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***GMO-Z COM SECURITIES (THAILAND)  
PUBLIC COMPANY LIMITED***

***Financial Statements***

***Six-month period ended June 30, 2023***



บริษัท ดีลอยท์ ทูเช่ โทมัทสு จำกัด  
สอบบัญชี จำกัด  
อาคาร เอไอเอ สาทร์ ทาวเวอร์ ชั้น 23-27  
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## REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

### TO THE SHAREHOLDERS AND BOARD OF DIRECTORS GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED

#### Opinion

We have audited the financial statements of GMO-Z com Securities (Thailand) Public Company Limited (the “Company”), which comprise the statement of financial position as at June 30, 2023, and the related statements of comprehensive income, changes in owners’ equity and cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of GMO-Z com Securities (Thailand) Public Company Limited as at June 30, 2023, and its financial performance and its cash flows for the six-month period then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

#### Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

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

Vayuree J.

Vayuree Jirakittidul  
Certified Public Accountant (Thailand)  
Registration No. 9140

BANGKOK  
August 23, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

UNIT : BAHT

	Notes	As at June 30, 2023	As at December 31, 2022
<b>ASSETS</b>			
ASSETS			
Cash and cash equivalents	5.1	1,565,194,982	1,506,468,254
Receivables from Clearing House and broker - dealers	6	67,861,648	76,845,333
Securities and derivatives business receivables	7	10,817,129,598	13,455,164,208
Non-collateralized investments	8.1	177,030,695	71,037,469
Collateralized investments	8.1	40,199,165	40,074,390
Leasehold office improvement and equipment	11	4,695,481	4,812,301
Right-of-use assets	12	20,568,230	2,812,466
Intangible assets	13	110,062,412	120,927,575
Deferred tax assets	14	40,871,016	40,871,016
Other assets	15	80,940,052	78,605,399
<b>TOTAL ASSETS</b>		<b>12,924,553,279</b>	<b>15,397,618,411</b>

Notes to the financial statements form an integral part of these financial statements

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT JUNE 30, 2023**

UNIT : BAHT

	Notes	As at June 30, 2023	As at December 31, 2022
<b>LIABILITIES AND OWNERS' EQUITY</b>			
<b>LIABILITIES</b>			
Borrowings from financial institutions	16	10,880,295,000	12,722,430,000
Securities and derivatives business payables	17	92,705,159	138,704,171
Lease liabilities	18	20,458,372	2,416,118
Provisions	19	12,900,815	11,762,510
Other liabilities	20	29,697,267	42,707,266
<b>TOTAL LIABILITIES</b>		<u>11,036,056,613</u>	<u>12,918,020,065</u>
<b>OWNERS' EQUITY</b>			
<b>SHARE CAPITAL</b>	21		
Authorized share capital			
300,000,000 ordinary shares of Baht 9.60 each		<u>2,880,000,000</u>	
375,000,000 ordinary shares of Baht 9.60 each			<u>3,600,000,000</u>
Issued and paid-up share capital			
300,000,000 ordinary shares of Baht 9.60 each, fully paid		2,880,000,000	
300,000,000 ordinary shares of Baht 9.60 each, fully paid			2,880,000,000
<b>ACCUMULATED DEFICITS</b>			
Unappropriated (deficits)		<u>(991,503,334)</u>	<u>(400,401,654)</u>
<b>TOTAL OWNERS' EQUITY</b>		<u>1,888,496,666</u>	<u>2,479,598,346</u>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<u>12,924,553,279</u>	<u>15,397,618,411</u>

Notes to the financial statements form an integral part of these financial statements

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

**UNIT : BAHT**

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>			
Brokerage fees		11,648,147	32,991,435
Interest income	23	526,398,654	434,630,062
Net foreign exchange gain		35,676,451	832,142
Other income	24	73,960,074	1,234,860
Total Revenues		<u>647,683,326</u>	<u>469,688,499</u>
<b>EXPENSES</b>			
Employee benefits expenses		47,639,268	51,488,699
Fees and service expenses		13,301,377	14,218,851
Interest expenses		191,294,233	108,873,838
Expected credit loss (reversal)	26	685,948,043	(1,958,843)
Other expenses	27	71,174,850	69,891,109
Total Expenses		<u>1,009,357,771</u>	<u>242,513,654</u>
PROFIT (LOSS) BEFORE INCOME TAX		<u>(361,674,445)</u>	<u>227,174,845</u>
INCOME TAX EXPENSES	14	-	45,405,160
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<u>(361,674,445)</u>	<u>181,769,685</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>			
Items that will not be reclassified subsequently to profit or loss			
Losses on investment in equity designated at fair value through other comprehensive income		(229,427,235)	-
Gains on remeasurement of defined benefit plans		-	753,221
Income tax relating to items that will not be reclassified subsequently to profit or loss		-	(150,644)
Total other comprehensive income (loss) - net of tax		<u>(229,427,235)</u>	<u>602,577</u>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<u>(591,101,680)</u>	<u>182,372,262</u>
<b>BASIC EARNINGS (LOSSES) PER SHARE</b>			
	28	<b>BAHT</b>	(1.21)
			0.61
<b>WEIGHTED AVERAGE NUMBER OF</b>			
<b>ORDINARY SHARES</b>	28	<b>SHARES</b>	300,000,000
			300,000,000

Notes to the financial statements form an integral part of these financial statements

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN OWNERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

UNIT : BAHT

	<b>Issued and Paid-up Share Capital</b>	<b>Retained Earnings (Accumulated deficits) Unappropriated</b>	<b>Total Owners' Equity</b>
<b>Beginning balance as at January 1, 2022</b>	2,880,000,000	117,794,943	2,997,794,943
Total comprehensive income for the period	-	182,372,262	182,372,262
<b>Ending balance as at June 30, 2022</b>	<u>2,880,000,000</u>	<u>300,167,205</u>	<u>3,180,167,205</u>
 <b>Beginning balance as at January 1, 2023</b>	 2,880,000,000	 (400,401,654)	 2,479,598,346
Total comprehensive loss for the period	-	(591,101,680)	(591,101,680)
<b>Ending balance as at June 30, 2023</b>	<u>2,880,000,000</u>	<u>(991,503,334)</u>	<u>1,888,496,666</u>

Notes to the financial statements form an integral part of these financial statements



**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

UNIT : BAHT

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit (loss) before income tax	(361,674,445)	227,174,845
Adjustments to reconcile gain (loss) before income tax		
to cash received (paid) from operating activities:		
Depreciation and amortization expense	19,755,641	26,304,904
Expected credit loss (reversal)	685,948,043	(1,958,843)
Unrealized gain on exchange rate	(35,560,123)	-
Amortization of interest expense	-	4,203
Loss on write-off of fixed assets	23,755	15
Interest expenses	191,294,233	108,873,838
Interest income	(526,398,654)	(434,630,062)
Employee benefits expenses	1,138,305	1,141,858
Loss from operating activities before changes in		
operating assets and liabilities	(25,473,245)	(73,089,242)
(Increase) decrease in operating assets		
Receivables from Clearing House and broker - dealers	8,983,685	54,534,756
Securities and derivatives business receivables	2,447,231,681	(459,124,085)
Other assets	(1,914,160)	(4,927,462)
Increase (decrease) in operating liabilities		
Payables to Clearing House and broker - dealers	-	53,535,813
Securities and derivatives business payables	(45,999,012)	(52,788,650)
Other liabilities	4,398,462	5,767,463
Cash received (paid) from operating activities	2,387,227,411	(476,091,407)
Cash received from interest income	30,161,720	4,301,033
Cash paid for interest expenses	(197,933,188)	(106,607,717)
Cash paid for withholding tax	(10,430,928)	(14,028,476)
Cash paid for income tax	(4,624)	(11,079,801)
Net cash provided (used in) operating activities	2,209,020,391	(603,506,368)

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

		<b>UNIT : BAHT</b>	
	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash paid for non-collateralized investments measured at amortized cost method		(5,121,621)	(20,006,000)
Cash received from non-collateralized investments measured at fair value through other comprehensive income		30,174,411	-
Cash paid for non-collateralized investments measured at fair value through other comprehensive income		(360,281,154)	-
Cash received from loans to employees		7,619	162,367
Cash paid for purchases of leasehold office improvement and equipment	5.2.1	(1,093,659)	(2,434,048)
Cash paid for purchases of intangible assets	5.2.2	(3,849,661)	(395,501)
Net cash used in investing activities		<u>(340,164,065)</u>	<u>(22,673,182)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash received from borrowings from financial institutions	5.2.3	195,712,000,000	27,580,000,000
Cash paid for repayment borrowings from financial institutions	5.2.3	(197,462,000,000)	(26,610,000,000)
Cash paid for lease liabilities	5.2.3	(4,066,060)	(3,960,131)
Net cash provided by (used in) financing activities		<u>(1,754,066,060)</u>	<u>966,039,869</u>
Net increase in cash and cash equivalents before effect of exchange rate		114,790,266	339,860,319
Effect of exchange rate changes on cash and cash equivalent		<u>(56,414,997)</u>	<u>-</u>
Net increase in cash and cash equivalents		58,375,269	339,860,319
Cash and cash equivalents at the beginning of period		<u>1,506,831,563</u>	<u>425,484,385</u>
<b>Cash and cash equivalents at the ending of period</b>	<b>5.1</b>	<u><u>1,565,206,832</u></u>	<u><u>765,344,704</u></u>

Notes to the financial statements form an integral part of these financial statements

**GMO-Z COM SECURITIES (THAILAND) PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023**

**1. BUSINESS OPERATIONS AND GENERAL INFORMATION OF THE COMPANY**

GMO-Z com Securities (Thailand) Public Company Limited (the “Company”) is incorporated as a limited company under Thai laws. The Company’s registered office is located at No. 9, 15<sup>th</sup> Floor South Wing, G Tower Grand Rama 9, Rama 9 Road, Kwaeng Huaykwang, Khet Huaykwang, Bangkok. The parent company is GMO Financial Holdings, Inc., which is incorporated in Japan, by holding 99.99% of Company’s paid-up share capital and the ultimate parent company of the group is GMO Internet Group, Inc., which is incorporated in Japan.

On March 21, 2022, the Company registered its conversion to a public company limited with the Department of Business Development, Ministry of Commerce and changed the Company’s name from GMO-Z com Securities (Thailand) Limited to GMO-Z com Securities (Thailand) Public Company Limited.

On June 22, 2017, the Company obtained securities business license type A (Full-service License) and derivatives business license type Sor-1 (Full-service License) to operate the following securities businesses:

1. Securities Brokerage
2. Securities Trading
3. Securities Underwriting
4. Investment Advisory Service
5. Mutual Fund Management
6. Private Fund Management
7. Securities Borrowing and Lending
8. Venture Capital Management
9. Derivatives Agent

As at June 30, 2023 and December 31, 2022, the Company has operated the business activity in No.1.

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

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with Thai Financial Reporting Standards (“TFRSs”) and accounting practices generally accepted in Thailand and in accordance with the Notifications the Securities and Exchange Commission (the “SEC”).
- 2.2 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (“TAS”) No. 1 “Presentation of Financial Statements”, and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission No. SorTor. 6/2562, dated January 8, 2019, regarding “The Form of Financial Statements for Securities Companies (No. 3)”.

- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies are as follows:

#### **3.1 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, all bank accounts, promissory notes at call, treasury bills and government bonds maturing within 3 months or less from the date of acquisition and without commitments.

#### **3.2 Receivables from Clearing House and broker - dealers / Payables to Clearing House and broker - dealers**

Receivables from Clearing House and broker - dealers / Payables to Clearing House and broker - dealers comprise the net balances of receivable or payable to Thailand Clearing House ("TCH") for settlement of equity securities trading made through the Stock Exchange of Thailand, net receivable or payable to TCH for derivatives trades, and net receivable or payable to foreign securities trade settlement through foreign brokers.

#### **3.3 Securities and derivatives business receivables**

Securities and derivatives business receivables comprise the net balance receivable of securities and derivatives trading after less allowance for expected credit loss and add accrued interest. Securities and derivatives business receivables which are receivable balance of cash accounts, credit balance accounts and other receivables such as overdue cash customer accounts and securities and derivatives receivables which are debt under litigation, debt compromise, debt settling in installments.

Impairment of financial assets have disclosed in Note 3.17.

### 3.4 Investments

Investments consist of non-collateralized investments and collateralized investments, which have disclosed in financial assets in Note 3.17.

### 3.5 Leasehold office improvement and equipment and depreciation

Leasehold office improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of leasehold improvement and equipment are calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Leasehold office improvement	5 years
Office equipment	5 years
Furniture	5 years
Computer	3 years
Vehicle	5 years

The carrying amounts of the Company's assets are reviewed at the end of reporting period to determine whether there is any indication of a permanent allowance for diminution in value. If any such indication exists, the assets' recoverable amounts are estimated. The allowance for diminution in value will be recognized when the carrying amounts of assets are higher than net realizable value. A loss on allowance for diminution in value is recognized in the statement of comprehensive income.

### 3.6 Intangible assets and amortization

Intangible assets are computer software which stated at cost less accumulated amortization and allowance for loss on impairment of that assets (if any).

Amortization is charged to the statement of comprehensive income on a straight-line basis over its estimated useful lives as follows:

Computer software	3 - 10 years
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Intangible assets with indefinite useful lives are tested for impairment annually or whenever there is an indication that the intangible assets may be impaired and allowance for impairment is recognized (if any).

### 3.7 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives business with other parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales or securities borrowing, and obligations to return assets held by the Company as collateral for securities lending.

### 3.8 Debt issued

Debt issued is initially recognized at the fair value of the proceeds received. Debt issued is subsequently stated at amortized cost, using the effective interest method. Any difference between proceeds and the redemption value is recognized in the statement of comprehensive income over the year of the borrowings.

### 3.9 Provision

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

### 3.10 Provision for restoring costs of leasehold office improvements

Provision for restoring costs of leasehold office improvements represents the liability, incurred from the office lease agreements which are estimated based on quotation from vendor with discounted basis.

### 3.11 Employee benefits

#### Provident fund

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

#### Short-term employee benefits

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

#### Post-employment benefits

#### Defined benefit plans

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

The obligation under the defined benefit plans is determined by an actuary based on actuarial techniques, using the Projected Unit Credit Method based on actuarial assumptions as at the statement of financial position date, using various factors including assessment of the average age and employment life of its employees, employee turnover and assumption of future salary increases. The employee benefit obligations is discounted to the present value as at the statement of financial position date and under the assumption that the employees of various ages will work with the Company until retirement age.



Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income (loss).

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

### 3.12 Revenue and expenses recognition

#### a) Brokerage fees

Brokerage fees on securities and derivatives trading are recognized at a point in time on execution date of the trades at a certain percentage of the transaction value of the trades executed.

#### b) Fees and services income

Revenue from underwriting service is recognized at a point in time when the relevant underwriting is completed.

#### c) Interest income

Interest on margin loans

The Company recognized interest income as revenue on an accrual basis based on the effective interest rate method.

The Company calculates interest income by applying the effective interest rate to the gross book value of financial assets which are not impaired.

#### d) Other incomes

Other incomes are recognized on an accrual basis.

#### e) Expenses

Expenses are recognized on an accrual basis.

### 3.13 Lease agreements

The Company as lessee

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

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

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

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lease under residual value guarantees
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

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

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

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)



- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

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

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

The Company applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Leasehold office improvement and equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

### 3.14 Income tax expense

Income tax expense for the period comprises current and deferred tax. Current and deferred tax are recognized as income or expense in the statement of comprehensive income except to items recognized directly in equity or other comprehensive income.

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

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

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the financial statements.

#### 3.15 Basic earnings (losses) per share

Basic earnings (losses) per share as presented in the statement of comprehensive income is determined by dividing net profit (loss) for the period by the weighted average number of common shares outstanding during the period.

#### 3.16 Foreign currency

Transactions in foreign currencies are converted into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into Baht at the exchange rate ruling at the end of reporting date.

Gains and losses on exchange rate are recognized as profit or loss in the statement of comprehensive income.

### 3.17 Financial instruments

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

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

#### *Financial assets*

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

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

#### Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI");

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Company may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income and
- The Company may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(1) Amortized cost and effective interest method

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

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

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

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

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

Interest income is recognized in profit or loss and is included in the "Interest income" line item.

(2) Equity instruments designated as at FVTOCI

On initial recognition, the Company makes an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

A financial asset is held for trading if;

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition



- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “Net foreign exchange gain (loss)” line item. Fair value is demand in the manner described in Note 3.18.

#### Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the “Net foreign exchange gain (loss)” line item
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the “Net foreign exchange gain (loss)” line item as part of the fair value gain or loss.

#### Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on cash and cash equivalents, investments that are measured at amortized cost or at FVTOCI, securities and derivatives business receivables and loan to employees. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition, but the assets are not credit impaired, or where the assets are credit impaired. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

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

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the aspects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations. In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
- An actual or expected significant deterioration in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of “investment grade” in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of “performing”. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

## (2) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company)

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.



(3) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (2) above)
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for that financial asset because of financial difficulties.

(4) Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(5) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16 "Leases".

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

#### Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

#### *Financial liabilities and equity*

##### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### *Financial liabilities*

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

### Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

### Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments. These foreign exchange gains and losses are recognized in the "Net foreign exchange gain (loss)" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognized in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss for financial liabilities that are not part of a designated hedging relationship.

### Derecognition of financial liabilities

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

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss.

#### 3.18 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

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

### 3.19 Use of management's critical judgments and key sources of estimation uncertainty

#### 3.19.1 Use of management's judgments in applying accounting policies

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the Company's management to exercise various judgments in applying accounting policies that can significantly affect the recognition and disclosures in the financial statements. Significant judgments in applying accounting policies are as follows:

##### (1) Deferred tax assets

The Company recognizes deferred tax assets for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. The Company's management uses judgements based upon the likely timing and level of estimate future taxable profits to determine the amount of deferred tax assets that can be recognized at the end of the reporting period.

Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognized to the extent that it is probable that it will be utilized in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

##### (2) Allowances for expected credit losses of financial assets

The management is required to use judgement in estimating allowance for expected credit losses for financial assets. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the risk that collateral value cannot be realized, collective and individual analyses of the status of receivables, the probability of debt collection and the selection of the forecasted macroeconomic data inputs used in the model. However, the use of different estimates and assumptions could affect the amount of the allowance for credit losses and, therefore, the allowance may need to be adjusted in the future.



### 3.19.2 Key sources of estimation uncertainty

#### Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company's management has to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Company's management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model and reports the valuation committee's findings to the board of directors of the Company every quarter to explain cause of fluctuations in the fair value of the assets and liabilities.

## 4. RELATED PARTY TRANSACTIONS

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

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

The relationships with related parties which have transactions occurred during the period are as follows:

The Company's name	Type of business	Type of relationship
GMO Internet Group, Inc.	Service of internet infrastructure, online advertising and media and online stock trading in Japan	Ultimate parent company
GMO Financial Holdings, Inc.	Management of group companies and subsidiaries and other related operations	Parent company
NetDesign Host Co., Ltd.	Wired and wireless Internet access	Related party

Business transactions with related parties arose in the ordinary course of businesses and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Significant revenues and expenses derived from transactions with related parties for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	2022	(Unit : Baht) Pricing policy
<b>Interest expense</b>			
GMO Financial Holdings, Inc.	41,961,255	18,172,929	Contractually agreed price
<b>Management fee</b>			
GMO Financial Holdings, Inc.	299,829	167,571	Contractually agreed price
<b>Other expenses</b>			
GMO Financial Holdings, Inc.	6,985,569	6,904,855	Contractually agreed price
NetDesign Host Co., Ltd.	2,475,562	2,448,712	Agreed-upon prices

Significant outstanding balance with its related parties as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
<b>Other receivable (see Note 15)</b>		
GMO Financial Holdings, Inc.	-	518,500
GMO Internet Group, Inc.	42,873	-
	<u>42,873</u>	<u>518,500</u>
<b>Prepaid expenses (see Note 15)</b>		
GMO Financial Holdings, Inc.	181,030	906,397
<b>Borrowing from financial institution (see Note 16)</b>		
GMO Financial Holdings, Inc.	1,230,295,000	1,322,430,000
<b>Accrued expenses (see Note 20)</b>		
GMO Financial Holdings, Inc.	2,823,407	2,699,728
NetDesign Host Co., Ltd.	399,900	412,100
	<u>3,223,307</u>	<u>3,111,828</u>
<b>Other payable (see Note 20)</b>		
GMO Financial Holdings, Inc.	4,239,209	4,983,737

### Significant agreement with a related company

1. As at June 30, 2023 and December 31, 2022, the Company and the parent company have the guarantee agreements. The guarantee obligation to be borne by the Company as guarantee of joint liability of the parent company. The Company must enact agreements condition and paid fees according to the contract. The term of guarantee is the same as the term of contract with the relevant bank.
2. As at June 30, 2023 and December 31, 2022, the Company and the parent company have the royalty agreement for the right to operate the business. The Company must enact agreement condition and paid fees according to the contract. The agreement has no specific the term of contract.

## 5. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

5.1 Cash and cash equivalents as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Cash on hand	30,000	30,000
Deposit at bank - savings accounts	1,582,198,382	1,585,199,449
Deposit at bank - current accounts	5,570,234	835,741
<u>Less</u> Deposits in customers' accounts*	<u>(22,591,784)</u>	<u>(79,233,627)</u>
	1,565,206,832	1,506,831,563
<u>Less</u> Allowance for expected credit loss	<u>(11,850)</u>	<u>(363,309)</u>
Total cash and cash equivalents	<u>1,565,194,982</u>	<u>1,506,468,254</u>

\* Deposits held for customers are not required to present as assets and liabilities in the financial statements according to the Notification of the Office of the Securities and Exchange Commission.

5.2 Non-cash items for the six-month periods ended June 30, 2023 and 2022 are as follows:

5.2.1 Payables from purchases of leasehold office improvement and equipment (recognized as a part of other liabilities), consisted of the following:

	2023	(Unit : Baht) 2022
Payables from purchases of leasehold office improvement and equipment brought forward	-	518,264
<u>Add</u> Purchases during the period	<u>1,093,659</u>	<u>1,915,784</u>
<u>Less</u> Cash payments during the period	<u>(1,093,659)</u>	<u>(2,434,048)</u>
Payables from purchases of leasehold office improvement and equipment carried forward	<u>-</u>	<u>-</u>

5.2.2 Payables from purchases of intangible assets (recognized as a part of other liabilities), consisted of the following:

	2023	(Unit : Baht) 2022
Payables from purchases of intangible assets brought forward	-	-
<u>Add</u> Purchases during the period	<u>3,849,661</u>	<u>395,501</u>
<u>Less</u> Cash payments during the period	<u>(3,849,661)</u>	<u>(395,501)</u>
Payables from purchases of intangible assets carried forward	<u>-</u>	<u>-</u>



5.2.3 Change in liabilities from financing activities for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

			(Unit : Baht)
	<b>Borrowings from financial institutions</b>	<b>2023 Lease liabilities</b>	<b>Total</b>
<b>As at January 1, 2023</b>	12,722,430,000	2,416,118	12,724,846,118
<b>Cash flows items:</b>			
Additions	195,712,000,000	21,609,857	195,733,609,857
Repayments	(197,462,000,000)	(4,066,060)	(197,466,066,060)
Total cash flows items	<u>10,972,430,000</u>	<u>19,959,915</u>	<u>10,992,389,915</u>
<b>Non-cash items:</b>			
Amortization as expense	-	498,457	498,457
Unrealized gain on exchange rate	(92,135,000)	-	(92,135,000)
Total non-cash items	<u>(92,135,000)</u>	<u>498,457</u>	<u>(91,636,543)</u>
<b>As at June 30, 2023</b>	<u>10,880,295,000</u>	<u>20,458,372</u>	<u>10,900,753,372</u>

  

			(Unit : Baht)
	<b>Borrowings from financial institutions</b>	<b>2022 Lease liabilities</b>	<b>Total</b>
<b>As at January 1, 2022</b>	10,590,000,000	8,654,417	10,598,654,417
<b>Cash flows items:</b>			
Additions	27,580,000,000	1,296,219	27,581,296,219
Repayments	(26,610,000,000)	(3,960,131)	(26,613,960,131)
Total cash flows items	<u>11,560,000,000</u>	<u>5,990,505</u>	<u>11,565,990,505</u>
<b>Non-cash items:</b>			
Amortization as expense	-	226,670	226,670
Total non-cash items	<u>-</u>	<u>226,670</u>	<u>226,670</u>
<b>As at June 30, 2022</b>	<u>11,560,000,000</u>	<u>6,217,715</u>	<u>11,566,217,175</u>

## 6. RECEIVABLES FROM CLEARING HOUSE AND BROKER - DEALERS

Receivables from Clearing House and broker - dealers as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Receivables from Clearing House	67,861,648	76,845,333
Total receivables from Clearing House and broker - dealers	<u>67,861,648</u>	<u>76,845,333</u>

## 7. SECURITIES AND DERIVATIVES BUSINESS RECEIVABLES

7.1 Securities and derivatives business receivables as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
<u>Securities business receivables</u>		
Cash accounts	98,816,198	136,149,899
Credit balance accounts	10,001,806,383	13,932,083,080
Other receivable		
- installment receivables*	1,507,868,473	346,971,093
- receivables under litigation*	<u>893,536,251</u>	<u>-</u>
Total securities business receivables	12,502,027,305	14,415,204,072
<u>Add</u> Accrued interest income and deferred interest income	83,378,369	103,005,277
<u>Less</u> Allowance for expected credit loss	<u>(1,768,276,076)</u>	<u>(1,063,045,141)</u>
Total securities and derivatives business receivables	<u>10,817,129,598</u>	<u>13,455,164,208</u>

\* On November 14, 2022, the Stock Exchange of Thailand announced to temporarily suspend the trading of securities of a listed company due to unusual trading from the previous period and subsequently announced the trading of such securities. As at December 31, 2022, the Company has certain securities business balances - credit balance accounts ("securities business receivables") of Baht 2,099.66 million that such securities were used as collaterals which the value of such collaterals were significantly declined. The Company has already recognized all of the allowance for expected credit loss on such securities business receivables in the amount of Baht 952.32 million.

On January 27, 2023, there was one securities business receivable entered into a debt restructuring agreement in the amount of Baht 768.70 million. On the same day, the Company has sold such securities from the other remaining of such securities business receivables in the amount of Baht 360.28 million, and the Company has purchased such securities through Big Lot transactions, therefore, such securities business receivables had outstanding balance of Baht 893.54 million. Subsequently, on February 17, 2023, the Company proceeded to file a lawsuit against such securities business receivables with Civil Court to enforce debt repayment with default interest and other damages. The aforementioned case is currently in the process of testimonial examination and negotiation between the Company and such securities business receivables.

On July 25, 2023, the Company proceeded to file a lawsuit against an installment receivable amounting to Baht 19.56 million, and it appeared that the Central Bankruptcy Court had issued a judgment for such installment receivable as a bankrupt since May 25, 2023. The Company became aware of this matter on July 27, 2023, and the Company has filed the Application for Repayment of Debt to the Official Receiver in order to secure the rights on the outstanding debts against such installment receivable. The Company has fully recognized the allowance for expected credit loss on such installment receivable.

- 7.2 As at June 30, 2023 and December 31, 2022, the Company classified securities business receivables including related accrued interest receivables and presented allowance for expected credit loss, consisted of the following:

	(Unit : Baht)		
	As at June 30, 2023		
	Securities business receivables and accrued interest receivables	Exposure at Default	Allowance for expected credit loss
Performing debts	10,185,318,068	10,086,501,870	5,302,789
Under-performing debts	-	-	-
Non-performing debts	2,400,087,606	2,400,087,606	1,762,973,287
Total	12,585,405,674	12,486,589,476	1,768,276,076

	(Unit : Baht)		
	As at December 31, 2022		
	Securities business receivables and accrued interest receivables	Exposure at Default	Allowance for expected credit loss
Performing debts	12,083,860,072	11,947,710,173	15,104,149
Under-performing debts	18,066,769	18,066,769	18,066,769
Non-performing debts	2,416,282,508	2,416,282,508	1,029,874,223
Total	14,518,209,349	14,382,059,450	1,063,045,141

## 8. INVESTMENTS

8.1 Investments as at June 30, 2023 and December 31, 2022, consisted of the following:

(Unit : Baht)

	As at June 30, 2023		
	Non-collateralized investments	Collateralized investments	Total
<b><u>Fair value</u></b>			
<b>Investments, fair value through other comprehensive income</b>			
Domestic marketable equity securities	100,679,508	-	100,679,508
Domestic non-marketable equity securities	667,680	-	667,680
<b>Total investments, fair value through other comprehensive income</b>	<b>101,347,188</b>	<b>-</b>	<b>101,347,188</b>
<b><u>Amortization cost</u></b>			
<b>Investments, amortized cost</b>			
Fixed deposits	520,003,047	-	520,003,047
Deposits under commitment	-	40,200,000	40,200,000
<u>Less</u> Deposit in customers' account*	(444,296,773)	-	(444,296,773)
<u>Less</u> Allowance for expected credit loss	(22,767)	(835)	(23,602)
<b>Total investments, amortized cost</b>	<b>75,683,507</b>	<b>40,199,165</b>	<b>115,882,672</b>
<b>Total investments</b>	<b>177,030,695</b>	<b>40,199,165</b>	<b>217,229,860</b>

(Unit : Baht)

	As at December 31, 2022		
	Non-collateralized investments	Collateralized investments	Total
<b><u>Fair value</u></b>			
<b>Investments, fair value through other comprehensive income</b>			
Domestic non-marketable equity securities	667,680	-	667,680
<b>Total investments, fair value through other comprehensive income</b>	<b>667,680</b>	<b>-</b>	<b>667,680</b>
<b><u>Amortization cost</u></b>			
<b>Investments, amortized cost</b>			
Fixed deposits	520,008,028	-	520,008,028
Deposits under commitment	-	40,200,000	40,200,000
<u>Less</u> Deposit in customers' account*	(449,423,375)	-	(449,423,375)
<u>Less</u> Allowance for expected credit loss	(214,864)	(125,610)	(340,474)
<b>Total investments, amortized cost</b>	<b>70,369,789</b>	<b>40,074,390</b>	<b>110,444,179</b>
<b>Total investments</b>	<b>71,037,469</b>	<b>40,074,390</b>	<b>111,111,859</b>

\* Deposits held for customers are not required to present as assets and liabilities in the financial statements according to the Notification of the Office of the Securities and Exchange Commission.

8.2 Investments in deposits at financial institutions classified by remaining periods of contracts, consisted of the following:

		As at June 30, 2023		(Unit : Baht)
	Within 1 year	1 - 5 years	Over 5 years	Total
<b>Investments in deposits at financial institutions</b>				
Fixed deposits	520,003,047	-	-	520,003,047
Deposit under commitment	40,200,000	-	-	40,200,000
<u>Less Deposit in customers' account*</u>	<u>(444,296,773)</u>	<u>-</u>	<u>-</u>	<u>(444,296,773)</u>
Total investments in deposits at financial institutions	115,906,274	-	-	115,906,274

		As at December 31, 2022		(Unit : Baht)
	Within 1 year	1 - 5 years	Over 5 years	Total
<b>Investments in deposits at financial institutions</b>				
Fixed deposits	520,008,028	-	-	520,008,028
Deposits under commitment	40,200,000	-	-	40,200,000
<u>Less Deposit in customers' account*</u>	<u>(449,423,375)</u>	<u>-</u>	<u>-</u>	<u>(449,423,375)</u>
Total investments in deposits at financial institutions	110,784,653	-	-	110,784,653

\* Deposits held for customers are not required to present as assets and liabilities in the financial statements according to the Notification of the Office of the Securities and Exchange Commission.

As at June 30, 2023 and December 31, 2022, fixed deposits carry interest at the rate of 0.65% to 1.92% per annum and 0.25% to 1.35% per annum, respectively.

As at June 30, 2023 and December 31, 2022, deposits at financial institutions totalling Baht 40.20 million, which was pledged as a collateral and mortgage securities with local commercial banks (see Note 30).

8.3 Investment in equity instruments designated at FVTOCI as at June 30, 2023 and December 31, 2022, consisted of the following;

(Unit : Baht)				
Investments	Reason for use of alternative in presentation as mentioned	Fair value	As at June 30, 2023	
			Dividend received for the six-month period ended June 30, 2023	Retained earning or retained losses transferred in owner's equity
MORE Return Public Company Limited	Investment in an equity instrument that is not held for trading at initial recognition (see Note 7.1)	100,679,508	-	-
ASCO Business Promotion Company Limited	Intention to hold for long-term period	667,680	-	-
Total		101,347,188	-	-

(Unit : Baht)

Investment	Reason for use of alternative in presentation as mentioned	Fair value	As at December 31, 2022 Dividend received for the year ended December 31, 2022	Retained earning or retained losses transferred in owner's equity
ASCO Business Promotion Company Limited	Intention to hold for long-term period	667,680	-	-
Total		667,680	-	-

8.4 Investment in equity instruments which the company hold 10% or more of the paid-up capital as at June 30, 2023, consisted of the following (2022: Nil);

Investment	Fair value (Baht)	As at June 30, 2023 Holding (%)
MORE Return Public Company Limited	100,679,508	11.69
Total	100,679,508	

8.5 Investment in equity instruments derecognition for the six-month period ended June 30, 2023, consisted of the following (2022: Nil);

(Unit : Baht)

Investment in equity instruments derecognition	Fair value as at derecognition	Loss from derecognition	Reason for derecognition
Investments, fair value through other comprehensive income			
Domestic marketable equity security	30,174,411	(11,288,301)	Sale
Total	30,174,411	(11,288,301)	

## 9. ALLOWANCE FOR EXPECTED CREDIT LOSS

Allowance for expected credit loss as at June 30, 2023 and December 31, 2022, consisted of the following:

(Unit : Baht)

	As at June 30, 2023			
	Allowance for performing	Allowance for under-performing	Allowance for non-performing	Total
<u>Cash and cash equivalent</u>				
Beginning balance	363,309	-	-	363,309
Change in allowance for ECL during the period	(351,459)	-	-	(351,459)
Ending balance	11,850	-	-	11,850
<u>Securities business receivables</u>				
Beginning balance	15,104,149	18,066,769	1,029,874,223	1,063,045,141
Change in allowance for ECL during the period	(9,801,360)	(18,066,769)	733,099,064	705,230,935
Ending balance	5,302,789	-	1,762,973,287	1,768,276,076
<u>Investments</u>				
Beginning balance	340,474	-	-	340,474
Change in allowance for ECL during the period	(316,872)	-	-	(316,872)
Ending balance	23,602	-	-	23,602
<u>Loan to employees</u>				
Beginning balance	7,619	-	-	7,619
Change in allowance for ECL during the period	(7,619)	-	-	(7,619)
Ending balance	-	-	-	-

(Unit : Baht)

	As at December 31, 2022			
	Allowance for performing	Allowance for under-performing	Allowance for non-performing	Total
<u>Cash and cash equivalent</u>				
Beginning balance	239,049	-	-	239,049
Change in allowance for ECL during the year	124,260	-	-	124,260
Ending balance	363,309	-	-	363,309
<u>Securities business receivables</u>				
Beginning balance	37,294,539	-	-	37,294,539
Change in allowance for ECL during the year	(22,190,390)	18,066,769	1,029,874,223	1,025,750,602
Ending balance	15,104,149	18,066,769	1,029,874,223	1,063,045,141
<u>Investments</u>				
Beginning balance	222,846	-	-	222,846
Change in allowance for ECL during the year	117,628	-	-	117,628
Ending balance	340,474	-	-	340,474
<u>Loan to employees</u>				
Beginning balance	302,687	-	-	302,687
Change in allowance for ECL during the year	(295,068)	-	-	(295,068)
Ending balance	7,619	-	-	7,619

#### 10. LOANS TO EMPLOYEES

Loans to employees as at June 30, 2023 and December 31, 2022, consist of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Within 1 year	-	7,619
Less Allowance for expected credit loss	-	(7,619)
Total loans to employees	-	-



# 11. LEASEHOLD OFFICE IMPROVEMENT AND EQUIPMENT

Leasehold office improvement and equipment as at June 30, 2023 and December 31, 2022, consisted of the following:

(Unit : Baht)			
For the six-month period ended June 30, 2023			
	Balance as at January 1, 2023	Increase Decrease	Balance as at June 30, 2023
<b>Cost</b>			
Leasehold office improvement	13,638,288	-	13,638,288
Office equipment	3,770,903	71,206	3,801,659
Furniture	3,936,136	-	3,928,336
Computer	10,347,176	1,022,453	11,369,629
Vehicle	697,386	-	697,386
Total cost	32,389,889	1,093,659	33,435,298
<b>Accumulated depreciation</b>			
Leasehold office improvement	(13,305,266)	(45,142)	(13,350,408)
Office equipment	(3,119,508)	(121,809)	(3,224,620)
Furniture	(3,919,805)	(12,273)	(3,924,280)
Computer	(7,176,741)	(964,776)	(8,141,517)
Vehicle	(56,268)	(42,724)	(98,992)
Total accumulated depreciation	(27,577,588)	(1,186,724)	(28,739,817)
<b>Leasehold office improvement and equipment</b>	<b>4,812,301</b>		<b>4,695,481</b>

(Unit : Baht)			
For the year ended December 31, 2022			
	Balance as at January 1, 2022	Increase Decrease	Balance as at December 31, 2022
<b>Cost</b>			
Leasehold office improvement	13,638,288	-	13,638,288
Office equipment	3,737,865	33,038	3,770,903
Furniture	3,936,136	-	3,936,136
Computer	9,622,067	1,424,123	10,347,176
Vehicle	-	697,386	697,386
Total cost	30,934,356	2,154,547	32,389,889
<b>Accumulated depreciation</b>			
Leasehold office improvement	(11,787,815)	(1,517,451)	(13,305,266)
Office equipment	(2,729,554)	(389,954)	(3,119,508)
Furniture	(3,606,054)	(313,751)	(3,919,805)
Computer	(5,633,490)	(2,242,242)	(7,176,741)
Vehicle	-	(56,268)	(56,268)
Total accumulated depreciation	(23,756,913)	(4,519,666)	(27,577,588)
<b>Leasehold office improvement and equipment</b>	<b>7,177,443</b>		<b>4,812,301</b>

Depreciation for the six-month periods ended June 30,  
2023  
2022

Baht 1,186,724  
Baht 2,794,759



As at June 30, 2023 and December 31, 2022, the Company had certain items of leasehold office improvement and equipment that were fully depreciated but are still in use. The gross carrying amounts before deducting accumulated depreciation of those assets amounting to Baht 25.81 million and Baht 21.87 million, respectively.

As at June 30, 2023 and December 31, 2022, the Company has initial estimated cost of dismantling and removing the asset and restoring the site of office as a part of leasehold office improvement amounting to Baht 2.00 million.

## 12. RIGHT-OF-USE ASSETS

Right-of-use asset as at June 30, 2023 and December 31, 2022, consisted of the following:

	(Unit : Baht)			
	For the six-month period ended June 30, 2023			
	Balance as at January 1, 2023	Increase	Decrease	Balance as at June 30, 2023
<b>Cost</b>				
Building	21,831,912	21,609,857	(20,703,486)	22,738,283
Vehicle	1,296,219	-	-	1,296,219
Total cost	<u>23,128,131</u>	<u>21,609,857</u>	<u>(20,703,486)</u>	<u>24,034,502</u>
<b>Accumulated depreciation</b>				
Building	(20,163,670)	(3,725,537)	20,703,486	(3,185,721)
Vehicle	(151,995)	(128,556)	-	(280,551)
Total accumulated depreciation	<u>(20,315,665)</u>	<u>(3,854,093)</u>	<u>20,703,486</u>	<u>(3,466,272)</u>
<b>Right-of-use assets</b>	<u>2,812,466</u>			<u>20,568,230</u>

  

	(Unit : Baht)			
	For the year ended December 31, 2022			
	Balance as at January 1, 2022	Increase	Decrease	Balance as at December 31, 2022
<b>Cost</b>				
Building	21,831,912	-	-	21,831,912
Vehicle	1,759,476	1,296,219	(1,759,476)	1,296,219
Total cost	<u>23,591,388</u>	<u>1,296,219</u>	<u>(1,759,476)</u>	<u>23,128,131</u>
<b>Accumulated depreciation</b>				
Building	(12,886,366)	(7,277,304)	-	(20,163,670)
Vehicle	(1,637,114)	(274,357)	1,759,476	(151,995)
Total accumulated depreciation	<u>(14,523,480)</u>	<u>(7,551,661)</u>	<u>1,759,476</u>	<u>(20,315,665)</u>
<b>Right-of-use assets</b>	<u>9,067,908</u>			<u>2,812,466</u>

  

<b>Depreciation for the six-month periods ended June 30,</b>		
2023	<b>Baht</b>	<u>3,854,093</u>
2022	<b>Baht</b>	<u>3,752,413</u>

### 13. INTANGIBLE ASSETS

Intangible assets as at June 30, 2023 and December 31, 2022, consisted of the following:

						(Unit : Baht)
	Useful lives	For the six-month period ended June 30, 2023			Balance as at June 30, 2023	
		Balance as at January 1, 2023	Increase	Decrease		
<b>Cost</b>						
Initial membership fee	Undefined	20,000,000	-	-	20,000,000	
SET membership fee	Undefined	50,000,000	-	-	50,000,000	
Computer software	3 - 10 years	199,325,865	3,849,661	-	203,175,526	
Total cost		<u>269,325,865</u>	<u>3,849,661</u>	<u>-</u>	<u>273,175,526</u>	
<b>Accumulated amortization</b>						
Computer software	3 - 10 years	(148,398,290)	(14,714,824)	-	(163,113,114)	
Total accumulated amortization		<u>(148,398,290)</u>	<u>(14,714,824)</u>	<u>-</u>	<u>(163,113,114)</u>	
<b>Intangible assets</b>		<u>120,927,575</u>			<u>110,062,412</u>	

  

						(Unit : Baht)
	Useful lives	For the year ended December 31, 2022			Balance as at December 31, 2022	
		Balance as at January 1, 2022	Increase	Decrease		
<b>Cost</b>						
Initial membership fee	Undefined	20,000,000	-	-	20,000,000	
SET membership fee	Undefined	50,000,000	-	-	50,000,000	
Computer software	3 - 10 years	200,064,451	484,808	(1,223,394)	199,325,865	
Total cost		<u>270,064,451</u>	<u>484,808</u>	<u>(1,223,394)</u>	<u>269,325,865</u>	
<b>Accumulated amortization</b>						
Computer software	3 - 10 years	(111,057,009)	(38,564,660)	1,223,379	(148,398,290)	
Total accumulated amortization		<u>(111,057,009)</u>	<u>(38,564,660)</u>	<u>1,223,379</u>	<u>(148,398,290)</u>	
<b>Intangible assets</b>		<u>159,007,442</u>			<u>120,927,575</u>	

  

<b>Amortization for the six-month periods ended June 30,</b>					
2023				<b>Baht</b>	<u>14,714,824</u>
2022				<b>Baht</b>	<u>19,757,732</u>

Initial and SET membership fee have an undefined useful life when there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the entity. Therefore, the Company has not amortized such intangible assets but those assets are tested for impairment annually or whenever there is an indication that the intangible assets may be impaired and allowance for impairment is recognized (if any).

As at June 30, 2023 and December 31, 2022 the Company had certain items of computer software that were fully amortized but are still in use. The gross carrying amounts before deducting accumulated amortization of those computer software amounting to Baht 66.58 million and Baht 42.20 million, respectively.

#### 14. DEFERRED TAX ASSETS / INCOME TAX

- 14.1 Deferred tax assets and liabilities as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Deferred tax assets	40,892,988	40,950,286
Deferred tax liabilities	(21,972)	(79,270)
Total	<u>40,871,016</u>	<u>40,871,016</u>

- 14.2 The movements of deferred tax assets during the six-month period ended June 30, 2023 and the year ended December 31, 2022, consisted of the following:

	For the six-month period ended June 30, 2023			(Unit : Baht)
	Balance As at January 1, 2023	Items as recognized into profit or loss	Items as recognized into other comprehensive income	Balance As at June 30, 2023
Provisions for restoring costs				
of leasehold office improvement	429,890	-	-	429,890
Allowance for expected credit loss	142,280	(135,190)	-	7,090
Employee benefit obligations	1,922,613	227,660	-	2,150,273
Unused tax losses	38,455,503	(149,768)	-	38,305,735
Difference from lease liabilities	(79,270)	57,298	-	(21,972)
Total deferred tax assets	<u>40,871,016</u>	<u>-</u>	<u>-</u>	<u>40,871,016</u>

	For the year ended December 31, 2022			(Unit : Baht)
	Balance As at January 1, 2022	Items as recognized into profit or loss	Items as recognized into other comprehensive income	Balance As at December 31, 2022
Provisions for restoring costs				
of leasehold office improvement	409,005	20,885	-	429,890
Allowance for expected credit loss	152,916	(10,636)	-	142,280
Employee benefit obligations	1,804,802	456,743	(338,932)	1,922,613
Unused tax losses	-	38,455,503	-	38,455,503
Difference from lease liabilities	(82,698)	3,428	-	(79,270)
Total deferred tax assets	<u>2,284,025</u>	<u>38,925,923</u>	<u>(338,932)</u>	<u>40,871,016</u>

### 14.3 Income tax expenses

Income tax expenses for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
<b>Current income tax expenses:</b>		
Current income tax expenses for the period	-	45,770,831
<b>Deferred tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	-	(365,671)
Income tax expenses (income)	-	45,405,160

Reconciliation of effective tax rate as follows:

	2023		2022	
	Tax rate (%)	Baht	Tax rate (%)	Baht
Profit (loss) before income tax		(361,674,445)		227,174,845
Income tax at the applicable tax rate	20	(72,334,889)	20	45,434,969
Tax effect of increased in loss carry forward unrecognized deferred tax assets		71,983,560		-
Tax effect of losses carry forward recognized deferred tax assets		149,768		-
Income that are not exempt from taxation		243,604		36,056
Tax effect of non-deductible expense (benefit)				
Expenses not deductible for tax purposes		820,532		793,718
Expenses for tax incentives		(862,575)		(859,583)
Income tax expenses	-	-	20	45,405,160

### 15. OTHER ASSETS

Other assets as at June 30, 2023 and December 31, 2022, consisted of the following:

	(Unit : Baht)	
	As at June 30, 2023	As at December 31, 2022
Other receivable - Revenue Department	45,750,655	45,750,655
Other receivable - related companies (see Note 4)	42,873	518,500
Other receivable - other companies	101,855	102,466
Accrued interest receivable	2,512,830	2,096,960
Prepaid expense - a related company (see Note 4)	181,030	906,397
Prepaid expense - other companies	5,278,165	2,277,205
Clearing fund	23,386,140	23,377,403
Deposits	3,349,250	3,214,174
Others	337,254	361,639
Total other assets	80,940,052	78,605,399

## 16. BORROWINGS FROM FINANCIAL INSTITUTIONS

Borrowings from financial institutions as at June 30, 2023 and December 31, 2022, consisted of the following:

					(Unit : Baht)
	Interest rate (% p.a.)	As at June 30, 2023			Total
		Remaining periods to maturity Within 1 year	1 - 5 years	Over 5 years	
<b>Borrowings from financial institutions</b>					
Borrowing in foreign currency (See Note 4)	3.50	1,230,295,000	-	-	1,230,295,000
Promissory notes	2.60 - 3.70	3,890,000,000	-	-	3,890,000,000
Bill of exchanges	3.20 - 3.79	5,760,000,000	-	-	5,760,000,000
Total borrowings from financial institutions		<u>10,880,295,000</u>	<u>-</u>	<u>-</u>	<u>10,880,295,000</u>

					(Unit : Baht)
	Interest rate (% p.a.)	As at December 31, 2022			Total
		Remaining periods to maturity Within 1 year	1 - 5 years	Over 5 years	
<b>Borrowings from financial institutions</b>					
Borrowing in foreign currency (See Note 4)	3.50	1,322,430,000	-	-	1,322,430,000
Promissory notes	2.45	4,560,000,000	-	-	4,560,000,000
Bill of exchanges	2.45	6,840,000,000	-	-	6,840,000,000
Total borrowings from financial institutions		<u>12,722,430,000</u>	<u>-</u>	<u>-</u>	<u>12,722,430,000</u>

On November 12, 2018, the Company had entered into a promissory notes facility agreement with TSFC Securities Public Company Limited which has a credit line amounting to Baht 200.00 million. Subsequently, during the year 2019, the Company had entered into additional facility agreements amounting to Baht 350.00 million and on January 8, 2020 amounting to Baht 50.00 million. Total facility amount is Baht 600.00 million. The Company pledged the right to claim credit balance account of securities business receivables as a loan collateral. The Company has to comply with the terms and conditions for maintenance of margin ratios more than 120%. As at June 30, 2023, the Company has not withdrawn any promissory notes (2022 : Nil).

On November 22, 2022, the Company had entered into a subordinated loan agreement with the financial institution in Japan which is the parent company with a borrowing facility amounting to JPY 9,000 million. Such borrowings facility has interest rate 3.50% per annum. As at June 30, 2023, the Company withdrawn the borrowings amounting to JPY 5,000 million, equal to Baht 1,230.30 million (2022: Baht 1,322.43 million) (see Note 4).

On November 23, 2022, the Company had entered into a business security agreement with a commercial bank in Thailand. The Company pledged the right to claim credit balance account of securities business receivables as a loan collateral amounting to Baht 2,736.00 million. The Company pledged the right to claim credit balance account of securities business receivables as collateral. As at December 31, 2022, the Company had credit facilities from commercial banks in Thailand which have credit facility of promissory notes amounting to Baht 5,830.00 million and facility of bills of exchange amounting to Baht 7,500.00 million. The parent company issued letter of credit for such credit facilities. As at December 31, 2022, the Company withdrawn promissory notes and bills of exchange amounting to Baht 4,560.00 million and Baht 6,840.00 million, respectively. Also, the Company has collateral value amounting to Baht 588.07 million.

As at June 30, 2023, the Company had credit facilities from commercial banks in Thailand which have credit facility of promissory notes amounting to Baht 5,450.00 million and facility of bills of exchange amounting to Baht 7,500.00 million. The parent company issued letter of credit for such credit facilities. As at June 30, 2023, the Company withdrawn promissory notes and bills of exchange amounting to Baht 3,890.00 million and Baht 5,760.00 million, respectively. Also, the Company has collateral value amounting to Baht 2,112.25 million.

#### 17. SECURITIES AND DERIVATIVES BUSINESS PAYABLES

Securities and derivatives business payables as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
<u>Securities business payables</u>		
Cash accounts	92,705,159	138,704,171
Total securities and derivatives business payables	<u>92,705,159</u>	<u>138,704,171</u>

#### 18. LEASE LIABILITIES

Movements in lease liabilities for the six-month period ended June 30, 2023 and for the year ended December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Beginning balance of the period/year	2,416,118	8,654,417
Addition	21,609,857	1,296,219
Interest expense	498,457	365,273
Lease obligation reduction/repayment	(4,066,060)	(7,899,791)
Ending balance of the period/year	<u>20,458,372</u>	<u>2,416,118</u>

The undiscounted maturity analysis of lease liabilities as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
<b>Lease liabilities</b>		
Less than one year	8,258,520	1,559,320
Between one year and five years	14,133,350	1,009,010
Total	<u>22,391,870</u>	<u>2,568,330</u>



Lease liabilities as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Lease liabilities	22,391,870	2,568,330
<u>Less</u> Deferred interest expenses	<u>(1,933,498)</u>	<u>(152,212)</u>
Total	<u>20,458,372</u>	<u>2,416,118</u>

## 19. PROVISIONS

Provisions as at June 30, 2023 and December 31, 2022, consisted of the following:

	As at June 30, 2023	Unit : Baht As at December 31, 2022
Provision for restoring costs of leasehold office improvement	2,149,450	2,149,450
Employee benefit obligations	10,751,365	9,613,060
Total provisions	<u>12,900,815</u>	<u>11,762,510</u>

### 19.1 Provision for restoring costs of leasehold office improvement

Provision for restoring costs of leasehold office improvement as at June 30, 2023 and December 31, 2022, are as follows:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Beginning balance of the period/year	2,149,450	2,145,247
Increase during the period/year	<u>-</u>	<u>4,203</u>
Ending balance of the period/year	<u>2,149,450</u>	<u>2,149,450</u>

## 19.2 Employee benefit obligations

Movements in the present value of the employment benefit obligations as at June 30, 2023 and December 31, 2022, are as follows:

	As at June 30, 2023	(Unit : Baht) As at December 31, 2022
Beginning balance of the period/year	9,613,060	9,024,011
Current service cost	976,236	2,089,239
Interest cost	<u>162,069</u>	<u>194,477</u>
Components of employee benefit costs recognized in the statements of comprehensive income	1,138,305	2,283,716
Remeasurements:		
Gain from change in financial assumptions	-	(1,793,287)
Loss from change in experiences	<u>-</u>	<u>98,620</u>
Components of employee benefit costs recognized in other comprehensive income	-	(1,694,667)
Ending balance of the period/year	<u>10,751,365</u>	<u>9,613,060</u>

Employee benefit expenses recognized in profit or loss for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
Current service cost	976,236	1,044,619
Interest cost	<u>162,069</u>	<u>97,239</u>
Total	<u>1,138,305</u>	<u>1,141,858</u>

The principal actuarial assumptions as at June 30, 2023 and December 31, 2022 are as follows:

	As at June 30, 2023 (% p.a.)	As at December 31, 2022 (% p.a.)
Discount rate	1.92 - 5.51	1.92 - 5.51
Salary increase rate	5	5
Employee turnover	0 - 25 (depend on employee's ages)	0 - 25 (depend on employee's ages)
Mortality rate	TMO 2017 (mortality table 2017)	TMO 2017 (mortality table 2017)
Improvement mortality rate	3	3

Significant actuarial assumptions for the determination of the employee benefit obligations are discount rate, expected salary increase rate, employee turnover rate and improving mortality rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective actuarial assumption occurring at the end of the reporting period, while holding all other assumptions constant.

(Unit : Baht)			
Impact on employee benefit obligations			
As at June 30, 2023			
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(592,644)	701,580
Salary increase rate	1%	750,883	(643,790)
Employee turnover rate	2%	(505,749)	592,166
Improving mortality rate	1%	31,037	(35,831)

(Unit : Baht)			
Impact on employee benefit obligations			
As at December 31, 2022			
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(1,025,341)	1,219,027
Salary increase rate	1%	1,194,363	(1,025,117)
Employee turnover rate	2%	(800,267)	934,173
Improving mortality rate	1%	49,288	(56,861)

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

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

## 20. OTHER LIABILITIES

Other liabilities as at June 30, 2023 and December 31, 2022, consisted of the following:

(Unit : Baht)		
	As at June 30, 2023	As at December 31, 2022
Accrued expense - related companies (see Note 4)	3,223,307	3,111,828
Accrued expense - other companies	13,614,323	23,175,699
Other payables - a related company (see Note 4)	4,239,209	4,983,737
Other payables - other companies	6,912,364	9,679,025
Withholding tax payables	1,708,064	1,756,977
Total other liabilities	<u>29,697,267</u>	<u>42,707,266</u>

## 21. SHARE CAPITAL

On March 18, 2022, the Annual General Meeting of shareholder No. 1/2022 passed a resolution to increase the Company's authorized share capital from Baht 2,880,000,000 to Baht 3,600,000,000, the issue of 75,000,000 additional ordinary shares at par value of Baht 9.60 each, totaling Baht 720,000,000. The Company registered the capital increase with the Department of Business Development, Ministry of Commerce on March 21, 2022.

On February 16, 2023, the Board of Director No. 2/2023 passed a resolution to decrease the Company's authorized share capital from Baht 3,600,000,000 to Baht 2,880,000,000 the reduction of 75,000,000 ordinary shares at par value of Baht 9.60 each, totaling Baht 720,000,000. The Company registered the capital reduction with the Department of Business Development, Ministry of Commerce on March 27, 2023.

## 22. CAPITAL MANAGEMENT

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern and to maintain net liquid capital rule in accordance with Notifications of the SEC.

## 23. INTEREST INCOME

Interest income for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
Interest on margin loans	495,774,154	430,378,522
Interest from deposit at financial institutions	2,717,378	2,273,075
Interest from installment receivables	26,887,021	1,971,830
Others	1,020,101	6,635
Total interest income	<u>526,398,654</u>	<u>434,630,062</u>

## 24. OTHER INCOME

Other income for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
Gain arising from modification of financial assets measured at amortized cost	73,782,375	-
Others	177,699	1,234,860
Total other income	<u>73,960,074</u>	<u>1,234,860</u>

## 25. DIRECTORS AND KEY MANAGERMENTS' REMUNERATION

- 25.1 The Company paid directors' remuneration for the six-month periods ended June 30, 2023 and 2022, amounting to Baht 0.36 million and Baht 0.87 million, respectively. The remuneration does not include salaries, bonus and other benefits to its directors who hold executive position.
- 25.2 Compensation or remuneration payable to key managements of the Company, which is presented as part of "Employee benefits expenses" for the six-month periods ended June 30, 2023 and 2022, are as follows:

	2023	(Unit : Baht) 2022
Short-term benefits	15,823,707	14,288,330
Post-employment benefits	766,280	698,840
Total	<u>16,589,987</u>	<u>14,987,170</u>

## 26. EXPECTED CREDIT LOSS (REVERSAL)

Expected credit loss (reversal) for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
Cash and cash equivalent	(351,459)	143,976
Securities business receivables	686,623,993	(2,521,960)
Non-collateralized investments	(192,097)	721,905
Collateralized investments	(124,775)	(140,397)
Loan to employee	(7,619)	(162,367)
Total expected credit loss (reversal)	<u>685,948,043</u>	<u>(1,958,843)</u>

## 27. OTHER EXPENSES

Other expenses for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	(Unit : Baht) 2022
Premises and equipment expenses	20,421,780	27,159,693
Consultancy and services expenses	5,582,486	6,001,597
Marketing expenses	10,144,445	9,824,830
Information technology expenses	4,112,256	3,442,357
Specific business taxes	19,303,148	14,259,816
Others	11,610,735	9,202,816
Total other expenses	<u>71,174,850</u>	<u>69,891,109</u>

## 28. BASIC EARNINGS (LOSSES) PER SHARE

28.1 Basic earnings (losses) per share for the six-month periods ended June 30, 2023 and 2022, consisted of the following:

	2023	2022
Profit (loss) attributable to shareholders (Baht)	(361,674,445)	181,769,685
Weight average number of ordinary shares outstanding (shares)	300,000,000	300,000,000
Basic earnings (losses) per share (Baht)	(1.21)	0.61

The Company had no dilutive ordinary shares during the six-month periods ended June 30, 2023 and 2022.

## 29. SIGNIFICANT AGREEMENT

On September 20, 2018, the Company had entered into Securities Reverse Repurchase Agreement (“REPO”) with TSFC Securities Public Company Limited (“TSFC”). REPO agreement is for short-term borrowings with collateral, whereby the Company will sell Company’s securities as collateral to TSFC and agree to repurchase at the buyback price, interest rate and period as specified in REPO agreement. However, as at June 30, 2023 and December 31, 2022, the Company did not has such contractual transactions.

## 30. COMMITMENTS

As at June 30, 2023 and December 31, 2022, the Company has the credit line for bank overdraft with a commercial bank in Thailand amounting to Baht 40.00 million, carrying interest rate of MOR and being collateralized by fixed deposit (see Note 8.2).

## 31. RISK MANAGERMENTS

### 31.1 Net liquid capital

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

In addition, the Notification of the Office of the Securities and Exchange Commission No. KorThor. 26/2563 regarding “Maintenance of Net Capital” requires securities businesses operator to maintain its net liquid capital at the end of working day not less than Baht 15 million and 7% of general liabilities and assets held as collateral.

As at June 30, 2023 and December 31, 2022, the Company has net liquid capital higher than the requirement of the Office of the Securities and Exchange Commission and has owners’ equity higher than the requirement of Thailand Clearing House Co., Ltd.



The periods of time from the statement of financial position date to the maturity dates of financial instruments as at June 30, 2023 and December 31, 2022, are as follows:

(Unit : Thousand Baht)

As at June 30, 2023					
	Outstanding balances of financial instruments				
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity
<b>Financial assets</b>					
Cash and cash equivalents	1,565,195	-	-	-	-
Receivables from Clearing House and broker - dealers	-	67,862	-	-	-
Securities and derivatives business receivables	-	1,587,126	-	-	9,230,004
Non-collateralized investments	-	75,707	-	-	101,324
Collateralized investments	-	40,199	-	-	-
<b>Financial liabilities</b>					
Borrowings from financial institutions	-	10,880,295	-	-	-
Securities and derivatives business payables	-	92,705	-	-	-
Lease liabilities	-	7,129	13,329	-	-

(Unit : Thousand Baht)

As at December 31, 2022					
	Outstanding balances of financial instruments				
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity
<b>Financial assets</b>					
Cash and cash equivalents	1,506,468	-	-	-	-
Receivables from Clearing House and broker - dealers	-	76,845	-	-	-
Securities and derivatives business receivables	-	483,121	-	-	12,972,043
Non-collateralized investments	-	70,584	-	-	453
Collateralized investments	-	40,074	-	-	-
<b>Financial liabilities</b>					
Borrowings from financial institutions	-	12,722,430	-	-	-
Securities and derivatives business payables	-	138,704	-	-	-
Lease liabilities	-	1,494	922	-	-

## 31.2 The significant risk of financial instruments

As at June 30, 2023 and December 31, 2022, the Company did not have policy to speculate or trade in any derivatives financial instruments.

### 31.2.1 Credit risk

Credit risk is the risk that a counterparty will fail to fulfil an obligation under a financial instrument causing the Company to incur a financial loss. The financial assets of the Company are not subject to significant concentration of credit risk. The maximum credit risk exposure is the carrying amount of the financial assets, less provision for losses, as stated in the statement of financial position.

### 31.2.2 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates and it will affect the operational results of the Company and its cash flows.

(Unit : Thousand Baht)

As at June 30, 2023								
Outstanding balances of financial instruments								
Remaining period to the contractual maturity dates								
	Floating interest rate	At call	Within 1 year	1 - 5 years	No interest	Total	Interest rate (%)	
							Floating rate	Fixed rate
<b>Financial assets</b>								
Cash and cash equivalents	1,559,595	-	-	-	5,600	1,565,195	0.00 - 0.60	-
Receivables from Clearing House and broker - dealers	-	-	-	-	67,862	67,862	-	-
Securities and derivatives business receivables	-	-	10,634,935	-	182,195	10,817,130	-	7.15 - 12.87
Non-collateralized investments	-	-	75,707	-	101,324	177,031	-	0.65 - 1.92
Collateralized investments	-	-	40,199	-	-	40,199	-	0.35 - 0.60
<b>Financial liabilities</b>								
Borrowings from financial institutions	-	-	10,880,295	-	-	10,880,295	-	2.60 - 3.79
Securities and derivatives business payables	-	-	-	-	92,705	92,705	-	-
Lease liabilities	-	-	7,129	13,329	-	20,458	-	5.25 - 6.63

(Unit : Thousand Baht)

As at December 31, 2022								
Outstanding balances of financial instruments								
Remaining period to the contractual maturity dates								
	Floating interest rate	At call	Within 1 year	1 - 5 years	No interest	Total	Interest rate (%)	
							Floating rate	Fixed rate
<b>Financial assets</b>								
Cash and cash equivalents	1,505,602	-	-	-	866	1,506,468	0.00 - 0.50	-
Receivables from Clearing House and broker - dealers	-	-	-	-	76,845	76,845	-	-
Securities and derivatives business receivables	-	-	13,216,009	-	239,155	13,455,164	-	6.40 - 28.00
Non-collateralized investments	-	-	70,584	-	453	71,037	-	0.25 - 1.35
Collateralized investments	-	-	40,074	-	-	40,074	-	0.25 - 0.60
<b>Financial liabilities</b>								
Borrowings from financial institutions	-	-	12,722,430	-	-	12,722,430	-	2.45 - 3.50
Securities and derivatives business payables	-	-	-	-	138,704	138,704	-	-
Lease liabilities	-	-	1,494	922	-	2,416	-	5.25 - 6.25

### 31.2.3 Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate because of changes in foreign exchange rates.

As at June 30, 2023 and December 31, 2022, the Company expects to incur material effect on financial assets and financial liabilities of the Company in respect of cash and cash equivalents and borrowing from financial institutions (see Notes 5 and 16). The Company does not use any financial instrument to manage such risk.

### 31.2.4 Fair value

Considerable judgment is necessarily required in estimation of the fair value of financial assets and financial liabilities. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

#### Financial assets measured at fair value

Financial assets	Fair value		Fair value hierarchy	Valuation techniques and key inputs	(Unit: Thousand Baht) Significant unobservable inputs and relationship of unobservable inputs to fair value <sup>(1)</sup>
	As at June 30, 2023	As at December 31, 2022			
Investment measured at fair value through other comprehensive Income					
Equity securities	100,680	-	Level 1	Fair Value	The shares are listed on the Stock Exchange
Equity securities	668	668	Level 3	Cost	The shares are not listed on the Stock Exchange, and there are no recent observable arm's length transactions in the shares

(1) Applicable only for the fair value hierarchy Level 3

#### Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value and their fair value hierarchy level classification are summarized as follows:

	(Unit : Thousand Baht)		Fair value hierarchy
	As at June 30, 2023	Book Value	
<b>Financial assets</b>			
Cash and cash equivalents	1,565,195	1,565,195	3
Receivables from Clearing House and broker - dealers	67,862	67,862	3
Securities and derivatives business receivables	10,817,130	10,817,130	3
Non-collateralized investments	75,684	75,684	3
Collateralized investments	40,199	40,199	3
<b>Financial liabilities</b>			
Borrowings from financial institutions	10,880,295	10,880,295	3
Securities and derivatives business payables	92,705	92,705	3
Lease liabilities	20,458	20,458	3

	(Unit : Thousand Baht)		
	As at December 31, 2022		Fair value hierarchy
	Book Value	Fair Value	
<b>Financial assets</b>			
Cash and cash equivalents	1,506,468	1,506,468	3
Receivables from Clearing House and broker - dealers	76,845	76,845	3
Securities and derivatives business receivables	13,455,164	13,455,164	3
Non-collateralized investments	70,370	70,370	3
Collateralized investments	40,074	40,074	3
<b>Financial liabilities</b>			
Borrowings from financial institutions			
Securities and derivatives business payables	12,722,430	12,722,430	3
Lease liabilities	138,704	138,704	3
	2,416	2,416	3

The approximate fair values of most financial assets and financial liabilities are based on the amounts recognized in the statement of financial position as they are short-term and non-interest sensitive. For deposits at financial institutions, a fair value is equal to the carrying amount as they are short-term maturity.

As at June 30, 2023 and December 31, 2022, the fair values of financial assets and liabilities are not significantly different from carrying amounts.

## 32. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorized for issuance by the Board of Directors of the Company on August 23, 2023.