

AIRA Factoring Public Company Limited  
Report and financial statements  
31 December 2025

## **Independent Auditor's Report**

To the Shareholders of AIRA Factoring Public Company Limited

### **Opinion**

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AIRA Factoring Public Company Limited as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with 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.

### **Key Audit Matter**

Key audit matter is the matter that, in my professional judgement, was of most significance to my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

*Allowance for expected credit losses on factoring receivables and loan receivables*

As described in Note 8 and 9 to the financial statements, as at 31 December 2025, the Company had total factoring and loan receivables (before deducting allowance for expected credit losses) of Baht 2,580 million and allowance for expected credit losses of Baht 221 million (representing 85% of total assets), which are material to the financial statements.

The calculation of the expected credit losses on loan receivables requires the development of a complex calculation model, which involves significant use of management's judgement to be in accordance with the Thai Financial Reporting Standards. The key management's judgements are identification of criteria for assessing that there has been a significant increase in credit risk since initial recognition, probability that the receivables will default, damage that may occur when the debtor defaults on payment, the selection of future economic variables to be incorporated in the model and management overlay for the factors which are not captured by the model. Therefore, I consider this an important matter in the key audit matter.

My audit procedures included the assessment of the appropriateness of calculation models of expected credit losses, randomly testing the accuracy and completeness of data used to develop such models including assessing the appropriateness of assumptions of future forward-looking information and management's judgement for recording management overlay. In addition, I gained an understanding, tested and assessed the effectiveness of internal control systems in relation to credit provision, debt collection and debt settlement processes, which ensured the reliability of the data used for the development of the models.

I tested the classification of receivables according to changes in credit risk and tested the calculation of expected credit losses. I considered the disclosures relating to allowance for expected credit losses on loans to debtors.

## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **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 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.
- 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 also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Poonard Paocharoen  
Certified Public Accountant (Thailand) No. 5238

EY Office Limited  
Bangkok: 19 February 2026

**AIRA Factoring Public Company Limited****Statements of financial position****As at 31 December 2025**

		(Unit: Baht)	
	<u>Note</u>	<u>2025</u>	<u>2024</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	140,919,302	104,711,587
Factoring receivables	8	1,880,595,423	1,824,882,739
Current portion of loan receivables	9	385,932,687	261,810,470
Short-term loans to related party	6	180,000,000	10,000,000
Other receivables		1,766,473	1,740,749
Other current assets		<u>1,219,420</u>	<u>1,226,554</u>
<b>Total current assets</b>		<u>2,590,433,305</u>	<u>2,204,372,099</u>
<b>Non-current assets</b>			
Loan receivables - net of current portion	9	92,342,211	121,461,709
Equipment	10	3,532,887	4,746,312
Right-of-use assets	14	21,536,159	29,011,156
Intangible assets	11	5,178,019	3,896,263
Deposits and guarantees		1,949,991	1,949,991
Deferred tax assets	19	<u>46,207,172</u>	<u>40,560,128</u>
<b>Total non-current assets</b>		<u>170,746,439</u>	<u>201,625,559</u>
<b>Total assets</b>		<u>2,761,179,744</u>	<u>2,405,997,658</u>

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

**AIRA Factoring Public Company Limited**  
**Statements of financial position (continued)**  
**As at 31 December 2025**

		(Unit: Baht)	
	<u>Note</u>	<u>2025</u>	<u>2024</u>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term loans from financial institutions	12	1,930,000,000	1,625,000,000
Short-term loans from related party	6	110,000,000	90,000,000
Retentions from factoring		69,331,927	49,242,927
Current portion of long-term loan	13	17,088,395	9,925,787
Current portion of lease liabilities	14	9,059,744	8,879,025
Excess receipts awaiting to repay		22,731,768	30,852,576
Other payables		15,402,134	12,958,785
Income tax payables		3,845,081	2,890,536
Other current liabilities		1,236,287	1,348,709
<b>Total current liabilities</b>		<u>2,178,695,336</u>	<u>1,831,098,345</u>
<b>Non-current liabilities</b>			
Long-term loan, net of current portion	13	16,563,707	16,904,642
Lease liabilities, net of current portion	14	15,244,984	22,695,203
Provision for long-term employee benefits	15	20,150,849	18,115,432
<b>Total non-current liabilities</b>		<u>51,959,540</u>	<u>57,715,277</u>
<b>Total liabilities</b>		<u>2,230,654,876</u>	<u>1,888,813,622</u>

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

**AIRA Factoring Public Company Limited**  
**Statements of financial position (continued)**  
**As at 31 December 2025**

(Unit: Baht)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
<b>Shareholders' equity</b>			
Share capital			
Registered			
1,600,000,000 ordinary shares of Baht 0.25 each		<u>400,000,000</u>	<u>400,000,000</u>
Issued and fully paid-up			
1,600,000,000 ordinary shares of Baht 0.25 each		400,000,000	400,000,000
Share premium		75,844,889	75,844,889
Capital contribution from parent company		406,077	406,077
Retained earnings			
Appropriated-statutory reserve	16	38,950,000	38,208,000
Unappropriated		<u>15,323,902</u>	<u>2,725,070</u>
<b>Total shareholders' equity</b>		<u>530,524,868</u>	<u>517,184,036</u>
<b>Total liabilities and shareholders' equity</b>		<u>2,761,179,744</u>	<u>2,405,997,658</u>
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The accompanying notes are an integral part of the financial statements.

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Directors  
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**AIRA Factoring Public Company Limited****Statement of comprehensive income****As at 31 December 2025**

(Unit: Baht)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
<b>Revenues</b>			
Interest income from factoring		169,677,101	175,850,284
Fee and service income		42,469,870	46,067,619
Interest income from loans		35,745,290	32,917,783
Other income		1,224,540	348,087
<b>Total revenues</b>		<u>249,116,801</u>	<u>255,183,773</u>
<b>Expenses</b>			
Administrative expenses		118,218,505	118,848,109
Expected credit losses		36,008,308	33,385,992
<b>Total expenses</b>		<u>154,226,813</u>	<u>152,234,101</u>
<b>Operating profit</b>		94,889,988	102,949,672
Finance income		16,943	29,952
Finance costs	17	<u>(75,208,020)</u>	<u>(82,100,596)</u>
<b>Profit before income tax expenses</b>		19,698,911	20,879,028
Income tax expenses	19	<u>(4,870,372)</u>	<u>(4,137,276)</u>
<b>Profit for the year</b>		<u>14,828,539</u>	<u>16,741,752</u>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Remeasurement loss on defined benefit plans		(1,859,634)	-
Less: Income tax effect	19	<u>371,927</u>	<u>-</u>
<b>Other comprehensive income for the year</b>		<u>(1,487,707)</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>13,340,832</u>	<u>16,741,752</u>
<b>Earnings per share</b>			
Basic earnings per share	20	<u>0.0093</u>	<u>0.0105</u>

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

**AIRA Factoring Public Company Limited****Cash flow statement****As at 31 December 2025**

	(Unit: Baht)	
	2025	2024
<b>Cash flows from operating activities</b>		
Profit before tax	19,698,911	20,879,028
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	11,215,685	10,693,243
Expected credit losses	36,008,308	33,385,992
Loss on disposal of equipment	26	-
Provision for long-term employee benefits	2,150,006	2,415,597
Finance cost	<u>75,208,020</u>	<u>82,100,596</u>
Profit from operating activities before changes in operating assets and liabilities	144,280,956	149,474,456
Operating assets (increase) decrease		
Factoring receivables	(91,360,010)	107,586,283
Loan receivables	(95,363,081)	(83,973,636)
Short-term loans to related party	(170,000,000)	60,000,000
Other receivables	(26,345)	810,436
Other current assets	7,134	(64,703)
Operating liabilities increase (decrease)		
Retentions from factoring	20,089,000	271,058
Excess receipts awaiting to repay	(8,120,808)	7,181,489
Other payables	(209,300)	3,263,155
Other current liabilities	<u>(112,422)</u>	<u>92,663</u>
Cash flows from (used in) operating activities	(200,814,876)	244,641,201
Cash paid for interest	(72,609,691)	(80,986,856)
Cash paid for long-term employee benefits	(1,974,222)	(1,309,737)
Cash paid for corporate income tax	<u>(9,190,945)</u>	<u>(12,267,582)</u>
<b>Net cash flows from (used in) operating activities</b>	<u>(284,589,734)</u>	<u>150,077,026</u>

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

**AIRA Factoring Public Company Limited****Cash flow statement (continued)****As at 31 December 2025**

	(Unit: Baht)	
	2025	2024
<b>Cash flows from investing activities</b>		
Cash paid for acquisition of equipment	(377,492)	(252,316)
Cash paid for acquisition of intangible assets	<u>(2,954,860)</u>	<u>(503,475)</u>
<b>Net cash flows used in investing activities</b>	<u>(3,332,352)</u>	<u>(755,791)</u>
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term loans from financial institutions	305,000,000	(130,000,000)
Increase in short-term loans from related party	20,000,000	-
Increase in long-term loan from financial institution	6,821,673	26,830,429
Payment of liabilities under lease agreements	(7,691,872)	(7,343,402)
Dividend paid	<u>-</u>	<u>(32,000,000)</u>
<b>Net cash flows from (used in) financing activities</b>	<u>324,129,801</u>	<u>(142,512,973)</u>
<b>Net increase in cash and cash equivalents</b>	36,207,715	6,808,262
Cash and cash equivalents at beginning of year	<u>104,711,587</u>	<u>97,903,325</u>
<b>Cash and cash equivalents at end of year</b>	<u>140,919,302</u>	<u>104,711,587</u>
	-	
Non-cash items		
Increase in right-of-use assets from lease liabilities	476,692	17,128,729

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

**AIRA Factoring Public Company Limited**

**Statement of changes in shareholders' equity**

**For the year ended 31 December 2025**

							(Unit: Baht)
	Issued and fully paid-up	Share premium	Capital contribution from parent company	Retained earnings		Total shareholders' equity	
Note	share capital			Appropriated	Unappropriated		
<b>Balance as at 1 January 2024</b>	400,000,000	75,844,889	406,077	37,370,000	18,821,318	532,442,284	
Profit for the year	-	-	-	-	16,741,752	16,741,752	
Other comprehensive income for the year	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	16,741,752	16,741,752	
Dividend paid	-	-	-	-	(32,000,000)	(32,000,000)	
Transfer to statutory reserve	-	-	-	838,000	(838,000)	-	
<b>Balance as at 31 December 2024</b>	<u>400,000,000</u>	<u>75,844,889</u>	<u>406,077</u>	<u>38,208,000</u>	<u>2,725,070</u>	<u>517,184,036</u>	
<b>Balance as at 1 January 2025</b>	400,000,000	75,844,889	406,077	38,208,000	2,725,070	517,184,036	
Profit for the year	-	-	-	-	14,828,539	14,828,539	
Other comprehensive income for the year	-	-	-	-	(1,487,707)	(1,487,707)	
Total comprehensive income for the year	-	-	-	-	13,340,832	13,340,832	
Transfer to statutory reserve	-	-	-	742,000	(742,000)	-	
<b>Balance as at 31 December 2025</b>	<u>400,000,000</u>	<u>75,844,889</u>	<u>406,077</u>	<u>38,950,000</u>	<u>15,323,902</u>	<u>530,524,868</u>	

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

## **AIRA Factoring Public Company Limited**

### **Notes to financial statements**

**For the year ended 31 December 2025**

#### **1. General information**

AIRA Factoring Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company was listed on the Market for Alternative Investment (MAI) on 25 August 2004. Its parent company is AIRA Capital Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in receivable factoring. The registered office of the Company is at No. 188, Spring Tower Building, 12<sup>th</sup> floor, Unit 6-10, Phayathai Road, Thung Phaya Thai Sub-District, Ratchathewi District, Bangkok.

#### **2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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 Thai language financial statements.

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

#### **3. New financial reporting standard**

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

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

providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

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

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 2026. 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 Revenue and expense recognition**

#### **Interest income from factoring and loan receivables**

Interest income from factoring and loan receivable is recognised in the profit or loss using the effective interest rate method, over the period of contracts.

When receivables are subsequently credit-impaired, the Company continues to recognise interest income using the effective interest method, based on the net book value (gross book value net of allowance for expected credit losses) of the receivables. When receivables are not credit-impaired any more, the Company then switches to calculate interest income based on the gross book value.

#### **Fees and services income**

Fees and services income are recognised point in time upon completion of the service.

#### **Other income**

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

#### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### **Expenses**

Operating expenses are recognized on an accrual basis.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.3 Factoring and loan receivables**

Factoring receivables are stated net of allowance for expected credit losses and discount on factoring in advance.

Loan receivables are stated at principal amount net of allowance for expected credit losses.

The allowance for expected credit losses has been disclosed in Note 4.12.

### **4.4 Equipment/Depreciation**

Equipment is stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Computers	3 years
Furniture and fixtures	5 years
Office equipment	3 - 5 years

Depreciation is included in determining income.

No depreciation is provided on work under installation.

### **4.5 Intangible assets**

Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful lives is computer software, which the useful lives is 5 years.

### **4.6 Leases**

At inception of contract, the Company assesses 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 as a lessee**

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 less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	6 years
Motor vehicles	4 years
Office equipment	1 years

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

## **4.7 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

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

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment, right-of-use assets and other 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.

#### **4.9 Employee benefits**

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

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

##### **Post-employment benefits**

###### ***Defined contribution plans***

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

###### ***Defined benefit plans***

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

#### **4.10 Provisions**

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

#### **4.11 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.12 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, receivables, that do not contain a significant financing component or for which at contract inception the Company expected payment by the customer less than one year and the Company has applied the practical expedient regarding not to adjust the effects of a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### **Classification and measurement of financial liabilities**

At initial recognition, the Company’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The Company recognises expected credit losses of factoring receivables and loan receivables using the General Approach. The Company determines the changes in credit risk since initial recognition and groups its receivables into 3 stages as follow:

- Stage 1: Receivables where there has not been a significant increase in credit risk (Performing) - 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 the receivables with a remaining maturity of less than 12 months.
- Stage 2: Receivables where there has been a significant increase in credit risk (Under-Performing) - The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of the receivables.
- Stage 3: Receivables that are credit-impaired (Non-Performing) - The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses of the receivables.

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 60 days (for factoring receivables) or 30 days (for loan receivables) past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, The Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information.

In order to calculate the expected credit loss above. The Company considers its historical loss experience, adjusts this for 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. Moreover, expected credit losses include management overlay for the factors which are not captured by the model (if any).

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the period in profit or loss.

For other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.13 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.

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

The preparation of financial statements in conformity with 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:

##### **Allowance for expected credit losses of factoring and loan receivables**

The management is required to use judgement in determining the allowance for expected credit losses of factoring and loan receivables. The calculation of allowance for expected credit losses of the Company are based on the development of complex expected credit losses model with a series of underlying assumptions, the probability of default, estimated losses arising from the default including the choice of inputs the forecasted macroeconomic variables. In addition, the management also considers to provide management overlay for the factors which are not captured by the model.

## Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

## 6. Related party transactions

The nature of the relationships between the Company and its related parties are summarised below:

Name of related parties	Relationship
AIRA Capital Public Company Limited	Parent company
AIRA Securities Public Company Limited	Common parent company
AIRA Leasing Public Company Limited	Common parent company
Aspiration One Company Limited	Common parent company
AIRA Property Public Company Limited	Common parent company
SE-Education Public Company Limited	Common major shareholder

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	2025	2024	(Unit: Thousand Baht) Transfer pricing policy
<u>Transactions with parent company</u>			
Interest expenses	2,523	3,478	3.75 - 4.00% per annum
Other expenses	-	69	Market rate
<u>Transactions with related parties</u>			
Interest income from factoring	1,182	228	7.00 - 8.00% per annum
Fee and service income	449	309	0.10 - 0.15% per transaction
Interest income from short-term loans	3,338	4,027	6.30 - 7.00% per annum
Interest expenses	198	-	5.75% per annum
Rental expenses	6,908	6,908	Market rate
Other expenses	624	649	Market rate

As at 31 December 2025 and 2024, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	2025	2024
<b>Deposits and guarantees - related party</b>		
Related company (related by common shareholders)	1,727	1,727
<b>Other payables - related parties</b>		
Parent company	16	20
Related company (related by common shareholders)	20	15
<b>Total other payables - related parties</b>	36	35
<b>Lease liabilities - related parties</b>		
Related company (related by common shareholders)	22,016	27,851

Short-term loans to and loans from related parties

As at 31 December 2025 and 2024, the balances of loans to and loans from between the Company and those related parties and the movements are as follows.

		(Unit: Thousand Baht)			
		31 December		31 December	
Loans to	Related by	2024	Increase	Decrease	2025
AIRA Leasing Public Company Limited	Common parent company	10,000	370,000	(305,000)	75,000
SE-Education Public Company Limited	Common major shareholder	-	105,000	-	105,000
Short-term loans to related party		10,000	475,000	(305,000)	180,000

The outstanding balance as at 31 December 2025 of short-term loans to AIRA Leasing Public Company Limited are unsecured loans and short-term loan to SE-Education Public Company Limited are secured loans and are due in January, February and March 2026. They carry interest rate at 6.30% and 7.00% per annum (2024: interest rate at 6.70% per annum)

		(Unit: Thousand Baht)			
		31 December		31 December	
Loans from	Related by	2024	Increase	Decrease	2025
AIRA Capital Public Company Limited	Parent company	90,000	330,000	(340,000)	80,000
AIRA Securities Public Company Limited	Common Parent Company	-	30,000	-	30,000
Short-term loans from related party		90,000	360,000	(340,000)	110,000

The outstanding balance as at 31 December 2025 of short-term loans from AIRA Capital Public Company Limited and AIRA Securities are unsecured loans and are due in February 2026. They carry interest rate at 3.75% and 5.75% per annum (2024: interest rate at 4.00% per annum).

#### Directors and management's benefits

During the year ended 31 December 2025 and 2024, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	2025	2024
Short-term employee benefits	19,450	17,176
Post-employment benefits	713	713
Total	<u>20,163</u>	<u>17,889</u>

#### **7. Cash and cash equivalents**

Cash and cash equivalents as at 31 December 2025 and 2024 were as follows:

	(Unit: Thousand Baht)	
	2025	2024
Cash	20	20
Savings and current deposits at banks	140,899	104,692
Total cash and cash equivalents	<u>140,919</u>	<u>104,712</u>

As at 31 December 2025 and 2024, bank deposits in savings accounts carried interests at rates between 0.2% and 0.35 - 0.50% per annum, respectively.

#### **8. Factoring receivables**

Factoring receivables as at 31 December 2025 and 2024 are as follows:

	(Unit: Thousand Baht)	
	2025	2024
Factoring receivables	2,551,052	2,483,530
Accrued interest income from factoring	85,146	66,518
Total	2,636,198	2,550,048
<u>Less:</u> Factoring payables	(550,034)	(547,336)
Unearned interest income	(12,252)	(14,474)
Total	2,073,912	1,988,238
<u>Less:</u> Allowance for expected credit losses	(193,317)	(163,355)
Factoring receivables - net	<u>1,880,595</u>	<u>1,824,883</u>

As at 31 December 2025 and 2024, the balances of factoring receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

	As at 31 December 2025		
	Factoring receivables - net	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	1,727,511	12,598	1,714,913
Receivables where there has been a significant increase in credit risk	85,165	9,899	75,266
Receivables that are credit - impaired	261,236	170,820	90,416
<b>Total</b>	<b>2,073,912</b>	<b>193,317</b>	<b>1,880,595</b>

(Unit: Thousand Baht)

	As at 31 December 2024		
	Factoring receivables - net	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	1,629,625	8,631	1,620,994
Receivables where there has been a significant increase in credit risk	253,148	56,783	196,365
Receivables that are credit - impaired	105,465	97,941	7,524
<b>Total</b>	<b>1,988,238</b>	<b>163,355</b>	<b>1,824,883</b>

Allowance for expected credit loss of factoring receivables for the year ended 31 December 2025 and 2024 is as follows:

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2025	8,631	56,783	97,941	163,355
Changes due to transfer of loan classification	2,578	(44,321)	41,743	-
Changes due to remeasurement of loss allowance	822	(2,184)	36,442	35,080
New financial assets purchased or acquired	567	-	-	567
Written-off	-	(379)	(5,306)	(5,685)
Balance as at 31 December 2025	<u>12,598</u>	<u>9,899</u>	<u>170,820</u>	<u>193,317</u>

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2024	9,443	41,301	76,362	127,106
Changes due to transfer of loan classification	(237)	(4,177)	4,414	-
Changes due to remeasurement of loss allowance	(1,109)	19,659	19,230	37,780
New financial assets purchased or acquired	534	-	-	534
Written-off	-	-	(2,065)	(2,065)
Balance as at 31 December 2024	<u>8,631</u>	<u>56,783</u>	<u>97,941</u>	<u>163,355</u>

## 9. Loan receivables

Loan receivables as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Current portion of loan receivables		Loan receivables - net of current portion		Total	
	2025	2024	2025	2024	2025	2024
Loan receivables	413,556	289,126	92,734	121,800	506,290	410,926
<u>Less</u> Allowance for expected credit losses	(27,623)	(27,316)	(392)	(338)	(28,015)	(27,654)
Loan receivables - net	<u>385,933</u>	<u>261,810</u>	<u>92,342</u>	<u>121,462</u>	<u>478,275</u>	<u>383,272</u>

As at 31 December 2025 and 31 December 2024, the balances of loan receivables were classified by stage of credit risk as follows:

(Unit: Thousand Baht)

	31 December 2025		
	Loan receivables	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	474,187	1,440	472,747
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	32,103	26,575	5,528
Total	<u>506,290</u>	<u>28,015</u>	<u>478,275</u>

(Unit: Thousand Baht)

	31 December 2024		
	Loan receivables	Allowance for expected credit losses	Net balance
Receivables where there has not been a significant increase in credit risk	378,823	1,080	377,743
Receivables where there has been a significant increase in credit risk	-	-	-
Receivables that are credit - impaired	32,103	26,574	5,529
Total	<u>410,926</u>	<u>27,654</u>	<u>383,272</u>

Allowance for expected credit losses of loan receivables for the years ended 31 December 2025 and 2024 is as follows:

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2025	1,079	-	26,575	27,654
Changes due to remeasurement of loss allowance	(578)	-	-	(578)
New financial assets purchased or acquired	939	-	-	939
Written-off	-	-	-	-
Balance as at 31 December 2025	1,440	-	26,575	28,015

(Unit: Thousand Baht)

	Allowance for expected credit losses			
	Receivables where there has not been a significant increase in credit risk (Stage 1)	Receivables where there has been a significant increase in credit risk (Stage 2)	Receivables that are credit - impaired (Stage 3)	Total
Balance as at 1 January 2024	1,009	-	36,113	37,122
Changes due to remeasurement of loss allowance	(892)	-	(3,724)	(4,616)
New financial assets purchased or acquired	962	-	-	962
Written-off	-	-	(5,814)	(5,814)
Balance as at 31 December 2024	1,079	-	26,575	27,654

## 10. Equipment

Equipment as at 31 December 2025 and 2024 consist of the following:

(Unit: Thousand Baht)				
	Balance as at			Balance as at
	31 December			31 December
	2024	Increase	Decrease	2025
<b>Cost</b>				
Computer	8,168	305	-	8,473
Furniture and fixture	15,092	39	(5)	15,126
Office equipment	1,537	34	(120)	1,451
Total cost	<u>24,797</u>	<u>378</u>	<u>(125)</u>	<u>25,050</u>
<b>Accumulated depreciation</b>				
Computer	(7,447)	(494)	-	(7,941)
Furniture and fixture	(11,309)	(1,014)	5	(12,318)
Office equipment	(1,295)	(83)	120	(1,258)
Total accumulated depreciation	<u>(20,051)</u>	<u>(1,591)</u>	<u>125</u>	<u>(21,517)</u>
Equipment	<u>4,746</u>			<u>3,533</u>

(Unit: Thousand Baht)				
	Balance as at			Balance as at
	31 December			31 December
	2023	Increase	Decrease	2024
<b>Cost</b>				
Computer	8,086	82	-	8,168
Furniture and fixture	14,966	126	-	15,092
Office equipment	1,493	44	-	1,537
Total cost	<u>24,545</u>	<u>252</u>	<u>-</u>	<u>24,797</u>
<b>Accumulated depreciation</b>				
Computer	(6,833)	(614)	-	(7,447)
Furniture and fixture	(10,303)	(1,006)	-	(11,309)
Office equipment	(1,206)	(89)	-	(1,295)
Total accumulated depreciation	<u>(18,342)</u>	<u>(1,709)</u>	<u>-</u>	<u>(20,051)</u>
Equipment	<u>6,203</u>			<u>4,746</u>

### Depreciation for the years ended 31 December

2025	<u>1,591</u>
2024	<u>1,709</u>

As at 31 December 2025, certain equipment items were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 18 million (2024: Baht 18 million).

## 11. Intangible assets

Intangible assets as at 31 December 2025 and 2024 are as follows

	(Unit: Thousand Baht)			
	Balance as at 31 December 2024	Increase	Transfer between accounts	Balance as at 31 December 2025
<b>Cost</b>				
Computer software	17,193	1,755	375	19,323
Intangible assets under installation	375	1,200	(375)	1,200
Total cost	<u>17,568</u>	<u>2,955</u>	<u>-</u>	<u>20,523</u>
<b>Amortization</b>				
Computer software	(13,672)	(1,673)	-	(15,345)
Total accumulated amortization	<u>(13,672)</u>	<u>(1,673)</u>	<u>-</u>	<u>(15,345)</u>
Intangible assets	<u><u>3,896</u></u>			<u><u>5,178</u></u>

	(Unit: Thousand Baht)			
	Balance as at 31 December 2023	Increase	Transfer between accounts	Balance as at 31 December 2024
<b>Cost</b>				
Computer software	16,961	232	-	17,193
Intangible assets under installation	375	-	-	375
Total cost	<u>17,336</u>	<u>232</u>	<u>-</u>	<u>17,568</u>
<b>Amortization</b>				
Computer software	(12,265)	(1,407)	-	(13,672)
Total accumulated amortization	<u>(12,265)</u>	<u>(1,407)</u>	<u>-</u>	<u>(13,672)</u>
Intangible assets	<u><u>5,071</u></u>			<u><u>3,896</u></u>

### Amortization for the years ended 31 December

2025	<u>1,673</u>
2024	<u>1,407</u>

As at 31 December 2025, certain intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those intangible assets amounted to approximately Baht 12 million (2024: Baht 10 million).

## 12. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2025 and 2024 are as follows:

(Unit: Thousand Baht)

	Interest rate (% per annum)		2025	2024
	2025	2024		
Promissory notes	3.19 - 4.30	4.10 - 4.73	<u>1,930,000</u>	<u>1,625,000</u>

As at 31 December 2025 and 2024, the Company had short-term loans from financial institutions under various credit facilities. The Company is required to comply with the terms and conditions prescribed in these agreements, including restrictions on creating any mortgage, pledge or other encumbrance over the Company's assets (negative pledge), as well as requirements to maintain specified financial ratios. The covenants are tested on both a quarterly and an annual basis.

As at 31 December 2025, the credit facilities of the Company which have not yet been drawn down amounting to of Baht 460 million (2024: Baht 945 million).

## 13. Long-term loans from financial institutions

On 25 July 2024 and 27 May 2025, the Company entered into loan agreements with a financial institution totaling Baht 50 million, comprising Baht 30 million and Baht 20 million, respectively. The objective of accommodating a short-term financing business. Long-term loans from the financial institution were unsecured loans.

The Company agreed to repay the loan principal to the bank in 36 monthly instalments, with the first instalments due in September 2024 and July 2025, respectively. Interest is charged at a floating rate based on the bank's minimum loan rate (MLR) for long-term borrowings.

Under the loan agreement, the Company was required to comply with certain terms and conditions prescribed in the agreement, e.g. the Company shall not default on loan payments to the bank and other creditors and not take any action leading to the Company's dissolution, liquidation or winding-up, including the use of the loan where funds are granted for a specific intended purposes only, etc. The covenants are tested on an annual basis. The Company has no indication that it will have difficulty complying with these covenants within the twelve months after the reporting period.

As at 31 December 2025, the Company has already drawn down the long-term credit facilities in full amount.

## 14. Leases

### The Company as a leasee

The Company has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 6 years.

#### a) Right-of-use assets

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

	(Unit: Thousand Baht)			
	Office			
	Buildings	Vehicles	equipment	Total
1 January 2024	14,741	4,598	120	19,459
Additions	16,653	-	476	17,129
Depreciation for the year	(5,676)	(1,424)	(477)	(7,577)
31 December 2024	25,718	3,174	119	29,011
Additions	-	-	477	477
Depreciation for the year	(6,051)	(1,424)	(477)	(7,952)
31 December 2025	19,667	1,750	119	21,536

#### b) Lease liabilities

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Lease payments	25,939	34,370
Less: Deferred interest expenses	(1,634)	(2,796)
Total	24,305	31,574
Less: Portion due within one year	(9,060)	(8,879)
Lease liabilities - net of current portion	15,245	22,695

Movements of the lease liability account during the years ended 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Balance at beginning of year	31,574	21,136
Increase	477	17,129
Accretion of interest	1,173	2,173
Repayments	(8,919)	(8,864)
Balance at end of year	24,305	31,574

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Depreciation expense of right-of-use assets	7,952	7,577
Interest expense on lease liabilities	1,173	2,173
Expense relating to short-term leases	383	379

**d) Others**

The Company had total cash outflows for leases for the year ended 31 December 2025 of Baht 9.3 million (2024: Baht 9.2 million), including the cash outflow related to short-term lease and leases of low-value assets.

**15. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
<b>Provision for long-term employee benefits at beginning of year</b>	18,115	17,010
Included in profit or loss:		
Current service cost	1,738	2,041
Interest cost	412	374
Included in other comprehensive income:		
Remeasurement (gain) loss arising from		
Demographic assumptions changes	(268)	-
Financial assumptions changes	482	-
Experience adjustments	1,646	-
Benefits paid during the year	<u>(1,974)</u>	<u>(1,310)</u>
<b>Provision for long-term employee benefits at end of year</b>	<u>20,151</u>	<u>18,115</u>

The Company expects to pay long-term employee benefits during the next year amounting to Baht 4.7 million (2024: Nil).

As at 31 December 2025, the weighted average duration of the liabilities for long-term employee benefit is 8.68 years (2024: 8.35 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	<u>2025</u>	<u>2024</u>
Discount rate	1.42%	3.11%
Salary increase rate	4.5%	5.5%
Staff turnover rate	9% - 27%	8% - 27%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)			
	<u>2025</u>		<u>2024</u>	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(493)	520	(396)	416
Salary increase rate	477	(458)	514	(492)
	<u>Increase 10.0%</u>	<u>Decrease 10.0%</u>	<u>Increase 10.0%</u>	<u>Decrease 10.0%</u>
Staff turnover rate	(286)	313	(359)	389

## 16. Statutory reserve

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

## 17. Finance cost

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Interest expenses on borrowings	74,035	79,928
Interest expenses on lease liabilities	1,173	2,173
Total	<u>75,208</u>	<u>82,101</u>

## 18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Salaries, wages and other employee benefits	79,829	78,081
Depreciation and amortisation	11,216	10,693
Expected credit losses	36,008	33,386
Specific business tax expenses	8,081	8,277
Examination fees on factoring documents	3,097	1,946

## 19. Income tax

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

	(Unit: Thousand Baht)	
	2025	2024
<b>Current income tax:</b>		
Current income tax charge	10,145	9,690
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(5,275)	(5,553)
<b>Income tax expense reported in profit or loss</b>	<b>4,870</b>	<b>4,137</b>

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

	(Unit: Thousand Baht)	
	2025	2024
Deferred tax on actuarial gains and losses	372	-
	372	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	2025	2024
Accounting profit before tax	19,699	20,879
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	3,939	4,176
Unrecognised temporary differences	941	(148)
Effects of:		
Non-deductible expenses	62	183
Additional expense deductions allowed	(72)	(74)
Total	(10)	109
Income tax expense reported in profit or loss	4,870	4,137

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	2025	2024
<b>Deferred tax assets</b>		
Allowance for expected credit losses	41,623	36,424
Provision for long-term employee benefits	4,030	3,623
Lease liabilities	554	513
<b>Total</b>	<b>46,207</b>	<b>40,560</b>

As at 31 December 2025 and 2024, the Company has deductible temporary differences totaling Baht 14.0 million and 9.7 million, respectively on which deferred tax assets have not been recognised as the Company believes that it is unlikely that the tax benefits can be utilized.

## 20. 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 the weighted average number of ordinary shares in issue during the year.

## 21. 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 of the Company.

The one main reportable operating segment of the Company is the provision of lending services to SME customers, comprising the factoring business and loan financing. The single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. 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.

### Major customers

For the year ended 31 December 2025 and 2024, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

## 22. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contributes to the fund monthly at the rate of 5% - 10% of basic salary and employees contribute to the fund monthly at the rate of 5% - 15% of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules.

For the years ended 31 December 2025 and 2024, the Company's contributions included in administrative expenses in the statements of comprehensive income amounting to Baht 2.5 million and Baht 2.1 million, respectively.

## 23. Dividends

Dividends	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Interim dividend No. 1 for the net profit of the operation results during 1 January 2024 to 30 June 2024 and the retained earnings	Meeting of the Company's Board of Directors on 13 September 2024	32,000	0.02
Total for 2024		32,000	0.02

## 24. Commitments and contingent liabilities

### 24.1 Capital commitments

As at 31 December 2025, the Company had capital commitments of approximately Baht 0.3 million (2024: Baht 2.1 million), relating to software computer improvements.

### 24.2 Service commitments

As at 31 December 2025 and 31 December 2024, the Company has future minimum lease payments required under service agreements as follows:

	(Unit: Million Baht)	
	2025	2024
Payments		
Within 1 year	1	1

## **25. Financial Instruments**

### **Financial risk management objectives and policies**

The Company's financial instruments principally comprise cash and cash equivalents, factoring receivables, loan receivables, short-term loans to related party, other receivables, short-term and long-term loans from financial institutions, retentions from factoring, lease liabilities, excess receipts awaiting to repay and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company is exposed to credit risk primarily with respect to factoring receivables, loans receivable, short-term loans to related party and other receivables and cash at bank.

The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

The Company prepared expected credit losses model under TFRS 9 that requires the Company to determine impairment of the Company's financial assets. The Company reconsiders expected credit losses model including management overlay by periodically reviews to ascertain appropriateness of the model.

#### ***Factoring receivables and loans receivables***

The Company managed the risk by adopting appropriate credit control policies and procedures whereby the Company analyses credit details of customers and follows up customers with overdue accounts in accordance with credit control practices, and considers the amount of retentions from factoring, and other obligation assets as collateral for each customer. Therefore, the Company does not expect to incur material financial loss. In addition, the Company does not have high concentrations of credit risk since it has a large customer base.

#### ***Cash deposits***

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's credit committee on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

## Interest rate risk

The Company's exposure to interest rate risk relate primarily to cash at banks, factoring receivables, loans receivables, short-term loans to related party and short-term loans and long-term from financial institutions. The Company mitigates this risk by matching the sources of borrowings with factoring receivables to ensure that the Company maintains an accumulated average spread of interest under the Company's policy. Moreover, the Company analyses the term of interest rate movement of factoring receivables, borrowings and the Company adjusts the interest rate charge to receivables when the interest rate changes. Thus, the Company is flexible in its response to interest rate fluctuations. In addition, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2025 and 2024, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).

(Unit: Million Baht)

	As at 31 December 2025						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years	bearing 5 years				
							(% per annum)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	8	133	141	0.20
Factoring receivables	1,881	-	-	-	-	1,881	5.75 - 13.30
Loan receivables	386	92	-	-	-	478	4.50 - 12.75
Short-term loans to related party	180	-	-	-	-	180	6.30 - 7.00
Other receivables	-	-	-	-	2	2	-
	<u>2,447</u>	<u>92</u>	<u>-</u>	<u>8</u>	<u>135</u>	<u>2,682</u>	
<b>Financial liabilities</b>							
Short-term loans from financial institutions	1,930	-	-	-	-	1,930	3.19 - 4.30
Short term loans from related party	110	-	-	-	-	110	3.75 - 5.75
Retentions from factoring	-	-	-	-	69	69	-
Lease liabilities	9	15	-	-	-	24	2.70 - 4.46
Excess receipts awaiting to repay	-	-	-	-	23	23	-
Other payables	-	-	-	-	15	15	-
Long-term loan from financial institution	-	-	-	34	-	34	MLR - 5.30
	<u>2,049</u>	<u>15</u>	<u>-</u>	<u>34</u>	<u>107</u>	<u>2,205</u>	

(Unit: Million Baht)

As at 31 December 2024

	Fixed interest rates			Floating interest rate	Non- interest rate bearing	Total	Effective interest rate  (% per annum)
	Within 1 year	1-5 years	bearing 5 years				
	<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	7	97	104	0.35 - 0.40
Factoring receivables	1,825	-	-	-	-	1,825	6.55 - 13.00
Loan receivables	262	121	-	-	-	383	4.50 - 11.30
Short-term loans to related party	10	-	-	-	-	10	6.70
Other receivables	-	-	-	-	2	2	-
	<u>2,097</u>	<u>121</u>	<u>-</u>	<u>7</u>	<u>99</u>	<u>2,324</u>	
<b>Financial liabilities</b>							
Short-term loans from financial institutions	1,625	-	-	-	-	1,625	4.10 - 4.73
Short term loans from related party	90	-	-	-	-	90	4.00
Retentions from factoring	-	-	-	-	49	49	-
Lease liabilities	9	23	-	-	-	32	2.70 - 4.46
Excess receipts awaiting to repay	-	-	-	-	31	31	-
Other payables	-	-	-	-	13	13	-
Long-term loan from financial institution	-	-	-	27	-	27	MLR - 5.30
	<u>1,724</u>	<u>23</u>	<u>-</u>	<u>27</u>	<u>93</u>	<u>1,867</u>	

### Liquidity risk

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

The Company has established a liquidity management policy, to ensure that the Company has sufficient liquidity to meet debt and other obligations when due in normal circumstances, and has the liquidity contingency plans in place to handle crisis situations, as well as to ensure that management of liquidity strikes an appropriate balance between costs and benefits.

The table below summarises the maturity profile of the Company's financial liabilities as at 31 December 2025 and 2024 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	As at 31 December 2025			
	At call	Within	1 - 5	Total
		1 year	years	
<b>Financial liabilities</b>				
Short-term loans from financial institutions	-	1,945	-	1,945
Short-term loans from related party	-	111	-	111
Retentions from factoring	69	-	-	69
Lease liabilities	-	10	16	26
Excess receipts awaiting to repay	-	23	-	23
Other payables	-	15	-	15
Long-term loan from financial institution	-	18	17	35
<b>Total financial liabilities</b>	<b>69</b>	<b>2,122</b>	<b>33</b>	<b>2,224</b>

(Unit: Million Baht)

	As at 31 December 2024			
	At call	Within	1 - 5	Total
		1 year	years	
<b>Financial liabilities</b>				
Short-term loans from financial institutions	-	1,637	-	1,637
Short-term loans from related party	-	91	-	91
Retentions from factoring	49	-	-	49
Lease liabilities	-	10	24	34
Excess receipts awaiting to repay	-	31	-	31
Other payables	-	13	-	13
Long-term loan from financial institution	-	11	17	28
<b>Total financial liabilities</b>	<b>49</b>	<b>1,793</b>	<b>41</b>	<b>1,883</b>

### Foreign currency risk

The Company is not exposed to foreign currency risk because no trading transactions are denominated in foreign currency.

### Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

**26. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2025 and 2024, the Company's debt-to-equity ratios are 4.20 and 3.65, respectively.

**27. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 19 February 2026.