

Financial Statements

Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Finansia Syrus Securities Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated 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 and its subsidiary and of Finansia Syrus Securities Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Recognition of brokerage fees income

The Group's income mainly consisted of brokerage fees income, amounting to Baht 1,930 million as in Note 26, representing 81 percent of the Company's total revenues. The Company charges brokerage fees at percentages of trading volume, which are freely negotiated, and based on a sliding scale fee structure. Because of the size and volume of transactions, the large number of customers, the fees charged to customers being dependent on various factors, and the recognition of revenue from brokerage fees income relying primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees as a key audit matter.

The audit procedures I performed were to assess and test, on a sampling basis, the Company's internal controls relevant to recognition of brokerage fees income, including computer-based controls relevant to the calculation of brokerage fees income. I also tested, on a sampling basis, calculation and account recording. In addition, I performed analytical procedures on brokerage fees income and examined, on a sampling basis, material manual adjustments made via journal vouchers.

Allowance for expected credit losses on securities and derivatives business receivables

As of 31 December 2021, securities and derivatives business receivables amounting to Baht 4,340 million, representing 62 percent of the Company's total assets. As discussed in Note 4.10 and 8 to the financial statements, the Company recognised allowance for expected credit losses on such receivables based on Thai Financial Reporting Standard No. 9. The estimation of allowance for expected credit losses on securities and derivatives business receivables is significant because management of the Company must exercise judgement to identify significant changes in credit risk and to determine assumptions used in the expected credit loss model. Moreover, the Company has a large number of customers and the balance of these receivables is significant to the financial statements. Therefore, I addressed the adequacy of allowance for expected credit losses for such receivables as a key audit matter.

I performed audit procedures on the adequacy of allowance for expected credit losses as follows:

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I assessed, and tested on a sampling basis, the Company's internal controls relevant to the status of account receivables, the staging in accordance with changes in credit risk of receivables, the calculation of allowance for expected credit losses and the recording. I also assessed, and tested on a sampling basis, the reasonableness of assumptions and the expected credit loss model.
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I examined the adequacy of allowance for expected credit losses as at the end of reporting period by testing on a sampling basis, data used in the calculation of allowance for expected credit losses, the status of outstanding receivable, the staging in accordance with changes in credit risk of receivables, the collections after the end of reporting period and the calculation of allowance for expected credit losses, as well as the adequacy and appropriate of disclosure.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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:

- ๑ 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.
- ๑ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ๑ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ๑ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 Group to cease to continue as a going concern.
- ๑ 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.

๔ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Ratana Jala
Certified Public Accountant (Thailand) No. 3734

EY Office Limited
Bangkok: 28 February 2022

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Assets					
Cash and cash equivalents	6,34.3	185,987,239	221,568,415	162,366,660	203,539,871
Receivables from Clearing House and broker-dealers	7	871,998,685	282,415,413	871,998,685	282,415,413
Securities and derivatives business receivables	8	4,339,919,213	3,759,476,374	4,339,919,213	3,759,476,374
Accrued fees and service income		3,601,711	11,734,334	3,601,711	11,734,334
Derivatives assets	9	5,748,160	685,760	5,748,160	685,760
Investments	10	714,108,150	707,618,483	714,108,150	707,618,483
Loans to employees		6,370,251	642,016	6,370,251	642,016
Investments in a subsidiary and an associate	11	135,121,728	121,190,346	113,162,491	113,162,491
Equipment	13	98,032,030	99,569,126	98,032,030	99,569,126
Right-of-use-assets	14.1	249,452,176	279,359,808	248,698,770	278,303,212
Intangible assets	15	185,427,106	214,672,070	185,427,106	214,672,070
Deferred tax assets	16.1	30,733,145	37,428,967	36,296,609	39,977,427
Other assets	17	220,713,782	210,574,772	217,267,687	208,587,456
Total assets		7,047,213,376	5,946,935,884	7,002,997,523	5,920,384,033
Liabilities and owners' equity					
Liabilities					
Borrowings from financial institutions	18	-	350,000,000	-	350,000,000
Payables to Clearing House and broker-dealers	19	16,168,633	303,175,543	16,168,633	303,175,543
Securities and derivatives business payables	20	3,022,980,957	1,928,433,700	3,022,980,957	1,928,433,700
Derivatives liabilities	9	18,566,953	23,383,873	18,566,953	23,383,873
Debt issued	21	507,544,828	278,975,449	507,544,828	278,975,449
Corporate income tax payable		36,207,472	-	36,207,472	-
Provision	22	34,222,603	32,582,413	34,222,603	32,582,413
Provision for long-term employee benefits	23	90,416,459	73,313,868	88,598,129	70,340,228
Lease liabilities	14.2	159,999,001	180,216,447	159,222,310	179,148,243
Other liabilities	24	469,535,832	345,690,532	457,004,850	338,371,773
Total liabilities		4,355,642,738	3,515,771,825	4,340,516,735	3,504,411,222

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

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of financial position (continued)
As at 31 December 2021

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020
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	930,244,840
Share premium		620,892,885	620,892,885	620,892,885	620,892,885
Capital reserve for share-based payment transactions		322,946	322,946	322,946	322,946
Deficit as a result of change in holding percentage in the subsidiary		(251,580)	(251,580)	-	-
Retained earnings					
Appropriated - statutory reserve	25	93,024,484	83,019,059	93,024,484	83,019,059
Unappropriated		1,045,076,763	803,461,496	1,017,747,866	781,246,681
Other component of owners' equity					
Exchange differences on translation of financial statements in foreign currency		1,522,204	(7,158,957)	-	-
Gains on investments in equity designated at fair value through other comprehensive income		247,767	246,400	247,767	246,400
Total equity attributable to the Company's shareholders		2,691,080,309	2,430,777,089	2,662,480,788	2,415,972,811
Non-controlling interests of the subsidiary		490,329	386,970	-	-
Total owners' equity		2,691,570,638	2,431,164,059	2,662,480,788	2,415,972,811
Total liabilities and owners' equity		7,047,213,376	5,946,935,884	7,002,997,523	5,920,384,033

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Income					
Brokerage fees income	26	1,930,020,133	1,314,751,682	1,930,020,133	1,314,751,682
Fees and service income	27	113,984,892	122,787,047	113,984,892	122,717,047
Interest income	28	130,223,281	84,768,537	130,181,253	84,633,876
Gain and return on financial instruments	29	165,613,972	168,833,928	165,613,972	168,833,928
Shares of gain from investments in an associate	11.2	3,079,931	5,262,851	-	-
Other income	34.2	53,628,818	50,699,688	57,168,818	54,299,688
Total income		2,396,551,027	1,747,103,733	2,396,969,068	1,745,236,221
Expenses					
Employee benefits expenses	23,31	1,243,179,009	942,792,913	1,195,788,914	892,851,871
Fees and service expenses		277,955,575	231,920,233	277,873,575	231,886,233
Interest expenses	30	47,598,032	34,720,606	47,560,984	34,697,149
Expected credit losses	12,22	3,363,067	10,885,458	3,363,067	10,885,458
Other expenses	34.2	448,458,645	422,497,787	500,610,943	465,942,660
Total expenses		2,020,554,328	1,642,816,997	2,025,197,483	1,636,263,371
Profit before income tax		375,996,699	104,286,736	371,771,585	108,972,850
Income tax	16.2	(75,821,531)	(22,231,325)	(75,344,226)	(21,407,040)
Profit for the year		300,175,168	82,055,411	296,427,359	87,565,810
Other comprehensive income (loss):					
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		8,681,161	(386,550)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years – net of income tax		8,681,161	(386,550)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Actuarial loss – net of income tax		(13,568,735)	-	(15,038,367)	-
Gain on investments in equity instruments designated at Fair value through other comprehensive income – net of income tax		1,367	246,400	1,367	246,400
Other comprehensive income not to be reclassified to profit or loss in subsequent years – net of income tax		(13,567,368)	246,400	(15,037,000)	246,400
Other comprehensive income (loss) for the year		(4,886,207)	(140,150)	(15,037,000)	246,400
Total comprehensive income for the year		295,288,961	81,915,261	281,390,359	87,812,210

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

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of comprehensive income (Continued)
For the year ended 31 December 2021

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2021	2020	2021	2020
Profit attributable to:					
	The Company's shareholders	300,126,975	82,420,302	296,427,359	87,565,810
	Non-controlling interests of the subsidiary	48,193	(364,891)		
		<u>300,175,168</u>	<u>82,055,411</u>		
Comprehensive income attributable to:					
	The Company's shareholders	295,185,602	82,280,152	281,390,359	87,812,210
	Non-controlling interests of the subsidiary	103,359	(364,891)		
		<u>295,288,961</u>	<u>81,915,261</u>		
Earnings per share					
	Basic earnings per share				
	Profit attributable to shareholders of the Company	32 0.52	0.14	0.51	0.15

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of cash flows

For the year ended 31 December 2021

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before income tax	375,996,699	104,286,736	371,771,585	108,972,850
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	144,924,190	142,573,178	144,621,000	142,416,184
Expected credit losses	3,363,067	10,885,458	3,363,067	10,885,458
(Gain) loss on disposals and write-off of equipment/ intangible assets/right-of-use-assets	(2,215,124)	4,070,134	(2,215,124)	4,070,134
Unrealised (gain) loss on revaluation of trading investments	(91,981,898)	81,993,532	(91,981,898)	81,993,532
Unrealised (gain) loss on revaluation of derivatives	32,688,828	(14,336,170)	32,688,828	(14,336,170)
Unrealised (gain) loss on revaluation of exchange rate	(3,653,023)	1,935,455	(3,653,023)	1,935,455
Share of gain from investments in an associate	(3,079,931)	(5,262,851)	-	-
Provision for long-term employee benefits	11,199,528	12,683,132	10,191,774	11,553,317
Interest income	(130,223,281)	(84,768,537)	(130,181,253)	(84,633,876)
Dividend income	(15,818,729)	(12,877,682)	(15,818,729)	(12,877,682)
Interest expenses	47,598,032	34,720,606	47,560,984	34,697,149
Profit from operating activities before changes in operating assets and liabilities	368,798,358	275,902,991	366,347,211	284,676,351
(Increase) decrease in operating assets				
Receivables from Clearing Houses and broker-dealers	(619,743,237)	(125,341,311)	(619,743,237)	(125,341,311)
Securities and derivatives business receivables	(576,724,601)	(1,209,812,980)	(576,724,601)	(1,209,812,980)
Derivatives assets	(3,785,440)	(653,460)	(3,785,440)	(653,460)
Investments	87,535,396	(9,064,836)	87,535,396	(9,064,836)
Loan to employees	(5,728,235)	(366,709)	(5,728,235)	(366,709)
Other assets	(5,842,862)	(23,126,195)	(4,384,083)	(20,266,950)
Increase (decrease) in operating liabilities				
Payables to Clearing Houses and broker-dealers	(287,006,910)	(359,397,286)	(287,006,910)	(359,397,286)
Securities and derivatives business payables	1,092,505,232	989,185,387	1,092,505,232	989,185,387
Derivatives liabilities	(4,969,720)	1,534,816	(4,969,720)	1,534,816
Paid for long-term employee benefits	(11,057,856)	(3,862,000)	(10,731,832)	(3,862,000)
Other liabilities	130,516,206	143,187,053	125,303,981	138,408,501
Cash received (paid) from operating activities	164,496,331	(321,814,530)	158,617,762	(314,960,477)
Proceeds on interest income	129,296,740	82,330,425	129,254,713	82,195,764
Proceeds on dividend income	15,916,809	12,858,567	15,916,809	12,858,567
Cash paid for interest expense	(19,354,638)	(24,367,596)	(19,354,638)	(24,367,596)
Cash paid for income tax expense	(31,696,116)	(4,694,151)	(31,696,116)	(4,694,151)
Net cash provided by (used in) operating activities	258,659,126	(225,687,285)	252,738,530	(248,967,893)

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

Finansia Syrus Securities Public Company Limited and its subsidiary**Statement of cash flows (Continued)****For the year ended 31 December 2021**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Cash received (paid) from investing activities				
Proceeds on disposals of equipment	3,093,925	88,782	3,093,925	88,782
Cash paid for purchases of equipment	(41,719,556)	(45,877,916)	(41,719,556)	(45,877,916)
Cash paid for purchases of intangible assets	(9,684,727)	(7,977,624)	(9,684,727)	(7,977,624)
Net cash used in investing activities	(48,310,358)	(53,766,758)	(48,310,358)	(53,766,758)
Cash flows from financing activities				
Cash received (paid) from financing activities				
Cash received (paid) from borrowings from financial institutions	(350,000,000)	300,000,000	(350,000,000)	300,000,000
Cash received from debt issued	209,662,004	275,192,812	209,662,004	275,192,812
Cash paid for liabilities under finance lease agreement	(70,709,566)	(145,682,936)	(70,381,005)	(145,514,093)
Dividend paid	(34,882,382)	-	(34,882,382)	-
Net cash provided by (used in) financing activities	(245,929,944)	429,509,876	(245,601,383)	429,678,719
Net increase (decrease) in cash and cash equivalents	(35,581,176)	120,055,833	(41,173,211)	126,944,068
Cash and cash equivalents at the beginning of the year	221,568,415	101,512,582	203,539,871	76,595,803
Cash and cash equivalents at the ending of the year	185,987,239	221,568,415	162,366,660	203,539,871

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of changes in owners' equity
For the year ended 31 December 2021

Consolidated financial statements											
Equity attributable to of the Company's shareholders											
Note	Retained earnings				Other component of owners' equity						
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Deficit as a result of change in holding percentage in the subsidiary	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	Total equity attributable to the Company's shareholders	Non-controlling interest of the subsidiary	Total owners' equity
Balance as at 1 January 2020	930,244,840	620,892,885	322,946	(251,580)	78,640,769	725,419,484	(6,772,407)	-	2,348,496,937	751,861	2,349,248,798
Transfer to statutory reserve	-	-	-	-	4,378,290	(4,378,290)	-	-	-	-	-
Profit (loss) for the year	-	-	-	-	-	82,420,302	-	-	82,420,302	(364,891)	82,055,411
Other comprehensive income (loss) for the year	-	-	-	-	-	-	(386,550)	246,400	(140,150)	-	(140,150)
Total comprehensive income (loss) for the year	-	-	-	-	4,378,290	78,042,012	(386,550)	246,400	82,280,152	(364,891)	81,915,261
Balance as at 31 December 2020	930,244,840	620,892,885	322,946	(251,580)	83,019,059	803,461,496	(7,158,957)	246,400	2,430,777,089	386,970	2,431,164,059
Balance as at 1 January 2021	930,244,840	620,892,885	322,946	(251,580)	83,019,059	803,461,496	(7,158,957)	246,400	2,430,777,089	386,970	2,431,164,059
Transfer to statutory reserve	-	-	-	-	10,005,425	(10,005,425)	-	-	-	-	-
Profit for the year	-	-	-	-	-	300,126,975	-	-	300,126,975	48,193	300,175,168
Other comprehensive income (loss) for the year	-	-	-	-	-	(13,623,901)	8,681,161	1,367	(4,941,373)	55,166	(4,886,207)
Total comprehensive income for the year	-	-	-	-	10,005,425	276,497,649	8,681,161	1,367	295,185,602	103,359	295,288,961
Dividend paid	33	-	-	-	-	(34,882,382)	-	-	(34,882,382)	-	(34,882,382)
Balance as at 31 December 2021	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

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of changes in owners' equity (continued)
For the year ended 31 December 2021

(Unit: Baht)

Note	Separate financial statements						Total owners' equity
	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	Gain on investments in equity instruments designated at fair value through other comprehensive income	
Balance as at 1 January 2020	930,244,840	620,892,885	322,946	78,640,769	698,059,161	-	2,328,160,601
Transfer to statutory reserve	-	-	-	4,378,290	(4,378,290)	-	-
Profit for the year	-	-	-	-	87,565,810	-	87,565,810
Other comprehensive income for the year	-	-	-	-	-	246,400	246,400
Total comprehensive income for the year	-	-	-	4,378,290	83,187,520	246,400	87,812,210
Balance as at 31 December 2020	930,244,840	620,892,885	322,946	83,019,059	781,246,681	246,400	2,415,972,811
Balance as at 1 January 2021	930,244,840	620,892,885	322,946	83,019,059	781,246,681	246,400	2,415,972,811
Transfer to statutory reserve	-	-	-	10,005,425	(10,005,425)	-	-
Profit for the year	-	-	-	-	296,427,359	-	296,427,359
Other comprehensive income (loss) for the year	-	-	-	-	(15,038,367)	1,367	(15,037,000)
Total comprehensive income for the year	-	-	-	10,005,425	271,383,567	1,367	281,390,359
Dividend paid	-	-	-	-	(34,882,382)	-	(34,882,382)
Balance as at 31 December 2021	930,244,840	620,892,885	322,946	93,024,484	1,017,747,866	247,767	2,662,480,788

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary

Notes to consolidated financial statements

For the year ended 31 December 2021

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 major shareholders are Pilgrim Finansia Investment Holding Pte. Ltd. which held shares in the Company at the rates of 29.29% of the Company’s issued and paid-up share capital (2020: Finansia Fund Management Limited is a major shareholder 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 and head office are located at No. 999/9, 18th and 25th 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 2021 and 2020, the Company had 24 branches and 25 branches, respectively.

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.

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 subsidiary company:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2021 (%)	31 December 2020 (%)
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	96.25	96.25

- (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) The subsidiary is 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 subsidiary are prepared using the same significant accounting policies as those of the Company.
- (e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary 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 Separate financial statements

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

3. New financial reporting standards

3.1 New financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised reporting standards and interpretations which are effective for fiscal year beginning on or after 1 January 2021. 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 standard does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

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 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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

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

The Group calculate interest income by applying the effective interest rate to the gross book value of financial assets. When financial assets are impaired, the Group 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 Group 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 Group 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 Group classify its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Group'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 Group 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 Group 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 Group 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 Group commits to purchase or sell the asset/the settlement date, i.e., the date on which an asset is delivered.

Derecognition of financial instruments

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument/the settlement date, i.e., the date on which an asset is delivered to or by the Group. This includes regular way trades.

The Group 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 Group, are still recognised as financial.

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 Group 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 Group'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 Group recognises expected credit losses of financial asset - debt instruments which are cash equivalents, receivables from clearing house and brokers, cash accounts, credit balance accounts, guarantee deposit receivables, derivatives business receivables, other securities and derivatives business receivables, investments in debt securities, and partially of other assets, which are measured at amortised cost or fair value through other comprehensive income using the General Approach. The Group 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 Group 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 Group 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 Group take into account the status of outstanding receivables and maintenance of required collateral values in the contract.

At every reporting date, the Group 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 Group 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 Group 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 Group 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 Group receives money from its receivables which are written-off, the Group will credit against expected credit losses in profit or loss.

4.11 Investments in a subsidiary and an associate

(a) Consolidated financial statements

Investments in an associate are accounted for in the consolidated financial statements using the equity method.

(b) Separate financial statements

Investments in a subsidiary and an associate are stated in the separate financial statements at cost net of allowance for impairment loss (if any).

4.12 Equipment and depreciation

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

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

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

No depreciation is provided for equipment under installation.

Depreciation is included in profit or loss.

An item of 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 Group 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 Group 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 Group 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	2 years
Motor vehicles	2 - 5 years

If ownership of the leased asset transfers to the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group'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 financial 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:

Futures Exchange membership fee	10 years
Retail brokerage business acquisition cost	2 years
Computer softwares	5 -15 years
Right to use system	5 years

No amortisation is provided for computer softwares under development and exchange membership fee.

4.15 Impairment of non-financial asset

At the end of each reporting period, the Group perform impairment reviews in respect of 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 Group 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 Group 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 Group 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 Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and contributions of the Group are recognised as expenses when incurred.

Defined benefit plan

The Group have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group 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 Group 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 Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that give them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group'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 Group'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 Group 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 Group 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 Group 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.

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 Group 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 Equipment and depreciation

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

In addition, the management is required to review 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 Group 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 Group 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 Group have 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)

	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Cash, short-term deposits, short-term note receivables and short-term investments with original maturity periods of less than 3 months	2,333,189	1,743,884	2,309,569	1,725,855
Less: Cash deposits held for customers	(2,147,026)	(1,522,278)	(2,147,026)	(1,522,278)
Less: Allowance for expected credit loss	(176)	(38)	(176)	(38)
Cash and cash equivalents	185,987	221,568	162,367	203,539

Supplemental cash flows information

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Non-cash items:				
Purchase of equipment and intangible assets on credit	36	12,476	36	12,476
Increasing of right-of-use assets and lease liabilities	46,148	126,691	46,148	125,477

7. Receivables from Clearing House and broker-dealers

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
Receivables from Clearing House	1,091,286	523,969
Receivables from overseas securities companies	474,425	278,096
Receivables from securities company	518	5,311
Less: Receivables from Clearing House held for customers' account	(205,956)	(311,480)
Less: Receivables from overseas securities companies for customers' account	(488,274)	(213,481)
Receivables from Clearing House and broker-dealers	871,999	282,415

8. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<u>Securities business receivables</u>		
Cash accounts	2,239,710	2,374,751
Credit balance accounts	1,966,260	1,161,614
Collateral receivables	103,298	94,933
Receivables under securities borrowing and lending business	13,430	50,815
Other receivables	9,899	10,738
Total securities business receivables	4,332,597	3,692,851
Add: Accrued interest receivables	9,130	4,466
Less: Allowance for expected credit losses	(8,148)	(8,148)
Securities business receivables	4,333,579	3,689,169
<u>Derivatives business receivables</u>		
Derivatives business receivables	8,340	71,307
Other receivables	5,949	6,003
Less: Allowance for expected credit losses	(7,949)	(7,003)
Derivatives business receivable	6,340	70,307
Securities and derivatives business receivables	4,339,919	3,759,476

8.1 Classification of securities and derivatives business receivables

As at 31 December 2021 and 2020, classification is as follows:

(Unit: Thousand Baht)			
Consolidated and separate financial statements			
31 December 2021			
Securities and derivatives business receivables and accrued interest	Exposure at Default	Allowance for expected credit loss	
Securities business receivables			
Performing loans	4,331,828	4,331,828	-
Under-performing loans	-	-	-
Credit impaired loans	9,899	9,899	(8,148)
Total securities business receivables	4,341,727	4,341,727	(8,148)
Derivatives business receivables			
Performing loans	8,340	8,340	(2,000)
Under-performing loans	-	-	-
Credit impaired loans	5,949	5,949	(5,949)
Total derivatives business receivables	14,289	14,289	(7,949)
Total securities and derivatives business receivables	4,356,016	4,356,016	(16,097)

(Unit: Thousand Baht)

Consolidated and separate financial statements			
31 December 2020			
Securities and derivatives business receivables and accrued interest	Exposure at Default	Allowance for expected credit loss	
Securities business receivables			
Performing loans	3,686,579	3,686,579	-
Under-performing loans	-	-	-
Credit impaired loans	10,738	10,738	(8,148)
Total securities business receivables	3,697,317	3,697,317	(8,148)
Derivatives business receivables			
Performing loans	71,307	71,307	(1,000)
Under-performing loans	-	-	-
Credit impaired loans	6,003	6,003	(6,003)
Total derivatives business receivables	77,310	77,310	(7,003)
Total securities and derivatives business receivables	3,774,627	3,774,627	(15,151)

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2021			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Derivatives warrants	-	-	16,532	780,065
- Futures ⁽¹⁾	-	305,923	-	456,029
- Options	5,748	119,770	2,035	123,595
Total	5,748	425,693	18,567	1,359,689

⁽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 2021; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 10 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2020			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Derivatives warrants	-	-	22,966	4,032,458
- Futures ⁽¹⁾	-	640,661	-	239,150
- Options	686	10,655	418	12,235
Total	686	651,316	23,384	4,283,843

⁽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 2020; the fair value of derivative assets and liabilities for futures contracts are Baht 32 million and Baht 2 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)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
	Fair value/ Amortised cost	Fair value/ Amortised cost
Non-collateralised investments		
<u>Fair value</u>		
Investments measured at fair value through profit or loss		
Trading securities		
Marketable equity instruments in domestic market at fair value	710,917	704,428
Unit trusts	50,009	-
Less: Investments held for customers	(50,009)	-
Total	710,917	704,428
Investments measured at fair value through other comprehensive income		
Non-marketable equity instruments in domestic market	3,191	3,190
Total	3,191	3,190
<u>Amortised cost</u>		
Investments measured at amortised cost		
Fixed deposits	2,900,097	2,101,295
Bank of Thailand bond	3,916,314	1,478,177
Less: Investments held for customers	(6,816,411)	(3,579,472)
Total	-	-
Investments	714,108	707,618

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2021			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,900,097	-	-	2,900,097
Bank of Thailand bond	3,916,314	-	-	3,916,314
Less: Investments held for customers	(6,816,411)	-	-	(6,816,411)
Total	-	-	-	-

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2020			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,101,295	-	-	2,101,295
Bank of Thailand bonds	1,478,177	-	-	1,478,177
Less: Investments held for customers	(3,579,472)	-	-	(3,579,472)
Total	-	-	-	-

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

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2021					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earning or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to held for long-term	2,330	44	-	-
Others	Intend to held for long-term	861	-	-	-
Total		3,191	44	-	

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2020					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earning or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to held for long-term	2,308	64	-	-
Others	Intend to held for long-term	882	-	-	-
Total		3,190	64	-	

11. Investments in a subsidiary and an associate

11.1 Details of investments in a subsidiary and an associate

Investments in a subsidiary and an associate as at 31 December 2021 and 2020 were as follows:

Consolidated financial statements							
Company's name	Nature of business	Country of incorporation	Type of investment	Percentage of shareholding		Investment value under equity method	
				31 December	31 December	31 December	31 December
				2021	2020	2021	2020
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Associate							
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	20.01	20.01	135,122	121,190
Total Investment in an associate						135,122	121,190
Separate financial statements							
Company's name	Nature of business	Country of incorporation	Type of investment	Percentage of shareholding		Investment value under cost method	
				31 December	31 December	31 December	31 December
				2021	2020	2021	2020
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Subsidiary							
FSS International Investment Advisory Securities Co., Ltd.	Advisory	Thailand	Equity securities	96.25	96.25	7,700	7,700
Total Investment in a subsidiary						7,700	7,700
Associate							
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	20.01	20.01	105,462	105,462
Total Investment in an associate						105,462	105,462
Total investments in a subsidiary and an associate						113,162	113,162

11.2 Share of gain (loss) and dividend income from an associate

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of gain (loss) 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	
	2021	2020	2021	2020	2021	2020
Associate						
SBI Royal Securities Plc.	3,080	5,263	10,852	(483)	-	-
Total	3,080	5,263	10,852	(483)	-	-

During the years ended 31 December 2021 and 2020, the Company recognised shares of gain (loss) from the associate under equity method based on financial information, as prepared by the associate's management. The Company already received the 2020 financial statements of the associate which were audited by the associate's auditors, 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 about material associate

Summarised information from statements of financial position

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	31 December 2021	31 December 2020
Cash and cash equivalents	503	433
Other current assets	13	13
Non-current assets	35	31
Current liabilities	(7)	(2)
Net assets	544	475
Shareholding percentage	20.01	20.01
The Company's equity interest in the investments' net assets	110	96
Goodwill	25	25
Total investment values	135	121
Carrying values of investments in an associate (under equity method)	135	121

Summarised information from statements of comprehensive income

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	For the years ended 31 December	
	2021	2020
Revenues	45	49
Profit for the year	15	26
Other comprehensive income for the year	-	-
Total comprehensive income for the year	15	26

12. Allowance for expected credit losses

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<u>Allowance for expected credit losses of accounts</u>		
Cash and cash equivalents	176	38
Securities and derivatives business receivables	16,097	15,151
Other assets	2,856	2,856
Total	19,129	18,045

As at 31 December 2021 and 2020 Expected Credit Losses of securities and derivatives business receivables are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2021			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	1,000	-	14,151	15,151
Changes from revaluation of expected credit losses	-	-	(54)	(54)
Others	1,000	-	-	1,000
Ending balance	2,000	-	14,097	16,097

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2020				
	Allowance for expected credit losses			Allowance for doubtful accounts	Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired		
Beginning balance	-	-	-	6,118	6,118
Changes from adoption of new accounting standards	-	-	6,118	(6,118)	-
Changes from revaluation of expected credit losses	-	-	8,033	-	8,033
Others	1,000	-	-	-	1,000
Ending balance	1,000	-	14,151	-	15,151

13. Equipment

(Unit: Thousand Baht)

Consolidated and separate financial statements						
	Office equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Equipment under installation	Total
Cost						
1 January 2020	286,133	177,051	-	10,885	1,716	475,785
Additions	12,555	7,572	30,156	-	7,967	58,250
Disposals/write-off	(12,549)	(18,174)	-	-	-	(30,723)
Transfers in (out)	3,349	(4,904)	8,853	-	(7,298)	-
31 December 2020	289,488	161,545	39,009	10,885	2,385	503,312
Additions	20,980	4,027	470	-	3,802	29,279
Disposals/write-off	(23,218)	(14,194)	-	(8,745)	-	(46,157)
Transfers in (out)	1,777	1,383	1,363	-	(4,523)	-
31 December 2021	289,027	152,761	40,842	2,140	1,664	486,434
Accumulated depreciation						
1 January 2020	233,613	161,563	-	10,885	-	406,061
Depreciation for the year	18,861	5,715	236	-	-	24,812
Accumulated depreciation on disposals/write-off	(12,549)	(14,581)	-	-	-	(27,130)
31 December 2020	239,925	152,697	236	10,885	-	403,743
Depreciation for the year	22,655	4,397	2,885	-	-	29,937
Accumulated depreciation on disposal/write-off	(22,339)	(14,194)	-	(8,745)	-	(45,278)
31 December 2021	240,241	142,900	3,121	2,140	-	388,402
Net book value						
31 December 2020	49,563	8,848	38,773	-	2,385	99,569
31 December 2021	48,786	9,861	37,721	-	1,664	98,032
Depreciation for the year ended						
31 December 2020						24,812
31 December 2021						29,937

As at 31 December 2021 and 2020, 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 307 million and Baht 341 million, respectively.

14. Lease

The Group 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 year ended 31 December 2021 and 2020 is summarised.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2020	207,795	-	30,274	238,069
Additions	118,204	1,141	7,346	126,691
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	37,620	356,233
Additions	31,656	-	14,493	46,149
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	305,470	1,141	47,182	353,793
Accumulated depreciation				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,714	77,993
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,714	76,873
Depreciation for the year	63,443	437	12,177	76,057
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	84,509	872	18,960	104,341
Net book value				
31 December 2020	252,748	706	25,906	279,360
31 December 2021	220,961	269	28,222	249,452

(Unit: Thousand Baht)

Separate financial statements				
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2020	207,795	-	30,274	238,069
Additions	118,204	1,141	6,132	125,477
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	36,406	355,019
Additions	31,656	-	14,493	46,149
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	305,470	1,141	45,968	352,579
Accumulated depreciation				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,557	77,836
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,557	76,716
Depreciation for the year	63,443	437	11,873	75,753
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	84,509	872	18,499	103,880
Net book value				
31 December 2020	252,748	706	24,849	278,303
31 December 2021	220,961	269	27,469	248,699

14.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Lease Liabilities	171,803	196,805	170,986	195,660
Less: Deferred interest expenses	(11,804)	(16,589)	(11,764)	(16,512)
Total	159,999	180,216	159,222	179,148

A maturity analysis of lease payments is disclosed in Note 37 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			
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	76,057	78,084	75,753	77,927
Interest expense on lease liabilities	7,201	7,210	7,164	7,187
Expense relating to short-term leases	10,640	10,414	10,411	9,966
Total	93,898	95,708	93,328	95,080

The Group had total cash outflows for leases for the years ended 31 December 2021 and 2020 of Baht 80 million (separate financial statement: Baht 80 million) (2020: Baht 157 million in the consolidated financial statement and Baht 156 million in the separate financial statement).

15. Intangible assets

(Unit: Thousand Baht)

	Consolidated and separate financial statements				Total
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	
Cost					
1 January 2020	6,605	6,384	412,558	6,609	432,156
Additions	-	-	2,385	5,592	7,977
Transfers in (out)	-	-	5,612	(5,612)	-
31 December 2020	6,605	6,384	420,555	6,589	440,133
Additions	-	-	2,336	7,349	9,685
Write-off	-	-	(2,459)	-	(2,459)
Transfer in (out)	-	-	5,331	(5,331)	-
31 December 2021	6,605	6,384	425,763	8,607	447,359
Accumulated amortisation					
1 January 2020	5,000	6,384	174,309	-	185,693
Amortisation for the year	-	-	39,768	-	39,768
31 December 2020	5,000	6,384	214,077	-	225,461
Amortisation for the year	-	-	38,930	-	38,930
Write-off	-	-	(2,459)	-	(2,459)
31 December 2021	5,000	6,384	250,548	-	261,932
Net book value					
31 December 2020	1,605	-	206,478	6,589	214,672
31 December 2021	1,605	-	175,215	8,607	185,427
Amortisation for the year ended					
31 December 2020					39,768
31 December 2021					38,930

As at 31 December 2021 and 2020, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated summarised, of these assets amounted to Baht 113 million and Baht 109 million, respectively.

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)

	Consolidated financial statements			
	31 December 2021	31 December 2020	Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
			2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	4,073	3,401	672	2,219
Share of profit from investments in an associate	(5,932)	(3,146)	(2,786)	(956)
Provision for long-term employee benefits	18,083	14,663	3,420	1,764
Unrealised (gain) loss on revaluation of investments and derivatives	765	12,041	(11,276)	13,544
Unutilised tax loss	-	849	(849)	(41,452)
Others	13,744	9,621	4,123	2,685
Deferred tax assets	30,733	37,429	(6,696)	(22,196)
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(7,918)	(22,231)
- Recognised in other comprehensive income			1,222	35
Total			(6,696)	(22,196)

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2021	31 December 2020	Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
			2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	4,073	3,401	672	2,219
Provision for long-term employee benefits	17,720	14,068	3,652	1,538
Unrealised (gain) loss on revaluation of investments and derivatives	765	12,041	(11,276)	13,544
Unutilised tax loss	-	849	(849)	(41,452)
Others	13,739	9,618	4,121	2,682
Deferred tax assets	36,297	39,977	(3,680)	(21,469)
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(7,440)	(21,407)
- Recognised in other comprehensive income			3,760	(62)
Total			(3,680)	(21,469)

16.2 Income tax

Income tax for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Current income tax				
Current income tax charge	(67,904)	-	(67,904)	-
Deferred tax				
Relating to origination and reversal of temporary differences	(7,918)	(22,231)	(7,440)	(21,407)
Income tax reported in the statements of comprehensive income	(75,822)	(22,231)	(75,344)	(21,407)

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			
	2021	2020	2021	2020
Accounting profit before tax	375,997	104,287	371,772	108,973
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	(75,200)	(20,857)	(74,354)	(21,795)
Effects of:				
Revenue or expense that are not taxable or				
not deductible in determining taxable				
profits	(996)	392	(990)	388
Tax losses not recognised as deferred				
tax assets	374	(1,766)	-	-
Income tax reported in the statements of				
comprehensive income	(75,822)	(22,231)	(75,344)	(21,407)

As at 31 December 2021, the subsidiary has unused tax losses totaling Baht 7 million, on which deferred tax assets have not been recognised because there is an uncertainty in future taxable profits of the subsidiary which may not be sufficient to allow utilisation of the unused tax losses.

That unused tax losses will gradually expire by 2025.

17. Other assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Interest receivables	5,905	9,644	5,905	9,644
Prepaid expenses	32,489	26,313	32,309	26,070
Deposits	15,814	20,980	15,813	20,979
Contribution to the compensation fund for clearing and securities delivery system	135,182	115,461	135,182	115,461
Deposit asset for protecting the clearing system	5,000	5,000	5,000	5,000
Advances paid	3,217	8,143	3,217	8,118
Dividend receivables	238	336	238	336
Other receivable - related party	-	-	-	705
Withholding tax receivables	13,491	18,640	10,225	16,217
Others	12,234	8,914	12,234	8,913
Total	223,570	213,431	220,123	211,443
Less: Allowance for expected credit losses	(2,856)	(2,856)	(2,856)	(2,856)
Other assets	220,714	210,575	217,267	208,587

18. Borrowings from financial institutions

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	31 December 2020			
	Interest rate	Remaining period to maturity		
	per annum (percent)	Less than 1 year	1 - 5 years	More than 5 years
Financial institutions				Total
Promissory notes	0.95 - 1.85	350,000	-	-
Total		350,000	-	350,000

19. Payables to Clearing House and broker - dealers

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
Payables to Clearing House	-	291,002
Payables to overseas securities companies	16,169	12,174
Payables to Clearing House and broker - dealers	16,169	303,176

20. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<u>Securities business payables</u>		
Cash accounts payable	2,875,730	1,779,866
Collateral payables	13,430	50,815
Securities borrowing and lending payables	103,298	87,415
Securities business payable	2,992,458	1,918,096
<u>Derivatives business payables</u>		
Derivatives business payables	30,523	10,338
Securities and derivatives business payables	3,022,981	1,928,434

21. Debt issued

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2021				
	Interest rate/discount	Remaining period to maturity			
	Per annum (percent)	Less than 1 year	1 - 5 years	More than 5 years	Total
Debt issued					
Debentures	3.60	-	507,545	-	507,545
Total		-	507,545	-	507,545

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2020				
	Interest rate/discount	Remaining period to maturity			
	Per annum	Less than		More than	
	(percent)	1 year	1 - 5 years	5 years	Total
Debt issued					
Bills of exchange					
(Zero - coupon note with Baht					
280 million face value)	3.25	278,975	-	-	278,975
Total		278,975	-	-	278,975

22. Provisions

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Allowance for			Total
	Decommissioning cost	expected credit losses	Others	
Balance as at 1 January 2020	-	-	-	-
Increase during the year	30,768	1,814	-	32,582
Balance as at 31 December 2020	30,768	1,814	-	32,582
Increase (decrease) during the year	(2,638)	2,279	2,000	1,641
Balance as at 31 December 2021	28,130	4,093	2,000	34,223

23. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Provision for long-term employee benefit				
at the beginning of the year	73,314	64,493	70,340	62,649
Included in profit or loss:				
Current service cost	12,051	11,087	11,093	10,003
Interest cost	1,564	1,596	1,515	1,550
Past service costs	(2,417)	-	(2,417)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Demographic assumption changes	25,126	-	24,731	-
Financial assumption changes	6,413	-	6,291	-
Experience adjustments	(14,578)	-	(12,224)	-
Benefits paid during the year	(11,057)	(3,862)	(10,731)	(3,862)
Provision for long-term employee benefit				
at the end of the year	90,416	73,314	88,598	70,340

Long-term employee benefits expenses included in the profit or loss were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Current service cost	12,051	11,087	11,093	10,003
Interest cost	1,564	1,596	1,515	1,550
Past service costs	(2,417)	-	(2,417)	-
Total long-term employee benefit expenses	11,198	12,683	10,191	11,553

As at 31 December 2021, the Group expects to pay Baht 2 million, of long-term employee benefits during the next year (the Company only: Baht 2 million).

As at 31 December 2021, the Group's weighted average durations of the liabilities for long-term employee benefit is 12 years (the Company only: 12 years).

Significant actuarial assumptions are summarized below:

	(Unit: % per annum)	
	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
Discount rate	0.48 - 3.44	1.22 - 2.43
Salary increase rate	1.2 - 7.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 33.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	Consolidated financial statement			
	31 December 2021			
	Provision for		Provision for	
	employee		employee	
	benefits were		benefits were	
	increased		increased	
	(decreased) by		(decreased) by	
	assumption		assumption	
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(7.1)	1.0	7.8
Salary increase rate	1.0	7.9	1.0	(7.1)
Turnover rate	20.0	(6.7)	20.0	7.8

Consolidated financial statement				
31 December 2020				
		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	(4.3)	1.0	4.8
Salary increase rate	1.0	6.2	1.0	(5.7)
Turnover rate	20.0	(8.5)	20.0	10.4

Separate financial statement				
31 December 2021				
		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	(6.9)	1.0	7.6
Salary increase rate	1.0	7.7	1.0	(6.9)
Turnover rate	20.0	(6.5)	20.0	7.5

Separate financial statement				
31 December 2020				
		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	(4.1)	1.0	4.6
Salary increase rate	1.0	5.9	1.0	(5.4)
Turnover rate	20.0	(8.1)	20.0	10.0

24. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Accrued expenses	427,580	307,234	414,334	300,124
Withholding tax payable	10,773	9,573	10,759	9,559
Value added tax payable	9,625	11,362	9,354	11,168
Other payables	1,439	1,439	2,439	1,439
Employee retention payables	2,902	2,212	2,902	2,212
Others	17,217	13,871	17,217	13,870
Total other liabilities	469,536	345,691	457,005	338,372

25. 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. As at 31 December 2021, the statutory reserve has fully been set aside.

26. Brokerage fees income

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Brokerage fee from securities business	1,789,856	1,188,652
Brokerage fee from derivatives business	138,119	120,644
Other brokerage fee	2,045	5,456
Total	1,930,020	1,314,752

27. Fees and service income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Underwriting fee	64,862	57,501	64,862	57,501
Financial advisory fee	13,782	17,200	13,782	17,200
Borrowing and lending fee	1,431	2,326	1,431	2,326
Research fee	4,634	3,168	4,634	3,098
Selling agent fee	26,148	38,253	26,148	38,253
Others	3,128	4,339	3,128	4,339
Total	113,985	122,787	113,985	122,717

28. Interest income

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Interest income on margin loans	93,921	40,947	93,921	40,947
Interest income from deposits in financial institution and Bank of Thailand bonds	36,236	43,789	36,914	43,654
Interest income on staff loans	66	33	66	33
Total	130,223	84,769	130,181	84,634

29. Gain and return on financial instruments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Gain (loss) on investments	221,026	(21,179)
Gain (loss) on derivatives	(71,231)	177,135
Dividend income	15,819	12,878
Total	165,614	168,834

30. Interest expense

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Borrowings from financial intuitions	4,611	5,546	4,611	5,546
Debt issued	18,907	-	18,907	-
Lease liabilities	7,201	7,211	7,164	7,187
Customer’s deposits	16,879	21,964	16,879	21,964
Total	47,598	34,721	47,561	34,697

31. Provident fund

The Group and their employees have jointly established provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and employees of each company contributed to the funds monthly at the rates of 5% to 10% of basic salary. The funds, which are managed by two asset management companies, will be paid to employees upon termination in accordance with the fund rules. During the years ended 31 December 2021 and 2020, the group contributed Baht 22 million to the fund (separate financial statement: Baht 20 million) (2020: Baht 22 million in the consolidated financial statement and Baht 20 million in the separate financial statement).

32. Earnings per share

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

33. Dividends

Dividends	Approved by	Total dividends paid	Dividend per share
		(Million Baht)	(Baht)
Dividend for 2020	Annual General Meeting of the shareholders on 30 April 2021	35	0.06

34. Related party transactions

34.1 The relationships

Name	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
SBI Royal Securities Plc.	Associate
Pilgrim Finansia Investment Holding Pte. Ltd. ⁽¹⁾	Major shareholder of the Company
True Vision Group Public Company Limited	Having common director
Finansia Public Company Limited	Having common director until 16 December 2021
Finansia Securities Company Limited	Having common director until 16 December 2021
Finansia Fund Management Limited	Major shareholder of the Company until 16 December 2021
Industrial and Commercial Bank of China (Thai) Public Company Limited	Shareholder

⁽¹⁾ Pilgrim Finansia Investment Holding Pte. Ltd. is major shareholder of the Company since 16 December 2021 by holding 29.29% of the Company's issued and paid-up capital.

34.2 Significant transactions during the years

During the years, the Group 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 Group and those related parties. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December		For the years ended 31 December		
	2021	2020	2021	2020	Transfer Pricing Policy
Transactions with subsidiary					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,600	3,600	Contract value
Other expenses	-	-	53,800	45,000	Contract value
Transactions with related parties					
Directors and executive employees					
Brokerage fees income	54	95	54	95	Similar rates charged to general customers
Related companies and person					
Brokerage fees income	123	323	123	323	Similar rates charged to general customers
Fees and service income	6,421	13,903	6,421	13,903	Contract value
Rental and service expenses	5,351	529	5,351	529	As mutually agreed
Other expenses	577	5,400	577	5,400	Contract value
Dividend paid	13,705	-	13,705	-	As declared

34.3 Outstanding balances

The balances of accounts as at 31 December 2021 and 2020 between the Group and their related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Cash and cash equivalents				
Industrial and Commercial Bank of China (Thai) Public Company Limited	2,043	5,355	2,043	5,355
Other receivables				
FSS International Investment Advisory Securities Company Limited	-	-	-	705
Finansa Securities Company Limited	-	1,303	-	1,303
Prepaid expenses				
Finansa Securities Company Limited	-	153	-	153
Accrued expenses				
FSS International Investment Advisory Securities Company Limited	-	-	1,000	5,300
Other liabilities				
Finansa Securities Company Limited	-	5,400	-	5,400

34.4 Directors and key management's remunerations

During the years ended 31 December 2021 and 2020, the Group 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			
	2021	2020	2021	2020
Short-term employee benefits	279	205	263	186
Post-employment benefits	10	9	9	8
Total	289	214	272	194

35. Commitments and contingent liabilities

35.1 Capital commitments

As at 31 December 2021, the Company had capital commitments of approximately Baht 15 million (31 December 2020: Baht 16 million) relating to the installation of software and equipment.

35.2 Litigation

As at 31 December 2021, the Company has been sued for compensation totaling approximately Baht 16 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 2 million in the financial statements.

36. 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 Group are summarise 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 2021 and 2020:

(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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external	2,163	1,432	51	55	97	103	(54)	(45)	2,257	1,545
Profit (loss) from operating by segment	807	396	25	24	38	31	1	(1)	871	450
Unallocated income and expenses:										
Interest and dividend income									130	85
Other income									54	51
Operating expenses									(679)	(482)
Income tax expenses									(76)	(22)
Profits for the years attributable to the Company									300	82

The following table presents segment assets, classified by operating segments, as at 31 December 2021 and 2020:

(Unit: Million Baht)

	Securities and derivatives brokerages segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
Segment assets						
31 December 2021	5,212	2	714	5,928	1,119	7,047
31 December 2020	4,042	-	708	4,750	1,197	5,947

Geographic information

The Group is operated in only Thailand and as a result all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical segment.

Major customers

During the years ended 31 December 2021 and 2020, the Group does not have revenue generated from any customer more than 10 percent of the consolidated revenues.

37. Risk management

Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, receivables from clearing house and brokers, securities and derivatives business receivables, derivatives assets, investments, loans to employee, borrowings from financial institutions, payables to clearing house and brokers, 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.

37.1 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 Group is exposed to credit risk primarily with respect to securities and derivatives business receivables, accrued fee and service income from asset management business, 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 Group to prepare an expected credit loss model. The Group has established and maintain an appropriate credit loss model. The Group 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 Group has deposit with banks and financial institutions having high credit-ratings assigned by credit-rating agencies. For investments in debt instruments, the Group invests in government bonds or Bank of Thailand bonds which have low credit risk

37.2 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 Group manage their risk exposure as follows.

37.2.1 Interest rate risk

The Group'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 Group'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 Group is limited.

Significant financial assets and liabilities as at 31 December 2021 and 2020 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)

Consolidated financial statement									
31 December 2021									
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	45	-	-	-	-	141	186	0.05 - 0.35	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	872	872	-	-
Securities and derivatives									
business receivables	1,966	103	-	-	16	2,255	4,340	4.75 - 5.50	-
Derivative assets	-	-	-	-	-	6	6	-	-
Loans to employees	6	-	-	-	-	-	6	2.47 - 3.43	-
Financial liabilities									
Payables to Clearing House and									
broker - dealers	-	-	-	-	-	16	16	-	-
Securities and derivatives									
business payables	-	13	-	-	-	3,010	3,023	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	19	19	-	-
Debt issued	-	-	-	508	-	-	508	-	3.60

(Unit: Million Baht)

Consolidated financial statement									
31 December 2020									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate (% p.a.)		
	Repricing or maturity dates								
	Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed
Financial assets									
Cash and cash equivalents	122	-	-	-	-	100	222	0.05 - 0.75	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	282	282	-	-
Securities and derivatives									
business receivables	1,162	95	-	-	15	2,487	3,759	4.75 - 5.25	-
Derivative assets	-	-	-	-	-	1	1	-	-
Loans to employees	1	-	-	-	-	-	1	3.43	-
Financial liabilities									
Borrowings from financial									
institutions	-	350	-	-	-	-	350	-	0.95 - 1.85
Payables to Clearing House and									
broker - dealers	-	-	-	-	-	303	303	-	-
Securities and derivatives									
business payables	-	51	-	-	-	1,877	1,928	-	0.30
Derivatives liabilities	-	-	-	-	-	23	23	-	-
Debt issued	-	-	279	-	-	-	279	-	3.25

(Unit: Million Baht)

Separate financial statement									
31 December 2021									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate (% p.a.)		
	Repricing or maturity dates								
	Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed
Financial assets									
Cash and cash equivalents	23	-	-	-	-	139	162	0.05 - 0.125	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	872	872	-	-
Securities and derivatives									
business receivables	1,966	103	-	-	16	2,255	4,340	4.75 - 5.50	-
Derivative assets	-	-	-	-	-	6	6	-	-
Loans to employees	6	-	-	-	-	-	6	2.47 - 3.43	-
Financial liabilities									
Payables to Clearing House									
and broker - dealers	-	-	-	-	-	16	16	-	-
Securities and derivatives									
business payables	-	13	-	-	-	3,010	3,023	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	19	19	-	-
Debt issued	-	-	-	508	-	-	508	-	3.60

(Unit: Million Baht)

Separate financial statement									
31 December 2020									
Outstanding balances of financial instruments									
Fixed interest rate									
Repricing or maturity dates									
Interest rate (% p.a.)									
Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed	
Financial assets									
Cash and cash equivalents	105	-	-	-	99	204	0.05 - 0.75	-	
Receivables from Clearing House and broker - dealers	-	-	-	-	282	282	-	-	
Securities and derivatives business receivables	1,162	95	-	15	2,487	3,759	4.75 - 5.25	-	
Derivative assets	-	-	-	-	1	1	-	-	
Loans to employees	1	-	-	-	-	1	3.43	-	
Financial liabilities									
Borrowings from financial institutions	-	350	-	-	-	350	-	0.95 - 1.85	
Payables to Clearing House and broker - dealers	-	-	-	-	303	303	-	-	
Securities and derivatives business payables	-	51	-	-	1,877	1,928	-	0.30	
Derivatives liabilities	-	-	-	-	23	23	-	-	
Debt issued	-	-	279	-	-	279	-	3.25	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate of margin loans account receivables affected as at 31 December 2021 and 2020, with all other variables held constant for 1 year.

	2021		2020	
	Interest rate increase (decrease)	Effect on profit before tax	Interest rate increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Margin loans account receivables	0.25%	4,916	0.25%	2,904
	(0.25%)	(4,916)	(0.25%)	(2,904)

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

37.2.2 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 2021 and 2020 are summarised below:

(Unit: Million unit)

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
(Baht per 1 foreign currency unit)						
Vietnamese dong	256,679.3	94,684.3	244,204.5	86,777.4	0.0015	0.0013
Hong Kong dollar	11.4	11.0	11.3	10.9	4.2886	3.8753
United States dollar	2.9	3.7	2.7	1.9	33.4199	30.0371
Euro	0.3	0.1	0.3	0.1	37.8948	36.8764

In addition to the above, as of 31 December 2021 and 2020, the Company has no foreign forward contract.

37.2.3 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.

37.3 Liquidity risk

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

The Group 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 2021 and 2020, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

Consolidated financial statement						
31 December 2021						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	186	-	-	-	-	186
Receivables from Clearing						
House and broker - dealers	-	872	-	-	-	872
Securities and derivatives						
business receivables	103	2,255	-	-	1,966	4,340
Derivative assets	-	6	-	-	-	6
Loans to employees	6	-	-	-	-	6
Financial liabilities						
Payables to Clearing House and						
broker - dealers	-	16	-	-	-	16
Securities and derivatives						
business payables	13	3,010	-	-	-	3,023
Derivatives liabilities	-	19	-	-	-	19
Debt issued	-	-	508	-	-	508
Leased liabilities	-	56	104	-	-	160

(Unit: Million Baht)

Consolidated financial statement						
31 December 2020						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	222	-	-	-	-	222
Receivables from Clearing						
House and broker - dealers	-	282	-	-	-	282
Securities and derivatives						
business receivables	95	2,487	-	-	1,162	3,759
Derivative assets	-	1	-	-	-	1
Loans to employees	1	-	-	-	-	1
Financial liabilities						
Borrowings from financial						
institutions	350	-	-	-	-	350
Payables to Clearing House and						
broker - dealers	-	303	-	-	-	303
Securities and derivatives						
business payables	51	1,877	-	-	-	1,928
Derivatives liabilities	-	23	-	-	-	23
Debt issued	-	279	-	-	-	279
Leased liabilities	-	54	124	2	-	180

(Unit: Million Baht)

Separate financial statement						
31 December 2021						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	162	-	-	-	-	162
Receivables from Clearing						
House and broker - dealers	-	872	-	-	-	872
Securities and derivatives						
business receivables	103	2,255	-	-	1,966	4,340
Derivative assets	-	6	-	-	-	6
Loans to employees	6	-	-	-	-	6
Financial liabilities						
Payables to Clearing House and						
broker - dealers	-	16	-	-	-	16
Securities and derivatives						
business payables	13	3,010	-	-	-	3,023
Derivatives liabilities	-	19	-	-	-	19
Debt issued	-	-	508	-	-	508
Leased liabilities	-	56	103	-	-	159

(Unit: Million Baht)

Separate financial statement						
31 December 2020						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	204	-	-	-	-	204
Receivables from Clearing						
House and broker - dealers	-	282	-	-	-	282
Securities and derivatives						
business receivables	95	2,487	-	-	1,162	3,759
Derivative assets	-	1	-	-	-	1
Loans to employees	1	-	-	-	-	1
Financial liabilities						
Borrowings from financial						
institutions	350	-	-	-	-	350
Payables to Clearing House and						
broker - dealers	-	303	-	-	-	303
Securities and derivatives						
business payables	51	1,877	-	-	-	1,928
Derivatives liabilities	-	23	-	-	-	23
Debt issued	-	279	-	-	-	279
Leased liabilities	-	54	123	2	-	179

38. Fair value measurement of financial instruments**38.1 Fair value of financial instruments**

As of 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	31 December 2021				
	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	13	13	-	-	13
Derivative assets ⁽¹⁾					
Options	6	6	-	-	6
Investments					
Marketable equity instruments in domestic market	711	711	-	-	711
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	103	103	-	-	103
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	17	17	-	-	17
Options	2	2	-	-	2

⁽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 2021; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 10 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 and separate financial statements					
31 December 2020					
	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	51	51	-	-	51
Derivative assets ⁽¹⁾					
Options	1	1	-	-	1
Investments					
Marketable equity instruments in					
domestic market	704	704	-	-	704
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	87	87	-	-	87
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	23	23	-	-	23

⁽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 2020; the fair value of derivative assets and liabilities for futures contracts are Baht 32 million and Baht 2 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 Group 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 value are estimated approximate their carrying amounts in the statement of financial position.

39. 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.

40. Event after the reporting period

- 1) On 24 February 2022, the Board of Directors of the Company has resolved to approve as follows:
 - 1.1) FSS International Investment Advisory Securities Company Limited ("FSSIA"), a subsidiary of the Company in which the Company holds 96.25 percent to acquire ordinary shares in Finansia Securities Limited ("FSL") in the amount of 39,999,995 shares with a par value of Baht 10 per share, representing approximately 100 percent of all issued shares of FSL, at the purchase price of Baht 12.2547 per share, totaling Baht 490,187,938.73, from Finansia Public Company Limited ("FNS") and Finansia Fund Management Company Limited and
 - 1.2) The Company or the person authorised by the Company to acquire 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 489,840 in order to avoid cross holding between FSL and FSSIA following the Investment in FSL.

The Company expects that the Investment in FSL and FSSIA shall be completed by the second quarter of 2022 after all conditions precedent under the Share Sale and Purchase Agreement have been satisfied. However, the acquisition of shares of FSSIA and FSL remains uncertain as it shall occur after the approval of the acquisition of such shares has been obtained from the shareholders' meeting of FNS.

- 2) On 28 February 2022, the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of Shareholders 2022 for approval as follows:
 - 2.1 For approval the payment of a dividend of Baht 0.10 per share, or a total of Baht 58 million, to the ordinary shareholders.
 - 2.2 For approval the Company's shareholding and management restructuring plan and other relevant arrangements (the "Restructuring Plan"), whereby pursuant to the Restructuring Plan, (1) the Company shall procure the establishment of a public limited company as a holding company under the name "Finansia X Public Company Limited" ("Hold Co.") (2) after the Restructuring Plan has been initially approved by the Stock Exchange of Thailand (the "SET") and the Company has obtained approval by the Office of the Securities and Exchange Commission (the "SEC Office") to change the shareholding structure, including permission from the SEC Office for Hold Co. to issue and offer new securities under the Notification of the Capital Market Supervisory Board No. TorJor. 34/2552 Re: Criteria for Offering for Sale of Newly Issued Securities with a Tender Offer for the Existing Securities of Listed Companies for Restructuring of Shareholding and Management (as amended) (the "Notification No. TorJor. 34/2552"), and obtained a resolution approving the delisting of the Company's shares from the SET, Hold Co. shall make a tender offer for all securities of the Company subject to payment of the consideration in the form of its newly issued ordinary shares in exchange for the Company's ordinary shares at the ratio of 1 ordinary share of the Company to 1 ordinary share of Hold Co., and in case that, upon the end of period for tender offer for securities, it appears that the amount of shares accepted for sale through the tender offer for securities is less than 75 percent of the total voting rights of the Company, Hold Co. will cancel the tender offer for securities (3) after completion of the tender offer for securities, Hold Co. shall list its ordinary shares as listed securities on the SET in place of the Company's securities which will be delisted from the SET on the same day and (4) after completion of the listing of Hold Co.'s securities on the SET in place of the Company's securities, Hold Co., as a direct shareholder of the Company, plans to acquire all subsidiary's shares held by the Company, whether directly or indirectly, as of the completion date of the shareholding restructuring, comprise ordinary shares of FSS International Investment Advisory Securities Company Limited ("FSSIA") and Finansia Securities Limited ("FSL") and any new entities established in the future to expand the financial business, such as Digital Asset Broker, ICO Portal, among others, at the book value price to shift the management of all companies in the group to be under the direct management of Hold Co..

41. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2022.