

Advance Finance Public Company Limited  
Report and financial statements  
31 December 2025

## Independent Auditor's Report

To the Shareholders of Advance Finance Public Company Limited

### Opinion

I have audited the accompanying financial statements of Advance Finance Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2025, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Advance Finance Public Company Limited as at 31 December 2025, its 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 Company 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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.
- 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 Company's internal control.



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- 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 Company'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 Company 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.

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.

*Saranya Pludsri*

Saranya Pludsri

Certified Public Accountant (Thailand) No. 6768

EY Office Limited

Bangkok: 27 February 2026

**Advance Finance Public Company Limited**

**Statement of financial position**

**As at 31 December 2025**

(Unit: Baht)

	Note	31 December 2025	31 December 2024
<b>Assets</b>			
Interbank and money market items - net	9	2,106,988,192	497,552,353
Financial assets measured at fair value through profit or loss	10	149,598,524	27,004,284
Investments - net	11	3,654,468,450	3,584,082,494
Loans to customers and accrued interest receivables - net	12	4,909,981,996	5,275,519,120
Properties for sale - net	16	858,989,362	709,640,713
Leasehold improvement and equipment - net	17	1,053,162	569,000
Right-of-use assets - net	22	11,195,748	17,056,388
Intangible assets - net	18	1,823,042	4,421,531
Deferred tax assets	37	20,679,049	41,944,994
Accrued interest receivables on investments		6,185,832	6,207,374
Receivables from Legal Execution Department		30,114,300	5,442,300
Other assets	19	12,101,892	21,296,122
<b>Total assets</b>		<b>11,763,179,549</b>	<b>10,190,736,673</b>

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

Advance Finance Public Company Limited

Statement of financial position (continued)

As at 31 December 2025

(Unit: Baht)

	Note	31 December 2025	31 December 2024
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Deposits	20	5,914,087,051	5,611,061,495
Interbank and money market items	21	4,013,000,000	2,853,000,000
Accrued interest payable		39,428,335	31,974,380
Contributions to the Financial Institutions Development Fund and the Deposit Protection Agency payable		24,475,761	15,969,521
Lease liabilities	22	10,388,921	17,790,796
Provisions	23	21,842,537	27,028,775
Accrued expenses		17,511,632	27,726,180
Other liabilities	24	5,434,039	5,048,826
<b>Total liabilities</b>		<b>10,046,168,276</b>	<b>8,589,599,973</b>
<b>Equity</b>			
<b>Share capital</b>			
Authorised share capital			
1,250,000,000 ordinary shares, par value at Baht 1 per share		1,250,000,000	1,250,000,000
Issued and paid-up share capital			
1,250,000,000 ordinary shares, par value at Baht 1 per share		1,250,000,000	1,250,000,000
Other components of equity	25	(14,340,021)	(105,406,805)
<b>Retained earnings</b>			
Appropriated			
Legal reserve	26	48,108,110	44,318,633
Unappropriated		433,243,184	412,224,872
<b>Total equity</b>		<b>1,717,011,273</b>	<b>1,601,136,700</b>
<b>Total liabilities and equity</b>		<b>11,763,179,549</b>	<b>10,190,736,673</b>

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

*Kamrath*

*Mamof*

Directors



บริษัทเงินทุน แอดวานซ์ จำกัด (มหาชน)  
Advance Finance Public Company Limited

**Advance Finance Public Company Limited**

**Statement of comprehensive income**

**For the year ended 31 December 2025**

(Unit: Baht)

	Note	2025	2024
<b>Profit or loss:</b>			
Interest income	31	488,547,855	562,421,841
Interest expenses	32	197,027,793	222,451,261
<b>Net interest income</b>		<u>291,520,062</u>	<u>339,970,580</u>
Fees and service income	33	855,895	2,055,141
<b>Net fees and service income</b>		<u>855,895</u>	<u>2,055,141</u>
Net gains (losses) on financial instruments measured at fair value			
through profit or loss	34	4,222,241	(52,206,383)
Net gains on investments	35	-	67,088
Dividend income		3,788,434	1,049,432
Net gains (losses) on disposal of properties for sale		222,848	(65,557)
Other operating income		2,898,074	1,664,406
<b>Total operating income</b>		<u>303,507,554</u>	<u>292,534,707</u>
Other operating expenses			
Employee's expenses		73,138,111	79,960,711
Directors' remuneration	29	6,136,086	4,175,000
Premises and equipment expenses		17,012,695	19,599,445
Taxes and duties		11,915,184	14,280,664
Others		11,962,538	11,530,252
<b>Total other operating expenses</b>		<u>120,164,614</u>	<u>129,546,072</u>
Expected credit losses and impairment	36	88,572,208	55,008,961
<b>Profit from operating before income tax expenses</b>		<u>94,770,732</u>	<u>107,979,674</u>
Income tax expenses	37	18,981,196	22,106,963
<b>Profit for the year</b>		<u>75,789,536</u>	<u>85,872,711</u>

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

**Advance Finance Public Company Limited**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2025**

		(Unit: Baht)	
	Note	2025	2024
<b>Other comprehensive income:</b>			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gains on investments in debt securities measured at fair value through other comprehensive income		113,843,962	107,076,357
Income tax relating to components of other comprehensive income that will be reclassified subsequently to profit or loss	37	(22,768,792)	(21,415,271)
		<u>91,075,170</u>	<u>85,661,086</u>
<i>Items that will not be reclassified to profit or loss</i>			
Losses on investments in equity securities measured at fair value through other comprehensive income		(10,482)	-
Remeasurement losses on defined benefit plan		(1,227,184)	(935,627)
Income tax relating to components of other comprehensive income will not be reclassified subsequently to profit or loss	37	247,533	187,125
		<u>(990,133)</u>	<u>(748,502)</u>
<b>Total other comprehensive income - net of income tax</b>		<u>90,085,037</u>	<u>84,912,584</u>
<b>Total comprehensive income for the year</b>		<u><u>165,874,573</u></u>	<u><u>170,785,295</u></u>
<b>Earnings per share</b>			
Basic earnings per share	38	<u>0.06</u>	<u>0.07</u>

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

Advance Finance Public Company Limited

Statement of changes in equity

For the year ended 31 December 2025

(Unit: Baht)

	Note	Other components of equity				Retained earnings			Total
		Issued and paid-up share capital	Fair value reserve	Appropriated -		Unappropriated	Total		
				legal reserve					
<b>Balance as at 1 January 2024</b>		1,250,000,000	(191,067,891)	40,024,997		371,394,299		1,470,351,405	
Dividend paid	27	-	-	-		(40,000,000)		(40,000,000)	
Profit for the year		-	-	-		85,872,711		85,872,711	
Other comprehensive income for the year		-	85,661,086	-		(748,502)		84,912,584	
Total comprehensive income for the year		-	85,661,086	-		85,124,209		170,785,295	
Transfer to legal reserve	26	-	-	4,293,636		(4,293,636)		-	
<b>Balance as at 31 December 2024</b>		1,250,000,000	(105,406,805)	44,318,633		412,224,872		1,601,136,700	
<b>Balance as at 1 January 2025</b>		1,250,000,000	(105,406,805)	44,318,633		412,224,872		1,601,136,700	
Dividend paid	27	-	-	-		(50,000,000)		(50,000,000)	
Profit for the year		-	-	-		75,789,536		75,789,536	
Other comprehensive income for the year		-	91,066,784	-		(981,747)		90,085,037	
Total comprehensive income for the year		-	91,066,784	-		74,807,789		165,874,573	
Transfer to legal reserve	26	-	-	3,789,477		(3,789,477)		-	
<b>Balance as at 31 December 2025</b>		1,250,000,000	(14,340,021)	48,108,110		433,243,184		1,717,011,273	

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

**Advance Finance Public Company Limited**

**Statement of cash flows**

**For the year ended 31 December 2025**

	(Unit: Baht)	
	2025	2024
<b>Cash flows from operating activities</b>		
Profit from operating before income tax expense	94,770,732	107,979,674
Adjustments to reconcile profit from operating before income tax expense to net cash received (paid) from operating activities		
Depreciation and amortisation	11,880,465	15,229,951
Amortisation of withholding tax	-	89,745
Expected credit losses	72,986,314	55,008,961
Net (gains) losses from financial instruments measured at fair value through profit or loss	(4,222,241)	52,206,383
Net gains on investments	-	(67,088)
Net (gains) losses on disposal of properties for sale	(222,848)	65,557
Gains on disposal of equipments	(1,389)	(321,216)
Losses from impairment of properties for sale	15,585,894	-
Employee benefit expenses	3,586,524	3,447,453
Net interest income	(291,520,062)	(339,970,580)
Dividend income	(3,788,434)	(1,049,432)
Proceeds from interest	471,379,554	589,771,426
Interest paid	(180,656,186)	(215,679,120)
Proceeds from dividend	3,788,434	1,049,432
Income tax paid	(22,624,420)	(22,632,230)
<b>Profit from operating before changes in operating assets and liabilities</b>	170,942,337	245,128,916
Decrease (increase) in operating assets		
Interbank and money market items	(1,609,306,389)	1,411,425,702
Loans to customers	352,393,533	749,877,020
Properties for sale	(164,711,695)	(288,431,565)
Receivables from Legal Execution Department	(24,672,000)	2,948,250
Other assets	9,183,749	178,441,483

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

**Advance Finance Public Company Limited**

**Statement of cash flows (continued)**

**For the year ended 31 December 2025**

	(Unit: Baht)	
	2025	2024
Increase (decrease) in operating liabilities		
Deposits	303,025,556	(544,847,168)
Interbank and money market items	1,160,000,000	(1,740,500,000)
Provisions for employee benefits	(6,240,882)	-
Provisions	(3,121,389)	82,486
Accrued expenses	(7,804,761)	3,155,648
Other liabilities	385,213	(2,695,157)
<b>Net cash provided by operating activities</b>	<b>180,073,272</b>	<b>14,585,615</b>
<b>Cash flows from investing activities</b>		
Acquisition of investments in equity securities	(120,000,000)	(64,826,589)
Proceeds from sale of investments in equity securities	1,628,001	61,286,457
Proceeds from redemption of debt securities	-	38,682,125
Acquisition of equipments	(726,229)	(91,069)
Proceeds from sale of equipments	1,402	334,345
<b>Net cash provided by (used in) investing activities</b>	<b>(119,096,826)</b>	<b>35,385,269</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(50,021,879)	(39,817,782)
Cash paid on lease liabilities	(10,954,567)	(10,153,102)
<b>Net cash used in financing activities</b>	<b>(60,976,446)</b>	<b>(49,970,884)</b>
<b>Net increase in cash</b>	<b>-</b>	<b>-</b>
Cash as at 1 January	-	-
<b>Cash as at 31 December</b>	<b>-</b>	<b>-</b>
<b>Supplement cash flow information</b>		
Non cash item		
Increase in right-of-use assets/lease liabilities	2,989,785	968,587
Increase in properties for sale from loans repayment	169,311,695	300,231,565

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

**Advance Finance Public Company Limited**  
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**For the year ended 31 December 2025**

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**Advance Finance Public Company Limited**  
**Notes to financial statements**  
**For the year ended 31 December 2025**

**1. General information**

**1.1 Corporate information**

Advance Finance Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 87/2, 40th Floor, CRC Tower, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok.

The Company registered as a public company limited in accordance with the Public Company Limited Act B.E. 2535 on 26 May 2004 and had been approved by the Ministry of Finance on 20 December 1974. The Company engages in finance business in accordance with the Financial Institutions Business Act B.E. 2551.

The Company’s major shareholders as at 31 December 2025 were The Brooker Group Public Company Limited (10% shareholding), Lighthub Asset Company Limited (10% Shareholding), which were incorporated in Thailand, Miss Kantima Pornsriniyom (10% shareholding), Mr. Suntorn Arunanonchai (10% shareholding), Mrs. Uraiwann Kwakpethun (10% shareholding), and Mrs. Kacharine Charoenwan (10% shareholding).

**2. Basis of preparation of the financial statements**

Financial statements for the year ended 31 December 2025 were prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, Accounting Guidance announced by the Federation of Accounting Professions and accounting practices generally accepted in Thailand including the relevant 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. 22/2561 regarding “The preparation and announcement of the financial statements of a finance company and a credit foncier company”, dated 31 October 2018.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statements regarding the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the financial statements in Thai language.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Company has 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 Company's 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 Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### **4. Accounting policies**

#### **4.1 Interest income and discounts on loans**

Interest income is recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period. When appropriate, to the gross carrying amount of the financial assets.

When calculating the effective interest rate for financial instruments other than credit-impaired financial assets, the Company estimates future cash flows considering all contractual terms of the financial instruments, excluding expected credit loss.

The calculation of the effective interest rate includes 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 or issue of a financial asset or financial liability.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any allowance for expected credit loss.

However, for financial asset that have become credit-impaired subsequent to initial recognition the Company recognises interest income using the effective interest rate method applied to the net carrying value of the loan (the loan amount net of allowance for expected credit loss). Subsequently, if the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross carrying amount.

#### *Interest income and dividend income on investments*

Interest income on investment is recognised on an accrual basis. Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established.

### **4.2 Fees and service income**

Fee and service income are recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Company expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition at a point in time or over time, except fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability.

### **4.3 Expenses recognition**

#### a) Interest expenses

Interest expenses are charged to expenses on an accrual basis using effective interest rate method.

#### b) Expenses are recognised on an accrual basis.

### **4.4 Net gains (losses) on financial instruments measured at fair value through profit or loss**

Net gains (losses) on financial instruments measured at fair value through profit or loss comprises gains less losses related to trading, fair value measurement or transfer of financial assets measured at fair value through profit or loss. The Company recognises them as revenues or expenses on the measurement or transaction dates.

### **4.5 Cash**

Cash comprises cash on hand.

## 4.6 Financial instruments

### Recognition of financial instruments

The Company recognises financial assets or financial liabilities when the Company becomes a party to the contractual provisions of the financial instruments.

### Classification and measurement of financial assets and financial liabilities

#### Financial assets - debt instruments

The Company classifies its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

- Financial assets measured at amortised cost only if both following conditions are met: the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).
- Financial assets measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset as well as the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realised, after which such gains or losses on disposal of the instruments will be recognised as gains or losses in the statements of comprehensive income. The gains or losses on foreign exchange, expected credit losses, and interest income which calculated using the effective interest rate method are recognised in profit or loss in the statements of comprehensive income.

- Financial assets measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows or, the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and are subsequently measured at fair value. Unrealised gains and losses from changes in fair value, and gains and losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

#### Investments in equity instruments

The Company has classified investments in equity securities that not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial assets measured at fair value through other comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains and losses arising from changes in fair value is recognised in other comprehensive income and not subsequently reclassified to profit or loss when disposal, instead, it is transferred to retained earnings. Dividends on these investments are recognised in other comprehensive income, unless the dividends clearly represent a recovery of part of the cost of the investment.

#### Financial liabilities

The Company classify financial liabilities as measured at amortised cost. Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost.

#### Derecognition of financial instruments

##### *Financial assets*

The Company derecognises 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company continues to recognise the financial assets to the extent of its continuing involvement.

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 instruments. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

The Company enters into transactions whereby it transfers assets recognised in 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.

#### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### *Modifications of financial assets and financial liabilities*

##### *Financial assets*

If the terms of a financial asset are modified, then the Company evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial assets are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. The difference between the carrying amount of the financial asset extinguished and the new financial asset is recognised in profit or loss as a part of impairment loss.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Company first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss.

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.

### *Financial liabilities*

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. The consideration paid includes any non-cash assets transferred and new liabilities assumed.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss.

#### **4.7 Loans to customers**

Loans to customers are stated at the outstanding principal amount. Hire purchase receivables are stated at outstanding balance, net of deferred revenue.

#### **4.8 Allowance for expected credit losses on financial assets**

The Company recognises an allowance for expected credit losses for all financial debt instruments, which are interbank and money market (assets), loans to customers and investments in debt securities, including loan commitments and financial guarantee contracts measured at amortised cost or fair value through other comprehensive income using the General Approach. The Company classifies its financial assets into three stages based on the changes in credit risk since initial recognition as follows:

##### ***Stage 1: Financial assets where there has not been a significant increase in credit risk (Performing)***

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the Company recognises allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Company will use a probability of default that corresponds to remaining maturity for financial assets with a remaining maturity of less than 12 months.

##### ***Stage 2: Financial assets where there has been a significant increase in credit risk (Under-Performing)***

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

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

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit-impaired, the Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

At every reporting date, the Company assesses whether there has been a significant increase in credit risk of financial assets since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Company uses internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of financial assets such as arrears of over 30 days past due, the monitoring period for debt repayment under the debt restructuring agreement, loans that are classified as in the high risk group, close monitoring by management, and issuer credit rating as either 'under investment grade' or 'no rating' for investments, etc.

The Company assess whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Company classifies financial assets on the basis of shared credit risk characteristics, taking into account type of instrument, internal credit ratings, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred. Evidence of credit-impaired financial assets includes arrears of over 90 days past due or having indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy or distressed restructuring.

A loan to customer that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be significant increase in credit risk or credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

The Company considers its historical loss experience, adjusted by current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Company determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, and downturn scenario) for calculating expected credit losses. The use of macroeconomic factors which major are include, but are not limited to, unemployment rate and property price index, etc. The Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on an annual basis.

In the case of investments in debt securities measured at fair value through other comprehensive income, the Company recognises impairment charge in profit and loss as expected credit losses and the allowance for expected credit losses with the corresponding amount in other comprehensive income, whereas the carrying amount of the investments in debt securities in the statement of financial position still present at fair value.

The measurement of expected credit losses on loan commitments is the present value difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive. The measurement of expected credit losses for financial guarantees is based on the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Increase (decrease) in an allowance for expected credit losses is recognised as an increase (decrease) to expenses in profit or loss in the statements of comprehensive income during the year.

#### *Write-offs of credit-impaired instruments*

To the extent a financial instrument is considered irrecoverable, the applicable portion of the gross carrying amount is written off against the related loan impairment. 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.

#### **4.9 Financial assets with modifications of terms/Debt restructuring**

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or existing financial asset is replaced with a new financial asset because the debtor is having financial problem, the Company assesses whether to derecognise the financial asset and measure allowance for expected credit losses as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Company calculates the gross carrying value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises gain or loss on contract modification of terms in profit or loss, no any impairment loss on the financial asset.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset on the date of derecognition. The difference between the carrying amount of the asset and the sum of the consideration received from the financial asset is recognised in profit or loss.

In cases where debt restructuring does not result in derecognition, a debtor is classified in the stage where there has been a significant increase in credit risk (Stage 2) until the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period or that is credit-impaired (Stage 3) until the repayment is made in compliance with the new debt restructuring agreement for not less than 12 months from the restructuring date. The financial asset is therefore classified in the stage where there has not been a significant increase in credit risk (Stage 1). If the debt restructuring results in a derecognition, the new financial asset is considered a financial asset with no significant increase in credit risk (Performing or Stage 1).

#### **4.10 Securities purchased under resale agreements/Securities sold under repurchase agreements**

The Company enters into agreements to purchase securities or to sell securities back at certain dates in the future at fixed prices. Amounts paid for securities purchased subject to a resale commitment are presented as assets under the caption of "Interbank and money market items - net (assets)" in the statement of financial position, and the underlying securities are treated as collateral to such receivables. Securities sold subject to repurchase commitments are presented as liabilities under the caption of "Interbank and money market items (liabilities)" in the statement of financial position, at the amounts received from the sale of those securities, and the underlying securities are treated as collateral.

The difference between the purchase and sale considerations is recognised as interest income or expenses, as the case may be, over the transaction periods.

#### **4.11 Properties for sale**

Properties for sale are measured at the lower of fair value at the acquisition date or the amount of the legal claim on the related debt, including interest receivables. The fair value is estimated by using the latest appraisal value after deduction of estimated disposal expenses. The assets bought from Legal Execution Department's public auction are recognised at purchase price plus transfer costs, less expected direct selling expenses.

Loss on impairment is charged to profit or loss. Gain or loss on disposal of properties for sale are recognised as other operating income or expense upon disposal.

## 4.12 Leasehold improvement and equipment

### *Recognition and measurement*

#### *Owned assets*

Leasehold improvement 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 and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The components of leasehold improvement and equipment have different useful lives, they are accounted for as separate items (major components) of leasehold improvement and equipment.

The Company derecognises leasehold improvement and equipment upon disposal or when no future economic benefits are expected from its use or disposal.

Any gains and losses on disposal of items of leasehold improvement and equipment are determined by comparing the proceeds from disposal with the carrying amount of leasehold improvement and equipment, and are recognised in profit or loss.

#### *Subsequent costs*

The cost of replacing a part of an item of leasehold improvement 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 Company, 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 leasehold improvement and equipment are recognised in profit or loss as incurred.

#### *Depreciation*

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

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of leasehold improvement and equipment. The estimated useful lives are as follows:

Leasehold improvement	5	years
Computer and equipment	5	years
Furniture and fixtures	5	years
Vehicles	5	years

No depreciation is provided on assets under installation.

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

#### **4.13 Intangible assets**

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated 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. All other expenditure is recognised in profit or loss as incurred.

##### *Amortisation*

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

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for software licenses in the current year and comparative year are 5 years.

No amortisation is provided on assets under installation.

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

#### **4.14 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss in statements of comprehensive income (if any).

##### *Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimate 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 of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

##### *Reversals of impairment*

Impairment losses recognised in prior year in respect of other non-financial assets are assessed at each reporting date for any indications that 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, if no impairment loss had been recognised.

#### **4.15 Employee benefits**

##### *Short-term employee benefits*

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

A liability is recognised for the amount expected to be paid if the Company has 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.

##### *Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

### *Defined benefit plans*

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior years, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss is recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the year, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### *Termination benefits*

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

## **4.16 Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### **4.17 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company 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.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### **4.18 Contributions to Deposit Protection Agency and Financial Institutions Development Fund**

Contributions to the Deposit Protection Agency and Financial Institutions Development Fund are recorded as expenses on an accrual basis.

#### **4.19 Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### **4.20 Loan commitments**

Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

#### **4.21 Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

(a) Current income tax

Current tax is the expected tax payable or receivable on the taxable income 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.

(b) 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 amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, 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 expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted by the reporting date.

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **4.22 Earnings per share**

The Company presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding.

#### 4.23 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 Company; a person or entity that are under common control or under the same significant influence as the Company; or the Company has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

#### 4.24 Segment reporting

Segment results that are reported to the Board of Directors (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### 4.25 Leases

At inception of contract, the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### *Right-of-use assets*

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straightline basis over the shorter of the lease term and the estimated useful lives as follows:

Building	1 - 3	years
Equipment	5	years
Vehicles	3	years

If the ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflect the exercise of a purchase option, depreciation is calculated using the estimated useful life of asset.

#### *Lease liabilities*

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### *Short-term leases and Leases of low-value assets*

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management 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:

### **5.1 Allowance for expected credit loss on financial assets including loan commitments issued and financial guarantee**

The management is required to use judgement in estimating the allowance for expected credit loss of loans to customers and accrued interest receivables, together with loan commitments and financial guarantee contracts. The estimation depends on the assessment of a significant increase in credit risk, the development of a complex model, the use of multiple sets of assumptions, and the selection of forward-looking information, all of which involves a large number of variables. Therefore, actual results could differ from these estimates.

### **5.2 Allowance for impairment on investments**

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” and “prolonged” requires management’s judgement.

### **5.3 Allowance for impairment of properties for sale**

The Company assess allowance for impairment of properties for sale when their net realisable value is below their carrying value. The management uses judgement in estimating impairment loss, taking into account changes in the value of an asset, appraisal value, the type and quality of the asset, how long it is expected to take to dispose of the asset and changes in economic circumstances.

### **5.4 Recognition and derecognition of assets and liabilities**

In considering whether to recognise or to derecognise assets or liabilities, the management 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.

### **5.5 Leases**

#### *Determining the lease term with extension and termination options*

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

### *Estimating the incremental borrowing rate*

The Company cannot readily determine the rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### **5.6 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, 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.

### **5.7 Leasehold improvement and equipment / Depreciation**

In determining depreciation of leasehold improvement and equipment, the management is required to make estimates of the useful lives and residual values of leasehold improvement and equipment and to review estimated useful lives and residual values when there are any changes.

In addition, the management is required to review leasehold improvement and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **5.8 Intangible assets**

The initial recognition and measurement of intangible assets, including subsequent impairment testing, require management to make estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **5.9 Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which the temporary differences and losses 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.

### **5.10 Post-employment benefits under defined benefit plans**

The obligation under the defined 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.

### **5.11 Contingent liabilities and Litigation**

The Company has contingent liabilities as a result of litigation. The management has used judgement to assess the results of the litigation and believes that provision for such contingent liabilities recorded as at the end of reporting period is sufficient.

## **6. Financial risk management**

### ***Risk management framework***

Risk Management is an important basis for financial institution business. The purpose of risk management enables the Company to manage and maintain risk management at the target and acceptable level in accordance with the rules of the BoT and corporate governance.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Oversight Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Risk Oversight Committee is responsible for of managing overall risks of the Company by planning, reviewing and monitoring risk management strategies to maintain a balance between risks and return. Principally, the Company's risk management strategies consist of (1) risk identification, (2) risk assessment, (3) risk monitoring, (4) risk control in order to manage risks at a proper level in accordance with good governance. Other consolidating committees, e.g. Asset and Liability Management Committee (ALCO), Credit Committee and Debt Restructuring Committee were also formed to be responsible for each specific risk to ensure the Company's risk management efficiency.

## 6.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer and or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally granting loans.

### *Credit policies/Framework*

Under credit risk management policies and framework, the Company monitors and controls credit risk by implementing appropriate risk analysis processes for credit transaction according to types of credit. Credit Risk Management Department under Credit Risk Group which is an independent department is responsible to identify and assess risk relating to aforementioned credit transaction. The Company sets up Credit Committee, an authority assigned for credit decision, credit limit approval or contractual obligation and appropriate return and interest rate. The Credit Committee also control the credit risk by diversifying such risk to each corporate and retail customer under the specified risk ceiling and monitor credit quality of loans to be in accordance with the Company's policies.

For the "loans" item shown in the statement of financial position, the Company's maximum credit loss is the carrying amount of net loans after deduction of applicable allowance for losses without considering the value of collateral. In addition, credit risk may arise from off-financial reporting items relating to other guarantees.

### *Credit approval process*

In the credit approval process, the Company prudently focuses on the business potential and the customer's ability to repay by considering loan objectives and stipulate to obtain sufficient and appropriate collateral as a means of mitigating the risk of financial losses from failure to meet the contractual obligations. The Company also has processes for regularly reviewing customers' credit including credit quality control to minimise non-performing loan (NPL). For non-performing loans, the Company has closely and continuously monitored, resolved and/or restructured them to retain maximum benefits for the Company.

### *Credit review process*

The Company has established Credit Review unit, an independent unit from Lending department, Debt Restructuring unit and Appraisal department, where the responsibility is to perform individual credit reviews to ensure that the credit process approval, credit monitoring, debt restructuring and classification and provision process are effectively conducted in accordance with policies and procedures, and in compliance with the regulatory requirements.

### 6.1.1 Exposure to credit risk

The following table provides information about the exposure to credit risk and expected credit losses for loans to customers without taking into account of any collateral held or other credit enhancements.

(Unit: Baht)

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>Interbank and money market items (assets)</b>				
Investment grade	2,106,999,944	-	-	2,106,999,944
Non-investment grade	-	-	-	-
Total	2,106,999,944	-	-	2,106,999,944
<u>Less</u> Allowance for expected credit losses	(11,752)	-	-	(11,752)
Net book value	2,106,988,192	-	-	2,106,988,192
<b>Loans to customers and accrued interest</b>				
Not yet due	2,874,670,812	1,070,411	324,227,735	3,199,968,958
Overdue 30 days	681,982,133	1,960,637	1,635,976	685,578,746
Overdue 31 - 60 days	-	116,563,950	221,184	116,785,134
Overdue 61 - 90 days	-	61,649,968	-	61,649,968
More than 90 days	-	-	1,436,933,577	1,436,933,577
Total	3,556,652,945	181,244,966	1,763,018,472	5,500,916,383
<u>Less</u> Allowance for expected credit losses	(24,084,630)	(16,849,295)	(550,000,462)	(590,934,387)
Net book value	3,532,568,315	164,395,671	1,213,018,010	4,909,981,996
<b>Loan commitments</b>				
Loan commitments	139,103,373	-	-	139,103,373
<u>Less</u> Allowance for expected credit losses	(636,362)	-	-	(636,362)
Net	138,467,011	-	-	138,467,011

(Unit: Baht)

31 December 2024

	Stage 1	Stage 2	Stage 3	Total
<b>Interbank and money market items (assets)</b>				
Investment grade	497,567,957	-	-	497,567,957
Non-investment grade	-	-	-	-
<b>Total</b>	<b>497,567,957</b>	<b>-</b>	<b>-</b>	<b>497,567,957</b>
<u>Less</u> Allowance for expected credit losses	(15,604)	-	-	(15,604)
<b>Net book value</b>	<b>497,552,353</b>	<b>-</b>	<b>-</b>	<b>497,552,353</b>
<b>Loans to customers and accrued interest</b>				
Not yet due	3,595,382,727	57,230,767	1,358,634	3,653,972,128
Overdue 30 days	86,110,451	562,179,606	-	648,290,057
Overdue 31 - 60 days	-	62,852,425	-	62,852,425
Overdue 61 - 90 days	-	113,272,510	2,202,543	115,475,053
More than 90 days	-	-	1,328,274,147	1,328,274,147
<b>Total</b>	<b>3,681,493,178</b>	<b>795,535,308</b>	<b>1,331,835,324</b>	<b>5,808,863,810</b>
<u>Less</u> Allowance for expected credit losses	(23,910,500)	(24,258,421)	(485,175,769)	(533,344,690)
<b>Net book value</b>	<b>3,657,582,678</b>	<b>771,276,887</b>	<b>846,659,555</b>	<b>5,275,519,120</b>
<b>Loan commitments</b>				
Loan commitments	263,829,597	100,000	-	263,929,597
<u>Less</u> Allowance for expected credit losses	(1,307,555)	(4,485)	-	(1,312,040)
<b>Net</b>	<b>262,522,042</b>	<b>95,515</b>	<b>-</b>	<b>262,617,557</b>

Exposure to credit risk of investments in debt instruments measured at fair value through other comprehensive income as at 31 December 2025 and 2024. The analysis has been based on Moody's Ratings and Fitch Ratings (Thailand) Limited which provide same credit rating.

(Unit: Baht)

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
<b>Government bonds</b>				
Rated BBB+	3,654,468,450	-	-	3,654,468,450

(Unit: Baht)

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
<b>Government bonds</b>				
Rated BBB+	3,584,082,494	-	-	3,584,082,494

### 6.1.2 Collateral held and other credit enhancements

Beside from consideration of ability to repay, the Company also focus on types and value of collateral pledged a guarantee for the loans to alleviate loss to the Company in the case of default. Movable or immovable collaterals' appraisal value are reviewed in accordance with the Company's policies and requirement by the Bank of Thailand. Type of collaterals consist of deposits, marketable equity instruments, immovable property, vehicles, machines, business collaterals and etc. The Company sets a frequency for reviewing the value of each type of collateral by using independent appraisers who are qualified as professionals and have appropriate experience and approved by the Securities and Exchange Commission to be an appraiser. The appraisal report contains a clear and sufficient information and analysis for the price determination of the Asset Appraisal Committee of the Company.

The following table sets out the types of collateral held against different types of financial assets as at 31 December 2025 and 2024.

(Unit: Baht)

Type of credit exposure	Note	31 December 2025	31 December 2024	Type of collateral held
<b>Credit risk exposure of financial assets on-financial reporting</b>				
Loans to customers and accrued interest receivables	12			
- Loans to retail customers		108,342,164	129,751,992	Land and buildings, and residential property
- Loans to corporate customers		5,388,805,998	5,674,288,057	Land, land and buildings, residential property, machines, shares, vehicles, business collaterals and certificates of deposit
- Hire-purchase loans		3,768,221	4,823,761	Vehicles
Investments in debt instruments	11	3,654,468,450	3,584,082,494	None
<b>Credit risk exposure of financial assets off-financial reporting</b>				
Other contingencies	28			
- Other guarantee		34,553,793	34,553,793	Land, land and buildings, machines, certificates of deposit and business collaterals
- Undrawn committed line		139,103,373	263,929,597	Land, land and buildings, residential property, machines, certificates of deposit, shares and business collaterals

#### *Residential mortgage lending and Personal loans*

The following tables stratify credit exposures from mortgage lending to retail customers by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of loan to customers to the value of the collateral. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. The value of collateral is based on the most recent appraisals.

	(Unit: Baht)	
	31 December 2025	31 December 2024
<b>LTV ratio</b>		
<i>Stage 1 and stage 2</i>		
Less than 50%	39,010,496	42,268,330
51 - 70%	30,179,704	42,818,939
More than 70%	4,847,539	6,558,222
Total	<u>74,037,739</u>	<u>91,645,491</u>
 <i>Credit-impaired loans</i>		
Less than 50%	6,106,139	2,665,684
51 - 70%	3,789,114	5,292,139
More than 70%	24,409,172	30,148,678
Total	<u>34,304,425</u>	<u>38,106,501</u>

*Loans to corporate customers and hire-purchase loans*

The Company mainly focuses on consideration of the ability to repay for corporate customers and hire-purchase loans to be in accordance with loan objectives and obtain sufficient collateral or other securities, where appropriate. To reduce potential credit risks, the pledged collaterals may be borrower's own asset, related individual of borrower's asset or related company of borrower's asset. Collaterals pledged for corporate lending and hire-purchase loans for which loans are provided comprise of both movable and immovable properties. The Company sets a frequency for reviewing the value of each type of collateral. For machines and vehicles, the collateral value is monthly adjusted with depreciation.

The following table sets out the carrying amount of loans to corporate customers and hire-purchase loans and the value of pledged collaterals.

	(Unit: Baht)	
	31 December 2025	
	Carrying amount	Collateral*
Stage 1 and Stage 2	3,683,384,900	3,610,767,930
Stage 3	1,738,555,367	1,694,581,957
	(Unit: Baht)	
	31 December 2024	
	Carrying amount	Collateral*
Stage 1 and Stage 2	4,412,437,640	4,407,613,878
Stage 3	1,305,350,652	1,266,203,820

\* The value of disclosed collateral is capped at the nominal amount of the loan that it is held against.

### 6.1.3 Information related to Expected Credit losses

#### *Significant increase in credit risk (SICR)*

When determining whether the Probability of default (PD) on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience which are segmented by customer group as follows:

#### **Corporate customers and hire-purchase loans**

- Debt repayment status and debt covenants
- Data obtained during credit review process including audited financial statements, estimated operational performance and business trend, significant operational financial data such as gross profit margin, financial leverage ratios, ability to repay, debt covenants and any amendment in management structure.
- Data from credit reference agencies, news, press articles and changes in external credit ratings

#### **Retail customers**

- Debt repayment status
- Indicators on observed liquidity issues which may affect income and ability to repay
- Frequency of amendment to repayment conditions which indicates the lessen of ability to repay

#### *Default*

In assessing whether a borrower is in default, the Company considers the following indicators:

#### Quantitative indicators

- The borrower has an overdue of principal and/or interest more than 90 days or 3 months past due in an earlier of on any material credit obligation or on the date of call by the Company, including the borrower's credit facility is cancelled or is at maturity date from an earlier of the date of credit facility cancellation or at the maturity date.

### Qualitative indicators

- The collateral tends to be unable to enforce for entire claim or the claiming right is lower than the existing debt burden.
- The borrower is in the process of debt rehabilitation process.
- The borrower has misuse of loans or under cease of its operation.
- The borrower intentionally delays debt repayment or contractual obligations.
- The borrower is not cooperative and cannot be contacted without a valid reason.

### *Credit risk grade*

In determining credit risk grade, the Company considers both quantitative and qualitative indicators of each individual borrower based on available information about the borrower and debt repayment status monitoring. The Company classified credit risk in 3 stages based on changes in credit risk since initial recognition.

### *Concentrations of credit risk*

The Company monitors concentrations of credit risk by sector. An analysis of concentrations of credit risk from loans to customers, investments in debt instruments and loan commitments is shown as below.

(Unit: Baht)

	31 December 2025		
	Loans to customers	Investments in debt instruments	Loan commitments
<i>Concentration by sector</i>			
<b>Corporate</b>			
Manufacturing and commerce	920,009,780	-	56,630,021
Property development and construction	2,937,349,538	-	14,286,142
Infrastructure and services	1,531,446,680	-	68,187,210
<b>Retail</b>			
Housing loans	106,826,982	-	-
Secured personal loans	1,515,182	-	-
Hire-purchase loans	3,768,221	-	-
Government	-	3,654,468,450	-
	<u>5,500,916,383</u>	<u>3,654,468,450</u>	<u>139,103,373</u>

(Unit: Baht)

	31 December 2024		
		Investments in	
	Loans to customers	debt instruments	Loan commitments
<i>Concentration by sector</i>			
<b>Corporate</b>			
Manufacturing and commerce	991,708,687	-	41,050,000
Property development and construction	3,189,385,337	-	89,791,982
Infrastructure and services	1,493,194,033	-	133,087,615
<b>Retail</b>			
Housing loans	127,823,465	-	-
Secured personal loans	1,928,527	-	-
Hire-purchase loans	4,823,761	-	-
Government	-	3,584,082,494	-
	<u>5,808,863,810</u>	<u>3,584,082,494</u>	<u>263,929,597</u>

## 6.2 Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its obligations as and when they fall due as a result of an inability to liquidate assets into cash in time or is unable to raise funds necessary for its operations, causing damage to the Company.

The Company closely monitors and manages its liquidity to meet the market condition by monitoring its investment diversification and customers' deposit behavior to conform to the lending maturity profile by using Liquidity Gap Analysis and Liquidity Stress Test, and also setting limits for Liquidity Risk Tolerance. The Company mainly invests its excess liquidity in highly liquid assets in order to prepare for customers' deposit withdrawal in both normal and crisis situations.

The following tables set out significant cash flows by the remaining contractual maturities at the reporting date:

(Unit: Baht)

		31 December 2025							
		At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity	Non-Performing Loans	Total
<b>Financial assets</b>									
Interbank and money									
market items		136,999,944	1,970,000,000	-	-	-	-	-	2,106,999,944
Financial assets measured at fair value through profit or loss									
Investments - net		-	-	-	-	-	149,598,524	-	149,598,524
Loans to customers		-	379,750,894	928,128,524	2,081,891,977	324,967,591	-	1,346,600,872	5,061,339,858
Accrued interest receivables and undue interest receivables									
		-	827,111	9,867,020	9,761,571	2,703,223	-	416,417,600	439,576,525
<b>Total</b>		<b>136,999,944</b>	<b>2,350,578,005</b>	<b>937,995,544</b>	<b>5,168,776,613</b>	<b>905,016,199</b>	<b>149,598,524</b>	<b>1,763,018,472</b>	<b>11,411,983,301</b>
<b>Financial liabilities</b>									
Deposits									
		-	2,324,862,775	1,973,784,816	1,615,439,460	-	-	-	5,914,087,051
Interbank and money									
market items		-	2,333,500,000	1,560,000,000	119,500,000	-	-	-	4,013,000,000
Lease liabilities		-	2,392,150	6,471,976	1,524,795	-	-	-	10,388,921
<b>Total</b>		<b>-</b>	<b>4,660,754,925</b>	<b>3,540,256,792</b>	<b>1,736,464,255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,937,475,972</b>

(Unit: Baht)

		31 December 2024							
		At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity	Non-Performing Loans	Total
<b>Financial assets</b>									
Interbank and money									
market items		147,567,957	350,000,000	-	-	-	-	-	497,567,957
Financial assets measured at fair value through profit or loss									
Investments - net		-	-	-	-	-	27,004,284	-	27,004,284
Loans to customers		-	82,374,825	1,202,581,555	2,836,209,155	326,475,090	-	977,694,794	5,425,335,419
Accrued interest receivables and undue interest receivables									
		-	(127,586)	7,090,061	14,905,718	7,519,668	-	354,140,530	383,528,391
<b>Total</b>		<b>147,567,957</b>	<b>432,247,239</b>	<b>1,209,671,616</b>	<b>5,888,509,217</b>	<b>880,682,908</b>	<b>27,004,284</b>	<b>1,331,835,324</b>	<b>9,917,518,545</b>
<b>Financial liabilities</b>									
Deposits									
		-	2,104,322,765	2,158,239,337	1,348,499,393	-	-	-	5,611,061,495
Interbank and money									
market items		-	1,477,000,000	1,209,000,000	167,000,000	-	-	-	2,853,000,000
Lease liabilities		-	2,262,859	6,792,692	8,735,245	-	-	-	17,790,796
<b>Total</b>		<b>-</b>	<b>3,583,585,624</b>	<b>3,374,032,029</b>	<b>1,524,234,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,481,852,291</b>

### 6.3 Market risk

The Company is exposed to normal business risks from changes in market interest rates, equity price and from non-performance of contractual obligations by counterparties.

#### 6.3.1 Interest rate risk

Interest rate risk is the risk from future movements in market interest rates that will affect the results of the Company's operation and its cash flows.

The Company has managed interest rate risk which results from a change in interest rate of assets and liabilities that may affect the Company's net interest income by using an Interest Rate Gap Model to ensure that any possible effects are at the acceptable level in accordance with the interest rate risk management policy of the Company.

Exposure to interest rate risk were as follows:

(Unit: Baht)

	31 December 2025				
	Floating rate	Fixed rate	Non-interest bearing	Non-Performing Loans	Total
<b>Financial assets</b>					
Interbank and money market items	10,977,567	1,970,000,000	126,022,377	-	2,106,999,944
Financial assets measured at fair value through profit or loss	-	-	149,598,524	-	149,598,524
Investments - net	-	3,654,468,450	-	-	3,654,468,450
Loans to customers	3,691,064,862	23,674,124	-	1,346,600,872	5,061,339,858
<b>Total</b>	<b>3,702,042,429</b>	<b>5,648,142,574</b>	<b>275,620,901</b>	<b>1,346,600,872</b>	<b>10,972,406,776</b>
<b>Financial liabilities</b>					
Deposits	-	5,914,087,051	-	-	5,914,087,051
Interbank and money market items	-	4,013,000,000	-	-	4,013,000,000
Lease liabilities	-	10,388,921	-	-	10,388,921
<b>Total</b>	<b>-</b>	<b>9,937,475,972</b>	<b>-</b>	<b>-</b>	<b>9,937,475,972</b>

(Unit: Baht)

	31 December 2024				
	Floating rate	Fixed rate	Non-interest bearing	Non-Performing Loans	Total
<b>Financial assets</b>					
Interbank and money market items	23,377,520	350,000,000	124,190,437	-	497,567,957
Financial assets measured at fair value through profit or loss	-	-	27,004,284	-	27,004,284
Investments - net	-	3,584,082,494	-	-	3,584,082,494
Loans to customers	4,383,022,920	64,617,705	-	977,694,794	5,425,335,419
<b>Total</b>	<b>4,406,400,440</b>	<b>3,998,700,199</b>	<b>151,194,721</b>	<b>977,694,794</b>	<b>9,533,990,154</b>
<b>Financial liabilities</b>					
Deposits	-	5,611,061,495	-	-	5,611,061,495
Interbank and money market items	-	2,853,000,000	-	-	2,853,000,000
Lease liabilities	-	17,790,796	-	-	17,790,796
<b>Total</b>	<b>-</b>	<b>8,481,852,291</b>	<b>-</b>	<b>-</b>	<b>8,481,852,291</b>

The following tables set out the interest repricing periods:

	31 December 2025				
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
<b>Financial assets</b>					
Interbank and money market items	1,970,000,000	-	-	-	1,970,000,000
Investments - net	-	-	3,077,123,065	577,345,385	3,654,468,450
Loans to customers	-	15,477,715	6,524,549	-	22,002,264
<b>Total</b>	<b>1,970,000,000</b>	<b>15,477,715</b>	<b>3,083,647,614</b>	<b>577,345,385</b>	<b>5,646,470,714</b>
<b>Financial liabilities</b>					
Deposits	2,324,862,775	1,973,784,816	1,615,439,460	-	5,914,087,051
Interbank and money market items	2,333,500,000	1,560,000,000	119,500,000	-	4,013,000,000
Lease liabilities	2,392,150	6,471,976	1,524,795	-	10,388,921
<b>Total</b>	<b>4,660,754,925</b>	<b>3,540,256,792</b>	<b>1,736,464,255</b>	<b>-</b>	<b>9,937,475,972</b>

(Unit: Baht)

	31 December 2024				Total
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	
<b>Financial assets</b>					
Interbank and money market items	350,000,000	-	-	-	350,000,000
Investments - net	-	-	3,037,394,344	546,688,150	3,584,082,494
Loans to customers	-	-	64,617,705	-	64,617,705
<b>Total</b>	<b>350,000,000</b>	<b>-</b>	<b>3,102,012,049</b>	<b>546,688,150</b>	<b>3,998,700,199</b>
<b>Financial liabilities</b>					
Deposits	2,104,322,765	2,158,239,337	1,348,499,393	-	5,611,061,495
Interbank and money market items	1,477,000,000	1,209,000,000	167,000,000	-	2,853,000,000
Lease liabilities	2,262,859	6,792,692	8,735,245	-	17,790,796
<b>Total</b>	<b>3,583,585,624</b>	<b>3,374,032,029</b>	<b>1,524,234,638</b>	<b>-</b>	<b>8,481,852,291</b>

### Sensitivity Analysis

The Company uses a number of sensitivity measurements to monitor the market risk in a trading book. The key measurement is PV01. PV01 is used to monitor interest rate risk in which it measures the impact on portfolio value due to the increase in interest rate of 1 basis point. The methodology and parameters that the Company used to calculate these sensitivity measurements are in accordance with international standard whereby the measurement are different in current detail. The key sensitivities are as follow:

	Interest rate sensitivities (PV01)	
	31 December 2025	31 December 2024
	THB	1,447,671
<b>Total</b>	<b>1,447,671</b>	<b>1,706,366</b>

### 6.3.2 Foreign exchange risk

The Company is not exposed to foreign currency risk as there is no foreign currency transaction.

### 6.3.3 Equity price risk

Equity price risk is any risk that arises from changes in the price of equities or common stock that may cause volatility in the earnings or fluctuations in the value of the financial assets.

The equity portfolio of the Company is managed by specific units depending on the strategy, the types of business of the issuers of underlying securities, and the objectives for holding such equities. The equity investment management is under the supervision of the Asset and Liability Management Committee (ALCO) and Treasury and Investment Department. All investments in equity instruments must comply with investment policy and framework, and related risk policies. The criteria for equity investments include consideration of fundamental value, dividend yield and market risk. Various limits are set, including Gross Limit and Loss Limit. All of these measures are established to ensure that securities investments comply with policies and remain within the approved limits taking into consideration the capital adequacy.

## 7. Maintenance of capital fund

The Company 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 (“BoT”). As announced by the BoT’s notification dated 10 January 2017 and Sor Nor Sor 12/2562 dated 7 May 2019, regarding to Guideline for maintenance of capital fund and liquidity reserve requirement for finance company, the Company is required to calculate its Capital Fund in accordance with Basel III as follows:

	(Unit: Baht)	
	31 December 2025	31 December 2024
<b>Tier 1 capital</b>		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	1,250,000,000	1,250,000,000
Legal reserve	44,318,633	40,024,997
Net income after appropriation	382,355,188	349,684,591
Other components of equity	(14,340,021)	(105,406,805)
Capital deduction items on common equity Tier 1	(22,502,092)	(46,366,524)
Total Tier 1 capital	<u>1,639,831,708</u>	<u>1,487,936,259</u>
<b>Tier 2 capital</b>		
General provision	-	-
Total Tier 2 capital	<u>-</u>	<u>-</u>
Total capital funds	<u>1,639,831,708</u>	<u>1,487,936,259</u>
<b>Total risk-weighted assets</b>	<u>6,774,962,009</u>	<u>6,652,788,920</u>

(Unit: percent)

	The BoT's regulation minimum requirement*	31 December 2025	31 December 2024
The ratio of total capital funds to risk - weighted assets	11.00	24.20	22.37
The ratio of total Tier 1 capital to risk - weighted assets	8.50	24.20	22.37
The ratio of Common Equity Tier 1 to risk - weighted assets	7.00	24.20	22.37
The ratio of Tier 2 capital to risk - weighted assets	-	-	-

\* Conservation buffer requires additional CET1 of 0.625% per annum from 1 January 2018 onwards until reaching 2.50% in 2021.

Disclosures of capital maintenance information under the BoT's notification No. Sor Nor Sor 5/2556 dated 2 May 2013 regarding to Disclosures Requirement on Capital Adequacy for a Financial Group and the BoT's notification No. Sor Nor Sor 15/2562 dated 7 May 2019, regarding the Disclosure Requirement on Capital Adequacy for a Financial Group (volume 2) were as follows:

Location of disclosure	The Company's website under Investor Relations section at <a href="http://www.advancefin.com">http://www.advancefin.com</a>
Disclosure period requirement	Within 4 months after the year ended as indicated in the BoT's notification
Latest information as at	30 June 2025

#### *Capital management*

The Board of Directors' policy is to maintain an adequate level of capital to support growth strategies within an acceptable risk framework, and to meet the requirements of the BoT to maintain investor's, creditor's, and market's confidence and to sustain future development of the business. The Board monitors the return on capital, which the Company defines as result from operating activities divided by total equity, and also monitors the dividends to ordinary shareholders.

## 8. Classification of financial assets and financial liabilities

(Unit: Baht)

	31 December 2025			Total
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>				
Interbank and money market items - net	-	-	2,106,988,192	2,106,988,192
Financial assets measured at fair value through profit or loss	149,598,524	-	-	149,598,524
Investments - net	-	3,654,468,450	-	3,654,468,450
Loans to customers and accrued interest receivables - net	-	-	4,909,981,996	4,909,981,996
<b>Total</b>	<b>149,598,524</b>	<b>3,654,468,450</b>	<b>7,016,970,188</b>	<b>10,821,037,162</b>
<b>Financial liabilities</b>				
Deposits	-	-	5,914,087,051	5,914,087,051
Interbank and money market items	-	-	4,013,000,000	4,013,000,000
Lease liabilities - net	-	-	10,388,921	10,388,921
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,937,475,972</b>	<b>9,937,475,972</b>

(Unit: Baht)

	31 December 2024			Total
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	
<b>Financial assets</b>				
Interbank and money market items - net	-	-	497,552,353	497,552,353
Financial assets measured at fair value through profit or loss	27,004,284	-	-	27,004,284
Investments - net	-	3,584,082,494	-	3,584,082,494
Loans to customers and accrued interest receivables - net	-	-	5,275,519,120	5,275,519,120
<b>Total</b>	<b>27,004,284</b>	<b>3,584,082,494</b>	<b>5,773,071,473</b>	<b>9,384,158,251</b>
<b>Financial liabilities</b>				
Deposits	-	-	5,611,061,495	5,611,061,495
Interbank and money market items	-	-	2,853,000,000	2,853,000,000
Lease liabilities - net	-	-	17,790,796	17,790,796
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,481,852,291</b>	<b>8,481,852,291</b>

## 9. Interbank and money market items - net (assets)

	(Unit: Baht)	
	31 December 2025	31 December 2024
<b>Domestic</b>		
Bank of Thailand	93,973,074	73,475,883
Commercial banks	592,857,276	74,048,078
Specialised financial institutions*	1,420,000,000	350,000,000
<b>Total</b>	<b>2,106,830,350</b>	<b>497,523,961</b>
Add: Accrued interest receivables and undue interest receivables	169,594	43,996
Less: Allowance for expected credit losses	(11,752)	(15,604)
<b>Total</b>	<b>2,106,988,192</b>	<b>497,552,353</b>

\* Specialised financial institutions are financial institutions incorporated by special laws e.g. Government Savings Bank, Bank for Agriculture and Agricultural Cooperatives, Government Housing Bank, SME Bank, Islamic Bank of Thailand, Export-Import Bank of Thailand, Secondary Mortgage Corporation excluding Thai Credit Guarantee Corporation.

## 10. Financial assets measured at fair value through profit or loss

	(Unit: Baht)	
	31 December 2025	31 December 2024
Domestic marketable equity securities	149,598,524	27,004,284
<b>Total</b>	<b>149,598,524</b>	<b>27,004,284</b>

## 11. Investments - net

### 11.1 Classified by type of investments

The detail of investments of the Company as at 31 December 2025 and 2024 are as follows.

	(Unit: Baht)	
	31 December 2025	31 December 2024
Investments in debt securities measured at fair value through other comprehensive income	3,654,468,450	3,584,082,494
Investments in equity securities measured at fair value through other comprehensive income	-	-
<b>Total</b>	<b>3,654,468,450</b>	<b>3,584,082,494</b>

	(Unit: Baht)	
	31 December 2025	31 December 2024
<b>Investment in debt securities measured at fair value through other comprehensive income</b>		
Government bonds and state enterprise securities	3,654,468,450	3,584,082,494
<b>Total</b>	<b>3,654,468,450</b>	<b>3,584,082,494</b>
Allowance for expected credit losses	-	-

## 12. Loans to customers and accrued interest receivables - net

### 12.1 Classified by type of loans

	(Unit: Baht)	
	31 December 2025	31 December 2024
Loans	5,055,586,789	5,416,525,092
Hire-purchase receivables	4,268,069	5,705,327
Finance lease receivables	1,485,000	3,105,000
Total loans to customers	5,061,339,858	5,425,335,419
Add: Accrued interest receivables and undue interest receivables	439,576,525	383,528,391
Total loans to customers and accrued interest receivables and undue interest receivables	5,500,916,383	5,808,863,810
Less: Allowance for expected credit losses	(590,934,387)	(533,344,690)
Total loans to customers and accrued interest receivables - net	4,909,981,996	5,275,519,120

### 12.2 Classified by currency and residence of customers

As at 31 December 2025 and 2024, loans to customers were domestic and denominated entirely in Thai Baht.

### 12.3 Classified by loan classifications

	(Unit: Baht)	
	31 December 2025	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	3,556,652,945	24,084,630
Financial assets where there has been a significant increase in credit risk (Under-Performing)	181,244,966	16,849,295
Financial assets that are credit-impaired (Non-Performing)	1,763,018,472	550,000,462
Total	5,500,916,383	590,934,387

(Unit: Baht)

	31 December 2024	
	Loans to customers and accrued interest receivables	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	3,681,493,178	23,910,500
Financial assets where there has been a significant increase in credit risk (Under-Performing)	795,535,308	24,258,421
Financial assets that are credit-impaired (Non-Performing)	1,331,835,324	485,175,769
<b>Total</b>	<b>5,808,863,810</b>	<b>533,344,690</b>

## 12.4 Hire-purchase and finance lease receivables

(Unit: Baht)

	31 December 2025			
	Amounts due under the agreement			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Total gross investment under hire-purchase and financial lease contracts	3,200,798	2,552,271	-	5,753,069
Less: Unearned interest income	(376,671)	(196,618)	-	(573,289)
Present value of minimum lease payments	2,824,127	2,355,653	-	5,179,780
Add: Accrued interest receivables	22,047	-	-	22,047
<b>Total</b>	<b>2,846,174</b>	<b>2,355,653</b>	<b>-</b>	<b>5,201,827</b>
Less: Allowance for expected credit losses	(13,649)	(20,326)	-	(33,975)
<b>Hire-purchase and financial lease receivables - net</b>	<b>2,832,525</b>	<b>2,335,327</b>	<b>-</b>	<b>5,167,852</b>

(Unit: Baht)

	31 December 2024			
	Amounts due under the agreement			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Total gross investment under hire-purchase and financial lease contracts	3,250,093	5,560,234	-	8,810,327
Less: Unearned interest income	(584,294)	(534,355)	-	(1,118,649)
Present value of minimum lease payments	2,665,799	5,025,879	-	7,691,678
Add: Accrued interest receivables	27,093	-	-	27,093
<b>Total</b>	<b>2,692,892</b>	<b>5,025,879</b>	<b>-</b>	<b>7,718,771</b>
Less: Allowance for expected credit losses	(13,321)	(33,303)	-	(46,624)
<b>Hire-purchase and financial lease receivables - net</b>	<b>2,679,571</b>	<b>4,992,576</b>	<b>-</b>	<b>7,672,147</b>

### 13. Troubled debt restructuring

As at 31 December 2025 and 2024, the Company has outstanding balances of restructured debtors were as follows.

	(Unit: Baht)			
	31 December 2025		31 December 2024	
	Total loans	Loans with debt restructuring	Total loans	Loans with debt restructuring
Number of debtors (contracts)	193	23	215	25
Loans to customers and accrued interest receivables	5,500,916,383	689,154,713	5,808,863,810	465,233,212

As at 31 December 2025 and 2024, the Company had no outstanding obligations to provide additional loan facilities to restructured debtors after restructuring.

### 14. Classified assets

	(Unit: Baht)			
	31 December 2025			
	Interbank and money market items - net	Loans and accrued interest receivables	Investments	Total
Financial assets where there has not been a significant increase in credit risk (Performing)	2,106,999,944	3,556,652,945	3,654,468,450	9,318,121,339
Financial assets where there has been a significant increase in credit risk (Under-Performing)	-	181,244,966	-	181,244,966
Financial assets that are credit-impaired (Non-Performing)	-	1,763,018,472	-	1,763,018,472
<b>Total</b>	<b>2,106,999,944</b>	<b>5,500,916,383</b>	<b>3,654,468,450</b>	<b>11,262,384,777</b>

	(Unit: Baht)			
	31 December 2024			
	Interbank and money market items - net	Loans and accrued interest receivables	Investments	Total
Financial assets where there has not been a significant increase in credit risk (Performing)	497,567,957	3,681,493,178	3,584,082,494	7,763,143,629
Financial assets where there has been a significant increase in credit risk (Under-Performing)	-	795,535,308	-	795,535,308
Financial assets that are credit-impaired (Non-Performing)	-	1,331,835,324	-	1,331,835,324
<b>Total</b>	<b>497,567,957</b>	<b>5,808,863,810</b>	<b>3,584,082,494</b>	<b>9,890,514,261</b>

## 15. Allowance for expected credit losses

(Unit: Baht)

	For the year ended 31 December 2025			Total
	Financial assets where there have not been a significant increase in credit risk (12-mth ECL)	Financial assets where there have been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	
<b>Interbank and money market items</b>				
Beginning balance	15,604	-	-	15,604
Changes due to remeasurement of allowance for credit losses	(3,852)	-	-	(3,852)
Ending balance	11,752	-	-	11,752
<b>Investments in debt securities measured at fair value through other comprehensive income</b>				
Beginning balance	-	-	-	-
Ending balance	-	-	-	-
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	23,910,500	24,258,421	485,175,769	533,344,690
Changes due to changes in stages	1,678,223	(15,676,704)	13,998,481	-
Changes due to remeasurement of allowance for credit losses	(3,549,607)	8,461,584	123,485,885	128,397,862
New financial assets purchased or acquired	4,506,055	-	-	4,506,055
Derecognition of financial assets	(2,460,541)	(194,006)	(282,775)	(2,937,322)
Bad debt written-off	-	-	(72,376,898)	(72,376,898)
Ending balance	24,084,630	16,849,295	550,000,462	590,934,387
<b>Loan commitments</b>				
Beginning balance	1,307,555	4,485	-	1,312,040
Changes due to changes in stages	-	(4,485)	4,485	-
Changes due to remeasurement of allowance for credit losses	(594,281)	-	-	(594,281)
New issued obligations to grant credit	211,824	-	-	211,824
Derecognition of financial assets	(288,736)	-	(4,485)	(293,221)
Ending balance	636,362	-	-	636,362

(Unit: Baht)

For the year ended 31 December 2024

	Financial assets where there have not been a significant increase in credit risk (12-mth ECL)	Financial assets where there have been a significant increase in (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
<b>Interbank and money market items</b>				
Beginning balance	4,677	-	-	4,677
Changes due to remeasurement of allowance for credit losses	10,927	-	-	10,927
Ending balance	15,604	-	-	15,604
<b>Investments in debt securities measured at fair value through other comprehensive income</b>				
Beginning balance	18,963	-	-	18,963
Derecognition of financial assets	(18,963)	-	-	(18,963)
Ending balance	-	-	-	-
<b>Loans to customers and accrued interest receivables</b>				
Beginning balance	30,123,046	9,520,190	517,010,326	556,653,562
Changes due to changes in stages	(3,091,432)	2,485,068	606,364	-
Changes due to remeasurement of allowance for credit losses	(5,075,117)	15,259,553	104,054,266	114,238,702
New financial assets purchased or acquired	5,912,798	1,393,332	6,434,371	13,740,501
Derecognition of financial assets	(3,958,795)	(4,399,722)	(11,757,896)	(20,116,413)
Bad debt written-off	-	-	(131,171,662)	(131,171,662)
Ending balance	23,910,500	24,258,421	485,175,769	533,344,690
<b>Loan commitments</b>				
Beginning balance	1,897,586	-	-	1,897,586
Changes due to changes in stages	(81,563)	81,563	-	-
Changes due to remeasurement of allowance for credit losses	(159,265)	(77,078)	-	(236,343)
New issued obligations to grant credit	948,791	-	-	948,791
Derecognition of financial assets	(1,297,994)	-	-	(1,297,994)
Ending balance	1,307,555	4,485	-	1,312,040

## 16. Properties for sale - net

(Unit: Baht)

	31 December 2025			Ending balance
	Beginning balance	Increase	Decrease	
Foreclosed assets				
Immovable assets				
- Appraised value by external appraisals	558,543,228	155,546,239	(76,600,874)	637,488,593
- Appraised value by internal appraisals	151,247,207	88,451,378	(2,474,378)	237,224,207
Total	709,790,435	243,997,617	(79,075,252)	874,712,800
Less: Allowance for impairment	(149,722)	(15,585,894)	12,178	(15,723,438)
Total properties for sale - net	709,640,713	228,411,723	(79,063,074)	858,989,362

(Unit: Baht)

	31 December 2024			Ending balance
	Beginning balance	Increase	Decrease	
Foreclosed assets				
Immovable assets				
- Appraised value by external appraisals	259,803,753	298,739,475	-	558,543,228
- Appraised value by internal appraisals	161,668,864	1,492,090	(11,913,747)	151,247,207
Total	421,472,617	300,231,565	(11,913,747)	709,790,435
Less: Allowance for impairment	(197,912)	-	48,190	(149,722)
Total properties for sale - net	421,274,705	300,231,565	(11,865,557)	709,640,713

## 17. Leasehold improvement and equipment - net

(Unit: Baht)

	Leasehold improvement	Computer and equipment	Furniture and fixtures	Vehicles	Total
<b>Cost</b>					
At 1 January 2024	19,307,853	19,342,519	91,055	9,661,400	48,402,827
Additions	-	91,070	-	-	91,070
Disposals / write-off	(13,902)	(204,841)	-	(1,159,000)	(1,377,743)
At 31 December 2024	19,293,951	19,228,748	91,055	8,502,400	47,116,154
Additions	-	726,229	-	-	726,229
Disposals / write-off	(4,656)	(200,856)	-	-	(205,512)
At 31 December 2025	19,289,295	19,754,121	91,055	8,502,400	47,636,871
<b>Accumulated depreciation</b>					
At 1 January 2024	19,293,324	18,262,826	88,027	8,888,966	46,533,143
Depreciation for the year	11,673	591,504	3,017	772,429	1,378,623
Disposals / write-off	(11,425)	(194,188)	-	(1,158,999)	(1,364,612)
At 31 December 2024	19,293,572	18,660,142	91,044	8,502,396	46,547,154
Depreciation for the year	137	241,917	-	-	242,054
Disposals / write-off	(4,656)	(200,843)	-	-	(205,499)
At 31 December 2025	19,289,053	18,701,216	91,044	8,502,396	46,583,709
<b>Net book value</b>					
At 31 December 2024	379	568,606	11	4	569,000
At 31 December 2025	242	1,052,905	11	4	1,053,162
<b>Depreciation for the years ended 31 December</b>					
2024					1,378,623
2025					242,054

As at 31 December 2025, certain items of leasehold improvement, equipment and vehicle were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 45.8 million (2024: Baht 46.0 million).

## 18. Intangible assets - net

	(Unit: Baht)
	<u>Software licenses</u>
<b>Cost</b>	
At 1 January 2024	32,584,593
Additions	-
At 31 December 2024	32,584,593
Additions	-
At 31 December 2025	32,584,593
<b>Accumulated amortisation</b>	
At 1 January 2024	25,535,380
Amortisation for the year	2,627,682
At 31 December 2024	28,163,062
Amortisation for the year	2,598,489
At 31 December 2025	30,761,551
<b>Net book value</b>	
At 31 December 2024	4,421,531
At 31 December 2025	1,823,042
<b>Amortisation for the years ended 31 December</b>	
2024	2,627,682
2025	2,598,489

As at 31 December 2025, certain items of software licenses were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 19.6 million (2024: Baht 19.6 million).

## 19. Other assets

	(Unit: Baht)	
	<u>31 December 2025</u>	<u>31 December 2024</u>
Prepaid income tax	17,397	16,791
Deposits	2,268,508	5,445,539
Prepaid expenses	2,594,408	2,606,683
Other receivables	62,275	8,005,485
Others	7,159,304	5,221,624
Total	12,101,892	21,296,122

## 20. Deposits

### 20.1 Classified by type of deposit

	(Unit: Baht)	
	31 December 2025	31 December 2024
Certificates of deposit	5,914,087,051	5,611,061,495
Total	5,914,087,051	5,611,061,495

### 20.2 Classified by currency and residence of customer

As at 31 December 2025 and 2024, deposits were domestic and denominated entirely in Thai Baht.

## 21. Interbank and money market items (liabilities)

	(Unit: Baht)	
	31 December 2025	31 December 2024
<b>Domestic</b>		
Commercial banks	660,000,000	400,000,000
Specialised financial institutions*	1,650,000,000	850,000,000
Other financial institutions **	1,703,000,000	1,603,000,000
Total	4,013,000,000	2,853,000,000

\* Specialised financial institutions are financial institutions incorporated by special laws e.g. Government Savings Bank, Bank for Agriculture and Agricultural Cooperatives, Government Housing Bank, SME Bank, Islamic Bank of Thailand, Export-Import Bank of Thailand, Secondary Mortgage Corporation excluding Thai Credit Guarantee Corporation.

\*\* Other financial institutions represent financial institutions other than the above, such as Finance companies, Securities companies, Credit fancier companies, Life insurance companies, Cooperatives, the Federation of Savings and Credit Cooperatives of Thailand Limited and the Credit Union League of Thailand Limited.

## 22. Leases

The Company has lease contracts for various items used in its operations, with the remaining lease terms between 1 - 5 years.

### 22.1 Right-of-use assets

Movement of the right-of-use assets during the years ended 31 December 2025 and 2024 are summarised below.

	Building	Equipment	Vehicle	(Unit: Baht)
	Total			Total
<b>Cost</b>				
At 1 January 2024	28,485,761	733,928	-	29,219,689
Additions	189,497	-	2,121,000	2,310,497
Contract termination	(3,279,083)	-	-	(3,279,083)
At 31 December 2024	25,396,175	733,928	2,121,000	28,251,103
Additions	189,282	-	2,990,000	3,179,282
Contract termination	(189,497)	-	-	(189,497)
At 31 December 2025	25,395,960	733,928	5,111,000	31,240,888
<b>Accumulated depreciation</b>				
At 1 January 2024	63,394	97,857	-	161,251
Depreciation for the year	7,588,667	146,786	471,333	8,206,786
Accumulated depreciation (Transfer)	3,016,860	-	-	3,016,860
Accumulated depreciation on contract termination	(190,182)	-	-	(190,182)
At 31 December 2024	10,478,739	244,643	471,333	11,194,715
Depreciation for the year	7,588,137	146,785	1,305,000	9,039,922
Accumulated depreciation on contract termination	(189,497)	-	-	(189,497)
At 31 December 2025	17,877,379	391,428	1,776,333	20,045,140
<b>Net book value</b>				
At 31 December 2024	14,917,436	489,285	1,649,667	17,056,388
At 31 December 2025	7,518,581	342,500	3,334,667	11,195,748
<b>Depreciation for the years ended 31 December</b>				
2024				8,206,786
2025				9,039,922

## 22.2 Lease liabilities

	(Unit: Baht)	
	31 December 2025	31 December 2024
Lease payments	10,690,006	18,165,358
Less: Deferred interest expenses	(301,085)	(374,562)
Total	<u>10,388,921</u>	<u>17,790,796</u>

Movement of the lease liabilities during the years ended 31 December 2025 and 2024 summarised below:

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Beginning balance	17,790,796	25,203,168
Additions	3,179,282	1,408,746
Accretion of interest	373,410	430,234
Repayments	(10,954,567)	(9,251,352)
Ending balance	<u>10,388,921</u>	<u>17,790,796</u>

A maturity analysis of lease payments is described in Note 6.2 under the Liquidity risk.

## 22.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Depreciation expenses of right-of-use assets	9,039,922	8,206,786
Interest expenses on lease liabilities	373,410	430,234
Expenses relating to short-term leases	46,800	46,800

## 22.4 Others

The Company had total cash outflows for leases for the year ended 31 December 2025 of Baht 10 million (2024: Baht 9 million), including the cash outflow related to short-term lease and leases of low-value assets.

## 23. Provisions

	(Unit: Baht)	
	31 December 2025	31 December 2024
Allowance for expected credit losses for loan commitments	636,362	1,312,040
Provisions for employee benefits	16,044,925	17,472,099
Provisions for decommissioning costs	5,161,250	5,123,247
Provisions for loss form litigation	-	3,121,389
Total	<u>21,842,537</u>	<u>27,028,775</u>

### 23.1 Allowance for expected credit losses on loan commitments

As at 31 December 2025 and 2024 allowance for expected credit losses on loan commitments classified by classification are as follows:

	(Unit: Baht)	
	31 December 2025	
	Loan commitments	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	139,103,373	636,362
Total	<u>139,103,373</u>	<u>636,362</u>

	(Unit: Baht)	
	31 December 2024	
	Loan commitments	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	263,829,597	1,307,555
Financial assets where there has been a significant increase in credit risk (Under-Performing)	100,000	4,485
Total	<u>263,929,597</u>	<u>1,312,040</u>

## 23.2 Provisions for employee benefits

### *Defined benefit plan*

The Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2562 to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations

	(Unit: Baht)	
	31 December 2025	31 December 2024
Provisions for employee benefits at the beginning of the year	17,472,099	13,089,019
Include in profit or loss:		
Current service cost	3,208,397	3,056,091
Interest cost	378,127	391,362
Include in other comprehensive income:		
Actuarial loss arising from		
Demographic assumptions changes	-	-
Financial assumptions changes	374,575	544,699
Experience adjustment	852,609	390,928
Benefits paid during the year	(6,240,882)	-
Provisions for employee benefits at the end of the year	<u>16,044,925</u>	<u>17,472,099</u>

The Company expects to pay Baht 1.8 million of long-term employee benefits during the next year (2024: Baht 1.6 million).

At 31 December 2025, the weighted-average duration of the defined benefit obligation was 8 years (2024: 8 years).

Principal actuarial assumptions

	(Unit: Percent per annum)	
	31 December 2025	31 December 2024
Discount rate	1.73	2.28
Future salary growth	6.00	6.00
Turnover rate (depending on age)	4.30 - 34.38	4.30 - 34.38

Assumptions regarding future mortality have been based on published statistics and mortality tables.

### Sensitivity analysis

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

#### Effect to the defined benefit obligation

(Unit: Baht)

	Increase in assumption		Decrease in assumption	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
Discount rate (1% movement)	(686,291)	(754,027)	789,437	857,095
Future salary growth (1% movement)	747,832	816,840	(666,293)	(735,645)
Employee turnover rate (20% movement)	(738,887)	(768,176)	874,671	901,695
Future mortality (20% movement)	(76,514)	(91,904)	77,279	92,811

#### 24. Other liabilities

(Unit: Baht)

	31 December 2025	31 December 2024
Other payables	2,381,363	2,070,219
Deposits	140,000	40,000
Specific business tax and value added tax payable	848,803	1,065,904
Withholding tax payable	955,067	971,479
Payable from Legal Executive Department	801,217	663,217
Others	307,589	238,007
<b>Total</b>	<b>5,434,039</b>	<b>5,048,826</b>

#### 25. Other components of equity

(Unit: Baht)

	31 December 2025	31 December 2024
<b>Revaluation surplus (deficit) on investments measured at fair value through other comprehensive income</b>		
Revaluation surplus on debt instruments	16,132,956	18,715,313
Revaluation deficit on debt instruments	(34,047,500)	(150,473,819)
Revaluation deficit on equity instruments	(10,482)	-
Total revaluation deficit on investments measured at fair value through other comprehensive income	(17,925,026)	(131,758,506)
Add: income taxes	3,585,005	26,351,701
<b>Other components of equity - net of income taxes</b>	<b>(14,340,021)</b>	<b>(105,406,805)</b>

## 26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 27. Dividend payment

	Approved by	Payment schedule	Dividend rate per share (Baht per share)	Amounts of dividend paid (Baht)
2025	Annual General Meeting of the shareholders on 25 April 2025	23 May 2025	0.040	50,000,000
2024	Annual General Meeting of the shareholders on 23 April 2024	8 May 2024	0.032	40,000,000

## 28. Commitments and contingent liabilities

### 28.1 Commitments

	(Unit: Baht)	
	31 December 2025	31 December 2024
Other commitments		
- Other guarantee	34,553,793	34,553,793
- Undrawn committed line	139,103,373	263,929,597
Total	173,657,166	298,483,390

### 28.2 Service commitments

The Company has entered into other services agreements. The terms of the agreements are generally between 1 - 2 years. As at 31 December 2025, future minimum lease payments required under there non-cancellable services agreements were as follows:

	Payable	Non-related parties
Within 1 year		1,780,416
1 to 2 years		35,397

### 28.3 Litigation

The Company was a defendant in a civil lawsuit filed by a third party, with total claims amounting to Baht 3.75 million. The Court of First Instance rendered a judgement ordering the Company to pay damages of Baht 2.56 million plus interest. The Appeal Court upheld the judgement of the Court of First Instance.

On 16 January 2025, the Company filed a petition for leave to appeal to the Supreme Court and submitted an appeal against the Court of Appeal's judgement. On 1 September 2025, the Supreme Court denied the petition for leave to appeal and did not accept the appeal, concluding that there were no grounds to change the essential points of the Court of Appeal's judgement. Therefore, the case is final and binding. The Company has fully settled the judgement debt, including interest, totaling Baht 3.12 million.

### 29. 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 Company, a person or entity that are under common control or under the same significant influence as the Company, or the Company has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

Other related parties that the Company had significant transactions with during the year were as follows:

Name of entity/personnel	Country of incorporation/n ationality	Nature of relationships
The Brooker Group PCL.	Thai	Shareholder
KTM Capital Land Co., Ltd.	Thai	Entities with common directors, management or related persons
Insight Legal Co., Ltd.***	Thai	Entities with common directors, management or related persons
Energy Absolute PCL.*	Thai	Entities with common directors, management or related persons
Land Prosperity Holding Co., Ltd.*	Thai	Entities with common directors, management or related persons
Wealth Concept Mutual Fund Brokerage Securities Co., Ltd.**	Thai	Entities with common directors, management or related persons
Nex Point PCL.*	Thai	Entities with common directors, management or related persons
Pongnok Development Co., Ltd.*	Thai	Entities with common directors, management or related persons

Name of entity/personnel	Country of incorporation/nationality	Nature of relationships
EA Solar Co., Ltd.*	Thai	Entities with common directors, management or related persons
EA Solar Lampang Co., Ltd.*	Thai	Entities with common directors, management or related persons
EA Solar Nakornsawan Co., Ltd.*	Thai	Entities with common directors, management or related persons
EA Solar Phitsanulok Co., Ltd.*	Thai	Entities with common directors, management or related persons
EA Wind Hadkanghan 3 Co., Ltd.*	Thai	Entities with common directors, management or related persons
EA Waste Management Phuket Co., Ltd.*	Thai	Entities with common shareholders or related persons
Genepeutic Bio Co., Ltd.*	Thai	Entities with common shareholders or related persons
Blockfint Co., Ltd.*	Thai	Entities with common shareholders or related persons
Industrial Water Resource Management Co., Ltd.*	Thai	Entities with common shareholders or related persons
Double P Land Co., Ltd.*	Thai	Entities with common shareholders or related persons
SPBL Holding Co., Ltd.*	Thai	Entities with common shareholders or related persons
Key management personnel	Thai	Persons having authority and responsibility for planning, directly and controlling the activities of the Company, directly or indirectly, including any director of the Company (whether executive or otherwise)

\* The Company was related parties up to 21 August 2024.

\*\* The Company was related parties up to 7 May 2024.

\*\*\* The Company was related parties up to 15 May 2025.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Interest rate of loans	Interest rate as offered to general customers
Interest rate on deposits	Interest rate as offered to general customers
Intangible assets	Contractual price
Finance lease receivables	Market price

Interest rate and other pricing for key management personnel and other related parties are at the same rate as in the normal course of business with the same business conditions as general customers.

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

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
<b>Entities which common directors, management, shareholders or related persons</b>		
Interest income	-	3,258,886
Interest expenses	212,235	8,609,896
Other expenses	-	876,203
<b>Key management personnel</b>		
Interest expenses	522,478	278,182
<b>Major shareholders</b>		
Interest expenses	228,410	97,063

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

	(Unit: Baht)	
	31 December 2025	31 December 2024
	<b>Entities which common directors, management, shareholders or related persons</b>	
Deposits	-	14,352,690
Accrued interest payables	-	188,876
<b>Key management personnel</b>		
Deposits	25,352,991	19,845,102
Accrued interest payables	150,301	79,163
<b>Major shareholder</b>		
Deposits	10,099,334	10,000,000
Accrued interest payables	154,395	42,849

The Company has not paid other benefits to executive directors and key management personnel, except for the benefits that are normally paid such as salary, bonus and post-employment benefits etc.

(Unit: Baht)

	For the years ended 31 December	
	2025	2024
Short-term benefits	29,235,993	24,855,871
Post-employment benefits	2,177,979	2,038,601
<b>Total</b>	<b>31,413,972</b>	<b>26,894,472</b>

Directors who have no position in executive level of the Company only receive an annual remuneration and allowances.

(Unit: Baht)

	For the years ended 31 December	
	2025	2024
Directors' remuneration	6,136,086	4,175,000
<b>Total</b>	<b>6,136,086</b>	<b>4,175,000</b>

### 30. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Board of Directors.

Finance business is the main business segment of the Company which management considers that there is only one segment and when taking into consideration the business location of the Company, there is only one geographical segment as the business operates only in Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

No operating income from transactions with a single external customer in an amount equal to 10% or more of the operating income.

### 31. Interest income

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Interbank and money market items	7,474,239	3,188,392
Investments in debt securities	57,159,964	58,323,580
Loans to customers	423,913,652	500,909,869
Total	<u>488,547,855</u>	<u>562,421,841</u>

The Company has interest income from financial assets that are credit-impaired for the year ended 31 December 2025 amounting to Baht 70 million. The Company has recognised an allowance for expected credit losses for the aforementioned interest income (2024: Baht 62 million).

### 32. Interest expenses

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Deposits	131,303,910	119,734,517
Interbank and money market items	31,502,139	67,857,706
Contributions to the Financial Institutions Development Fund and the Deposit Protection Agency	33,810,331	34,210,317
Others	411,413	648,721
Total	<u>197,027,793</u>	<u>222,451,261</u>

### 33. Fees and service income

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Acceptances, avals and guarantees	102,395	186,254
Fees on loans	753,500	868,887
Service fees	-	1,000,000
Total	<u>855,895</u>	<u>2,055,141</u>

**34. Net gains (losses) on financial instruments measured at fair value through profit or loss**

(Unit: Baht)

	For the years ended 31 December	
	2025	2024
Domestic marketable equity securities	4,222,241	(52,206,383)
Total	4,222,241	(52,206,383)

**35. Net gains on investments**

(Unit: Baht)

	For the years ended 31 December	
	2025	2024
Gains on disposal of investment in debt securities measured at fair value through other comprehensive income	-	67,088
Total	-	67,088

**36. Expected credit losses and impairment**

(Unit: Baht)

	For the years ended 31 December	
	2025	2024
Interbank and money market items (reversal)	(3,852)	10,927
Investment in debt securities measured at fair value through other comprehensive income (reversal)	-	(18,963)
Loans to customers and accrued interest receivables	78,022,727	47,356,592
Loan commitments (reversal)	(675,678)	(585,547)
Loss from impairment of properties for sale	15,585,894	-
Loss (gain) from modification of loan conditions	(4,356,883)	8,245,952
Total	88,572,208	55,008,961

### 37. Income tax

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

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
<b>Current income tax:</b>		
Corporate income tax for the year	20,236,510	24,077,855
<b>Deferred tax:</b>		
Relating to temporary differences and reversal of temporary differences	(1,255,314)	(1,970,892)
Income tax expenses reported in statements of comprehensive income	<u>18,981,196</u>	<u>22,106,963</u>

The amounts of income tax relating to each components of other comprehensive income for the years ended 31 December 2025 and 2024 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Deferred tax relating to gains on revaluation of investments in debt securities measured at fair value through other comprehensive income	22,768,792	21,415,271
Deferred tax relating to losses on revaluation of investments in equity securities measured at fair value through other comprehensive income	(2,096)	-
Deferred tax on remeasurement losses on defined benefit plans	(245,437)	(187,125)
Total	<u>22,521,259</u>	<u>21,228,146</u>

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

	(Unit: Baht)	
	For the years ended 31 December	
	2025	2024
Accounting profits before tax	94,770,732	107,979,674
Applicable tax rates	20%	20%
Accounting profits before tax multiplied by applicable tax rate	18,954,146	21,595,935
Effects of non-deductible expenses and non-taxable income	27,050	511,028
Total	<u>18,981,196</u>	<u>22,106,963</u>

The components of deferred tax assets are consisting of items as follows:

(Unit: Baht)

	As at 1 January 2025	(Charged) / Credited to:		As at 31 December 2025
		Profit or loss	Other	
			comprehensive income	
<b>Deferred tax assets</b>				
Allowance for impairment of investments	1,564,000	-	2,096	1,566,096
Loss on remeasurement investments	35,405,240	(785,450)	(22,768,792)	11,850,998
Allowance for expected credit losses	54,232	(135,906)	-	(81,674)
Allowance for impairment of properties for sale	29,944	3,114,743	-	3,144,687
Provisions for loss from litigation	624,278	(624,278)	-	-
Leases	1,351,882	(75,204)	-	1,276,678
Finance leases	(579,002)	292,281	-	(286,721)
Provisions for employee benefits	3,494,420	(530,872)	245,437	3,208,985
<b>Total</b>	<b>41,944,994</b>	<b>1,255,314</b>	<b>(22,521,259)</b>	<b>20,679,049</b>

(Unit: Baht)

	As at 1 January 2024	(Charged) / Credited to:		As at 31 December 2024
		Profit or loss	Other	
			comprehensive income	
<b>Deferred tax assets</b>				
Allowance for impairment of investments	1,564,000	-	-	1,564,000
Loss on remeasurement investments	56,227,553	592,958	(21,415,271)	35,405,240
Allowance for expected credit losses	169,156	(114,924)	-	54,232
Allowance for impairment of properties for sale	39,582	(9,638)	-	29,944
Provisions for loss from litigation	607,781	16,497	-	624,278
Leases	827,679	524,203	-	1,351,882
Finance leases	(851,307)	272,305	-	(579,002)
Provisions for employee benefits	2,617,804	689,491	187,125	3,494,420
<b>Total</b>	<b>61,202,248</b>	<b>1,970,892</b>	<b>(21,228,146)</b>	<b>41,944,994</b>

### 38. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by weighted average number to ordinary shares in issue during the year.

	(Unit: Baht / Share)	
	For the years ended 31 December	
	2025	2024
Profit attributable to ordinary shareholders of the Company (Baht)	75,789,536	85,872,711
Number of ordinary shares outstanding (Share)	1,250,000,000	1,250,000,000
Earnings per share (Baht/Share)	0.06	0.07

### 39. Fair value of financial instruments

#### 39.1 Financial instruments measured at fair value

The following tables present the fair value hierarchy of the financial instruments that were measured at fair value at the reporting dates.

	(Unit: Baht)		
	31 December 2025		
	Fair value		
	Level 1	Level 2	Total
<b>Financial assets</b>			
Financial assets measured at fair value			
through profit or loss	149,598,524	-	149,598,524
Investments in debt securities measured at			
fair value through other comprehensive income	-	3,654,468,450	3,654,468,450
Investments in equity securities measured at			
fair value through other comprehensive income	-	-	-
Total financial assets	<u>149,598,524</u>	<u>3,654,468,450</u>	<u>3,804,066,974</u>

(Unit: Baht)

	31 December 2024		
	Fair value		
	Level 1	Level 2	Total
<b>Financial assets</b>			
Financial assets measured at fair value			
through profit or loss	27,004,284	-	27,004,284
Investments in debt securities measured at			
fair value through other comprehensive income	-	3,584,082,494	3,584,082,494
Investments in equity securities measured at			
fair value through other comprehensive income	-	-	-
Total financial assets	<u>27,004,284</u>	<u>3,584,082,494</u>	<u>3,611,086,778</u>

### 39.2 Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value and for which there is a significant difference with carrying amount as at 31 December 2025 and 2024 were as follows:

	31 December 2025				
	Carrying amount	Fair value			
	Financial instruments measured at amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>					
Deposits	5,914,087,051	-	5,934,122,534	-	5,934,122,534
Interbank and money market items (liabilities)	4,013,000,000	-	4,005,290,271	-	4,005,290,271

(Unit: Baht)

	31 December 2024				
	Carrying amount	Fair value			
	Financial instruments measured at amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>					
Deposits	5,611,061,495	-	5,631,002,217	-	5,631,002,217
Interbank and money market items (liabilities)	2,853,000,000	-	2,854,139,321	-	2,854,139,321

During the current year, there was no changes the fair value hierarchy

The following methods and assumptions were used by the Company in estimating fair value of financial instruments as disclosed herein.

*Interbank and money market items (assets and liabilities)*

The fair value of floating interest rate interbank and money market items (both assets and liabilities) was assumed to approximate the carrying value as at the reporting date. The fair value of fixed interest rate interbank and money market items with a remaining to maturity period of more than 1 year from the statement of financial position date was determined by discounting the expected future cash flows at the current average interest rate for similar debts.

*Financial assets measured at fair value through profit or loss and investments*

The fair value of investments in government-sector debt securities is determined, using yield rates or prices quoted on the Thai Bond Market Association ("ThaiBMA"). The fair value of investments in other debt securities issued locally is determined based on market value appraised by the reliable institutions, their respective yields, or the ThaiBMA's yield rates adjusted by appropriate risk factors.

The fair value of marketable equity securities is determined at the last bid price quoted on the last working day of the Stock Exchange of Thailand of the reporting period. The fair value of an investment unit is determined using the net asset value announced at the reporting date. The fair value of non-marketable equity securities is determined mainly based on common valuation techniques such as market approach, cost approach or income approach, as well as book value or adjusted book value.

*Loans to customers*

Fair value of floating interest loans to customers where the rates change frequently without material impact on credit risk is measured at carrying value as at reporting date. Fixed interest loans to customers where the interest rate is expected to change within 1 year of the reporting date is measured approximately at their carrying value as at the reporting date. In addition, loans to customers at carrying value reflect their fair value reasonable. Since most of them are floating interest rates.

*Deposits*

Fair values of deposits with term and fixed interest rates are estimated using discounted cash flow analyses based on current interest rates for similar types of deposit arrangements.

**40. Event after the reporting period**

On 27 February 2026, a meeting of the Company's Board of Directors passed resolutions to propose to the Annual General Meeting of Shareholders for approval a dividend payment of Baht 0.03 per share to the shareholders from the net profit for the year 2025, or a total of Baht 37.5 million.

**41. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2026.