

YGGDRAZIL GROUP PUBLIC COMPANY LIMITED AND

ITS SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES (the Group) and of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES and of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED as at 31 December 2025, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw your attention to notes 3 to financial statements, as disclosed in the financial statements, The Group and the Company incurred a total comprehensive loss for the year of Baht 22.54 million and Baht 39.71 million, respectively, and had total current liabilities exceeding total current assets by Baht 7.03 million and Baht 20.82 million, respectively. In addition, total shareholders' equity is less than 50 percent of the issued and fully paid-up share capital. The ability to continue their operations as a going concern of the Group and the Company depends upon the achievement of providing source of fund and ability of the management in business operations of the Group and the Company in the future. These factors may substantially doubt about the ability to continue their operations as a going concern of the Group and the Company. Accordingly, I did not express a qualified conclusion pertaining to this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Impairment assessment of trade receivables and contract assets

As stated in note 13 to the financial statements regarding trade and other current receivables, and note 14 to the financial statements regarding contract assets - current, as at 31 December 2025, the Group had net trade receivables and contract assets amounting to Baht 5.06 million and Baht 0.31 million, respectively, and the Company had net trade receivables and contract assets amounting to Baht 0.76 million and Baht 7.47 million, respectively.

Management assessed the impairment of trade receivables and contract assets by exercising judgment in evaluating assumptions related to the risk of default and expected loss rates. Management also considered selecting factors affecting the impairment calculation based on the Group's and the Company's historical data and prevailing market conditions, including forward-looking expectations. The allowance for expected credit loss was presented as at 31 December 2025, for trade receivables of the Group and the Company amounting to Baht 17.48 million, and contract assets of the Group and the Company amounting to Baht 319.06 million. Such amounts are material to the consolidated and separate financial statements; accordingly, I have addressed as key audit matter.

I have obtained an assurance in respect of the impairment assessment of trade receivables and contract assets by:

- Inquired the Management about strategic plans and environmental factors that affect the operation of the Group.
- Obtained an understanding of management's consideration process in determining assumptions and data used in the calculation of the allowance for expected credit loss.
- Evaluated the reasonableness of the process and key assumptions, and assessed the reliability of data used in estimating the allowance for expected credit loss , including testing the calculation in the working papers prepared by the Management of the Group.

Other Matter

The consolidated and separate financial statements of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES and of YGGDRAZIL GROUP PUBLIC COMPANY LIMITED. for the year ended 31 December 2024, presented herein as comparative information, were audited by another auditor whose report dated 24 February 2025, expressed an unqualified opinion on those statements.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report of the Group 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 do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with the Code of Ethics for Professional Accountants regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine 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.

D I A International Audit Co., Ltd.

(Mr. Joompoth Priratanakorn)

C.P.A. (Thailand)

Registration No. 7645

27 February 2026

Yggdrazil Group 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 | 11 | 13,860,123 | 18,047,940 | 10,893,189 | 12,224,983 |
| Trade and other current receivables | 13, 35 | 10,192,561 | 2,784,976 | 3,381,662 | 3,331,639 |
| Contract assets - current assets | 14, 35 | 312,333 | 7,193,672 | 7,472,333 | 8,603,672 |
| Films under production | 16 | - | 34,632,038 | - | - |
| Short-term loans to related parties | 17, 35 | - | - | 5,503,227 | 41,353,873 |
| Financial assets - current assets | 12 | 730,004 | 717,946 | 730,004 | 717,946 |
| Other current assets | 19 | 7,893,093 | 6,543,772 | 6,303,561 | 5,799,439 |
| Total current assets | | 32,988,114 | 69,920,344 | 34,283,976 | 72,031,552 |
| Non-current assets | | | | | |
| Financial assets - non-current assets | 12 | 25,538,617 | 25,709,000 | 25,519,348 | 24,060,085 |
| Investment in subsidiaries | 21 | - | - | 5,033,372 | 7,709,167 |
| Investment in joint venture | 20 | - | 21,553,582 | 5,803,427 | 34,428,491 |
| Leasehold improvement and equipment | 22 | 23,988,574 | 35,172,703 | 23,841,295 | 34,992,095 |
| Right-of-use assets | 23 | 2,489,841 | 4,552,852 | 2,489,841 | 4,552,852 |
| Intangible assets | 24 | 13,352,675 | 13,831,547 | 11,445,128 | 13,831,547 |
| Other non-current assets | 25 | 1,019,840 | 1,160,440 | 1,019,840 | 1,160,440 |
| Total non-current assets | | 66,389,547 | 101,980,124 | 75,152,251 | 120,734,677 |
| Total assets | | 99,377,661 | 171,900,468 | 109,436,227 | 192,766,229 |

Director _____

(Mr. Prasob Juviwat)

Director _____

(Ms. Sirakarn Sudhikiat)

Yggdrasil Group Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 December 2025

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|--------|--------------------------------------|--------------------|----------------------------------|--------------------|
| | | 2025 Baht | 2024 Baht | 2025 Baht | 2024 Baht |
| Liabilities and equity | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans | 26 | 7,200,000 | 33,069,410 | 7,200,000 | 33,069,410 |
| Short-term borrowing from related party | 27, 35 | - | - | 612,658 | 815,913 |
| Trade and other current payables | 28, 35 | 28,516,223 | 47,417,023 | 44,217,147 | 58,258,737 |
| Corporate income tax payable | | 1,224,583 | 223,429 | - | 75,536 |
| Contract liabilities-current | 14 | 477,324 | 3,402,114 | 477,324 | 708,874 |
| Current portion of lease liabilities | | 1,447,395 | 1,619,344 | 1,447,395 | 1,619,344 |
| Other current liabilities | | 1,151,505 | 914,790 | 1,151,505 | 914,790 |
| Total current liabilities | | 40,017,030 | 86,646,110 | 55,106,029 | 95,462,604 |
| Non-current liabilities | | | | | |
| Lease liabilities | | 1,160,507 | 2,989,760 | 1,160,507 | 2,989,760 |
| Employee benefit obligations | 29 | 2,946,144 | 4,465,950 | 2,946,144 | 4,383,507 |
| Total non-current liabilities | | 4,106,651 | 7,455,710 | 4,106,651 | 7,373,267 |
| Total liabilities | | 44,123,681 | 94,101,820 | 59,212,680 | 102,835,871 |
| Equity | | | | | |
| Share capital | | | | | |
| Authorised share capital | 30 | | | | |
| Ordinary shares, 993,996,719 shares of par Baht 0.50 each (2024: 692,000,000 shares of par Baht 0.50 each) | | 496,998,360 | 346,000,000 | 496,998,360 | 346,000,000 |
| Issued and fully paid-up share capital | 30 | | | | |
| Ordinary shares, 601,997,187 shares of paid-up Baht 0.50 each (2024: 601,997,187 shares of par Baht 0.50 each) | | 300,998,594 | 300,998,594 | 300,998,594 | 300,998,594 |
| Premium on paid-up capital | | 236,245,639 | 236,245,639 | 236,245,639 | 236,245,639 |
| Retained earnings (Deficit) | | | | | |
| Appropriated - legal reserve | 31 | 16,800,000 | 16,800,000 | 16,800,000 | 16,800,000 |
| Unappropriated | | (503,229,507) | (477,824,197) | (503,820,686) | (464,113,875) |
| Other component of equity | | 4,439,254 | 1,578,612 | - | - |
| Total equity | | 55,253,980 | 77,798,648 | 50,223,547 | 89,930,358 |
| Total liabilities and equity | | 99,377,661 | 171,900,468 | 109,436,227 | 192,766,229 |

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

Yggdrasil Group Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2025

| | Consolidated | | Separate | |
|---|----------------------|---------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| Notes | Baht | Baht | Baht | Baht |
| Revenue from sales or services | 73,009,800 | 174,943,152 | 13,729,779 | 164,137,512 |
| Cost of sales of goods or of services | (56,705,536) | (141,771,743) | (24,252,227) | (133,607,916) |
| Gross profit (loss) | 16,304,264 | 33,171,409 | (10,522,448) | 30,529,596 |
| Other income | 4,492,133 | 2,809,555 | 11,136,464 | 10,376,937 |
| Distribution expenses | (12,115,845) | (2,586,452) | (4,096,578) | (2,586,452) |
| Administrative expenses | (23,427,928) | (241,183,454) | (19,297,022) | (173,881,350) |
| Expected credit loss | (1,629,646) | (314,731,717) | (12,275,854) | (403,864,872) |
| Gain (loss) on exchange rate | (3,167,606) | (592,561) | (2,909,382) | (598,163) |
| Share of gain (loss) of joint venture accounted for using the equity method | (2,528,577) | (15,190,202) | - | - |
| Profit (Loss) before finance costs and income tax | (22,073,205) | (538,303,422) | (37,964,820) | (540,024,304) |
| Finance costs | (1,741,991) | (1,103,634) | (1,741,991) | (1,119,546) |
| Profit (Loss) before income tax | (23,815,196) | (539,407,056) | (39,706,811) | (541,143,850) |
| Income tax (expense) income | 33 (1,590,114) | (8,477,291) | - | (8,178,544) |
| Profit (Loss) for the year | (25,405,310) | (547,884,347) | (39,706,811) | (549,322,394) |
| Other comprehensive income(expense): | | | | |
| Items that may be reclassified subsequently to profit or loss | | | | |
| Currency translation differences | 2,860,642 | 2,970,354 | - | - |
| Total items that may be reclassified subsequently to profit or loss | 2,860,642 | 2,970,354 | - | - |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurements of post-employment benefit obligations | - | (70,183) | - | (134,418) |
| Income tax relating to items that will not be reclassified to profit or loss | - | 250,088 | - | 250,088 |
| Total items that will not be reclassified to profit or loss | - | 179,905 | - | 115,670 |
| Other comprehensive income (expense) for the year - net of tax | 2,860,642 | 3,150,259 | - | 115,670 |
| Total comprehensive income (expense) for the year | (22,544,668) | (544,734,088) | (39,706,811) | (549,206,724) |
| Basic earnings (loss) per share | | | | |
| Weighted-average ordinary shares (shares) | 601,997,187 | 601,997,187 | 601,997,187 | 601,997,187 |
| Basic earnings (loss) per share | (0.04) | (0.91) | (0.07) | (0.91) |

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

Yggdrasil Group Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2025

| | Consolidated financial statements | | | | | Total equity Baht |
|---|---|---------------------------------------|---|------------------------|--|----------------------|
| | Issued and paid-up share capital Baht | Premium on paid-up capital Baht | Retained Earnings (Deficit) | | Other component of equity | |
| | | | Retained Appropriated Legal reserve Baht | Unappropriated Baht | Translation of financial statements Baht | |
| | | | | | | |
| Opening balance as at 1 January 2024 | 300,998,594 | 236,245,639 | 16,800,000 | 69,880,245 | (1,391,742) | 622,532,736 |
| Changes in equity for the year | | | | | | |
| Total comprehensive income (expense) for the year | - | - | - | (547,704,442) | 2,970,354 | (544,734,088) |
| Closing balance as at 31 December 2024 | <u>300,998,594</u> | <u>236,245,639</u> | <u>16,800,000</u> | <u>(477,824,197)</u> | <u>1,578,612</u> | <u>77,798,648</u> |
| Opening balance as at 1 January 2025 | 300,998,594 | 236,245,639 | 16,800,000 | (477,824,197) | 1,578,612 | 77,798,648 |
| Changes in equity for the year | | | | | | |
| Total comprehensive income (expense) for the year | - | - | - | (25,405,310) | 2,860,642 | (22,544,668) |
| Closing balance as at 31 December 2025 | <u>300,998,594</u> | <u>236,245,639</u> | <u>16,800,000</u> | <u>(503,229,507)</u> | <u>4,439,254</u> | <u>55,253,980</u> |

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

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

| | Separate financial statements | | | | Total equity |
|---|-------------------------------------|-------------------------------|-------------------------------|----------------------|-------------------|
| | Issued and paid-up share capital | Premium on paid-up capital | Retained Earnings (Deficit) | | |
| | | | Appropriated Legal reserve | Unappropriated | |
| Baht | Baht | Baht | Baht | Baht | |
| Opening balance as at 1 January 2024 | 300,998,594 | 236,245,639 | 16,800,000 | 85,092,849 | 639,137,082 |
| Changes in equity for the year | | | | - | |
| Total comprehensive income (expense) for the year | - | - | - | (549,206,724) | (549,206,724) |
| Closing balance as at 31 December 2024 | <u>300,998,594</u> | <u>236,245,639</u> | <u>16,800,000</u> | <u>(464,113,875)</u> | <u>89,930,358</u> |
| Opening balance as at 1 January 2025 | 300,998,594 | 236,245,639 | 16,800,000 | (464,113,875) | 89,930,358 |
| Changes in equity for the year | | | | | |
| Total comprehensive income (expense) for the year | - | - | - | (39,706,811) | (39,706,811) |
| Closing balance as at 31 December 2025 | <u>300,998,594</u> | <u>236,245,639</u> | <u>16,800,000</u> | <u>(503,820,686)</u> | <u>50,223,547</u> |

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

Yggdrasil Group Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2025

| | Consolidated | | Separate | |
|--|----------------------------|---------------|----------------------------|---------------|
| | financial statement | | financial statement | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Cash flows from operating activities | | | | |
| Profit (Loss) before income tax | (23,815,196) | (539,407,056) | (39,706,811) | (541,143,850) |
| Adjustments for : | | | | |
| Depreciation and amortisation | 46,032,263 | 29,000,691 | 15,438,224 | 28,916,764 |
| Expected of credit loss | - | 314,731,717 | (1,249,336) | 314,731,717 |
| Differences on changes contract lease | 853,660 | - | 853,660 | - |
| Unrealised (gain) loss on exchange rate | 410,039 | 1,403,616 | (449,866) | 2,368,938 |
| Employee benefit expense | 339,536 | 1,384,069 | 421,978 | 1,384,069 |
| Gain on sales of financial assets | - | (151,824) | - | (151,824) |
| Loss (Gain) from changes in fair value of financial assets | (10,524) | 130,342 | (10,524) | 130,342 |
| (Gain) loss from changes in fair value of derivatives | - | (257,074) | - | (257,074) |
| Loss allowance for short-term loans to related parties | - | - | - | 89,133,155 |
| Impairment loss from investment in subsidiaries | - | - | 2,675,795 | 24,290,633 |
| Impairment loss from investment in joint venture | - | - | 9,600,059 | 15,571,509 |
| Impairment loss from film under production | - | 83,434,561 | - | - |
| Loss on fair value of investments in co-production and distribution of animation | - | 23,617,335 | - | - |
| Impairment loss from fixed assets | - | 20,401,000 | - | 20,401,000 |
| Share of (profit) loss of joint ventures accounted for using the equity method | 2,528,577 | 15,190,202 | - | - |
| Loss from write-off on character design costs | - | 3,221,675 | - | 3,221,675 |
| Loss from write-off on intangible assets | - | 70,860,175 | - | 72,080,930 |
| Loss (gain) on disposal of equipment | (902,054) | 5,253,716 | (865,610) | 5,430,362 |
| Gain from termination of lease contract | - | (67,536) | - | (67,536) |
| Interest income | - | (355,214) | (5,950,180) | (7,145,274) |
| Interest expense | 1,286,179 | 1,119,546 | 1,320,896 | 1,119,546 |
| Profit (Loss) from operations before change in operating assets and liabilities | 26,722,480 | 29,509,941 | (17,921,715) | 30,015,082 |
| Decrease (increase) in operating assets : | | | | |
| Trade and other receivables | (7,647,241) | 7,853,157 | (309,879) | 52,922,327 |
| Contract assets | 6,881,339 | (42,749,085) | 1,131,339 | (44,253,941) |
| Character design costs | - | 1,944,089 | - | 1,944,089 |
| Films under production | - | (14,949,569) | - | - |
| Other current assets | (1,349,321) | (1,150,383) | (504,122) | (301,222) |
| Other non-current assets | 140,600 | 66,760 | 140,600 | 66,760 |

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

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

| | Consolidated | | Separate | |
|--|----------------------------|---------------------|----------------------------|---------------------|
| | financial statement | | financial statement | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Increase (decrease) in operating liabilities : | | | | |
| Trade and other payables | (18,900,800) | 9,500,926 | (14,041,590) | 13,511,242 |
| Contract liabilities | (2,924,790) | (4,292,201) | (231,550) | (4,292,201) |
| Other current liabilities | 236,715 | (9,071,121) | 161,179 | (9,029,051) |
| Cash (used in) generated from operations activities | 3,158,982 | (23,337,486) | (31,575,738) | 40,583,085 |
| Interest received | - | 441,353 | 4,849,510 | 441,353 |
| Interest paid | - | (1,026,264) | - | (1,026,264) |
| Employee benefit obligations paid | (1,859,342) | (4,549,700) | (1,859,341) | (4,549,700) |
| Income tax paid | (588,960) | (1,640,532) | - | (1,574,445) |
| Net cash (used in) generated from operating activities | 710,680 | (30,112,629) | (28,585,569) | 33,874,029 |
| Cash flows from investing activities | | | | |
| Cash receipt from financial assets | - | 10,906,268 | - | 10,906,268 |
| Cash receipt from restricted fixed deposits | - | 4,001,000 | - | 4,001,000 |
| Cash receipt from capital reduction in joint venture | 19,000,000 | - | 19,000,000 | - |
| Cash payment for purchase of equipment | - | (1,929,692) | - | (1,929,692) |
| Cash receipt from disposal of equipment | 201,956 | 2,128,917 | 173,956 | 1,742,987 |
| Cash payment for game under development cost | - | (12,058,447) | - | (13,107,000) |
| Cash receipt (payment) for short-term loans to related parties | - | - | 37,451,110 | (65,195,541) |
| Cash payment from financial assets | (1,534) | - | (1,534) | - |
| Net cash generated from (used in) investing activities | 19,200,422 | 3,048,046 | 56,623,532 | (63,581,978) |
| Cash flows from financing activities | | | | |
| Cash receive (payment) from short-term borrowings-net | (25,792,041) | 32,992,040 | (26,030,012) | 33,792,040 |
| Repayments on lease liabilities | (2,200,609) | (3,169,550) | (2,200,609) | (3,169,550) |
| Interest paid | (1,139,136) | - | (1,139,136) | - |
| Net cash generated from (used in) financing activities | (29,131,786) | 29,822,490 | (29,369,757) | 30,622,490 |
| Exchange differences of financial statements | | | | |
| in foreign currency increased | 5,032,867 | 2,970,354 | - | - |
| Net increase (decrease) in cash and cash equivalents | (4,187,817) | 5,728,261 | (1,331,794) | 914,541 |
| Cash and cash equivalents at the beginning of the year | 18,047,940 | 12,319,679 | 12,224,983 | 11,310,442 |
| Cash and cash equivalents at the end of the year | 13,860,123 | 18,047,940 | 10,893,189 | 12,224,983 |
| Non-cash transactions | | | | |
| Reclassification from advance payment to computer hardware | - | 7,772,160 | - | 7,772,160 |
| Acquisition of right-of-use assets | - | 9,390,256 | - | 9,390,256 |
| Transfer films under production to intangible assets | 34,632,038 | - | - | - |
| Film cost amortization | (30,884,654) | - | - | - |

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

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

1 General information

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

348 Soi Lat Phrao 94 (Panjamitr) Phlapphla, Wang Thong Lang, Bangkok 10310.

The principal business operations of the Company and its subsidiaries (together “the Group”) are rendering services to produce computer graphics for advertisements, music videos and movies and to produce animation including rendering services to produce and sale games.

These consolidated and separate financial statements were authorised for issue by the Board of Directors of the Company 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 available-for-sale investments as disclosed in the accounting policies below.

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 9.

An English version of the consolidated and separate financial statements has 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 Going concern

For year ended year 31 December 2025, The Group and the Company incurred a total comprehensive loss for the year of Baht 22.54 million and Baht 39.71 million, respectively, and had total current liabilities exceeding total current assets by Baht 7.03 million and Baht 20.82 million, respectively. In addition, total shareholders' equity is less than 50 percent of the issued and fully paid-up share capital. The Group has determined significant measures to manage liquidity risk. In this regard, the Group's management has undertaken the following actions:

- The Group has considered adjusting the business strategy to focus on providing services to customers more than developing intangible assets, as it is expected that providing services to customers is more likely and certain to succeed than developing intangible assets.
- The Group has plan to bill the current customers which have outstanding balance in account receivables and contract assets in portion which the Group expected to receive faster by determining the follow up plan to be more efficiency.
- The Group considered to determine the payment term identified in contracts regarding to providing services to customers by changing clause from payment term in total after completion of performance obligation per contracts with customers to payment term being consistent with complete satisfaction of a performance obligation per contracts with customers.
- on 11 March 2025, the Company made a private placement offering to five specific persons, totalling 250,000,000 shares at a rate of Baht 0.54 per share, totalling Baht 135,000,000 the transaction is currently in process in order to reach an agreement.

The Group is under process to follow business operational plan and financial restructuring strategy to provide assurance that the Group has adequate liquidity, ability to meet debt obligation, and ability to continue business operations. The factors regarding the adequate liquidity, ability to meet debt obligation, and ability to continue business operations may depend upon the success management's plan and other related factors which indicate the existence of material uncertainties which may cast significant doubt regarding the Group's ability to meet its financial obligations and continue as a going concern. Therefore, the Group may not be able to sell its assets and repay its liabilities in the normal business course to the amounts recorded in the financial statements. The Group has possibility to not be able to sell the assets and repay liabilities as determined business operational plan. The management assured that the Group is able to continue its operations in the next 12 months after the financial statement date. Therefore, the Group continues to use the going concern basis in preparing financial statements.

4 Significant events during the year

On 2 July 2025, the Company received the resignation letter from the position of Chief Executive Officer from Mr. Tanat Juwivat, effective from 3 July 2025 onwards.

5. NEW FINANCIAL REPORTING STANDARDS

5.1 Financial reporting standards that became effective in the current year

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

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

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2026. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

6 Material Accounting policies

6.1 Investment in subsidiaries and joint ventures

In the separate financial statements, investments in subsidiaries and joint ventures are accounted for using cost and equity method, respectively.

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

6.2 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

(c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income is translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

6.3 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 - 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 6.6 (e).

6.4 Character design costs

Character design costs comprise costs directly attributable to character design and production and are stated at the lower of cost or net realisable value and will be amortized as cost of sales of goods or of services in profit or loss when revenue related to the design of such characters is recognised.

6.5 Films under production

Films under production are costs of films under production which will be recognised as cost of films upon the sale or release of the films based on the future consumption used in various channels. Costs of films comprise costs directly attributable to films production and are stated at cost.

6.6 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories 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).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

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

b) 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.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at 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.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. 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 other 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 part of administrative expense in the statement of 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. Foreign exchange gains and losses are presented in other gains/(losses). Impairment expenses are presented as a part of administrative expense in the statement of comprehensive income.

- 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 income/administrative expenses in the period in which it arises.

e) Impairment

The Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost method. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the TFRS 9 simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables and contract assets.

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.

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 included in administrative expenses.

6.7 Leasehold improvement and equipment

Leasehold improvement and equipment are stated at historical cost less accumulated depreciation.

Depreciation on assets is calculated using the straight-line method to allocate their cost net of their residual values over their estimated useful lives, as follows:

| | |
|------------------------|--------------|
| Leasehold improvements | 5 - 20 years |
| Office equipment | 5 years |
| Computers | 5 - 10 years |

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other income or expenses.

6.8 Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives within 10 years.

Research and development / Internally generated intangible asset

Research expenditure is recognised as an expense as incurred.

Game development cost is recognised as an asset when the Group can demonstrate all of the following:

- the expenditure attributable to its development can be measured reliably;
- the Group can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Group intends to and has the ability to complete the development for the purpose of using or selling.

Game development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised game development costs are amortised when the asset is ready to sell over the period of its expected benefit.

Film development costs

Film development costs are recognized as assets, transferred from the carrying amount of films under production upon completion. These costs are amortized over their estimated useful lives, which shall not exceed 10 years.

6.9 Impairment of assets

Intangible assets not yet available for use 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 is reversed.

6.10 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.

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 small items of office equipment.

6.11 Financial liabilities

a) Classification

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

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.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

6.12 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.

6.13 Employee benefits

a) Defined contribution plan

The Group pays contributions to a separate fund on a mandatory basis. The contributions are recognised as employee benefit expense when they are due.

b) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary 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 charged or credited to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

c) Termination benefits

The Group recognises termination benefits at the earlier of (i) when the Group can no longer withdraw the offer of those benefits; and (ii) when the group recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.14 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.

6.15 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Revenue from sales of goods or services: is recognised when control of a good or service transfers to a customer. For revenue from sales of services, the method for measuring progress towards complete satisfaction of a performance obligation is based on the input method. In addition, the Group measures revenue from non-cash consideration at fair value. If the fair value of the non-cash consideration cannot be reasonably estimated, the Group would measure it indirectly, by reference to the stand-alone selling price of the goods or services promised to the customer in exchange for the consideration.

Revenue from online game service: is recognised when the Group provides service to customers. The amount paid in advance by the customers but had not been purchased items in game is presented as contract liabilities in the statement of financial position.

Revenue from sales of film right and film production: is recognised as a right to use its intellectual property. Revenue is recognised at a point in time with the exception on the recognition of sales-based loyalties which revenue is recognised when the subsequent sales occurred.

Multiple element arrangements 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.

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

7 Financial risk management

7.1 Financial risk factors

The Group exposes to a variety of financial risks: market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk. The management of the Group is responsible for managing the risk and seeks to minimise potential adverse effects on the Group's financial performance.

7.1.1 Market risk

a) Foreign exchange risk

The Group has conducted business with customers in foreign currency so the Group has exposed to the currency risk due to changing in exchange rate from value date until settlement date. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. The Group uses forward contracts, transacted with the financial institutions, to hedge their exposure to foreign currency risk.

Yggdrazil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025**

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

| | Consolidated financial statements | | | |
|-----------------------------|--|-------------|------------------|-------------|
| | US Dollar | Yuan | US Dollar | Yuan |
| | 2025 | 2025 | 2024 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade and other receivables | - | - | 231,790 | 1,202,345 |
| Contract assets | - | - | 1,162,349 | - |
| Trade and other payables | - | - | (2,693,239) | - |
| Contract liabilities | - | - | (708,874) | - |

| | Seperate financial statements | | | |
|-------------------------------------|--------------------------------------|-------------|------------------|-------------|
| | US Dollar | Yuan | US Dollar | Yuan |
| | 2025 | 2025 | 2024 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade and other receivables | - | - | 231,790 | 1,202,345 |
| Contract assets | - | - | 1,162,349 | - |
| Short-term loans to related parties | - | - | 52,698,835 | - |
| Contract liabilities | - | - | (708,874) | - |

Yggdrazil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025***Sensitivity*

The following table sets out the analysis of the exposure to assess the impact of a change in the exchange rate of Thai Baht per foreign currency to the net profit and share's holder equity.

| | Consolidated financial statements | |
|-------------|--|-------------|
| | 2025 | 2024 |
| | Baht | Baht |
| + 1% | | |
| US Dollar | - | 20,080 |
| Yuan | - | (12,023) |
| | - | 8,057 |
| - 1% | | |
| US Dollar | - | (20,080) |
| Yuan | - | 12,023 |
| | - | (8,057) |
| | Separate financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| + 1% | | |
| US Dollar | - | (533,841) |
| Yuan | - | (12,023) |
| | - | (545,864) |
| - 1% | | |
| US Dollar | - | 533,841 |
| Yuan | - | 12,023 |
| | - | 545,864 |

b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions and borrowing with floating interest rates which may expose cashflow risk to the Group due to change in interest rate. However, management has considered that interest rate risk is immaterial.

7.1.2 Credit risk

Credit risk arises from risk of outstanding receivables.

a) Risk management

The Group has policies for selecting customers which have the appropriate financial position and reputation in the industry, based on the evidences to support by both quantitative information such as the financial statement and registered capital in combination with qualitative information such as background, and directors of the Group.

The Group has concentration of credit risk for some customers due to that project value reflect on the significant portion of the Group's revenue. Such risk is expected to be gradually diversified in the future as the Group undertakes more project from various customers. The Group has mitigated outstanding receivables risk by ensuring that contracts are reviewed by legal advisor. Moreover, the Group will constantly monitor the progress of project status.

b) Impairment of financial assets

The Group has 5 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Contract assets
- Debt investments carried at amortised cost; and
- Other non-current assets.

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

While cash and cash equivalents, trade and other receivables, debt instruments measured at amortised cost, and other non-current assets are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

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 contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress 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 loss rates are based on the payment profiles of sales over a period of 36 month before 1 January 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current information based on expected changes in this information.

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

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

| | Consolidated financial statements | | | | | Total |
|-------------------------|--|-----------------|---------------|---------------|------------------|--------------|
| | Current | Up to | 3 - 6 | 6 - 12 | Over | |
| | Baht | 3 months | months | months | 12 months | |
| | | Baht | Baht | Baht | Baht | Baht |
| 31 December 2025 | | | | | | |
| Gross carrying amount | | | | | | |
| - Trade receivables | 11,052 | 5,062,756 | 197,591 | 86,566 | 17,231,496 | 22,589,461 |
| - Loss allowance | - | - | - | - | (17,481,496) | (17,481,496) |
| 31 December 2024 | | | | | | |
| Gross carrying amount | | | | | | |
| - Trade receivables | 904,508 | 4,421,493 | 255,324 | 25,000 | 13,412,404 | 19,018,729 |
| - Loss allowance | - | (4,171,385) | - | - | (13,412,404) | (17,583,789) |
| | | | | | | |
| | Separate financial statements | | | | | Total |
| | Current | Up to | 3 - 6 | 6 - 12 | Over | |
| | Baht | 3 months | months | months | 12 months | |
| | | Baht | Baht | Baht | Baht | Baht |
| 31 December 2025 | | | | | | |
| Gross carrying amount | | | | | | |
| - Trade receivables | 89,880 | 846,956 | 109,341 | 86,566 | 17,231,496 | 18,364,239 |
| - Loss allowance | - | - | - | - | (17,481,496) | (17,481,496) |
| 31 December 2024 | | | | | | |
| Gross carrying amount | | | | | | |
| - Trade receivables | 1,451,171 | 4,421,493 | 255,324 | 25,000 | 13,412,404 | 19,565,392 |
| - Loss allowance | - | (4,171,385) | - | - | (13,412,404) | (17,583,789) |

The loss allowance for expected credit losses on contract assets, disclosed based on their aging from the transaction date, is determined as follows

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

| | Consolidated financial statements | | | | |
|-------------------------|--|---------------------|----------------------|------------------|---------------|
| | Up to | | | Over | |
| | 3 months | 3 - 6 months | 6 - 12 months | 12 months | Total |
| | Baht | Baht | Baht | Baht | Baht |
| 31 December 2025 | | | | | |
| Gross carrying amount | | | | | |
| - Contract assets | 312,333 | - | - | 319,063,940 | 319,376,273 |
| - Loss allowance | - | - | - | (319,063,940) | (319,063,940) |
| 31 December 2024 | | | | | |
| Gross carrying amount | | | | | |
| - Contract assets | 6,912,349 | 202,088 | 90,159,139 | 228,984,036 | 326,257,612 |
| - Loss allowance | - | - | (90,079,904) | (228,984,036) | (319,063,940) |

| | Separate financial statements | | | | |
|-------------------------|--------------------------------------|---------------------|----------------------|------------------|---------------|
| | Up to | | | Over | |
| | 3 months | 3 - 6 months | 6 - 12 months | 12 months | Total |
| | Baht | Baht | Baht | Baht | Baht |
| 31 December 2025 | | | | | |
| Gross carrying amount | | | | | |
| - Contract assets | 312,333 | - | - | 326,223,940 | 326,536,273 |
| - Loss allowance | - | - | - | (319,063,940) | (319,063,940) |
| 31 December 2024 | | | | | |
| Gross carrying amount | | | | | |
| - Contract assets | 8,322,349 | 202,088 | 90,159,139 | 228,984,036 | 327,667,612 |
| - Loss allowance | - | - | (90,079,904) | (228,984,036) | (319,063,940) |

As at 31 December 2025, the net contract assets which are not set loss allowance on is expected to be transferred to trade receivables within 6 months.

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

The loss allowance for expected credit losses on trade receivables and contract assets as at 31 December reconcile to the opening loss allowances as follows:

| | Consolidated and Separate financial statements | | | |
|---|---|-------------|--------------------------|-------------|
| | Contract assets | | Trade receivables | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Opening loss allowance | | | | |
| at 1 January | 319,063,940 | 13,503,224 | 17,583,789 | 13,412,789 |
| Increase in loss allowance recognised | | | | |
| in profit or loss during the year | - | 305,560,716 | (102,293) | 4,171,000 |
| Receivables written off during the year | | | | |
| as uncollectible | - | - | - | - |
| Unused amount reversed | - | - | - | - |
| Closing loss allowance | | | | |
| at 31 December | 319,063,940 | 319,063,940 | 17,481,496 | 17,583,789 |

The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, or a failure to make contractual payments.

Impairment losses on trade receivables and contract assets are presented as a part of administrative expenses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Debt investments

The Group considers that investments measured at amortised cost (except short-term loans to related parties) is 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 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.

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Notes to Financial Statements

For the year ended 31 December 2025

Short-term loans to related parties are considered to have significant increase in credit risk, and the loss allowance recognised was estimated based on a life-time expected losses.

The reconciliations of loss allowance for financial assets at amortised cost for the years ended 31 December are as follows:

| | Separate financial statements | |
|--|--|-------------------|
| | Short-term loans to related parties | |
| | 2025 | 2024 |
| | Baht | Baht |
| Loss allowance as at 1 January | 89,133,155 | - |
| Increase in loss allowance recognised in profit or loss during the year | (1,249,335) | 89,133,155 |
| Closing loss allowance as at 31 December | 87,883,820 | 89,133,155 |

Financial asset measured at fair value through profit or loss (FVPL)

The Group is also exposed to credit risk in relation to debt investments that are measured at FVPL. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

7.1.3 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. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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 projects cash flows and maintaining financing plans as mention in Note 3 to financial statement.

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

a) Financing arrangements

The Group has undrawn credit facilities as at 31 December as follows:

| | Consolidated and separate financial statements | |
|-------------------------------------|---|-------------|
| | 2025 | 2024 |
| | Baht | Baht |
| Floating rate | | |
| Expiring within one year | | |
| - Bank overdraft | 4,270,000 | 277,960 |
| Fixed rate | | |
| Expiring within one year | | |
| - Short-term borrowings from others | - | 19,000,000 |
| | 4,270,000 | 19,277,960 |

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| | Consolidated financial statements | | |
|---|--|--------------------|--------------|
| | Within 1 year | 1 - 5 years | Total |
| | Baht | Baht | Baht |
| As at 31 December 2025 | | | |
| Bank overdrafts and short-term borrowings | 7,200,000 | - | 7,200,000 |
| Trade and other payables | 28,516,223 | - | 28,516,223 |
| Lease liabilities | 1,447,395 | 1,160,507 | 2,607,902 |
| | 37,163,618 | 1,160,507 | 38,324,125 |
| As at 31 December 2024 | | | |
| Bank overdrafts and short-term borrowings | 32,992,040 | - | 32,992,040 |
| Trade and other payables | 49,822,723 | - | 49,822,723 |
| Lease liabilities | 1,619,344 | 2,989,760 | 4,609,104 |
| | 84,434,107 | 2,989,760 | 87,423,867 |

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For the year ended 31 December 2025

| | Separate financial statements | | |
|---|-------------------------------|------------------|-------------------|
| | Within 1 year | 1 - 5 years | Total |
| | Baht | Baht | Baht |
| As at 31 December 2025 | | | |
| Bank overdrafts and short-term borrowings | 7,800,000 | - | 7,800,000 |
| Trade and other payables | 44,217,147 | - | 44,217,147 |
| Lease liabilities | 1,447,395 | 1,160,507 | 2,607,902 |
| Total financial liabilities | 53,464,542 | 1,160,507 | 54,625,049 |
| As at 31 December 2024 | | | |
| Bank overdrafts and short-term borrowings | 33,792,040 | | 33,792,040 |
| Trade and other payables | 57,998,789 | - | 57,998,789 |
| Lease liabilities | 1,619,344 | 2,989,760 | 4,609,104 |
| Total financial liabilities | 93,410,173 | 2,989,760 | 96,399,933 |

7.2 Capital management

Risk management

The objectives when managing capital are to:

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

The Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

| | Consolidated | | Separate | |
|--|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Net debt | 44,123,681 | 94,101,820 | 59,212,680 | 102,835,871 |
| Equity (including non-controlling interests) | 55,253,980 | 77,798,648 | 50,223,547 | 89,930,358 |
| Net debt to equity ratio | 0.80 | 1.21 | 1.18 | 1.14 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

8 Fair value

The following table presents fair value of financial assets recognised by their fair value hierarchy.

| | Consolidated financial statements | | | | | | | |
|--|-----------------------------------|------|---------|---------|------------|------------|------------|------------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
| Assets | | | | | | | | |
| <i>Financial assets at fair value through profit or loss</i> | | | | | | | | |
| Investment in mutual funds | - | - | 589,047 | 578,523 | - | - | 589,047 | 578,523 |
| Investment in venture capital fund | - | - | - | - | 25,519,348 | 24,060,085 | 25,519,348 | 24,060,085 |
| Investment in joint production and distribution of animation project | - | - | - | - | 19,269 | 1,648,915 | 19,269 | 1,648,915 |
| Total assets | - | - | 589,047 | 578,523 | 25,538,617 | 25,709,000 | 26,127,664 | 26,287,523 |
| Liabilities | | | | | | | | |
| Financial derivative liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - |

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For the year ended 31 December 2025

| | Separate financial statements | | | | | | | |
|--|-------------------------------|------|---------|---------|------------|------------|------------|------------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
| Assets | | | | | | | | |
| <i>Financial assets at fair value through profit or loss</i> | | | | | | | | |
| Investment in mutual funds | - | - | 589,047 | 578,523 | - | - | 589,047 | 578,523 |
| Investment in venture capital fund | - | - | - | - | 25,519,348 | 24,060,085 | 25,519,348 | 24,060,085 |
| Total assets | - | - | 589,047 | 578,523 | 25,519,348 | 24,060,085 | 26,108,395 | 24,060,085 |
| Liabilities | | | | | | | | |
| Financial derivative liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | - | - | - | - | - | - | - | - |

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For the year ended 31 December 2025

Financial assets and financial liabilities are approximately to the carrying amounts as follows:

- Cash and cash equivalent
- Trade and other receivables
- Contract assets
- Short term loans to related parties
- Bank overdrafts and short-term borrowings
- Trade and other payables; and
- Contract liabilities.

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

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

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

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

There were no transfers between levels of fair value hierarchy during the year.

Valuation techniques used to derive Level 2 fair values

Financial assets measured at fair value through profit or loss

Investment units in money market fund are measured at fair value derived from the net asset value of the investment units which was based on the closing price at the end of the reporting period from the Asset Management Company.

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

Derivatives

Derivatives comprise forward foreign exchange contracts which have been calculated using rates quoted by the Company's counterparties to terminate the contracts at the end of reporting period.

All of the resulting fair value estimates are included in level 2, except for investment in venture capital fund and Investment in joint production and distribution of animation project.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items

| | Consolidated financial statements Baht | Separate financial statements Baht |
|--|---|---|
| | <hr/> | <hr/> |
| Opening balance 1 January 2024 | 50,079,355 | 24,813,105 |
| Unrealised losses recognised in profit or loss | (24,370,355) | (753,020) |
| | <hr/> | <hr/> |
| Closing balance 31 December 2024 | 25,709,000 | 24,060,085 |
| Unrealised losses recognised in profit or loss | (170,383) | 1,459,263 |
| | <hr/> | <hr/> |
| Closing balance 31 December 2025 | 25,538,617 | 25,519,348 |
| | <hr/> | <hr/> |

Yggdrasil Group Public Company Limited

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For the year ended 31 December 2025

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

| | | Fair value | |
|--|----------------------|------------|------------|
| | | 2025 | 2024 |
| | Method | Baht | Baht |
| Investment in venture capital fund | Reference price | | |
| | from net asset value | 25,519,348 | 24,060,085 |
| Investment in joint production and distribution of animation project | Reference price | | |
| | from net asset value | 19,269 | 1,648,915 |

As at 31 December 2025 and 2024, management assessed that the measurement of investment in joint production and distribution derived from net asset value of the investment at the end of the reporting period is appropriate because it reflects the business plan and the maximum benefits expected to be received.

Management reviews the valuation processes and the results at least every year.

9 Critical accounting estimates and judgements

Estimates 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) Revenue recognition

The Company uses the proportion of the costs incurred comparing to the estimated costs to complete for recognition of revenue. Where there is increase in the proportion of the costs incurred comparing to the estimated costs to complete from management's estimates, the amount of revenue recognised in the period would be increased, or would be decreased if there is decrease the proportion of the costs incurred comparing to the estimated costs to complete.

b) Valuation of movies under production

The Group has recognised the cost of film under production when incurred. When there is an indicator that the estimated remaining net cash flows are not sufficient to recover each film under production cost, the Group will test impairment on such asset and the impairment will be recognised. The estimation of net cash flow is calculated and estimated by management.

c) Useful life of intangible asset

The Group estimates the useful life of game development cost based on the period of its expected benefit.

d) 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 29.

e) Determination of discount rate applied to leases

The Company 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.

f) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

Yggdrasil Group Public Company Limited

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For the year ended 31 December 2025

10 Segment information

The Group's chief executive officer examines the Group's performance both from a product and geographic perspective and has identified 3 reportable segments of the Group's business.

The management use a measure of segment's revenue and gross margin to assess the performance of the operating segments. For the game segment, the revenue consists of revenue from services and revenue from sales of good in intangible assets.

Financial information by segment of the Group are as follows:

| | Consolidated financial statement | | | |
|--|---|------------------------------------|--|------------------------------------|
| | 31 December 2025 | | | |
| | Computer graphic Thousand Baht | Games Thousand Baht | Animation Thousand Baht | Total Thousand Baht |
| Revenue from sales or services | 52,617 | 10,085 | 10,308 | 73,010 |
| Cost of sales of goods or of services | (38,906) | (4,450) | (13,350) | (56,706) |
| Operating result by segment | 13,711 | 5,635 | (3,402) | 16,304 |
| Other income | | | | 4,492 |
| Distribution expenses | | | | (12,116) |
| Administrative expenses | | | | (23,428) |
| Gain (Loss) on exchange rate | | | | (3,168) |
| Expected credit loss | | | | (1,629) |
| Share of gain (loss) of joint venture accounted for using the equity method | | | | (2,528) |
| Finance costs | | | | (1,742) |
| Profit (Loss) before income tax | | | | (23,815) |
| tax expense | | | | (1,590) |
| Profit (Loss) for the year | | | | (25,405) |
| Timing of revenue recognition | | | | |
| At a point in time | 49,221 | 3,185 | 3,940 | 56,346 |
| Over time | 3,396 | 6,900 | 6,368 | 16,664 |
| Revenue from sales or services | 52,617 | 10,085 | 10,308 | 73,010 |

*Home Sweet Home: Rebirth's revenues are presented in a computer graphics film segment.

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For the year ended 31 December 2025

| | Consolidated financial statement | | | |
|--|---|--------------------------|--------------------------|--------------------------|
| | 31 December 2024 | | | |
| | Computer graphic | Games | Animation | Total |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Revenue from sales or services | 54,788 | 64,523 | 55,632 | 174,943 |
| Cost of sales of goods or of services | (41,672) | (44,810) | (55,290) | (141,772) |
| Operating result by segment | 13,116 | 19,713 | 342 | 33,171 |
| Other income | | | | 2,810 |
| Distribution expenses | | | | (2,586) |
| Administrative expenses | | | | (241,183) |
| Gain (Loss) on exchange rate | | | | (593) |
| Expected credit loss | | | | (314,732) |
| Share of gain (loss) of joint venture accounted for using the equity method | | | | (15,190) |
| Finance costs | | | | (1,104) |
| Profit (Loss) before income tax | | | | (539,407) |
| tax expense | | | | (8,477) |
| Profit (Loss) for the year | | | | (547,884) |
| Timing of revenue recognition | | | | |
| At a point in time | - | 10,578 | - | 10,578 |
| Over time | 54,788 | 53,945 | 55,632 | 164,365 |
| Revenue from sales or services | 54,788 | 64,523 | 55,632 | 174,943 |

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| | Separate financial statement | | | |
|--|------------------------------|------------------|------------------|------------------|
| | 31 December 2025 | | | |
| | Computer graphic | Games | Animation | Total |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Revenue from sales or services | 4,177 | 3,185 | 6,368 | 13,730 |
| Cost of sales of goods or of services | (8,354) | (2,728) | (13,170) | (24,252) |
| Operating result by segment | (4,177) | 457 | (6,802) | (10,522) |
| Other income | | | | 11,136 |
| Distribution expenses | | | | (4,097) |
| Administrative expenses | | | | (19,297) |
| Gain (Loss) on exchange rate | | | | (2,909) |
| Expected credit loss | | | | (12,276) |
| Share of gain (loss) of joint venture accounted for using the equity method | | | | - |
| Finance costs | | | | (1,742) |
| Profit (Loss) before income tax | | | | (39,707) |
| tax expense | | | | - |
| Profit (Loss) for the year | | | | (39,707) |
| Timing of revenue recognition | | | | |
| At a point in time | 2,774 | 3,185 | - | 5,959 |
| Over time | 1,403 | - | 6,368 | 7,771 |
| Revenue from sales or services | 4,177 | 3,185 | 6,368 | 13,730 |

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For the year ended 31 December 2025

| | Separate financial statement | | | |
|--|-------------------------------------|--------------------------|--------------------------|--------------------------|
| | 31 December 2024 | | | |
| | Computer graphic | Games | Animation | Total |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Revenue from sales or services | 54,788 | 46,558 | 62,792 | 164,138 |
| Cost of sales of goods or of services | (41,672) | (36,646) | (55,290) | (133,608) |
| Operating result by segment | 13,116 | 9,912 | 7,502 | 30,530 |
| Other income | | | | 10,376 |
| Distribution expenses | | | | (2,586) |
| Administrative expenses | | | | (173,881) |
| Gain (Loss) on exchange rate | | | | (598) |
| Expected credit loss | | | | (403,865) |
| Finance costs | | | | (1,120) |
| Profit (Loss) before income tax | | | | (541,144) |
| tax expense | | | | (8,178) |
| Profit (Loss) for the year | | | | (549,322) |
| Timing of revenue recognition | | | | |
| At a point in time | - | 10,578 | - | 10,578 |
| Over time | 54,788 | 35,980 | 62,792 | 153,560 |
| Revenue from sales or services | 54,788 | 46,558 | 62,792 | 164,138 |

For the year ended 31 December 2025, the Company had revenue from providing services to 3 major customers, which was 53% from total revenue (2024: 59% from total revenue).

Yggdrasil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025**

Proportion of revenues for the years ended 31 December 2025 and 2024 separate by geographical segments are as follows:

| | Consolidated | | Separate | |
|----------|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | % | % | % | % |
| Thailand | 21 | 20 | 34 | 16 |
| Asia | 21 | 75 | 43 | 79 |
| Europe | 46 | - | - | - |
| America | 12 | 5 | 23 | 5 |
| Total | 100 | 100 | 100 | 100 |

11 Cash and cash equivalents

| | Consolidated | | Separate | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Cash on hand | 38,896 | 73,742 | 21,766 | 65,784 |
| Bank Deposits | | | | |
| Saving Accounts | 11,245,669 | 12,998,888 | 10,276,717 | 11,797,152 |
| Current Accounts | 2,430,944 | 4,831,076 | 450,092 | 217,813 |
| Total bank deposits | 13,676,613 | 17,829,964 | 10,726,809 | 12,014,965 |
| Short-term investment due within three months | 144,614 | 144,434 | 144,614 | 144,234 |
| Total cash and cash equivalents | 13,860,123 | 18,047,940 | 10,893,189 | 12,224,983 |

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The effective interest rate on short-term bank deposits was 0.15% to 0.55% (2024: 0.15% to 0.55% per annum).

The effective interest rate on short-term investment due within three months was 1.05% (2024: 1.05% per annum).

12 Financial assets

The Group has financial assets as follows:

| | | Consolidated | | Separate | |
|---------------------------------|-------------------|-----------------------------|-------------------|-----------------------------|-------------------|
| | | financial statements | | financial statements | |
| | | 2025 | 2024 | 2025 | 2024 |
| Measurements | | Baht | Baht | Baht | Baht |
| Current Assets | | | | | |
| Fixed deposits with | | | | | |
| maturities of 6 months - 1 year | Amortised cost | 140,957 | 139,423 | 140,957 | 139,423 |
| Investment in mutual | | | | | |
| funds | Fair Value to P/L | 589,047 | 578,523 | 589,047 | 578,523 |
| | | 730,004 | 717,946 | 730,004 | 717,946 |
| Non-current Assets | | | | | |
| Investment in | | | | | |
| venture capital fund | Fair Value to P/L | 25,519,348 | 24,060,085 | 25,519,348 | 24,060,085 |
| Investment in | | | | | |
| joint production and | | | | | |
| distribution of | | | | | |
| animation project | Fair Value to P/L | 19,269 | 1,648,915 | - | - |
| | | 25,538,617 | 25,709,000 | 25,519,348 | 24,060,085 |

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13 Trade and other current receivables

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade accounts receivables | | | | |
| - Related parties | - | 73,366 | - | 624,434 |
| - Non-related parties | 22,545,005 | 18,945,363 | 18,240,955 | 18,940,958 |
| Total trade account receivables | 22,545,005 | 19,018,729 | 18,240,955 | 19,565,392 |
| <u>Less:</u> allowance for expected credit loss | (17,481,496) | (17,583,789) | (17,481,496) | (17,583,789) |
| Trade accounts receivables, net | 5,063,509 | 1,434,940 | 759,459 | 1,981,603 |
| Other current receivables | | | | |
| - Related parties | - | - | 78,827 | - |
| - Non-related parties | 44,890 | 157,873 | 44,890 | 157,873 |
| Prepaid expenses | 5,084,162 | 1,192,163 | 2,498,485 | 1,192,163 |
| Total trade and other current receivables | 10,192,561 | 2,784,976 | 3,381,662 | 3,331,639 |

Outstanding trade receivables can be analysed as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------|-------------------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade receivables | | | | |
| Current | 11,052 | 904,508 | 11,052 | 1,451,171 |
| Overdue less than 3 months | 5,018,300 | 4,421,493 | 802,500 | 4,421,493 |
| Overdue 3 - 6 months | 197,591 | 255,324 | 109,341 | 255,324 |
| Overdue 6 - 12 months | 86,566 | 25,000 | 86,566 | 25,000 |
| Overdue more than 12 months | 17,231,496 | 13,412,404 | 17,231,496 | 13,412,404 |
| Total trade account receivables | 22,545,005 | 19,018,729 | 18,240,955 | 19,565,392 |
| <u>Less:</u> allowance for expected credit loss | (17,481,496) | (17,583,789) | (17,481,496) | (17,583,789) |
| Trade accounts receivables, net | 5,063,509 | 1,434,940 | 759,459 | 1,981,603 |

14 Assets and liabilities relating to contracts with customers

14.1 Contract assets - current assets

The Group has recognised the following assets related to contracts with customers:

| | Consolidated | | Separate | |
|-------------------------------------|-----------------------------|------------------|-----------------------------|------------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| <i>Contract assets</i> | | | | |
| - Related parties | 1,411,800 | 1,411,800 | 8,571,800 | 8,571,800 |
| - Non-related parties | 317,964,473 | 324,845,812 | 317,964,473 | 319,095,812 |
| Total contract assets | 319,376,273 | 326,257,612 | 326,536,273 | 327,667,612 |
| <u>Less: allowance for expected</u> | | | | |
| credit loss | (319,063,940) | (319,063,940) | (319,063,940) | (319,063,940) |
| Total contract assets, net | 312,333 | 7,193,672 | 7,472,333 | 8,603,672 |

As of 31 December 2025, the Group has contract assets in which the projects based on contract are completed but not yet billed to the customers and uncompleted projects amounting to Baht 41.6 million and Baht 277.7 million completed but not yet billed to the customers and uncompleted projects amounting to Baht 48.8 million and Baht 277.7 million, respectively (2024: The Group has contract assets in the projects based on contract are completed but not yet billed to the customers and uncompleted projects amounting to Baht 41.4 million and Baht 284.9 million completed but not yet billed to the customers and uncompleted projects amounting to Baht 48.6 million and Baht 279.1 million, respectively). The Group considers indications of impairment of contract assets which are identified. Therefore, the Group is required to follow procedures for identifying indications and testing for impairment of each such asset. Regarding to considering of adjust its business strategy, some portion of contract assets was expected to not be able to bill to the customers and not be able to complete the projects based on contracts.

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For the year ended 31 December 2025

For the year ended 31 December 2024: The Group recognised expected credit losses amounting to Baht 305.6 million

Expected revenue of incomplete performance obligation

As of 31 December 2025, the Group has no expected future revenue from incomplete (or partially complete) performance obligations of contracts with customers (2024: Baht 4.1 million: within 2025).

14.2 Contract liabilities - current assets

The Group has recognised the following liabilities related to contracts with customers:

| | Consolidated | | Separate | |
|----------------------|----------------------|-----------|----------------------|---------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Contract liabilities | 477,324 | 3,402,114 | 477,324 | 708,874 |

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

| | Consolidated | | Separate | |
|---|----------------------|-----------|----------------------|-----------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Revenue recognised that was included in the contract liability balance at the beginning of the period | 2,924,790 | 1,437,333 | 231,550 | 1,437,333 |

15 Character design costs

The movements of character design costs are as follows:

| | Consolidated and separate | |
|--|---------------------------|-------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Book value at 1 January | - | 5,165,764 |
| Recognise as cost of sales of goods or of services | - | (1,944,089) |
| Write off | - | (3,221,675) |
| Closing amount at 31 December | - | - |

During 2024, the Group considers adjusting its business strategy leading to cancellation of development plan of intangible assets which include character design costs. For the year ended 31 December 2024, the Group recognises loss from write off of character design costs amounting to Baht 3.2 million.

16 Films under production

On 17 July 2023, the Company entered into the film production contract agreement with the counterparty company incorporated in the United States (“Film Producer”) for the total investment of USD 3.5 million, and the Company will receive 50 percent of the profit sharing. The Company made the following payments:

- On 21 July 2023, the Company paid in amount of USD 0.35 million or Baht 11.3 million
- On 2 October 2023, the Company paid in amount of USD 0.95 million or Baht 30.3 million
- On 31 October 2023, the Company paid in amount of USD 0.55 million or Baht 17.7 million
- On 3 November 2023, the Company paid in amount of USD 0.55 million or Baht 17.7 million.

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For the year ended 31 December 2025

On 27 November 2023, the Company transferred rights and obligations to Yggdrasil International Limited (the related company) at cost amounting to Baht 77.0 million with no gain or loss recognize and entered into the licensing agreement with Yggdrasil International Limited (the related company) to grant right to use all Intellectual Property regarding the Licensed game for development and production of an American cinematographic film. The related company agreed to pay at the rate of 10% of net revenue sharing from the distribution of the project.

Yggdrasil International Limited (the related company) has paid the remaining amount based on the contract as follows:

- On 27 November 2023, the Company paid in amount of USD 0.47 million or Bath 15.2 million
- On 13 December 2023, the Company paid in amount of USD 0.16 million or Bath 5.0 million
- On 16 January 2024, the Company paid in amount of USD 0.16 million or Baht 5.0 million
- On 23 February 2024, the Company paid in amount of USD 0.10 million or Baht 3.1 million
- On 8 April 2024, the Company paid in amount of USD 0.11 million or Baht 3.5 million
- On 30 April 2024, the Company paid in amount of USD 0.11 million or Baht 3.5 million.

On 15 July 2024, the Film Producer entered into film selling agent agreement with the counterparty company incorporated in the United States (“Agent”) which appointed as a sale agent with the right to procure distributors and obtain the rights and privileges specified in the contract. During 2024, the Film Producer entered into a contract with a total of 5 distributors.

As of 31 December 2024, the Group considers indications that estimation of net cash flow is not sufficient to recover the film under production cost. The management considers the estimation of net cash flow calculated from agreed guarantee regarding to the signed contracts with distributors during 2024 including the estimation which the sale agent expected to proceed sale of film under production in other territories after the period end by not including revenue sharing which is not assessed reliably. The Group recognises impairment losses for film under production amount of USD 2.37 million or Baht 83.4 million. The amounts of impairment loss represent the impact in the income statement as administrative expenses in full amount.

During the year 2025, the Group entered into a total of 17 additional rights distribution agreements. The principal compensation structures of these agreements are categorized into: (1) Minimum guarantee, (2) Minimum guarantee combined with revenue sharing, and (3) Revenue sharing. The commercial terms, revenue sharing ratios, and scope of rights vary depending on the nature of the counterparties, distribution channels, and relevant territories. The term of these rights distribution agreements ranges from approximately 3 to 20 years, subject to the specific provisions of each contract.

These rights distribution agreements cover multiple regions worldwide, including Southeast Asia, East Asia, Europe, North America, Latin America, the Middle East, as well as other territories and specific service channels such as inflight and maritime entertainment systems (Airlines and Ships). The commercial details for certain territories are currently being finalized.

For agreements containing revenue sharing conditions, the Group receives a revenue share based on the commercial performance of the counterparties. Generally, performance reporting and remuneration payments are made on a quarterly basis throughout the contract period. The nature of these agreements therefore reflects potential recurring revenue streams in the future. In this regard, the Group's revenue recognition shall be in accordance with the economic substance of the agreements and the applicable financial reporting standards.

During the year 2025, the Group transferred completed films under production to intangible assets (Note 24)."

17 Short-term loans to related parties

The Company had entered into short-term loan agreements with the subsidiaries. The borrowing is unsecured and carries interest rate of 6.00% to 6.60% per annum (2024: 6% per annum) with requirement on repayment of the principal and all accrued interest at call. As at 31 December 2025, the Company did not issue written notice to call the loan amount together with all accrued interest income.

| | Separate financial statements | |
|---|--------------------------------------|--------------|
| | 2025 | 2024 |
| | Baht | Baht |
| Short-term loan and accrued interest income | | |
| Principle | 85,197,549 | 123,282,089 |
| Accrued interest income | 8,189,498 | 7,204,939 |
| <u>Less</u> Loss allowance (Note 7.1.2) | (87,883,820) | (89,133,155) |
| Total short-term loan and accrued interest income | 5,503,227 | 41,353,873 |

18 Financial assets and financial liabilities

The Group has financial assets and financial liabilities as follows:

| | Consolidated financial statements | | | | | |
|--|--|-------------|--------------|------------------|-------------|--------------|
| | 2025 | | | 2024 | | |
| | Amortised | | Total | Amortised | | Total |
| | FVPL | cost | | FVPL | cost | |
| Baht | Baht | Baht | Baht | Baht | Baht | |
| Financial assets | | | | | | |
| Cash and cash equivalents | - | 1,386,123 | 13,860,123 | - | 18,047,940 | 18,047,940 |
| Financial assets measured at amortised cost | - | 140,957 | 140,957 | - | 139,423 | 139,423 |
| Financial assets measured at fair value through profit or loss | 26,127,663 | - | 26,127,663 | 26,287,523 | - | 26,287,523 |
| Trade and other receivables | - | 10,192,561 | 10,192,561 | - | 2,784,976 | 2,784,976 |
| Other non-current assets | - | 1,019,840 | 1,019,840 | - | 1,160,440 | 1,160,440 |
| Separate financial statements | | | | | | |
| | 2025 | | | 2024 | | |
| | Amortised | | Total | Amortised | | Total |
| | FVPL | cost | | FVPL | cost | |
| | Baht | Baht | Baht | Baht | Baht | Baht |
| Financial assets | | | | | | |
| Cash and cash equivalents | - | 10,893,189 | 10,893,189 | - | 12,224,983 | 12,224,983 |
| Financial assets measured at amortised cost | - | 140,957 | 140,957 | - | 139,423 | 139,423 |
| Financial assets measured at fair value through profit or loss | 26,108,395 | - | 26,108,395 | 24,638,608 | - | 24,638,608 |
| Trade and other receivables | - | 3,381,662 | 3,381,662 | - | 3,331,639 | 3,331,639 |
| Other non-current assets | - | 1,019,840 | 1,019,840 | - | 1,160,440 | 1,160,440 |

Consolidated financial statements

| | 2025 | | | 2024 | | |
|--------------------------------|-----------|------------|------------|-----------|------------|------------|
| | Amortised | | | Amortised | | |
| | FVPL | cost | Total | FVPL | cost | Total |
| | Baht | Baht | Baht | Baht | Baht | Baht |
| Financial liabilities | | | | | | |
| Bank overdrafts and short-term | | | | | | |
| borrowings | - | 7,200,000 | 7,200,000 | - | 32,992,040 | 32,992,040 |
| Trade and other payables | - | 28,516,223 | 28,516,223 | - | 49,822,723 | 49,822,723 |
| Lease liabilities | - | 2,607,902 | 2,607,902 | - | 4,609,104 | 4,609,104 |

Separate financial statements

| | 2025 | | | 2024 | | |
|--------------------------------|-----------|------------|------------|-----------|------------|------------|
| | Amortised | | | Amortised | | |
| | FVPL | cost | Total | FVPL | cost | Total |
| | Baht | Baht | Baht | Baht | Baht | Baht |
| Financial liabilities | | | | | | |
| Bank overdrafts and short-term | | | | | | |
| borrowings | - | 7,800,000 | 7,800,000 | - | 33,792,040 | 33,792,040 |
| Trade and other payables | - | 40,259,614 | 40,259,614 | - | 57,998,789 | 57,998,789 |
| Lease liabilities | - | 2,607,902 | 2,607,902 | - | 4,609,104 | 4,609,104 |

18.1 Financial assets measured at amortised cost

As of 31 December 2025 and 2024, financial assets measured at amortised cost are fixed deposits with maturity date between 6 months and 1 year. The effective interest rate on fixed deposit was 0.93% to 1.20% per annum (2024: 0.96% to 1.90% per annum).

Yggdrasil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025**

The movements of the financial assets measured at amortised cost for the year ended are as follows:

| | Consolidated and separate | |
|-------------------------------|----------------------------------|-------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Book value at 1 January | 139,423 | 5,698,536 |
| Withdrawal of fixed deposit | - | (5,600,000) |
| Interest income | 1,534 | 40,887 |
| Closing amount at 31 December | 140,957 | 139,423 |

18.2 Financial assets measured at fair value through profit or loss

As of 31 December 2025 and 2024, financial assets measured at fair value through profit or loss are investment in money market fund, Investment in joint production, and distribution of animation project.

| | Consolidated | | Separate | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Current Assets | | | | |
| Investment in mutual funds | 589,047 | 578,523 | 589,047 | 578,523 |
| Non-current Assets | | | | |
| Investment in venture capital fund | 25,519,348 | 24,060,085 | 25,519,348 | 24,060,085 |
| Investment in joint production and distribution of animation project | 19,269 | 1,648,915 | - | - |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

The movements of the financial assets measured at fair value through profit or loss for year are as follows:

| | Consolidated | | Separate | |
|-------------------------------|-----------------------------|--------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Book value at 1 January | 26,287,523 | 55,942,664 | 24,638,608 | 30,676,414 |
| Sales of financial assets | - | (5,154,444) | - | (5,154,444) |
| Change in fair value | (159,860) | (24,500,697) | 1,469,787 | (883,362) |
| Closing amount at 31 December | 26,127,663 | 26,287,523 | 26,108,395 | 24,638,608 |

Amounts recognised in profit or loss

| | Consolidated | | Separate | |
|---|-----------------------------|--------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Gain on sales of financial assets | - | 151,824 | - | 151,824 |
| Fair value gain on investment in mutual funds | - | 11,848 | - | 11,848 |
| Fair value loss on investment in venture capital fund | 1,459,263 | (753,020) | 1,459,263 | (753,020) |
| Fair value loss on investment in joint production and distribution of animation project | (25,246,981) | (23,617,335) | - | - |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

19 Other current assets

| | Consolidated | | Separate | |
|----------------------|-----------------------------|------------------|-----------------------------|------------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Tax receivable | 5,606,915 | 4,874,497 | 5,550,811 | 4,861,657 |
| Deferred input VAT | 490,117 | 1,240,290 | 463,680 | 612,205 |
| Withholding tax | 274,153 | 483,424 | 273,682 | 310,190 |
| Other current assets | 1,521,908 | 96,415 | 15,388 | 15,387 |
| Total | 7,893,093 | 6,543,772 | 6,303,561 | 5,799,439 |

20 Investment in joint venture

20.1 Investment details in joint venture

As at 31 December 2025 and 2024 investment in joint venture are as follows:

| Entity name | Country of incorporation | Nature of business | % of ownership interest | | Consolidated | | Separate | | |
|----------------------|--------------------------|---|-------------------------|-------------|------------------------------------|-------------|----------------------------------|-------------|-------------|
| | | | | | Financial statements | | financial statements | | |
| | | | | | Investment at equity method | | Investment at cost method | | |
| | | | | 2025 | 2024 | 2025 | 2024 | | |
| | | | | % | % | Baht | Baht | Baht | Baht |
| Joint venture | | | | | | | | | |
| MYGG Company Limited | Thailand | Business of distributing, advertising, publishing and localizing traditional electronic games | 50 | 50 | - | 21,553,582 | 5,803,427 | 34,428,491 | |
| Total | | | | | - | 21,553,582 | 5,803,427 | 34,428,491 | |

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

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Notes to Financial Statements

For the year ended 31 December 2025

As of 31 December 2025 and 2024, the Company has considered that there is indication that the recoverable amount is not exceeds the carrying amount of investment in joint venture. The management considers the recoverable amount from net asset value of investment in joint venture. The expected rate of return on investment is applied for discounting. The Company recognises impairment losses for investment in joint venture amounting to Baht 25.2 million and Baht 15.6 million. The amounts of allowance for impairment loss represent the impact in the income statement as administrative expenses in full amount.

20.2 Summarised financial information for joint venture

The table below is summarised of financial information for joint venture. The financial information is included in joint venture own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value.

| | MYGG Company Limited | |
|---|----------------------|--------------|
| | 2025 | 2024 |
| | Baht | Baht |
| <i>Summarised of performance</i> | | |
| Revenue from services | - | 1,500,000 |
| Other income | 257,811 | 242,996 |
| Cost of services | (2,820,254) | (5,045,421) |
| Selling and administrative expenses | (10,149,438) | (27,077,979) |
| (Loss) profit before income tax expense | (12,711,881) | (30,380,404) |
| Income tax expense | - | - |
| (Loss) profit for the year | (12,711,881) | (30,380,404) |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

| | MYGG Company Limited | |
|--|-----------------------------|-------------------|
| | 2025 | 2024 |
| | Baht | Baht |
| <i>Summarised of statement of financial position</i> | | |
| Cash and cash equivalents | 65,111 | 40,748,983 |
| Trade and other receivables | 1,879,044 | 10,499,711 |
| Contract assets | 1,411,800 | - |
| Other current assets | 3,274,618 | 3,309,053 |
| Total current assets | 6,630,573 | 54,557,747 |
| | | |
| Equipment | 679,688 | 1,006,241 |
| Intangible assets | 5,786,671 | 15,572,579 |
| Total non-current assets | 6,466,359 | 16,578,820 |
| | | |
| Trade and other payables | 1,486,930 | 2,271,129 |
| Other current liabilities | 3,147 | 8,456 |
| Total current liabilities | 1,490,077 | 2,279,585 |
| Net assets | 11,606,855 | 68,856,982 |

Reconciliation to carrying amounts

| | MYGG Company Limited | |
|--------------------------------|-----------------------------|-------------------|
| | 2025 | 2024 |
| | Baht | Baht |
| Opening carrying amount | 21,553,582 | 36,743,784 |
| Decrease in investment | (19,025,005) | - |
| Share of (loss) gain | (2,528,577) | (15,190,202) |
| Closing carrying amount | - | 21,553,582 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

21 Investments in subsidiaries

As at 31 December 2025 and 2024, the subsidiary included in consolidated financial statement is listed below. The subsidiary has only ordinary shares in which the Company directly holds those shares. The proportion of ownership interests held by the Company is equal to voting rights in subsidiaries held by the Company.

| Entity name | Nature of business | Country of incorporation | Ownership interest held by the Company | | Ownership interests held by non-controlling interests | |
|----------------------------|---|--------------------------|--|----------|---|----------|
| | | | 2025 (%) | 2024 (%) | 2025 (%) | 2024 (%) |
| Subsidiaries | | | | | | |
| YGG GLOBAL Company Limited | Computer graphics, animations and visual effects services | Thailand | 100 | 100 | - | - |
| YGG CG Company Limited | Computer graphics, animations and visual effects services | Thailand | 100 | 100 | - | - |
| YGG International Limited | Television programming, entertainment and arts services | United Arab Emirates | 100 | 100 | - | - |

The movement of the subsidiaries as at 31 December 2025 and 2024 is as follows:

| | Separate financial statements | |
|---|-------------------------------|--------------|
| | 2025 Baht | 2024 Baht |
| Opening amount | 7,709,167 | 31,999,800 |
| Increase in allowance for impairment loss | (2,675,795) | (24,290,633) |
| Closing amount | 5,033,372 | 7,709,167 |

As of 31 December 2025 and 2024, the Company has considered that there is indication that the recoverable amount is not exceeds the carrying amount of investment in subsidiaries. The management considers the recoverable amount from net asset value of such each subsidiaries. The Company recognises impairment losses for investments in subsidiaries amounting to Baht 2.68 million and Baht 24.29 million. The amounts of allowance for impairment loss represent the impact in the income statement as administrative expenses in full amount.

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

22 Leasehold improvement and equipment

| | Consolidated financial statements | | | |
|--|--|------------------|------------------|---------------|
| | Leasehold | Office | Computers | Total |
| | improvement | equipment | | |
| | Baht | Baht | Baht | Baht |
| As at 1 January 2024 | | | | |
| Cost | 23,184,064 | 13,108,229 | 128,428,913 | 164,721,206 |
| <u>Less</u> Accumulated depreciation | (13,223,824) | (10,765,818) | (73,420,440) | (97,410,082) |
| Book amount, net | 9,960,240 | 2,342,411 | 55,008,473 | 67,311,124 |
| For the year ended 31 December 2024 | | | | |
| Opening book amount, net | 9,960,240 | 2,342,411 | 55,008,473 | 67,311,124 |
| Additions | 10,588 | 721,462 | 8,969,802 | 9,701,852 |
| Depreciation charges | (944,790) | (756,320) | (12,167,191) | (13,868,301) |
| Disposals, net | (5,513,204) | (238,416) | (1,819,352) | (7,570,972) |
| Impairment loss | - | - | (20,401,000) | (20,401,000) |
| Closing book amount, net | 3,512,834 | 2,069,137 | 29,590,732 | 35,172,703 |
| As at 31 December 2024 | | | | |
| Cost | 5,899,855 | 12,445,890 | 131,236,883 | 149,582,628 |
| <u>Less</u> Accumulated depreciation | (2,387,021) | (10,376,753) | (81,245,151) | (94,008,925) |
| <u>Less</u> Accumulated impairment | - | - | (20,401,000) | (20,401,000) |
| Book amount, net | 3,512,834 | 2,069,137 | 29,590,732 | 35,172,703 |
| For the year ended 31 December 2025 | | | | |
| Opening book amount, net | 3,512,834 | 2,069,137 | 29,590,732 | 35,172,703 |
| Additions | 830,797 | 14,617 | 16,812 | 862,226 |
| Depreciation charges | (473,961) | (657,191) | (10,753,074) | (11,884,226) |
| Disposals, net | - | (107,839) | (54,290) | (162,129) |
| Impairment loss | - | - | - | - |
| Closing book amount, net | 3,869,670 | 1,318,724 | 18,800,180 | 23,988,574 |
| As at 31 December 2025 | | | | |
| Cost | 7,520,242 | 12,149,864 | 130,854,800 | 150,524,906 |
| <u>Less</u> Accumulated depreciation | (3,650,572) | (10,831,140) | (91,653,620) | (106,135,332) |
| <u>Less</u> Accumulated impairment | - | - | (20,401,000) | (20,401,000) |
| Book amount, net | 3,869,670 | 1,318,724 | 18,800,180 | 23,988,574 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

| | Separate financial statements | | | |
|--|-------------------------------|--------------|--------------|---------------|
| | Leasehold | Office | | Total |
| | improvement | equipment | Computers | |
| | Baht | Baht | Baht | Baht |
| As at 1 January 2024 | | | | |
| Cost | 23,184,064 | 12,909,672 | 128,143,298 | 164,237,034 |
| <u>Less</u> Accumulated depreciation | (13,223,824) | (10,762,447) | (73,415,595) | (97,401,866) |
| Book amount, net | 9,960,240 | 2,147,225 | 54,727,703 | 66,835,168 |
| For the year ended 31 December 2024 | | | | |
| Opening book amount, net | 9,960,240 | 2,147,225 | 54,727,703 | 66,835,168 |
| Additions | 10,588 | 721,462 | 8,969,802 | 9,701,852 |
| Depreciation charges | (944,790) | (721,968) | (12,117,616) | (13,784,374) |
| Disposals, net | (5,513,204) | (155,972) | (1,690,375) | (7,359,551) |
| Impairment loss | - | - | (20,401,000) | (20,401,000) |
| Closing book amount, net | 3,512,834 | 1,990,747 | 29,488,514 | 34,992,095 |
| As at 31 December 2024 | | | | |
| Cost | 5,899,855 | 12,348,585 | 131,103,597 | 149,352,037 |
| <u>Less</u> Accumulated depreciation | (2,387,021) | (10,357,838) | (81,214,083) | (93,958,942) |
| <u>Less</u> Accumulated impairment | - | - | (20,401,000) | (20,401,000) |
| Book amount, net | 3,512,834 | 1,990,747 | 29,488,514 | 34,992,095 |
| For the year ended 31 December 2025 | | | | |
| Opening book amount, net | 3,512,834 | 1,990,747 | 29,488,514 | 34,992,095 |
| Additions | 830,797 | - | - | 830,797 |
| Depreciation charges | (473,961) | (640,574) | (10,727,918) | (11,842,453) |
| Disposals, net | - | (84,854) | (54,290) | (139,144) |
| Impairment loss | - | - | - | - |
| Closing book amount, net | 3,869,670 | 1,265,319 | 18,706,306 | 23,841,295 |
| As at 31 December 2025 | | | | |
| Cost | 7,520,242 | 12,067,584 | 130,704,699 | 150,292,525 |
| <u>Less</u> Accumulated depreciation | (3,650,572) | (10,802,266) | (91,597,393) | (106,050,230) |
| <u>Less</u> Accumulated impairment | - | - | (20,401,000) | (20,401,000) |
| Book amount, net | 3,869,670 | 1,265,319 | 18,706,306 | 23,841,295 |

Yggdrazil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025**

23 Right-of-use assets

As at 31 December 2025 and 2024, right-of-use asset balance are as follows:

| | Consolidated and separate | |
|--|----------------------------------|--------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Cost - capitalised finance leases | 18,613,137 | 18,613,137 |
| Increase (decrease) for changes contract | (853,660) | - |
| Transfer in (out) | (13,963,866) | - |
| <u>Less</u> Accumulated depreciation | (1,305,770) | (14,060,285) |
| Book amount, net | 2,489,841 | 4,552,852 |

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

| | Consolidated and separate | |
|--|----------------------------------|-------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Depreciation charge of right-of-use assets | 1,422,766 | 2,712,470 |
| Total | 1,422,766 | 2,712,470 |
| Total cash outflow for leases | | |
| Interest paid | 256,315 | 180,540 |
| Repayments on lease liabilities | 1,340,885 | 3,169,550 |
| Total | 1,597,200 | 3,350,090 |
| Expense relating to short-term leases and leases of low-value assets | - | 926,614 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

24 Intangible assets

| | Consolidated financial statements | | | | Total Baht |
|--------------------------------------|-----------------------------------|--------------------------------------|-------------------------------------|---|---------------|
| | Computer software Baht | Film development costs Baht | Game development cost Baht | Game under development cost Baht | |
| As at 1 January 2024 | | | | | |
| Cost | 29,642,253 | - | 43,060,108 | 35,282,228 | 107,984,589 |
| <u>Less</u> Accumulated amortisation | (13,303,309) | - | (9,628,085) | - | (22,931,394) |
| Book amount, net | 16,338,944 | - | 33,432,023 | 35,282,228 | 85,053,195 |
| For the year ended | | | | | |
| 31 December 2024 | | | | | |
| Opening book amount, net | 16,338,944 | - | 33,432,023 | 35,282,228 | 85,053,195 |
| Capitalised game development cost | - | - | - | 12,058,447 | 12,058,447 |
| Transfer in (out) | - | - | 6,636,121 | (6,636,121) | - |
| Write off | - | - | (30,155,621) | (40,704,554) | (70,860,175) |
| Amortisation charges | (2,507,397) | - | (9,912,523) | - | (12,419,920) |
| Closing book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| As at 31 December 2024 | | | | | |
| Cost | 29,642,253 | - | 19,540,608 | - | 49,182,861 |
| <u>Less</u> Accumulated amortisation | (15,810,706) | - | (19,540,608) | - | (35,351,314) |
| Book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| For the year ended | | | | | |
| 31 December 2025 | | | | | |
| Opening book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| Transfer in (out) | - | 34,632,038 | - | - | 34,632,038 |
| Exchange differences | - | (2,172,224) | - | - | (2,172,224) |
| Amortisation charges | (2,386,419) | (30,552,267) | - | - | (32,938,686) |
| Closing book amount, net | 11,445,128 | 1,907,546 | - | - | 13,352,675 |
| As at 31 December 2025 | | | | | |
| Cost | 29,642,253 | 32,459,814 | - | - | 64,274,291 |
| <u>Less</u> Accumulated amortisation | (18,197,125) | (30,552,267) | - | - | (48,749,392) |
| Book amount, net | 11,445,128 | 1,907,546 | - | - | 13,352,675 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

| | Separate financial statements | | | | Total Baht |
|--------------------------------------|-------------------------------|--------------------------------------|-------------------------------------|---|---------------|
| | Computer software Baht | Film development costs Baht | Game development cost Baht | Game under development cost Baht | |
| As at 1 January 2024 | | | | | |
| Cost | 29,642,253 | - | 43,060,108 | 35,454,430 | 108,156,791 |
| <u>Less</u> Accumulated amortisation | (13,303,309) | - | (9,628,085) | - | (22,931,394) |
| Book amount, net | 16,338,944 | - | 33,432,023 | 35,454,430 | 85,225,397 |
| For the year ended | | | | | |
| 31 December 2024 | | | | | |
| Opening book amount, net | 16,338,944 | - | 33,432,023 | 35,454,430 | 85,225,397 |
| Capitalised game development cost | - | - | - | 13,107,000 | 13,107,000 |
| Transfer in (out) | - | - | 6,636,121 | (6,636,121) | - |
| Write off | - | - | (30,155,621) | (41,925,309) | (72,080,930) |
| Amortisation charges | (2,507,397) | - | (9,912,523) | - | (12,419,920) |
| Closing book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| As at 31 December 2024 | | | | | |
| Cost | 29,642,253 | - | 19,540,608 | - | 49,182,861 |
| <u>Less</u> Accumulated amortisation | (15,810,706) | - | (19,540,608) | - | (35,351,314) |
| Book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| For the year ended | | | | | |
| 31 December 2025 | | | | | |
| Opening book amount, net | 13,831,547 | - | - | - | 13,831,547 |
| Transfer in (out) | - | - | - | - | - |
| Write off | - | - | - | - | - |
| Amortisation charges | (2,386,419) | - | - | - | (2,386,419) |
| Closing book amount, net | 11,445,128 | - | - | - | 11,445,128 |
| As at 31 December 2025 | | | | | |
| Cost | 29,642,253 | - | - | - | 29,642,253 |
| <u>Less</u> Accumulated amortisation | (18,197,125) | - | - | - | (18,197,125) |
| Book amount, net | 11,445,128 | - | - | - | 11,445,128 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

During the year 2024, the Group considers adjusting its business strategy leading to cancellation of development plan of intangible assets. The Group recognises loss from write off of intangible assets amounting to Baht 70.9 million.

During the year 2025, the Group recognized a transfer of completed film costs from the carrying amount of films under production upon completion, which was measured based on the expected benefits to the Group from the distribution of film rights, amounting to 34.63 million Baht.

25 Other non-current assets

| | Consolidated and separate | |
|----------|---------------------------|-----------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Deposits | 1,019,840 | 1,160,440 |
| Total | 1,019,840 | 1,160,440 |

26 Bank overdrafts and short-term borrowings

Movements of borrowings are as follows:

| | Consolidated | | Separate | |
|------------------------------------|----------------------|--------------|----------------------|--------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Bank overdrafts | | | | |
| Opening net book value | 3,992,040 | - | 3,992,040 | - |
| Addition | - | 15,577,000 | - | 15,577,000 |
| Repayment | (3,992,040) | (11,584,960) | (3,992,040) | (11,584,960) |
| Interest expense | 38,808 | 151,287 | 38,808 | 151,287 |
| Interest payment | (38,808) | (151,287) | (38,808) | (151,287) |
| Closing net book value | - | 3,992,040 | - | 3,992,040 |
| Short-term borrowings | | | | |
| from financial institutions | | | | |
| Opening net book value | - | - | - | - |
| Addition | - | 18,000,000 | - | 18,000,000 |
| Repayment | - | (18,000,000) | - | (18,000,000) |
| Interest expense | - | 628,683 | - | 628,683 |
| Interest payment | - | (628,683) | - | (628,683) |
| Closing net book value | - | - | - | - |
| Short-term borrowings | | | | |
| from others | | | | |
| Opening net book value | 29,077,370 | - | 29,077,370 | - |
| Addition | - | 43,000,000 | - | 43,000,000 |
| Repayment | (21,800,000) | (14,000,000) | (21,800,000) | (14,000,000) |
| Interest expense | 1,022,958 | 143,124 | 1,022,958 | 143,124 |
| Interest payment | (1,100,328) | (65,754) | (1,100,328) | (65,754) |
| Closing net book value | 7,200,000 | 29,077,370 | 7,200,000 | 29,077,370 |

27 Short-term borrowing from related party

Short-term borrowing from related party are as follows:

| | Separate financial statements | |
|---------------------------|--------------------------------------|-------------|
| | 2025 | 2024 |
| | Baht | Baht |
| Balance as at 1 January | 815,913 | - |
| Loan principal received | 19,000,000 | 800,000 |
| Repayment capital | (19,200,000) | - |
| Interest expense | 69,045 | 15,913 |
| Interest payment | (72,300) | - |
| Balance as at 31 December | 612,658 | 815,913 |

The short-term borrowings from related party at Baht 600,000 were made on commercial terms and conditions. The loans are unsecured and carries interest rate of 6.00% per annum with requirement on repayment of the principal and all accrued interest at call.

Borrowing with a joint venture of the Company for the amount of Baht 19,000,000, with interest charged at a fixed amount from the date of the loan until the borrower repays the principal in the amount of and the Lender shall not demand payment of the principal and interest under this Loan Agreement before the completion of the registration process of the capital reduction of MYGG Company Limited with the Department of Business Development. The principal and interest have been fully repaid during the year.

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

28 Trade and other current payables

| | Consolidated | | Separate | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade payables | 1,883,200 | 3,258,919 | 1,883,200 | 64,480 |
| Other current payables | 156,371 | 286,773 | 156,371 | 302,686 |
| Advance payment from related parties | 1,843,400 | 2,538,059 | 1,917,962 | 2,538,059 |
| Accrued expenses | | | | |
| - Related parties | 8,900,000 | 7,900,000 | 28,733,040 | 28,716,950 |
| - Non-related parties | 15,733,252 | 33,433,272 | 11,526,574 | 26,636,562 |
| Total accrued expense | 24,633,252 | 41,333,272 | 40,259,614 | 55,353,512 |
| Total trade and other current payables | 28,516,223 | 47,417,023 | 44,217,147 | 58,258,737 |

29 Employee benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

| | Consolidated | | Separate | |
|------------------------------|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Post - employee benefits | 2,946,144 | 4,465,950 | 2,946,144 | 4,383,507 |
| Employee benefit obligations | 2,946,144 | 4,465,950 | 2,946,144 | 4,383,507 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

The movements of the employee benefit obligations for the years are as follows:

| | Consolidated | | Separate | |
|--|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Opening amount | 4,465,950 | 7,561,398 | 4,383,507 | 7,414,720 |
| Current service cost | 455,241 | 1,152,730 | 455,241 | 1,152,730 |
| Interest expense | 107,396 | 231,339 | 107,396 | 231,339 |
| Benefit payment | (2,000,000) | (4,549,700) | (2,000,000) | (4,549,700) |
| Transfer out | (82,443) | - | - | - |
| Remeasurements: | | | | |
| Loss (gain) from change in financial assumptions | - | 259,221 | - | 259,221 |
| Experience loss | - | (189,038) | - | (124,803) |
| Closing amount | 2,946,144 | 4,465,950 | 2,946,144 | 4,383,507 |

During the year 2024, the Group restructured the organisation by reducing the number of permanent employees to outsourcing instead. The Group agreed to provide legal severance pay to the employees amounting to Baht 4.55 million. As at 31 December 2024, the Group has recognised such accrued expense amounting to Baht 1.1 million and classified in financial statement line item trade and other payable. The Group already settled such remaining accrued expense in January 2025.

The expenses recognised into profit or loss are as follows:

| | Consolidated | | Separate | |
|----------------------|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Current service cost | 455,241 | 1,152,730 | 455,241 | 1,152,730 |
| Interest expense | 107,396 | 231,339 | 107,396 | 231,339 |
| Total | 562,637 | 1,384,069 | 562,637 | 1,384,069 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

The principal actuarial assumptions used are as follows:

| | Consolidated | | Separate | |
|-----------------------------|--|---|--|--|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Discount rate | 2.45% | 2.45 - 2.91% | 2.45% | 2.45% |
| Future salary increase rate | 5.00% | 2.00 - 5.00% | 5.00% | 5.00% |
| Staff turnover rate | 3.34 – 34.38% | 14.02 - 18.62% | 3.34 – 34.38% | 18.62% |
| Retirement age | 55 years | 55 years | 55 years | 55 years |
| Mortality rate | 105% of of 2017 Thai Mortality table | 105% of 2017 Thai Mortality table | 105% of of 2017 Thai Mortality table | 105% of of 2017 Thai Mortality table |

Sensitivity analysis for each significant actuarial assumption:

| | Consolidated | | Separate | |
|----------------------|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Discount rate | | | | |
| Increase by 1% | (392,157) | (378,777) | (392,157) | (378,777) |
| Decrease by 1% | 446,294 | 432,712 | 446,294 | 432,712 |
| Salary increase rate | | | | |
| Increase by 1% | 481,581 | 417,250 | 481,581 | 417,250 |
| Decrease by 1% | (430,094) | (373,487) | (430,094) | (373,487) |
| Turnover rate | | | | |
| Increase by 20% | (516,263) | (443,293) | (516,263) | (443,293) |
| Decrease by 20% | 662,782 | 531,466 | 662,782 | 531,466 |
| Mortality rate | | | | |
| Increase by 20% | (40,044) | (35,198) | (40,044) | (35,198) |
| Decrease by 20% | 40,443 | 35,546 | 40,443 | 35,546 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

The above sensitivity analyses are 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 has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The weighted average duration of the defined benefit obligation is 12 years

Expected maturity analysis of undiscounted retirement benefits:

| | Consolidated | | Separate | |
|---------------------|-----------------------------|-------------------|-----------------------------|-------------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Between 1 - 2 years | 1,548,172 | 1,103,500 | 1,548,172 | 1,103,500 |
| Between 2 - 5 years | - | 1,548,172 | - | 1,548,172 |
| Over 5 years | 11,500,802 | 10,893,802 | 11,500,802 | 10,893,802 |
| Total | 13,048,974 | 13,545,474 | 13,048,974 | 13,545,474 |

30 Issued and paid-up share capital

| | Consolidated and separate | | | |
|--|----------------------------------|-----------------|-------------------|--------------|
| | financial statements | | | |
| | Number of | Ordinary | Premium on | Total |
| shares | shares | paid-up | capital | Total |
| | Shares | Baht | Baht | Baht |
| Opening amount as at 1 January 2024 | 601,997,187 | 300,998,594 | 236,245,639 | 537,244,233 |
| Proceeds from shares issued - right offering | - | - | - | - |
| Closing amount as at 31 December 2024 | 601,997,187 | 300,998,594 | 236,245,639 | 537,244,233 |
| Proceeds from shares issued | - | - | - | - |
| Closing amount as at 31 December 2025 | 601,997,187 | 300,998,594 | 236,245,639 | 537,244,233 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

On 11 March 2025, the Extraordinary General Meeting of Shareholders No. 1/2025 resolved to approve the Company's registered capital as follows:

- 30.1 Approved to reduce the Company's registered capital by Baht 45,001,406.50 from the original registered capital of Baht 346,000,000 to the new registered capital of Baht 300,998,593.50 by reducing the number of registered ordinary shares that have not yet been sold by 90,002,813 shares with a par value of 0.50 baht per share.
- 30.2 Approved to increase the Company's registered capital by Baht 195,999,766 from the original registered capital of Baht 300,998,593.50 to a new registered capital of Baht 496,998,359.50 by issuing additional common shares of no more than 391,999,532 shares with a par value of Baht 0.50 per share.
- 30.3 Approve the issuance and offering of warrants to purchase additional ordinary shares of the Company No. 2 (YGG-W2) in an amount not exceeding 141,999,532 shares to the Company's shareholders in proportion to their shareholding (Rights Offering) without charge.
- 30.4 Approval of the allocation of additional common shares of the Company 391,999,532 shares for specific offering to a limited number of persons (Private Placement) in the amount of 250,000,000 shares, with a par value of 0.50 baht per share and allocate to support the exercise of rights under the Company's second warrant (YGG-W2).

The Company has registered the capital reduction and capital increase of the Company with the Department of Business Development on 12 March 2025 and 13 March 2025, respectively.

31 Legal reserve

| | Consolidated and separate | |
|-------------------------------|---------------------------|------------|
| | financial statements | |
| | 2025 | 2025 |
| | Baht | Baht |
| As at 1 January | 16,800,000 | 16,800,000 |
| Appropriation during the year | - | - |
| As at 31 December | 16,800,000 | 16,800,000 |

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

32 Expenses by nature

The following expenditures, classified by nature, have been charged in arriving at net profit (loss):

| | Consolidated | | Separate | |
|---|-----------------------------|--------------------|-----------------------------|--------------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Staff costs | 17,530,839 | 73,708,749 | 15,576,748 | 69,415,282 |
| Outsourcing fee | 32,802,254 | 42,168,140 | 1,217,529 | 39,551,382 |
| Depreciation and amortisation | 15,693,412 | 29,000,691 | 15,651,638 | 28,916,764 |
| Game distribution fee | 866,772 | 3,086,156 | 866,772 | 3,086,156 |
| Expected credit loss | 543,494 | 314,731,717 | (705,841) | 314,731,717 |
| Impairment loss from film under production | - | 83,434,561 | - | - |
| Loss allowance for short-term loans | - | - | - | - |
| to related parties | - | - | - | 89,133,155 |
| Impairment loss from | - | - | 12,275,854 | 24,290,633 |
| Investment in subsidiaries | - | - | - | - |
| Impairment loss from | - | - | - | 15,571,509 |
| Investment in joint venture | - | - | - | - |
| Fair value loss on investment in joint production | 1,629,646 | 23,617,335 | - | - |
| and distribution of animation | - | - | - | - |
| Loss from write-off - Intangible assets | - | 70,860,175 | - | 72,080,930 |
| Loss from write-off - Character design | - | 3,221,675 | - | 3,221,675 |
| Loss from disposal fixed assets | - | 5,838,576 | - | 5,838,576 |
| Impairment loss from fixed assets | - | 20,401,000 | - | 20,401,000 |
| Technology costs | 1,920,160 | 8,460,699 | 1,920,160 | 8,460,699 |
| Utilities expenses | 2,014,115 | 6,164,334 | 2,014,115 | 6,153,378 |
| Sales promotion expenses | 9,415,836 | 2,133,030 | 855,670 | 2,133,030 |
| Other expenses | 11,462,427 | 13,446,528 | 10,249,036 | 10,954,704 |
| Total | 93,878,955 | 700,273,366 | 59,921,681 | 714,139,968 |

Yggdrazil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

33 Income tax expense

| | Consolidated | | Separate | |
|-----------------------------|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Current taxes | 1,590,114 | 1,313,450 | - | 1,014,703 |
| Deferred taxes | | | | |
| Origination and reversal of | | | | |
| Temporary differences | - | 7,163,841 | - | 7,163,841 |
| Income expense tax | 1,590,114 | 8,477,291 | - | 8,178,544 |

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

| | Consolidated | | Separate | |
|--|-----------------------------|---------------|-----------------------------|---------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Profit (Loss) before taxes | (23,815,196) | (539,407,056) | (39,706,811) | (541,143,850) |
| Tax calculated at a tax rate of 20% | (4,763,039) | (107,881,411) | (7,941,362) | (108,228,770) |
| Tax effects of: | | | | |
| Income not subject to tax | - | (16,968,018) | - | (16,968,018) |
| Income subject for tax purpose | - | 5,566 | - | 5,566 |
| Expenses not deductible for tax purposes | 6,353,153 | 133,321,154 | 7,941,362 | 133,369,766 |
| Income tax expense | 1,590,114 | 8,477,291 | - | 8,178,544 |

34 Commitments

Operating lease commitments

As of 31 December 2025 and 2024, the Group did not enter into a non-cancellable lease agreement for building and equipment which the period is less than 12 months

Capital Commitment

As of 31 December 2025, the Group has capital expenditure contract but has not been recognised in the financial statements amounting to Baht 1 million (2024: Baht 6,413,935).

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 Group, 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 Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group 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 relationships between the Company and its related parties are summarised below:

| Name | Relationship |
|----------------------------|---------------------|
| YGG Global Company Limited | Subsidiary company |
| YGG CG Company Limited | Subsidiary company |
| YGG International Limited | Subsidiary company |
| MYGG Company Limited | Joint venture |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

As of 31 December 2024, The Company's shares are held by Mr. Tanat Juwiwat and Mr. Saroot Tubloy in proportion of 0.40% and 2.72%, respectively.

The following significant transactions and balances were carried out with related parties:

a) Transactions with related parties

Transactions with related parties are as follows:

| | Separate financial statements | | |
|---------------------------------------|----------------------------------|------------|---|
| | 2025 | 2024 | Pricing |
| | Baht | Baht | policies |
| Interest Income | | | |
| Subsidiary company | 6,006,071 | - | Contract rate |
| Other income | | | |
| Subsidiary company | 884,047 | 8,845,538 | Based on the rate charged to general customers and according to the terms of the contract |
| Joint ventures | 524,047 | 1,024,375 | |
| Purchase of goods and services | | | |
| Subsidiary company | - | 15,833,040 | Based on the rate charged to general customers and according to the terms of the contract |
| Joint ventures | - | 1,500,000 | |
| Related person | 1,250,000 | 300,000 | Contract rate |

Yggdrasil Group Public Company Limited**Notes to Financial Statements****For the year ended 31 December 2025**

- b) Outstanding balances arising from sales and purchases of goods and services

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

| | Consolidated | | Separate | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| | Baht | Baht | Baht | Baht |
| Trade and other current receivables: | | | | |
| Subsidiary company | - | - | 78,828 | 551,068 |
| Joint ventures | - | 73,366 | - | 73,366 |
| Total | - | 73,366 | 78,828 | 624,434 |
| Contract assets - current assets: | | | | |
| Subsidiary company | - | - | 7,160,000 | 7,160,000 |
| Trade and other current payables: | | | | |
| <i>Advance payment</i> | | | | |
| Joint ventures | 1,843,401 | 2,538,059 | 1,843,401 | 2,538,059 |
| <i>Unbilled invoice:</i> | | | | |
| Subsidiary company | - | - | 19,833,040 | 20,516,950 |
| Joint ventures | 7,900,000 | 7,900,000 | 7,900,000 | 7,900,000 |
| Related person | 1,000,000 | 300,000 | 1,000,000 | 300,000 |
| Total | 8,900,000 | 8,200,000 | 28,733,040 | 28,716,950 |

c) Short-term loans to related parties

The movements of short-term loans to related parties for the year ended are as follows:

| | Separate financial statements | |
|----------------------------------|--|--------------|
| | 2025 | 2024 |
| | Baht | Baht |
| Opening book value, net | 41,353,873 | 59,440,117 |
| Addition short-term loan | 324,714 | 74,895,861 |
| Addition accrued interest income | 5,950,180 | 7,061,251 |
| Unrealised loss on exchange rate | (749,541) | (1,122,100) |
| Loans repayment received | | |
| Principle | (37,775,824) | (9,700,320) |
| Interest income | (4,849,510) | (87,781) |
| Loss allowance | 1,249,335 | (89,133,155) |
| Closing book value, net | 5,503,227 | 41,353,873 |

The loans to related parties were made on commercial terms and conditions. The loans are unsecured and carries interest rate of 6.00% to 6.60% per annum with requirement on repayment of the principal and all accrued interest at call.

d) Short-term borrowings from related party

The movement of short-term borrowings from related party for the year ended are as follows:

| | Separate | |
|----------------------------------|-----------------------------|-------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Opening book value, net | 815,913 | - |
| Addition short-term loan | 19,000,000 | 800,000 |
| Repayment | (19,200,000) | - |
| Addition accrued interest income | - | 15,913 |
| Interest expense | 69,045 | - |
| Interest payment | (72,300) | - |
| Closing book value, net | 612,658 | 815,913 |

The short-term borrowings from related party were made on commercial terms and conditions. The loans are unsecured and carries interest rate of 6.00% per annum with requirement on repayment of the principal and all accrued interest at call.

e) Key management compensation

Key management compensation for the years are as follows:

| | Consolidated and separate | |
|------------------------------|----------------------------------|-------------|
| | financial statements | |
| | 2025 | 2024 |
| | Baht | Baht |
| Short-term employee benefits | 5,615,500 | 12,720,000 |
| Post-employee benefits | 114,000 | 929,619 |
| Total | 5,729,500 | 13,649,619 |

36 Promotional privileges

The Company received tax privileges from the Board of Investment for Digital Content of Enterprise software as follows:

The certificate No. 60-0048-1-01-2-0 dated 18 January 2017.

- a) The privileges include the exemption from corporate income tax for the promoted activities for a period of seven years from the promoted activities.
- b) The exemption to not include dividend from the promoted activities to calculate the privileges include the exemption from corporate income tax.

The Company has revenues from promoted and non-promoted activities for the years ended as follows:

| | Separate financial statement | | |
|--------------------------------|-------------------------------------|---------------------|-------------------|
| | 2025 | | |
| | Promoted | Non-promoted | Total |
| | revenue | revenue | |
| Baht | Baht | Baht | |
| Revenue from sales or services | - | 13,729,779 | 13,729,779 |
| Other income | - | 11,136,464 | 11,136,464 |
| Total | - | 24,866,243 | 24,866,243 |

| | Separate financial statement | | |
|--------------------------------|-------------------------------------|---------------------|--------------------|
| | 2024 | | |
| | Promoted | Non-promoted | Total |
| | revenue | revenue | |
| Baht | Baht | Baht | |
| Revenue from sales or services | 84,840,092 | 79,297,420 | 164,137,512 |
| Other income | - | 10,376,937 | 10,376,937 |
| Total | 84,840,092 | 89,674,357 | 174,514,449 |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

37 Earnings (losses) per share

Basic earnings (losses) per share is calculated by dividing the profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

| | Consolidated | | Separate | |
|--|-----------------------------|---------------|-----------------------------|---------------|
| | financial statements | | financial statements | |
| | 2025 | 2024 | 2025 | 2024 |
| Profit (loss) attributable to shareholders (Baht) | (25,405,310) | (547,884,347) | (39,706,811) | (549,322,394) |
| Weighted average number of ordinary shares issued during the year (Shares) | 601,997,187 | 601,997,187 | 601,997,187 | 601,997,187 |
| Basic earnings (losses) per share (Baht) | (0.04) | (0.91) | (0.07) | (0.91) |

38 Reclassification

Certain corresponding figures for the year ended 31 December 2024 have been regrouped and reclassified to conform to the current period's classification. Details are as follows.

| | Consolidated financial statements | | |
|--|-----------------------------------|------------------|----------------------|
| | As previous | Reclassification | As reclassified |
| | reported | Transaction | |
| | Baht | Baht | Baht |
| Statement of Financial Position | | | |
| As at 31 December 2024 | | | |
| <i>Current assets</i> | | | |
| Financial assets measured at amortised cost | 139,423 | (139,423) | - |
| Financial assets measured at fair value | | | |
| through profit or loss | 578,523 | (578,523) | - |
| Financial assets - current assets | - | 717,946 | 717,946 |
| Other current assets | 6,694,626 | (150,854) | 6,543,772 |
| | <u>7,412,572</u> | <u>(150,854)</u> | <u>7,261,718</u> |
| <i>Non-current assets</i> | | | |
| Financial assets measured at fair value | | | |
| through profit or loss | 25,709,000 | (25,709,000) | - |
| Financial assets - non-current assets | - | 25,709,000 | 25,709,000 |
| | <u>25,709,000</u> | <u>-</u> | <u>25,709,000</u> |
| <i>Current liabilities</i> | | | |
| Bank overdrafts and short-term loans | 32,992,040 | 77,370 | 33,069,410 |
| Trade and other current payables | 49,822,723 | (2,405,700) | 47,417,023 |
| Corporate income tax payable | - | 223,429 | 223,429 |
| Contract liabilities -current | 708,874 | 2,693,240 | 3,402,114 |
| Other current liabilities | 1,653,983 | (739,193) | 914,790 |
| | <u>85,177,620</u> | <u>(150,854)</u> | <u>85,026,766</u> |
| <i>Equity</i> | | | |
| Retained earnings (deficit) - Unappropriated | (479,004,451) | 1,180,254 | (477,824,197) |
| Other component of equity | 2,758,866 | (1,180,254) | 1,578,612 |
| | <u>(476,245,585)</u> | <u>-</u> | <u>(476,245,585)</u> |

Yggdrasil Group Public Company Limited

Notes to Financial Statements

For the year ended 31 December 2025

| | Separate financial statements | | |
|--|-------------------------------|------------------|-----------------|
| | As previous | Reclassification | As reclassified |
| | reported | Transaction | Baht |
| | Baht | Baht | Baht |
| Statement of Financial Position | | | |
| As at 31 December 2024 | | | |
| <i>Current assets</i> | | | |
| Financial assets measured at amortised cost | 139,423 | (139,423) | - |
| Financial assets measured at fair value | | | |
| through profit or loss | 578,523 | (578,523) | - |
| Financial assets - current assets | - | 717,946 | 717,946 |
| | 717,946 | - | 717,946 |
| <i>Non-current assets</i> | | | |
| Financial assets measured at fair value | | | |
| through profit or loss | 24,060,085 | (24,060,085) | - |
| Financial assets - non-current assets | - | 24,060,085 | 24,060,085 |
| | 24,060,085 | - | 24,060,085 |
| <i>Current liabilities</i> | | | |
| Bank overdrafts and short-term loans | 33,792,040 | (722,630) | 33,069,410 |
| Short-term loan from related party | - | 815,913 | 815,913 |
| Trade and other current payables | 57,998,789 | 259,948 | 58,258,737 |
| Corporate income tax payable | - | 75,536 | 75,536 |
| Other current liabilities | 1,343,557 | (428,767) | 914,790 |
| | 93,134,386 | - | 93,134,386 |
| <i>Equity</i> | | | |
| Retained earnings (deficit) - Unappropriated | (465,229,894) | 1,116,019 | (464,113,875) |
| Other component of equity | 1,116,019 | (1,116,019) | - |
| | (464,113,875) | - | (464,113,875) |