

Advance Finance Public Company Limited
Report and financial statements
31 December 2024



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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 2024, 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 2024, its financial performance and cash flows for the year then ended in accordance with the Bank of Thailand's regulations and Thai Financial Reporting Standards.

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

Certified Public Accountant (Thailand) No. 6768

EY Office Limited

Bangkok: 28 February 2025

Advance Finance Public Company Limited

Statement of financial position

As at 31 December 2024

(Unit: Baht)

	Note	31 December 2024	31 December 2023
Assets			
Interbank and money market items - net	9	497,552,353	1,909,404,817
Financial assets measured at fair value through profit or loss	10	27,004,284	75,668,030
Derivative assets	11	-	2,505
Investments - net	12	3,584,082,494	3,558,765,466
Loans to customers and accrued interest receivables - net	13	5,275,519,120	6,064,213,220
Properties for sale - net	17	709,640,713	421,274,705
Leasehold improvement and equipment - net	18	569,000	1,869,684
Right-of-use assets - net	23	17,056,388	29,058,438
Intangible assets - net	19	4,421,531	7,049,213
Deferred tax assets	38	41,944,994	61,202,248
Accrued interest receivables on investments		6,207,374	6,763,332
Receivables from Legal Execution Department		5,442,300	8,390,550
Other assets	20	21,296,122	199,827,351
Total assets		10,190,736,673	12,343,489,559

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 2024

		(Unit: Baht)	
	Note	31 December 2024	31 December 2023
Liabilities and equity			
Liabilities			
Deposits	21	5,611,061,495	6,155,908,663
Interbank and money market items	22	2,853,000,000	4,593,500,000
Accrued interest payable		31,974,380	22,561,123
Contributions to the Financial Institutions Development Fund and the Deposit Protection Agency payable		15,969,521	19,259,358
Lease liabilities - net	23	17,790,796	25,203,168
Provisions	24	27,028,775	26,019,169
Accrued expenses		27,726,180	22,942,690
Other liabilities	25	5,048,826	7,743,983
Total liabilities		8,589,599,973	10,873,138,154
Equity			
Share capital			
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	26	(105,406,805)	(191,067,891)
Retained earnings			
Appropriated			
Legal reserve	27	44,318,633	40,024,997
Unappropriated		412,224,872	371,394,299
Total equity		1,601,136,700	1,470,351,405
Total liabilities and equity		10,190,736,673	12,343,489,559

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

P. Chong-lls.

Manoj

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 2024

		(Unit: Baht)	
	Note	2024	2023
Profit or loss			
Interest income	32	562,421,841	510,870,799
Interest expense	33	222,451,261	172,639,579
Net interest income		339,970,580	338,231,220
Fees and service income	34	2,055,141	7,349,263
Net fees and service income		2,055,141	7,349,263
Net losses on financial instruments measured at fair value			
through profit or loss	35	(52,206,383)	(39,108,190)
Net gains (losses) on investments	36	67,088	(39,149)
Dividend income		1,049,432	3,190,729
Net losses on properties for sale		(65,557)	(22,413,321)
Other operating income		1,664,406	8,315,720
Total operating income		292,534,707	295,526,272
Other operating expenses			
Employee's expenses		79,960,711	79,412,778
Directors' remuneration	30	4,175,000	4,149,677
Premises and equipment expenses		19,599,445	17,499,865
Taxes and duties		14,280,664	14,344,592
Others		11,530,252	12,629,729
Total other operating expenses		129,546,072	128,036,641
Expected credit losses and impairment	37	55,008,961	82,172,858
Profit from operating before income tax expense		107,979,674	85,316,773
Income tax expense	38	22,106,963	18,143,671
Profit for the year		85,872,711	67,173,102

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 2024

		(Unit: Baht)	
	Note	2024	2023
Other comprehensive income (loss):			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gains (losses) on investments in debt securities measured at fair value through other comprehensive income		107,076,357	(20,957,541)
Income tax relating to components of other comprehensive income will be reclassified subsequently to profit or loss	38	(21,415,271)	4,191,508
		<u>85,661,086</u>	<u>(16,766,033)</u>
<i>Items that will not be reclassified to profit or loss</i>			
Actuarial gains (losses) on defined benefit plan		(935,627)	1,727,167
Income tax relating to components of other comprehensive income will not be reclassified subsequently to profit or loss	38	187,125	(345,433)
		<u>(748,502)</u>	<u>1,381,734</u>
Total other comprehensive income (loss) - net of income tax		<u>84,912,584</u>	<u>(15,384,299)</u>
Total comprehensive income for the year		<u><u>170,785,295</u></u>	<u><u>51,788,803</u></u>
Earnings per share			
Basic earnings per share	39	<u>0.07</u>	<u>0.05</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 2024

		Retained earnings				(Unit: Baht)
		Other components of equity				
		Gains (losses) on investments in debt securities measured at fair value through other comprehensive income				
		Issued and paid-up share capital				
Note				Legal reserve	Unappropriated	Total
		1,250,000,000	(174,301,858)	36,666,342	356,198,118	1,468,562,602
28	Dividend paid	-	-	-	(50,000,000)	(50,000,000)
	Profit for the year	-	-	-	67,173,102	67,173,102
	Other comprehensive income (loss) for the year	-	(16,766,033)	-	1,381,734	(15,384,299)
	Total comprehensive income (loss) for the year	-	(16,766,033)	-	68,554,836	51,788,803
27	Transfer to legal reserve	-	-	3,358,655	(3,358,655)	-
	Balance at 31 December 2023	1,250,000,000	(191,067,891)	40,024,997	371,394,299	1,470,351,405
		1,250,000,000	(191,067,891)	40,024,997	371,394,299	1,470,351,405
28	Dividend paid	-	-	-	(40,000,000)	(40,000,000)
	Profit for the year	-	-	-	85,872,711	85,872,711
	Other comprehensive income (loss) for the year	-	85,661,086	-	(748,502)	84,912,584
	Total comprehensive income (loss) for the year	-	85,661,086	-	85,124,209	170,785,295
27	Transfer to legal reserve	-	-	4,293,636	(4,293,636)	-
	Balance at 31 December 2024	1,250,000,000	(105,406,805)	44,318,633	412,224,872	1,601,136,700
		1,250,000,000	(105,406,805)	44,318,633	412,224,872	1,601,136,700

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 2024**

	(Unit: Baht)	
	2024	2023
Cash flows from operating activities		
Profit from operating before income tax expense	107,979,674	85,316,773
Adjustments to reconcile profit from operating before income tax expense to net cash received (paid) from operating activities		
Depreciation and amortisation	15,229,951	13,039,973
Amortisation of withholding tax	89,745	1,350,453
Expected credit losses	55,008,961	82,023,136
Net losses from financial instruments measured at fair value through profit or loss	52,206,383	39,108,190
Net losses (gains) on investments	(67,088)	39,149
Losses on disposal of properties for sale	65,557	22,413,321
Gains on disposal of equipments	(321,216)	(351,616)
Losses from impairment of properties for sale	-	149,722
Gains on financial lease	-	(3,987,160)
Employee benefit expense	3,447,453	3,600,601
Litigation expense	-	127,868
Net interest income	(339,970,580)	(338,231,220)
Dividend income	(1,049,432)	(3,190,729)
Proceeds from interest	589,771,426	470,045,667
Interest paid	(215,679,120)	(167,920,623)
Proceeds from dividend	1,049,432	3,190,729
Income tax paid	(22,632,230)	(14,915,692)
Profit from operating before changes in operating assets and liabilities	245,128,916	191,808,542
Decrease (increase) in operating assets		
Interbank and money market items	1,411,425,702	416,910,993
Loans to customers	748,257,020	(865,871,715)
Properties for sale	(288,431,565)	150,143,599
Receivables from Legal Execution Department	2,948,250	502,400
Other assets	178,441,483	7,491,230
Increase (decrease) in operating liabilities		
Deposits	(544,847,168)	(1,956,310,157)
Interbank and money market items	(1,740,500,000)	1,931,500,000
Provisions	82,486	-
Accrued expenses	3,155,648	6,049,054
Other liabilities	(2,695,157)	2,381,435
Net cash provided by (used in) operating activities	12,965,615	(115,394,619)

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 2024

	(Unit: Baht)	
	2024	2023
Cash flows from investing activities		
Acquisition of investment in equity securities	(64,826,589)	(105,792,327)
Proceeds from sale of investment in equity securities	61,286,457	103,870,346
Acquisition of investment in debt securities	-	(103,582,916)
Proceeds from sale of debt securities	38,682,125	277,382,680
Acquisition of equipment	(91,069)	(233,050)
Proceeds from sale of equipments	334,345	358,411
Net cash provided by investing activities	35,385,269	172,003,144
Cash flows from financing activities		
Dividend paid	(39,817,782)	(49,954,189)
Cash paid on financial lease	1,620,000	1,620,000
Cash paid on lease liabilities	(10,153,102)	(8,274,336)
Net cash used in financing activities	(48,350,884)	(56,608,525)
Net increase in cash	-	-
Cash as at 1 January	-	-
Cash as at 31 December	-	-
Supplement cash flow information		
Non cash item		
Right-of-use assets	968,587	4,449,660

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

Advance Finance Public Company Limited
Table of contents for notes to financial statements
For the year ended 31 December 2024

Note	Contents	Page
1.	General information	1
2.	Basis of preparation of the financial statements.....	1
3.	New financial reporting standards	2
4.	Significant accounting policies	2
5.	Significant accounting judgements and estimates	18
6.	Financial risk management.....	21
7.	Maintenance of capital fund.....	36
8.	Classification of financial assets and financial liabilities	38
9.	Interbank and money market items - net (assets).....	39
10.	Financial assets measured at fair value through profit or loss	40
11.	Derivative assets and liabilities	40
12.	Investments - net.....	40
13.	Loans to customers and accrued interest receivables - net.....	41
14.	Modified loans to customers and troubled debt restructuring	43
15.	Classified assets	43
16.	Allowance for expected credit losses	44
17.	Properties for sale - net.....	46
18.	Leasehold improvement and equipment - net.....	47
19.	Intangible assets - net.....	48
20.	Other assets	48
21.	Deposits	49
22.	Interbank and money market items (liabilities)	49
23.	Leases	50
24.	Provisions.....	52
25.	Other liabilities	54
26.	Other components of equity.....	55
27.	Statutory reserve	55
28.	Dividend payment	55
29.	Commitments and contingent liabilities	56
30.	Related parties	57
31.	Segment information.....	60
32.	Interest income.....	60
33.	Interest expense.....	61

Advance Finance Public Company Limited

Table of contents for notes to financial statements (continued)

For the year ended 31 December 2024

Note	Contents	Page
34.	Fees and service income	61
35.	Net losses on financial instruments measured at fair value through profit or loss.....	61
36.	Net gains (losses) on investments.....	61
37.	Expected credit losses and impairment.....	62
38.	Income tax.....	62
39.	Earnings per share.....	64
40.	Fair value of financial instruments	65
41.	Event after the reporting period	67
42.	Approval of financial statements.....	67

Advance Finance Public Company Limited
Notes to financial statements
For the year ended 31 December 2024

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 2024 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. Amorn Saphthaweeikul (10% shareholding).

As of 20 January 2025, the list of major shareholders has changed as follows: The Broker Group Public Company Limited (10% shareholding), Lighthub Asset Company Limited (10% Shareholding), Miss Kantima Pornsriniyom (10% shareholding), Mr. Suntorn Arunanonchai (10% shareholding), and Mrs. Uraiwann Kwakpethun (10% shareholding).

2. Basis of preparation of the financial statements

Financial statements for the year ended 31 December 2024 were prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession 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 summary of significant 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 2024. 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 statement.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of 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 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, judgment 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 Expense 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 income statement. 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.

- 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.

Investment in equity instruments

The Company has classified investment 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 Derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

4.9 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 investment 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, loans under the watchlist (Early warning sign), loans that are classified as in the high risk group, close monitoring by management, changes of internal credit rating of the borrower since initial recognition, 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 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. Subsequent recoveries of amounts previously written off decrease the amount of the expected credit loss in profit or loss.

4.10 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).

4.11 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.

4.12 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.

4.13 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.

When parts of an item 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).

4.14 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.

4.15 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.

4.16 Employee benefits

Post - employment benefits and other long-term 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.

4.17 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.

4.18 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.

4.19 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.

4.20 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.

4.21 Loan commitments

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

4.22 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.

4.23 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.

4.24 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.

4.25 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.

4.26 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 relies on a complex model, a dataset of assumptions, model development and assessments related to the increase in credit risk, as well as the selection of forward-looking information, which involves a large number of variables. Therefore, actual results could differ from these estimates.

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 Group's 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 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 2024			
	Stage 1	Stage 2	Stage 3	Total
Interbank and money market items (assets)				
Investment grade	497,567,957	-	-	497,567,957
Non-investment grade	-	-	-	-
Total	497,567,957	-	-	497,567,957
<u>Less</u> Allowance for expected credit losses	(15,604)	-	-	(15,604)
Net book value	497,552,353	-	-	497,552,353
Loans to customers and accrued interest				
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
Total	3,681,493,178	795,535,308	1,331,835,324	5,808,863,810
<u>Less</u> Allowance for expected credit losses	(23,910,500)	(24,258,421)	(485,175,769)	(533,344,690)
Net book value	3,657,582,678	771,276,887	846,659,555	5,275,519,120
Loan commitments				
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)
Net book value	262,522,042	95,515	-	262,617,557

(Unit: Baht)

31 December 2023

	Stage 1	Stage 2	Stage 3	Total
Interbank and money market items (assets)				
Investment grade	1,909,409,494	-	-	1,909,409,494
Non-investment grade	-	-	-	-
Total	1,909,409,494	-	-	1,909,409,494
<u>Less</u> Allowance for expected credit losses	(4,677)	-	-	(4,677)
Net book value	1,909,404,817	-	-	1,909,404,817
Loans to customers and accrued interest				
Not yet due	4,568,735,795	64,331,892	-	4,633,067,687
Overdue 30 days	291,570,633	13,284,146	-	304,854,779
Overdue 31 - 60 days	-	17,236,249	2,739,534	19,975,783
Overdue 61 - 90 days	-	44,643,561	-	44,643,561
More than 90 days	-	-	1,618,324,972	1,618,324,972
Total	4,860,306,428	139,495,848	1,621,064,506	6,620,866,782
<u>Less</u> Allowance for expected credit losses	(30,123,046)	(9,520,190)	(517,010,326)	(556,653,562)
Net book value	4,830,183,382	129,975,658	1,104,054,180	6,064,213,220
Loan commitments				
Loan commitments	350,188,070	-	-	350,188,070
<u>Less</u> Allowance for expected credit losses	(1,897,586)	-	-	(1,897,586)
Net book value	348,290,484	-	-	348,290,484

Exposure to credit risk of investments in debt instruments measured at fair value through other comprehensive income as at 31 December 2024 and 2023. The analysis has been based on Moody's Investors Service, Fitch Ratings (Thailand) Limited and Tris Rating Co., Ltd. which provide same credit rating.

(Unit: Baht)

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

(Unit: Baht)

	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
Government bonds				
Rated BBB+	3,519,971,682	-	-	3,519,971,682
Corporate bonds				
Rated A- to A+	38,793,784	-	-	38,793,784

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 2024 and 2023.

(Unit: Baht)				
Type of credit exposure	Note	31 December 2024	31 December 2023	Type of collateral held
Credit risk exposure of financial assets on-financial reporting				
Loans to customers and accrued interest receivables	13			
- Loans to retail customers		129,751,992	152,971,210	Land and buildings, and residential property
- Loans to corporate customers		5,674,288,057	6,461,975,478	Land, land and buildings, residential property, machines, shares, vehicles, business collaterals and certificates of deposit
- Hire-purchase loans		4,823,761	5,920,094	Vehicles
Investments in debt instruments	12	3,584,082,494	3,558,765,466	None
Credit risk exposure of financial assets on-financial reporting				
Other contingencies	29			
- Other guarantee		34,553,793	70,327,793	Land, land and buildings, machines, certificates of deposit and business collaterals
- Undrawn committed line		263,929,597	350,188,070	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 2024	31 December 2023
LTV ratio		
<i>Stage 1 and stage 2</i>		
Less than 50%	42,268,330	36,247,420
51 - 70%	42,818,939	68,763,940
More than 70%	6,558,222	8,991,548
Total	91,645,491	114,002,908

Credit-impaired loans

Less than 50%	2,665,684	3,386,033
51 - 70%	5,292,139	12,144,893
More than 70%	30,148,678	23,437,376
Total	38,106,501	38,968,302

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 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

(Unit: Baht)

	31 December 2023	
	Carrying amount	Collateral*
Stage 1 and Stage 2	4,911,016,458	4,905,096,364
Stage 3	1,598,705,471	1,580,153,091

* 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.

	31 December 2024		
	Loans to customers	Investments in debt instruments	Loan commitments
Gross carrying amount	5,808,863,810	-	-
Investments in debt instruments	-	3,584,082,494	-
Loan commitments	-	-	263,929,597
<i>Concentration by sector</i>			
Corporate			
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
Retail			
Housing loans	127,823,465	-	-
Secured personal loans	1,928,527	-	-
Hire-purchase loans	4,823,761	-	-
Government	-	3,584,082,494	-
Financial institutions	-	-	-

(Unit: Baht)

	31 December 2023		
	Loans to customers	Investments in debt instruments	Loan commitments
Gross carrying amount	6,620,866,782	-	-
Investments in debt instruments	-	3,558,765,466	-
Loan commitments	-	-	350,188,070
<i>Concentration by sector</i>			
Corporate			
Manufacturing and commerce	1,181,064,702	8,733,607	22,973,128
Property development and construction	3,626,705,514	-	307,214,942
Infrastructure and services	1,654,205,262	30,060,177	20,000,000
Retail			
Housing loans	149,378,461	-	-
Secured personal loans	3,592,749	-	-
Hire-purchase loans	5,920,094	-	-
Government	-	3,519,971,682	-
Financial institutions	-	-	-

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 2024								
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity	Non-Performing Loans	Total
Financial assets								
Interbank and money market items *	147,567,957	350,000,000	-	-	-	-	-	497,567,957
Financial assets measured at fair value through profit or loss	-	-	-	-	-	27,004,284	-	27,004,284
Derivative assets	-	-	-	-	-	-	-	-
Investments - net	-	-	-	3,037,394,344	546,688,150	-	-	3,584,082,494
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
Total	147,567,957	432,247,239	1,209,671,616	5,888,509,217	880,682,908	27,004,284	1,331,835,324	9,917,518,545
Financial liabilities								
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
Total	-	3,583,585,624	3,374,032,029	1,524,234,638	-	-	-	8,481,852,291

* Before deducting allowance for expected credit losses amounting to Baht 15,604

(Unit: Baht)

31 December 2023								
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity	Non-Performing Loans	Total
Financial assets								
Interbank and money market items *	219,409,494	1,690,000,000	-	-	-	-	-	1,909,409,494
Financial assets measured at fair value through profit or loss	-	-	-	-	-	75,668,030	-	75,668,030
Derivative assets	-	-	2,505	-	-	-	-	2,505
Investments - net	-	-	-	2,367,670,438	1,191,095,028	-	-	3,558,765,466
Loans to customers	-	774,108,977	801,510,161	3,038,131,279	377,655,826	-	1,263,373,248	6,254,779,491
Accrued interest receivables and undue interest receivables	-	484,833	1,112,822	6,266,272	532,106	-	357,691,258	366,087,291
Total	219,409,494	2,464,593,810	802,625,488	5,412,067,989	1,569,282,960	75,668,030	1,621,064,506	12,164,712,277
Financial liabilities								
Deposits	-	1,615,285,874	2,668,880,167	1,871,742,622	-	-	-	6,155,908,663
Interbank and money market items	-	1,905,000,000	2,594,000,000	94,500,000	-	-	-	4,593,500,000
Lease liabilities	-	2,125,274	6,372,077	16,705,817	-	-	-	25,203,168
Total	-	3,522,411,148	5,269,252,244	1,982,948,439	-	-	-	10,774,611,831

* Before deducting allowance for expected credit losses amounting to Baht 4,677

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 2024				Total
	Floating rate	Fixed rate	Non-interest bearing	Non-Performing Loans	
Financial assets					
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
Derivative assets	-	-	-	-	-
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
Total	4,406,400,440	3,998,700,199	151,194,721	977,694,794	9,533,990,154
Financial liabilities					
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
Total	-	8,481,852,291	-	-	8,481,852,291

* Before deducting allowance for expected credit losses amounting to Baht 15,604

(Unit: Baht)

31 December 2023					
	Floating rate	Fixed rate	Non-interest bearing	Non-Performing Loans	Total
Financial assets					
Interbank and money market items*	9,099,312	1,690,000,000	210,310,182	-	1,909,409,494
Financial assets measured at fair value through profit or loss	-	-	75,668,030	-	75,668,030
Derivative assets	-	-	2,505	-	2,505
Investments - net	-	3,558,765,466	-	-	3,558,765,466
Loans to customers	4,886,484,232	104,922,011	-	1,263,373,248	6,254,779,491
Total	4,895,583,544	5,353,687,477	285,980,717	1,263,373,248	11,798,624,986
Financial liabilities					
Deposits	-	6,155,908,663	-	-	6,155,908,663
Interbank and money market items	-	4,593,500,000	-	-	4,593,500,000
Lease liabilities	-	25,203,168	-	-	25,203,168
Total	-	10,774,611,831	-	-	10,774,611,831

* Before deducting allowance for expected credit losses amounting to Baht 4,677.

The following tables set out the interest repricing periods:

(Unit: Baht)

31 December 2024					
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Financial assets					
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
Total	350,000,000	-	3,102,012,049	546,688,150	3,998,700,199
Financial liabilities					
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
Total	3,583,585,624	3,374,032,029	1,524,234,638	-	8,481,852,291

(Unit: Baht)

31 December 2023					
	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Financial assets					
Interbank and money market items	1,690,000,000	-	-	-	1,690,000,000
Investments - net	-	-	2,367,670,438	1,191,095,028	3,558,765,466
Loans to customers	-	-	104,922,011	-	104,922,011
Total	1,690,000,000	-	2,472,592,449	1,191,095,028	5,353,687,477
Financial liabilities					
Deposits	1,615,285,874	2,668,880,167	1,871,742,622	-	6,155,908,663
Interbank and money market items	1,905,000,000	2,594,000,000	94,500,000	-	4,593,500,000
Lease liabilities	2,125,274	6,372,077	16,705,817	-	25,203,168
Total	3,522,411,148	5,269,252,244	1,982,948,439	-	10,774,611,831

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:

(Unit: Baht)

	Interest rate sensitivities (PV01)	
	31 December 2024	31 December 2023
THB	1,706,366	1,973,575
Total	1,706,366	1,973,575

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. 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 2024	31 December 2023
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	1,250,000,000	1,250,000,000
Legal reserve	40,024,997	36,666,342
Net income after appropriation	349,684,591	325,620,968
Other components of equity	(105,406,805)	(191,067,891)
Capital deduction items on common equity Tier 1	(46,366,524)	(80,462,931)
Total Tier 1 capital	1,487,936,259	1,340,756,488
Tier 2 capital		
General provision	-	12,211,471
Total Tier 2 capital	-	12,211,471
Total capital funds	1,487,936,259	1,352,967,959
Total risk-weighted assets	6,652,788,920	8,066,592,015

	(Unit: percent)			
	The BoT's regulation minimum requirement*	31 December 2024	The BoT's regulation minimum requirement	31 December 2023
The ratio of total capital funds to risk assets	11.000	22.37	11.000	16.77
The ratio of total Tier 1 capital fund to risk assets	8.500	22.37	8.500	16.62
The ratio of Common Equity Tier 1 capital fund to risk assets	7.00	22.37	7.00	16.62
The ratio of Tier 2 capital fund to risk assets	-	-	-	0.15

* 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 number 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 number Sor Nor Sor 15/2562 dated 7 May 2019, regarding to Disclosure Requirement on Capital Adequacy for a Financial Group (Volumn2) were as follows:

Location of disclosure	The Company's website under Investor Relations section at http://www.advancefin.com
Disclosure period requirement	Within 4 months after the year ended as indicated in the BoT's notification
Latest information as at	30 June 2024

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 Bank of Thailand regulatory requirements to maintain investor, creditor, and market 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 2024			
	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	Total
Financial assets				
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
Derivative assets	-	-	-	-
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
Total	27,004,284	3,584,082,494	5,773,071,473	9,384,158,251
Financial liabilities				
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
Total	-	-	8,481,852,291	8,481,852,291

(Unit: Baht)

	31 December 2023			
	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	Total
Financial assets				
Interbank and money market items - net	-	-	1,909,404,817	1,909,404,817
Financial assets measured at fair value through profit or loss	75,668,030	-	-	75,668,030
Derivative assets	2,505	-	-	2,505
Investments - net	-	3,558,765,466	-	3,558,765,466
Loans to customers and accrued interest receivables - net	-	-	6,064,213,220	6,064,213,220
Total	75,670,535	3,558,765,466	7,973,618,037	11,608,054,038
Financial liabilities				
Deposits	-	-	6,155,908,663	6,155,908,663
Interbank and money market items	-	-	4,593,500,000	4,593,500,000
Lease liabilities - net	-	-	25,203,168	25,203,168
Total	-	-	10,774,611,831	10,774,611,831

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

	(Unit: Baht)	
	31 December 2024	31 December 2023
Domestic		
Bank of Thailand	73,475,883	163,573,896
Commercial banks	74,048,078	55,375,767
Specialised financial institutions*	350,000,000	1,690,000,000
Total	497,523,961	1,908,949,663
Add: Accrued interest receivables and undue interest receivables	43,996	459,831
Less: Allowance for expected credit losses	(15,604)	(4,677)
Total	497,552,353	1,909,404,817

* 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 2024	31 December 2023
Domestic marketable equity securities	27,004,284	75,668,030
Total	27,004,284	75,668,030

11. Derivative assets and liabilities

(Unit: Baht)

	31 December 2023			
	Assets		Liabilities	
	Fair Value	Notional	Fair Value	Notional
		Amount		Amount
Type of risk				
- Warrant	2,505	1,002,000	-	-
Total	2,505	1,002,000	-	-

12. Investments - net

(Unit: Baht)

	31 December 2024	31 December 2023
Investments in debt securities measured at fair value through other comprehensive income		
Government bonds and state enterprise securities	3,584,082,494	3,519,971,682
Corporate debenture	-	38,793,784
Total	3,584,082,494	3,558,765,466
Allowance for expected credit losses	-	18,963

13. Loans to customers and accrued interest receivables - net

13.1 Classified by type of loans

	(Unit: Baht)	
	31 December 2024	31 December 2023
Loans	5,416,525,092	6,242,719,071
Hire-purchase receivables	5,705,327	7,335,420
Financial lease receivables	3,105,000	4,725,000
Total loans to customers	5,425,335,419	6,254,779,491
Add: Accrued interest receivables and undue interest receivables	383,528,391	366,087,291
Total loans to customers and accrued interest receivables and undue interest receivables	5,808,863,810	6,620,866,782
Less: Allowance for expected credit losses	(533,344,690)	(556,653,562)
Total loans to customers and accrued interest receivables - net	5,275,519,120	6,064,213,220

13.2 Classified by currency and residence of customers

As at 31 December 2024 and 2023, loans to customers were domestic and denominated entirely in Thai Baht.

13.3 Classified by loan classifications

	(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
Total	5,808,863,810	533,344,690

(Unit: Baht)

	31 December 2023	
	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)	4,860,306,428	30,123,046
Financial assets where there has been a significant increase in credit risk (Under-Performing)	139,495,848	9,520,190
Financial assets that are credit-impaired (Non-Performing)	1,621,064,506	517,010,326
Total	6,620,866,782	556,653,562

13.4 Hire-purchase receivables and Financial lease

(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 contracts and financial lease	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 and financial lease	2,665,799	5,025,879	-	7,691,678
Add: Accrued interest receivables	27,093	-	-	27,093
Total	2,692,892	5,025,879	-	7,718,771
Less: Allowance for expected credit losses	(13,321)	(33,303)	-	(46,624)
Hire-purchase receivables and financial lease- net	2,679,571	4,992,576	-	7,672,147

(Unit: Baht)

	31 December 2023			
	Amounts due under the agreement			
	Less than 1 year	1-5 years	Over 5 years	Total
Total gross investment under hire-purchase contracts and financial lease	3,250,093	8,810,327	-	12,060,420
Less: Unearned interest income	(798,393)	(1,118,649)	-	(1,917,042)
Present value of minimum lease payments and financial lease	2,451,700	7,691,678	-	10,143,378
Add: Accrued interest receivables	33,251	-	-	33,251
Total	2,484,951	7,691,678	-	10,176,629
Less: Allowance for expected credit losses	(13,173)	(46,107)	-	(59,280)
Hire-purchase receivables and financial lease- net	2,471,778	7,645,571	-	10,117,349

14. Modified loans to customers and troubled debt restructuring

As at 31 December 2024 and 2023, the Company has outstanding balances of restructured debtors were as follows.

	31 December 2024		31 December 2023	
	Total loans	Loans with debt restructuring	Total loans	Loans with debt restructuring
Number of debtors (contracts)	215	25	242	28
Loans to customers and accrued interest receivables	5,808,863,810	465,233,212	6,620,866,782	562,092,078

As at 31 December 2024 and 2023, the Company had no outstanding obligations to provide additional loan facilities to restructured debtors after restructuring.

15. Classified assets

	31 December 2024			
	Loans and accrued interest receivables	Investments	Properties for sale	Total
Financial assets where there has not been a significant increase in credit risk (Performing)	3,681,493,178	3,584,082,494	-	7,265,575,672
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	7,820,000	149,722	1,339,805,046
Total	5,808,863,810	3,591,902,494	149,722	9,400,916,026

	31 December 2023			
	Loans and accrued interest receivables	Investments	Properties for sale	Total
Financial assets where there has not been a significant increase in credit risk (Performing)	4,860,306,428	3,558,765,466	-	8,419,071,894
Financial assets where there has been a significant increase in credit risk (Under-Performing)	139,495,848	-	-	139,495,848
Financial assets that are credit-impaired (Non-Performing)	1,621,064,506	7,820,000	197,912	1,629,082,418
Total	6,620,866,782	3,566,585,466	197,912	10,187,650,160

16. Allowance for expected credit losses

(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 credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Interbank and money market items				
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
Investments in debt securities measured at fair value through other comprehensive income				
Beginning balance	18,963	-	-	18,963
Derecognition of financial assets	(18,963)	-	-	(18,963)
Ending balance	-	-	-	-
Loans to customers and accrued interest receivables				
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
Loan commitments				
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

(Unit: Baht)

For the year ended 31 December 2023

	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)	Total
Interbank and money market items				
Beginning balance	7,568	-	-	7,568
Changes due to remeasurement of allowance for credit losses	(2,891)	-	-	(2,891)
Ending balance	4,677	-	-	4,677
Investments in debt securities measured at fair value through other comprehensive income				
Beginning balance	169,963	-	-	169,963
Changes due to remeasurement of allowance for credit losses	3,260	-	-	3,260
Derecognition of financial assets	(154,260)	-	-	(154,260)
Ending balance	18,963	-	-	18,963
Loans to customers and accrued interest receivables				
Beginning balance	28,795,736	10,634,850	393,805,276	433,235,862
Changes due to changes in stages	1,086,265	(2,447,471)	1,361,206	-
Changes due to remeasurement of allowance for credit losses	(6,075,168)	2,346,576	124,357,217	120,628,625
New financial assets purchased or acquired	10,174,781	-	-	10,174,781
Derecognition of financial assets	(3,858,568)	(1,013,765)	(2,513,373)	(7,385,706)
Ending balance	30,123,046	9,520,190	517,010,326	556,653,562
Loan commitments				
Beginning balance	2,950,772	37,711	-	2,988,483
Changes due to remeasurement of allowance for credit losses	(510,693)	-	-	(510,693)
New issued obligations to grant credit	643,603	-	-	643,603
Derecognition of financial assets	(1,186,096)	(37,711)	-	(1,223,807)
Ending balance	1,897,586	-	-	1,897,586

17. Properties for sale - net

(Unit: Baht)

	31 December 2024			
	Beginning			Ending
	balance	Increase	Decrease	balance
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

(Unit: Baht)

	31 December 2023			
	Beginning			Ending
	balance	Increase	Decrease	balance
Foreclosed assets				
Immovable assets				
- Appraised value by external appraisals	409,930,653	105,862,874	(255,989,774)	259,803,753
- Appraised value by internal appraisals	184,098,884	-	(22,430,020)	161,668,864
Movable assets				
- Appraised value by internal appraisals	-	5,900,315	(5,900,315)	-
Total	594,029,537	111,763,189	(284,320,109)	421,472,617
Less: Allowance for impairment	(48,190)	(149,722)	-	(197,912)
Total properties for sale - net	593,981,347	111,613,467	(284,320,109)	421,274,705

18. Leasehold improvement and equipment - net

(Unit: Baht)

	Leasehold improvement	Computer and equipment	Furniture and fixtures	Vehicles	Total
Cost					
At 1 January 2023	19,371,912	19,785,258	92,207	10,820,400	50,069,777
Additions	-	233,050	-	-	233,050
Disposals / write-off	(64,059)	(675,789)	(1,152)	(1,159,000)	(1,900,000)
At 31 December 2023	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
Accumulated depreciation					
At 1 January 2023	19,289,244	17,883,496	84,105	9,240,127	46,496,972
Depreciation for the year	62,761	1,053,702	5,074	807,838	1,929,375
Disposals / write-off	(58,681)	(674,372)	(1,152)	(1,158,999)	(1,893,204)
At 31 December 2023	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
Net book value					
At 31 December 2023	14,529	1,079,693	3,028	772,434	1,869,684
At 31 December 2024	379	568,606	11	4	569,000
Depreciation for the years ended 31 December					
2023					1,929,375
2024					1,378,623

As at 31 December 2024, 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 46.0 million (2023: Baht 39.6 million).

19. Intangible assets - net

	(Unit: Baht)
	<u>Software licenses</u>
Cost	
At 1 January 2023	32,584,593
Additions	-
At 31 December 2023	32,584,593
Additions	-
At 31 December 2024	32,584,593
Accumulated amortisation	
At 1 January 2023	22,726,921
Amortisation for the year	2,808,459
At 31 December 2023	25,535,380
Amortisation for the year	2,627,682
At 31 December 2024	28,163,062
Net book value	
At 31 December 2023	7,049,213
At 31 December 2024	4,421,531
Depreciation for the years ended 31 December	
2023	2,808,459
2024	2,627,682

As at 31 December 2024, 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 (2023: Baht 18.9 million).

20. Other assets

	(Unit: Baht)	
	31 December 2024	31 December 2023
Prepaid income tax	16,791	103,602
Deposits	5,445,539	2,379,692
Prepaid expenses	2,606,683	2,240,928
Other receivables	8,005,485	192,510,075
Others	5,221,624	2,593,054
Total	21,296,122	199,827,351

21. Deposits

21.1 Classified by type of deposit

	(Unit: Baht)	
	31 December 2024	31 December 2023
Certificates of deposit	5,611,061,495	6,155,908,663
Total	5,611,061,495	6,155,908,663

21.2 Classified by currency and residence of customer

As at 31 December 2024 and 2023, deposits were domestic and denominated entirely in Thai Baht.

22. Interbank and money market items (liabilities)

	(Unit: Baht)	
	31 December 2024	31 December 2023
Domestic		
Commercial banks	400,000,000	500,000,000
Specialised financial institutions*	850,000,000	1,350,000,000
Other financial institutions **	1,603,000,000	2,743,500,000
Total	2,853,000,000	4,593,500,000

* 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.

23. Leases

The Company has lease contracts for various items of leasehold improvement and equipment use in its operations. Leases generally have lease terms 4 years.

23.1 Right-of-use assets

Movement of the right-of-use assets during the year ended 31 December 2024 and 2023 are summarised below.

	(Unit: Baht)			
	Building	Equipment	Vehicle	Total
Cost				
At 1 January 2023	24,076,141	693,888	-	24,770,029
Additions	28,485,761	733,928	-	29,219,689
Contract termination	(24,076,141)	(693,888)	-	(24,770,029)
At 31 December 2023	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
Accumulated depreciation				
At 1 January 2023	15,987,295	624,499	-	16,611,794
Depreciation for the year	8,152,240	149,899	-	8,302,139
Accumulated depreciation on contract termination	(24,076,141)	(676,541)	-	(24,752,682)
At 31 December 2023	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
Net book value				
At 31 December 2023	28,422,367	636,071	-	29,058,438
At 31 December 2024	14,917,436	489,285	1,649,667	17,056,388
Depreciation for the years ended 31 December				
2023				8,302,139
2024				8,206,786

23.2 Lease liabilities

	(Unit: Baht)	
	31 December 2024	31 December 2023
Lease payments	18,165,358	25,928,710
Less: Deferred interest expense	(374,562)	(725,542)
Total	17,790,796	25,203,168

Movement of the lease liabilities during the year ended 31 December 2024 and 2023 summarised below:

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Beginning balance	25,203,168	8,734,767
Additions	1,408,746	25,360,277
Accretion of interest	430,234	98,163
Repayments	(9,251,352)	(8,274,336)
Other (Terminating the lease)	-	(715,703)
Ending balance	17,790,796	25,203,168

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

23.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Depreciation expense of right-of-use assets	8,206,786	8,302,139
Interest expense on lease liabilities	430,234	98,163
Expense relating to short-term leases	46,800	46,800

23.4 Others

The Company had total cash outflows for leases for the year ended 31 December 2024 of Baht 9 million (2023: Baht 8 million), including the cash outflow related to short-term lease and leases of low-value assets.

24. Provisions

	(Unit: Baht)	
	31 December 2024	31 December 2023
Allowance for expected credit losses for loan commitments	1,312,040	1,897,586
Provisions for employee benefits	17,472,099	13,089,019
Provisions for decommissioning costs	5,123,247	7,993,661
Provisions for loss from litigation	3,121,389	3,038,903
Total	27,028,775	26,019,169

24.1 Allowance for expected credit losses on loan commitments

As at 31 December 2024 and 2023 allowance for expected credit losses on loan commitments classified by classification are as follows:

	(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	263,929,597	1,312,040

	(Unit: Baht)	
	31 December 2023	
	Loan commitments	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	350,188,070	1,897,586
Total	350,188,070	1,897,586

24.2 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 2541 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 2024	31 December 2023
Provision for employee benefits at the beginning of the year	13,089,019	11,215,586
Include in profit or loss:		
Current service cost	3,056,091	3,317,968
Interest cost	391,362	282,633
Include in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	-	(794,184)
Financial assumptions changes	544,699	360,432
Experience adjustment	390,928	(1,293,416)
Provision for employee benefits at the end of the year	17,472,099	13,089,019

The Company expects to pay Baht 1.6 million of long-term employee benefits during the next year (2023: None).

At 31 December 2024, the weighted-average duration of the defined benefit obligation was 8 years (2023: 9 years).

Principal actuarial assumptions

	(Unit: Percent per annum)	
	31 December 2024	31 December 2023
Discount rate	2.28	2.99
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
	2024	2023	2024	2023
Discount rate (1% movement)	(754,027)	(644,464)	857,095	724,870
Future salary growth (1% movement)	816,840	696,077	(735,645)	(632,798)
Employee turnover rate (20% movement)	(768,176)	(649,609)	901,695	753,937
Future mortality (20% movement)	(91,904)	(78,660)	92,811	79,366

25. Other liabilities

	(Unit: Baht)	
	31 December 2024	31 December 2023
Other payables	2,070,219	1,889,270
Deposits	40,000	340,000
Specific business tax and value added tax payable	1,065,904	1,360,386
Withholding tax payable	971,479	925,079
Payable from Legal Executive Department	663,217	15,750
Others	238,007	3,213,498
Total	5,048,826	7,743,983

26. Other components of equity

	(Unit: Baht)	
	31 December 2024	31 December 2023
Revaluation surplus (deficit) on investments measured at fair value through other comprehensive income		
Revaluation surplus on debt instruments	18,715,313	4,360,873
Revaluation deficit on debt instruments	(150,473,819)	(243,214,700)
Allowance for expected credit losses	-	18,963
Total revaluation deficit on investments measured at fair value through other comprehensive income	(131,758,506)	(238,834,864)
Add: income taxes	26,351,701	47,766,973
Other components of equity - net of income taxes	(105,406,805)	(191,067,891)

27. 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.

28. Dividend payment

	Approved by	Payment schedule	Dividend rate per share (Baht per share)	Amounts of dividend paid (Baht)
2024				
Annual dividend	Annual General Meeting of the shareholders on 23 April 2024	8 May 2024	0.032	40,000,000
2023				
Annual dividend	Annual General Meeting of the shareholders on 25 April 2023	9 May 2023	0.04	50,000,000

29. Commitments and contingent liabilities

29.1 Contingent liabilities

	(Unit: Baht)	
	31 December 2024	31 December 2023
Other contingencies		
- Other guarantee	34,553,793	70,327,793
- Committed line	263,929,597	350,188,070
Total	298,483,390	420,515,863

29.2 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 2024, future minimum lease payments required under there non-cancellable service contracts were as follows:

	(Unit: Baht)		
Payable	Related company	Other parties	Total
Within 1 year	-	1,628,905	1,628,905
1 to 2 years	-	-	-

29.3 Litigation

As of 31 December 2024, the Company was involved in civil lawsuits filed against it, with total claims amounting to Baht 3.75 million. The Court of First Instance ruled that the Company must pay damages of Baht 2.56 million plus interest. Accordingly, the Company recorded a contingent liability of Baht 3.12 million in its financial statements. On 19 August 2024, the Court of Appeal upheld the judgment of the Court of First Instance.

However, on 16 January 2025, the Company submitted a petition for appeal and lodged an appeal against the ruling with the Supreme Court. The case is currently under consideration to determine whether the Supreme Court will accept the appeal. The Company's management has exercised its judgment in evaluating the potential outcome of the litigation and remains confident that the final resolution of the case will not have a material impact on the financial position and operational performance of the Company.

30. 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 /nationality	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
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

Name of entity/personnel	Country of incorporation /nationality	Nature of relationships
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 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 receivable	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 2024 and 2023 with related parties were as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Entities which common directors, management, shareholders or related persons		
Interest income	3,258,886	10,695,461
Interest expense	8,609,896	26,650,530
Other income	876,203	1,497,587
Key management personnel		
Interest expense	278,182	68,952
Other income	-	349,999

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Major shareholder		
Interest expense	97,063	1,116,263

Significant balances with related parties as at 31 December 2024 and 2023 were as follows:

	(Unit: Baht)	
	31 December 2024	31 December 2023
Entities which common directors, management, shareholders or related persons		
Loans	-	134,000,000
Accrued interest receivables	-	103,759
Deposits	14,352,690	970,300,000
Accrued interest payables	188,876	2,557,101
Finance lease receivables	-	4,725,000
Accrued income	-	468,464
Key management personnel		
Deposits	19,845,102	5,061,923
Accrued interest payables	79,163	17,895
Major shareholder		
Deposits	10,000,000	284,600,000
Accrued interest payables	42,849	185,452

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	
	2024	2023
Short-term benefits	24,855,871	23,333,079
Post-employment benefits	2,038,601	1,729,068
Total	26,894,472	25,062,147

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	
	2024	2023
Directors' remuneration	4,175,000	4,149,677
Total	4,175,000	4,149,677

31. 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.

32. Interest income

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Interbank and money market items	3,188,392	11,885,285
Investments in debt securities	58,323,580	69,301,464
Loans to customers	500,651,395	429,613,664
Financial lease	258,474	70,386
Total	562,421,841	510,870,799

The Company has interest income from financial assets that are credit-impaired for years ended 31 December 2024 and 2023 amounting to Baht 62 million and Baht 78 million, respectively.

33. Interest expense

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Deposits	119,734,517	106,499,835
Interbank and money market items	67,857,706	25,370,667
Contributions to the Financial Institutions Development Fund and the Deposit Protection Agency	34,210,317	40,521,959
Others	648,721	247,118
Total	222,451,261	172,639,579

34. Fees and service income

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Acceptances, avals and guarantees	186,254	1,298,328
Fees on loans	868,887	6,050,935
Service fees	1,000,000	-
Total	2,055,141	7,349,263

35. Net losses on financial instruments measured at fair value through profit or loss

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Domestic marketable equity securities	(52,206,383)	(39,108,190)
Total	(52,206,383)	(39,108,190)

36. Net gains (losses) on investments

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Gains (losses) on disposal of investment in debt securities measured at fair value through other comprehensive income	67,088	(39,149)
Total	67,088	(39,149)

37. Expected credit losses and impairment

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Interbank and money market items (reversal)	10,927	(2,891)
Investment in debt securities measured at fair value through other comprehensive income (reversal)	(18,963)	(151,000)
Loans to customers and accrued interest receivables	47,356,592	82,115,838
Loan commitments (reversal)	(585,547)	(1,090,897)
Loss for impairment of properties for sale	-	149,722
Loss from loan conditions change	8,245,952	1,152,086
Total	55,008,961	82,172,858

38. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Current income tax:		
Corporate income tax for the year	24,077,855	23,078,767
Deferred tax:		
Relating to temporary differences and reversal of temporary differences	(1,970,892)	(4,935,096)
Income tax expenses reported in statements of comprehensive income	22,106,963	18,143,671

The amounts of income tax relating to each components of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Deferred tax relating to gains (losses) on revaluation of investments in debt securities measured at fair value through other comprehensive income	21,415,271	(4,191,508)
Deferred tax on actuarial gains and losses	(187,125)	345,433
Total	21,228,146	(3,846,075)

A reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2024	2023
Accounting profits before tax	107,979,674	85,316,773
Applicable tax rates	20%	20%
Accounting profits before tax multiplied by applicable tax rate	21,595,935	17,063,355
Effects of non-deductible expenses and non-taxable income	511,028	1,080,316
Total	22,106,963	18,143,671

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

		(Charged) / Credited to:		(Unit: Baht)
	As at 1 January 2024	Profit or loss	Other comprehensive income	As at 31 December 2024
Deferred tax assets				
Allowance for impairment of investment	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
Financial lease	(851,307)	272,305	-	(579,002)
Provisions for employee benefits	2,617,804	689,491	187,125	3,494,420
Total	61,202,248	1,970,892	(21,228,146)	41,944,994

				(Unit: Baht)
	As at 1 January 2023	(Charged) / Credited to:		As at 31 December 2023
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Allowance for impairment of investment	1,564,000	-	-	1,564,000
Loss on remeasurement investments	47,207,393	4,828,652	4,191,508	56,227,553
Allowance for expected credit losses	387,914	(218,758)	-	169,156
Allowance for impairment of properties for sale	9,638	29,944	-	39,582
Provisions for loss from litigation	582,207	25,574	-	607,781
Leases	741,779	85,900	-	827,679
Financial lease	(314,971)	(536,336)	-	(851,307)
Provisions for employee benefits	2,243,117	720,120	(345,433)	2,617,804
Total	52,421,077	4,935,096	3,846,075	61,202,248

39. 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	
	2024	2023
Profit attributable to ordinary shareholders of the Company (Baht)	85,872,711	67,173,102
Number of ordinary shares outstanding (Share)	1,250,000,000	1,250,000,000
Earnings per share (Baht/Share)	0.07	0.05

40. Fair value of financial instruments

40.1 Financial instruments measured at fair value

The following tables analyse financial instruments measured at fair value at the reporting date.

(Unit: Baht)			
31 December 2024			
Fair value			
	Level 1	Level 2	Total
Financial assets			
Financial assets measured at fair value			
through profit or loss	27,004,284	-	27,004,284
Derivative assets	-	-	-
Investment in debt securities measured at			
fair value through other comprehensive income	-	3,584,082,494	3,584,082,494
Total financial assets	27,004,284	3,584,082,494	3,611,086,778

(Unit: Baht)			
31 December 2023			
Fair value			
	Level 1	Level 2	Total
Financial assets			
Financial assets measured at fair value			
through profit or loss	75,668,030	-	75,668,030
Derivative assets	2,505	-	2,505
Investment in debt securities measured at			
fair value through other comprehensive income	-	3,558,765,466	3,558,765,466
Total financial assets	75,670,535	3,558,765,466	3,634,436,001

40.2 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 2024 and 2023 were as follows:

(Unit: Baht)

	31 December 2024				
	Carrying amount	Fair value			
	Financial instruments measured at amortised cost	Level 1	Level 2	Level 3	Total
Financial liabilities					
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

(Unit: Baht)

	31 December 2023				
	Carrying amount	Fair value			
	Financial instruments measured at amortised cost	Level 1	Level 2	Level 3	Total
Financial liabilities					
Deposits	6,155,908,663	-	6,169,995,673	-	6,169,995,673
Interbank and money market items (liabilities)	4,593,500,000	-	4,606,068,084	-	4,606,068,084

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.

41. Event after the reporting period

On 28 February 2025, 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 0.04 per share to the shareholders from the net profit for the year 2024, or a total of Baht 50 million.

42. Approval of financial statements

These financial statements were authorised for issue by the Company’s Board of Directors on 28 February 2025.