



AMC accounting change: What happens?

Effects on AMCs' financial statements

- 1** The value of restructured loans of AMCs are compared: BV/cost vs. FV. The difference is loss or profit

Effects on bank-only financial statements

- 2** The (loss)/profit of both AMCs is recorded in "Share of (loss)/profit from investment on equity method" on the bank-only P&L
The item is adjusted simultaneously in "Investments in subsidiary and associated companies - net" on the bank-only B/S

Effects on consolidated financial statements

- 3** The (loss)/profit of Phethai AMC is shown as increase/reduction of "Bad debt and doubtful account" on the consolidated P&L, and consequently affect "Allowance for doubtful accounts" in the consolidated B/S
- 4** The (loss)/profit of Ploy AMC is recorded in "Gain on reclassification of investments in loans" (new item) on the consolidated P&L
- 5** The restructured loans of Ploy, previously recorded as "Investments in loans" at BV, are reclassified as "Loans" at FV on the consolidated B/S. For the loans of Phethai AMC, when consolidated, they have been recorded as "Loans" at face value. Thus, there is no need for reclassification.

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