049)	(3,270)	(716)	(6,035)
Present value of the minimum lease payments	13,967	31,767	4,427	50,161
<u>Less</u> Allowance for expected credit losses				(1,714)
Hire-purchase and finance lease receivables - net				48,447

⁽¹⁾ Net of commission and initial direct expense incurred at the inception of contracts.

8.8.6 Loans to subsidiaries

(Unit: Million Baht)

Separate financial statements						
Company's name	Types of loans	Maturity	Interest rate		Amount	
			2025	2024	2025	2024
			(% per annum)	(% per annum)		
ICBC (Thai) Leasing Company Limited	Revolving loans	At call	1.37	2.50	6,446	39
Sky High Li Leasing Designated Activity Company	Term loans	2038	3 Months Term SOFR + 54.6 bps	3 Months Term SOFR + 54.6 bps	2,957	3,291
Total					9,403	3,330
<u>Less</u> Allowance for expected credit losses					(486)	(328)
Loan to customers and accrued interest receivables - net					8,917	3,002

8.8.7 Troubled debt restructuring

As at 31 December 2025 and 2024, the Bank and its subsidiaries have outstanding balances with troubled debt restructuring debtors as follows:

	Consolidated financial statements			
	2025		2024	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	10,907	13,013	16,259	17,436

	Separate financial statements			
	2025		2024	
	Number of debtors	Outstanding balances (Million Baht)	Number of debtors	Outstanding balances (Million Baht)
Balances of restructured debts	48	6,470	50	8,186

As at 31 December 2025 and 2024, the Bank and its subsidiaries have no commitment to addition lending to customers after troubled debt restructurings.

As at 31 December 2025, the subsidiaries had 3,542 debtors participating in the "Khun Soo, Rau Chuay" assistance program in accordance with the relief guidelines for small and medium-sized enterprise (SME) debtors, totaling an amount of Baht 1,099 million.

8.9 Allowance for expected credit losses

(Unit: Thousand Baht)

	Consolidated financial statements			
	2025			Total
Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired		
Interbank and money market items (assets)				
Beginning balance	80,278	-	-	80,278
Changes from remeasurement of loss allowance	(15,363)	-	-	(15,363)
New financial assets purchased or acquired	2,877	-	-	2,877
Derecognition	(60,330)	-	-	(60,330)
Ending balance	7,462	-	-	7,462

(Unit: Thousand Baht)

Consolidated financial statements				
2025				
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Investments in debt instruments measured at amortised cost				
Beginning balance	44,449	3,226	-	47,675
Changes from remeasurement of loss allowance	(15,441)	72,704	-	57,263
New financial assets purchased or acquired	7,916	-	-	7,916
Derecognition	(10,047)	(447)	-	(10,494)
Ending balance	26,877	75,483	-	102,360
Investments in debt instruments measured at fair value through other comprehensive income				
Beginning balance	772	-	-	772
Changes from remeasurement of loss allowance	(352)	-	-	(352)
Derecognition	(156)	-	-	(156)
Ending balance	264	-	-	264
Loans to customers and accrued interest receivables				
Beginning balance	2,785,927	1,253,655	710,512	4,750,094
Changes from transfers among stages	78,352	(119,518)	41,166	-
Changes from remeasurement of loss allowance	(288,324)	1,100,872	1,026,776	1,839,324
New financial assets purchased or acquired	368,668	105,780	11,950	486,398
Derecognition	(180,857)	(234,213)	(274,893)	(689,963)
Write-off	-	-	(1,248,905)	(1,248,905)
Ending balance	2,763,766	2,106,576	266,606	5,136,948
Loan commitments and financial guarantee contracts				
Beginning balance	269,952	4,056	6,690	280,698
Changes from transfers among stages	20	(20)	-	-
Changes from remeasurement of loss allowance	(87,975)	483	(27)	(87,519)
New financial assets purchased or acquired	68,820	195	-	69,015
Derecognition	(42,597)	(2,720)	(6,663)	(51,980)
Ending balance	208,220	1,994	-	210,214

(Unit: Thousand Baht)

	Consolidated financial statements			Total
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	
Interbank and money market items (assets)				
Beginning balance	33,002	-	-	33,002
Changes from remeasurement of loss allowance	(28)	-	-	(28)
New financial assets purchased or acquired	78,459	-	-	78,459
Derecognition	(31,155)	-	-	(31,155)
Ending balance	80,278	-	-	80,278
Investments in debt instruments measured at amortised cost				
Beginning balance	45,823	-	-	45,823
Changes from transfers among stages	(1,114)	1,114	-	-
Changes from remeasurement of loss allowance	(5,086)	2,112	-	(2,974)
New financial assets purchased or acquired	10,343	-	-	10,343
Derecognition	(5,517)	-	-	(5,517)
Ending balance	44,449	3,226	-	47,675
Investments in debt instruments measured at fair value through other comprehensive income				
Beginning balance	1,596	-	-	1,596
Changes from remeasurement of loss allowance	(351)	-	-	(351)
Derecognition	(473)	-	-	(473)
Ending balance	772	-	-	772
Loans to customers and accrued interest receivables				
Beginning balance	2,832,501	2,219,893	878,881	5,931,275
Changes from transfers among stages	382,563	(445,697)	63,134	-
Changes from remeasurement of loss allowance	(664,364)	306,426	1,223,450	865,512
New financial assets purchased or acquired	379,015	157,472	408,281	944,768
Derecognition	(143,788)	(984,439)	(618,273)	(1,746,500)
Write-off	-	-	(1,244,961)	(1,244,961)
Ending balance	2,785,927	1,253,655	710,512	4,750,094

(Unit: Thousand Baht)

Consolidated financial statements				
2024				
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Loan commitments and financial guarantee contracts				
Beginning balance	245,284	31,500	18,112	294,896
Changes from transfers among stages	(1,391)	1,331	60	-
Changes from remeasurement of loss allowance	(3,337)	(29,507)	(39)	(32,883)
New financial assets purchased or acquired	58,857	1,407	-	60,264
Derecognition	(29,461)	(675)	(11,443)	(41,579)
Ending balance	269,952	4,056	6,690	280,698

(Unit: Thousand Baht)

Separate financial statements				
2025				
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Interbank and money market items (assets)				
Beginning balance	80,278	-	-	80,278
Changes from remeasurement of loss allowance	(15,363)	-	-	(15,363)
New financial assets purchased or acquired	2,877	-	-	2,877
Derecognition	(60,330)	-	-	(60,330)
Ending balance	7,462	-	-	7,462
Investments in debt instruments measured at amortised cost				
Beginning balance	44,449	3,226	-	47,675
Changes from remeasurement of loss allowance	(15,441)	72,704	-	57,263
New financial assets purchased or acquired	7,916	-	-	7,916
Derecognition	(10,047)	(447)	-	(10,494)
Ending balance	26,877	75,483	-	102,360

(Unit: Thousand Baht)

	Separate financial statements			
	2025			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Investments in debt instruments measured at fair value through other comprehensive income				
Beginning balance	772	-	-	772
Changes from remeasurement of loss allowance	(352)	-	-	(352)
Derecognition	(156)	-	-	(156)
Ending balance	264	-	-	264
Loans to customers and accrued interest receivables				
Beginning balance	2,494,820	454,483	415,202	3,364,505
Changes from transfers among stages	(41,289)	27,955	13,334	-
Changes from remeasurement of loss allowance	(25,382)	991,305	417,710	1,383,633
New financial assets purchased or acquired	293,085	84,782	6,729	384,596
Derecognition	(161,379)	(160,850)	(195,734)	(517,963)
Write-off	-	-	(604,064)	(604,064)
Ending balance	2,559,855	1,397,675	53,177	4,010,707
Loan commitments and financial guarantee contracts				
Beginning balance	270,457	4,056	6,690	281,203
Changes from transfers among stages	20	(20)	-	-
Changes from remeasurement of loss allowance	(88,254)	483	(27)	(87,798)
New financial assets purchased or acquired	68,820	195	-	69,015
Derecognition	(42,597)	(2,720)	(6,663)	(51,980)
Ending balance	208,446	1,994	-	210,440

(Unit: Thousand Baht)

	Separate financial statements			
	2024			
	Financial assets that has not been a significant increase in credit risk	Financial assets that has been a significant increase in credit risk	Financial assets that are credit - impaired	Total
Interbank and money market items (assets)				
Beginning balance	33,002	-	-	33,002
Changes from remeasurement of loss allowance	(28)	-	-	(28)
New financial assets purchased or acquired	78,459	-	-	78,459
Derecognition	(31,155)	-	-	(31,155)
Ending balance	80,278	-	-	80,278
Investments in debt instruments measured at amortised cost				
Beginning balance	45,823	-	-	45,823
Changes from transfers among stages	(1,114)	1,114	-	-
Changes from remeasurement of loss allowance	(5,086)	2,112	-	(2,974)
New financial assets purchased or acquired	10,343	-	-	10,343
Derecognition	(5,517)	-	-	(5,517)
Ending balance	44,449	3,226	-	47,675
Investments in debt instruments measured at fair value through other comprehensive income				
Beginning balance	1,596	-	-	1,596
Changes from remeasurement of loss allowance	(351)	-	-	(351)
Derecognition	(473)	-	-	(473)
Ending balance	772	-	-	772
Loans to customers and accrued interest receivables				
Beginning balance	2,505,714	931,028	561,132	3,997,874
Changes from transfers among stages	340,110	(340,075)	(35)	-
Changes from remeasurement of loss allowance	(561,270)	89,543	14,297	(457,430)
New financial assets purchased or acquired	344,176	137,487	401,759	883,422
Derecognition	(133,910)	(363,500)	(551,980)	(1,049,390)
Write-off	-	-	(9,971)	(9,971)
Ending balance	2,494,820	454,483	415,202	3,364,505
Loan commitments and financial guarantee contracts				
Beginning balance	245,378	31,500	18,112	294,990
Changes from transfers among stages	(1,391)	1,331	60	-
Changes from remeasurement of loss allowance	(3,337)	(29,507)	(39)	(32,883)
New financial assets purchased or acquired	59,362	1,407	-	60,769
Derecognition	(29,555)	(675)	(11,443)	(41,673)
Ending balance	270,457	4,056	6,690	281,203

8.10 Properties foreclosed - net

The majority of properties foreclosed are from auction bidding and settlement of debts by the restructured debtors. The details of properties foreclosed as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

Types of properties foreclosed	Consolidated financial statements			
	2025			
	Beginning balance	Additions	Disposals	Ending balance
Assets transferred in settlement of debts				
- Immovable properties	179,463	-	(45,175)	134,288 ⁽¹⁾
- Movable assets	228,223	887,918	(1,026,476)	89,665
Total	407,686	887,918	(1,071,651)	223,953
Assets from auction bidding				
- Immovable properties	27,120	-	-	27,120
Total	27,120	-	-	27,120
Total properties foreclosed	434,806	887,918	(1,071,651)	251,073
Less Allowance for impairment	(271,755)	(262,905)	374,725	(159,935)
Total properties foreclosed - net	163,051	625,013	(696,926)	91,138

⁽¹⁾ As at 31 December 2025, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 106 million and Baht 28 million, respectively.

(Unit: Thousand Baht)

Types of properties foreclosed	Consolidated financial statements			
	2024			
	Beginning balance	Additions	Disposals	Ending balance
Assets transferred in settlement of debts				
- Immovable properties	182,702	-	(3,239)	179,463 ⁽¹⁾
- Movable assets	335,105	2,658,615	(2,765,497)	228,223
Total	517,807	2,658,615	(2,768,736)	407,686
Assets from auction bidding				
- Immovable properties	27,120	-	-	27,120
Total	27,120	-	-	27,120
Total properties foreclosed	544,927	2,658,615	(2,768,736)	434,806
Less Allowance for impairment	(337,306)	(733,660)	799,211	(271,755)
Total properties foreclosed - net	207,621	1,924,955	(1,969,525)	163,051

⁽¹⁾ As at 31 December 2024, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 28 million, respectively.

(Unit: Thousand Baht)

Types of properties foreclosed	Separate financial statements			
	2025			
	Beginning balance	Additions	Disposals	Ending balance
Assets transferred in settlement of debts				
- Immovable properties	179,463	-	(45,175)	134,288 ⁽¹⁾
Total	179,463	-	(45,175)	134,288
Assets from auction bidding				
- Immovable properties	27,120	-	-	27,120
Total	27,120	-	-	27,120
Total properties foreclosed	206,583	-	(45,175)	161,408
Less Allowance for impairment	(181,567)	-	45,175	(136,392)
Total properties foreclosed - net	25,016	-	-	25,016

⁽¹⁾ As at 31 December 2025, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 106 million and Baht 28 million, respectively.

(Unit: Thousand Baht)

Types of properties foreclosed	Separate financial statements			
	2024			
	Beginning balance	Additions	Disposals	Ending balance
Assets transferred in settlement of debts				
- Immovable properties	182,702	-	(3,239)	179,463 ⁽¹⁾
Total	182,702	-	(3,239)	179,463
Assets from auction bidding				
- Immovable properties	27,120	-	-	27,120
Total	27,120	-	-	27,120
Total properties foreclosed	209,822	-	(3,239)	206,583
Less Allowance for impairment	(183,148)	-	1,581	(181,567)
Total properties foreclosed - net	26,674	-	(1,658)	25,016

⁽¹⁾ As at 31 December 2024, the value of immovable assets acquired from debt settlement was appraised by external appraisers and internal appraisers in the amount of Baht 152 million and Baht 28 million, respectively.

As at 31 December 2025 and 2024, the Bank and its subsidiaries have no properties foreclosed subject to restrictions on disposal, buy-back rights or first refusal rights.

8.11 Land, premises and equipment - net

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Net book value:				
Land, premises and equipment	117,576	149,166	88,681	112,402
Right-of-use assets (Note 8.12)	335,576	404,872	182,333	224,245
Total	453,152	554,038	271,014	336,647

Movements of land, premises and equipment for the year ended 31 December 2025 and 2024 are summarised below

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Furniture, fixtures and office equipment	Motor vehicles	Asset under installation	Total
Cost:						
As at 1 January 2024	8,500	6,892	753,783	84,770	1,273	855,218
Additions/transfers-in	-	-	30,271	-	14,937	45,208
Disposals/write-offs/transfers - out	-	-	(81,654)	(6,809)	(14,609)	(103,072)
As at 31 December 2024	8,500	6,892	702,400	77,961	1,601	797,354
Additions/transfers-in	-	-	19,571	2,000	6,032	27,603
Disposals/write-offs/transfers - out	-	-	(120,232)	(2,727)	(7,526)	(130,485)
As at 31 December 2025	8,500	6,892	601,739	77,234	107	694,472
Accumulated depreciation:						
As at 1 January 2024	-	(2,917)	(591,610)	(78,049)	-	(672,576)
Depreciation for the year	-	(203)	(60,027)	(3,824)	-	(64,054)
Depreciation on disposals/ write-offs/transfers-out	-	-	81,633	6,809	-	88,442
As at 31 December 2024	-	(3,120)	(570,004)	(75,064)	-	(648,188)
Depreciation for the year	-	(203)	(50,143)	(1,321)	-	(51,667)
Depreciation on disposals/ write-offs/transfers-out	-	-	120,232	2,727	-	122,959
As at 31 December 2025	-	(3,323)	(499,915)	(73,658)	-	(576,896)
Net book value:						
As at 31 December 2024	8,500	3,772	132,396	2,897	1,601	149,166
As at 31 December 2025	8,500	3,569	101,824	3,576	107	117,576
Depreciation for the year ended 31 December:						
2024						64,054
2025						51,667

(Unit: Thousand Baht)

	Separate financial statements					Total
	Land	Buildings	Furniture, fixtures and office equipment	Motor vehicles	Asset under installation	
Cost:						
As at 1 January 2024	8,500	6,892	606,785	65,704	1,273	689,154
Additions/transfers-in	-	-	26,589	-	14,739	41,328
Disposals/write-offs/transfers - out	-	-	(71,991)	(6,809)	(14,411)	(93,211)
As at 31 December 2024	8,500	6,892	561,383	58,895	1,601	637,271
Additions/transfers-in	-	-	16,462	2,000	6,001	24,463
Disposals/write-offs/transfers - out	-	-	(120,232)	(2,727)	(7,495)	(130,454)
As at 31 December 2025	8,500	6,892	457,613	58,168	107	531,280
Accumulated depreciation:						
As at 1 January 2024	-	(2,917)	(493,112)	(59,515)	-	(555,544)
Depreciation for the year	-	(203)	(44,611)	(3,291)	-	(48,105)
Depreciation on disposals/ write-offs/transfers-out	-	-	71,971	6,809	-	78,780
As at 31 December 2024	-	(3,120)	(465,752)	(55,997)	-	(524,869)
Depreciation for the year	-	(203)	(39,165)	(1,321)	-	(40,689)
Depreciation on disposals/ write-offs/transfers-out	-	-	120,232	2,727	-	122,959
As at 31 December 2025	-	(3,323)	(384,685)	(54,591)	-	(442,599)
Net book value:						
As at 31 December 2024	8,500	3,772	95,631	2,898	1,601	112,402
As at 31 December 2025	8,500	3,569	72,928	3,577	107	88,681
Depreciation for the year ended 31 December:						
2024						48,105
2025						40,689

As at 31 December 2025 and 2024, the Bank and its subsidiaries have equipment which have been fully depreciated but are still in use with the gross carrying amount, before deducting accumulated depreciation and allowance for loss on impairment, of approximately Baht 449 million and Baht 513 million, respectively (Separate financial statements: Baht 340 million and Baht 418 million, respectively)

8.12 Leases

The Bank and its subsidiaries have entered into the lease agreements for rental of buildings, furniture, fixtures and office equipment and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 to 30 years.

8.12.1 Right-of-use assets

Movements of right-of-use assets for the year ended 31 December 2025 and 2024 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Furniture, fixtures and office			
	Buildings	equipment	Motor vehicles	Total
As at 1 January 2024	457,417	1,855	2,677	461,949
Additions	44,596	7,547	3,181	55,324
Contract termination	(869)	-	-	(869)
Depreciation for the year	(104,774)	(3,883)	(2,875)	(111,532)
As at 31 December 2024	396,370	5,519	2,983	404,872
Additions	37,555	1,285	1,736	40,576
Contract termination	(747)	-	-	(747)
Depreciation for the year	(105,379)	(2,765)	(981)	(109,125)
As at 31 December 2025	327,799	4,039	3,738	335,576

(Unit: Thousand Baht)

	Separate financial statements			
	Furniture, fixtures and office			
	Buildings	equipment	Motor vehicles	Total
As at 1 January 2024	252,180	620	1,841	254,641
Additions	41,354	7,756	-	49,110
Contract termination	(869)	-	-	(869)
Depreciation for the year	(74,107)	(2,689)	(1,841)	(78,637)
As at 31 December 2024	218,558	5,687	-	224,245
Additions	35,672	583	-	36,255
Contract termination	(747)	-	-	(747)
Depreciation for the year	(74,650)	(2,770)	-	(77,420)
As at 31 December 2025	178,833	3,500	-	182,333

8.12.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Balance - beginning of year	391,651	443,227	186,043	207,493
Increase during the year	41,484	69,537	37,048	50,791
Paid during the year	(106,278)	(120,244)	(72,379)	(71,372)
Terminated during the year	(747)	(869)	(747)	(869)
Balance - end of year	326,110	391,651	149,965	186,043
Less: Deferred interest expenses	(20,037)	(28,974)	(7,312)	(10,975)
Lease liabilities - net	306,073	362,677	142,653	175,068
Less: current portion	(87,883)	(93,931)	(55,001)	(64,353)
Lease liabilities - net of current portion	218,190	268,746	87,652	110,715

The Bank and its subsidiaries had total cash outflows on leases during the year ended 31 December 2025 and 2024 of Baht 118 million and Baht 128 million, respectively (separate financial statements: Baht 82 million and Baht 77 million, respectively).

Expenses relating to leases that are recognised in profit or loss for the year ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Depreciation expenses of right-of-use assets	109,125	111,532	77,420	78,637
Interest expenses on lease liabilities	9,857	10,941	4,456	4,944
Expenses relating to short-term leases	11,358	7,924	9,158	5,720
Total	130,340	130,397	91,034	89,301

8.13 Intangible assets - net

Movement of intangible assets for the year ended 31 December 2025 and 2024 are summarised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Related customer relationship fee	Total
<u>Cost:</u>			
As at 1 January 2024	138,500	26,750	165,250
Additions/transfers-in	9,888	-	9,888
As at 31 December 2024	148,388	26,750	175,138
Additions/transfers-in	6,540	-	6,540
As at 31 December 2025	154,928	26,750	181,678
<u>Accumulated amortisation:</u>			
As at 1 January 2024	(93,912)	(26,748)	(120,660)
Amortisation charged for the year	(7,651)	-	(7,651)
As at 31 December 2024	(101,563)	(26,748)	(128,311)
Amortisation charged for the year	(8,368)	-	(8,368)
As at 31 December 2025	(109,931)	(26,748)	(136,679)
<u>Net book value:</u>			
As at 31 December 2024	46,825	2	46,827
As at 31 December 2025	44,997	2	44,999
<u>Amortisation for the year ended 31 December:</u>			
2024			7,651
2025			8,368

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Related customer relationship fee	Total
<u>Cost:</u>			
As at 1 January 2024	78,319	26,750	105,069
Additions/transfers-in	7,930	-	7,930
As at 31 December 2024	86,249	26,750	112,999
Additions/transfers-in	6,336	-	6,336
As at 31 December 2025	92,585	26,750	119,335
<u>Accumulated amortisation:</u>			
As at 1 January 2024	(49,931)	(26,748)	(76,679)
Amortisation charged for the year	(5,138)	-	(5,138)
As at 31 December 2024	(55,069)	(26,748)	(81,817)
Amortisation charged for the year	(5,737)	-	(5,737)
As at 31 December 2025	(60,806)	(26,748)	(87,554)
<u>Net book value:</u>			
As at 31 December 2024	31,180	2	31,182
As at 31 December 2025	31,779	2	31,781
<u>Amortisation for the year ended 31 December:</u>			
2024			5,138
2025			5,737

As at 31 December 2025 and 2024, the Bank and its subsidiaries have computer software which have been fully amortised but are still in use, with gross carrying amounts before deducting accumulated amortisation of approximately Baht 96 million and Baht 96 million, respectively (separate financial statements: Baht 60 million and Baht 60 million, respectively).

8.14 Deferred tax assets/liabilities and income tax

8.14.1 Deferred tax assets/liabilities

Deferred tax assets and liabilities as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Deferred tax assets	1,584,527	1,662,473	529,938	529,751
Deferred tax liabilities	(402,132)	(485,882)	(102,586)	(23,280)
Net	1,182,395	1,176,591	427,352	506,471

Movements in total deferred tax assets and liabilities during the year are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 1 January 2025	Reported in		As at 31 December 2025
		Profit or loss	Other comprehensive income	
<i>Deferred tax assets</i>				
Derivative assets	24,298	-	-	24,298
Investments	62,262	(32,318)	16,505	46,449
Loans to customers and accrued interest receivables	254,678	(33,490)	-	221,188
Allowance for expected credit losses	297,919	37,223	-	335,142
Properties foreclosed	54,351	(22,364)	-	31,987
Other assets	784,220	11,854	-	796,074
Provisions	135,996	(17,346)	(4,515)	114,135
Other liabilities	48,749	(33,495)	-	15,254
Total	1,662,473	(89,936)	11,990	1,584,527
<i>Deferred tax liabilities</i>				
Investments	(23,280)	(30,679)	(48,627)	(102,586)
Loans to customers and accrued interest receivables	(458,678)	162,528	-	(296,150)
Deferred direct costs of debentures	(3,242)	1,553	-	(1,689)
Others	(682)	(1,025)	-	(1,707)
Total	(485,882)	132,377	(48,627)	(402,132)
Net	1,176,591	42,441	(36,637)	1,182,395

(Unit: Thousand Baht)

Consolidated financial statements				
	As at 1 January 2024	Reported in		As at 31 December 2024
		Profit or loss	Other comprehensive income	
<i>Deferred tax assets</i>				
Interbank and money market items	369	(369)	-	-
Derivative assets	35,246	(10,948)	-	24,298
Investments	154,277	(66,044)	(25,971)	62,262
Loans to customers and accrued interest receivables	243,616	11,062	-	254,678
Allowance for expected credit losses	321,199	(23,280)	-	297,919
Properties foreclosed	67,461	(13,110)	-	54,351
Other assets	405,327	378,893	-	784,220
Provisions	135,472	1,580	(1,056)	135,996
Other liabilities	48,219	530	-	48,749
Total	1,411,186	278,314	(27,027)	1,662,473
<i>Deferred tax liabilities</i>				
Investments	(11,516)	(165)	(11,599)	(23,280)
Loans to customers and accrued interest receivables	(582,831)	124,153	-	(458,678)
Deferred direct costs of debentures	(3,365)	123	-	(3,242)
Others	-	(682)	-	(682)
Total	(597,712)	123,429	(11,599)	(485,882)
Net	813,474	401,743	(38,626)	1,176,591

(Unit: Thousand Baht)

	Separate financial statements			As at 31 December 2025
	As at 1 January 2025	Reported in		
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Derivative assets	24,298	-	-	24,298
Investments	62,262	(32,318)	16,505	46,449
Loans to customers and accrued interest receivables	6,925	(3,567)	-	3,358
Allowance for expected credit losses	275,968	56,000	-	331,968
Properties foreclosed	36,314	(9,036)	-	27,278
Other assets	70	18	-	88
Provisions	118,525	(19,846)	(4,915)	93,764
Other liabilities	5,389	(2,654)	-	2,735
Total	529,751	(11,403)	11,590	529,938
Deferred tax liabilities				
Investments	(23,280)	(30,679)	(48,627)	(102,586)
Total	(23,280)	(30,679)	(48,627)	(102,586)
Net	506,471	(42,082)	(37,037)	427,352

(Unit: Thousand Baht)

	Separate financial statements			As at 31 December 2024
	As at 1 January 2024	Reported in		
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Interbank and money market items	369	(369)	-	-
Derivative assets	35,246	(10,948)	-	24,298
Investments	154,277	(66,044)	(25,971)	62,262
Loans to customers and accrued interest receivables	13,024	(6,099)	-	6,925
Allowance for expected credit losses	217,922	58,046	-	275,968
Properties foreclosed	36,630	(316)	-	36,314
Other assets	2,222	(2,152)	-	70
Provisions	119,018	(493)	-	118,525
Other liabilities	6,931	(1,542)	-	5,389
Total	585,639	(29,917)	(25,971)	529,751
Deferred tax liabilities				
Investments	(11,516)	(165)	(11,599)	(23,280)
Total	(11,516)	(165)	(11,599)	(23,280)
Net	574,123	(30,082)	(37,570)	506,471

8.14.2 Income taxes

Income taxes for the year ended 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Current income tax:				
Corporate income tax for the year	749,726	1,019,917	631,899	918,912
Adjustment in respect of income tax of previous year	9,920	(3,369)	(150)	(2,605)
Deferred tax:				
Deferred tax on temporary differences and reversion of temporary differences	(42,441)	(401,743)	42,082	30,082
Income tax reported in profit or loss	717,205	614,805	673,831	946,389

Income tax recognised in other comprehensive income for the year ended 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2025			2024		
	Amount before income tax	Income tax	Amount net of income tax	Amount before income tax	Income tax	Amount net of income tax
Investments in equity instruments measured at fair value through other comprehensive loss	(75,455)	15,091	(60,364)	(35,213)	7,043	(28,170)
Investments in debt instruments measured at fair value through other comprehensive income	236,065	(47,213)	188,852	223,063	(44,613)	178,450
Actuarial gains on defined employee benefit plans	22,577	(4,515)	18,062	5,281	(1,056)	4,225
Exchange differences on translation of financial statements in foreign currency	21,608	-	21,608	2,444	-	2,444
Total	204,795	(36,637)	168,158	195,575	(38,626)	156,949

(Unit: Thousand Baht)

	Separate financial statements					
	2025			2024		
	Amount before income tax	Income tax	Amount net of income tax	Amount before income tax	Income tax	Amount net of income tax
Investments in equity instruments measured at fair value through other comprehensive loss	(75,455)	15,091	(60,364)	(35,213)	7,043	(28,170)
Investments in debt instruments measured at fair value through other comprehensive income	236,065	(47,213)	188,852	223,063	(44,613)	178,450
Actuarial gain on defined employee benefit plans	24,574	(4,915)	19,659	-	-	-
Total	185,184	(37,037)	148,147	187,850	(37,570)	150,280

A reconciliation between income tax and the product of accounting profit multiplied by the applicable tax rate for the year ended 31 December 2025 and 2024 are as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Accounting profit before income tax	3,650,735	3,099,463	3,369,890	4,718,886
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	730,147	619,893	673,978	943,777
Adjustment in respect of income tax of previous year	9,920	(3,369)	(150)	(2,605)
Income tax effects:				
Tax effect of non-deductible income/expenses	(22,060)	5,971	3	5,217
Income tax of the indirect subsidiaries that is not taxable	(802)	(7,690)	-	-
Total	717,205	614,805	673,831	946,389
Weighted average tax rate	19.65%	19.84%	20.00%	20.06%

8.14.3 Effect from international tax reform - Pillar Two model rules

The Bank and its subsidiaries is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The Bank and its subsidiaries operates in country where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2024. During the year ended 31 December 2025 and 2024, the estimated top-up tax expense related to Pillar Two income taxes arises from the operation in the Ireland which the Bank and its subsidiaries have assessed that the impact of top-up tax was immaterial.

8.15 Other assets - net

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Prepaid expenses	28,320	21,757	17,443	15,899
Deposit	34,470	32,954	22,984	22,049
Advance payment	295	309	285	299
Others	1,537	1,576	-	200
Total	64,622	56,596	40,712	38,447

8.16 Deposits

8.16.1 Classified by types of deposits

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Demand deposits	5,820,137	11,956,567	5,821,203	11,960,169
Savings deposits	51,966,724	39,283,294	51,987,167	39,295,528
Fixed deposits				
- Not over 6 months	27,478,868	30,729,223	27,478,868	30,729,223
- Over 6 months but not over 1 year	20,785,423	25,185,801	20,785,423	25,185,801
- Over 1 year	33,468,341	42,344,458	33,468,341	42,344,457
Total	139,519,493	149,499,343	139,541,002	149,515,178

8.16.2 Classified by currencies and residences of depositors

(Unit: Thousand Baht)

	Consolidated financial statements					
	2025			2024		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	88,381,027	5,188,382	93,569,409	120,146,764	5,151,427	125,298,191
US Dollar	31,993,616	2,107,353	34,100,969	11,782,446	1,338,004	13,120,450
Renminbi	10,850,882	667,237	11,518,119	10,419,067	473,440	10,892,507
Other currencies	314,804	16,192	330,996	173,105	15,090	188,195
Total	131,540,329	7,979,164	139,519,493	142,521,382	6,977,961	149,499,343

(Unit: Thousand Baht)

	Separate financial statements					
	2025			2024		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	88,402,536	5,188,382	93,590,918	120,162,599	5,151,427	125,314,026
US Dollar	31,993,616	2,107,353	34,100,969	11,782,446	1,338,004	13,120,450
Renminbi	10,850,882	667,237	11,518,119	10,419,067	473,440	10,892,507
Other currencies	314,804	16,192	330,996	173,105	15,090	188,195
Total	131,561,838	7,979,164	139,541,002	142,537,217	6,977,961	149,515,178

8.17 Interbank and money market items (liabilities)

Interbank and money market items (liabilities) as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Domestic items				
Bank of Thailand	337,198	347,198	337,198	347,198
Commercial banks	8,435,168	5,654,231	3,435,168	2,614,231
Specialised financial institutions	26,179	24,294	26,179	24,294
Other financial institutions	904,764	944,531	904,764	944,531
Total domestic items	9,703,309	6,970,254	4,703,309	3,930,254
Foreign items				
US Dollar	5,955,059	6,911,736	5,955,059	6,911,736
Renminbi	4,070,360	5,228,729	4,070,360	5,228,729
Thai Baht	439,434	348,258	439,434	348,258
Total foreign items	10,464,853	12,488,723	10,464,853	12,488,723
Total domestic and foreign items	20,168,162	19,458,977	15,168,162	16,418,977

The outstanding loan agreements of the subsidiary require the subsidiary to comply with certain terms and conditions as specified in each agreement, including maintenance of a debt to equity ratio of not more than 7:1 and maintaining the shareholding proportion.

8.18 Debt issued and borrowings

Debt issued and borrowings as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2025			2024		
	Maturity	Interest rate (Percent)	Amount	Maturity	Interest rate (Percent)	Amount
Bill of exchange			-	2025	2.39 - 2.53	6,565,901
Unsecured						
debentures	2026 - 2028	1.34 - 3.73	20,068,397	2025 - 2027	1.17 - 3.70	28,679,248
Subordinated						
debentures ⁽¹⁾			-	2028	3.50	4,994,564
Total			20,068,397			40,239,713

⁽¹⁾ Counted as of Tier 2 capital under Bank of Thailand's criteria for inclusion of financial instruments in Tier 2 Capital (Note 7 to the financial statements).

(Unit: Thousand Baht)

	Separate financial statements					
	2025			2024		
	Maturity	Interest rate (Percent)	Amount	Maturity	Interest rate (Percent)	Amount
Subordinated						
debentures ⁽¹⁾			-	2028	3.50	4,994,564
Total			-			4,994,564

⁽¹⁾ Counted as of Tier 2 capital under Bank of Thailand's criteria for inclusion of financial instruments in Tier 2 Capital (Note 7 to the financial statements).

Subordinated debentures

On 23 March 2018, the Bank issued the Subordinated Debenture with no collateral No.1/2018 to be counted as Tier 2 capital under Based III requirement, amounting to Baht 5,000 million, with a 10 years and 6 months maturity period and carrying a fixed interest rate of 3.50% per annum, payable quarterly. The Bank can early redeem the Subordinated Debenture No.1/2018 after 5 years from the issue date or according to certain specified conditions. The Bank has the right for early redemption and the ability to write-off (fully or partially) when the authorities decide to give financial assistance to the Bank or under agreed condition. The Bank has to get the Bank of Thailand's approval before early redemption of the Subordinated Debenture.

On 27 October 2025, the Bank has redeemed the Subordinated Debentures. The Bank has received the Bank of Thailand's approval to the early redemption of the Subordinated Debentures.

8.19 Provisions for employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Beginning balance	398	381	311	300
Included in profit or loss:				
Current service cost	33	45	16	32
Interest cost	6	9	4	7
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
- Demographic assumptions changes	(8)	-	(8)	-
- Financial assumptions changes	20	(1)	14	-
- Experience adjustment	(34)	(4)	(30)	-
Benefits paid during the year	(54)	(32)	(48)	(28)
Ending balance	361	398	259	311

Significant actuarial assumption

	(Unit: Percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Discount rate	1.50 - 1.94	2.53 - 2.71	1.50	2.53
Future salary increase rate	5.00 - 5.50	5.00 - 5.50	5.00	5.00
Turnover rate	0 - 25	0 - 20	0 - 25	0 - 20

As at 31 December 2025 and 2024, the Bank and its subsidiaries expects to pay long-term employee benefits during the next year of Baht 48 million and Baht 58 million, respectively (Separate financial statements: Baht 41 million and Baht 52 million, respectively).

As at 31 December 2025 and 2024, the weighted-average duration of the defined benefit obligation is 5.78 - 11.48 years and 5.57 - 7.47 years, respectively (separate financial statements: 5.78 years and 5.57 years, respectively).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant principal actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit: Million Baht)

	Consolidated financial statements			
	2025		2024	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Increase (decrease) in the provision:				
Discount rate	(18.10)	20.35	(21.03)	23.61
Future salary increase rate	19.40	(17.66)	29.06	(26.34)
Turnover rate	(19.38)	11.11	(22.56)	12.53

(Unit: Million Baht)

	Separate financial statements			
	2025		2024	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Increase (decrease) in the provision:				
Discount rate	(11.73)	13.15	(15.79)	17.69
Future salary increase rate	12.56	(11.47)	23.39	(21.21)
Turnover rate	(12.45)	6.82	(16.82)	9.06

8.20 Other liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Other payables	481,431	594,848	338,997	347,617
Miscellaneous payable - remittance transaction	1,480,993	935,881	1,480,993	935,881
Advance received from finance lease	11,902	11,902	-	-
Advance received from electronic fund transfer service ⁽¹⁾	515,139	142,938	515,139	142,938
Accrued expenses	708,765	624,268	603,463	536,651
Withholding tax payable	42,171	41,906	34,631	36,662
Special business tax payable	27,580	39,101	27,580	39,101
Corporate income tax payable	507,123	453,708	476,165	429,022
Deferred income	42,568	47,468	42,568	47,468
Others	272,781	257,964	192,186	165,766
Total	4,090,453	3,149,984	3,711,722	2,681,106

⁽¹⁾ Disclosed according to the BOT Notification number Sor Nor Chor 2/2562 dated 20 December 2019, regarding "Regulations on Service Business relating to Electronic Fund Transfer (EFT)".

8.21 Offsetting of financial assets and financial liabilities

Offsetting of financial assets and financial liabilities as at 31 December 2025 and 2024 are as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	2025				
	Gross amount	Amount offset in statement of financial position	Net amount presented in statement of financial position	Amounts not offset in statement of financial position eligible for offsetting per contracts	Net amount
Financial assets					
Reverse repurchase agreement	9,700	-	9,700	(9,700)	-
Derivative assets	89	-	312	-	312
Total	9,789	-	10,012	(9,700)	312
Financial liabilities					
Derivative liabilities	236	-	670	(220)	450
Total	236	-	670	(220)	450

(Unit: Million Baht)

	Consolidated and separate financial statements				
	2024				
	Gross amount	Amount offset in statement of financial position	Net amount presented in statement of financial position	Amounts not offset in statement of financial position eligible for offsetting per contracts	Net amount
Financial assets					
Reverse repurchase agreement	10,080	-	10,080	(10,080)	-
Derivative assets	202	-	202	(116)	86
Total	10,282	-	10,282	(10,196)	86
Financial liabilities					
Derivative liabilities	188	-	188	(48)	140
Total	188	-	188	(48)	140

Reconciliation to the net amounts of financial assets and financial liabilities presented in the statement of financial position as at 31 December 2025 and 2024 are as follows:

(Unit: Million Baht)

Consolidated financial statements					
2025					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	9,700	Interbank and money market items	8.3	34,978	25,278
Derivative assets	312	Derivative assets	8.5	312	-
Total	10,012			35,290	25,278
Financial liabilities					
Derivative liabilities	670	Derivative liabilities	8.5	670	-
Total	670			670	-

(Unit: Million Baht)

Consolidated financial statements					
2024					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	10,080	Interbank and money market items	8.3	36,745	26,665
Derivative assets	202	Derivative assets	8.5	677	475
Total	10,282			37,422	27,140
Financial liabilities					
Derivative liabilities	183	Derivative liabilities	8.5	186	3
Total	183			186	3

(Unit: Million Baht)

Separate financial statements					
2025					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	9,700	Interbank and money market items	8.3	33,974	24,274
Derivative assets	312	Derivative assets	8.5	312	-
Total	10,012			34,286	24,274
Financial liabilities					
Derivative liabilities	670	Derivative liabilities	8.5	670	-
Total	670			670	-

(Unit: Million Baht)

Separate financial statements					
2024					
Type of financial instruments	Net amount presented in statement of financial position	Items in statement of financial position	Notes	Carrying amount in statement of financial position	Carrying amount in statement of financial position that are not qualified for offsetting
Financial assets					
Reverse repurchase agreement	10,080	Interbank and money market items	8.3	35,842	25,762
Derivative assets	202	Derivative assets	8.5	677	475
Total	10,282			36,519	26,237
Financial liabilities					
Derivative liabilities	183	Derivative liabilities	8.5	186	3
Total	183			186	3

The rights to call are agreed between both parties with specific call frequency and threshold. The gross amounts of financial assets and financial liabilities and their net amounts disclosed in the above tables have been measured in the statement of financial position on the assets and liabilities resulting from repurchase agreements and reverse repurchase agreements measured at amortised cost.

8.22 Share capital

		Consolidated and separate financial statements			
		2025		2024	
Par value		Number	Amount	Number	Amount
(Baht)		(Thousand shares)	(Thousand Baht)	(Thousand shares)	(Thousand Baht)
Registered					
At the beginning of the year					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
At the end of the year					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
Issued and paid-up					
At the beginning of the year					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153
At the end of the year					
- Preference shares	8.92	442	3,946	442	3,946
- Ordinary shares	8.92	2,253,717	20,103,153	2,253,717	20,103,153

Preference shares of the Bank are divided into Class A and Class B shares, all preferential rights of both classes of preference shares expired in November 2009. Since then, the rights of the preference shareholders have been the same as those of the ordinary shareholders.

Holders of both classes of preference shares are entitled to convert the shares they hold into ordinary shares, with the conversion ratio of 1:1. All Class A preference shares were already converted into ordinary shares before the year 2010, and the Class B preference shareholders are still entitled to convert the remaining Class B preference shares into ordinary shares.

The holders of ordinary shares and preference shares are entitled to receive dividends in accordance with the Articles of Association of the Bank, and are entitled to one vote per share at the shareholders' meeting of the Bank.

8.23 Legal reserve

Pursuant to Section 116 of the Public Companies Act B.E. 2535, the Bank is required to allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“Legal reserve”), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

As at 31 December 2025 and 2024, the total legal reserve of the Bank is Baht 2,015 million.

8.24 Other components of equity

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Surplus on revaluation of debt instruments	313,646	77,581	313,646	77,581
Less: Effect of deferred tax liabilities	(62,729)	(15,516)	(62,729)	(15,516)
Total	250,917	62,065	250,917	62,065
Deficit on revaluation of equity instruments	(129,885)	(54,430)	(129,885)	(54,430)
Add (less): Effect of deferred tax assets (liabilities)	9,698	(5,393)	9,698	(5,393)
Total	(120,187)	(59,823)	(120,187)	(59,823)
Exchange differences on translation of financial statements in foreign currency	(45,063)	(66,671)	-	-
Total other components of equity	85,667	(64,429)	130,730	2,242

8.25 Commitments and contingent liabilities

8.25.1 Commitments

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Avails to bills and guarantees of loans	1,613	1,400	1,613	1,400
Letter of credit	530	164	530	164
Other contingencies				
- Overdraft undrawn committed line	855	868	885	898
- Other guarantees	28,799	21,159	28,799	21,159
- Others	5,870	5,783	5,870	5,783
Total	37,667	29,374	37,697	29,404

8.25.2 Litigations

As at 31 December 2025 and 2024, the Bank and its subsidiaries have been sued as a defendant in the court with the capital of approximately Baht 794 million and Baht 794 million, respectively (separate financial statements: Baht 393 million and Baht 393 million, respectively), in the ordinary course of business. The Bank and its subsidiaries believes that the final judgment of such lawsuit will not materially affect the Bank and its subsidiaries financial statements and operating results.

8.26 Related parties transaction

Relationship with key management and related parties were as follows:

Name of entities	Country of incorporation/ Nationality	Nature of relationships
Industrial and Commercial Bank of China Limited	China	The ultimate parent company of the Bank
ICBC (Thai) Leasing Company Limited	Thailand	A direct subsidiary of the Bank
Sky High Li Leasing Designated Activity Company	Ireland	An indirect subsidiary of the Bank
ICBC (Thai) Insurance Broker Company Limited	Thailand	An indirect subsidiary of the Bank
Industrial and Commercial Bank of China (Asia) Limited	Hong Kong	The company that is related with the ultimate parent company
Industrial and Commercial Bank of China (Macau) Limited	Macau	The company that is related with the ultimate parent company
Industrial and Commercial Bank of China (Malaysia) Berhad	Malaysia	The company that is related with the ultimate parent company
Industrial and Commercial Bank of China Limited - Beijing Municipal	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Chongqing	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Fuzhou	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Hangzhou	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Hunan	China	The branch of the ultimate parent company

Name of entities	Country of incorporation/	Nature of relationships
	Nationality	
Industrial and Commercial Bank of China Limited - Guangzhou	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Jiangsu	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Shandong	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Shanghai (FTU)	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Shenzhen	China	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Frankfurt	Germany	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Hong Kong	Hong Kong	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Tokyo	Japan	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Kuwait	Kuwait	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Vientiane	Laos	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Luxembourg	Luxembourg	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Singapore	Singapore	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Dubai (DIFC)	UAE	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Abu Dhabi	UAE	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - London	United Kingdom	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - New York	United States	The branch of the ultimate parent company
Industrial and Commercial Bank of China Limited - Doha	Qatar	The branch of the ultimate parent company

Name of entities	Country of	Nature of relationships
	incorporation/ Nationality	
Key management personnel	Thai/Chinese	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any directors (whether executive and otherwise) of the Bank and its subsidiaries

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Interest income	With reference to the terms and prices as offered to other customers
Interest expenses	Market rates and/or charged in compliance with the criteria specified by the Bank of Thailand
Dividend income	As announced by the investee company
Fee income	With reference to the terms and prices as offered to other customers
Fee expenses	With reference to the terms and prices as offered to other customers
Derivatives	Market price

Significant balances with related parties as at 31 December 2025 and 2024 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2025	2024	2025	2024
<i>Interbank and money market items (assets)</i>				
Parent company	8,195	10,900	8,166	10,866
Other related parties	86	37	86	37
<i>Derivative assets (fair value)</i>				
Parent company	32	296	32	296
Other related parties	108	132	108	132
<i>Investments in subsidiaries</i>				
Subsidiaries	-	-	4,250	4,250
<i>Loans to customers and accrued interest receivables - net</i>				
Subsidiaries	-	-	8,917	3,002
<i>Other assets</i>				
Parent company	-	3	-	3

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
<i>Deposits</i>				
Subsidiaries	-	-	22	16
Key management personnel	74	83	74	83
<i>Interbank and money market items (liabilities)</i>				
Parent company	10,457	11,296	10,457	11,296
Other related parties	6	61	6	61
<i>Derivative liabilities (fair value)</i>				
Parent company	27	59	27	59
Other related parties	8	34	8	34
<i>Accrued interest payables</i>				
Parent company	66	74	66	74
Key management personnel	1	1	1	1
<i>Other liabilities</i>				
Parent company	16	88	16	88
Other related parties	-	2	-	2
Subsidiaries	-	-	22	1
<i>Off-balance sheet items</i>				
<i>Other commitments</i>				
Parent company	606	646	606	646
Subsidiaries	-	-	30	30
<i>Forward exchange contracts-bought</i>				
<i>(notional amounts)</i>				
Parent company	6,335	12,869	6,335	12,869
Other related parties	9,985	13,032	9,985	13,032
<i>Interest rate swap contracts (notional amounts)</i>				
Parent company	1,206	1,728	1,206	1,728
Other related parties	3,324	3,154	3,324	3,154
<i>Foreign exchange and interest rate swap</i>				
<i>contract (notional amounts)</i>				
Other related parties	485	-	485	-

Industrial and Commercial Bank of China Limited - Hong Kong had issued a Standby L/C as a collateral against the issuance of Letter of Guarantee for a Telecommunication Company. As a result, the Bank has to pay a fee for the Standby L/C on an annual basis until the end of the contract. As at 31 December 2025, the Bank has no obligation under the standby L/C and as at 31 December 2024, the Bank has obligation under the Standby L/C amount to US Dollars 124 million, respectively (equivalent to Baht 4,214 million, respectively).

Significant business transactions with related parties for the year ended 31 December 2025 and 2024 were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Parent company				
Interest income	549	324	549	324
Interest expenses	448	722	448	722
Fee income	15	16	15	16
Fee expenses	2	11	2	11
Net gains (losses) on financial instruments				
measured at fair value through profit or loss	(194)	135	(194)	135
Expected credit losses (reversal)	(116)	31	(116)	31
Subsidiaries				
Interest income	-	-	185	233
Fee income	-	-	2	2
Other income	-	-	2	2
Expected credit losses (reversal)	-	-	158	(125)
Related companies				
Fee income	-	2	-	2
Net gains (losses) on financial instruments				
measured at fair value through profit or loss	87	(278)	87	(278)
Expected credit losses (reversal)	(1)	1	(1)	1
Related persons				
Interest expenses	2	1	2	1
Key management personnel				
Key management personnel compensation				
- Short-term employee benefit	166	161	132	123
- Post-employment benefit	13	2	2	2

Directors and management's remuneration

The Bank's directors and executives, which include Executive Vice President upwards, do not receive any benefits, either in monetary or non-monetary terms, other than the normal benefits such as monthly directors' remuneration, meeting allowances, salaries and bonuses, as the case may be. Directors who are executives of the Bank do not receive director's remuneration, in accordance with the Bank's policy, and the representative directors who are executives of Industrial and Commercial Bank of China Limited do not receive director's remuneration, in accordance with Industrial and Commercial Bank of China Limited's policies, except for those benefits granted in accordance with employment agreements such as housing allowances, medical expenses, life and accident insurance and home trip expenses, in accordance with the established criteria. Nevertheless, directors with permanent residence abroad can reimburse expenses of travelling and accommodation incurred in connection with the operation of the Bank's business, at the amount actually incurred.

8.27 Operating segment

Operating segment is presented in respect of the Bank and its subsidiaries' business segments. The primary format in segment information report is based on the Bank and its subsidiaries' management and internal reporting structure.

8.27.1 The Bank and its subsidiaries' business operations involve 2 principal segments: (1) Banking business and (2) Hire-purchase and finance lease, that form the basis of how information is presented to the Chief Operating Decision Maker. Respective business segments serve both corporate and retail customers. However, retail represents an insignificant portion of the total at the Bank level.

These operations are carried mainly in Thailand. The Bank has determined that the Chief Operating Decision Maker is the Executive Committee of the Bank.

Operating segment by businesses for the years ended 31 December 2025 and 2024 are as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	2025				
	Banking business	Hire- purchase and finance lease	Total	Elimination	Total
Net interest income	4,171	1,140	5,311	-	5,311
Net fees and service income	154	172	326	(2)	324
Net gains on financial instrument measured at fair value through profit or loss	1,821	-	1,821	-	1,821
Other operating income	93	368	461	-	461
Other operating expenses	(1,709)	(1,021)	(2,730)	1	(2,729)
Profit before expected credit losses	4,530	659	5,189	(1)	5,188
Expected credit losses	(1,160)	(535)	(1,695)	158	(1,537)
Profit before income tax	3,370	124	3,494	157	3,651
Income tax	(674)	(12)	(686)	(31)	(717)
Profit for the year	2,696	112	2,808	126	2,934
Financial position as at 31 December 2025					
Total assets	204,116	44,070	248,186	(13,309)	234,877
Total liabilities	160,297	35,206	195,503	(9,448)	186,055

(Unit: Million Baht)

	Consolidated financial statements				
	2024				
	Banking business	Hire- purchase and finance lease	Total	Elimination	Total
Net interest income	4,766	1,372	6,138	-	6,138
Net fees and service income	133	222	355	(2)	353
Net gains on financial instrument measured at fair value through profit or loss	479	-	479	-	479
Other operating income	621	358	979	-	979
Other operating expenses	(1,743)	(2,952)	(4,695)	2	(4,693)
Profit before expected credit losses	4,256	(1,000)	3,256	-	3,256
Reversal (expected credit losses)	462	(494)	(32)	(125)	(157)
Profit (loss) before income tax	4,718	(1,494)	3,224	(125)	3,099
Income tax	(946)	307	(639)	25	(614)
Profit (loss) for the year	3,772	(1,187)	2,585	(100)	2,485
Financial position as at 31 December 2024					
Total assets	216,544	51,200	267,744	(7,336)	260,408
Total liabilities	175,569	42,468	218,037	(3,349)	214,688

8.27.2 The financial position and results of operations classified by domestic and foreign business

As at 31 December 2025 and 2024, the consolidated financial position classified by domestic and foreign business were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	2025			
	Domestic business	Foreign business	Elimination	Total
Total assets	245,358	2,828	(13,309)	234,877
Interbank and money market items - net (assets)	34,943	35	-	34,978
Investments - net ⁽¹⁾	75,600	-	-	75,600
Loans to customers and accrued interest receivables - net	119,877	2,660	(3,442)	119,095
Deposits	139,519	-	-	139,519
Interbank and money market items (liabilities)	20,168	2,956	(2,956)	20,168
Debt issued and borrowings	20,068	-	-	20,068

⁽¹⁾ The amount excludes investments in subsidiaries - net.

(Unit: Million Baht)

	Consolidated financial statements			
	2024			
	Domestic business	Foreign business	Elimination	Total
Total assets	264,738	3,006	(7,336)	260,408
Interbank and money market items - net (assets)	36,706	39	-	36,745
Investments - net ⁽¹⁾	82,343	-	-	82,343
Loans to customers and accrued interest receivables - net	137,198	2,967	(3,618)	136,547
Deposits	149,499	-	-	149,499
Interbank and money market items (liabilities)	19,459	3,290	(3,290)	19,459
Debt issued and borrowings	40,240	-	-	40,240

⁽¹⁾ The amount excludes investments in subsidiaries - net.

The results of the consolidated operations classified by domestic and foreign business for the years ended 31 December 2025 and 2024 were as follows:

(Unit: Million Baht)

	Consolidated financial statements							
	2025				2024			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
Interest income	9,605	152	(152)	9,605	11,375	202	(201)	11,376
Interest expenses	(4,294)	(152)	152	(4,294)	(5,238)	(201)	201	(5,238)
Net interest income	5,311	-	-	5,311	6,137	1	-	6,138
Net fees and service income	324	-	-	324	353	-	-	353
Net gains on financial instrument at measured fair value at profit or loss	1,821	-	-	1,821	479	-	-	479
Other operating income	461	-	-	461	979	-	-	979
Other operating expenses	(2,729)	-	-	(2,729)	(4,693)	-	-	(4,693)
Expected credit losses	(1,700)	5	158	(1,537)	(135)	103	(125)	(157)
Profit before income tax	3,488	5	158	3,651	3,120	104	(125)	3,099

The Bank does not disclose the Bank's financial position and results of operations classified by domestic and foreign business since the Bank engages only domestic business in Thailand.

8.28 Interest income

Interest income for the years ended 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Interbank and money market items	1,083,805	1,035,888	1,081,239	1,031,849
Investments in debt instruments	2,437,134	2,872,843	2,437,134	2,872,843
Loans to customers and factoring	3,904,173	4,851,878	4,074,446	5,060,278
Hire-purchase and finance leases receivables	2,178,814	2,614,567	-	-
Others	1,370	699	1,370	699
Total	9,605,296	11,375,875	7,594,189	8,965,669

8.29 Interest expenses

Interest expenses for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Deposits	2,210,668	2,539,938	2,210,729	2,540,008
Interbank and money market items	650,575	988,405	541,548	861,079
Contributions to Deposit Protection Agency and Bank of Thailand	521,828	621,145	521,828	621,145
Debt issued - debentures	891,209	1,070,305	143,356	175,481
Debentures fee expenses	19,878	18,135	5,679	1,758
Total	4,294,158	5,237,928	3,423,140	4,199,471

8.30 Net fees and service income

Net fees and service income for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Fees and service income				
Acceptances, avals and guarantees	66,320	108,111	66,320	108,111
Letter of credit fee	18,115	13,512	18,115	13,512
Hire-purchase and finance leases	43,916	51,616	-	-
Life and non-life insurance	138,087	194,529	720	943
Debit card, credit card and electronic service	237,859	229,604	237,859	229,604
Others	72,598	43,934	67,647	45,142
Total fees and service income	576,895	641,306	390,661	397,312
Fees and service expenses	(253,075)	(287,908)	(236,846)	(263,513)
Net fees and service income	323,820	353,398	153,815	133,799

8.31 Net gains on financial instruments measured at fair value through profit or loss

Net gains on financial instruments measured at fair value through profit or loss for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Gains on foreign currencies and foreign currency derivatives	950,603	292,911	950,257	292,714
Gains on trading securities - equity securities	870,921	185,892	870,921	185,892
Total	1,821,524	478,803	1,821,178	478,606

8.32 Directors' remuneration

Directors' remuneration represents the benefits (exclusive of salaries and related benefits payable to directors who are executives of the Bank and its subsidiaries) paid to the Bank and its subsidiaries' directors in accordance with Section 90 of the Public Limited Companies Act.

8.33 Expected credit losses (reversal)

Expected credit losses (reversal) for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Interbank and money market items (reversal)	(72,816)	47,276	(72,816)	47,276
Investments in debt instruments measured at fair value through other comprehensive income (reversal)	(508)	(824)	(508)	(824)
Investments in debt instruments measured at amortised cost	54,685	1,852	54,685	1,852
Loans to customers and accrued interest receivables (reversal)	1,650,517	53,403	1,250,266	(623,398)
Loan commitments and financial guarantee contracts (reversal)	(70,484)	(14,198)	(70,763)	(13,787)
(Gains) losses on modification	(23,996)	69,374	(852)	126,479
Total	1,537,398	156,883	1,160,012	(462,402)

8.34 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2025 and 2024 were based on the profit for the years attributable to shareholders of the Bank and the number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Profit for the years attributable to shareholders of the Bank (Million Baht)	2,934	2,485	2,696	3,772
Weighted average number of ordinary shares and preference shares which are equivalent to the ordinary shares outstanding (Million shares)	2,254	2,254	2,254	2,254
Basic earnings per share (Baht per share)	1.30	1.10	1.20	1.67

8.35 Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for the financial instruments measured at fair value as at 31 December 2025 and 2024. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Unit: Million Baht)

	Consolidated financial statements				
	2025				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
<i>Financial assets measured at fair value</i>					
Financial assets measured at fair value through profit or loss					
- Derivatives assets					
- Foreign exchange rate	224	-	224	-	224
- Interest rate	88	-	88	-	88
Investments					
- Investments in debt instruments measured at fair value through other comprehensive income	33,461	-	33,461	-	33,461
- Investments in equity instruments designated at fair value through other comprehensive income	50	40	-	10	50

(Unit: Million Baht)

Consolidated financial statements					
2025					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets for which fair value are disclosed</u>					
Investments					
- Investments in debt instruments measured at amortised cost ⁽¹⁾	42,191	-	42,326	-	42,326
Loans to customers ⁽²⁾	124,085	-	52,931	71,068	123,999
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
- Foreign exchange rate	453	-	453	-	453
- Interest rate	211	-	211	-	211
- Foreign exchange rate and interest rate	6	-	6	-	6
<u>Financial liabilities for which fair value are disclosed</u>					
Deposits	139,519	-	139,545	-	139,545
Debts issued and borrowings	20,068	-	20,346	-	20,346

⁽¹⁾ Presented at amount before deduction of allowance for expected credit losses.⁽²⁾ Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

(Unit: Million Baht)

Consolidated financial statements					
2024					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss					
	797	-	-	797	797
Derivatives assets					
- Foreign exchange rate	251	-	251	-	251
- Interest rate	426	-	426	-	426
Investments					
- Investments in debt instruments measured at fair value through other comprehensive income	34,911	-	34,911	-	34,911
- Investments in equity instruments designated at fair value through other comprehensive income	126	116	-	10	126

(Unit: Million Baht)

Consolidated financial statements					
2024					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets for which fair value are disclosed</u>					
Investments					
- Investments in debt instruments measured at amortised cost ⁽¹⁾	47,354	-	47,386	-	47,386
Loans to customers ⁽²⁾	140,965	-	59,254	81,832	141,086
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
- Foreign exchange rate	113	-	113	-	113
- Interest rate	73	-	73	-	73
<u>Financial liabilities for which fair value are disclosed</u>					
Deposits	149,499	-	149,529	-	149,529
Debts issued and borrowings	40,240	-	40,434	-	40,434

⁽¹⁾ Presented at amount before deduction of allowance for expected credit losses.⁽²⁾ Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

(Unit: Million Baht)

Separate financial statements					
2025					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets measured at fair value</u>					
Financial assets measured					
- at fair value through profit or loss	1,667	1,667	-	-	1,667
Derivatives assets					
- Foreign exchange rate	224	-	224	-	224
- Interest rate	88	-	88	-	88
Investments					
- Investments in debt instruments measured at fair value through other comprehensive income	33,461	-	33,461	-	33,461
- Investments in equity instruments designated at fair value through other comprehensive income	50	40	-	10	50

(Unit: Million Baht)

Separate financial statements					
2025					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets for which fair value are disclosed</u>					
Investments					
- Investments in debt instruments measured at amortised cost ⁽¹⁾	42,191	-	42,326	-	42,326
Loans to customers ⁽²⁾	90,206	-	62,047	28,233	90,280
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
- Foreign exchange rate	453	-	453	-	453
- Interest rate	211	-	211	-	211
- Foreign exchange rate and interest rate	6	-	6	-	6
<u>Financial liabilities for which fair value are disclosed</u>					
Deposits	139,541	-	139,567	-	139,567

⁽¹⁾ Presented at amount before deduction of allowance for expected credit losses.⁽²⁾ Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

(Unit: Million Baht)

Separate financial statements					
2024					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets measured at fair value</u>					
Financial assets measured at fair value through profit or loss					
- Investments in debt instruments measured at fair value through other comprehensive income	34,911	-	34,911	-	34,911
Derivatives assets					
- Foreign exchange rate	251	-	251	-	251
- Interest rate	426	-	426	-	426
Investments					
- Investments in debt instruments measured at fair value through other comprehensive income	126	116	-	10	126

(Unit: Million Baht)

Separate financial statements					
2024					
Book value	Fair value			Total	
	Level 1	Level 2	Level 3		
<u>Financial assets for which fair value are disclosed</u>					
Investments					
- Investments in debt instruments					
measured at amortised cost ⁽¹⁾	47,354	-	47,386	-	47,386
Loans to customers ⁽²⁾	93,665	-	62,188	31,492	93,680
<u>Financial liabilities measured at fair value</u>					
Derivatives liabilities					
- Foreign exchange rate	113	-	113	-	113
- Interest rate	73	-	73	-	73
<u>Financial liabilities for which fair value are disclosed</u>					
Deposits	149,515	-	149,545	-	149,545
Debts issued and borrowings	4,995	-	5,018	-	5,018

⁽¹⁾ Presented at amount before deduction of allowance for expected credit losses.

⁽²⁾ Presented at amount before deduction of allowance for expected credit losses, and excluding accrued interest receivables.

During the year 2025, the Bank transferred the fair value of the financial assets measured at fair value through profit or loss from level 3 to level 1, as the equity instrument resumed active the Stock Exchange of Thailand, result in observable market prices consistent with Level 1 inputs.

Methods and assumptions in estimating fair values of financial assets and financial liabilities

Investments in debt instruments and other equity instruments

The fair value of government and state enterprise and private debt securities is calculated by using the yield curve of the Thai Bond Market Association and reliable market data sources at the end of reporting period. The fair value of marketable equity securities is determined at the last bid price quoted on the last working day of the reporting period by the Stock Exchange of Thailand. The fair value of non-marketable equity securities is determined mainly based on common valuation techniques such as the market approach, cost approach or as well as book value or adjusted book value.

Loans to customers and significant unobservable inputs used

For variable floating-rate loans to customers that have no significant change in credit risk, fair value is based on carrying value. The fair value of fixed rate loans to customers that have remaining maturity within 1 year of the reporting date is approximated using the carrying value at the reporting date. Fair value for fixed interest loans to customers which the remaining maturity more than 1 year is estimated using discounted cash flow analysis, using interest rates currently being offered on loans to customers with similar characteristics and terms.

Deposits

The fair value disclosed for deposits which are payable on demand by the depositor is equal to the carrying value of such deposits. The carrying amounts of variable-rate, fixed-term money market accounts, certificates of deposit and fixed rate deposits which have remaining maturity within 1 year are approximated using their carrying amount at the reporting date. Fair value for other fixed interest deposits is estimated using a discounted cash flow calculation that applies interest rates currently being offered on similar deposit and terms.

Interbank and money market items (liabilities) and debts issued and borrowings

The fair value of interbank and money market items and debts issued and borrowings and/or items which bear variable rates of interest approximates their carrying amount at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments. The fair value of debentures is based on quoted market prices announced by the Thai Bond Market Association.

Derivatives

Fair values are based on inputs which are observable from independent and reliable market data sources. Those inputs are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values of over-the-counter derivative reflect the credit risk of the instrument and include adjustments to take account of the counter party and own entity credit risk when appropriate.

8.36 Events after the reporting period

During January 2026, the subsidiary issued one bill of exchange with a face value of Baht 2,000 million, which was offered for sale to a financial institution. The bill bears a fixed interest rate as stipulated on its face and has a maturity period of 136 days from the date of issuance.

8.37 Approval of the financial statements

These financial statements have been approved for issuance by the Board of Directors on 27 March 2026.