

PRINCIPAL CAPITAL PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2025



Independent Auditor's Report

To the shareholders and the Board of Directors of Principal Capital Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Principal Capital Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include material accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Goodwill impairment assessment. The matter was addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Goodwill impairment assessment</p> <p>Refer to Note 7 to the financial statements for critical estimates, assumptions and judgements and Note 20 to the financial statements for goodwill.</p> <p>According to Thai Accounting Standards, TAS 36 - Impairment of assets, the Group shall test the impairment of goodwill annually.</p> <p>Goodwill of the Group was allocated to cash generating units (CGUs) that the Group uses in goodwill assessment as for internal management purposes, which are individual hospitals. The goodwill had a book value as 31 December 2025 of Baht 2,279 million (net impairment losses).</p> <p>The management determined the recoverable amount for the CGUs based on their value in use by a discounted forecast of future cash flows and compared this to the net book value to consider the need to set up an impairment allowance.</p> <p>In this regard, the Group considered there was no need to set up an allowance for goodwill impairment allocated to CGUs because the recoverable amount exceeded the net book value. Current business volatility, both external and internal factors, significantly affected assumptions used in the projected cash flows such as revenue growth rate and discount rate. In response, the management determined that the assumptions used in the cash flow projections reflect the current situation as precisely as possible. This is my key focus because they have considerable impact on the recoverable amount and as well as on the goodwill impairment due to current sensitivities.</p>	<p>I obtained information about the forecasted future cash flows of the CGUs provided by the Group's management and gained an understanding of the procedures used to prepare the forecast.</p> <p>I challenged the reasonableness of the procedures and assumptions relating to management's forecast for the revenue growth rate and discount rate, as to whether they were in line with current business volatility, comparable component of weighted average cost of capital considered by my valuation expert.</p> <p>I mathematically tested key figures derived from the estimation according to the above assumptions to calculate the recoverable amount and compared this to the net book value.</p> <p>From the procedures performed above, I found that the recoverable amount assessment and management's key assumptions were within the acceptable range.</p>



Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 the audit committee 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters 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.

PricewaterhouseCoopers ABAS Ltd.

Sanicha Akarakittilap
Certified Public Accountant (Thailand) No. 8470
Bangkok
27 February 2026

Principal Capital Public Company Limited

Statement of Financial Position

As at 31 December 2025

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	376,568,507	267,286,191	69,090,618	56,818,245
Financial assets measured at fair value					
through profit or loss	6	-	422,076,158	-	422,076,158
Short-term fixed deposits		1,297,946	401,286,469	-	400,000,000
Trade and other current receivables, net	10	623,482,106	547,349,952	121,593,743	102,361,535
Current portion of long-term loans					
to subsidiaries	35	-	-	59,681,302	38,381,687
Inventories, net	12	147,107,680	133,802,209	17,311,856	13,368,660
Refundable deposit for acquisition of hospital	13	-	70,000,000	-	-
Other current assets		99,014,200	41,479,241	54,996,226	6,840,621
Total current assets		1,247,470,439	1,883,280,220	322,673,745	1,039,846,906
Non-current assets					
Restricted deposits at financial institutions	15	3,000,000	2,640,000	-	-
Trade non-current receivables	35	-	-	9,018,315	1,355,540
Investment in an associate and joint ventures	16	732,190,897	746,847,223	-	-
Investments in subsidiaries	16	-	-	4,708,767,676	4,707,747,676
Financial assets measured at fair value					
through profit or loss	6	611,250	611,250	330,000	330,000
Long-term loans to subsidiaries	35	-	-	4,491,577,404	3,435,301,786
Investment property, net	17	219,809,352	205,494,584	-	-
Property, plant and equipment, net	18	9,857,383,714	9,134,788,951	2,107,719,894	2,175,205,626
Intangible assets, net	21	220,544,435	201,722,892	9,547,635	9,176,890
Right-of-use assets, net	19	555,278,039	591,833,788	116,904,270	130,085,373
Goodwill, net	20	2,278,911,628	2,054,875,364	-	-
Deferred tax assets	22	19,297,737	32,395,130	-	-
Other non-current assets	23	134,743,599	170,077,268	26,374,209	78,762,810
Total non-current assets		14,021,770,651	13,141,286,450	11,470,239,403	10,537,965,701
Total assets		15,269,241,090	15,024,566,670	11,792,913,148	11,577,812,607

Director _____ Director _____

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2025

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings					
from financial institutions	24	656,323,288	80,000,000	451,323,288	-
Borrowings from a third party	24	5,700,000	-	-	-
Trade and other current payables	25	851,033,814	743,419,132	103,528,749	98,124,598
Advances received from customers	26	31,225,476	35,634,977	7,219,521	6,889,127
Short-term borrowings from related parties	24, 35	-	-	79,474,907	201,290,836
Current portion of lease liabilities	24	95,403,994	104,369,582	17,279,505	18,339,349
Current portion of long-term borrowings					
from financial institutions	24	492,650,131	458,582,575	83,295,200	103,117,185
Income tax payable		11,617,003	14,833,472	-	-
Deposits received from customers		232,800	232,800	232,800	232,800
Other current liabilities		94,286,734	83,640,213	12,716,384	13,903,880
Total current liabilities		2,238,473,240	1,520,712,751	755,070,354	441,897,775
Non-current liabilities					
Lease liabilities	24	333,084,712	355,344,206	72,764,090	80,453,794
Long-term borrowings from financial institutions	24	2,637,406,252	2,674,759,875	483,750,000	558,554,800
Deferred tax liabilities	22	398,848,582	368,003,101	140,732,985	146,725,338
Employee benefit obligations	27	167,581,214	178,162,770	23,954,867	34,448,154
Acquisition payables		-	24,352,467	-	-
Other non-current liabilities		12,506,628	24,880,986	-	2,587,864
Total non-current liabilities		3,549,427,388	3,625,503,405	721,201,942	822,769,950
Total liabilities		5,787,900,628	5,146,216,156	1,476,272,296	1,264,667,725

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 December 2025

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares, 4,189,427,552 shares				
at par value of Baht 1 each	4,189,427,552	4,189,427,552	4,189,427,552	4,189,427,552
Issued and paid-up share capital				
3,808,570,502 paid-up ordinary shares				
at a par value of Baht 1 each	3,808,570,502	3,808,570,502	3,808,570,502	3,808,570,502
Premium on paid-up share capital	6,233,379,469	6,233,379,469	6,233,379,469	6,233,379,469
Retained earnings (deficits)				
Appropriated - legal reserve	82,911,001	73,001,321	82,911,001	73,001,321
Unappropriated	(1,579,289,080)	(1,149,553,841)	191,779,880	198,193,590
Other components of equity	181,421,821	181,421,821	-	-
Equity attributable to owners of the parent				
	8,726,993,713	9,146,819,272	10,316,640,852	10,313,144,882
Non-controlling interests	754,346,749	731,531,242	-	-
Total equity	9,481,340,462	9,878,350,514	10,316,640,852	10,313,144,882
Total liabilities and equity	15,269,241,090	15,024,566,670	11,792,913,148	11,577,812,607

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2025

	Notes	Consolidated financial statements		Separate financial statements	
		2025 Baht	2024 Baht	2025 Baht	2024 Baht
Revenues from healthcare services	8	6,053,759,975	5,697,335,362	785,958,406	723,773,761
Revenues from sales and services	8	10,162,776	5,531,290	47,282,717	71,195,880
Costs of healthcare services		(4,895,422,321)	(4,557,826,728)	(706,947,831)	(674,609,536)
Costs of sales and services		(8,021,155)	(4,402,754)	(43,450,892)	(50,682,152)
Gross profit		1,160,479,275	1,140,637,170	82,842,400	69,677,953
Other income		65,498,352	84,689,528	191,788,009	140,507,566
Dividend income		-	-	149,999,931	55,764,554
Gain on disposal of a subsidiary	14	-	-	-	17,938,542
Selling expenses		(83,960,424)	(83,932,599)	(8,131,900)	(7,781,994)
Administrative expenses		(1,351,814,792)	(1,354,284,456)	(355,449,806)	(261,437,163)
Reversal of expected credit losses	5.1.2	8,949,101	19,107,237	8,149,617	10,381,384
Other expenses		(20,929,613)	(31,122,544)	(1,172,940)	(3,163,413)
Finance costs	28	(164,694,715)	(207,208,910)	(36,386,748)	(116,978,157)
Share of loss from an associate and joint ventures using equity method	16	(25,288,325)	(46,851,341)	-	-
Profit (loss) before income tax		(411,761,141)	(478,965,915)	31,638,563	(95,090,728)
Income tax (expense) income	30	(42,804,910)	(19,089,818)	5,082,564	1,708,561
Profit (loss) for the year from continuing operations		(454,566,051)	(498,055,733)	36,721,127	(93,382,167)
Profit from discontinued operations:					
- Profit for the period from discontinued operations	14	-	123,763,991	-	-
- Gain on disposal of discontinued operations	14	-	700,848,181	-	-
Profit (loss) for the year		(454,566,051)	326,556,439	36,721,127	(93,382,167)
Other comprehensive income (expense) :					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of employee benefit obligations	27	29,313,225	13,514,044	6,075,610	(7,015,794)
Deferred income tax on remeasurements of employee benefit obligations	22	(3,786,288)	(1,377,283)	(1,215,122)	1,403,159
Total items that will not be reclassified subsequently to profit or loss		<u>25,526,937</u>	<u>12,136,761</u>	<u>4,860,488</u>	<u>(5,612,635)</u>
Other comprehensive income (expense) for the year, net of tax		25,526,937	12,136,761	4,860,488	(5,612,635)
Total comprehensive income (expense) for the year		(429,039,114)	338,693,200	41,581,615	(98,994,802)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the year ended 31 December 2025

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owner of the parent		(406,048,328)	351,438,843	36,721,127	(93,382,167)
Non-controlling interests		(48,517,723)	(24,882,404)	-	-
		<u>(454,566,051)</u>	<u>326,556,439</u>	<u>36,721,127</u>	<u>(93,382,167)</u>
Total comprehensive income (expense)					
attributable to:					
Owner of the parent					
- From continuing operations		(381,739,914)	(462,713,382)	41,581,615	(98,994,802)
- From discontinued operations	14	-	824,612,172	-	-
Non-controlling interests		(47,299,200)	(23,205,590)	-	-
		<u>(429,039,114)</u>	<u>338,693,200</u>	<u>41,581,615</u>	<u>(98,994,802)</u>
Earnings (loss) per share from					
continuing operations -					
owners of the Company					
	32				
Basic earnings (loss) per share		<u>(0.100)</u>	<u>(0.121)</u>	<u>0.011</u>	<u>(0.026)</u>
Earnings (loss) per share -					
owners of the Company					
	32				
Basic earnings (loss) per share		<u>(0.100)</u>	<u>0.095</u>	<u>0.011</u>	<u>(0.026)</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2025

Consolidated financial statements

	Attributable to owners of the parent												
	Retained earnings (deficits)						Other components						
	Issued and paid-up share capital	Premium on paid-up share capital	Appropriated - legal reserve	Unappropriated	Difference arising from business combination under common control	Difference arising from change in ownership interest in subsidiaries	Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity	Baht	Baht	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2024	3,808,570,502	6,233,379,469	73,001,321	(1,511,452,631)	764,129,669	(577,621,709)	186,507,960	8,790,006,621	777,579,985	9,567,586,606			
Proceeds from ordinary shares issued of a subsidiary	-	-	-	-	-	-	-	-	-	24,000,000			24,000,000
Dividend payment	-	-	-	-	-	-	-	-	-	(11,929,292)			(11,929,292)
Change in ownership interest in subsidiaries	-	-	-	-	-	(5,086,139)	(5,086,139)	(5,086,139)	(34,913,861)	(40,000,000)			(40,000,000)
Total comprehensive income (expense) for the year	-	-	-	361,898,790	-	-	-	361,898,790	(23,205,590)	338,693,200			338,693,200
Closing balance as at 31 December 2024	3,808,570,502	6,233,379,469	73,001,321	(1,149,553,841)	764,129,669	(582,707,848)	181,421,821	9,146,819,272	731,531,242	9,878,350,514			9,878,350,514
Opening balance as at 1 January 2025	3,808,570,502	6,233,379,469	73,001,321	(1,149,553,841)	764,129,669	(582,707,848)	181,421,821	9,146,819,272	731,531,242	9,878,350,514			9,878,350,514
Proceeds from ordinary shares issued of a subsidiary	-	-	-	-	-	-	-	-	-	111,530,000			111,530,000
Legal reserve	-	-	9,909,680	(9,909,680)	-	-	-	-	-	-			-
Dividend payment	-	-	-	(38,085,645)	-	-	-	(38,085,645)	(41,415,293)	(79,500,938)			(79,500,938)
Total comprehensive expense for the year	-	-	-	(381,739,914)	-	-	-	(381,739,914)	(47,299,200)	(429,039,114)			(429,039,114)
Closing balance as at 31 December 2025	3,808,570,502	6,233,379,469	82,911,001	(1,579,289,080)	764,129,669	(582,707,848)	181,421,821	8,726,993,713	754,346,749	9,481,340,462			9,481,340,462

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2025

	Separate financial statements						Total equity Baht
	Issued and paid-up share capital Baht	Premium on paid-up capital Baht	Retained earnings (deficits)		Unappropriated Baht	Total equity Baht	
			Appropriated - legal reserve Baht	Unappropriated Baht			
Opening balance as at 1 January 2024	3,808,570,502	6,233,379,469	73,001,321	297,188,392	10,412,139,684		
Total comprehensive expense for the year	-	-	-	(98,994,802)	(98,994,802)		
Closing balance as at 31 December 2024	<u>3,808,570,502</u>	<u>6,233,379,469</u>	<u>73,001,321</u>	<u>198,193,590</u>	<u>10,313,144,882</u>		
Opening balance as at 1 January 2025	3,808,570,502	6,233,379,469	73,001,321	198,193,590	10,313,144,882		
Legal reserve	-	-	9,909,680	(9,909,680)	-		
Dividend payment	-	-	-	(38,085,645)	(38,085,645)		
Total comprehensive income for the year	-	-	-	41,581,615	41,581,615		
Closing balance as at 31 December 2025	<u>3,808,570,502</u>	<u>6,233,379,469</u>	<u>82,911,001</u>	<u>191,779,880</u>	<u>10,316,640,852</u>		

The accompanying notes are an integral part of these consolidated and separate financial statements.

	Notes	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax					
- from continuing operations		(411,761,141)	(478,965,915)	31,638,563	(95,090,728)
- from discontinued operations	14	-	831,268,239	-	-
Adjustments for:					
Depreciation and amortisation	29	695,265,598	654,458,129	145,255,476	133,637,717
Allowance for expected credit losses	5.1.2	7,505,948	13,679,496	1,172,596	4,005,998
Unused loss allowances amount reversed	5.1.2	(16,455,049)	(32,786,732)	(9,322,212)	(14,387,382)
Allowance for (reversal of) inventories obsolescence	12	(703,537)	604,393	(500,189)	361,545
Loss on write-offs trade receivables	5.1.2	7,285,525	11,794,611	3,960,309	-
Loss on write-offs withholding tax receivables	30	-	3,826,011	-	-
Realised gains on disposals of financial assets measured at fair value through profit or loss		(4,078,123)	(5,617,206)	(4,078,123)	(5,617,206)
Unrealised gains on changes in financial assets measured at fair value through profit or loss		-	(1,565,723)	-	(1,565,723)
Loss on write-offs of inventories		-	596,772	-	-
Gain on disposal of subsidiaries	14	-	(700,848,181)	-	(17,938,542)
Loss on write-offs investment in an associate	16	-	58,748	-	-
(Gain) loss on disposals of equipment		(893,966)	2,812,429	(330,811)	2,097,513
(Gain) loss on lease termination		(33,780)	(71,648)	-	(12,277)
Loss on write-offs building improvements and equipment		-	63,556	-	-
Loss on impairment of building improvements	18	1,920,037	4,256,135	-	-
Loss on write-offs of intangible assets	21	128,800	4,382,489	82	-
Loss from change in an estimation of term of leases		164,156	699,485	-	-
Employee benefit expenses	27	43,158,421	34,700,265	9,475,484	5,820,191
Dividend income		-	-	(149,999,931)	(55,764,554)
Interest income		(3,554,395)	(7,120,669)	(168,152,499)	(117,602,179)
Finance costs	28	164,694,715	228,547,258	36,386,748	116,978,157
Share of loss of an associate and joint ventures using equity method	16	25,288,325	46,851,341	-	-
Profit (loss) from operating activities before changes					
in operating assets and liabilities		507,931,534	611,623,283	(104,494,507)	(45,077,470)
Trade and other current receivables		(57,069,474)	35,219,408	(22,958,135)	22,795,931
Inventories		8,893,549	8,131,005	(3,443,007)	832,891
Other current assets		(55,475,368)	(6,117,304)	(48,155,605)	(2,459,460)
Other non-current assets		67,230,991	41,832,132	48,509,455	11,417,032
Trade and other current payables		45,575,020	94,181,996	5,142,605	11,311,975
Advances received from customers		(4,409,501)	348,926	330,394	(5,075,421)
Deposits received from customers		-	(5,017,102)	-	-
Other current liabilities		10,626,871	15,453,601	(1,187,496)	5,008,689
Employee benefits paid	27	(33,920,446)	(19,645,733)	(13,893,161)	(12,074,342)
Other non-current liabilities		(12,542,658)	20,958,431	(2,587,864)	(331,592)
Cash generated from (used in) operations					
Interest paid	33	(164,518,509)	(211,282,535)	(33,108,163)	(132,865,724)
Income tax paid		(79,315,007)	(90,841,870)	(12,744,740)	(21,627,639)
Income tax received		34,953,959	12,570,744	14,522,975	-
Net cash generated from (used in) operating activities					
		267,960,961	507,414,982	(174,067,249)	(168,145,130)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited

Statement of Cash Flows (Cont'd)

For the year ended 31 December 2025

	Notes	Consolidated financial statements		Separate financial statements	
		2025 Baht	2024 Baht	2025 Baht	2024 Baht
Cash flows from investing activities					
Proceeds from (purchases of) short-term fixed deposits		400,000,000	(402,983,428)	400,000,000	(400,000,000)
Proceeds from disposals of short-term investments		3,236,154,281	2,415,114,935	3,236,154,281	2,415,106,771
Purchases of short-term investments		(2,810,000,000)	(2,830,000,044)	(2,810,000,000)	(2,830,000,000)
Decrease in restricted deposits at financial institutions		(360,000)	-	-	-
Cash received from short-term loans to subsidiaries	35	-	-	-	204,720,706
Payments of short-term loans to subsidiaries	35	-	-	-	(222,720,706)
Cash received from long-term loans to a subsidiary	35	-	-	2,638,500,000	1,463,500,000
Payments of long-term loans to a subsidiary	35	-	-	(3,904,000,000)	(2,551,000,000)
Payments for investment in subsidiaries	16	-	-	(1,020,000)	(100,000,000)
Proceeds from (payments for) deposit for hospital acquisition	13	70,000,000	(70,000,000)	-	-
Payments for hospital acquisition (net of cash acquired)	34	(555,937,340)	-	-	-
Payments for investment in joint ventures	16	(13,368,000)	(108,123,099)	-	-
Cash received from lease receivables		-	-	-	1,546,910
Cash received from dividend income		2,736,000	-	149,999,931	55,764,554
Cash received from interest income		3,542,918	6,868,210	100,329,725	29,614,915
Payments for transaction costs of disposal of investment in subsidiaries		-	(48,518,033)	-	(48,518,033)
Proceeds from disposal of investment in subsidiaries - (consolidated financial statements: net of cash in disposed subsidiaries)	14	-	3,454,638,343	-	3,921,512,096
Proceeds from disposals of equipment		15,617,698	6,816,158	614,578	2,786,194
Purchases of investment property		-	(470,898)	-	-
Purchases of property, plant and equipment		(909,781,185)	(1,180,790,697)	(52,976,108)	(218,069,313)
Purchases of intangible assets		(52,965,457)	(31,173,231)	(3,384,542)	(7,935,176)
Purchases of right-of-use assets		(1,551,500)	-	(1,551,500)	-
Payments for deposit for building improvement and equipment		(38,711,685)	-	(24,000)	-
Net cash generated from (used in) investing activities		(654,624,270)	1,211,378,216	(247,357,635)	1,716,308,918
Cash flows from financing activities					
Proceeds from borrowings from financial institutions	33	1,399,765,254	1,645,113,885	465,565,254	1,392,521,985
Repayments of borrowings from financial institutions	33	(825,370,039)	(3,458,968,800)	(110,192,039)	(3,069,841,800)
Proceeds from borrowings from related parties	33, 35	-	-	1,010,737,323	589,404,585
Repayments of borrowings from related parties	33, 35	-	-	(876,581,480)	(413,961,874)
Proceeds from borrowings from a third party	33	6,000,000	-	-	-
Repayments of borrowings from a third party	33	(300,000)	-	-	-
Payments of lease liabilities	33	(94,899,880)	(129,835,762)	(19,170,417)	(48,988,132)
Dividends paid to non-controlling interests		(41,415,293)	(11,929,292)	-	-
Payments for acquisition payable		(22,703,033)	-	-	-
Dividends paid to shareholders		(36,661,384)	-	(36,661,384)	-
Payments for acquisition in subsidiaries' ownership interest		-	(40,000,000)	-	-
Proceeds from subsidiaries' ordinary shares issued		111,530,000	24,000,000	-	-
Net cash generated from (used in) financing activities		495,945,625	(1,971,619,969)	433,697,257	(1,550,865,236)

The accompanying notes are an integral part of these consolidated and separate financial statements.

Principal Capital Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2025

	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Notes	Baht	Baht	Baht	Baht
Net increase (decrease) in cash and cash equivalents	109,282,316	(252,826,771)	12,272,373	(2,701,448)
Cash and cash equivalents at the beginning of the year	267,286,191	520,112,962	56,818,245	59,519,693
Cash and cash equivalents at the end of the year	<u>376,568,507</u>	<u>267,286,191</u>	<u>69,090,618</u>	<u>56,818,245</u>

Non-cash transactions

Significant non-cash transactions for the year ended
31 December are as follows:

Purchases of plant and equipment not yet paid for		69,390,230	41,142,375	5,724,626	6,887,341
Purchases of equipment under lease contracts		77,646,042	214,674,311	11,189,335	1,927,458
Transferring liabilities from disposal of a subsidiary	14, 35	-	-	-	2,021,000,000
Repayments of long-term loans to a subsidiary - offsetting of short-term borrowings from a subsidiary	35	-	-	256,000,000	-
Dividend payables	25	1,424,261	-	1,424,261	-

The accompanying notes are an integral part of these consolidated and separate financial statements.

1 General information

Principal Capital Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand and incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

No. 29, 23rd floor, Bangkok Business Center Building, Sukhumvit 63 Road, Klongtonnua, Wattana, Bangkok.

In addition, the Company has branches located at No.35/2, Moo 12, Bangna-Trad Road, Bangkaew, Bangphli, Samut Prakan.

The principal business operations of the Group are operating healthcare services.

These consolidated and separate financial statements are presented in Thai Baht, unless otherwise stated.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 27 February 2026.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain financial assets and liabilities, and employee benefit obligations.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

Comparative figures of discontinued operations, prepaid expenses, and advances have been adjusted to conform with changes in presentation in the current year.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025 which are relevant to the Group.

Amendments to TAS 1 Presentation of Financial Statements clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting period (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the entity must only comply with the covenants after the reporting period. However, if the entity must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants with which the entity must comply within 12 months of the reporting period. The disclosures include:

- the carrying amount of the liability;
- information about the covenants; and
- facts and circumstances, if any, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

New and amended financial reporting standard that is effective for the accounting period beginning on or after 1 January 2025 have no significant impacts on the Group.

3.2 New and amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2026 which are relevant to the Group.

New and amended financial reporting standard that is effective for the accounting period beginning on or after 1 January 2026 have no significant impacts on the Group.

4 Accounting policies

4.1 Investment in subsidiaries, associates and joint ventures

In the separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for using cost method. Directly attributable costs of acquisition of the investment is capitalised as costs of the investment.

In the consolidated financial statements, investments in associates and joint ventures are accounted for using the equity method of accounting.

4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

As in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

4.3 Trade receivables

Trade receivables are subsequently measured at amortised cost when the consideration is unconditional, less loss allowance.

The impairment of trade receivables are disclosed in Note 5.1.2 b).

4.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined by the moving average method.

4.5 Financial assets

a) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

b) Classification and measurement

Debt instruments

The Group classifies its debt instrument financial assets depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **Fair value through other comprehensive income (FVOCI):** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment losses/reversal of impairment, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **Fair value through profit or loss (FVPL):** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Equity instruments

Except for equity instruments held for trading, which are measured at FVPL, the Group makes an irrevocable election at the time of initial recognition, classifying its equity instruments into two measurement categories.

- **FVPL:** the equity instruments are measured at fair value and changes in the fair value are recognised in other gains/(losses) in the statement of comprehensive income.
- **FVOCI:** the equity instruments are measured at fair value and changes in the fair value are recognised in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.

c) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and contract assets which applies lifetime expected credit loss, from initial recognition, for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled services provided work and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss and presented separately.

4.6 Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

4.7 Investment property

Investment properties, principally land and buildings for rental, are held for long-term rental yields or for capital appreciation or both and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and building improvements

20 years

4.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and building improvements	5 to 40 years
Medical equipment	3 to 10 years
Furniture, fixtures and office equipment	3 to 5 years
Vehicles	5, 10 years

4.9 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

4.10 Intangible assets

Acquired intangible assets

The assets with limited life are subsequently carried at cost less accumulated amortisation and impairment losses. The amortisation is calculated using the straight-line method or other method of depreciation over their estimated useful lives, as follows:

Computer software	3 to 10 years
Trademark	10 and 20 years
Customer relationships	10 and 13.75 years

4.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.12 Leases

Leases - where the Group is the lessee

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture and advertising sign.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

4.13 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

Borrowings are classified as current liabilities unless the Group has no a right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

4.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take substantial period of time to get ready for its intended use or sale) are added to the cost of those assets.

4.15 Current and deferred income taxes

Income tax comprises current and deferred tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their value for tax purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4.16 Post employment benefits

a) *Defined contribution plan*

The Group pays contributions to a provident fund. The contributions are recognised as employee benefit expense when they are due.

b) *Defined benefit plans*

The defined benefit obligation is calculated by an independent actuary every 3 years using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

4.17 Provisions

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.18 Revenue recognition

Revenues from healthcare services

Revenues from healthcare services include doctor fee, room service, and medical fee. The revenues, net amount of discount, are recognised when services or medicine have been delivered.

Multiple element arrangements of the Group's involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Other income

Interest income and other income are recognised on an accrual basis, unless collectability is in doubt.

Contract assets and liabilities

The Group will recognise revenue from contract as assets when the Group has performed by transferring a good or service to the customer before due date or prior to receiving payment from customer.

The Group will recognise revenue from contract as liabilities at contract due date or receiving payment from customer prior to the Group performing by transferring the related good or service to the customer.

The Group will offset the amount of contract assets or contract liabilities of the same contract.

5 Financial risk management

5.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (fair value risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is controlled by risk management committee under policies approved by the Board of Directors. Risk management committee identifies, evaluates, and manages financial risks in close co-operation with operating units. The risk management committee provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and liquidity.

5.1.1 Market risk

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk.

The Group's borrowings are carried at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates. The Group does not hedge against interest rates risk.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements			
	2025		2024	
	Thousand Baht	% of total borrowings	Thousand Baht	% of total borrowings
Variable rate borrowings	2,696,463	71	2,830,151	88
	Separate financial statements			
	2025		2024	
	Thousand Baht	% of total borrowings	Thousand Baht	% of total borrowings
Variable rate borrowings	567,045	52	661,672	77

The percentage of total borrowings shows the proportion of borrowings that are currently at variable rates in relation to the total amount of borrowings. An analysis by maturities is provided in note 5.1.3.

Sensitivity

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and higher or lower interest expenses from borrowings as a result of changes in interest rates.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit		Impact to net profit	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Interest rate - increase by 1% basis points (2024: 1% basis points)*	29,404	40,283	5,824	17,720
Interest rate - decrease by 1% basis points (2024: 1% basis points)*	(29,404)	(40,283)	(5,824)	(17,720)
* Holding all other variables constant				

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, and at fair value through profit and loss (FVPL) as well as credit exposures to customers, including outstanding receivables and loans.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only trustworthy financial companies are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on the assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk.

The Group's investments in debt instruments are considered to be low risk investments.

b) Impairment of financial assets

The Group and the Company have 2 types of financial assets that are subject to the expected credit loss model:

- Trade receivables and accrued income
- Debt investments carried at amortised cost

While cash, cash equivalents and cash at bank are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables and accrued income

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and accrued income.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The accrued income relates to unbilled services provided work and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the accrued income.

The expected loss rates are based on the payment profiles of sales over a period of 12 - 60 months before 31 December 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The loss allowance for trade receivables, disclosed based on their credit terms, is determined as follows:

	Consolidated financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As of 31 December 2025						
Gross carrying amount (Note 10.1)						
- trade receivables						
- third parties	242,865	239,211	26,808	21,800	134,571	665,255
- trade receivables						
- related parties	5,285	-	-	-	-	5,285
- accrued income						
- third parties	42,655	-	-	-	-	42,655
Loss allowance	(875)	(4,637)	(4,602)	(5,569)	(96,428)	(112,111)
As of 31 December 2024						
Gross carrying amount (Note 10.1)						
- trade receivables						
- third parties	233,819	195,079	39,853	29,631	105,993	604,375
- trade receivables						
- related parties	923	-	-	-	-	923
- accrued income						
- third parties	50,422	-	-	-	-	50,422
Loss allowance	(2,769)	(8,896)	(9,067)	(5,858)	(95,005)	(121,595)
	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As of 31 December 2025						
Gross carrying amount (Note 10.1)						
- trade receivables						
- third parties	31,118	53,262	6,995	6,316	91,427	189,118
- trade receivables						
- related parties	5,805	3,080	3,386	370	9,018	21,659
- accrued income						
- third parties	2,660	-	-	-	-	2,660
- accrued income						
- related parties	17	-	-	-	-	17
Loss allowance	(151)	(2,467)	(1,371)	(2,001)	(79,566)	(85,556)
As of 31 December 2024						
Gross carrying amount (Note 10.1)						
- trade receivables						
- third parties	32,138	41,916	11,113	10,141	83,034	178,342
- trade receivables						
- related parties	6,574	1,703	1,751	-	-	10,028
- accrued income						
- third parties	6,064	-	-	-	-	6,064
- accrued income						
- related parties	364	-	-	-	-	364
Loss allowance	(1,953)	(6,480)	(5,353)	(5,412)	(75,183)	(94,381)

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

	Consolidated financial statements	
	Trade receivables	
	2025	2024
	Thousand Baht	Thousand Baht
Opening loss allowance at 1 January	121,595	163,347
Increase in loss allowance recognised in profit or loss during the year	7,506	13,679
Receivables written off during the year as uncollectible	(3,362)	(22,644)
Unused amount reversed	(16,455)	(32,787)
Business combination	2,827	-
Closing loss allowance at 31 December	112,111	121,595

	Separate financial statements	
	Trade receivables	
	2025	2024
	Thousand Baht	Thousand Baht
Opening loss allowance at 1 January	94,381	121,470
Increase in loss allowance recognised in profit or loss during the year	1,173	4,006
Receivables written off during the year as uncollectible	(676)	(16,708)
Unused amount reversed	(9,322)	(14,387)
Closing loss allowance at 31 December	85,556	94,381

During 2025, the Group and the Company subsequently reversed the provision for the expected credit losses amounting to Baht 16.5 million and Baht 9.3 million, respectively, in the profit and loss statement (2024: Baht 32.8 million and Baht 14.4 million, respectively) due to receiving payment from trade receivables of the National Health Security Office.

During 2025, the Group and the Company have written off trade receivables which had fully recognised allowance for expected credit losses Baht 3.4 million and Baht 0.7 million, respectively (2024: Baht 22.6 million and Baht 16.7 million, respectively) as uncollectible.

The Group and the Company write off trade receivables from government when they become certain that they are uncollectible. During 2025, the Group and the Company have written off trade receivables that met these criteria, which had not previously been recognised as expected credit losses, in the amounts of Baht 7.3 million and Baht 4.0 million, respectively. (2024: the Group wrote off trade receivables amounting to Baht 11.8 million, and the Company did not write off any such trade receivables).

Debt investments

Debt investments measured at amortised cost include other receivables and loans to related parties.

All of the debt investments at amortised cost, except loans to related parties, are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Certain loans to related parties are considered have low default rate. Therefore, management did not record expected credit losses for the current year.

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 377.9 million (2024: deposits at call of Baht 668.6 million) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding from financial institutions committed credit facilities.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Floating rate				
Expiring within one year				
- Promissory note	550,000	-	550,000	-
Expiring beyond one year				
- Bank overdraft and bill facility	160,000	225,000	-	-
- Bank borrowings	120,608	529,886	-	467,478
	830,608	754,886	550,000	467,478

b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Consolidated financial statements					Book Value Thousand Baht
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2025						
Short-term borrowings						
from financial institutions	-	664,428	-	-	664,428	656,323
Borrowings from a third party	5,700	-	-	-	5,700	5,700
Trade and other current payables	-	851,034	-	-	851,034	851,034
Deposits received from customers	-	233	-	-	233	233
Other current liabilities	-	49,203	-	-	49,203	49,203
Lease liabilities	-	98,539	208,985	327,170	634,694	428,489
Long-term borrowings from financial institutions	-	591,642	2,174,503	707,662	3,473,807	3,130,056
Other non-current liabilities	-	-	12,507	-	12,507	12,507
Total	5,700	2,255,079	2,395,995	1,034,832	5,691,606	5,133,545

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Consolidated financial statements						
	On demand	Within	1 - 5 years	Over	Total	Book Value
	Thousand	1 year	Thousand	5 years	Thousand	Thousand
	Baht	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2024						
Short-term borrowings						
from financial institutions	-	80,186	-	-	80,186	80,000
Trade and other current payables	-	743,597	-	-	743,597	743,419
Deposits received from						
customers	-	233	-	-	233	233
Other current liabilities	-	45,329	-	-	45,329	45,329
Lease liabilities	-	106,069	220,609	347,844	674,522	459,714
Long-term borrowings from						
financial institutions	-	540,836	2,253,086	783,244	3,577,166	3,133,343
Acquisition payables	-	-	25,250	-	25,250	24,352
Other non-current liabilities	-	-	24,881	-	24,881	24,881
Total	-	1,516,250	2,523,826	1,131,088	5,171,164	4,511,271

Separate financial statements						
	On demand	Within	1 - 5 years	Over	Total	Book Value
	Thousand	1 year	Thousand	5 years	Thousand	Thousand
	Baht	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2025						
Short-term borrowings						
from financial institutions	-	458,478	-	-	458,478	451,323
Trade and other current payables	-	103,529	-	-	103,529	103,529
Short-term borrowings from						
related parties	-	82,645	-	-	82,645	79,475
Deposit received from						
customers	-	233	-	-	233	233
Other current liabilities	-	6,468	-	-	6,468	6,468
Lease liabilities	-	17,583	25,049	90,572	133,204	90,044
Long-term borrowings from						
financial institutions	-	100,602	332,271	201,810	634,683	567,045
Total	-	769,538	357,320	292,382	1,419,240	1,298,117

Separate financial statements						
	On demand	Within	1 - 5 years	Over	Total	Book
	Thousand	1 year	Thousand	5 years	Thousand	Value
	Baht	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht
As at 31 December 2024						
Trade and other current payables	-	98,125	-	-	98,125	98,125
Short-term borrowings from						
related parties	-	201,291	-	-	201,291	201,291
Deposit received from						
customers	-	233	-	-	233	233
Other current liabilities	-	7,463	-	-	7,463	7,463
Lease liabilities	-	18,677	33,613	92,972	145,262	98,793
Long-term borrowings from						
financial institutions	-	86,458	352,628	283,743	722,829	661,672
Other non-current liabilities	-	-	2,588	-	2,588	2,588
Total	-	412,247	388,829	376,715	1,177,791	1,070,165

The amounts disclosed for the lease liabilities include cash flows relating to extension options if they have been included in the lease term.

5.2 Capital management

5.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on the basis of the following gearing ratio and net debt from financial institutions to equity ratio.

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Net debt	3,844,000	3,405,770	1,118,796	904,938
Total equity (including non-controlling interests)	9,481,340	9,878,351	10,316,641	10,313,145
Net debt to equity ratio	41%	34%	11%	9%

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Debt from financial institutions	3,786,380	3,213,342	1,018,368	661,672
Total equity (including non-controlling interests)	9,481,340	9,878,351	10,316,641	10,313,145
Debt from financial institutions to equity ratio	40%	33%	10%	6%

The Group's net debt to equity ratio and the debt ratio from the financial statements increased from 34% to 41% and from 33% to 40%, respectively, due to increased financing from financial institutions during the year for hospital acquisition and expansion.

The Company's net debt to equity ratio and the debt ratio from the financial statements increased from 9% to 11% and from 6% to 10%, respectively, due to increased financing from financial institutions during the year for liquidity management. The directors of the Group have assessed future cash flows from operating activities and the availability of funds from new borrowing facilities from financial institutions, as well as the refinancing of short-term borrowings in 2026 to ensure that the Group and the Company maintain sufficient liquidity to continue their operations and have the necessary funding to meet existing and future obligations for at least the next 12 months from the date the financial statements are approved by the Company's Board of Directors.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- the gearing ratio must be not more than between 110% and 300%, and
- the ratio of adjusted DSCR must be not lower than between 115% and 120%, and
- the ratio of interest bearing debt to EBITDA must be not more than 4.00

As at 31 December 2025, certain subsidiaries within the Group were unable to comply with the ratio of adjusted DSCR requirements. However, these subsidiaries received waiver letters from the financial institutions within the reporting period.

6 Fair value

The following table presents financial assets that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	31 December		31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024	2025	2024
Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Assets								
Financial assets at fair value through profit or loss								
Debt investments (Note 11)	-	-	-	422,076	-	-	-	422,076
Equity investments (Note 11)	-	-	-	-	611	611	611	611

	Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	31 December		31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024	2025	2024
Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Assets								
Financial assets at fair value through profit or loss								
Debt investments (Note 11)	-	-	-	422,076	-	-	-	422,076
Equity investments (Note 11)	-	-	-	-	330	330	330	330

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand or the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data

The fair value measurement of financial assets is in accordance with accounting policies disclosed in Note 4.5

Transfer between fair value hierarchy

The Group has no transfers between fair value hierarchy levels during the year.

The Group's valuation processes

The fair value of financial instruments in level 2 is calculated from fund's net asset value by reference to the asset management company.

7 Critical estimates assumptions and judgements

Estimates assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Goodwill impairment

The recoverable amounts of cash-generating units have been determined based on value in use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates stated in Note 20. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

b) Investment in subsidiaries impairment

The recoverable amounts of investment in subsidiaries have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates. These growth rates are consistent with forecasts included in industry reports

c) Impairment of property plant and equipment

The recoverable amounts of property plant and equipment have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rates. These growth rates are consistent with forecasts included in industry reports.

d) Useful life of intangible asset

The Group estimates the useful life of intangible assets as follows:

Trademark	10 and 20 years
Customer relationships	10 and 13.75 years

Reference to expected used in hospital operations by the Group and historical data of customer's demographic information.

e) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 27.

f) Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended or terminated.

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

g) Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

h) Determination of discount rate applied to acquisition payables

The Group determines the incremental borrowings rate using third-party financing of the Group, adjusting to reflect changes in its financing conditions.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

8 Segment information

The Group's executive committee identifies reportable segments of its business to examine the Group's performance by product lines as follows:

Consolidated financial statements

	Healthcare services business		Property development and rental business		Other business		Eliminations		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Revenues from sales and services										
External customers	6,053.8	5,697.4	-	-	10.1	5.5	-	-	6,063.9	5,702.9
Inter-segment	339.3	309.8	-	-	37.1	65.6	(376.4)	(375.4)	-	-
Total	6,393.1	6,007.2	-	-	47.2	71.1	(376.4)	(375.4)	6,063.9	5,702.9
Gross profit	1,545.7	1,506.4	-	-	3.8	20.5	(389.0)	(386.3)	1,160.5	1,140.6
Selling and distribution costs										
administrative expenses	(1,632.5)	(1,672.8)	-	-	(191.6)	(116.4)	388.3	351.0	(1,435.8)	(1,438.2)
Profit (loss) before income tax expense	(81.2)	(287.9)	-	-	146.5	20.0	(477.1)	(211.1)	(411.8)	(479.0)
Income tax (expense) income	(45.7)	(20.8)	-	-	5.1	1.7	(2.2)	-	(42.8)	(19.1)
Profit (loss) from continuing operations for the year	(126.9)	(308.7)	-	-	151.6	21.7	(479.3)	(211.1)	(454.6)	(498.1)
Profit from discontinued operations (Note 14)	-	-	-	838.1	-	-	-	(13.5)	-	824.6
Timing of revenue recognition:										
At a point in time	5,362.9	4,989.8	-	-	-	-	(33.4)	(78.0)	5,329.5	4,911.8
Over time	1,030.2	1,017.4	-	-	47.2	71.1	(343.0)	(297.4)	734.4	791.1
Total	6,393.1	6,007.2	-	-	47.2	71.1	(376.4)	(375.4)	6,063.9	5,702.9
As at 31 December										
Investment property, net	219.8	205.5	-	-	-	-	-	-	219.8	205.5
Property, plant and equipment, net	9,855.5	9,132.7	-	-	1.9	2.1	-	-	9,857.4	9,134.8
Goodwill, net	2,278.9	2,054.9	-	-	-	-	-	-	2,278.9	2,054.9
Investments in an associate and joint ventures	-	-	-	-	732.2	746.8	-	-	732.2	746.8
Total assets	25,915.8	22,035.7	-	-	11,209.7	10,659.4	(21,856.3)	(17,670.5)	15,269.2	15,024.6

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The Group's committee identifies reportable segments of its business to examine the Company's performance by product lines as follows:

Separate financial statements

	Healthcare services business						Other business						Eliminations						Total		
	2025		2024		2025		2024		2025		2024		2025		2024		2025		2024		
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	
Revenues from sales and services																					
External customers	785.7	723.7	10.2	5.5	-	-															
Inter-segment	1.5	1.2	43.5	66.0	(7.7)	(1.4)															
Total	787.2	724.9	53.7	71.5	(7.7)	(1.4)															
Timing of revenue recognition:																					
At a point in time	691.9	625.9	-	-	(1.3)	(1.1)															
Over time	95.3	99.0	53.7	71.5	(6.4)	(0.3)															
Total Revenue	787.2	724.9	53.7	71.5	(7.7)	(1.4)															

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Cash at bank and on hand	376,569	267,286	69,091	56,818

10 Trade and other current receivables, net

10.1 Trade and others current receivable

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Trade receivables - third parties	665,255	604,375	189,118	178,342
Trade receivables - related parties (Note 35 b)	5,285	923	12,641	10,028
Accrued income - third parties	42,655	50,422	2,660	6,064
Accrued income - related parties (Note 35 b)	-	-	17	364
<u>Less</u> Allowance for expected credit losses (Note 5.1.2)	(112,111)	(121,595)	(85,556)	(94,381)
Trade receivables, net	601,084	534,125	118,880	100,417
Other current receivables - related parties (Note 35 b)	205	126	190	76
Other current receivables - third parties	22,193	13,099	2,524	1,869
	623,482	547,350	121,594	102,362

10.2 Impairments of trade receivables and financial assets

Information about the impairment of trade and financial assets is disclosed in note 5.1.2 b).

11 Financial assets and liabilities

The Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Financial assets				
Financial assets at amortised cost				
Cash and cash equivalents	376,569	267,286	69,091	56,818
Short-term fixed deposits	1,298	401,286	-	400,000
Trade and other current receivables, net	623,482	547,350	121,594	102,362
Refundable deposit for acquisition of hospital	-	70,000	-	-
Other current assets	693	1,253	295	295
Restricted deposits at financial institutions	3,000	2,640	-	-
Trade non-current receivables	-	-	9,018	1,356
Long-term loans to subsidiaries	-	-	4,551,259	3,473,683
Other non-current assets	16,375	19,895	2,405	2,942
Debt investments measured at fair value through profit or loss	-	422,076	-	422,076
Equity investments measured at fair value through profit or loss	611	611	330	330
Financial liabilities				
Financial liabilities at amortised cost				
Short-term borrowings from financial institutions	656,323	80,000	451,323	-
Borrowings from a third party	5,700	-	-	-
Trade and other current payables	851,034	743,419	103,529	98,125
Short-term borrowings from related parties	-	-	79,475	201,291
Deposits received from customers	233	233	233	233
Other current liabilities	49,203	45,329	6,468	7,463
Lease liabilities	428,489	459,714	90,044	98,793
Long-term borrowings from financial institutions	3,130,056	3,133,343	567,045	661,672
Acquisition payables	-	24,352	-	-
Other non-current liabilities	12,507	24,881	-	2,588

11.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained.

b) Fair values of other financial assets at amortised cost

Due to the short-term nature of the financial assets, their carrying amount is considered to be the same as their fair value.

As at 31 December 2025, long-term loans to a subsidiary at a carrying amount of Baht 4,551.26 million (2024: Baht 3,473.7 million) have a fair value of Baht 4,586.11 million (2024: Baht 3,458.5 million). The fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

c) Loss allowance

Information about the impairment of financial assets at amortised cost and the Group's exposure to credit risk is disclosed in Note 5.1.2.

11.2 Financial assets at fair value through profit or loss

a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI.

b) Amounts recognised in profit or loss

The following gains were recognised in profit or loss during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Fair value gains on debt instruments at FVPL recognised in other gains	4,078	7,183	4,078	7,183

12 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Medicines	84,733	71,321	8,605	6,076
Medical supplies	61,201	62,215	8,707	7,793
General supplies	1,220	1,016	-	-
	147,154	134,552	17,312	13,869
<u>Less</u> Allowance for inventories obsolescence	(46)	(750)	-	(500)
	147,108	133,802	17,312	13,369

During 2025 and 2024, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Inventories recognised as cost of sales and healthcare services	1,000,604	931,748	127,905	118,432
Write-down (reversal) of inventories to net realisable value	(704)	604	(500)	361

13 Deposit for acquisition of hospital

On 20 May 2024, a subsidiary of the Group entered into a share purchase agreement with a group of companies operating a private hospital business, which is not a related party. The purpose was to expand the Group's hospital business network and enhance its potential for future revenue generation. Under the agreement, the subsidiary paid a deposit of Baht 70.0 million for the purchase of the hospital business, which is refundable if the transaction does not occur. However, the share purchase transaction was cancelled because the seller was unable to fulfil the conditions precedent by the deadline specified in the share purchase agreement. On 30 May 2025, a subsidiary received a deposit payment of Baht 70.0 million for the acquisition of a hospital.

14 Discontinued operation

At the Annual General meeting of Principal Capital Public Company Limited held on 25 April 2024, the shareholders passed a resolution to dispose the property development business by selling all the shares held by V Brilliant Group Holding Co., Ltd., a subsidiary of the Company, to V Management Services Co., Ltd., a related party, to emphasise the expansion of the hospital business and provision of related medical services, which are the main businesses, while discontinuing the expansion of property development businesses, which are not the main businesses, at Baht 9.39 per share amounting to Baht 5,942.5 million. V Management Services Co., Ltd. paid a deposit payment of Baht 1,000.0 million to the Company on 15 July 2024 and paid the remaining balance by a cash Baht 2,921.5 million and assuming the Company's liabilities towards V Brilliant Group Holding Co., Ltd. of Baht 2,021.0 million on 14 August 2024. The Group and the Company recognised gain on disposal of a subsidiary included in profit from discontinued operations in the consolidated statement of comprehensive income amounting to Baht 700.8 million and gain on disposal of a subsidiary in the separate statement of comprehensive income amounting to Baht 17.9 million, respectively.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

a) *Financial performance and cash flow information*

The financial performance and cash flow information presented are for the year ended 31 December 2025 and for the period ended 14 August 2024 which consist of V Brilliant Group Holding Co., Ltd., V Residence Co., Ltd. and VMEA Co., Ltd. are as follows:

	Consolidated financial information	
	2025	2024
	Thousand Baht	Thousand Baht
Revenue	-	386,093
Expenses	-	(255,673)
Profit before income tax	-	130,420
Income tax	-	(6,656)
Profit after income tax - before gain on disposal of discontinued operations	-	123,764
Gain on disposal of discontinued operations after income tax (Note 14 b)	-	700,848
Profit after income tax from discontinued operations	-	824,612
Remeasurements of employee benefit obligations	-	-
Deferred income tax on remeasurements of employee benefit obligations	-	-
Other comprehensive income from discontinued operations	-	824,612
Operating cash flows	-	171,323
Investing cash flows (total cash received baht 3,455 million from discontinued operation)	-	3,568,767
Financing cash flows	-	(83,265)
Net cash flows	-	3,656,825

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

b) Details of the sale of discontinued operations

	<u>Consolidated Financial information</u> 2024 Thousand Baht
Cash - net of cash from discontinued operations	3,454,638
Total disposal consideration	3,454,638
<u>Less</u> Carrying amount of net assets sold	(2,708,955)
Transaction costs of sale of discontinued operations	(48,518)
Effect from loss of control in subsidiaries	3,683
Profit before income tax from discontinued operations	700,848
Income tax expense	-
Profit after income tax from discontinued operations	700,848

The carrying amounts of assets and liabilities as at the date of sale 14 August 2024 were:

	<u>Consolidated financial information</u> 2024 Thousand Baht
Short-term fixed deposits	5,000
Trade receivables, other receivables and prepayments, net	17,277
Inventories	277
Other current assets	2,873
Investment property, net	970,700
Property, plant and equipment, net	3,279,736
Intangible assets, net	166
Right-of-use assets, net	651
Deferred tax assets	149
Other non-current assets	17,637
Total assets	4,294,466

	<u>Consolidated financial information</u> 2024 Thousand Baht
Trade and other payables	76,529
Advances received from customers	17,104
Current portion of lease liabilities	440
Current portion of long-term borrowings from financial institutions	1,423,143
Income tax payable	7,707
Deposits received from customers - current	13,070
Other current liabilities	16,858
Lease liabilities	256
Deposits received from customers	24,756
Deferred tax liabilities	1,160
Employee benefit obligations	4,488
Total liabilities	1,585,511

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

15 Restricted bank deposits

As at 31 December 2025, the Group's restricted deposits represents savings and fixed deposits totalling Baht 3.0 million with the interest rate of 0.15% to 0.30% per annum (2024: Baht 2.6 million with the interest rate of 0.15% to 0.30% per annum) pledged as collateral for letters of guarantee (Note 36).

16 Investments in subsidiaries, an associate, joint ventures and joint operation

16.1 Investments in subsidiaries

As at 31 December 2025, the Group included the following subsidiaries in the preparation of consolidated financial statements. The subsidiaries have ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Investments in subsidiaries as at 31 December comprised the following:

Company's name	Country of incorporation	Nature of business	Ownership interests held by the Group		Ownership interests held by non-controlling interests	
			2025 Percent	2024 Percent	2025 Percent	2024 Percent
Direct: Subsidiaries under Principal Capital Public Company Limited						
Klai Baan Klai Jai Co., Ltd.	Thailand	Medical services	92.00	92.00	8.00	8.00
Principal Healthcare Co., Ltd.	Thailand	Investment holding	99.99	99.99	-	-
Principal NKG Co., Ltd.	Thailand	Medical services	51.00	51.00	49.00	49.00
Principal Next Co., Ltd.	Thailand	Investment holding	99.99	99.99	-	-
Indirect: Subsidiaries under Principal Next Co., Ltd.						
Baanmhor Pongsak Co., Ltd.	Thailand	Nursing Home	99.99	-	-	-
Indirect: Subsidiaries under Principal Healthcare Co., Ltd.						
Hospital Management Services Co., Ltd.	Thailand	Hospital Management Services	99.99	-	-	-
Pitsanuloke Medical Co., Ltd.	Thailand	Hospital	85.00	85.00	15.00	15.00
Paknampo Hospital Co., Ltd.	Thailand	Hospital	91.56	91.56	8.44	8.44
Principal Healthcare - Uthai Co., Ltd.	Thailand	Hospital	99.99	99.99	-	-
Principal Healthcare - Lamphun Co., Ltd.	Thailand	Hospital	99.99	99.99	-	-
Principal Healthcare - Sisaket Co., Ltd.	Thailand	Hospital	60.00	60.00	40.00	40.00
Principal Healthcare - Chumphon Co., Ltd.	Thailand	Hospital	90.00	90.00	10.00	10.00
Principal Healthcare - Ubon Ratchathani Co., Ltd.	Thailand	Hospital	80.00	80.00	20.00	20.00
Principal Healthcare - Sakonnakhon Co., Ltd.	Thailand	Hospital	72.00	72.00	28.00	28.00
Principal Healthcare - Mukdahan Co., Ltd.	Thailand	Hospital	75.00	75.00	25.00	25.00
Principal Healthcare - Kanchanaburi Co., Ltd.	Thailand	Hospital	99.99	-	-	-
Ban Chang Business District Co., Ltd.	Thailand	Property development	99.99	99.99	-	-
Indirect: Subsidiaries under Pitsanuloke Medical Co., Ltd.						
Union Pichit Doctors Co., Ltd.	Thailand	Hospital	85.00	85.00	15.00	15.00
Pitsanuvej Uttaradit Hospital Co., Ltd.	Thailand	Hospital	85.00	85.00	15.00	15.00
Principal Healthcare - Kamphaengphet Co., Ltd.	Thailand	Hospital	85.00	-	15.00	-

Movement of investments in subsidiaries for the year ended 31 December was as follows:

	Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht
As at 1 January	4,707,748	10,483,803
Additions	1,020	100,000
Capital repayment	-	(5,876,055)
As at 31 December	4,708,768	4,707,748

The Company establishment

At the Board of Directors' meeting of Principal Capital Public Company Limited held on 16 December 2024, the Board of Directors passed a resolution to approve the establishment of Hospital Management Services Co., Ltd. with registered ordinary share capital Baht 150.0 million, comprising 1,500,000 ordinary shares with a par value of Baht 100 each. Principal Healthcare Co., Ltd. holds a 99.99% stake in the new subsidiary. The subsidiary received all called share subscription and registered with the Ministry of Commerce on 9 January 2025. The Group transferred the business segment related to private hospital management services from Principal Healthcare Co., Ltd. to Hospital Management Services Co., Ltd. on 28 February 2025.

At the Board of Directors' meeting of Principal Capital Public Company Limited held on 26 February 2025, the Board of Directors passed a resolution to approve the establishment of Principal Healthcare - Kamphaengphet Co., Ltd. with registered ordinary share capital not exceeding Baht 300.0 million. Pitsanuloke Medical Co., Ltd. holds a 100.00% stake in the new subsidiary. The subsidiary registered with the Ministry of Commerce with a registered ordinary share capital of Baht 120.0 million, comprising 1,200,000 ordinary shares with a par value of Baht 100 each. The subsidiary received partial payment for the shares of Baht 25 each, amounting to Baht 30.0 million, and registered with the Ministry of Commerce on 5 March 2025.

At the Board of Directors' meeting of Principal Capital Public Company Limited held on 19 March 2025, the Board of Directors passed a resolution to approve the establishment of Principal Healthcare - Kanchanaburi Co., Ltd. with registered ordinary share capital Baht 1.0 million, comprising 10,000 ordinary shares with a par value of Baht 100 each. Principal Healthcare Co., Ltd., a subsidiary of Principal Capital Public Company Limited, holds a 99.99% stake in the new subsidiary. The subsidiary received all called share subscription and registered with the Ministry of Commerce on 8 April 2025. Furthermore, they approved the entire business transfer of healthcare operations from Thanakarn Hospital Co., Ltd., a private hospital operating in Kanchanaburi that is not a related party within the Group. The subsidiary completed the entire business transfer on 1 June 2025 (Note 34).

At the Board of Directors' meeting of Principal Next Co., Ltd. held on 14 August 2025, the Board of Directors passed a resolution to approve the establishment of Baanmhor Pongsak Co., Ltd. with registered ordinary share capital Baht 10.0 million, comprising 100,000 ordinary shares with a par value of Baht 100 each. Principal Next Co., Ltd. holds a 99.99% stake in the new subsidiary. The subsidiary received all called share subscription and registered with the Ministry of Commerce on 25 August 2025.

Capital increase of subsidiaries

At the Annual General meeting of Pitsanuloke Medical Co., Ltd. held on 1 April 2025, the shareholders have passed a resolution to approve increase its authorised share capital from 500,000 ordinary shares of par Baht 1,000 each to be 1,237,000 ordinary shares of par Baht 1,000 each in the proportion to the number of shares held by each of them. The subsidiary received all called share subscription and registered the increase with the Ministry of Commerce on 5 June 2025.

At the Extraordinary General meeting of Principal Healthcare - Kanchanaburi Co., Ltd. held on 23 May 2025, the shareholders have passed a resolution to approve increase its authorised share capital from 10,000 ordinary shares of par Baht 100 each to be 1,500,000 ordinary shares of par Baht 100 each in the proportion to the number of shares held by each of them. The subsidiary received all called share subscription and registered the increase with the Ministry of Commerce on 30 May 2025.

At the Extraordinary General meeting of Principal NKG Co., Ltd. held on 28 November 2025, the shareholders have passed a resolution to approve increase its authorised share capital from 100,000 ordinary shares of par Baht 100 each to be 140,000 ordinary shares of par Baht 100 each in the proportion to the number of shares held by each of them. The subsidiary received partial payment for the shares of Baht 50 each, amounting to Baht 2.0 million, and registered with the Ministry of Commerce on 17 December 2025.

Capital decrease of subsidiaries

At the Annual General meeting of Principal Healthcare Co., Ltd. held on 21 April 2025, the shareholders have passed a resolution to approve decrease its authorised share capital 459,000,000 ordinary shares of par Baht 10 each to be 409,000,000 ordinary shares of par Baht 10 each to compensate the deficit in retained earnings. The subsidiary registered the decreased share capital with the Ministry of Commerce on 27 May 2025.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

a) *Summarised statement of financial position*

	As at 31 December											
	Pitsanuloke Medical Co., Ltd.		Paknampo Hospital Co., Ltd.		Principal Healthcare - Sisaket Co., Ltd.		Principal Healthcare - Mukdahan Co., Ltd.					
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Current assets	792,518	378,330	132,712	147,386	59,026	28,364	13,377	5,072				
Current liabilities	(324,423)	(307,189)	(226,945)	(225,606)	(180,473)	(170,268)	(190,655)	(382,475)				
Total net current assets	468,095	71,141	(94,233)	(78,220)	(121,447)	(141,904)	(177,278)	(377,403)				
Non-current assets	3,352,398	3,158,001	2,584,815	2,613,966	637,051	685,776	700,181	667,294				
Non-current liabilities	(343,261)	(424,965)	(494,784)	(563,045)	(311,329)	(286,891)	(375,368)	(28,072)				
Total net non-current assets	3,009,137	2,733,036	2,090,031	2,050,921	325,722	398,885	324,813	639,222				
Net assets	3,477,232	2,804,177	1,995,798	1,972,701	204,275	256,981	147,535	261,819				
Non-controlling assets	521,585	420,627	168,445	166,496	81,710	102,792	36,884	65,455				

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

b) Summarised statement of comprehensive income

	For the year ended 31 December											
	Pitsanuloke Medical Co., Ltd.		Paknampo Hospital Co., Ltd.		Principal Healthcare - Sisaket Co., Ltd.		Principal Healthcare - Mukdahan Co., Ltd.					
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Revenue	1,692,290	1,716,662	997,281	994,446	201,355	178,997	106,093	3,775				
Profit (loss)	154,999	126,568	68,566	58,125	(51,207)	(30,389)	(114,283)	(38,091)				
Other comprehensive income (expense)	(4,648)	13,636	6,807	-	-	158	-	-				
Total comprehensive income (expense)	150,351	140,204	75,373	58,125	(51,207)	(30,231)	(114,283)	(38,091)				
Profit (loss) allocated to non-controlling interests	22,553	21,031	6,361	4,906	(20,483)	(12,092)	(28,571)	(9,523)				
Dividends paid to non-controlling interests	30,000	7,500	3,585	2,539	-	-	-	-				

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

c) Summarised statement of cash flows

	For the year ended 31 December											
	Pitsanuloke Medical Co., Ltd.		Paknampo Hospital Co., Ltd.		Principal Healthcare - Sisaket Co., Ltd.		Principal Healthcare - Mukdahan Co., Ltd.					
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Net cash flow generated from operating activities	265,556	258,986	123,154	150,579	(8,806)	4,233	(93,070)	(69,960)				
Net cash flow generated from (used in) investing activities	(689,080)	(71,503)	(45,391)	(49,220)	(30,799)	(258,930)	(125,784)	(245,247)				
Net cash flow generated from (used in) financing activities	423,513	(53,210)	(95,461)	(88,482)	66,900	256,114	218,890	310,625				
Increase (decrease) in cash and cash equivalents	(11)	134,273	(17,698)	12,877	27,295	1,417	36	(4,582)				
Cash and cash equivalents at the beginning of the year	64,650	55,228	29,709	16,832	3,882	2,465	877	5,459				
Cash and cash equivalents at the ending of the year	64,639	189,501	12,011	29,709	31,177	3,882	913	877				

As at 31 December 2025, the Group tested the impairment of the cash-generating units of subsidiaries. The Group determined there was no need to set up an allowance for impairment for these assets because the recoverable amount exceeded the net book value.

16.2 Joint operation

Dental clinic

The Company has a 40.00% interest in a dental clinic joint operation. The joint operation is between the Company and a non-related company with the common objective of the dental clinic management and operation.

The principal place of business of the joint operation is in Thailand.

The joint operation agreement involved in the dental clinic requires unanimous consent from all parties for all relevant activities. The Company and its counterparty have direct rights in the dental clinic's assets, and each party is liable for any liabilities the dental clinic incurs in proportion to its interest. The dental clinic is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses according to the contract.

16.3 Investment in an associate and joint ventures

As at 31 December 2025 and 31 December 2024, the investments in an associate and joint ventures are as follows:

Name of entity	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statements	
			2025	2024	Investment at equity method	
			%	%	2025 Thousand Baht	2024 Thousand Baht
<i>Material joint ventures</i>						
Global Health Service Co., Ltd. (Former : Baan Lalisa Service Group Co., Ltd.)	Thailand	Rehabilitation center and residential care activities for the elderly	45.00	45.00	129,619	135,023
Aes Class Clinic Co., Ltd.	Thailand	Aesthetic clinic	50.49	50.49	445,291	450,021
Health At Home Co., Ltd.	Thailand	Healthcare services for the elderly	39.45	39.45	80,714	89,128
Backyard Co., Ltd.	Thailand	Software development service	19.00	19.00	62,954	72,675
Total Material joint ventures					718,578	746,847
<i>Immaterial joint ventures</i>						
Serviso Healthcare Solutions Co., Ltd.	Thailand	Medical instruments sterilisation service	40.00	-	13,613	-
Total Immaterial joint ventures					13,613	-
Total					732,191	746,847

Purchase of shares

At the Board of Directors' meeting of Principal Next Co., Ltd. held on 12 June 2025, the Board of Directors passed a resolution to approve the purchase of 120,000 shares, or 40.00% of the total registered ordinary shares, of Serviso Healthcare Solutions Co., Ltd. from the former shareholders at a price of Baht 111.4 each, totaling Baht 13.4 million. The purpose is to support medical operations for hospitals within the Group. The subsidiary completed the payment for the shares on 13 June 2025.

Movements of investment in an associate and joint ventures for the year ended 31 December was as follows:

	Consolidated financial statements	
	Investment at equity method	
	2025 Thousand Baht	2024 Thousand Baht
As at 1 January	746,847	685,634
Additions	13,368	108,123
Write off	-	(59)
Dividend income	(2,736)	-
Share of net loss	(25,288)	(46,851)
As at 31 December	<u>732,191</u>	<u>746,847</u>

a) *Commitments and contingent liabilities in respect of joint ventures*

There are no contingent liabilities in respect of the Group's interest in joint ventures.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

b) *Summarised financial information for material joint ventures*

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

	Global Health Service Co., Ltd.		Aes Class Clinic Co., Ltd.		Health At Home Co., Ltd.		Backyard Co., Ltd.	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
<i>Summarised of performance</i>								
Revenue	79,647	50,241	418,845	359,113	122,121	120,731	45,660	70,277
Interest income	1,258	1,318	146	365	-	111	37	239
Depreciation and amortisation	(8,022)	(4,232)	(63,455)	(49,902)	(21,333)	(22,239)	(4,245)	(1,376)
Interest expense	(1)	-	(4,049)	(2,069)	-	(515)	(1,578)	(1,097)
Income tax expense	477	1,096	-	1,569	3,865	4,024	682	-
Profit (loss) from continuing operations	(5,929)	(448)	(9,368)	(48,173)	(21,330)	(10,243)	(51,162)	(96,035)
Total comprehensive income (expense)	(5,929)	(448)	(9,368)	(48,173)	(21,330)	(10,243)	(51,162)	(96,035)
Dividend income	2,736	-	-	-	-	-	-	-
<i>Summarised of statement of financial position</i>								
Cash and cash equivalents	70,549	112,821	41,454	48,280	16,693	19,283	23,224	22,910
Other current assets	4,787	48,601	64,728	50,736	13,998	11,190	14,737	18,170
Total current assets	75,336	161,422	106,182	99,016	30,691	30,474	37,961	41,080
Total non-current assets	163,860	88,290	310,340	291,347	161,120	181,745	95,593	96,388
Current financial liabilities (exclude trade and other payables and provisions)	-	-	94,718	43,906	-	-	46,500	-
Other current liabilities	8,600	6,629	165,952	179,877	10,349	6,588	38,080	16,650
Total current liabilities	8,600	6,629	260,670	223,783	10,349	6,588	84,580	16,650
Non-current financial liabilities (exclude trade and other payables and provisions)	-	-	369	830	-	-	-	-
Other non-current liabilities	3,497	3,975	9,097	8,370	32,487	35,325	7,224	7,906
Total non-current liabilities	3,497	3,975	9,466	9,200	32,487	35,325	7,224	7,906
Net assets	227,099	239,108	146,386	157,380	148,975	170,305	41,750	92,912

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	Global Health Service		Aes Class Clinic		Health At Home		Backyard	
	Co., Ltd.		Co., Ltd.		Co., Ltd.		Co., Ltd.	
	2025	2024	2025	2024	2025	2024	2025	2024
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Reconciliation to carrying amounts:								
Opening net assets	239,108	239,555	155,754	203,927	170,305	160,548	92,912	188,947
Capital increase	-	-	-	-	-	20,000	-	-
Profit (loss) for the period	(5,929)	(448)	(9,368)	(48,173)	(21,330)	(10,243)	(51,162)	(96,035)
Dividends paid	(6,080)	-	-	-	-	-	-	-
Closing net assets	227,099	239,108	146,386	155,754	148,975	170,305	41,750	92,912
Group's share in joint ventures (%)	45.00	45.00	50.49	50.49	39.45	39.45	19.00	19.00
Group's share in joint ventures (Baht)	102,195	107,598	73,910	78,640	58,771	67,185	7,933	17,653
Goodwill	27,424	27,424	371,381	371,381	21,943	21,943	55,022	55,022
Joint ventures' carrying amount	129,619	135,023	445,291	450,021	80,714	89,128	62,955	72,675

As of 31 December 2025, the Group had no investments in companies listed on the Stock Exchange of Thailand.

c) *Individually immaterial an associate and a joint venture*

The table below is the carrying amount of its interests, in aggregate, all individually immaterial an associate and a joint venture that are accounted for using equity method.

	2025 Thousand Baht	2024 Thousand Baht
Aggregate carrying amount of individually immaterial an associate and a joint venture		
Aggregate amounts of the Group's share of:		
Profit (loss) from continuing operations	245	(64)
Total comprehensive income (expense)	245	(64)

17 Investment property, net

	Consolidated financial statements		
	Land Thousand Baht	Building and building improvements Thousand Baht	Total Thousand Baht
As at 1 January 2024			
Cost	602,666	828,679	1,431,345
<u>Less</u> Accumulated depreciation	-	(333,059)	(333,059)
Net book amount	602,666	495,620	1,098,286
For the year ended 31 December 2024			
Opening net book amount	602,666	495,620	1,098,286
Reclassified from property, plant and equipment (Note 18)	58,666	27,232	85,898
Additions	-	471	471
Disposition of subsidiaries (Note 14)	(482,166)	(488,534)	(970,700)
Depreciation charges	-	(8,460)	(8,460)
Closing net book amount	179,166	26,329	205,495
As at 31 December 2024			
Cost	179,166	27,232	206,398
<u>Less</u> Accumulated depreciation	-	(903)	(903)
Net book amount	179,166	26,329	205,495
For the year ended 31 December 2025			
Opening net book amount	179,166	26,329	205,495
Business combination (Note 34)	7,450	8,943	16,393
Depreciation charges	-	(2,079)	(2,079)
Closing net book amount	186,616	33,193	219,809
As at 31 December 2025			
Cost	186,616	36,175	222,791
<u>Less</u> Accumulated depreciation	-	(2,982)	(2,982)
Net book amount	186,616	33,193	219,809

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

As at 31 December 2025, fair value of investment property in the consolidated financial statements including blank land, and land with buildings are as follows:

	Consolidated financial statements	
	2025	2024
	Thousand Baht	Thousand Baht
Blank land and land with buildings measured by market approach	329,411	313,458
Land with bulidings measured by replacement cost approach	61,824	61,824
Total fair value	391,235	375,282

Revaluation of blank land and land with building, which were classified as investment property, were recalculated by independent appraiser by using market approach. Maximum benefits from observed data in a market and using minimum reference data from client's forecasting in level 3 of fair value estimation. The replacement cost approach estimates the value of an asset based on the principle of substitution, considering current market conditions and the expenses necessary to construct or replace the property. This is classified as level 3 of fair value measurement. Therefore, the Group classified revaluation of investment property in level 3 of fair value estimation.

Amount recognised in profit and loss that are related to investment property are as follows:

	Consolidated financial statements	
	2025	2024
	Thousand Baht	Thousand Baht
Rental income	1,722	60,115
Direct operating expense arise from investment property that generated rental income	699	31,700
Direct operating expense arise from investment property that did not generate rental income	42	239

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Information about fair value measurements using significant unobservable inputs (level 3).

Description	Consolidated financial statements									
	2025		2024		2024					
	Thousand Baht	Fair value	Thousand Baht	Thousand Baht	Range of unobservable inputs	Relationship of unobservable inputs to fair value				
Blank land - Ban Chang Business District Co., Ltd.	247,586	247,586	Sales comparison approach	Price per square wah	Unobservable inputs	Valuation technique(s)	2025 Thousand Baht Range of unobservable inputs	2024 Thousand Baht Range of unobservable inputs	2024 Thousand Baht probability-weighted average	
Blank land - Paknampo Hospital Co., Ltd.	65,872	65,872	Sales comparison approach	Price per square wah	Unobservable inputs	Valuation technique(s)	16 - 30	16 - 30	24	The higher the price per square wah, the higher the fair value
Blank land - Ban Chang Business District Co., Ltd.	19,200	19,200	Sales comparison approach	Price per square wah	Unobservable inputs	Valuation technique(s)	149 - 200	149 - 200	165	The higher the price per square wah, the higher the fair value
Blank land - Principal Healthcare - Kanchanaburi Co., Ltd.	7,450	-	Sales comparison approach	Price per square wah	Unobservable inputs	Valuation technique(s)	50 - 100	50 - 100	75	The higher the price per square wah, the higher the fair value
Buildings - Principal Healthcare Ubon Ratchathani Co., Ltd.	42,624	42,624	Replacement cost approach	Price per square metre	Unobservable inputs	Valuation technique(s)	19 - 63	-	50	The higher the price per square wah, the higher the fair value
Buildings - Principal Healthcare - Kanchanaburi Co., Ltd.	8,502	-	Sales comparison approach	Price per square metre	Unobservable inputs	Valuation technique(s)	5 - 14	5 - 14	10	The higher the price per square metre, the higher the fair value

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

18 Property, plant and equipment, net

	Consolidated financial statements						Total Thousand Baht
	Land and land improvements Thousand Baht	Building and building improvements Thousand Baht	Medical equipment Thousand Baht	Furniture, fixtures, and office equipment Thousand Baht	Vehicles Thousand Baht	Construction in process Thousand Baht	
At 1 January 2024							
Cost	3,258,654	11,101,109	1,704,036	946,398	105,249	51,597	17,167,043
Less Accumulated depreciation	(96)	(3,481,553)	(1,093,387)	(730,526)	(81,208)	-	(5,386,770)
Net book amount	3,258,558	7,619,556	610,649	215,872	24,041	51,597	11,780,273
For the year ended 31 December 2024							
Opening net book amount	3,258,558	7,619,556	610,649	215,872	24,041	51,597	11,780,273
Additions	12,745	27,927	302,294	80,404	806	768,624	1,192,800
Reclassified from right-of-use assets (Note 19)	-	-	49,651	-	-	-	49,651
Disposition of subsidiaries (Note 14)	(1,085,947)	(2,129,335)	-	(64,134)	(320)	-	(3,279,736)
Reclassified as investment property (Note 17)	(58,666)	(27,232)	-	-	-	-	(85,898)
Disposals and write-offs, net	-	(3,033)	(4,797)	(1,840)	-	(22)	(9,692)
Impairment loss	-	(4,256)	-	-	-	-	(4,256)
Transfer in (out)	-	747,239	6,559	9,334	-	(763,132)	-
Depreciation charge	(161)	(302,709)	(136,177)	(60,368)	(8,938)	-	(508,353)
Closing net book amount	2,126,529	5,928,157	828,179	179,268	15,589	57,067	9,134,789
At 31 December 2024							
Cost	2,126,786	9,712,419	2,057,743	970,162	105,735	57,067	15,029,912
Less Accumulated depreciation	(257)	(3,784,262)	(1,229,564)	(790,894)	(90,146)	-	(5,895,123)
Net book amount	2,126,529	5,928,157	828,179	179,268	15,589	57,067	9,134,789

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Consolidated financial statements

	Land and land improvements		Building and building improvements		Medical equipment		Furniture, fixtures, and office equipment		Vehicles		Construction in process		Total	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December 2025														
Opening net book amount	2,126,529	5,928,157	828,179	179,268	15,589	57,067	9,134,789							
Business combination (Note 34)	97,135	213,475	39,119	9,685	2,090	-	361,504							
Additions	232,683	48,381	178,203	44,192	11,343	423,227	938,029							
Reclassified from right-of-use assets (Note 19)	-	-	5,529	-	-	-	5,529							
Disposals and write-offs, net	-	(9,852)	(2,501)	(1,298)	(14)	(1,059)	(14,724)							
Impairment loss	-	(1,920)	-	-	-	-	(1,920)							
Transfer in (out)	637	114,765	9,965	3,095	-	(128,462)	-							
Depreciation charge	(369)	(319,171)	(173,028)	(64,842)	(8,413)	-	(565,823)							
Closing net book amount	2,456,615	5,973,835	885,466	170,100	20,595	350,773	9,857,384							
At 31 December 2025														
Cost	2,457,241	10,077,268	2,288,058	1,025,836	119,154	350,773	16,318,330							
Less Accumulated depreciation	(626)	(4,103,433)	(1,402,592)	(855,736)	(98,559)	-	(6,460,946)							
Net book amount	2,456,615	5,973,835	885,466	170,100	20,595	350,773	9,857,384							

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Separate financial statements

	Land Thousand Baht	Building and building improvements Thousand Baht	Medical equipment Thousand Baht	Furniture, fixtures, and office equipment Thousand Baht	Vehicles Thousand Baht	Construction in process Thousand Baht	Total Thousand Baht
At 1 January 2024							
Cost	483,475	3,565,452	146,556	129,785	2,511	35,488	4,363,267
Less: Accumulated depreciation	-	(2,177,863)	(49,962)	(104,692)	(441)	-	(2,332,958)
Net book amount	483,475	1,387,589	96,594	25,093	2,070	35,488	2,030,309
For the year ended 31 December 2024							
Opening net book amount	483,475	1,387,589	96,594	25,093	2,070	35,488	2,030,309
Additions	-	3,212	74,108	9,525	747	125,374	212,966
Reclassified from right-of-use assets (Note 19)	-	-	39,619	-	-	-	39,619
Disposals and write-offs, net	-	(1,825)	(3,004)	(33)	-	(22)	(4,884)
Transfer in (out)	-	107,508	1,533	3,615	-	(112,656)	-
Depreciation charge	-	(72,513)	(19,884)	(9,765)	(642)	-	(102,804)
Closing net book amount	483,475	1,423,971	188,966	28,435	2,175	48,184	2,175,206
At 31 December 2024							
Cost	483,475	3,673,437	257,594	142,824	3,258	48,184	4,608,772
Less: Accumulated depreciation	-	(2,249,466)	(68,628)	(114,389)	(1,083)	-	(2,433,566)
Net book amount	483,475	1,423,971	188,966	28,435	2,175	48,184	2,175,206

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

Separate financial statements

	Land		Building and building improvements		Medical equipment		Furniture, fixtures, and office equipment		Vehicles		Construction in process		Total	
	Thousand Baht	Baht	Thousand Baht	Baht	Thousand Baht	Baht	Thousand Baht	Baht	Thousand Baht	Baht	Thousand Baht	Baht	Thousand Baht	Baht
For the year ended 31 December 2025														
Opening net book amount	483,475	1,423,971	188,966	28,435	2,175	48,184	2,175,206							
Additions	-	2,512	31,416	7,324	-	10,561	51,813							
Reclassified from right-of-use assets (Note 19)	-	-	4,179	-	-	-	4,179							
Disposals and write-offs, net	-	-	(170)	(114)	-	-	(284)							
Transfer in (out)	-	53,785	-	1,218	-	-	-							
Depreciation charge	-	(79,895)	(32,306)	(10,340)	(653)	(55,003)	(123,194)							
Closing net book amount	483,475	1,400,373	192,085	26,523	1,522	3,742	2,107,720							
At 31 December 2025														
Cost	483,475	3,729,734	292,629	145,359	3,258	3,742	4,658,197							
Less Accumulated depreciation	-	(2,329,361)	(100,544)	(118,836)	(1,736)	-	(2,550,477)							
Net book amount	483,475	1,400,373	192,085	26,523	1,522	3,742	2,107,720							

During 2025, the Group and Company did not capitalised borrowing costs (2024: Borrowing costs of Baht 5.2 million, arising from financing general borrowings, were capitalised and included in additions at a capitalisation rate of 5.04%).

During 2025, the Group recorded an impairment loss of net book value of Baht 1.9 million (2024: Baht 4.3 million) as other expenses in the statement of comprehensive income as the Group no longer has plan to utilise these assets.

The Group and Company's land and building and improvements of net book value as at 31 December 2025 of Baht 7,207.6 million and Baht 1,883.5 million respectively (2024: Baht 6,480.2 million and Baht 1,955.2 million respectively) has been pledged as a security for borrowings (Note 24).

19 Right-of-use assets, net

Consolidated financial statements					
	Land and building Thousand Baht	Medical and office equipment Thousand Baht	Vehicles Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
At 1 January 2024	263,440	209,845	22,064	18,888	514,237
Additions	31,209	170,903	12,488	74	214,674
Reclassified as property, plant and equipment (Note 18)	-	(49,651)	-	-	(49,651)
Lease term modifications	(1,042)	-	-	-	(1,042)
Lease termination	(3,466)	-	-	-	(3,466)
Disposition of subsidiaries (Note 14)	11,847	(108)	(543)	-	11,196
Depreciation charge	(29,285)	(49,822)	(10,180)	(4,827)	(94,114)
Net book amount as at 31 December 2024	272,703	281,167	23,829	14,135	591,834
Consolidated financial statements					
	Land and building Thousand Baht	Medical and office equipment Thousand Baht	Vehicles Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
At 1 January 2025	272,703	281,167	23,829	14,135	591,834
Additions	14,811	55,961	8,426	-	79,198
Reclassified as property, plant and equipment (Note 18)	-	(5,529)	-	-	(5,529)
Lease term modifications	(3,847)	-	-	-	(3,847)
Lease termination	-	(3,696)	(89)	(9,692)	(13,477)
Depreciation charge	(31,192)	(47,814)	(9,452)	(4,443)	(92,901)
Net book amount as at 31 December 2025	252,475	280,089	22,714	-	555,278
Separate financial statements					
	Land and building Thousand Baht	Medical and office equipment Thousand Baht	Vehicles Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
At 1 January 2024	99,240	81,554	6,945	3,532	191,271
Additions	-	1,068	860	-	1,928
Reclassified as property, plant and equipment (Note 18)	-	(39,619)	-	-	(39,619)
Lease term modifications	6,155	-	-	-	6,155
Lease termination	(314)	-	-	-	(314)
Depreciation charge	(12,610)	(12,707)	(3,117)	(902)	(29,336)
Net book amount as at 31 December 2024	92,471	30,296	4,688	2,630	130,085

	Separate financial statements				
	Land and building Thousand Baht	Medical and office equipment Thousand Baht	Vehicles Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
At 1 January 2025	92,471	30,296	4,688	2,630	130,085
Additions	11,649	-	1,091	-	12,740
Reclassified as property, plant and equipment (Note 18)	-	(4,179)	-	-	(4,179)
Lease termination	-	(881)	(88)	(1,726)	(2,695)
Depreciation charge	(11,054)	(4,390)	(2,699)	(904)	(19,047)
Net book amount as at 31 December 2025	93,066	20,846	2,992	-	116,904

The expense relating to leases and cash outflows for leases is as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Interest expense (included in finance cost)	18,658	14,501	3,765	4,230
Expense relating to short-term leases and leases of low-value assets	20,579	15,816	4,047	4,383
Total cash outflow for leases	130,915	157,190	25,055	55,800

As at 31 December 2025, the Group utilised the registered business collateral lease rights, with a net book value of Baht 12.3 million (31 December 2024: Baht 12.3 million), as a guarantee for credit facilities obtained from financial institutions (Note 24).

20 Goodwill, net

	Consolidated financial statements	
	2025 Thousand Baht	2024 Thousand Baht
At 1 January		
Cost	2,161,866	2,161,866
<u>Less</u> Accumulated impairment	(106,991)	(106,991)
Net book amount	2,054,875	2,054,875
For the year ended 31 December		
Opening net book amount	2,054,875	2,054,875
Business combination (Note 34)	224,037	-
Closing net book amount	2,278,912	2,054,875
At 31 December		
Cost	2,385,903	2,161,866
<u>Less</u> Accumulated impairment	(106,991)	(106,991)
Net book amount	2,278,912	2,054,875

Goodwill is allocated to the cash-generating units (CGUs).

A segment-level summary of the goodwill allocation categorised by business segments is presented below;

	Consolidated financial statements	
	2025 Thousand Baht	2024 Thousand Baht
Goodwill allocation to;		
Healthcare services business	2,278,912	2,054,875

The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering five-year period. Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rate which does not exceed the average revenue growth rate for the business in which the CGU operates.

The key assumptions used for value in use calculations are as follows:

	Healthcare services (%)
Average gross margin	33.72 to 36.40
Average revenue growth rate	5.47 to 13.18
Long-term growth rate	2.50
Pre-tax discount rate	9.87 to 9.96

Management determined budgeted gross margin based on past performance, its expectations of market development and the role model company of the Group. The average revenue growth rates used are consistent with the forecasts included in industry reports. The discount rates used reflect specific risks relating to the relevant segments.

Key assumption which affects value in use is the discount rate. The sensitivity of change in discount rate that affect to CGU which value in use exceeding book value approximately Baht 3,187.7 million. In this case, if pre-tax discount rate increases by 1.00% per annum, the Group need to set up allowance for goodwill impairment Baht 103.3 million

21 Intangible assets, net

	Consolidated financial statements					
	Computer software Thousand Baht	Computer software in progress Thousand Baht	Trademark Thousand Baht	Customer relationships Thousand Baht	Know-How Thousand Baht	Total Thousand Baht
At 1 January 2024						
Cost	324,911	8,609	145,825	44,097	2,263	525,705
<u>Less</u> Accumulated amortisation	(255,649)	-	(31,833)	(17,331)	(2,263)	(307,076)
Net book amount	69,262	8,609	113,992	26,766	-	218,629
For the year ended 31 December 2024						
Opening net book amount	69,262	8,609	113,992	26,766	-	218,629
Additions	11,117	20,056	-	-	-	31,173
Disposition of subsidiaries (Note 14)	(166)	-	-	-	-	(166)
Write off	(139)	(4,243)	-	-	-	(4,382)
Transfers in (out)	1,906	(1,906)	-	-	-	-
Amortisation charge	(31,381)	-	(8,527)	(3,623)	-	(43,531)
Closing net book amount	50,599	22,516	105,465	23,143	-	201,723
At 31 December 2024						
Cost	337,629	22,516	145,825	44,097	-	550,067
<u>Less</u> Accumulated amortisation	(287,030)	-	(40,360)	(20,954)	-	(348,344)
Net book amount	50,599	22,516	105,465	23,143	-	201,723
For the year ended 31 December 2025						
Opening net book amount	50,599	22,516	105,465	23,143	-	201,723
Business combination (Note 34)	448	-	-	-	-	448
Additions	14,938	38,027	-	-	-	52,965
Write off	(129)	-	-	-	-	(129)
Transfers in (out)	55,918	(55,918)	-	-	-	-
Amortisation charge	(22,307)	-	(8,531)	(3,625)	-	(34,463)
Closing net book amount	99,467	4,625	96,934	19,518	-	220,544
At 31 December 2025						
Cost	408,804	4,625	145,825	44,097	-	603,351
<u>Less</u> Accumulated amortisation	(309,337)	-	(48,891)	(24,579)	-	(382,807)
Net book amount	99,467	4,625	96,934	19,518	-	220,544

	Separate financial statements Computer software Thousand Baht
At 1 January 2024	
Cost	11,108
<u>Less</u> Accumulated amortisation	<u>(8,369)</u>
Net book amount	<u>2,739</u>
For the year ended 31 December 2024	
Opening net book amount	2,739
Additions	7,936
Amortisation charge	<u>(1,498)</u>
Closing net book amount	<u>9,177</u>
At 31 December 2024	
Cost	19,044
<u>Less</u> Accumulated amortisation	<u>(9,867)</u>
Net book amount	<u>9,177</u>
For the year ended 31 December 2025	
Opening net book amount	9,177
Additions	3,385
Amortisation charge	<u>(3,014)</u>
Closing net book amount	<u>9,548</u>
At 31 December 2025	
Cost	22,429
<u>Less</u> Accumulated amortisation	<u>(12,881)</u>
Net book amount	<u>9,548</u>

22 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Deferred tax assets:	146,373	149,199	22,733	25,971
Deferred tax liabilities:	<u>(525,924)</u>	<u>(484,807)</u>	<u>(163,466)</u>	<u>(172,696)</u>
Deferred tax asset, net	<u>(379,551)</u>	<u>(335,608)</u>	<u>(140,733)</u>	<u>(146,725)</u>

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						
	Impairment of financial assets Thousand Baht	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht	Tax losses Thousand Baht	Lease liabilities Thousand Baht	Employee benefit obligations Thousand Baht	Total Thousand Baht
Deferred tax assets:							
At 1 January 2024	1,264	3,449	3,767	-	95,261	23,393	127,134
Disposition of subsidiaries	-	(140)	-	-	(9)	-	(149)
Charged (credited) to profit or loss	(454)	1,649	(30)	22,637	(6,034)	5,823	23,591
Charged to other comprehensive income	-	-	-	-	-	(1,377)	(1,377)
At 31 December 2024	810	4,958	3,737	22,637	89,218	27,839	149,199
Charged (credited) to profit or loss	(229)	(1,394)	(41)	(13,665)	17,645	(1,356)	960
Charged to other comprehensive income	-	-	-	-	-	(3,786)	(3,786)
At 31 December 2025	581	3,564	3,696	8,972	106,863	22,697	146,373

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	Consolidated financial statements						Total Thousand Baht
	Right-of-use assets Thousand Baht	Change in fair value of financial assets Thousand Baht	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht	Loan modification Thousand Baht	Thousand Baht	
Deferred tax liabilities:							
At 1 January 2024	(123,929)	(1)	(353,048)	(28,152)	(2,272)	(507,402)	
Disposition of subsidiaries (Note 14) Charged (credited) to profit or loss	- 4,084	- (313)	- 14,122	-	1,160 1,112	1,160 21,435	
At 31 December 2024	(119,845)	(314)	(338,926)	(25,722)	-	(484,807)	
Business combination (Note 34) Charged (credited) to profit or loss	- (17,057)	- 314	(44,677) 19,488	- 815	-	(44,677) 3,560	
At 31 December 2025	(136,902)	-	(364,115)	(24,907)	-	(525,924)	

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	Separate financial statements		
	Employee benefit obligations Thousand Baht	Lease liabilities Thousand Baht	Total Thousand Baht
Deferred tax assets:			
At 1 January 2024	6,738	26,653	33,391
Charged to profit or loss	(1,251)	(7,572)	(8,823)
Credited to other comprehensive income	1,403	-	1,403
At 31 December 2024	6,890	19,081	25,971
Charged to profit or loss	(884)	(1,139)	(2,023)
Credited to other comprehensive income	(1,215)	-	(1,215)
At 31 December 2025	4,791	17,942	22,733

	Separate financial statements			
	Right-of-use assets Thousand Baht	Change in fair value of financial assets Thousand Baht	Property, plant and equipment Thousand Baht	Total Thousand Baht
Deferred tax liabilities:				
At 1 January 2024	(36,991)	-	(146,237)	(183,228)
Charged (credited) to profit or loss	4,669	(313)	6,176	10,532
At 31 December 2024	(32,322)	(313)	(140,061)	(172,696)
Charged (credited) to profit or loss	2,444	313	6,473	9,230
At 31 December 2025	(29,878)	-	(133,588)	(163,466)

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 470.4 million (2024: Baht 414.0 million) in respect of losses amounting to Baht 2,352.0 million (2024: Baht 2,070.1 million) that can be carried forward against future taxable income, these tax losses will expire in during the year 2026 to 2030. The Company did not recognise deferred tax assets of Baht 108.4 million (2024: Baht 95.4 million) from tax losses of Baht 496.6 million (2024: Baht 434.6 million) and employee benefit obligations of Baht 45.4 million (2024: Baht 42.5 million) that can be carried forward against future taxable income.

23 Other non-current assets

	Consolidated financial statements		Separate financial statement	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Deposits for construction and renovation of hospital	38,712	4,146	24	-
Withholding taxes refundable	76,990	135,689	23,650	75,779
Others	19,042	30,242	2,700	2,984
	134,744	170,077	26,374	78,763

24 Borrowings

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Current				
Short-term borrowings				
- Bank borrowings	655,000	80,000	450,000	-
- Borrowings from a third party	5,700	-	-	-
- Accrued interest	1,323	-	1,323	-
Short-term borrowings from related parties (Note 35 d)				
- Borrowings from related parties	-	-	79,322	201,166
- Accrued interest	-	-	153	125
Current portion of long-term borrowings				
- Bank borrowings	485,016	448,105	83,295	103,117
- Accrued interest	7,634	10,478	-	-
- Lease liabilities	95,404	104,370	17,280	18,339
Total current borrowings	1,250,077	642,953	631,373	322,747
Non-current				
Long-term borrowings				
- Bank borrowings	2,637,406	2,674,760	483,750	558,555
- Lease liabilities	333,085	355,344	72,764	80,454
Total non-current borrowings	2,970,491	3,030,104	556,514	639,009
Total borrowings	4,220,568	3,673,057	1,187,887	961,756

As at 31 December 2025, the borrowings include secured liabilities in a total amount of Baht 3,210.0 million and Baht 567.0 million for the Group and the Company, respectively (31 December 2024: Baht 3,113.3 million and Baht 661.7 million, respectively). Borrowings from financial institutions are secured by land and buildings of the Group and the Company (Notes 18 and 19).

As at 31 December 2025, the borrowings from a third party have specific conditions and are due within five years. However, the lenders have the right to demand repayment of the borrowings, in whole or in part, at any time. Consequently, the group classifies these borrowings as current liabilities. These borrowings are secured by letters of guarantee from financial institutions (Note 36).

The movement of borrowings during 2025 are presented in Note 33.

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The borrowings interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Bank overdrafts	MOR	MOR	-	-
Bank borrowings	MLR - 1.50% to MLR - 3.17%	MLR - 1.50% to - 3.17%	MLR - 3.17% to 2.30%	MLR - 3.17%
Borrowings from a third party	2.00%	-	-	-

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Long-term borrowings from financial institutions	2,637,406	2,674,760	2,518,322	2,513,133

	Separate financial statements			
	Carrying amounts		Fair values	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Long-term borrowings from financial institutions	483,750	558,555	467,107	536,455

The fair value of current borrowings is approximately to their carrying amount, as the impact of discounting is not significant.

The fair values of long-term borrowings are based on discounted cash flows using a discount rate based upon the borrowing market rate and are within the level 3 of the fair value hierarchy were as follows:

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Bank borrowings	MLR - 1.50% to MLR - 3.17%	MLR - 1.50% to - 3.17%	MLR - 3.17%	MLR - 3.17%

25 Trade and other current payables

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Trade payables - third parties	289,141	253,656	37,007	35,605
Trade payables - related parties (Note 35 b)	-	3	7,126	5,726
Other current payables - third parties	221,520	193,428	21,665	23,431
Other current payables - related parties (Note 35 b)	1,386	1,538	881	398
Current portion of acquisition payables	25,033	25,072	-	-
Accrued expenses	216,701	215,317	33,480	31,359
Accrued healthcare service contract expenses	95,829	54,405	1,946	1,606
Dividend payables	1,424	-	1,424	-
	851,034	743,419	103,529	98,125

26 Advances received from customers

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Advances received for healthcare services	31,225	35,635	7,220	6,889

Revenue recognised in relation to contract liabilities

Revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Revenue recognised that was included in the contract liability balance at the beginning of the period				
- healthcare services	28,840	16,930	5,162	4,865
- office and service apartment rental	-	8,696	-	-
	28,840	25,626	5,162	4,865

27 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Statement of financial position:				
Retirement benefits	167,581	178,163	23,955	34,448
Loss charge included in operating loss for:				
Retirement benefits	43,158	34,700	9,475	5,820
Remeasurement for:				
Retirement benefits	(29,313)	(13,514)	(6,075)	7,016

The movements in the defined benefit obligation during the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
At 1 January	178,163	181,111	34,448	33,687
Business combination (Note 34)	9,493	-	-	-
Disposition of subsidiaries (Note 14)	-	(4,488)	-	-
Current service cost	33,467	30,497	6,506	5,186
Loss on settlement	7,240	512	2,651	-
Interest expense	2,451	3,691	318	634
	230,814	211,323	43,923	39,507
Remeasurement:				
(Gain) loss from change in demographic assumptions	(24,701)	1,338	(4,967)	(541)
(Gain) loss from change in financial assumptions	215	(1,436)	(496)	416
Experience (gain) loss	(4,827)	(13,416)	(612)	7,141
	(29,313)	(13,514)	(6,075)	7,016
Benefits paid	(33,920)	(19,646)	(13,893)	(12,075)
As at 31 December	167,581	178,163	23,955	34,448

The significant actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Percent	2024 Percent	2025 Percent	2024 Percent
Discount rate	1.46 - 2.69	2.20 - 3.09	1.54 - 1.73	2.20 - 2.34
Salary growth rate	3.00 - 4.00	3.00 - 4.00	3.00	3.50 - 4.00
Staff turnover rate (depending on age)	0.00 - 34.00	0.00 - 34.00	0.00 - 25.00	0.00 - 25.00

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The sensitivity analysis for significant principal actuarial assumptions can be analysed as follow:

Consolidated financial statements							
Change in assumption		Impact on defined employee benefit obligations					
		Increase in assumption		Decrease in assumption			
2025	2024	2025	2024	2025	2024		
Discount rate	1%	1%	Decreased by 9.67%	Decreased by 9.79%	Increased by 11.40%	Increased by 11.65%	
Salary growth rate	1%	1%	Increased by 10.49%	Increased by 11.28%	Decreased by 9.09%	Decreased by 9.65%	
Staff turnover rate (depending on age)	1%	1%	Decreased by 10.33%	Decreased by 10.40%	Increased by 8.09%	Increased by 4.55%	

Separate financial statements							
Change in assumption		Impact on defined employee benefit obligations					
		Increase in assumption		Decrease in assumption			
2025	2024	2025	2024	2025	2024		
Discount rate	1%	1%	Decreased by 8.46%	Decreased by 5.34%	Increased by 9.52%	Increased by 6.06%	
Salary growth rate	1%	1%	Increased by 9.06%	Increased by 5.79%	Decreased by 8.23%	Decreased by 5.21%	
Staff turnover rate (depending on age)	1%	1%	Decreased by 9.09%	Decreased by 5.69%	Increased by 5.26%	Increased by 1.32%	

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The duration of the defined benefit obligation of each entity in the Group is 6.90 to 21.95 years (2024: 6.90 to 25.82 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

Consolidated financial statements					
	Less than 1 year Thousand Baht	Between 1-2 years Thousand Baht	Between 2-5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
At 31 December 2025					
Retirement benefits	145	6,204	27,462	168,143	201,954
At 31 December 2024					
Retirement benefits	9,494	4,884	37,942	187,402	239,722

Separate financial statements					
	Less than 1 year Thousand Baht	Between 1-2 years Thousand Baht	Between 2-5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
At 31 December 2025					
Retirement benefits	-	-	5,164	25,305	30,469
At 31 December 2024					
Retirement benefits	4,920	-	12,582	22,052	39,554

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

28 Finance costs

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Borrowings from financial institutions	145,152	213,214	23,943	75,037
Borrowings from related parties	-	-	8,679	37,711
Borrowings from a third party	26	-	-	-
Interest and finance cost of lease liabilities	18,658	14,501	3,765	4,230
Interest and finance cost of acquisition payables	859	832	-	-
	164,695	228,547	36,387	116,978
Interest and finance cost of discontinued operations	-	(21,338)	-	-
	164,695	207,209	36,387	116,978

29 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Employee benefit expenses	2,065,688	2,022,353	369,553	326,643
Depreciation charge (Notes 17, 18 and 19)	660,803	610,927	141,337	132,140
Amortisation charge (Note 21)	34,464	43,531	3,918	1,498
Utilities expenses	149,345	182,012	25,971	29,325
Management fees	-	21,897	-	-
Loss on impairment of building improvements (Note 18)	1,920	4,256	-	-
Rental expenses under short-term and low-value asset lease agreements	20,579	15,816	4,047	4,383

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

30 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Current tax:				
Current tax on profits for the year	43,697	66,946	-	-
Write-offs withholding tax receivables	3,628	3,826	2,124	-
Total current tax	47,325	70,772	2,124	-
Deferred tax:				
(Increase) decrease in deferred tax assets (Note 22)	(1,179)	(23,591)	2,023	8,823
Decrease in deferred tax liabilities (Note 22)	(3,341)	(21,435)	(9,230)	(10,532)
Total deferred tax	(4,520)	(45,026)	(7,207)	(1,709)
Income tax expense (income)	42,805	25,746	(5,083)	(1,709)
Income tax expense (income) attributable to:				
Profit (loss) from continuing operation	42,805	19,090	(5,083)	(1,709)
Profit from discontinued operation	-	6,656	-	-
	42,805	25,746	(5,083)	(1,709)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Profit (loss) before tax from continuing operations	(411,761)	(478,966)	31,639	(95,091)
Profit before tax from discontinued operations	-	130,420	-	-
Gain on disposal of discontinued operations	-	700,848	-	-
	(411,761)	352,302	31,639	(95,091)
Tax calculated at a tax rate of 20% (2024: 20%)	(82,352)	70,460	6,328	(19,018)
Tax effect of:				
Associates and joint ventures' results reported net of tax	5,070	9,370	-	-
Income not subject to tax	(11,886)	(140,170)	(30,000)	(11,158)
Expenses not deductible for tax purpose	10,197	10,683	606	554
Additional expenses deductible for tax purpose	(1,925)	(7,138)	-	-
Utilisation of previously unrecognised tax losses	(2,890)	(49,521)	-	-
Tax losses for which no deferred income tax assets were recognised	125,211	156,044	15,859	27,913
Recognition of deferred income tax assets from previously unrecognised tax losses and temporary differences	(2,248)	(27,808)	-	-
Write-offs withholding tax receivables	3,628	3,826	2,124	-
Income tax expense (income)	42,805	25,746	(5,083)	(1,709)

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2025			2024		
	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht
Remeasurement on retirement benefit obligations	29,313	(3,786)	25,527	13,514	(1,377)	12,137
	29,313	(3,786)	25,527	13,514	(1,377)	12,137
	Separate financial statements					
	2025			2024		
	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht
Remeasurement on retirement benefit obligations	6,076	(1,215)	4,861	(7,016)	1,403	(5,613)
	6,076	(1,215)	4,861	(7,016)	1,403	(5,613)

31 Dividends and legal reserve

At the Annual General meeting of Principal Capital Public Company Limited held on 25 April 2025, the shareholders passed a resolution to approve the payment of an annual dividend from the unappropriated retained earnings as of the year ended 31 December 2024 at Baht 0.01 per share for 3,808,570,502 ordinary shares, totaling Baht 38.1 million, and appropriated its retained earnings to legal reserve amounting to Baht 9.9 million.

The legal reserve of the subsidiaries in the Group amounting to Baht 99.1 million is included in the Group's unappropriated retained earnings (deficits).

32 Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the profit (loss) attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Earnings (loss) per share				
From continuing operations attributable to ordinary equity holders of the Company	(0.100)	(0.121)	0.011	(0.026)
From discontinued operations	-	0.217	-	-
Total earnings (loss) per share attributable to ordinary equity holders of the Company	(0.100)	0.095	0.011	(0.026)

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Reconciliations of earnings (loss) used in calculating earnings (loss) per share				
Earnings (loss) per share				
Profit (loss) from continuing operations attributable to ordinary equity holders of the Company	(381,739,914)	(462,713,382)	41,581,615	(98,994,802)
Profit from discontinued operation	-	824,612,172	-	-
Profit (loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings (loss) per share of the Company	(381,739,914)	361,898,790	41,581,615	(98,994,802)
Weighted average number of shares used as the denominator				
Weighted average number of ordinary shares used as the denominator in calculating earnings (loss) per share	3,808,570,502	3,808,570,502	3,808,570,502	3,808,570,502

There are no diluted earnings per share during the year 2025 and 2024.

33 Change in liabilities arising from financing activities

	Consolidated financial statements			
	Leases liabilities Thousand Baht	Borrowings Thousand Baht	Acquisition payables Thousand Baht	Total Thousand Baht
Liabilities as at 1 January 2024	364,466	6,431,627	48,592	6,844,685
Cash flows - proceeds from borrowings	-	1,645,114	-	1,645,114
Cash flows - repayments	(129,836)	(3,458,969)	-	(3,588,805)
Acquisitions - lease liabilities	214,674	-	-	214,674
Lease term modifications	(343)	-	-	(343)
Lease termination	(3,538)	-	-	(3,538)
Disposition of subsidiaries (Note 14)	11,328	(1,423,143)	-	(1,411,815)
Interest expense	14,501	218,198	832	233,531
Interest repayments	(11,538)	(199,745)	-	(211,283)
Other non-cash movements - amortisation of financing fee	-	261	-	261
Liabilities as at 31 December 2024	459,714	3,213,343	49,424	3,722,481
Cash flows - proceeds from borrowings	-	1,405,765	-	1,405,765
Cash flows - repayments	(94,900)	(825,670)	(22,703)	(943,273)
Acquisitions - lease liabilities	77,647	-	-	77,647
Lease term modifications	(3,683)	-	-	(3,683)
Lease termination	(13,511)	-	-	(13,511)
Interest expense	18,658	145,015	859	164,532
Interest repayments	(15,436)	(146,536)	(2,547)	(164,519)
Other non-cash movements - amortisation of financing fee	-	163	-	163
Liabilities as at 31 December 2025	428,489	3,792,080	25,033	4,245,602

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	Separate financial statements		
	Leases liabilities Thousand Baht	Borrowings Thousand Baht	Total Thousand Baht
Liabilities as at 1 January 2024	138,224	4,403,529	4,541,753
Cash flows - proceeds from borrowings	-	1,981,927	1,981,927
Cash flows - repayments	(48,988)	(3,483,804)	(3,532,792)
Acquisitions - lease liabilities	1,927	-	1,927
Lease term modifications	6,155	-	6,155
Lease termination	(326)	-	(326)
Disposition of subsidiaries (Note 14)	-	(2,021,000)	(2,021,000)
Interest expense	4,230	112,748	116,978
Interest repayments	(2,429)	(130,437)	(132,866)
Liabilities as at 31 December 2024	98,793	862,963	961,756
Cash flows - proceeds from borrowings	-	1,476,303	1,476,303
Cash flows - repayments	(19,170)	(986,774)	(1,005,944)
Acquisitions - lease liabilities	11,189	-	11,189
Lease termination	(2,695)	-	(2,695)
Interest expense	3,765	32,622	36,387
Interest repayments	(1,838)	(31,271)	(33,109)
Other non-cash movements - offsetting of short-term borrowings from a subsidiary	-	(256,000)	(256,000)
Liabilities as at 31 December 2025	90,044	1,097,843	1,187,887

34 Business combination

On 1 June 2025, a subsidiary acquired an entire business transfer of Thanakarn Hospital, a private hospital operating in Kanchanaburi. The purpose was to create a hub-and-spoke model for the Group's hospitals and enhance the profitability of the Group in the future.

The assets and liabilities recognised as a result of the acquisition are as follows:

	<u>Thousand Baht</u>
Purchase consideration on the date of business combination	
Cash	576,323
Total purchase consideration	576,323

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

	<u>Fair value Thousand Baht</u>
Cash and cash equivalents	20,254
Trade and other current receivables, net	17,399
Inventories	21,495
Other current assets	1,226
Restricted cash deposits	132
Property, plant and equipment, net	361,504
Investment property, net	16,393
Intangible assets, net	448
Other non-current assets	200
Trade and other current payables	32,407
Other current liabilities	20
Employee benefit obligations	9,493
Other non-current liabilities	168
Deferred tax liabilities	44,677
Net identifiable assets acquired (100%)	352,286
<u>Add</u> Goodwill presented in consolidated financial statements	<u>224,037</u>
	<u>576,323</u>
Purchase consideration - cash outflow	
	<u>Thousand Baht</u>
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	576,323
<u>Less</u> Balances acquired	
- Cash	20,254
- Restricted cash deposits	132
	<u>20,386</u>
Net outflow of cash - investing activities	555,937

Goodwill was recognised as it represents the expected future benefits arising from the acquired business in excess of the fair value of the identifiable net assets.

35 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by the Viddayakom family group with a shareholding of 74.99%. Ratch Group Public Company Limited holds 10.00% of the shares, while the remaining 15.01% is held by the general public.

The investments in subsidiaries are disclosed in Note 16.

Related transaction pricing policy as follow;

<u>Related transaction</u>	<u>Pricing policy</u>
Revenue from service, rental and its related service fees	Arm's Length Price
Interest income/expense	The Company's finance cost plus margin

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

The following transactions were significant transactions with related parties:

a) Revenue from services, revenue from rental, interest income, rental fees, service fees and interest expense

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
For the year ended 31 December				
Revenue from services				
Subsidiaries	-	-	43,375	72,548
Joint ventures	6,124	254	6,084	54
Related parties				
- Co-shareholder	3,940	5,174	3,909	4,821
	<u>10,064</u>	<u>5,428</u>	<u>53,368</u>	<u>77,423</u>
Revenue from rental				
Subsidiaries	-	-	1,832	-
Joint ventures	1,225	4,143	1,225	729
An associate	-	404	-	-
	<u>1,225</u>	<u>4,547</u>	<u>3,057</u>	<u>729</u>
Interest income				
Subsidiaries	-	-	166,446	112,639
Rental and its related service fees				
Subsidiaries	-	-	-	3,208
Related parties				
- Co-shareholder	5,828	2,454	1,627	2,011
	<u>5,828</u>	<u>2,454</u>	<u>1,627</u>	<u>5,219</u>
Service fees				
Subsidiaries	-	-	48,466	34,677
Joint ventures	4,967	1,788	-	-
An associate	-	2,760	-	-
Related parties				
- Co-shareholder	5,784	3	4,991	3
	<u>10,751</u>	<u>4,551</u>	<u>53,457</u>	<u>34,680</u>
Interest expense				
Subsidiaries	-	-	8,679	37,873

Principal Capital Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2025

b) Outstanding balances arising from sales/purchases of goods/services

The outstanding balances at the end of the period ended in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Trade receivables				
Subsidiaries	-	-	7,356	9,105
Joint ventures	5,138	-	5,138	-
Related parties				
- Co-shareholder	147	923	147	923
	5,285	923	12,641	10,028
Trade non-current receivables, net				
Subsidiaries	-	-	9,018	1,356
Other current receivables				
Joint ventures	200	119	190	76
Related parties				
- Co-shareholder	5	7	-	-
	205	126	190	76
Accrued income				
Related parties	-	-	17	364
Deposits				
Related parties				
- Co-shareholder	3,683	4,174	2,198	2,689
Trade payables				
Subsidiaries	-	-	7,126	5,723
Related parties				
- Co-shareholder	-	3	-	3
	-	3	7,126	5,726
Other current payables				
Subsidiaries	-	-	-	204
Joint ventures and a joint operation	1,386	51	881	51
Related parties				
- Co-shareholder	-	1,487	-	143
	1,386	1,538	881	398
Accrued expenses				
Subsidiaries	-	-	-	251
Joint ventures and a joint operation	-	-	276	-
Related parties				
- Co-shareholder	122	91	72	55
	122	91	348	306

Lease liabilities

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Subsidiaries and related parties - Co-shareholder				
At 1 January 2025	19,663	-	14,207	19,894
Additions	10,528	8,910	10,528	-
Disposition of subsidiaries (Note 14)	-	15,456	-	-
Repayments	(11,759)	(10,921)	(8,789)	(11,905)
Lease term modifications	-	6,545	-	6,545
Lease termination	-	(327)	(2,958)	(327)
Net book amount as at 31 December 2025	18,432	19,663	12,988	14,207

c) Loans to subsidiaries

The movements of short-term loans to subsidiaries can be analysed are as follows:

	Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht
At 1 January	-	78,175
Reclassified as long-term loans to subsidiaries	-	(96,871)
Loans advanced during the year		
- principle	-	222,721
- interest	-	1,442
Loans repayment received during the year		
- principle	-	(204,721)
- interest	-	(746)
At 31 December	-	-
Short-term loans	-	-
Accrued interest income	-	-

As at 31 December 2025, the Company does not have short-term loans to subsidiaries (31 December 2024: the Company does not have short-term loans to subsidiaries)

The movements of long-term loans to subsidiaries can be analysed are as follows:

	Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht
At 1 January	3,473,684	2,202,274
Reclassified from short-term loans to subsidiaries	-	96,871
Loans advanced during the year		
- principle	3,904,000	2,551,000
- interest	166,446	111,171
Loans repayment received during the year		
- principle	(2,638,500)	(1,463,500)
- interest	(98,371)	(24,132)
Offsetting of short-term borrowings from a subsidiary	(256,000)	-
At 31 December	<u>4,551,259</u>	<u>3,473,684</u>
Long-term loans	4,533,077	3,298,992
Accrued interest income	18,182	174,692

Long-term loans to subsidiaries were made on commercial terms and conditions of borrowing. Long-term loans to subsidiaries bear interest rate from source of fixed deposits plus 3.85% per annum. (2024: interest rate at 2.38%, 4.38% and with average interest rate from source of borrowings rate plus 0.50% per annum) are due within 3 years from the borrowing date.

On 19 September 2025, Principal Capital Public Company Limited entered into a memorandum of agreement with Principal Healthcare Co., Ltd. The parties agreed to offset the related party loans amounting to Baht 256.0 million, which was completed during the year.

d) Borrowings from related parties

The movements of short-term borrowings from related parties can be analysed are as follows:

	Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht
At 1 January	201,291	557,577
Borrowings received during the year		
- principle	1,010,737	589,405
- interest	8,679	11,082
Borrowings repaid during the year		
- principle	(876,581)	(413,962)
- interest	(8,651)	(21,811)
Offsetting of short-term borrowings from a subsidiary	(256,000)	-
Disposition of subsidiaries (Note 14)	-	(521,000)
At 31 December	<u>79,475</u>	<u>201,291</u>
Short-term borrowing	79,322	201,166
Accrued interest expense	153	125

The Company has unsecured short-term borrowings from subsidiaries to serve normal operation which carry an interest rate from source of borrowings plus 0.85% per annum (2024: interest rate from source of borrowings rate plus 0.50% per annum) are due at call.

The movements of long-term borrowings from a subsidiary can be analysed are as follows:

	Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht
At 1 January	-	1,504,962
Borrowings received during the year		
- interest	-	26,629
Borrowing repaid during the year		
- interest	-	(31,591)
Disposition of subsidiaries (Note 14)	-	(1,500,000)
At 31 December	-	-
Long-term borrowings	-	-
Accrued interest	-	-

As at 31 December 2025, the Company does not have long-term borrowings from a subsidiary (31 December 2024: the Company does not have long-term borrowings from a subsidiary).

e) **Key management compensation**

Key management compensation of the Group and the Company is as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Short-term employee benefits	82,650	83,320	69,103	51,149
Retirement benefits	5,092	4,150	4,073	2,461
	87,742	87,470	73,176	53,610

36 Letter of guarantees

As at 31 December 2025, the Company had letters of guarantee issued by financial institutions of Baht 2.1 million (2024: Baht 8.0 million) in respect of certain performance bonds in relation for medical services and obligation of electricity usages with Metropolitan Electricity Authority. These letters of gaurantee are required in the normal course of business.

As at 31 December 2025, the Group had letters of guarantee issued by financial institutions of Baht 33.2 million (2024: Baht 37.1 million) in respect of certain performance bonds in relation for medical services, obligation of guaranteeing electricity usages with Metropolitan Electricity Authority and Provincial Electricity Authority and guaranteeing gasoline filling as required in the normal course of business.

37 Commitments

37.1 Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Property, plant and equipment	871,704	270,241	9,269	21,224
Intangible asset	13,545	39,754	-	2,720
	885,249	309,995	9,269	23,944

37.2 Operating lease commitments

The Group has entered into low-value assets leases agreements and short-term leases agreements with leases term less than 1 year which are non-cancellable lease agreements in respect to leases of equipment and its related service agreements. The lease terms are between 1 to 5 years. The future aggregate minimum lease payments which were not recognised as lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2025 Thousand Baht	2024 Thousand Baht	2025 Thousand Baht	2024 Thousand Baht
Not later than 1 year	40,302	34,290	6,034	6,171
Later than 1 year but not later than 5 years	12,968	26,149	162	5,268
	53,270	60,439	6,196	11,439

38 Events occurring after the reporting period

On 16 January 2025, a subsidiary acquired shares of Porphat hospital, two private hospitals operating in Nakhon Ratchasima. The purpose was to create a hub-and-spoke model for the Group's hospitals and enhance the profitability of the Group in the future.

The amounts of assets acquired and liabilities assumed at the date of business combination are as follows:

	<u>Thousand Baht</u>
Purchase consideration on the date of business combination	
Cash	673,650
Total purchase consideration	<u>673,650</u>
	Provisional fair value Thousand Baht
Cash and cash equivalents	392,695
Trade and other current receivables, net	76,146
Inventories	16,885
Other current assets	2,127
Restricted cash deposits	1,218
Investments in subsidiaries	100
Deferred tax assets	9,757
Property, plant and equipment, net	591,811
Intangible assets, net	2,505
Right-of-use assets, net	23,630
Other non-current assets	5,575
Bank overdraft	20,653
Trade and other current payables	99,905
Advances received from customers	11,752
Other current liabilities	546
Current portion of lease liabilities	3,411
Current portion of long-term borrowings from financial institutions	74,638
Lease liabilities	18,427
Long-term borrowings from financial institutions	253,918
Employee benefit obligations	36,355
Other non-current liabilities	<u>5</u>
Net identifiable assets acquired (100.00%)	602,839
<u>Less</u> Non-controlling interests (42.92%)	<u>258,738</u>
Net identifiable assets acquired	344,101
<u>Add</u> Assets acquired in business combination under purchase price allocation	<u>329,549</u>
	<u>673,650</u>

Net identifiable assets acquired from business combination are provisional amounts at the date of business combination. The subsidiary is going to complete the final valuations of net identifiable assets acquired within 1 year from the date of business combination. The adjustments to the provisional fair values of assets, liabilities acquired in a business combination will be made once the measurement has been done.