

Finansia Syrus Securities Public Company Limited
Report and financial statements
31 December 2023



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Independent Auditor's Report

To the Shareholders of Finansia Syrus Securities Public Company Limited

Opinion

I have audited the accompanying financial statements of Finansia Syrus Securities Public Company Limited, which comprise the statement of financial position in which the equity method is applied as at 31 December 2023, and the related statements of comprehensive income, changes in shareholders' equity and cash flows in which the equity method is applied for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Finansia Syrus Securities Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Finansia Syrus Securities Public Company Limited as at 31 December 2023, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 1.2 to the financial statements regarding the Group's shareholding and management restructuring plan.

- On 17 August 2023, the parent company, Finansia X Public Company Limited ("FSX"), held shares in the Company accounting for 99.74% of the Company's issued and paid-up share capital. On 23 August 2023, FSX's ordinary shares were registered and listed on the Stock Exchange of Thailand ("SET") in place of the Company's shares, which were delisted from the SET on the same date.
- On 29 September 2023, FSX completed the acquisition of ordinary shares in three subsidiaries held by the Company and FSS International Investment Advisory Securities Company Limited ("FSSIA") in accordance with the Restructuring Plan. As a result, FSX has become a direct shareholder of FSS, FSSIA, Finansia Securities Company Limited ("FSL") and Finansia Digital Asset Company Limited ("FDA").

My opinion is not modified in respect of this matter.

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 Thai Financial Reporting Standards, 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 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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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.

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

I am responsible for the audit resulting in this independent auditor's report.

Wanwilai P.

Wanwilai Phetsang

Certified Public Accountant (Thailand) No. 5315

EY Office Limited

Bangkok: 28 February 2024

Finansia Syrus Securities Public Company Limited

Statement of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Financial statements			
		in which the equity	Consolidated		Separate financial statements
		method is applied	financial statements		
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	
Assets					
Cash and cash equivalents	6, 33.3	138,604,316	461,154,719	138,604,316	388,879,681
Receivables from Clearing House and broker-dealers	7	1,204,634,145	1,044,347,081	1,204,634,145	1,044,347,081
Securities and derivatives business receivables	8	2,836,330,533	4,392,874,848	2,836,330,533	4,392,874,848
Accrued fees and service income		4,606,460	31,686,419	4,606,460	6,186,419
Derivatives assets	9	-	330,360	-	330,360
Investments	10	179,065,075	561,301,009	179,065,075	440,562,574
Loans to subsidiary	33.4	-	-	-	490,000,000
Loans to parent company	33.5	700,000,000	-	700,000,000	-
Loans to employees		1,549,691	2,888,245	1,549,691	2,888,245
Investments in subsidiaries and an associate	11	142,973,184	141,954,576	105,462,791	163,652,031
Office condominium and equipment	13	104,761,347	485,711,685	104,761,347	100,021,404
Right-of-use assets	14.1	153,925,113	200,884,484	153,925,113	198,539,141
Intangible assets	15	209,811,995	212,447,246	209,811,995	197,011,966
Deferred tax assets	16.1	37,914,692	47,445,293	45,416,770	47,192,949
Other assets	17	278,697,208	433,523,307	278,697,208	443,669,532
Total assets		5,992,873,759	8,016,549,272	5,962,865,444	7,916,156,231
Liabilities and owners' equity					
Liabilities					
Borrowings from financial institutions		400,000,000	-	400,000,000	-
Payables to Clearing House and broker-dealers	18	41,655,632	1,051,948,803	41,655,632	1,051,948,803
Securities and derivatives business payables	19	1,704,274,744	2,242,565,006	1,704,274,744	2,242,565,006
Derivatives liabilities	9	-	51,010,272	-	51,010,272
Debt issued	20	713,400,000	971,000,000	713,400,000	971,000,000
Corporate income tax payable		-	26,396,573	-	26,396,573
Provisions	21	55,750,436	47,530,494	55,750,436	47,530,494
Provision for long-term employee benefits	22	101,438,028	132,012,232	101,438,028	92,433,239
Lease liabilities	14.2	91,657,340	121,600,184	91,657,340	119,141,893
Other liabilities	23	219,344,644	524,463,704	219,344,644	486,126,831
Total liabilities		3,327,520,824	5,168,527,268	3,327,520,824	5,088,153,111

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

Finansia Syrus Securities Public Company Limited

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Financial statements			
	Note	in which the equity	Consolidated	Separate financial statements
		method is applied	financial statements	31 December 2023
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Owners' equity				
Share capital				
Issued and paid-up share capital				
581,403,025 ordinary shares of Baht 1.60 each		930,244,840	930,244,840	930,244,840
Share premium		620,892,885	620,892,885	620,892,885
Capital reserve for share-based payment transactions		322,946	322,946	322,946
Deficit as a result of change in holding percentage				
in the subsidiary		-	(52,883)	-
Retained earnings				
Appropriated - statutory reserve	24	93,024,484	93,024,484	93,024,484
Unappropriated		1,017,651,993	1,200,013,220	1,183,204,398
Other component of owners' equity				
Exchange differences on translation of financial				
statements in foreign currency		2,881,231	3,710,366	-
Gains (losses) on investments in equity designated at fair value				
through other comprehensive income		334,556	(134,411)	334,556
Total equity attributable to the Company's shareholders		2,665,352,935	2,848,021,447	2,635,344,620
Non-controlling interests of the subsidiaries		-	557	-
Total owners' equity		2,665,352,935	2,848,022,004	2,635,344,620
Total liabilities and owners' equity		5,992,873,759	8,016,549,272	7,916,156,231

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



Mr. Chuangchai Nawongs

CEO



Mr. Somphop Keerasuntonpong

Director

Finansia Syrus Securities Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

Note	Consolidated		Separate financial statements		
	2023	2022	2023	2022	
	(Restated)				
Profit or loss:					
Continuing operations					
Income					
Brokerage fees income	25	980,160,616	1,563,702,922	980,160,616	1,563,702,922
Fees and service income	26	130,976,555	375,202,330	130,976,555	375,202,330
Interest income	27	265,794,249	197,002,901	265,794,249	197,002,901
Gain and return on financial instruments	28	82,679,694	96,600,405	47,774,270	96,600,405
Shares of gain from investments in an associate	11.2	2,055,027	4,097,645	-	-
Other income		62,093,943	70,427,857	62,093,943	70,427,857
Total income		1,523,760,084	2,307,034,060	1,486,799,633	2,302,936,415
Expenses					
Employee benefits expenses	22, 30	781,156,134	1,110,616,807	781,156,134	1,110,616,807
Fees and service expenses		194,939,943	272,553,280	194,939,943	272,553,280
Interest expenses	29	65,646,962	61,692,796	65,646,962	61,692,796
Expected credit losses (reversal)		-	(2,519,244)	-	(2,519,244)
Other expenses		572,922,155	584,196,507	572,922,155	584,196,507
Total expenses		1,614,665,194	2,026,540,146	1,614,665,194	2,026,540,146
Profit (loss) before income tax		(90,905,110)	280,493,914	(127,865,561)	276,396,269
Income tax	16.2	(4,986,245)	(59,058,184)	(4,575,240)	(58,238,655)
Profit (loss) for the year from continuing operations		(95,891,355)	221,435,730	(132,440,801)	218,157,614
Discontinued operations					
Loss for the year from discontinued operations	39	(35,986,550)	(13,973,658)	-	-
Profit (loss) for the year		(131,877,905)	207,462,072	(132,440,801)	218,157,614

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

Finansia Syrus Securities Public Company Limited
Statement of comprehensive income (continued)
For the year ended 31 December 2023

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2023	2022 (Restated)	2023	2022
Other comprehensive income (loss):				
Continuing operations				
Other comprehensive income to be reclassified to profit or loss in subsequent years:				
Exchange differences on translation of financial statements in foreign currency - net of income tax	(829,135)	2,188,162	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax	(829,135)	2,188,162	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years:				
Actuarial gain (loss) - net of income tax	(20,232,027)	5,416,061	(20,232,027)	5,416,061
Gain on investments in equity instruments designated at fair value through other comprehensive income - net of income tax	20,989	65,800	20,989	65,800
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax	(20,211,038)	5,481,861	(20,211,038)	5,481,861
Other comprehensive income (loss) from continuing operations	(21,040,173)	7,670,023	(20,211,038)	5,481,861
Discontinued operations				
Other comprehensive income (loss) from discontinued operations	33,573	105,603	-	-
Deferred income taxes related to discontinued operations	(6,715)	(369,490)	-	-
Other comprehensive income (loss) from discontinued operations	26,858	(263,887)	-	-
Total other comprehensive income for the year	(21,013,315)	7,406,136	(20,211,038)	5,481,861
Total comprehensive income				
Total comprehensive income from continuing operations	(116,931,528)	229,105,753	(152,651,839)	223,639,475
Total comprehensive income from discontinued operations	(35,959,692)	(14,237,545)	-	-
Total comprehensive income (loss) for the year	(152,891,220)	214,868,208	(152,651,839)	223,639,475
Profit (loss) attributable to:				
The Company's shareholders				
Profit (loss) attributable from continuing operations	(95,891,355)	221,435,730		
Loss attributable from discontinued operations	(35,986,433)	(13,982,282)		
Total profit (loss) attributable to the Company's shareholders	(131,877,788)	207,453,448	(132,440,801)	218,157,614
Non-controlling interests				
Profit attributable from continuing operations	-	-		
Loss attributable from discontinued operations	(117)	8,624		
Total loss attributable to non-controlling interests	(117)	8,624		
	(131,877,905)	207,462,072		

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

Finansia Syrus Securities Public Company Limited
Statement of comprehensive income (continued)
For the year ended 31 December 2023

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
		(Restated)		
Comprehensive income (loss) attributable to:				
The Company's shareholders				
Comprehensive income (loss) attributable from continuing operations	(116,931,528)	229,105,753		
Comprehensive loss attributable from discontinued operations	(35,959,575)	(14,246,058)		
Total comprehensive income (loss) attributable to the Company's shareholders	(152,891,103)	214,859,695	(152,651,839)	223,639,475
Non-controlling interests				
Comprehensive income attributable from continuing operations	-	-		
Comprehensive income (loss) attributable from discontinued operations	(117)	8,513		
Total comprehensive income (loss) attributable to non-controlling interests	(117)	8,513		
	(152,891,220)	214,868,208		
Earnings (loss) per share				
	31			
Basic earnings (loss) per share				
The Company's shareholders				
Profit (loss) attributable from continuing operations	(0.16)	0.38	(0.23)	0.38
Loss attributable from discontinued operations	(0.06)	(0.02)	-	-
	(0.22)	0.36	(0.23)	0.38

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

Finansia Syrus Securities Public Company Limited

Statement of changes in owners' equity

For the year ended 31 December 2023

(Unit: Baht)

Financial statements in which the equity method is applied

	Note	Retained earnings						Other component of owners' equity			Total owners' equity
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Gain on investments in equity instruments designated at fair value through other comprehensive income			
Balance as at 1 January 2023		930,244,840	620,892,885	322,946	93,024,484	1,208,687,460	3,710,366	313,567		2,857,196,548	
Loss for the year		-	-	-	-	(130,796,779)	-	-		(130,796,779)	
Other comprehensive income (loss) for the year		-	-	-	-	(20,232,027)	(829,135)	20,989		(21,040,173)	
Total comprehensive income (loss) for the year		-	-	-	-	(151,028,806)	(829,135)	20,989		(151,836,952)	
Dividend paid	32	-	-	-	-	(40,006,661)	-	-		(40,006,661)	
Balance as at 31 December 2023		930,244,840	620,892,885	322,946	93,024,484	1,017,651,993	2,881,231	334,556		2,665,352,935	

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

Finansia Syrus Securities Public Company Limited

Statement of changes in owners' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to of the Company's shareholders					Other component of owners' equity					
	Issued share capital	Share premium	Capital reserve for share-based payment transactions	Deficit as a result of change in holding percentage in the subsidiaries	Retained earnings	Exchange differences on translation of financial statements in foreign currency	Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	Total equity attributable to the Company's shareholders	Non-controlling interests of the subsidiaries	Total owners' equity	
Balance as at 1 January 2022	930,244,840	620,892,885	322,946	(251,580)	93,024,484	1,045,076,763	1,522,204	247,767	2,691,080,309	490,329	2,691,570,638
Profit for the year	-	-	-	-	-	207,453,448	-	-	207,453,448	8,624	207,462,072
Other comprehensive income (loss) for the year	-	-	-	-	-	5,600,152	2,186,162	(382,178)	7,406,136	-	7,406,136
Total comprehensive income (loss) for the year	-	-	-	-	-	213,053,600	2,186,162	(382,178)	214,869,584	8,624	214,868,208
Change in holding percentage in the subsidiaries	-	-	-	198,697	-	-	-	-	198,697	(498,396)	(299,699)
Dividend paid	-	-	-	-	-	(58,117,143)	-	-	(58,117,143)	-	(58,117,143)
Balance as at 31 December 2022	930,244,840	620,892,885	322,946	(52,883)	93,024,484	1,200,013,220	3,710,366	(134,411)	2,848,021,447	557	2,848,022,004

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

Finansia Syrus Securities Public Company Limited
Statement of changes in owners' equity (continued)
For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements							Total owners' equity
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other component of owners' equity	
					Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2022		930,244,840	620,892,885	322,946	93,024,484	1,017,747,866	247,767	2,662,480,788
Profit for the year		-	-	-	-	218,157,614	-	218,157,614
Other comprehensive income for the year		-	-	-	-	5,416,061	65,800	5,481,861
Total comprehensive income for the year		-	-	-	-	223,573,675	65,800	223,639,475
Dividend paid	32	-	-	-	-	(58,117,143)	-	(58,117,143)
Balance as at 31 December 2022		930,244,840	620,892,885	322,946	93,024,484	1,183,204,398	313,567	2,828,003,120
Balance as at 1 January 2023		930,244,840	620,892,885	322,946	93,024,484	1,183,204,398	313,567	2,828,003,120
Loss for the year		-	-	-	-	(132,440,801)	-	(132,440,801)
Other comprehensive income (loss) for the year		-	-	-	-	(20,232,027)	20,989	(20,211,038)
Total comprehensive income (loss) for the year		-	-	-	-	(152,672,828)	20,989	(152,651,839)
Dividend paid	32	-	-	-	-	(40,006,661)	-	(40,006,661)
Balance as at 31 December 2023		930,244,840	620,892,885	322,946	93,024,484	990,524,909	334,556	2,635,344,620

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

Finansia Syrus Securities Public Company Limited

Statement of cash flows

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated		Separate financial statements	
	financial statements			
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before income tax	(90,905,110)	265,127,838	(127,865,561)	276,396,269
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	119,454,054	147,656,612	119,454,054	135,215,260
Expected credit losses	-	(2,519,244)	-	(2,519,244)
(Gain) loss on disposals and write-off of equipment/ intangible assets/right-of-use assets	(1,201,364)	67,167	(1,201,364)	67,167
Unrealised (gain) loss on revaluation of trading investments	9,275,610	(6,608,893)	9,275,610	(6,752,251)
Unrealised (gain) loss on revaluation of derivatives	(41,116,099)	31,313,571	(41,116,099)	31,313,571
Unrealised (gain) loss on revaluation of exchange rate	754,852	(72,597)	754,852	(72,597)
Loss from disposal of subsidiary	-	-	34,905,424	-
Share of gain from investments in an associate	(2,055,027)	(4,097,645)	-	-
Provision for long-term employee benefits	12,746,762	15,766,050	12,746,762	12,505,186
Interest income	(265,794,249)	(185,638,225)	(265,794,249)	(197,002,901)
Dividend income	(25,564,110)	(13,775,016)	(25,564,110)	(13,517,616)
Interest expenses	65,646,962	61,794,987	65,646,962	61,692,796
Profit (loss) from operating activities before changes in operating assets and liabilities	(218,757,719)	309,014,605	(218,757,719)	297,325,640
(Increase) decrease in operating assets				
Receivables from Clearing Houses and broker-dealers	(156,143,224)	(164,591,211)	(156,143,224)	(164,591,211)
Securities and derivatives business receivables	1,555,618,619	(51,489,918)	1,555,618,619	(51,489,918)
Derivatives assets	760,980	3,677,920	760,980	3,677,920
Investments	249,468,522	280,690,235	249,468,522	282,068,236
Loan to employees	1,338,554	3,482,006	1,338,554	3,482,006
Other assets	170,639,275	(210,239,242)	170,639,275	(214,351,591)
Increase (decrease) in operating liabilities				
Payables to Clearing Houses and broker-dealers	(1,010,293,171)	1,035,780,170	(1,010,293,171)	1,035,780,170
Securities and derivatives business payables	(535,510,658)	(782,103,541)	(535,510,658)	(782,103,541)
Derivatives liabilities	(15,223,485)	(4,814,960)	(15,223,485)	(4,814,960)
Paid for long-term employee benefits	(6,417,303)	(7,743,750)	(6,417,303)	(1,900,000)
Other liabilities	(276,611,291)	43,922,207	(276,611,291)	34,733,275
Non-controlling interests of the subsidiary	-	(489,840)	-	-
Cash received from (paid for) operating activities	(241,130,901)	455,094,681	(241,130,901)	437,816,026
Proceeds on interest income	269,220,143	182,193,756	269,220,143	190,930,974
Proceeds on dividend income	25,509,069	13,772,458	25,509,069	13,515,058
Cash paid for interest expense	(62,123,522)	(52,566,918)	(62,123,522)	(52,566,918)
Cash paid for income tax expense	(33,900,028)	(83,640,090)	(33,900,028)	(80,316,928)
Net cash provided by (used in) operating activities	(42,425,239)	514,853,887	(42,425,239)	509,378,212

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

Finansia Syrus Securities Public Company Limited

Statement of cash flows (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated		Separate financial statements	
	financial statements			
	2023	2022	2023	2022
Cash flows from investing activities				
Cash received (paid) from investing activities				
Cash received from disposal of investment in subsidiaries	57,777,596	-	57,777,596	-
Acquisition of subsidiaries - net of cash acquired	-	(479,628,332)	-	(50,489,540)
Acquisition of subsidiary	(24,999,700)	-	(24,999,700)	-
Cash paid for loans to parent company	(700,000,000)	-	(700,000,000)	-
Cash paid for loan to subsidiary	-	-	-	(490,000,000)
Proceeds on disposals of equipment	102,500	452,316	102,500	452,316
Cash paid for purchases of equipment	(29,320,490)	(42,861,909)	(29,320,490)	(30,415,901)
Cash paid for purchases of intangible assets	(46,331,290)	(60,739,215)	(46,331,290)	(56,937,504)
Net cash used in investing activities	(742,771,384)	(582,777,140)	(742,771,384)	(627,390,629)
Cash flows from financing activities				
Cash received (paid) from financing activities				
Cash received from borrowings from financial institutions	400,000,000	-	400,000,000	-
Cash received from (paid for) debt issued and other borrowing	(257,600,000)	465,400,000	(257,600,000)	465,400,000
Cash received from loans to subsidiary	490,000,000	-	490,000,000	-
Cash paid for liabilities under finance lease agreement	(57,472,081)	(64,192,124)	(57,472,081)	(62,757,419)
Dividend paid	(40,006,661)	(58,117,143)	(40,006,661)	(58,117,143)
Net cash provided by (used in) financing activities	534,921,258	343,090,733	534,921,258	344,525,438
Net increase (decrease) in cash and cash equivalents	(250,275,365)	275,167,480	(250,275,365)	226,513,021
Cash and cash equivalents at the beginning of the year	388,879,681	185,987,239	388,879,681	162,366,660
Cash and cash equivalents at the ending of the year	138,604,316	461,154,719	138,604,316	388,879,681

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

Finansia Syrus Securities Public Company Limited

Notes to financial statements

For the year ended 31 December 2023

1. General information

1.1 Company information

Finansia Syrus Securities Public Company Limited (“the Company”) is a public company incorporated under Thai laws and domiciled in Thailand. Its parent company is Finansia X Public Company Limited, a public company incorporated in Thailand (2022: its major shareholders are Pilgrim Finansia Investment Holdings (Pte.) Ltd. which held shares in the Company at the rates of 29.29% of the Company’s issued and paid-up share capital).

The Company’s registered address as at 31 December 2023 is located at No. 999/9, 18th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

The Company has been operating its businesses in Thailand and undertaken business licenses as follows:

1. Securities brokerage
2. Securities trading
3. Investment advisory
4. Securities underwriting
5. Financial advisory
6. Derivatives brokerage
7. Securities borrowing and lending
8. Mutual fund management
9. Private fund management

As at 31 December 2023 and 2022, the Company had 23 branches and 23 branches, respectively.

1.2 The shareholding and management restructuring plan of the Group

Finansia Syrus Securities Public Company Limited (“FSS”) obtained approval by the resolution of the Annual General Meeting of FSS’s shareholders on 29 April 2022, for the shareholding and management restructuring plan, along with other relevant arrangements (“Restructuring Plan”). In addition, the meeting approved the transfer of subsidiary’s shares held by FSS and the delisting of FSS’s shares from the Stock Exchange of Thailand (“SET”) and relevant matters. FSS has established Finansia X Public Company Limited (“FSX”) as its holding company to engage in investments and hold FSS’s shares. FSX made a tender offer for all securities of FSS by exchanging them with equivalent types of the FSX’s shares. The exchange ratio is 1 ordinary share of FSS for 1 ordinary share of FSX.

On 17 August 2023, FSX concluded the acquisition of a total of 579,919,461 ordinary shares of FSS through the tender offer, representing 99.74% of the total number of issued shares of FSS. As a result, the tender offer was considered accomplished and FSS has become the subsidiary of FSX. After the completion of the tender offer, FSX’s ordinary shares were registered and listed on the Stock Exchange of Thailand (“SET”) on 23 August 2023 in place of the FSS’s shares, which were delisted from the SET on the same date.

On 29 September 2023, FSX completed the acquisition of ordinary shares in three subsidiaries held by FSS and FSS International Investment Advisory Securities Company Limited (“FSSIA”) in accordance with the Restructuring Plan. As a result, FSX has become a direct shareholder of FSS, FSSIA, Finansia Securities Company Limited (“FSL”) and Finansia Digital Asset Company Limited (“FDA”).

2. Basis for preparation of financial statements

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547. The presentation of the financial statements has been made in compliance with the requirement of the Notification of the SEC relating to the format of the financial statements of securities companies (Version 3), No. SorThor. 6/2562 dated 8 January 2019.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements. In case of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- (a) The consolidated financial statements included the financial statements of the Company and the following subsidiaries:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2023	31 December 2022
			(%)	(%)
<u>Subsidiaries directly held by the Company</u>				
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	-	100.00
Finansa Digital Asset Company Limited	Digital Asset Business	Thailand	-	100.00
<u>Subsidiary indirectly held by the Company</u>				
Finansa Securities Limited	Securities	Thailand	-	100.00

- (b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) All subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

- (d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as those of the Company.
- (e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within owners' equity in the consolidated statement of financial position.
- (g) The net assets in the financial statements of an overseas associate are translated into Baht using the exchange rate prevailing at the end of the reporting periods. Profit or loss of the associate is translated using a monthly average exchange rate. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" and presented as a part of other component of owners' equity in the statements of financial position.

2.3 Financial statements in which the equity method is applied

The Company has prepared financial statements in which the equity method is applied for the year ended 31 December 2023, which have included investment in associated companies in which the equity method is applied which is derived from the financial statements of SBI Royal Securities Plc. ("the associate").

2.4 Separate financial statements

The Company has prepared its separate financial statements, which present investments in subsidiaries and an associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements except for the following standard, which involves changes to key principles, as summarised below.

TAS 12, *Income Taxes*

The amendment narrows the scope of the initial recognition exception, so that deferred tax related to assets and liabilities arising from a single transaction that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations shall be recognised.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

The management of the Company is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

4. Significant accounting policies

4.1 Revenue recognition

a) Brokerage fees income

Brokerage fees income on securities and derivatives trading are recognised as revenue on the transaction dates.

b) Fees and service income

Fees and service income are recognised as revenue, taking into account the stage of completion, which is measured based on service performed to date as a percentage of total service to be performed. Revenue is recognised when it is probable that the amount will be collected.

c) Interest income

The Company recognises interest income using the effective interest rate method and recognised on an accrual basis.

The Company calculate interest income by applying the effective interest rate to the gross book value of financial assets. When financial assets are impaired, the Company calculate interest income using the effective interest rate, based on the net book value (gross book value less expected credit losses) of financial assets. If that financial assets are not credit impaired, the Company will calculate interest income on the original gross book value.

d) Gain and return on financial instruments

Gain (loss) on investments and derivatives

Gain (loss) on investments and derivatives are recognised as income/expense on the transaction date.

Dividend

Dividend is recognised when the right to receive the dividend is established.

4.2 Expenses recognition

Expenses are recognised on an accrual basis.

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

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all bank deposit accounts with an original maturity less than 3 months, short-term investments, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

4.4 Recognition and derecognition of customers' assets

Cash received from customers on their cash balance accounts, credit balance accounts and derivatives trading accounts are recorded as assets and liabilities for internal control purposes. At the end of the reporting period, the Company excludes these amounts from its both assets and liabilities and presents only those belong to the Company.

4.5 Receivables from/payables to Clearing House and broker-dealer

Receivables from/payables to Clearing House and broker - dealer comprise the net receivable from/payables to Thailand Clearing House (TCH) for settlement of equity securities trading and derivatives trading, including cash collateral pledged with TCH for derivatives trading instruments and receivable/payables from overseas securities companies in respect of overseas securities trades settle through those companies.

4.6 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net securities and derivatives business receivables and including related accrued interest receivables after deducting allowance for expected credit losses. In addition, securities business receivables comprise the net receivable balances of cash accounts, credit balance receivables for which the securities purchased are used as collateral, securities borrowing and lending receivables and guaranteed deposit receivables (which comprise cash placed as guarantee from borrowers of securities) as well as other receivables such as overdue cash customer accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are settling in installments.

4.7 Securities borrowing and lending

The Company is engaged in securities borrowing and lending, whereby the Company acts as an agent and the Company is the intermediary between the borrowers and lenders of securities.

The Company records its obligations to return borrowed securities which it has lent as "Payables under securities borrowing and lending business" presented under securities and derivatives business payables in the statement of financial position and securities lent to customers are recorded as "Receivables under securities borrowing and lending business" presented under securities and derivatives business receivables in the statement of financial position. At the end of the reporting period, the balance of payables/receivables under securities and lending business are adjusted based on the latest offer price quoted on the Stock Exchange of Thailand of the last working day. Gains or losses arising from such adjustment are included in part of profit or loss. In addition, the Company records cash paid as collateral for securities borrowing as "Guaranteed deposit receivables" and cash received as collateral for securities lending as "Guaranteed deposit payables" presented under securities and derivatives business receivables/payables, respectively. Fees from borrowing and lending are recognised on an accrual basis over the term of the lending.

4.8 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, accrued service income, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

The classification and measurement of financial assets and financial liabilities

Financial asset - debt instruments

The Company classifies its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

- A financial asset measured at amortised cost only if both following conditions are met: the financial assets are 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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost and presented net of allowance for expected credit losses (if any). Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- A financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as well as and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realised; after which such gains or losses on disposal of the instruments will be recognised as gain or losses in income statement. The gains or losses on foreign exchange, expected credit losses, and interest income which calculated using the effective interest rate method are recognised in profit or loss.
- A financial asset measured at fair value through profit or loss unless the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. Unrealised gains and losses from change in fair value, and gains and losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

Financial asset - equity instruments

The Company has classified investment in equity securities that not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset measured at fair value through other comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains and losses arising from changes in fair value is recognised in other comprehensive income and not subsequently transferred to profit or loss when disposal, instead, it is transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment, in which case, the gains are recognised in other comprehensive income.

Financial liabilities

The Company classifies financial liabilities as measured at amortised cost. Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost except for payables under securities borrowing and lending business, derivative (losses) that measured at fair value through profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Regular way purchases and sales of financial assets

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Company commits to purchase or sell the asset/the settlement date, i.e., the date on which an asset is delivered.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created or retained by the Company, are still recognised as financial assets.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Write-off

Debts that are determined to be irrecoverable are written-off in the year in which the decision is taken. This is generally the case when the Company determines that the counterparties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off are still subject to enforcement activities in order to comply with the Company's procedures for recovery of amount due.

4.9 Derivative

(a) Derivative warrants

The Company initially recognises the fair value of derivative warrants as financial liabilities. Unrealised gains or losses resulting from changes in the fair values of derivative warrants are recognised in profit or loss. The fair value of marketable derivative warrants is calculated with reference to the last offer price quoted on the Stock Exchange of Thailand on the last working day.

(b) Futures

The Company initially recognises future at fair values. Gains or losses from changes in the fair value of future is included in profit or loss. The fair value of marketable futures is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

(c) Options

Options are recorded at fair value. Gains or losses from changes in the fair value of options is included in profit or loss. The fair value of marketable options is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

(d) Forward contracts

Forward contracts are recorded at fair value. Unrealised gains or losses on revaluation are included in determining income.

4.10 Allowance for expected credit loss on financial assets

The Company recognises expected credit losses of financial asset - debt instruments which are cash equivalents, receivables from clearing house and brokers - dealers, cash accounts, credit balance accounts, guarantee deposit receivables, derivatives business receivables, other securities and derivatives business receivables, investments in debt securities, loans to employees and partially of other assets, which are measured at amortised cost or fair value through other comprehensive income using the General Approach. The Company recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses when there has been a significant increase in credit risk compared to initial recognition but that are not credit impaired, or credit impaired. However, when there has not been a significant increase in credit risk compared to initial recognition, the Company recognise allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months.

At every reporting date, the amount of allowance for expected credit losses will be reassessed to reflect changes in credit risk of financial assets since initial recognition of related financial instruments.

Measurement of expected credit loss is calculated from probability of default, possible loss given default and exposure at default, assessment of probability of default and loss given default depends on their historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions. Exposure at default is presented at gross amount of assets at reporting date. The Company has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis.

The allowance for expected credit losses on credit balance accounts is based on historical loss experience, adjusts this for specific factor and plus on forecasts of future economic conditions. In determining whether credit risk has increased significantly since initial recognition, the Company take into account the status of outstanding receivables and maintenance of required collateral values in the contract.

At every reporting date, the Company will determine whether credit risk of other debt instruments and deposit at financial institutions has increased significantly since initial recognition, by mainly taking into account internal and external credit rating of the counterparties as well as overdue status.

The Company assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Company classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, internal credit rating, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

For accrued fee and service income and partial other assets, the Company consider using a simplified approach to determine expected credit losses over the expected life.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss. In the case, the Company receives money from its receivables which are written-off, the Company will credit against expected credit losses in profit or loss.

4.11 Investments in subsidiaries and an associate

Investments in subsidiaries and an associate in the separate financial statements are accounted for under the cost method net of allowance for impairment (if any). Losses on impairment is recognised as expenses in profit or loss in the statements of comprehensive income.

Investment in an associate in the financial statements in which the equity method is applied is accounted for under the equity method. Under this method, investment is initially recorded at acquisition cost and is subsequently adjusted to reflect the investor's share of the net profit or loss of the associates after adjustment for the effect of differences in accounting policies.

4.12 Office condominium and equipment and depreciation

Office condominium and equipment is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of assets is calculated by reference to their cost on the straight-line method over the following estimated useful life:

Office condominium	20 years
Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 and 8 years
Leasehold improvement	14 years

No depreciation is provided for assets under installation.

Depreciation is included in profit or loss.

An item of office condominium and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.13 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e., the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the lease term estimation and the estimated useful lives as follows:

Building and leasehold improvement	2 - 14 years
Office equipment	3 years
Motor vehicles	2 - 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost of such asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the year in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.14 Intangible assets and amortisation

Intangible assets are recognised at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and allowance for impairment (if any).

Intangible assets with finite life are amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each fiscal year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful life are amortised on the straight-line basis over the estimated period of their economic benefits as follows:

Retail brokerage business acquisition cost	2 years
Computer software	5 -15 years
Right to use system	5 years

No amortisation is provided for computer software under development.

Intangible assets with indefinite useful lives are exchange membership fee. Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

4.15 Impairment of non-financial asset

At the end of each reporting period, the Company perform impairment reviews in respect of office condominium and equipment, other intangible assets and right-of-use assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.16 Income tax

Income tax represent the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses brought forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses brought forward can be utilised.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

The Company record deferred income tax directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

4.17 Borrowings from financial institution

Borrowings from financial institution is recognised initially at the fair value of the proceeds received. Borrowings from financial institution is subsequently stated at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

4.18 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 outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales and obligations to return assets held by the Company as collateral for securities lending.

4.19 Employee benefits

(a) Short-term employee benefits

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

(b) Post-employment benefits

Defined contribution plan

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

Defined benefit plan

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

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan are recognised in other comprehensive income or loss.

4.20 Debt issued

Debt issued are initially recognised at the fair value of the proceeds received. Debt issued are subsequently measured at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

4.21 Provisions for liabilities

Provisions are recognised when the Company have 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.

4.22 Related party transactions

Related parties comprise individuals or enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that give them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations, together with closed family members of such persons and companies which are controlled or influenced by them, whether directly or indirectly.

4.23 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of each entity.

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

Gains and losses on exchange are included in profit or loss.

4.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorisation of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.25 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale, and:

- represents either a separate major line of business or a geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale and the disposal involves loss of control.

In the consolidated statements of comprehensive income of the reporting period and the prior comparable year, income and expenses from discontinued operations and gain (loss) on the disposal of the assets or disposal groups constituting the discontinued operation are reported separately from income and expenses from continuing operations and shown as profit (loss) for the year from discontinued operation in the line item next to profit (loss) for the year from continuing operations.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.2 Allowance for expected credit losses on financial assets

The management is required to use judgement in estimation in determining the allowance for expected credit losses of financial assets. The calculation of allowance for expected credit losses of the Company is based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model, analysis of collective and individual receivables status including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.3 Office condominium and equipment and depreciation

In determining depreciation of office condominium and equipment, the management is required to make estimates of the useful life and residual values of office condominium and equipment and to review estimated useful life and residual values when there are any changes.

In addition, the management is required to review office condominium and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than their carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.4 Determining the lease term of contracts with renewal and termination options

In determining the lease term, the management is required to use judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease considering all relevant facts and circumstances that create an economic incentive for it to exercise either the renewal or termination.

5.5 Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.6 Intangible assets

The initial recognition and measurement of intangible assets and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.7 Deferred tax assets

Deferred tax assets are recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

5.8 Post-employment benefit under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

5.9 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these could affect the fair value recognised in the statements of financial position and disclosures of fair value hierarchy.

5.10 Litigation

The Company has contingent liabilities as a result of litigation whereby the management have used judgement to assess the outcome of the litigation cases. In case where the management believe that loss will not be incurred, no contingent liabilities will be recorded for such cases.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Consolidated financial statements	Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Cash, short-term deposits, short-term note receivables and short-term investments with original maturity periods of less than 3 months	1,043,062	1,679,117	1,043,062	1,606,842
Less: Cash deposits held for customers	(904,282)	(1,217,786)	(904,282)	(1,217,786)
Less: Allowance for expected credit loss	(176)	(176)	(176)	(176)
Cash and cash equivalents	<u>138,604</u>	<u>461,155</u>	<u>138,604</u>	<u>388,880</u>

Supplemental cash flows information

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
Non-cash items:				
Purchase of equipment and intangible assets on credit	2,470	5,172	2,470	5,129
Increasing of right-of-use assets and lease liabilities	84,818	22,685	78,262	21,217

7. Receivables from Clearing House and broker-dealers

(Unit: Thousand Baht)

	Financial	Consolidated		Separate	
	statements	financial		financial statements	
	in which the	statements			
	equity method is applied				
	31 December	31 December	31 December	31 December	
	2023	2022	2023	2022	
Receivables from Clearing House	1,195,695	1,126,431	1,195,695	1,126,431	
Receivables from overseas securities companies	1,838,192	890,445	1,838,192	890,445	
Less: Receivables from Clearing House held for customers' account	(109,865)	(128,272)	(109,865)	(128,272)	
Less: Receivables from overseas securities companies for customers' account	(1,719,388)	(844,257)	(1,719,388)	(844,257)	
Receivables from Clearing House and broker-dealers	<u>1,204,634</u>	<u>1,044,347</u>	<u>1,204,634</u>	<u>1,044,347</u>	

8. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Financial	Consolidated	Separate	
	statements		financial	financial statements
	in which the	financial		
	equity method	statements		
	is applied			
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
<u>Securities business receivables</u>				
Cash accounts	597,432	2,061,447	597,432	2,061,447
Credit balance accounts	1,875,868	2,236,872	1,875,868	2,236,872
Collateral receivables	206,963	58,016	206,963	58,016
Receivables under securities borrowing and lending business	140,579	5,895	140,579	5,895
Other receivables	8,761	12,208	8,761	12,208
Total securities business receivables	2,829,603	4,374,438	2,829,603	4,374,438
Add: Accrued interest receivables	11,244	12,170	11,244	12,170
Less: Allowance for expected credit losses	(8,761)	(8,761)	(8,761)	(8,761)
Securities business receivables	2,832,086	4,377,847	2,832,086	4,377,847
<u>Derivatives business receivables</u>				
Derivatives business receivables	7,245	18,028	7,245	18,028
Other receivables	-	5,911	-	5,911
Less: Allowance for expected credit losses	(3,000)	(8,911)	(3,000)	(8,911)
Derivatives business receivable	4,245	15,028	4,245	15,028
Securities and derivatives business receivables	2,836,331	4,392,875	2,836,331	4,392,875

8.1 Classification of securities and derivatives business receivables

As at 31 December 2023 and 2022, classification is as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		
	31 December 2023		
	Securities and derivatives business receivables and accrued interest	Exposure at default	Allowance for expected credit loss
<u>Securities business receivables</u>			
Performing loans	2,832,086	2,832,086	-
Under-performing loans	-	-	-
Credit impaired loans	8,761	8,761	(8,761)
Total securities business receivables	2,840,847	2,840,847	(8,761)
<u>Derivatives business receivables</u>			
Performing loans	7,245	7,245	(3,000)
Under-performing loans	-	-	-
Credit impaired loans	-	-	-
Total derivatives business receivables	7,245	7,245	(3,000)
Total securities and derivatives business receivables	2,848,092	2,848,092	(11,761)

(Unit: Thousand Baht)

Consolidated financial statements

31 December 2022

	Securities and derivatives business receivables and accrued interest	Exposure at default	Allowance for expected credit loss
<u>Securities business receivables</u>			
Performing loans	4,374,400	4,374,400	-
Under-performing loans	-	-	-
Credit impaired loans	12,208	12,208	(8,761)
Total securities business receivables	4,386,608	4,386,608	(8,761)
<u>Derivatives business receivables</u>			
Performing loans	18,028	18,028	(3,000)
Under-performing loans	-	-	-
Credit impaired loans	5,911	5,911	(5,911)
Total derivatives business receivables	23,939	23,939	(8,911)
Total securities and derivatives business receivables	4,410,547	4,410,547	(17,672)

(Unit: Thousand Baht)

Separate financial statements

31 December 2023

	Securities and derivatives business receivables and accrued interest	Exposure at default	Allowance for expected credit loss
<u>Securities business receivables</u>			
Performing loans	2,832,086	2,832,086	-
Under-performing loans	-	-	-
Credit impaired loans	8,761	8,761	(8,761)
Total securities business receivables	2,840,847	2,840,847	(8,761)
<u>Derivatives business receivables</u>			
Performing loans	7,245	7,245	(3,000)
Under-performing loans	-	-	-
Credit impaired loans	-	-	-
Total derivatives business receivables	7,245	7,245	(3,000)
Total securities and derivatives business receivables	2,848,092	2,848,092	(11,761)

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2022		
	Securities and derivatives business receivables and accrued interest	Exposure at default	Allowance for expected credit loss
<u>Securities business receivables</u>			
Performing loans	4,374,400	4,374,400	-
Under-performing loans	-	-	-
Credit impaired loans	12,208	12,208	(8,761)
Total securities business receivables	4,386,608	4,386,608	(8,761)
<u>Derivatives business receivables</u>			
Performing loans	18,028	18,028	(3,000)
Under-performing loans	-	-	-
Credit impaired loans	5,911	5,911	(5,911)
Total derivatives business receivables	23,939	23,939	(8,911)
Total securities and derivatives business receivables	4,410,547	4,410,547	(17,672)

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	31 December 2023			
	Assets		Liabilities	
Fair value	Notional amount	Fair value	Notional amount	
<u>Type of risk</u>				
Equity price				
- Futures ⁽¹⁾	-	104,068	-	56,620
Total	-	104,068	-	56,620

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 13 million and Baht 4 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

Consolidated financial statements

31 December 2022

	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Derivatives warrants	-	-	46,912	368,676
- Futures ⁽¹⁾	-	292,898	-	193,033
- Options	330	30,145	4,098	43,355
Total	330	323,043	51,010	605,064

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2022; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 3 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

Separate financial statements

31 December 2023

	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Futures ⁽¹⁾	-	104,068	-	56,620
Total	-	104,068	-	56,620

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 13 million and Baht 4 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

Separate financial statements

31 December 2022

	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Derivatives warrants	-	-	46,912	368,676
- Futures ⁽¹⁾	-	292,898	-	193,033
- Options	330	30,145	4,098	43,355
Total	330	323,043	51,010	605,064

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2022; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 3 million, respectively included in "Receivables from Clearing House and broker-dealers".

Delivery method of the derivatives warrants is cash settlement between the close price of the underlying asset as quoted on the last trading date and the exercise price.

10. Investments

10.1 Cost and fair value

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied	Consolidated financial statements
	31 December 2023	31 December 2022
	Fair value/ Amortised cost	Fair value/ Amortised cost
Non-collateralised investments		
<u>Fair value</u>		
Investments measured at fair value through profit or loss		
Marketable equity instruments in domestic market at fair value	175,765	437,289
Unit trusts	-	51,529
Less: Investments held for customers	-	(50,208)
Total	175,765	438,610
Investments measured at fair value through other comprehensive income		
Non-marketable equity instruments in domestic market	3,300	12,691
Total	3,300	12,691
<u>Amortised cost</u>		
Investments measured at amortised cost		
Fixed deposits	1,874,097	2,610,097
Bank of Thailand bond	3,811,282	4,909,151
Less: Investments held for customers	(5,685,379)	(7,409,248)
Total	-	110,000
Investments	179,065	561,301

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied	Consolidated financial statements
	31 December 2023	31 December 2022
<u>Restricted investments in equity instruments in domestic market</u>		
Fair value of securities borrowing but has yet to be transferred	66,384	-

(Unit: Thousand Baht)

	Separate financial statements	
	31 December 2023	31 December 2022
	Fair value/ Amortised cost	Fair value/ Amortised cost
Non-collateralised investments		
<u>Fair value</u>		
Investments measured at fair value through profit or loss		
Marketable equity instruments in domestic market at fair value	175,765	437,289
Unit trusts	-	50,208
Less: Investments held for customers	-	(50,208)
Total	175,765	437,289
Investments measured at fair value through other comprehensive income		
Non-marketable equity instruments in domestic market	3,300	3,274
Total	3,300	3,274
<u>Amortised cost</u>		
Investments measured at amortised cost		
Fixed deposits	1,874,097	2,500,097
Bank of Thailand bond	3,811,282	4,909,151
Less: Investments held for customers	(5,685,379)	(7,409,248)
Total	-	-
Investments	179,065	440,563

(Unit: Thousand Baht)

	Separate financial statements	
	31 December 2023	31 December 2022
<u>Restricted investments in equity instruments in domestic market</u>		
Fair value of securities borrowing but has yet to be transferred	66,384	-

10.2 Investments in deposits at financial institutions and investments in debt securities classified by remaining periods of contracts

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	31 December 2023			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	1,874,097	-	-	1,874,097
Bank of Thailand bond	3,811,282	-	-	3,811,282
Less: Investments held for customers	(5,685,379)	-	-	(5,685,379)
Total	-	-	-	-

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,610,097	-	-	2,610,097
Bank of Thailand bond	4,909,151	-	-	4,909,151
Less: Investments held for customers	(7,409,248)	-	-	(7,409,248)
Total	110,000	-	-	110,000

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2023			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	1,874,097	-	-	1,874,097
Bank of Thailand bond	3,811,282	-	-	3,811,282
Less: Investments held for customers	(5,685,379)	-	-	(5,685,379)
Total	-	-	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,500,097	-	-	2,500,097
Bank of Thailand bond	4,909,151	-	-	4,909,151
Less: Investments held for customers	(7,409,248)	-	-	(7,409,248)
Total	-	-	-	-

10.3 Investments in equity instruments designated at fair value through other comprehensive income

(Unit: Thousand Baht)

Investments	Financial statements in which the equity method is applied				
	31 December 2023				
	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or deficit transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	2,442	60	-	-
Others	Intend to hold for long-term	858	-	-	-
Total		3,300	60	-	

(Unit: Thousand Baht)

Investments	Consolidated financial statements				
	31 December 2022				
	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or deficit transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	11,831	323	-	-
Others	Intend to hold for long-term	860	-	-	-
Total		12,691	323	-	

(Unit: Thousand Baht)

Investments	Separate financial statements				
	31 December 2023				
	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or deficit transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	2,442	60	-	-
Others	Intend to hold for long-term	858	-	-	-
Total		3,300	60	-	

(Unit: Thousand Baht)

Separate financial statements					
31 December 2022					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or deficit transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	2,414	66	-	-
Others	Intend to hold for long-term	860	-	-	-
Total		3,274	66	-	

11. Investments in subsidiaries and an associate

11.1 Details of investments in subsidiaries and an associate

Investments in subsidiaries and an associate as at 31 December 2023 and 2022 were as follows:

Consolidated financial statements							
Company's name	Nature of business	Country of incorporation	Type of shares	Percentage of shareholding		Investment value under equity method	
				31 December 2023	31 December 2022	31 December 2023	31 December 2022
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Associate							
SBI Royal Securities Plc.	Securities	Cambodia	Ordinary share	20.01	20.01	142,973	141,955
Total investment in an associate						142,973	141,955
Separate financial statements							
Company's name	Nature of business	Country of incorporation	Type of shares	Percentage of shareholding		Investment value under cost method	
				31 December 2023	31 December 2022	31 December 2023	31 December 2022
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Subsidiary							
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	Ordinary share	-	100.00	-	8,190
Finansia Digital Asset Company Limited	Digital Asset Business	Thailand	Ordinary share	-	100.00	-	50,000
Total Investment in subsidiaries						-	58,190
Associate							
SBI Royal Securities Plc.	Securities	Cambodia	Ordinary share	20.01	20.01	105,463	105,462
Total Investment in an associate						105,463	105,462
Total investments in subsidiaries and an associate						105,463	163,652

On 23 August 2023, the Extraordinary General Meeting No. 2/2023 of Finansia Digital Asset Company Limited's shareholders approved an increase in the registered share capital from Baht 50 million to Baht 75 million through the issuance of 250,000 new ordinary shares with a par value of Baht 100 each, or a total of Baht 25 million. The subsidiary received full payment for the shares on 23 August 2023. The subsidiary registered the increase in its registered share capital with the Ministry of Commerce on 23 August 2023.

On 29 September 2023, the Company sold all of ordinary shares that the Company held in FSS International Investment Advisory Securities Company Limited ("FSSIA") and Finansia Digital Asset Company Limited ("FDA") to Finansia X Public Company Limited ("FSX") at the book value price based on closest ended date of the financial statements amounting to Baht 48 million, according to the shareholding and management restructuring plan of the Company. The Company recognised loss on sale of such investment amounting to Baht 35 million in the statements of comprehensive income for the year ended 31 December 2023.

11.2 Share of gain and dividend income from an associate

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of gain from investments in an associate		Shares of other comprehensive income (loss) from investments in an associate		Dividend received during the years ended 31 December	
	for the years ended 31 December		for the years ended 31 December		years ended 31 December	
	2023	2022	2023	2022	2023	2022
Associate						
SBI Royal Securities Plc.	2,055	4,098	(1,036)	2,735	-	-
Total	2,055	4,098	(1,036)	2,735	-	-

During the years ended 31 December 2023 and 2022, the Company recognised shares of gain from the associate under equity method based on financial information, as prepared by the associate's management which were unaudited by the associate's auditor. The Company already received the 2022 financial statements of the associate which were audited by the associate's auditor and showed the amounts that are not significantly different from the financial information prepared by the associate's management used in recognition of share of comprehensive income in that year.

11.3 Summarised financial information of an associate

Summarised information from statements of financial position

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	31 December 2023	31 December 2022
Cash and cash equivalents	545	534
Other current assets	2	16
Non-current assets	39	36
Current liabilities	(3)	(7)
Net assets	583	579
Shareholding percentage	20.01	20.01
The Company's equity interest in the investments'		
net assets	117	116
Goodwill	25	25
Total investment values	142	141
Carrying values of investments in an associate (under equity method)	142	141

Summarised information from statements of comprehensive income

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	For the years ended 31 December	
	2023	2022
Revenues	34	47
Profit for the year	10	20
Other comprehensive income for the year	-	-
Total comprehensive income for the year	10	20

11.4 Investment in subsidiaries

On 5 May 2022, FSS International Investment Advisory Securities Company Limited (“FSSIA”), a subsidiary of the Company in which the Company holds 96.25 percent has acquired ordinary shares in Finansa Securities Limited (“FSL”) in the amount of 39,999,995 shares with a par value of Baht 10 per share, representing approximately 100.00 percent of all issued shares of FSL, at the purchase price of Baht 12.2547 per share, totaling Baht 490.19 million from FNS Holdings Public Company Limited (“FNS”) and Finansa Fund Management Company Limited. The Company has also acquired ordinary shares in FSSIA in the amount of 3,000 shares with a par value of Baht 100 per share, representing 3.75 percent of all issued shares of FSSIA, at the purchase price of Baht 163.28 per share, totaling Baht 0.49 million in order to avoid cross holding between FSL and FSSIA following the investment in FSL.

a) Consideration transferred

The following table summarises the fair value of the consideration transferred.

	(Unit: Thousand Baht)
Cash paid	490,188
Total consideration transferred	<u>490,188</u>

b) The acquisition-related costs

Acquisition-related costs of Baht 2.70 million were included in the consolidated statement of comprehensive income for the year ended 31 December 2022.

c) Fair value of the identifiable assets and liabilities

The fair value of the identifiable assets and liabilities of Finansa Securities Limited at the date of acquisition were as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	10,560
Trade and other receivables	29,420
Investments	119,628
Office condominium and equipment	384,299
Right-of-use assets	1,500
Deferred tax assets	7,989
Other assets	381
Other current liabilities	(21,471)
Provision for long-term employee benefits	(40,574)
Lease liabilities	(1,544)
Total identifiable net assets	490,188
Add (Less): Goodwill (a gain from a bargain purchase)	-
Purchase consideration transferred	490,188

12. Allowance for expected credit losses

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<u>Allowance for expected credit losses of accounts</u>						
Cash and cash equivalents	176	176	176	176	176	176
Securities and derivatives business receivables	11,761	17,672	11,761	17,672	11,761	17,672
Accrued fees and service income	-	1,926	-	1,926	-	1,926
Other assets	2,856	2,856	2,856	2,856	2,856	2,856
Total	14,793	22,630	14,793	22,630	14,793	20,704

As at 31 December 2023 and 2022, allowance for expected credit losses of securities and derivatives business receivables are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	31 December 2023			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	3,000	-	14,672	17,672
Written-off	-	-	(5,911)	(5,911)
Ending balance	3,000	-	8,761	11,761

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	2,000	-	14,097	16,097
Changes from revaluation of expected credit losses	-	-	575	575
Others	1,000	-	-	1,000
Ending balance	3,000	-	14,672	17,672

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2023			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	3,000	-	14,672	17,672
Written-off	-	-	(5,911)	(5,911)
Ending balance	3,000	-	8,761	11,761

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	2,000	-	14,097	16,097
Changes from revaluation of expected credit losses	-	-	575	575
Others	1,000	-	-	1,000
Ending balance	3,000	-	14,672	17,672

13. Office condominium and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied					Total
	Office equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Equipment under installation	
Cost						
1 January 2023	280,473	119,106	40,808	33	2,076	442,496
Additions	26,814	1,128	-	-	3,498	31,440
Disposals/write-off	(25,043)	(2,659)	-	-	-	(27,702)
Transfer in (out)	600	1,385	-	-	(1,985)	-
31 December 2023	282,844	118,960	40,808	33	3,589	446,234
Accumulated depreciation						
1 January 2023	231,697	104,712	6,033	33	-	342,475
Depreciation for the year	19,074	4,680	2,915	-	-	26,669
Accumulated depreciation on disposal/write-off	(25,021)	(2,650)	-	-	-	(27,671)
31 December 2023	225,750	106,742	8,948	33	-	341,473
Net book value						
31 December 2023	57,094	12,218	31,860	-	3,589	104,761
Depreciation for the year ended						
31 December 2023						26,669

(Unit: Thousand Baht)

Consolidated financial statements

	Office equipment	Furniture and fixtures	Office condominium and leasehold improvement	Motor vehicles	Equipment under installation	Total
Cost						
1 January 2022	289,027	152,761	40,842	2,140	1,664	486,434
Acquisitions of subsidiaries						
during the year	15,054	17,718	370,676	15,986	-	419,434
Additions	22,031	4,584	-	7,399	9,461	43,475
Disposals/write-off	(30,093)	(42,567)	(201)	(2,107)	-	(74,968)
Transfers in (out)	1,266	4,419	-	-	(5,685)	-
31 December 2022	297,285	136,915	411,317	23,418	5,440	874,375
Accumulated depreciation						
1 January 2022	240,241	142,900	3,121	2,140	-	388,402
Acquisitions of subsidiaries						
during the year	12,212	11,866	4,642	6,415	-	35,135
Depreciation for the year	21,686	5,068	11,099	1,073	-	38,926
Accumulated depreciation on						
disposals/write-off	(29,615)	(42,078)	-	(2,107)	-	(73,800)
31 December 2022	244,524	117,756	18,862	7,521	-	388,663
Net book value						
31 December 2022	52,761	19,159	392,455	15,897	5,440	485,712
Depreciation for the year ended						
31 December 2022						38,926

(Unit: Thousand Baht)

	Separate financial statements					Total
	Office equipment	Furniture and fixtures	Office		Equipment under installation	
			condominium and leasehold improvement	Motor vehicles		
Cost						
1 January 2022	289,027	152,761	40,842	2,140	1,664	486,434
Additions	19,825	4,493	-	-	6,097	30,415
Disposals/write-off	(29,645)	(42,567)	(34)	(2,107)	-	(74,353)
Transfers in (out)	1,266	4,419	-	-	(5,685)	-
31 December 2022	280,473	119,106	40,808	33	2,076	442,496
Additions	26,814	1,128	-	-	3,498	31,440
Disposals/write-off	(25,043)	(2,659)	-	-	-	(27,702)
Transfers in (out)	600	1,385	-	-	(1,985)	-
31 December 2023	282,844	118,960	40,808	33	3,589	446,234
Accumulated depreciation						
1 January 2022	240,241	142,900	3,121	2,140	-	388,402
Depreciation for the year	21,070	3,889	2,912	-	-	27,871
Accumulated depreciation on disposals/write-off	(29,614)	(42,077)	-	(2,107)	-	(73,798)
31 December 2022	231,697	104,712	6,033	33	-	342,475
Depreciation for the year	19,074	4,680	2,915	-	-	26,669
Accumulated depreciation on disposals/write-off	(25,021)	(2,650)	-	-	-	(27,671)
31 December 2023	225,750	106,742	8,948	33	-	341,473
Net book value						
31 December 2022	48,776	14,394	34,775	-	2,076	100,021
31 December 2023	57,094	12,218	31,860	-	3,589	104,761
Depreciation for the years ended						
31 December 2022						27,871
31 December 2023						26,669

As at 31 December 2023, certain equipment items have been fully depreciated but are still in use. The original costs, before deducting accumulated depreciation and allowance for impairment loss, of these assets amounted to approximately Baht 279 million (2022: Baht 305 million in the consolidated financial statements and Baht 283 million in the separate financial statements).

14. Lease

The Company has lease contracts for used in its operation. Lease generally have lease terms between 1 - 14 years.

14.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2023	302,252	252	53,431	355,935
Additions	74,415	127	3,720	78,262
Written-off	(176,453)	(252)	(22,625)	(199,330)
31 December 2023	200,214	127	34,526	234,867
Accumulated depreciation				
1 January 2023	125,594	122	31,680	157,396
Depreciation for the year	51,636	42	12,033	63,711
Written-off	(118,071)	(126)	(21,968)	(140,165)
31 December 2023	59,159	38	21,745	80,942
Net book value				
31 December 2023	141,055	89	12,781	153,925

(Unit: Thousand Baht)

	Consolidated financial statements			Total
	Building	Office equipment	Motor vehicles	
Cost				
1 January 2022	305,470	1,141	47,182	353,793
Acquisitions of subsidiaries during the year	-	-	4,086	4,086
Additions	13,920	130	8,635	22,685
Written-off	(17,138)	(1,019)	(1,238)	(19,395)
31 December 2022	302,252	252	58,665	361,169
Accumulated depreciation				
1 January 2022	84,509	872	18,960	104,341
Acquisitions of subsidiaries during the year	-	-	2,586	2,586
Depreciation for the year	55,309	270	14,261	69,840
Written-off	(14,225)	(1,019)	(1,238)	(16,482)
31 December 2022	125,593	123	34,569	160,285
Net book value				
31 December 2022	176,659	129	24,096	200,884

(Unit: Thousand Baht)

	Separate financial statements			Total
	Building	Office equipment	Motor vehicles	
Cost				
1 January 2022	305,470	1,141	45,968	352,579
Additions	13,754	-	7,463	21,217
Written-off	(16,972)	(889)	-	(17,861)
31 December 2022	302,252	252	53,431	355,935
Additions	74,415	127	3,720	78,262
Written-off	(176,453)	(252)	(22,625)	(199,330)
31 December 2023	200,214	127	34,526	234,867
Accumulated depreciation				
1 January 2022	84,509	872	18,499	103,880
Depreciation for the year	55,143	139	13,181	68,463
Written-off	(14,058)	(889)	-	(14,947)
31 December 2022	125,594	122	31,680	157,396
Depreciation for the year	51,636	42	12,033	63,711
Written-off	(118,071)	(126)	(21,968)	(140,165)
31 December 2023	59,159	38	21,745	80,942
Net book value				
31 December 2022	176,658	130	21,751	198,539
31 December 2023	141,055	89	12,781	153,925

14.2 Lease liabilities

(Unit: Thousand Baht)

	Financial	Consolidated	Separate	
	statements in which the equity method is applied		financial statements	financial statements
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Lease Liabilities	96,443	128,921	96,443	126,342
Less: Deferred interest expenses	(4,786)	(7,321)	(4,786)	(7,200)
Total	91,657	121,600	91,657	119,142

A maturity analysis of lease payments is disclosed in Note 36 under the liquidity risk.

14.3 Expenses relating to lease that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	67,001 ⁽¹⁾	69,840 ⁽¹⁾	63,711	68,463
Interest expense on lease liabilities	4,341 ⁽²⁾	6,019 ⁽²⁾	4,038	5,868
Expense relating to short-term leases	12,481 ⁽³⁾	15,506 ⁽³⁾	12,410	15,404
Total	83,823	91,365	80,159	89,735

⁽¹⁾ Depreciation expense of right-of-use assets of three subsidiaries amounted to Baht 3,290 thousand, presented under profit (loss) from discontinued operation (2022: Baht 1,377 thousand).

⁽²⁾ Interest expense on lease liabilities of three subsidiaries amounted to Baht 303 thousand, presented under profit (loss) from discontinued operation (2022: Baht 151 thousand).

⁽³⁾ Expense relating to short-term leases of three subsidiaries amounted to Baht 71 thousand, presented under profit (loss) from discontinued operation (2022: Baht 102 thousand).

The Company had total cash outflows for leases for the year ended 31 December 2023 of Baht 58 million (2022: Baht 75 million in the consolidated financial statements and Baht 78 million in the separate financial statements).

15. Intangible assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied				
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	Total
Cost					
1 January 2023	6,605	6,384	444,332	40,399	497,720
Additions	-	-	2,898	38,975	41,873
Amortisation	-	-	(16)	-	(16)
Transfer in (out)	-	-	5,971	(5,971)	-
31 December 2023	6,605	6,384	453,185	73,403	539,577
Accumulated amortisation					
1 January 2023	5,000	6,384	289,324	-	300,708
Amortisation for the year	-	-	29,073	-	29,073
Accumulated amortisation on disposal/write-off	-	-	(16)	-	(16)
31 December 2023	5,000	6,384	318,381	-	329,765
Net book value					
31 December 2023	1,605	-	134,804	73,403	209,812
Amortisation for the year ended					
31 December 2023				29,073	29,073

(Unit: Thousand Baht)

	Consolidated financial statements				
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	Total
Cost					
1 January 2022	6,605	6,384	425,763	8,607	447,359
Acquisitions of subsidiaries during the year	-	-	1,195	-	1,195
Additions	-	-	10,795	55,115	65,910
Write-off	-	-	(112)	-	(112)
Transfers in (out)	-	-	7,989	(7,989)	-
31 December 2022	6,605	6,384	445,630	55,733	514,352
Accumulated amortisation					
1 January 2022	5,000	6,384	250,548	-	261,932
Acquisitions of subsidiaries during the year	-	-	1,195	-	1,195
Amortisation for the year	-	-	38,890	-	38,890
Accumulated amortisation on disposal/write-off	-	-	(112)	-	(112)
31 December 2022	5,000	6,384	290,521	-	301,905
Net book value					
31 December 2022	1,605	-	155,109	55,733	212,447
Amortisation for the year ended					
31 December 2022				38,890	38,890

(Unit: Thousand Baht)

Separate financial statements

	Retail				Total
	Exchange and future exchange membership fee	brokerage business acquisition cost	Computer software	Computer software under development	
Cost					
1 January 2022	6,605	6,384	425,763	8,607	447,359
Additions	-	-	10,685	51,381	62,066
Write-off	-	-	(105)	(11,600)	(11,705)
Transfers in (out)	-	-	7,989	(7,989)	-
31 December 2022	6,605	6,384	444,332	40,399	497,720
Additions	-	-	2,898	38,975	41,873
Write-off	-	-	(16)	-	(16)
Transfers in (out)	-	-	5,971	(5,971)	-
31 December 2023	6,605	6,384	453,185	73,403	539,577
Accumulated amortisation					
1 January 2022	5,000	6,384	250,548	-	261,932
Amortisation for the year	-	-	38,881	-	38,881
Accumulated amortisation on disposal/write-off	-	-	(105)	-	(105)
31 December 2022	5,000	6,384	289,324	-	300,708
Amortisation for the year	-	-	29,073	-	29,073
Accumulated amortisation on disposal/write-off	-	-	(16)	-	(16)
31 December 2023	5,000	6,384	318,381	-	329,765
Net book value					
31 December 2022	1,605	-	155,008	40,399	197,012
31 December 2023	1,605	-	134,804	73,403	209,812
Amortisation for the years ended					
31 December 2022					38,881
31 December 2023					29,073

As at 31 December 2023, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated amortisation, of these assets amounted to Baht 209 million (2022: Baht 165 million in the consolidated financial statements and Baht 164 million in the separate financial statements).

16. Deferred tax assets and income tax

16.1 Deferred tax assets

Deferred tax assets consisted of tax effects on the following temporary differences:

(Unit: Thousand Baht)

	Financial statements			Consolidated financial statements	
	in which			Changes in deferred income taxes	
	the equity	Consolidated	Disposal of	reported in the statements of	
	method is	financial	subsidiaries	comprehensive income	
applied	statements	during the	For the years ended 31 December		
31 December	31 December	year	2023	2022	
2023	2022				
Deferred tax assets arose from:					
Allowance for expected credit losses	2,387	3,569	(6)	(1,176)	(504)
Share of profit from investments in an associate	(7,502)	(7,298)	-	(204)	(1,366)
Provision for long-term employee benefits	20,288	26,402	(8,556)	2,442	204
Unrealised (gain) loss on revaluation of investments and derivatives	2,083	4,517	-	(2,434)	3,752
Others	20,659	20,255	336	68	6,637
Deferred tax assets	37,915	47,445	(8,226)	(1,304)	8,723
Recognised as income tax revenue (expenses):					
- Recognised in profit or loss				(5,458)	11,448
- Recognised in other comprehensive income				3,478	(1,918)
- Recognised in discontinued operations				676	(807)
Total				(1,304)	8,723

(Unit: Thousand Baht)

	Separate financial statements			
	Changes in deferred income taxes reported in the statements of comprehensive income			
	31 December	31 December	For the years ended 31 December	
	2023	2022	2023	2022
Deferred tax assets arose from:				
Allowance for expected credit losses	2,387	3,569	(1,182)	(504)
Provision for long-term employee benefits	20,288	18,487	1,801	767
Unrealised (gain) loss on revaluation of investments and derivatives	2,083	4,517	(2,434)	3,752
Others	20,659	20,620	39	6,881
Deferred tax assets	45,417	47,193	(1,776)	10,896
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(5,047)	12,267
- Recognised in other comprehensive income			3,271	(1,371)
Total			(1,776)	10,896

16.2 Income tax

Income tax for the years ended 31 December 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
Current income tax				
Current income tax charge	-	(70,506)	-	(70,506)
Adjustment from the previous year	472	-	472	
Deferred tax				
Relating to origination and reversal of temporary differences	(5,458)	11,448	(5,047)	12,267
Income tax reported in the statements of comprehensive income	(4,986)	(59,058)	(4,575)	(58,239)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
		(Restated)		
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	207	(547)	-	-
Deferred tax relating to actuarial gain (loss)	3,276	(1,354)	3,276	(1,354)
Deferred tax relating to gain on investments in equity instruments designated at fair value through other comprehensive income	(5)	(17)	(5)	(17)
	<u>3,478</u>	<u>(1,918)</u>	<u>3,271</u>	<u>(1,371)</u>

Reconciliations between income tax and the product of accounting profits and the applicable tax rate are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
		(Restated)		
Accounting profit (loss) before tax	(90,905)	280,494	(127,866)	276,396
Applicable tax rate	20%	20%	20%	20%
Accounting (profit) loss before tax multiplied by income tax rate	18,181	(56,098)	25,573	(55,279)
Adjustment from the previous year	472	-	472	
Effects of:				
Revenue or expense that are not taxable or not deductible in determining taxable profits	(1,041)	(2,960)	(1,041)	(2,960)
Tax losses not recognised as deferred tax assets	(22,598)	-	(29,579)	-
Income tax reported in the statements of comprehensive income	<u>(4,986)</u>	<u>(59,058)</u>	<u>(4,575)</u>	<u>(58,239)</u>

As at 31 December 2023, the Company have unused tax losses totaling Baht 148 million on which deferred tax assets have not been recognised because there is an uncertainty in future taxable profits which may not be sufficient to allow utilisation of the unused tax losses.

That unused tax losses of the Company totaling Baht 148 million, will gradually expire by 2028.

17. Other assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Interest receivables	6,438	6,310	6,438	8,938		
Prepaid expenses	27,384	37,884	27,384	34,872		
Deposits	12,940	14,975	12,940	16,778		
Contribution to the compensation fund for clearing and securities delivery system	169,003	153,639	169,003	153,639		
Deposit asset for protecting the clearing system	4,997	4,951	4,997	4,951		
Advance paid	3,161	3,847	3,161	3,839		
Dividend receivables	296	241	296	241		
Other receivable - related party	32,991	2,938	32,991	18,581		
Withholding tax receivables	13,380	15,034	13,380	10,225		
Deposit at bank for customer account frozen by order of AMLO	-	176,306	-	176,306		
Others	10,963	20,254	10,963	18,156		
Total	281,553	436,379	281,553	446,526		
Less: Allowance for expected credit losses	(2,856)	(2,856)	(2,856)	(2,856)		
Other assets	278,697	433,523	278,697	443,670		

18. Payables to Clearing House and broker - dealers

(Unit: Thousand Baht)

	Financial	Consolidated		
	statements	financial	Separate financial statements	
	in which the equity method is applied	statements	Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Payables to Clearing House	-	993,580	-	993,580
Payables to overseas securities companies	41,656	58,369	41,656	58,369
Payables to Clearing House and broker - dealers	41,656	1,051,949	41,656	1,051,949

19. Securities and derivatives business payables

(Unit: Thousand Baht)

	Financial	Consolidated		
	statements	financial	Separate financial statements	
	in which the equity method is applied	statements	Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<u>Securities business payables</u>				
Cash accounts payable	1,406,061	2,166,933	1,406,061	2,166,933
Collateral payables	140,579	5,895	140,579	5,895
Securities borrowing and lending payables	140,579	52,093	140,579	52,093
Securities business payable	1,687,219	2,224,921	1,687,219	2,224,921
<u>Derivatives business payables</u>				
Derivatives business payables	17,056	17,644	17,056	17,644
Securities and derivatives business payables	1,704,275	2,242,565	1,704,275	2,242,565

The Company has delayed the delivery of cash settlement on customers' sell of More Return Public Company Limited securities in accordance with the order of the Secretary-General of the Anti-Money Laundering Committee amounting to Baht 176 million. On 25 July 2023, the Anti-Money Laundering Committee issued a letter ordering the subsidiary to transfer the seized assets to the Anti-Money Laundering Office. The Company completely transferred the seized assets, together with interest on 20 August 2023. Subsequently, the Company submitted a letter, dated 24 August 2023, informing the customers that their assets have been transferred to the AMLO office, in accordance with the AMLO's order.

20. Debt issued

(Unit: Thousand Baht)

Financial statements in which the equity method is applied				
31 December 2023				
Interest rate/discount per annum (percent)	Remaining period to maturity			Total
	Less than 1 year	1 - 5 years	More than 5 years	
Debt issued				
Debentures	3.60	465,400	248,000	-
Total		465,400	248,000	-

(Unit: Thousand Baht)

Consolidated financial statements				
31 December 2022				
Interest rate/discount per annum (percent)	Remaining period to maturity			Total
	Less than 1 year	1 - 5 years	More than 5 years	
Debt issued				
Debentures	3.60	505,600	465,400	-
Total		505,600	465,400	-

(Unit: Thousand Baht)

Separate financial statements					
31 December 2023					
	Interest rate/discount per annum (percent)	Remaining period to maturity			Total
		Less than 1 year	1 - 5 years	More than 5 years	
		Debt issued			
Debt issued	3.60	465,400	248,000	-	713,400
Total		465,400	248,000	-	713,400

(Unit: Thousand Baht)

Separate financial statements					
31 December 2022					
	Interest rate/discount per annum (percent)	Remaining period to maturity			Total
		Less than 1 year	1 - 5 years	More than 5 years	
		Debt issued			
Debt issued	3.60	505,600	465,400	-	971,000
Total		505,600	465,400	-	971,000

21. Provisions

(Unit: Thousand Baht)

Financial statements in which the equity method is applied				
	Decommissioning cost	Allowance for expected		Total
		credit losses	Others	
Balance as at 1 January 2023	28,530	-	19,000	47,530
Increase (decrease) during the year	(1,780)	-	10,000	8,220
Balance as at 31 December 2023	26,750	-	29,000	55,750

(Unit: Thousand Baht)

Consolidated financial statements

	Decommissioning cost	Allowance for expected		Total
		credit losses	Others	
Balance as at 1 January 2022	28,130	4,093	2,000	34,223
Increase (decrease) during the year	400	(4,093)	17,000	13,307
Balance as at 31 December 2022	28,530	-	19,000	47,530

(Unit: Thousand Baht)

Separate financial statements

	Decommissioning cost	Allowance for expected		Total
		credit losses	Others	
Balance as at 1 January 2023	28,530	-	19,000	47,530
Increase (decrease) during the year	(1,780)	-	10,000	8,220
Balance as at 31 December 2023	26,750	-	29,000	55,750

(Unit: Thousand Baht)

Separate financial statements

	Decommissioning cost	Allowance for expected		Total
		credit losses	Others	
Balance as at 1 January 2022	28,130	4,093	2,000	34,223
Increase (decrease) during the year	400	(4,093)	17,000	13,307
Balance as at 31 December 2022	28,530	-	19,000	47,530

22. Provision for long-term employee benefits

Provision for long-term employee benefits under a defined benefit plan are as follows:

(Unit: Thousand Baht)

	Financial	Consolidated		Separate
	statements in which the equity method is applied	financial statements	financial statements	
For the years ended 31 December				
	2023	2022	2023	2022
Provision for long-term employee benefit				
at the beginning of the year	92,433	90,416	92,433	88,598
Acquisitions of subsidiaries during the year	-	40,574	-	-
Transfer employee to related company	(20,833)	-	(20,833)	-
Included in profit or loss:				
Current service cost	10,494	13,986	10,494	11,073
Interest cost	2,253	1,780	2,253	1,432
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Financial assumption changes	1,546	(7,000)	1,546	(6,770)
Experience adjustments	21,962	-	21,962	-
Benefits paid during the year	(6,417)	(7,744)	(6,417)	(1,900)
Provision for long-term employee benefit				
at the end of the year	101,438	132,012	101,438	92,433

As at 31 December 2023, the Company expects to pay Baht 7.2 million of long-term employee benefits during the next year.

As at 31 December 2023, the Company's weighted average durations of the liabilities for long-term employee benefit is 10.3 years.

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)	
	Financial statements in which the equity method is applied	Consolidated financial statements
	31 December 2023	31 December 2022
Discount rate	2.37 - 4.68	1.22 - 5.23
Salary increase rate	1.2 - 10.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 30.0

	(Unit: % per annum)	
	Separate financial statements	
	31 December 2023	31 December 2022
Discount rate	2.37 - 4.68	1.41 - 5.23
Salary increase rate	1.2 - 10.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	Financial statements in which the equity method is applied			
	31 December 2023			
	Increase in assumption (% per annum)	Provision for employee benefits were increased (decreased) by (Million Baht)	Decrease in assumption (% per annum)	Provision for employee benefits were increased (decreased) by (Million Baht)
Discount rate	1.0	(6.7)	1.0	7.6
Salary increase rate	1.0	7.5	1.0	(6.8)
Turnover rate	20.0	(5.3)	20.0	6.1

Consolidated financial statements

	31 December 2022			
	Provision for employee benefits were		Provision for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(9.8)	1.0	10.8
Salary increase rate	1.0	12.3	1.0	(11.0)
Turnover rate	20.0	(8.3)	20.0	9.5

Separate financial statements

	31 December 2023			
	Provision for employee benefits were		Provision for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(6.7)	1.0	7.6
Salary increase rate	1.0	7.5	1.0	(6.8)
Turnover rate	20.0	(5.3)	20.0	6.1

Separate financial statements

	31 December 2022			
	Provision for employee benefits were		Provision for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(6.4)	1.0	7.1
Salary increase rate	1.0	8.1	1.0	(7.2)
Turnover rate	20.0	(6.6)	20.0	7.6

23. Other liabilities

(Unit: Thousand Baht)

	Financial	Consolidated	Separate financial statements	
	statements in	financial		
	which the equity	statements		
method is applied	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Accrued expenses	165,357	454,091	165,357	415,804
Withholding tax payable	6,831	11,856	6,831	11,164
Value added tax payable	1,531	28,189	1,531	27,350
Other payables	22,288	1,380	22,288	2,937
Employee retention payables	1,250	3,202	1,250	3,202
Others	22,088	25,746	22,088	25,670
Total other liabilities	219,345	524,464	219,345	486,127

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

25. Brokerage fees income

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2023	2022
Brokerage fee from securities business	869,836	1,431,162
Brokerage fee from derivatives business	110,325	129,699
Other brokerage fee	-	2,842
Total	980,161	1,563,703

26. Fees and service income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
		(Restated)		
Underwriting fee	99,548	342,439	99,548	342,439
Financial advisory fee	14,400	13,350	14,400	13,350
Borrowing and lending fee	849	1,032	849	1,032
Research fee	3,065	3,702	3,065	3,702
Selling agent fee	10,241	12,379	10,241	12,379
Others	2,874	2,300	2,874	2,300
Total	130,977	375,202	130,977	375,202

27. Interest income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
		(Restated)		
Interest income on margin loans	133,002	128,808	133,002	128,808
Interest income from deposits in financial institution and Bank of Thailand bonds	112,883	56,189	112,883	56,189
Others	19,909	12,006	19,909	12,006
Total	265,794	197,003	265,794	197,003

28. Gain and return on financial instruments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the years ended 31 December				
	2023	2022	2023	2022
		(Restated)		
Loss on investments	(19,111)	(21,044)	(54,017)	(21,044)
Gain on derivatives	76,227	104,126	76,227	104,126
Dividend income	25,564	13,518	25,564	13,518
Total	82,680	96,600	47,774	96,600

29. Interest expense

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the years ended 31 December				
	2023	2022	2023	2022
		(Restated)		
Borrowings from financial institutions	5,509	2,246	5,509	2,246
Debt issued	33,075	31,271	33,075	31,271
Lease liabilities	4,038	5,868	4,038	5,868
Customer's deposits	23,025	22,308	23,025	22,308
Total	65,647	61,693	65,647	61,693

30. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the fund monthly at rates from 5% to 10% of their basic salary. The funds, managed by two asset management companies, will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 December 2023, the Company contributed Baht 22 million, net of the contribution return on behalf of employees who did not meet the criteria stipulated in the fund rules (2022: Baht 25 million, net of the contribution return, for the year 2022 in the consolidated financial statements and Baht 22 million in the separate financial statements).

31. Earnings (loss) per share

Basic earnings (loss) per share was calculated by dividing profit (loss) for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

32. Dividends

Dividends	Approved by	Total dividends paid (Million Baht)	Dividend per share (Baht)
Dividend for 2022	Annual General Meeting of the shareholders on 26 April 2023	40	0.07
Dividend for 2021	Annual General Meeting of the shareholders on 29 April 2022	58	0.10

33. Related party transactions

33.1 The relationships

Name	Relationship
Finansia X Public Company Limited	Parent company
FSS International Investment Advisory Securities Company Limited ⁽¹⁾	Subsidiary of the parent company
Finansia Digital Asset Company Limited ⁽¹⁾	Subsidiary of the parent company
Finansa Securities Company Limited. ⁽¹⁾	Subsidiary of the parent company
SBI Royal Securities Plc.	Associate
Pilgrim Finansia Investment Holdings (Pte.) Ltd.	Major shareholder of parent company
True Vision Group Company Limited	Having common director
Industrial and Commercial Bank of China (Thai) Public Company Limited	Shareholder of the parent company

⁽¹⁾ The subsidiary remained the subsidiary of the Company until 29 September 2023.

33.2 Significant transactions during the year

During the years, the Company had significant business transactions with related parties, which have been concluded on commercial terms and base agreed upon in the ordinary course of businesses between the Company and those related parties. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	For the years ended 31 December				
	2023	2022	2023	2022	
<u>Transactions with the group</u>					
(eliminated from the consolidated financial statements)					
Other income					Contract value
FSS International Investment Advisory Securities Company Limited	3,141	3,600	3,141	3,600	
Finansa Securities Company Limited	3,432	3,377	3,432	3,377	
Finansia Digital Asset Company Limited	429	-	429	-	
Finansia X Public Company Limited	1,314	-	1,314	-	
Interest income					Interest rate 3.60% per annum
FSS International Investment Advisory Securities Company Limited	13,194	11,744	13,194	11,744	
Finansia X Public Company Limited	6,490	-	6,490	-	
Rental and service income					Contract value
Finansia X Public Company Limited	1,013	-	1,013	-	
Other expenses					Contract value
FSS International Investment Advisory Securities Company Limited	64,800	65,600	64,800	65,600	
Finansia X Public Company Limited	27,900	-	27,900	-	
Rental and service expense					Contract value
Finansa Securities Company Limited	8,103	5,627	8,103	5,627	
Finansia X Public Company Limited	140	-	140	-	

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	For the years ended 31 December				
	2023	2022	2023	2022	
<u>Transactions with related parties and related person</u>					
Brokerage fees income					
					Similar rates charged to general customers
Directors and executive employees	15	49	15	49	
Pilgrim Finansa Investment Holdings (Pte.) Ltd	-	1,690	-	1,690	
Industrial and Commercial Bank of China (Thai) Public Company Limited	11	146	-	146	
Other income					
					Similar rates charged to general customers
Pilgrim Finansa Investment Holdings (Pte.) Ltd	-	119	-	119	
Rental and service expenses					
					As mutually agreed
True Vision Group Public Company Limited	236	327	236	327	
Dividend paid					
					As declared
Pilgrim Finansa Investment Holdings (Pte.) Ltd	11,919	17,027	11,919	17,027	
Industrial and Commercial Bank of China (Thai) Public Company Limited	4,070	-	4,070	-	

33.3 Outstanding balances

The balances of accounts as at 31 December 2023 and 2022 between the Company and their related parties are as follows:

(Unit: Thousand Baht)

	Financial	Consolidated		
	statements	financial		
	in which the equity method is applied	statements	Separate financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Cash and cash equivalents				
Industrial and Commercial Bank of China (Thai) Public Company Limited	176	2,999	176	2,999
Deposits				
Finansa Securities Company Limited	1,239	2,029	1,239	2,029
Other receivables				
FSS International Investment Advisory Securities Company Limited	441	2	441	2
Finansa Securities Company Limited	732	-	732	-
Finansia Digital Asset Company Limited	22,300	15,641	22,300	15,641
Finansia X Public Company Limited	9,518	2,938	9,518	2,938
Loans				
FSS International Investment Advisory Securities Company Limited	-	490,000	-	490,000
Finansia X Public Company Limited	700,000	-	700,000	-
Accrued interest receivable				
FSS International Investment Advisory Securities Company Limited	-	2,851	-	2,851
Finansia X Public Company Limited	207	-	207	-
Lease liabilities				
Finansia X Public Company Limited	1,166	-	1,166	-
Accrued expenses				
FSS International Investment Advisory Securities Company Limited	-	1,500	-	1,500
Finansa Securities Company Limited	34	84	34	84
Other liabilities				
Finansa Securities Company Limited	57	57	57	57
FSS International Investment Advisory Securities Company Limited	3,500	-	3,500	-
Finansia Digital Asset Company Limited	14	-	14	-
Finansia X Public Company Limited	17,329	-	17,329	-

Significant agreements with related parties

Service agreements

The Company has entered into service agreements with Finansia X Public Company Limited for services, including management and other business operation support. The Company agrees to pay service fee based on estimated time spent and cost incurred plus margin.

The details were as follows:

		2023	
		Period of agreement	Annual fee
		(Thousand Baht)	
Management and other business operation support agreement	1 October 2023 - 30 September 2024		111,600

The Company has entered into service agreements with FSS International Investment Advisory Securities Company Limited for services, including advisory and research. The Company agrees to pay service fee based on estimated time spent and cost incurred plus margin.

The details were as follows:

		2023		2022	
		Period of agreement	Annual fee	Period of agreement	Annual fee
		(Thousand Baht)		(Thousand Baht)	
Advisory and research agreement	1 October 2023 onward	50,400	1 Jan 2021 - 30 April 2022	50,400	
			1 May 2022 - 30 September 2023	69,600	

Provide service agreements

The Company has entered into service agreements with related parties for services, including management and other business operation support. The Company agrees to receive service fee based on estimated time spent and cost incurred plus margin.

The details were as follows:

	2023		2022	
	Period of agreement	Annual fee (Thousand Baht)	Period of agreement	Annual fee (Thousand Baht)
FSS International Investment Advisory Securities Company Limited	1 October 2023 - 30 September 2024	1,764	1 August 2018 - 30 September 2023	3,600
Finansia Securities Limited	1 October 2023 - 30 September 2024	2,928	1 July 2022 - 30 Jun 2023	2,400
Finansia Digital Asset Company Limited	1 October 2023 - 30 September 2024	1,716	-	-
Finansia X Public Company Limited	1 October 2023 - 30 September 2024	5,256	-	-

Commitments with related parties

Service agreements

The Company has entered into a service agreement with related parties. The Company agrees to pay future service fee as follows:

	(Unit: Thousand Baht)	
	2023	2022
Future minimum payments under service agreement		
Within 1 year		
FSS International Investment Advisory Securities Company Limited	50,400	58,400
Finansia X Public Company Limited	83,700	-
Total	134,100	58,400

33.4 Loans to subsidiary

As at 31 December 2023, the loans to a subsidiary between the Company and the subsidiary and the movement of loans are as follows:

Loans	(Unit: Million Baht)		
	Balance as at 1 January 2023	Decrease during the year	Balance as at 31 December 2023
FSS International Investment Advisory Securities Company Limited	490	(490)	-
Total	490	(490)	-

33.5 Loans to parent company

As at 31 December 2023, the loans to parent company between the Company and the parent and the movement of loans are as follows:

Loans	(Unit: Million Baht)		
	Balance as at 1 January 2023	Increase during the year	Balance as at 31 December 2023
Finansia X Public Company Limited	-	700	700
Total	-	700	700

33.6 Directors and key management's remunerations

During the years ended 31 December 2023 and 2022, the Company had employee benefit expenses incurred for their directors and key management as below.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2023	2022	2023	2022
		(Restated)		
Short-term employee benefits	185	283	185	283
Post-employment benefits	8	8	8	8
Total	193	291	193	291

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2023, the Company had capital commitments of approximately Baht 28 million (2022: Baht 44 million) relating to the installation of software and equipment.

34.2 Contingent liabilities

The Company, as the issuer and offer for sale of derivative warrants, issued derivative warrants on the ordinary shares of Hana Microelectronics Public Company Limited (“HANA24C2302B”) on 18 October 2022. There was an error in specifying the exercise price during submitting documents for the issuance and offering of HANA24C2302B to investors. Certain investors came to trade until the Company realized the mistake and ceased to act as a market maker on the same day. There was only 1 unit holder outstanding amounting to 25,208,100 units. The Company clarified and consulted this with the regulatory authorities and was accepted by the Office of the Securities and Exchange Commission to correct the error in price, which was completed on 14 November 2022. The last trading date of the derivative warrants is 28 February 2023 and matured on 3 March 2023.

After the derivative warrants reached their maturity date, a unit holder submitted a letter requesting that the Company pay the compensation arising from the above case of Baht 108 million on 31 March 2023. Subsequently, the Company, through its lawyer acting on its behalf, submitted a letter dated 18 April 2023, rejecting the payment of said compensation. Initially, the Company set aside a certain amount of provision for loss at the time of the incident and believes no further material losses will be incurred since the Company has complied with part 2 General Terms, Clause 7 Amendment to the Terms and Conditions and will comply with Clause 1.2 (a)(1) of Section 3.1 regarding exercise period, exercise date and automatic exercise of the draft terms and conditions governing the rights and obligations of the issuer of derivative warrants and holders of derivative warrants - in cases where shares are used as collateral. The Company will not incur any damage unless the unit holder insists on using the wrong price, which would need to go through the court and pass the final judgment of the court.

34.3 Litigation

As at 31 December 2023, the Company was sued and demanded for compensation totaling approximately Baht 80 million. Final judgements have not yet been reached in respect of these cases. The management of the Company estimates that the Company may have some potential losses. The Company, hence, set up provision for potential loss on lawsuits of approximately Baht 9 million in the financial statements.

As at 31 December 2023, the Company was sued in a civil lawsuit for violating the Securities and Exchange Act B.E. 2535, revoking bills of exchange, revoking mortgage contracts, revoking debt acknowledgement letters, and committing infringement. In this regard, the plaintiff demanded that the Company as the tenth defendant together with other defendants (24 defendants in total), pay the claim amount totaling Baht 1,432 million (the value of bills of exchange sold by the Company is Baht 430 million). Currently, all of the defendants are in the process of filing their statements and the final judgement has not been reached in respect of this case. However, the management of the Company, based on legal opinion, believes that no material losses will be incurred to the financial statements.

35. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company are summarised into business units based on their products and services and have 3 reportable segments as follows:

- Securities and derivatives brokerage segment, which provide service according to securities brokering, derivative brokering and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and financial advisory.
- Proprietary trading segment, which provide service according to investment.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The following table presents information by operating segment for the years ended 31 December 2023 and 2022:

(Unit: Million Baht)

	For the years ended 31 December									
	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment transactions		Consolidation	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external	1,196	1,805	89	423	50	48	-	(63)	1,335	2,213
Profit (loss) from operating by segment	327	578	44	206	13	13	-	(63)	384	734
Unallocated income and expenses:										
Interest income									133	68
Other income									56	119
Operating expenses									(664)	(642)
Income tax expenses									(5)	(58)
Loss from discontinued operations									(36)	(14)
Profit (loss) for the years attributable to the Company									(132)	207

The following table presents segment assets, classified by operating segments, as at 31 December 2023 and 2022:

(Unit: Million Baht)

Segment assets	Securities and derivatives brokerages segment	Investment banking segment	Proprietary trading segment	Other	Total segments	Unallocated assets	Total
31 December 2023	4,041	5	179	-	4,225	1,768	5,993
31 December 2022	5,437	34	738	51	6,260	1,757	8,017

Geographic information

The Company operates only in Thailand. As a result, all of the revenues and assets as reflected in these financial statements pertain to this geographical reportable segment.

Major customers

During the years ended 31 December 2023 and 2022, the Company has no major customer with revenue of 10 percent or more of an entity's of the revenues.

36. Risk management

Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, receivables from clearing house and broker - dealers, securities and derivatives business receivables, derivatives assets, investments, loans to parent company, loans to employee, borrowings from financial institutions, payables to clearing house and brokers - dealers, securities and derivatives business payables, derivatives liabilities and debt issued. The financial risks associated with these financial instruments and how they are managed is described below.

36.1 Credit risk

Credit risk is the risk that the counterparty will be unable to meet its contractual obligations or have a significant increase in credit risk and unable to pay principal and interest.

The Company is exposed to credit risk primarily with respect to securities and derivatives business receivables, accrued fee and service income, deposits with banks and financial institutions, receivables from clearing house and brokers and investments in debt instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

In relation to impairment of financial assets, TFRS 9 requires the Company to prepare an expected credit loss model. The Company has established and maintain an appropriate credit loss model. The Company periodically reviews the parameters and the data used in the credit loss model.

Securities and derivatives business receivables

The Company manages the risk by establishing securities trading and credit approval limit for client, performing credit review, requiring collateral and monitoring the credit risk. In addition, the Company does not have high concentration of credit risk since it has a large customer base.

Deposits with banks and financial institutions and investments in debt instruments

The credit risk on deposits with banks and financial institutions and investments in debt instruments is limited because the Company has deposit with banks and financial institutions having high credit-ratings assigned by credit-rating agencies. For investments in debt instruments, the Company invests in government bonds or Bank of Thailand bonds which have low credit risk.

36.2 Market risk

Market risk is the risk that the future cash flows or fair value of financial instruments will fluctuate due to changes in market variables related primarily to interest rate, foreign currency and equity instruments price. The Company manage their risk exposure as follows.

36.2.1 Interest rate risk

The Company's exposure to interest rate risk relates primarily to their cash and cash equivalents, securities and derivative business receivables, borrowings from financial institutions and debt issued. However, the Company's financial assets and liabilities are mostly bear floating interest rates or fixed interest rates which are close to the market rate due to the short-term in nature, therefore the interest rate risk of the Company is limited.

Significant financial assets and liabilities as at 31 December 2023 and 2022 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Financial statements in which the equity method is applied									
31 December 2023									
Outstanding balances of financial instruments									
Floating interest rate	Fixed interest rate			Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)		
	Repricing or maturity dates						Floating	Fixed	
	At call	Less than 1 year	1 - 5 years						
Financial assets									
Cash and cash equivalents	96	-	-	-	43	139	0.05 - 1.90	-	
Receivables from Clearing									
House and broker - dealers	-	-	-	-	1,204	1,204	-	-	
Securities and derivatives									
business receivables	1,876	207	-	9	756	2,848	5.50 - 7.25	-	
Loans to parent company	-	-	700	-	-	700	-	3.60	
Loans to employees	2	-	-	-	-	2	2.47 - 3.40	-	
Financial liabilities									
Borrowings from financial									
institutions	-	200	200	-	-	400	3.60 - 4.00	-	
Payables to Clearing House									
and broker - dealers	-	-	-	-	42	42	-	-	
Securities and derivatives									
business payables	-	141	-	-	1,563	1,704	-	0.20 - 0.35	
Debt issued	-	-	465	248	-	713	-	3.60	

(Unit: Million Baht)

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Outstanding balances of financial instruments

	Floating interest rate	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
		Repricing or maturity dates			Floating				Fixed	
		At call	Less than 1 year	1 - 5 years						
Financial assets										
Cash and cash equivalents	403	-	-	-	-	58	461	0.05 - 0.75	-	
Receivables from Clearing House and broker - dealers	-	-	-	-	-	1,044	1,044	-	-	
Securities and derivatives business receivables	2,237	58	-	-	18	2,098	4,411	5.50 - 6.75	-	
Investments - fixed deposits	-	-	110	-	-	-	110	-	0.70 - 1.00	
Loans to employees	3	-	-	-	-	-	3	2.47 - 2.80	-	
Financial liabilities										
Payables to Clearing House and broker - dealers	-	-	-	-	-	1,052	1,052	-	-	
Securities and derivatives business payables	-	6	-	-	-	2,237	2,243	-	0.20 - 0.25	
Derivatives liabilities	-	-	-	-	-	51	51	-	-	
Debt issued	-	-	506	465	-	-	971	-	3.60	

(Unit: Million Baht)

Separate financial statements

31 December 2023

Outstanding balances of financial instruments

	Floating interest rate	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
		Repricing or maturity dates			Floating				Fixed	
		At call	Less than 1 year	1 - 5 years						
Financial assets										
Cash and cash equivalents	96	-	-	-	-	43	139	0.05 - 1.90	-	
Receivables from Clearing House and broker - dealers	-	-	-	-	-	1,204	1,204	-	-	
Securities and derivatives business receivables	1,876	207	-	-	9	756	2,848	5.50 - 7.25	-	
Loans to parent company	-	-	-	700	-	-	700	-	3.60	
Loans to employees	2	-	-	-	-	-	2	2.47 - 3.40	-	
Financial liabilities										
Borrowings from financial institutions	-	200	200	-	-	-	400	3.60 - 4.00	-	
Payables to Clearing House and broker - dealers	-	-	-	-	-	42	42	-	-	
Securities and derivatives business payables	-	141	-	-	-	1,563	1,704	-	0.20 - 0.35	
Debt issued	-	-	465	248	-	-	713	-	3.60	

(Unit: Million Baht)

Separate financial statements											
31 December 2022											
Outstanding balances of financial instruments											
	Floating interest rate	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)		
		Repricing or maturity dates			Less than 1 year				1 - 5 years	Floating	Fixed
		At call	Less than 1 year	1 - 5 years							
Financial assets											
Cash and cash equivalents	345	-	-	-	-	44	389	0.05 - 0.75	-		
Receivables from Clearing House and broker - dealers	-	-	-	-	-	1,044	1,044	-	-		
Securities and derivatives business receivables	2,237	58	-	-	18	2,098	4,411	5.50 - 6.75	-		
Loans to subsidiary	-	-	-	490	-	-	490	-	3.60		
Loans to employees	3	-	-	-	-	-	3	2.47 - 2.80	-		
Financial liabilities											
Payables to Clearing House and broker - dealers	-	-	-	-	-	1,052	1,052	-	-		
Securities and derivatives business payables	-	6	-	-	-	2,237	2,243	-	0.20 - 0.25		
Derivatives liabilities	-	-	-	-	-	51	51	-	-		
Debt issued	-	-	506	465	-	-	971	-	3.60		

Interest rate sensitivity analysis

The sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate of credit balance account receivables affected as at 31 December 2023 and 2022, with all other variables held constant for 1 year are as follows:

	2023		2022	
	Interest rate increase (decrease)	Effect on profit before tax	Interest rate increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Credit balance account receivables	0.25%	4,689	0.25%	5,592
	(0.25%)	(4,689)	(0.25%)	(5,592)

The impact analysis is not a prediction or forecast of future market conditions. Actual events or results may differ from the analysis.

36.2.2 Foreign exchange risk

The Company's exposure to foreign currency risk arises from brokerage service for securities listed in stock exchange in overseas and revenue and expense transactions that are denominated in foreign currencies.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2023 and 2022 are summarised below:

(Unit: Million unit)

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	31 December	31 December	31 December	31 December	31 December	31 December
	2023	2022	2023	2022	2023	2022
						(Baht per 1 foreign currency unit)
Vietnamese dong	817,596.9	158,086.0	795,632.6	140,293.8	0.0014	0.0015
Hong Kong dollar	59.9	110.7	56.5	108.7	4.3820	4.4340
United States dollar	12.7	6.7	12.1	6.4	34.2233	34.5624

In addition to the above, as of 31 December 2023 and 2022, the Company has no foreign forward contract.

36.2.3 Equity instruments price risk

The Company's exposure to equity instruments price risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of its investments and collateral for securities and derivatives business receivables. However, the Company manages the market risk by analysing the market risk inherent in their various transactions, setting appropriate policies to manage such risk, and controlling risk to conform with policies.

36.3 Liquidity risk

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

The Company manage liquidity risk through monitoring and planning of their cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that they will have sufficient funds for their operations.

As at 31 December 2023 and 2022, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

Financial statements in which the equity method is applied						
31 December 2023						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	139	-	-	-	-	139
Receivables from Clearing House and broker - dealers	-	1,204	-	-	-	1,204
Securities and derivatives business receivables	207	756	-	-	1,876	2,848
Loans to parent company	-	-	700	-	-	700
Loans to employees	2	-	-	-	-	2
Financial liabilities						
Borrowings from financial institutions	200	200	-	-	-	400
Payables to Clearing House and broker - dealers	-	42	-	-	-	42
Securities and derivatives business payables	141	1,563	-	-	-	1,704
Debt issued	-	465	248	-	-	713
Lease liabilities	-	43	49	-	-	92

(Unit: Million Baht)

Consolidated financial statements						
31 December 2022						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	461	-	-	-	-	461
Receivables from Clearing House and broker - dealers	-	1,044	-	-	-	1,044
Securities and derivatives business receivables	58	2,098	-	-	2,237	4,411
Investments - fixed deposits	-	110	-	-	-	110
Loans to employees	3	-	-	-	-	3
Financial liabilities						
Payables to Clearing House and broker - dealers	-	1,052	-	-	-	1,052
Securities and derivatives business payables	6	2,237	-	-	-	2,243
Derivatives liabilities	-	51	-	-	-	51
Debt issued	-	506	465	-	-	971
Lease liabilities	-	55	67	-	-	122

(Unit: Million Baht)

Separate financial statements						
31 December 2023						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	139	-	-	-	-	139
Receivables from Clearing House and broker - dealers	-	1,204	-	-	-	1,204
Securities and derivatives business receivables	207	756	-	-	1,876	2,848
Loans to parent company	-	-	700	-	-	700
Loans to employees	2	-	-	-	-	2
Financial liabilities						
Borrowings from financial institutions	200	200	-	-	-	400
Payables to Clearing House and broker - dealers	-	42	-	-	-	42
Securities and derivatives business payables	141	1,563	-	-	-	1,704
Debt issued	-	465	248	-	-	713
Lease liabilities	-	43	49	-	-	92

(Unit: Million Baht)

Separate financial statements						
31 December 2022						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	389	-	-	-	-	389
Receivables from Clearing House and broker - dealers	-	1,044	-	-	-	1,044
Securities and derivatives business receivables	58	2,098	-	-	2,237	4,411
Loans to subsidiary	-	-	490	-	-	490
Loans to employees	3	-	-	-	-	3
Financial liabilities						
Payables to Clearing House and broker - dealers	-	1,052	-	-	-	1,052
Securities and derivatives business payables	6	2,237	-	-	-	2,243
Derivatives liabilities	-	51	-	-	-	51
Debt issued	-	506	465	-	-	971
Lease liabilities	-	53	66	-	-	119

37. Fair value measurement of financial instruments

37.1 Fair value of financial instruments

As at 31 December 2023 and 2022, the Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Financial statements in which the equity method is applied				
	31 December 2023				
	Book value	Fair value			
	Level 1	Level 2	Level 3	Total	
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	141	141	-	-	141
Investments					
Marketable equity instruments in domestic market	176	176	-	-	176
Non-marketable equity instruments in domestic market	3	-	-	3	3
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	141	141	-	-	141
Derivatives liabilities ⁽¹⁾	-	-	-	-	-

⁽¹⁾ In addition, futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 13 million and Baht 4 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

Consolidated financial statements				
31 December 2022				
Book value	Fair value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Financial assets measured at fair value				
Securities and derivatives business receivables				
Receivables under securities borrowing and lending business				
	6	6	-	6
Investments				
Marketable equity instruments in domestic market				
	437	437	-	437
Unit trusts				
	1	-	1	1
Non-marketable equity instruments in domestic market				
	13	-	13	13
Financial liabilities				
Financial liabilities measured at fair value				
Securities and derivatives business payables				
Payables under securities borrowing and lending business				
	52	52	-	52
Derivatives liabilities ⁽¹⁾				
Derivatives warrants				
	47	47	-	47
Options				
	4	4	-	4

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2022; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 3 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

	Separate financial statements				
	31 December 2023				
	Book value	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	141	141	-	-	141
Investments					
Marketable equity instruments in domestic market	176	176	-	-	176
Non-marketable equity instruments in domestic market	3	-	-	3	3
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	141	141	-	-	141
Derivatives liabilities ⁽¹⁾	-	-	-	-	-

⁽¹⁾ In addition, futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 13 million and Baht 4 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

Separate financial statements					
31 December 2022					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and					
lending business	6	6	-	-	6
Investments					
Marketable equity instruments in domestic					
market	437	437	-	-	437
Non-marketable equity instruments in					
domestic market	3	-	-	3	3
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and					
lending business	52	52	-	-	52
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	47	47	-	-	47
Options	4	4	-	-	4

⁽¹⁾ In addition, futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2022; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 3 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

During the current year, there is no transfer within the fair value hierarchy.

The Company estimating the fair value of financial instruments as follows:

- (a) Fair value of receivables/payables under securities borrowing and lending business is determined using the latest offer price of the last working day.
- (b) Fair value of derivative warrants in the domestic market is determined using the latest offer price of the last working day.
- (c) The fair value of marketable futures and options are calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.
- (d) Fair value of marketable-equity instruments in the domestic market is determined using the latest bid price of the last working day. Fair value of non-marketable-equity instruments in the domestic market is determined using current book value of investee.
- (e) Financial assets and liabilities that are not measured at fair value, which mostly have short-term maturity periods or carrying interest rates close to the market interest rates, their fair values are estimated approximate their carrying amounts in the statement of financial position.

38. Capital management

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern, to have an appropriate financial structure and to maintain net liquid capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

39. Discontinued operations

On 29 September 2023, the Company sold the ordinary shares in subsidiaries to the parent company, according to the Restructuring Plan at the price of Baht 48 million with a loss from sales of Baht 1 million in the consolidated financial statements.

To comply with the requirements of accounting standards, the Company presented the operating results of subsidiaries and loss on sales of such investments under the Restructuring Plan under "Profit (loss) for the year from discontinued operations" and "Other comprehensive income from discontinued operations" in the consolidated statement of comprehensive income for the year 2023, and that of 2022 for comparative purposes. The details are as follows:

	(Unit: Million Baht)	
	2023 ⁽¹⁾	2022
Profit or loss		
Fees and service income	163	177
Interest income	1	-
Gain and return on financial instruments	(1)	-
Other income	7	6
Total income	170	183
Employee benefits expenses	132	144
Fees and service expenses	24	-
Interest expenses	13	12
Other expenses	37	43
Total expenses	206	199
Loss before income tax	(36)	(16)
Income tax	1	2
Loss from discontinued operations - net income tax	(35)	(14)
Loss on sales of investments under the restructuring	(1)	-
Loss for the year from discontinued operations	(36)	(14)
Other comprehensive income		
Other comprehensive income (loss) from discontinued operations		
Income tax relating to components of other comprehensive	-	-
Other comprehensive income (loss) from discontinued operations	-	-
Total comprehensive income from discontinued operations	(36)	(14)

⁽¹⁾ Presents the operation results of the subsidiary company from 1 January 2023 to the date of disposal of investment / the date that control ceases.

Cash flow information of subsidiary companies under the Restructuring Plan for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Million Baht)	
	2023 ⁽¹⁾	2022
Net cash flows from (used in) operating activities	(22)	2
Net cash flows from (used in) investing activities	476	(207)
Net cash flows from (used in) financing activities	(473)	238
Net increase in cash	19	33

⁽¹⁾ Presents the operation results of the subsidiary company from 1 January 2023 to the date of disposal of investment / the date that control ceases.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2024.