**Yuasa Battery (Thailand) Public Company Limited**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the YEAR ended DECEMBER 31, 2025**

**1. General information**

Yuasa Battery (Thailand) Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office at No. 164, Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan.

The Company’s major shareholder is GS Yuasa International Ltd, incorporated in Japan, with shareholdings of 40.69 percent and Metropolitan Motor Service Company Limited, incorporated in Thailand, with shareholdings of 19.13 percent.

The principal businesses of the Company is engaged in the manufacture and distribution of batteries for automobiles and motorcycles.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS**

* 1. The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
  2. The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements” and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement B.E. 2566”.
  3. The financial statements have been prepared under the historical cost convention except as disclosed in the material accounting policies (see Note 3).
  4. Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2025. These revisions were made to align the standards with the International Financial Reporting Standards and involve amendments to accounting requirements, as follows:

* Thai Accounting Standard No.1 “Presentation of Financial Statements”, amends to clarify the classification of liabilities as current or non-current, and to address non-current liabilities with covenants.
* Thai Accounting Standard No. 7 “Statement of Cash Flows” and Thai Financial Reporting Standard No. 7 “Financial Instruments: Disclosures”, require entities to disclose information about supplier financing arrangements and its related liquidity risk.
* Thai Financial Reporting Standard No. 16 “Leases”, introduces additional requirements for subsequent measurement of sale and leaseback transactions.
* Thai Financial Reporting Standard No.17 “Insurance Contracts”, replaces Thai Financial Reporting Standard No.4 “Insurance Contracts”, and establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts.

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

* 1. Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The revised TFRSs were announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2026 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, which the changes are to amend the accounting requirements, as follows:

**Amendments to TAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability**

These amendments are intended to require entities to apply a consistent approach in assessing whether one currency is exchangeable into another currency, by specifying how to assess whether a currency is exchangeable and how to determine the exchange rate in circumstances in which exchangeability is lacking. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early application is permitted. In applying the requirements relating to the lack of exchangeability, an entity shall not restate comparative information retrospectively but shall apply the transition requirements specified in Thai Accounting Standard No. 21.

The Company’s management will adopt such TFRSs in the preparation of the Company’s financial statements when it becomes effective. The Company’s management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company in the period of initial application.

**3. MATERIAL ACCOUNTING POLICIES**

The English version of financial statements have been prepared from the Thai version of the financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version financial statements in accordance with the Thai law is superseded.

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the material accounting policies as follows:

**3.1 Foreign currencies**

*Transactions in foreign currencies*

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

**3.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, all deposits at banks with the original maturities of three months or less, excluding cash at banks used as collateral.

**3.3 Trade and other current receivables**

Trade receivables and other current receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.5.

**3.4 Inventories**

Inventories are measured at the lower of cost or net realizable value.

Cost of raw materials, semi-raw materials, spare parts and factory supplies is calculated using the weighted average method, and comprises all costs of purchase deducted trade discounts, rebates and other similar items, costs of conversion or other costs incurred in bringing the inventories to their present location and condition.

In the case of manufactured finished goods and work-in-progress, cost is based on the standard cost which is adjusted to the proximity of the average cost including an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to complete and to make the sale.

Chemicals, spare parts and factory supplies are valued at the lower of average cost and net realizable value and are charged to production costs whenever consumed.

**3.5 Non-current asset group classified as held-for-sale**

Non-current assets are classified as held-for-sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable.

Non-current assets classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell.

**3.6 Financial instruments**

Financial assets and financial liabilities are recognized in the Company’s statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirely at either amortized cost or fair value, depending on the classification of the financial assets.

*Classification of financial assets*

Financial assets that meet the following conditions are measured subsequently at amortized cost;

* The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
* 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 that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

* The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
* 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the financial asset on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognized in profit or loss and is included in the “other income” line item.

*Impairment of financial assets*

The Company recognizes a loss allowance for expected credit losses on trade receivables. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime allowance for expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

*Derecognition of financial assets*

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

**Financial liabilities**

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

*Derecognition of financial liabilities*

The Company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

**3.7 Investment properties**

Investment properties are properties which are held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labor, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs.

Depreciation is charged as an expense to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Investment properties | 25 | years |

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits. Any gain or loss arising on derecognition of the investment property calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the statement of profit or loss and other comprehensive income in the period in which the property is derecognized.

When the Company uses the cost method to transfer between investment property and owner-occupied property.

**3.8 Property, plant and equipment**

Recognition and measurement

Property is measured at cost less allowance for impairment losses, if any.

Plant and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

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

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

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

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognized 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 derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statement of profit or loss and other comprehensive income as incurred.

*Depreciation*

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

Depreciation is charged as an expense to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Buildings and building improvement | 33 | yeas |
| Machinery, tools and equipment | 3 - 15 | years |
| Furniture, fixtures and office equipment | 5 | years |

No depreciation is provided on land and asset under installation.

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

**3.9 Intangible assets**

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses, if any.

*Amortization*

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

Amortization is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible, which is estimated to be approximately 5 years.

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

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

**3.10 Impairment**

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

*Calculation of recoverable amount*

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

*Reversals of impairment*

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

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

**3.11 Provision**

Provisions are recognized 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.

**3.12 Employee benefits**

Defined contribution plans

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

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The 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 return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of profit or loss and other comprehensive income.

The Company recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statement of profit or loss and other comprehensive income when the plan amendment is effective.

Other long-term employee benefits

The Company’s net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is assessed by an independent actuary and based on actuarial assumption using projected unit credit method to determine present value of cash flow of employee benefit to be paid in the future. Any actuarial gains and losses are recognized as profit or loss in the statement of profit or loss and other comprehensive income in the period which they incur.

Short-term employee benefits

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

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans 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.

**3.13 Revenue recognition**

Sales of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value-added tax, of goods supplied after deducting returns and discounts.

Interest income and other income

Interest income and other income are recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

**3.14 Expense recognition**

Expenses are recognized on an accrued basis.

**3.15 Finance costs**

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

**3.16 Lease**

*The Company as lessee*

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

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

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

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

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

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

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

The Company did not make any such adjustments during the periods presented.

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

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

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

**3.17 Income tax expense**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of profit or loss and other comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are enacted at the reporting date.

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

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. 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 realized.

**3.18 Earnings per share**

The calculations of basic earnings per share for the year are based on the profit for the year attributable to equity holders divided by the weighted-average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted earnings per share for the year are based on the weighted-average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

**3.19 Fair value measurements**

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

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

* + Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
  + Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
  + Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**4. KEY SOURCE OF ESTIMATION UNCERTAINTY**

Allowance for diminution in value of inventory

The Company has provided allowance for obsolete and slow-moving inventories based on management’s best estimate of net realizable value of damaged, obsolete or deteriorated inventories and review of the aging analysis at the end of each reporting period.

The Company has considered net realizable value which is the estimated selling price in the ordinary course of business less the estimated costs necessary to complete and to make the sale. The estimated selling price might be affected by the fluctuation of raw material prices in global markets.

**5.** **Related party transactions**

Related person or parties of the Company are defined as persons or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related person or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals.

In considering each possible related person or parties relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with related person or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations. Such transactions, which are summarized below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties.

Relationships with related parties are as follows:

| **Name of entities** | **Country of** | **Nature of relationships** |
| --- | --- | --- |
|  | **incorporation** |  |
|  |  |  |
| GS Yuasa International Ltd. | Japan | A major shareholder, 40.69% shareholding, |
|  |  | and having a representative as a director |
|  |  | of the Company |
| Siam GS Battery Co., Ltd. | Thailand | Common ultimate parent company |
| PT.Trimitra Baterai Prakasa Co., Ltd. | Indonesia | Common ultimate parent company |
| GS Yuasa Battery (Malaysia) Co., Ltd. | Malaysia | Common ultimate parent company |
| Tata Autocomp GY Battery Private Ltd. | India | Common ultimate parent company |
| Siam Battery (Shunde) Co., Ltd. | China | Common ultimate parent company |
| Yuasa Battery, Inc. | United States | Common ultimate parent company |
|  | of America |  |
| GS Battery Vietnam Co., Ltd. | Vietnam | Common ultimate parent company |
| Inci GS Yuasa Aku Sanayi Ve Ticaret Co., Ltd. | Turkey | Common ultimate parent company |
| PT GS Battery Co., Ltd. | Indonesia | Common ultimate parent company |
| Taiwan Yuasa Battery Co., Ltd. | Taiwan | Common ultimate parent company |
| Key management |  | Key management personnel are those persons |
|  |  | having authority and responsibility for |
|  |  | planning, directing and controlling the |
|  |  | activities of the Company, directly or |
|  |  | indirectly, including any director (whether |
|  |  | executive or otherwise) of that company |

Summaries significant business transactions with related parties for the years ended December 31, are as follows:

**Unit : Thousand Baht**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2025** |  | **2024** | **Pricing policy** |
|  |  |  |  |  |
| Transactions with parent company |  |  |  |  |
| Sales of goods | 5,927 |  | 5,686 | Cost plus margin |
| Purchase of raw materials and goods | 19,329 |  | 25,029 | Market price |
| Royalty fee payment | 53,432 |  | 53,530 | Contract price |
| Technical and media service | 619 |  | 1,033 | At an agreed price |
|  |  |  |  |  |
| Transactions with related parties |  |  |  |  |
| Sales of goods | 88,099 |  | 113,865 | Cost plus margin |
| Commission income | 1,507 |  | 2,337 | At an agreed price |
| Purchase of raw materials and goods | 208,207 |  | 234,384 | Market price |

The balances between the Company and related parties are as follows:

**Unit : Thousand Baht**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **As at** |  | **As at** |
|  | **December 31,** |  | **December 31,** |
|  | **2025** |  | **2024** |
| The balances with parent company |  |  |  |
| Trade receivables - related parties (see Note 7) | 556 |  | 563 |
| Trade payables - related parties (see Note 11) | 2,064 |  | 7,466 |
| Other current payables - related parties (see Note 11) | 53,432 |  | 53,530 |
|  |  |  |  |
| The balances with related parties |  |  |  |
| Trade receivables - related parties (see Note 7) | 7,796 |  | 19,033 |
| Trade payables - related parties (see Note 11) | 42,712 |  | 57,093 |

Directors and management’s benefits

During the years ended December 31, the Company had employee benefit expenses to their directors and management as below.

**Unit : Thousand Baht**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2025** |  | **2024** |
|  |  |  |  |  |
| Short-term employee benefits |  | 38,982 |  | 34,713 |
| Post-employment benefits |  | 1,576 |  | 1,566 |
| Total |  | 40,558 |  | 36,279 |

**6. ADDITIONAL CASH FLOW INFORMATION, CASH AND CASH EQUIVALENTS**

6.1 Purchases of fixed assets for the years ended December 31, were as follows:

**Unit : Thousand Baht**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2025** |  | **2024** |
|  |  |  |  |
| Payables for purchases of fixed assets at |  |  |  |
| beginning of the years | 8,012 |  | 6,277 |
| Add Purchase of fixed assets during the years | 62,775 |  | 99,871 |
| Add Increase (decrease) in advance payments |  |  |  |
| for purchases of fixed assets | 447 |  | (2,624) |
| Less Cash payments during the years | (61,674) |  | (95,512) |
| Payables for purchases of fixed assets at end |  |  |  |
| of the years | 9,560 |  | 8,012 |

6.2 Cash and cash equivalents

Cash and cash equivalents as at December 31, consist of:

**Unit : Thousand Baht**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2025** |  | **2024** |
|  |  |  |  |
| Cash on hand | 39 |  | 35 |
| Cash at banks - current accounts | 30 |  | 30 |
| Cash at banks - savings accounts | 733,354 |  | 562,754 |
| Total | 733,423 |  | 562,819 |

As at December 31, 2025 and 2024, savings accounts bear interest at the rates between 0.15% - 0.20% per annum and 0.15% - 0.40% per annum, respectively.

**7. Trade and other CURRENT receivables**

Trade and other current receivables as at December 31, were as follows:

**Unit : Thousand Baht**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Note** | **2025** |  | **2024** |
|  |  |  |  |  |
| **Trade receivables - related parties** |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due |  | 6,944 |  | 18,341 |
| Past due |  |  |  |  |
| Up to 3 months |  | 1,408 |  | 1,255 |
| Total trade receivables - related parties | 5 | 8,352 |  | 19,596 |
|  |  |  |  |  |
| **Trade receivables - other parties** |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due |  | 274,797 |  | 283,131 |
| Past due |  |  |  |  |
| Up to 3 months |  | 48,282 |  | 50,094 |
| Over 12 months |  | 1,192 |  | 1,546 |
| Total |  | 324,271 |  | 334,771 |
| Less Allowance for expected credit losses |  | (1,492) |  | (1,521) |
| Total trade receivables - other parties - net |  | 322,779 |  | 333,250 |
| Total trade receivables - net |  | 331,131 |  | 352,846 |
|  |  |  |  |  |
| **Other current receivables** |  |  |  |  |
| Prepaid expenses |  | 10,775 |  | 6,015 |
| Revenue department receivable |  | 1,179 |  | 8 |
| Others |  | 16,078 |  | 16,859 |
| Total other current receivables |  | 28,032 |  | 22,882 |
| Total trade and other current receivables |  | 359,163 |  | 375,728 |

The normal credit term is 30 to 90 days.

During the year 2025, the Company entered into a debt settlement agreement of understanding with a trade receivable of the Company, which is due within 2027. Accordingly, the Company recorded the outstanding balance of such trade receivable for the portion exceeding one year past due amounting to Baht 4.50 million as part of trade and other non-current receivables (2024: Nil).

**8. INVENTORIES**

Inventories as at December 31, consist of:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | | | |
|  | **Cost** | | **Allowance for diminution in value of inventories** | | **Inventories - net** | |
|  | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| Finished goods | 105,747 | 84,263 | (676) | (224) | 105,071 | 84,039 |
| Work in process | 44,278 | 39,439 | (511) | (506) | 43,767 | 38,933 |
| Semi-raw materials | 49,520 | 49,391 | - | - | 49,520 | 49,391 |
| Raw materials | 89,859 | 108,885 | (1,030) | (85) | 88,829 | 108,800 |
| Spare parts and  factory supplies | 25,044 | 21,702 | (2,020) | (2,190) | 23,024 | 19,512 |
| Goods in transit | 19,030 | 42,726 | - | - | 19,030 | 42,726 |
| Total | 333,478 | 346,406 | (4,237) | (3,005) | 329,241 | 343,401 |

As at December 31, 2025, the Company has reduced cost of inventories to reflect the net realizable value by Baht 1.23 million and recognized as expenses during the year.

As at December 31, 2024, the Company has not reduced cost of inventories to reflect the net realizable value. In addition, the Company reversed the write-down of cost of inventories by Baht 0.20 million and reduced the amount of inventories recognized as expenses during the year.

**9. Property, plant and equipment**

Property, plant and equipment as at December 31, were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **As at December 31, 2025** | **Balance** |  | **Additions** |  | **Decreases** |  | **Transfer in/** |  | **Adjustment** |  | **Balance** |
|  | **as at** |  |  |  |  |  | **(transfer out)** |  |  |  | **as at** |
|  | **January 1,** |  |  |  |  |  |  |  |  |  | **December 31,** |
|  | **2025** |  |  |  |  |  |  |  |  |  | **2025** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
| **Cost** |  |  |  |  |  |  |  |  |  |  |  |
| Land | 27,790 |  | - |  | - |  | - |  | - |  | 27,790 |
| Buildings and building improvement | 204,516 |  | 482 |  | (738) |  | 7,303 |  | - |  | 211,563 |
| Machinery, tools and equipment | 891,652 |  | 14,424 |  | (30,771) |  | 30,216 |  | - |  | 905,521 |
| Furniture, fixture and office equipment | 73,860 |  | 2,990 |  | (366) |  | 1,193 |  | - |  | 77,677 |
| Total cost | 1,197,818 |  | 17,896 |  | (31,875) |  | 38,712 |  | - |  | 1,222,551 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Accumulated depreciation** |  |  |  |  |  |  |  |  |  |  |  |
| Buildings and building improvement | 77,735 |  | 5,860 |  | (289) |  | - |  | - |  | 83,306 |
| Machinery, tools and equipment | 606,431 |  | 51,169 |  | (28,289) |  | - |  | - |  | 629,311 |
| Furniture, fixture and office equipment | 58,913 |  | 6,881 |  | (337) |  | - |  | - |  | 65,457 |
| Total accumulated depreciation | 743,079 |  | 63,910 |  | (28,915) |  | - |  | - |  | 778,074 |
| Asset under installation | 15,940 |  | 37,060 |  | (10) |  | (38,712) |  | (1,040) |  | 13,238 |
| Less Allowance for impairment | (1,001) |  |  |  |  |  |  |  |  |  | (1,001) |
| **Total property, plant and equipment** | 469,678 |  |  |  |  |  |  |  |  |  | 456,714 |

| **As at December 31, 2024** | **Balance** |  | **Additions** |  | **Decreases** |  | **Transfer in/** |  | **Balance** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **as at** |  |  |  |  |  | **(transfer out)** |  | **as at** |
|  | **January 1,** |  |  |  |  |  |  |  | **December 31,** |
|  | **2024** |  |  |  |  |  |  |  | **2024** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
| **Cost** |  |  |  |  |  |  |  |  |  |
| Land | 27,790 |  | - |  | - |  | - |  | 27,790 |
| Buildings and building improvement | 198,945 |  | 1,617 |  | - |  | 3,954 |  | 204,516 |
| Machinery, tools and equipment | 873,367 |  | 11,621 |  | (65,029) |  | 71,693 |  | 891,652 |
| Furniture, fixture and office equipment | 70,392 |  | 3,765 |  | (737) |  | 440 |  | 73,860 |
| Total cost | 1,170,494 |  | 17,003 |  | (65,766) |  | 76,087 |  | 1,197,818 |
|  |  |  |  |  |  |  |  |  |  |
| **Accumulated depreciation** |  |  |  |  |  |  |  |  |  |
| Buildings and building improvement | 72,207 |  | 5,528 |  | - |  | - |  | 77,735 |
| Machinery, tools and equipment | 627,179 |  | 40,470 |  | (61,218) |  | - |  | 606,431 |
| Furniture, fixture and office equipment | 51,863 |  | 7,772 |  | (722) |  | - |  | 58,913 |
| Total accumulated depreciation | 751,249 |  | 53,770 |  | (61,940) |  | - |  | 743,079 |
| Asset under installation | 25,974 |  | 66,053 |  | - |  | (76,087) |  | 15,940 |
| Less Allowance for impairment | (1,001) |  |  |  |  |  |  |  | (1,001) |
| **Total property, plant and equipment** | 444,218 |  |  |  |  |  |  |  | 469,678 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Depreciation for the years ended December 31,** | |  |  |  |  |  |  |  |  |
| 2025 |  |  |  |  | **Thousand Baht** | | |  | 63,910 |
| 2024 |  |  |  |  | **Thousand Baht** | | |  | 53,770 |

As at December 31, 2025 and 2024, the Company has certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to Baht 457 million and Baht 460 million, respectively.

As at December 31, 2025 and 2024, the Company has advances for purchases of fixed assets of Baht 4.58 million and Baht 4.14 million, respectively, from purchase order of machinery and equipment. The Company has commitments relevant to the remaining advance payments for the purchase of fixed assets of Baht 8.85 million and Baht 8.10 million, respectively.

**10. INTANGIBLE ASSETS**

Intangible assets as at December 31, were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **As at December 31, 2025** | **Balance** |  | **Additions** |  | **Adjustment** |  | **Balance** |
|  | **as at** |  |  |  |  |  | **as at** |
|  | **January 1,** |  |  |  |  |  | **December 31,** |
|  | **2025** |  |  |  |  |  | **2025** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
| **Cost** |  |  |  |  |  |  |  |
| Computer software | 33,698 |  | 1,222 |  | 1,040 |  | 35,960 |
| Total cost | 33,698 |  | 1,222 |  | 1,040 |  | 35,960 |
|  |  |  |  |  |  |  |  |
| **Accumulated amortization** |  |  |  |  |  |  |  |
| Computer software | 31,340 |  | 1,040 |  | - |  | 32,380 |
| Total accumulated amortization | 31,340 |  | 1,040 |  | - |  | 32,380 |
| Computer software under installation | 16,593 |  | 6,597 |  | - |  | 23,190 |
| **Total intangible assets** | 18,951 |  |  |  |  |  | 26,770 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **As at December 31, 2024** | **Balance** |  | **Additions** |  | **Decreases** |  | **Balance** |
|  | **as at** |  |  |  |  |  | **as at** |
|  | **January 1,** |  |  |  |  |  | **December 31,** |
|  | **2024** |  |  |  |  |  | **2024** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
| **Cost** |  |  |  |  |  |  |  |
| Computer software | 33,655 |  | 222 |  | (179) |  | 33,698 |
| Total cost | 33,655 |  | 222 |  | (179) |  | 33,698 |
|  |  |  |  |  |  |  |  |
| **Accumulated amortization** |  |  |  |  |  |  |  |
| Computer software | 29,536 |  | 1,983 |  | (179) |  | 31,340 |
| Total accumulated amortization | 29,536 |  | 1,983 |  | (179) |  | 31,340 |
| Computer software under installation | - |  | 16,593 |  | - |  | 16,593 |
| **Total intangible assets** | 4,119 |  |  |  |  |  | 18,951 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Amortization for the years ended December 31,** | |  |  |  |  |  |  |  |  |
| 2025 |  |  |  |  | **Thousand Baht** | | |  | 1,040 |
| 2024 |  |  |  |  | **Thousand Baht** | | |  | 1,983 |

**11. TRADE AND OTHER CURRENT PAYABLES**

Trade and other current payables as at December 31, were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Unit : Thousand Baht** | | |
|  | **Notes** | **2025** |  | **2024** |
|  |  |  |  |  |
| Trade payables - related parties | 5 | 44,776 |  | 64,559 |
| Trade payables - other parties |  | 129,262 |  | 161,693 |
| Other current payables - related parties | 5 | 53,432 |  | 53,530 |
| Other current payables - other parties |  | 17,273 |  | 17,106 |
| Unearned revenue |  | 1,115 |  | 343 |
| Advance received | 23.5.2 | 3,000 |  | - |
| Accrued expenses |  | 118,824 |  | 122,792 |
| Withholding tax payable |  | 11,661 |  | 8,980 |
| Revenue Department payable |  | - |  | 339 |
| Total |  | 379,343 |  | 429,342 |

**12.** **NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS**

Non-current provisions for employee benefits as at December 31, were as follows:

|  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- |
|  |  | **Thousand**  Baht |  | **Thousand**  Baht |
| **Statement of financial position as at December 31,** |  |  |  |  |
| Obligations in statement of financial position |  |  |  |  |
| Post-employment benefits |  | 151,085 |  | 132,245 |
| Other long-term employee benefits |  | 4,482 |  | 2,713 |
| Total |  | 155,567 |  | 134,958 |
|  |  |  |  |  |
| **Statement of profit or loss and other comprehensive income for the years ended December 31,** |  |  |  |  |
| *Recognized in profit or loss* |  |  |  |  |
| Post-employment benefits |  | (13,204) |  | (12,114) |
| Other long-term employee benefits |  | (2,070) |  | (1,081) |
| *Recognized in other comprehensive income* |  |  |  |  |
| Actuarial losses |  | (9,976) |  | (12,618) |
| Total |  | (25,250) |  | (25,813) |

Movements in the present value of the defined benefit obligations for the year ended December 31,

|  |  |  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **Thousand**  Baht |  | **Thousand**  Baht |
|  |  | | | | | | |
| Defined benefit obligations as at January 1, |  |  |  |  | 134,958 |  | 113,751 |
| Current service costs |  |  |  |  | 10,191 |  | 8,773 | |
| Interest costs |  |  |  |  | 3,350 |  | 3,603 | |
| Losses from revaluation of other long-term  employee benefits |  |  |  |  | 1,733 |  | 819 | |
| Actuarial losses |  |  |  |  |  |  |  |
| arising from experience adjustments |  |  |  |  | 2,335 |  | 4,119 |
| arising from financial assumptions |  |  |  |  | 7,641 |  | 8,499 |
| Benefits paid by the plan |  |  |  |  | (4,641) |  | (4,606) | |
| **Defined benefit obligations as at December 31,** |  |  |  |  | 155,567 |  | 134,958 |

Employee benefit expenses recognized in profit or loss for the year ended December 31,

|  |  |  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **Thousand**  Baht |  | **Thousand**  Baht |
|  |  | | | | | | |
| Current service costs |  |  |  |  | 10,191 |  | 8,773 |
| Interest on obligation |  |  |  |  | 3,350 |  | 3,603 |
| Losses from revaluation |  |  |  |  | 1,733 |  | 819 |
| Total |  |  |  |  | 15,274 |  | 13,195 |

Such expense was recognized in profit or loss for the year ended December 31,  
as follows:

|  |  |  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **Thousand**  Baht |  | **Thousand**  Baht |
|  |  |  |  |  |  |  |  |
| Cost of sales |  |  |  |  | 9,008 |  | 8,055 |
| Administrative expenses |  |  |  |  | 6,266 |  | 5,140 |
| Total |  |  |  |  | 15,274 |  | 13,195 |

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

|  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- |
|  |  |  | % |  | % |
|  |  |  |  |  |  |
| Discount rate |  |  | 1.5 - 2.0 |  | 2.1 - 2.6 |
| Future salary increases |  |  | 5.0 |  | 5.0 |
| Turnover rate |  |  | 1.9 - 17.2 |  | 1.9 - 17.2 |

Significant actuarial assumptions for the determination of the defined employee benefit obligations were discount rate and expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased/(decreased) as at December 31, were as follows:

**Unit : Million Baht**

|  |  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| Discount rate - increases by 1% |  |  |  | (7) |  | (6) |
| Discount rate - decreases by 1% |  |  |  | 8 |  | 7 |
| Salary rate - increases by 1 % |  |  |  | 14 |  | 13 |
| Salary rate - decreases by 1 % |  |  |  | (13) |  | (11) |
| Turnover rate - increases by 1 % |  |  |  | (6) |  | (5) |
| Turnover rate - decreases by 1 % |  |  |  | 6 |  | 5 |

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

As at December 31, 2025 and 2024, the Company expects to make payments of   
long-term employee benefits within the next 1 year in the amounts of approximately Baht 3.74 million and Baht 4.42 million, respectively.

As at December 31, 2025 and 2024, the weighted average duration of the Company’s long-term employee benefit obligations is approximately 6 - 14 years and 5 - 14 years, respectively.

**13. 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. At present, the statutory reserve has fully been set aside.

**14. DEFERRED TAXES/ INCOME TAX EXPENSE**

Deferred tax assets and liabilities as at December 31, were as follows:

|  |  |  |  |  |  | 2025 |  | 2024 |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | **Thousand**  Baht |  | **Thousand**  Baht |
|  |  |  |  |  |  |  |  |  |
| Deferred tax assets |  |  |  |  |  | 34,534 |  | 29,571 |
| Deferred tax liabilities |  |  |  |  |  | (1,769) |  | (1,786) |
| Total |  |  |  |  |  | 32,765 |  | 27,785 |

Movements of deferred tax assets and liabilities during the years were as follows:

| **As at December 31, 2025** | **As at**  **January 1,**  **2025** |  | **Recognized in profit or loss** |  | **Recognized in other comprehensive income** |  | **As at**  **December 31,**  **2025** |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Thousand**  Baht |  | **Thousand**  Baht |  | **Thousand**  **Baht** |  | **Thousand**  Baht |
| **Deferred tax assets** |  |  |  |  |  |  |  |
| Provision for non-current employee benefits | 26,992 |  | 2,126 |  | 1,995 |  | 31,113 |
| Allowance for expected credit losses | 304 |  | (6) |  | - |  | 298 |
| Allowance for diminution in value of inventories | 601 |  | 246 |  | - |  | 847 |
| Allowance for asset impairment | 210 |  | - |  | - |  | 210 |
| Accrued director’s remuneration | 1,400 |  | 599 |  | - |  | 1,999 |
| Lease | 64 |  | 3 |  | - |  | 67 |
| Total | 29,571 |  | 2,968 |  | 1,995 |  | 34,534 |
|  |  |  |  |  |  |  |  |
| **Deferred tax liabilities** |  |  |  |  |  |  |  |
| Differences of depreciation for accounting and tax purpose | (1,786) |  | 17 |  | - |  | (1,769) |
| Total | (1,786) |  | 17 |  | - |  | (1,769) |
| **Deferred tax assets - net** | 27,785 |  | 2,985 |  | 1,995 |  | 32,765 |

| **As at December 31, 2024** | **As at**  **January 1,**  **2024** |  | **Recognized in profit or loss** |  | **Recognized in other comprehensive income** |  | **As at**  **December 31,**  **2024** |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Thousand**  Baht |  | **Thousand**  Baht |  | **Thousand**  **Baht** |  | **Thousand**  Baht |
| **Deferred tax assets** |  |  |  |  |  |  |  |
| Provision for long-term employee benefits | 22,750 |  | 1,718 |  | 2,524 |  | 26,992 |
| Allowance for expected credit losses | 316 |  | (12) |  | - |  | 304 |
| Allowance for diminution in value of inventories | 640 |  | (39) |  | - |  | 601 |
| Allowance for asset impairment | 210 |  | - |  | - |  | 210 |
| Accrued director’s remuneration | 970 |  | 430 |  | - |  | 1,400 |
| Lease | 69 |  | (5) |  | - |  | 64 |
| Total | 24,955 |  | 2,092 |  | 2,524 |  | 29,571 |
|  |  |  |  |  |  |  |  |
| **Deferred tax liabilities** |  |  |  |  |  |  |  |
| Differences of depreciation for accounting and tax purpose | (1,813) |  | 27 |  | - |  | (1,786) |
| Total | (1,813) |  | 27 |  | - |  | (1,786) |
| **Deferred tax assets - net** | 23,142 |  | 2,119 |  | 2,524 |  | 27,785 |

Income tax expense recognized in the statements of profit or loss and other comprehensive income for the years ended December 31, were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | **2025** |  | **2024** |
|  |  |  |  |  |  | **Thousand**  Baht |  | **Thousand**  Baht |
|  |  |  | | | | | | |
| **Current income tax expense** |  |  |  |  |  |  |  |  |
| Current year |  |  |  |  |  | 35,159 |  | 30,755 |
| Total |  |  |  |  |  | 35,159 |  | 30,755 |
|  |  |  |  |  |  |  |  |  |
| **Deferred tax** |  |  |  |  |  |  |  |  |
| Movements in temporary differences |  |  |  |  |  | (2,985) |  | (2,119) |
| Total |  |  |  |  |  | (2,985) |  | (2,119) |
|  |  |  |  |  |  |  |  |  |
| **Total income tax expense** |  |  |  |  |  | 32,174 |  | 28,636 |

**Reconciliation of effective tax rate**

|  | 2025 | | 2024 | |
| --- | --- | --- | --- | --- |
|  | **Rate (%)** | **Amount** | **Rate (%)** | **Amount** |
|  |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
|  |  |  |  |  |
| Profit for the years |  | 242,766 |  | 172,417 |
| Income tax expense |  | 32,174 |  | 28,636 |
| Profit before income tax expense |  | 274,940 |  | 201,053 |
| Income tax using applicable tax rate | 20 | 54,988 | 20 | 40,211 |
| Tax effect of non-deductible expense (benefit) |  |  |  |  |
| * Corporate Income Tax Exemption under the Investment Promotion Certificate (Note 15) |  | (23,288) |  | (12,372) |
| * Expenses not deductible for tax purposes |  | 897 |  | 1,201 |
| * Expenses for tax incentives |  | (423) |  | (404) |
| **Income tax expense** | 11.70 | 32,174 | 14.24 | 28,636 |

The Emergency Decree on Top-up Tax, B.E. 2567 (2024) has been announced in the Government Gazette on December 26, 2024, which relates to the International Taxation (Pillar Two) and will be effective from January 1, 2025, onwards.

GS Yuasa Corporation (the Group) is subject to Pillar Two legislation in Japan which has been effective since April 1, 2024 because the Group has annual revenue of EUR 750 million or more in the consolidated financial statements in at least two of the four fiscal years preceding the relevant fiscal year.

The Company has applied the temporary mandatory exception under TAS12 “Income Taxes” to the recognition of deferred tax accounting for the Top-up Tax, and accounts for a current tax when it is incurred.

Based on the assessment, the Company do not expect any material financial impact related to Top-up Tax, as a result, the Company did not recognize any tax expense related to the Pillar Two legislation in the financial statements for the year ended December 31, 2025.

**15. PROMOTIONAL PRIVILEGES**

The Company has been granted tax privileges by the Board of Investment (“BOI”) under investment promotion certificate No. 66-0385-1-04-1-0, issued on March 20, 2023. Subject to the terms and conditions specified in the certificate, the privileges include an exemption from corporate income tax for investments in machinery and equipment to improve production efficiency, at a rate of 50 percent of the investment amount. These promotional privileges can be utilized over a period of 3 years from the date the promoted operation begins generating revenues (March 21, 2023). The privileges received are summarized below.

|  |  |  |
| --- | --- | --- |
| **No.** | **Promoted operations** | **Approval date of promotion by BOI** |
| 1. | Improvement of production efficiency for the use of renewable energy | January 19, 2023 |
| 2. | Improvement of production efficiency for the use of digital technology | April 10, 2024 |
| 3. | Improvement of production efficiency for the use of automation or robotics | July 10, 2024 |

During the second quarter of year 2025, the Company has utilized privilege for corporate income tax exemption under the investment promotion certificate for the improvement of production efficiency for the use of renewable energy, the use of digital technology and the use of automation or robotics totaling Baht 23.29 million.

During the second quarter of year 2024, the Company has utilized privilege for corporate income tax exemption under the investment promotion certificate for the improvement of production efficiency for the use of renewable energy of Baht 12.37 million.

**16. EARNINGS PER SHARE**

The calculations of earnings per share for the years ended December 31, 2025 and 2024 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of weighted ordinary shares outstanding during the years held by shareholders as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **For the years ended December 31,** |  |  | **­** |  | **2025** |  | **2024** |
|  | *(in thousand Baht / thousand shares)* | | | | | | |
| **Basic earnings per share** |  |  |  |  |  |  |  |
| Profit attributable to owners of the Company |  |  |  |  | 242,767 |  | 172,417 |
| Weighted-average number of ordinary shares |  |  |  |  | 107,625 |  | 107,625 |
| **Basic earnings per share (Baht)** |  |  |  |  | 2.26 |  | 1.60 |

**17. OPERATING SEGMENTS**

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 Chief Executive Officer.

The Company is principally engaged in the manufacture and distribution of batteries. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment. The Company disaggregated revenue from sales at a point in time.

**Geographic information**

Revenue from external customers is based on locations of the customers.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | **2025** |  | **2024** |
|  |  |  |  |  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
| Revenue from external customers |  |  |  |  |  |  |  |
| Thailand |  |  |  |  | 2,302,080 |  | 2,268,444 |
| Others |  |  |  |  | 561,704 |  | 615,863 |
| Total |  |  |  |  | 2,863,784 |  | 2,884,307 |

The Company is managed and operates principally in Thailand. In presenting information on the basis of geographic segments, there are no material assets located in foreign countries.

**Major customers**

For the years ended December 31, 2025 and 2024, the Company has revenue from one major customer amounting to Baht 422 million and Baht 411 million, respectively.

**18. OTHER INCOME**

Other income for the years ended December 31, were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2025** |  | **2024** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
|  |  |  |  |
| Interest revenue | 2,424 |  | 1,703 |
| Net foreign exchange gain | 4,753 |  | - |
| Others | 7,134 |  | 4,096 |
| Total | 14,311 |  | 5,799 |

**19. Expenses by nature**

The financial statements included an analysis of expenses by nature for the years ended December 31, were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **2025** |  | **2024** |
|  | **Thousand**  **Baht** |  | **Thousand**  **Baht** |
|  |  |  |  |
| Salaries and wages and other employee benefits | 457,073 |  | 426,999 |
| Depreciation and amortization expenses | 69,022 |  | 59,379 |
| Excise tax | 229,390 |  | 224,424 |
| Royalty fee | 53,432 |  | 53,530 |
| Raw materials and consumables used | 1,359,403 |  | 1,415,968 |
| Costs of purchased goods recognized as an expense | 259,828 |  | 238,678 |
| Changes in inventories of finished goods |  |  |  |
| and work in progress | (2,756) |  | 14,034 |
| Utilities expenses | 73,487 |  | 78,584 |
| Repair and maintenance expenses | 37,193 |  | 39,547 |
| Promotional expenses | 31,491 |  | 31,390 |
| Others | 35,094 |  | 105,965 |
| Total | 2,602,657 |  | 2,688,498 |

**20. DIVIDENDS PAID**

On April 9, 2025, the Annual General Meeting of Shareholders of the Company passed a resolution to distribute an annual dividend for the year 2024 at Baht 0.6088 per share totaling Baht 65.51 million which was paid on May 9, 2025.

On April 9, 2024, the Annual General Meeting of Shareholders of the Company passed a resolution to distribute an annual dividend for the year 2023 at Baht 0.4120 per share totaling Baht 44.33 million which was paid on May 9, 2024.

**21. FINANCIAL INSTRUMENTS**

21.1 Foreign exchange forward and contracts

As at December 31, 2024, the Company entered into foreign exchange forward contracts with a financial institution to protect its risk from fluctuations of exchange rates (2025: Nil).

The following tables detail the foreign currency forward contracts outstanding as at end of the reporting period, foreign currency forward contract assets and liabilities are presented in the line “other current receivable or other current payable” under the statement of financial position.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Notional amount** | | **Derivative assets** | **Maturity date** |
|  | **(Thousand units)** | | **(Thousand Baht)** |  |
|  | **Receiving** | **Delivering** |  |  |
| **As at December 31, 2024** |  |  |  |  |
| Forward foreign exchange contracts |  |  |  |  |
| - Receiving USD and delivering THB | 259 | 8,749 | 59 | January 2025 |

21.2 Financial risk management objectives and policies

The Company’s financial instruments principally comprise cash and cash equivalents and trade receivable. 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 trade receivable. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and outstanding trade receivables are regularly monitored. Therefore, the Company does not expect to incur material financial losses.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by geography, product type, customer type and rating. The calculation of impairment reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Market risk

There are 2 types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Company is exposed to significant foreign exchange risk arising from the purchase and sale of goods denominated in foreign currencies. Such risks are managed in accordance with approved policies, primarily through the use of forward foreign exchange contracts, which generally have maturities of not more than one year.

As at December 31, 2025 and 2024, the Company had balances of financial assets and financial liabilities denominated in foreign currencies as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Foreign currency** | **Financial assets** | | |  | **Financial liabilities** | | |  | **Average exchange rate** | | |
|  | **December 31,** |  | **December 31,** |  | **December 31,** |  | **December 31,** |  | **December 31,** |  | **December 31,** |
|  | **2025** |  | **2024** |  | **2025** |  | **2024** |  | **2025** |  | **2024** |
|  | **(Million)** |  | **(Million)** |  | **(Million)** |  | **(Million)** |  | **(Baht per 1 foreign currency unit)** | | |
|  |  |  |  |  |  |  |  |  |  | | |
| US dollar | 1 |  | 1 |  | 1 |  | 2 |  | 31.5826 |  | 33.9879 |
| Yen | - |  | - |  | 6 |  | 23 |  | 0.2021 |  | 0.2155 |

Interest rate risk

The Company’s exposure to interest rate risk relates primarily to its cash at banks and lease liabilities. Most of the Company’s financial assets and liabilities bear floating interest rates and fixed interest rates which are close to the market rate. Interest rate risk of the Company is low, and therefore, the Company does not currently use derivatives to hedge against such risk.

As at December 31, 2025 and 2024, significant financial assets and financial liabilities classified by type of interest rate 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 as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | | | | | | | | | **Unit: Million Baht** | |
|  | **As at December 31,** | | | | | | | | | |  | |
|  | **Fixed interest rates** | | | | **Floating interest rate** | | **Non-interest bearing** | | **Total** | | **Effective interest rate (% per annum)** | |
|  | **Within 1 year** | | **1 - 5 years** | |  | |  | |  | |  | |
|  | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** | **2025** | **2024** |
| Financial assets |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and cash equivalents | - | - | - | - | 733 | 563 | - | - | 733 | 563 | 0.15 - 0.20 | 0.15 - 0.40 |
| Trade and other current receivables | - | - | - | - | - | - | 343 | 370 | 343 | 370 | - | - |
|  | - | - | - | - | 733 | 563 | 343 | 370 | 1,076 | 933 |  |  |
| Financial liabilities |  |  |  |  |  |  |  |  |  |  |  |  |
| Trade and other current payables | - | - | - | - | - | - | 275 | 399 | 275 | 399 | - | - |
| Lease liabilities | 3 | 4 | 3 | 4 | - | - | - | - | 6 | 8 | 8.33 | 8.33 |
|  | 3 | 4 | 3 | 4 | - | - | 275 | 399 | 281 | 407 |  |  |

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company’s operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company’s non-derivative financial liabilities and derivative financial instruments as at December 31, 2025 and 2024 based on contractual undiscounted cash flows:

|  | **Unit: Million Baht** | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  | **As at December 31, 2025** | | | **As at December 31, 2024** | | |
|  | **Less than** | **1 to 5 years** | **Total** | **Less than** | **1 to 5 years** | **Total** |
|  | **1 year** |  |  | **1 year** |  |  |
| **Non-derivatives** |  |  |  |  |  |  |
| Trade and other current payables | 275 | - | 275 | 399 | - | 399 |
| Lease liabilities | 3 | 3 | 6 | 4 | 4 | 8 |
| Total | 278 | 3 | 281 | 403 | 4 | 407 |

21.3 Fair values 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.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade receivables and other current receivables and trade payables and other current payables, the carrying amounts in the statement of financial position approximate their fair value.

Lease liabilities measured at amortized cost have carrying amounts that approximate their fair value.

**22. Fair value hierarchy**

As at December 31, 2025 and 2024, the Company had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Unit: Million Baht** | | | | |
|  | **As at December 31, 2025** | | | |
|  | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Assets for which fair value are disclosed** |  |  |  |  |
| Investment property | - | - | 40 | 40 |
| **Unit: Million Baht** | | | | |
|  | **As at December 31, 2024** | | | |
|  | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Assets measured at fair value** |  |  |  |  |
| Foreign currency forward contracts | - | 7 | - | 7 |
|  |  |  |  |  |
| **Assets for which fair value are disclosed** |  |  |  |  |
| Investment property | - | - | 38 | 38 |
|  |  |  |  |  |

The fair value of the investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land and building has been determined based on market prices.

The fair value of derivative financial instruments - foreign exchange forward contracts is determined using discounted cash flow techniques. The future cash flows are estimated based on observable forward foreign exchange rates at the end of the reporting period and the contracted forward exchange rates, and are discounted using market-related discount rates.

**23. Commitments and contingent liabilities**

23.1 Capital commitments

As at December 31, 2025 and 2024, the Company has capital commitments relating to the installation of intangible assets, purchases of machinery and construction of building of approximately Baht 15 million and Baht 33 million, respectively.

23.2 Service commitments

As at December 31, 2025 and 2024, the Company has minimum future payments required under non-cancellable service contracts within one year of Baht 6 million and Baht 8 million, respectively.

23.3 Long-term service commitments

On January 1, 2009, the Company entered into licence and technical assistance agreements with an overseas related company to grant the Company the rights to use technical know-how and expertise related to manufacturing of automotive and motorcycle batteries as well as to use trademarks. Under the conditions of the licence agreement, the Company is to pay an annual royalty fee as stipulated in the agreement. These agreements shall remain effective for 5 years and will be automatically renewed for another one year each unless terminated by either party giving notice in writing at least 90 days before the expiration of the agreements. Which during the year 2025 the Company had royalty fee that was recognized as an expense under the agreement in the amount of approximately Baht 53 million. (2024: Baht 54 million).

23.4 Guarantees

As at December 31, 2025 and 2024, the Company had outstanding bank guarantees issued by banks on behalf of the Company of Baht 8 million in each year to guarantee electricity use and for performance bonds.

23.5 Other commitments

23.5.1 As at December 31, 2025, the Company had purchase order accepted by suppliers for purchase of raw materials for a total quantity of 9,995 Metric Tons, at the prices as determined in purchase order that will be delivered by December 2026.

As at December 31, 2024, the Company had purchase order accepted by suppliers for purchase of raw materials for a total quantity of 8,890 Metric Tons, at the prices as determined in purchase order that will be delivered by December 2025.

23.5.2 In November 2025, the Company entered into a Sale and Purchase Agreement for the Company’s land and building with an individual and received a deposit of Baht 3 million in accordance with the terms of the agreement (see Note 11). The Company agreed to receive the remaining balance on the date of title transfer, which is to be completed within May 2026. The Company must comply with the conditions stipulated in the agreement.

**24.** **RECLASSIFICATIONS**

Certain reclassifications have been made in the financial statements for the year ended December 31, 2024, to conform to the classification used in current period’s financial statements. Such reclassificastions have no effect to previously reported net profit, total comprehensive income and shareholders’ equity. The reclassifications are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Account** | **Previous presentation** | **Current presentation** | **Amount** |
|  |  |  | **Baht** |
|  |  |  |  |
| Prepaid expenses | Other current assets | Trade and other current receivables | 6,015,036 |
| Revenue Department receivable | Other current assets | Trade and other current receivables | 8,061 |
| Accrued expenses | Other current liabilities | Trade and other current payables | 20,560,371 |
| Withholding tax payables | Other current liabilities | Trade and other current payables | 8,980,014 |
| Revenue Department payable | Other current liabilities | Trade and other current payables | 339,274 |
| Unearned revenue | Other current liabilities | Trade and other current payables | 342,590 |

**25. EVENTS  AFTER  THE  REPORTING  PERIOD**

25.1 On February 13, 2026, the Board of Directors’ Meeting No. 1/2026 of the Company passed a resolution to propose to the Annual General Meeting for approving the annual dividend payment for the year 2025 at Baht 0.9023 per share totaling Baht 97.11 million.

25.2 On February 13, 2026, the Board of Directors’ Meeting No. 1/2026 of the Company passed a resolution to sale of land and building amount of Baht 29 million. The date of tittle transfer is to be completed within May 2026 (see Note 23.5.2).

**26. Approval of financial statements**

The financial statements were authorized for issuance by the Board of Directors of the Company on February 13, 2026.