

Finansia Syrus Securities Public Company Limited
and its subsidiaries
Report and consolidated financial statements
30 June 2023

Independent Auditor's Report

To the Shareholders of Finansia Syrus Securities Public Company Limited

Report on Audit of Financial Statements

Opinion

I have audited the accompanying consolidated financial statements of Finansia Syrus Securities Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the six-month period 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 subsidiaries and of Finansia Syrus Securities Public Company Limited as at 30 June 2023, their financial performance and cash flows for the six-month period 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 Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

I draw attention to Note 1.2 to the consolidated financial statements, which describes the shareholding and management restructuring plan of the Group. My opinion is not modified in respect of this matter.

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 from securities business

The Group's income mainly consisted of brokerage fees income from securities business, amounting to Baht 488 million as in Note 25, representing 53 percent of the Company's total revenues. The Company charges brokerage fees from securities business 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 from securities business relying primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees from securities business 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 from securities business, including computer-based controls relevant to the calculation of brokerage fees income from securities business. I also tested, on a sampling basis, calculation and account recording. In addition, I performed analytical procedures on brokerage fees income from securities business 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 30 June 2023, securities and derivatives business receivables amounting to Baht 3,315 million, representing 46 percent of the Company's total assets. As discussed in Note 4.10 and Note 5.2 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:

- 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.
- 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.

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:

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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.
- 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.
- 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 period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Report on Review of Interim Financial Information

I have reviewed the accompanying statement of comprehensive income and notes to the consolidated financial statements for the three-month period ended 30 June 2023 (collectively “interim financial information”) of Finansia Syrus Securities Public Company Limited and its subsidiaries, and I also reviewed the interim separate financial information of Finansia Syrus Securities Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

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



Wanwilai Phetsang

Certified Public Accountant (Thailand) No. 5315

EY Office Limited

Bangkok: 18 August 2023

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Assets					
Cash and cash equivalents	6, 33.3	481,344,227	461,154,719	417,264,063	388,879,681
Receivables from Clearing House and broker-dealers	7	1,555,899,056	1,044,347,081	1,555,899,056	1,044,347,081
Securities and derivatives business receivables	8	3,314,605,681	4,392,874,848	3,314,605,681	4,392,874,848
Accrued fees and service income		11,239,043	31,686,419	7,839,043	6,186,419
Derivatives assets	9	-	330,360	-	330,360
Investments	10	324,709,911	561,301,009	194,019,063	440,562,574
Loans to subsidiary	33.4	-	-	490,000,000	490,000,000
Loans to employees		2,505,433	2,888,245	2,505,433	2,888,245
Investments in subsidiaries and an associate	11	146,683,536	141,954,576	163,652,031	163,652,031
Office condominium and equipment	13	476,344,216	485,711,685	96,356,342	100,021,404
Right-of-use assets	14.1	173,588,433	200,884,484	166,373,018	198,539,141
Intangible assets	15	209,447,264	212,447,246	190,549,658	197,011,966
Deferred tax assets	16.1	43,833,096	47,445,293	44,023,627	47,192,949
Other assets	17	457,147,896	433,523,307	469,049,270	443,669,532
Total assets		7,197,347,792	8,016,549,272	7,112,136,285	7,916,156,231
Liabilities and owners' equity					
Liabilities					
Payables to Clearing House and broker-dealers	18	20,266,232	1,051,948,803	20,266,232	1,051,948,803
Securities and derivatives business payables	19	2,912,494,110	2,242,565,006	2,912,494,110	2,242,565,006
Derivatives liabilities	9	1,459,127	51,010,272	1,459,127	51,010,272
Debt issued	20	971,000,000	971,000,000	971,000,000	971,000,000
Corporate income tax payable		140,454	26,396,573	-	26,396,573
Provisions	21	57,275,436	47,530,494	56,025,436	47,530,494
Provision for long-term employee benefits	22	140,005,787	132,012,232	94,659,912	92,433,239
Lease liabilities	14.2	97,607,714	121,600,184	91,360,834	119,141,893
Other liabilities	23	184,480,889	524,463,704	173,475,870	486,126,831
Total liabilities		4,384,729,749	5,168,527,268	4,320,741,521	5,088,153,111

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

Finasia Syrus Securities Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
Owners' equity					
Share capital					
Issued and paid-up share capital					
581,403,025 ordinary shares of Baht 1.60 each		930,244,840	930,244,840	930,244,840	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		(52,883)	(52,883)	-	-
Retained earnings					
Appropriated - statutory reserve	24	93,024,484	93,024,484	93,024,484	93,024,484
Unappropriated		1,161,569,772	1,200,013,220	1,146,562,253	1,183,204,398
Other component of owners' equity					
Exchange differences on translation of financial					
statements in foreign currency		6,579,389	3,710,366	-	-
Gains (losses) on investments in equity designated at fair value					
through other comprehensive income		35,898	(134,411)	347,356	313,567
Total equity attributable to the Company's shareholders		2,812,617,331	2,848,021,447	2,791,394,764	2,828,003,120
Non-controlling interests of the subsidiaries		712	557	-	-
Total owners' equity		2,812,618,043	2,848,022,004	2,791,394,764	2,828,003,120
Total liabilities and owners' equity		7,197,347,792	8,016,549,272	7,112,136,285	7,916,156,231

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

Mr. Chuangchai Nawongs

CEO

Mr. Somphop Keerasuntongpong

Director

(Unaudited but reviewed)

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Profit or loss:					
Income					
Brokerage fees income	25	225,585,638	374,948,869	225,585,638	374,948,869
Fees and service income	26	108,520,930	24,959,188	47,691,330	16,451,340
Interest income	27	60,597,148	42,209,303	64,585,537	45,036,678
Gain and return on financial instruments	28	17,917,838	18,243,585	17,758,913	17,981,400
Shares of gain from investments in an associate	11.2	631,308	397,546	-	-
Other income	33.2	9,717,385	22,954,070	11,794,949	23,552,786
Total income		422,970,247	483,712,561	367,416,367	477,971,073
Expenses					
Employee benefits expenses	22, 30	241,171,391	249,641,269	194,187,824	222,417,777
Fees and service expenses		43,649,628	66,613,759	43,176,442	66,546,364
Interest expenses	29	15,760,151	15,244,106	15,692,597	15,218,472
Expected credit losses (reversal)		(217,650)	230,769	(250,000)	230,769
Other expenses	33.2	121,449,237	134,063,082	127,394,313	138,741,023
Total expenses		421,812,757	465,792,985	380,201,176	443,154,405
Profit (loss) before income tax		1,157,490	17,919,576	(12,784,809)	34,816,668
Income tax	16.2	(2,822,819)	(2,384,980)	1,212,116	(6,731,966)
Profit (loss) for the period		(1,665,329)	15,534,596	(11,572,693)	28,084,702
Other comprehensive income (loss):					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax		4,048,651	5,205,530	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		4,048,651	5,205,530	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods:					
Gain (loss) on investments in equity instruments designated at					
fair value through other comprehensive income - net of income tax		152,709	(63,086)	16,189	8,788
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		152,709	(63,086)	16,189	8,788
Other comprehensive income for the period		4,201,360	5,142,444	16,189	8,788
Total comprehensive income (loss) for the period		2,536,031	20,677,040	(11,556,504)	28,093,490

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

(Unaudited but reviewed)

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2023

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2023	2022	2023	2022
Profit (loss) attributable to:					
The Company's shareholders		(1,665,348)	15,516,535	(11,572,693)	28,084,702
Non-controlling interests of the subsidiaries		19	18,061		
		<u>(1,665,329)</u>	<u>15,534,596</u>		
Comprehensive income (loss) attributable to:					
The Company's shareholders		2,536,281	20,658,979	(11,556,504)	28,093,490
Non-controlling interests of the subsidiaries		(250)	18,061		
		<u>2,536,031</u>	<u>20,677,040</u>		
Earnings (loss) per share					
Basic earnings (loss) per share					
Profit (loss) attributable to shareholders of the Company	31	<u>(0.00)</u>	<u>0.03</u>	<u>(0.02)</u>	<u>0.05</u>

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Income					
Brokerage fees income	25	546,829,109	899,694,309	546,829,109	899,694,309
Fees and service income	26	189,422,010	52,892,944	83,892,410	44,385,096
Interest income	27	116,036,760	84,053,049	124,077,060	86,868,451
Gain and return on financial instruments	28	38,203,057	53,625,180	38,149,052	53,362,995
Shares of gain from investments in an associate	11.2	1,142,682	935,201	-	-
Other income	33.2	30,721,370	32,291,515	34,398,717	33,790,231
Total income		922,354,988	1,123,492,198	827,346,348	1,118,101,082
Expenses					
Employee benefits expenses	22, 30	496,484,074	567,578,540	406,639,841	529,403,107
Fees and service expenses		114,482,565	155,207,801	98,747,285	155,126,657
Interest expenses	29	31,408,928	28,019,639	31,287,414	27,976,222
Expected credit losses		32,350	471,375	-	471,375
Other expenses	33.2	271,826,238	247,188,571	284,618,031	263,448,445
Total expenses		914,234,155	998,465,926	821,292,571	976,425,806
Profit before income tax		8,120,833	125,026,272	6,053,777	141,675,276
Income tax	16.2	(6,557,465)	(24,777,135)	(2,689,261)	(29,061,364)
Profit for the period		1,563,368	100,249,137	3,364,516	112,613,912
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax		2,869,023	4,168,168	-	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		2,869,023	4,168,168	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods:					
Gain on investments in equity instruments designated at					
fair value through other comprehensive income - net of income tax		170,309	5,126	33,789	77,001
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		170,309	5,126	33,789	77,001
Other comprehensive income for the period		3,039,332	4,173,294	33,789	77,001
Total comprehensive income for the period		4,602,700	104,422,431	3,398,305	112,690,913

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the six-month period ended 30 June 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Profit attributable to:					
The Company's shareholders		1,563,213	100,240,265	3,364,516	112,613,912
Non-controlling interests of the subsidiaries		155	8,872		
		<u>1,563,368</u>	<u>100,249,137</u>		
Comprehensive income attributable to:					
The Company's shareholders		4,602,545	104,413,559	3,398,305	112,690,913
Non-controlling interests of the subsidiaries		155	8,872		
		<u>4,602,700</u>	<u>104,422,431</u>		
Earnings per share					
Basic earnings per share					
Profit attributable to shareholders of the Company	31	0.00	0.17	0.01	0.19

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of changes in owners' equity

For the six-month period ended 30 June 2023

(Unit: Baht)

		Consolidated financial statements									
		Equity attributable to of the Company's shareholders					Other component of owners' equity				
		Retained earnings			Gain (loss) on investments		Total equity attributable to the Company's shareholders				Total owners' equity
		Deficit as a result of change in holding percentage in the subsidiaries			Exchange differences on translation of financial statements in foreign currency		Total equity attributable to the Company's shareholders				Total owners' equity
Note	issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions			Unappropriated statutory reserve					
	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
						100,240,265			100,240,265	8,872	100,249,137
							4,168,168	5,126	4,173,294		4,173,294
						100,240,265	4,168,168	5,126	104,413,559	8,872	104,422,431
				198,697					198,697	(488,759)	(300,062)
										363	363
32						(58,117,143)			(58,117,143)		(58,117,143)
	930,244,840	620,892,885	322,946	(52,883)	93,024,484	1,087,199,885	5,690,372	252,893	2,737,575,422	805	2,737,576,227
	930,244,840	620,892,885	322,946	(52,883)	93,024,484	1,200,013,220	3,710,366	(134,411)	2,848,021,447	557	2,848,022,004
						1,563,213			1,563,213	155	1,563,368
							2,869,023	170,309	3,039,332		3,039,332
						1,563,213	2,869,023	170,309	4,602,545	155	4,602,700
32						(40,006,661)			(40,006,661)		(40,006,661)
	930,244,840	620,892,885	322,946	(52,883)	93,024,484	1,161,569,772	6,579,399	35,898	2,812,617,331	712	2,812,618,043

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of changes in owners' equity (continued)

For the six-month period ended 30 June 2023

(Unit: Baht)

	Separate financial statements						
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other component of owners' equity
					Appropriated - statutory reserve	Unappropriated	
							Gain on investments in equity instruments designated at fair value through other comprehensive income
							Total owners' equity
Balance as at 1 January 2022		930,244,840	620,892,885	322,946	93,024,484	1,017,747,866	247,767
Profit for the period		-	-	-	-	112,613,912	-
Other comprehensive income for the period		-	-	-	-	-	77,001
Total comprehensive income for the period		-	-	-	-	112,613,912	77,001
Dividend paid	32	-	-	-	-	(58,117,143)	-
Balance as at 30 June 2022		930,244,840	620,892,885	322,946	93,024,484	1,072,244,635	324,768
Balance as at 1 January 2023		930,244,840	620,892,885	322,946	93,024,484	1,183,204,398	313,567
Profit for the period		-	-	-	-	3,364,516	-
Other comprehensive income for the period		-	-	-	-	-	33,789
Total comprehensive income for the period		-	-	-	-	3,364,516	33,789
Dividend paid	32	-	-	-	-	(40,006,661)	-
Balance as at 30 June 2023		930,244,840	620,892,885	322,946	93,024,484	1,146,562,253	347,356
							2,791,394,764

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	8,120,833	125,026,272	6,053,777	141,675,276
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	72,715,700	71,786,748	61,064,060	67,567,058
Expected credit losses	21,241	471,375	-	471,375
Gain on disposals and write-off of equipment/ intangible assets/right-of-use assets	(1,145,809)	(298,595)	(1,121,709)	(298,595)
Unrealised loss on revaluation of trading investments	14,764,947	8,766,687	14,557,952	8,716,220
Unrealised gain on revaluation of derivatives	(49,067,405)	(13,896,865)	(49,067,405)	(13,896,865)
Unrealised gain on revaluation of exchange rate	(2,337,478)	(1,496,801)	(2,337,478)	(1,496,801)
Share of gain from investments in an associate	(1,142,682)	(935,201)	-	-
Provision for long-term employee benefits	8,994,594	7,520,625	6,717,108	6,490,878
Interest income	(116,036,760)	(84,053,049)	(124,077,060)	(86,868,451)
Dividend income	(20,884,660)	(9,508,125)	(20,623,660)	(9,250,725)
Interest expenses	31,408,928	28,019,639	31,287,414	27,976,222
Profit (loss) from operating activities before changes in operating assets and liabilities	(54,588,551)	131,402,710	(77,547,001)	141,085,592
(Increase) decrease in operating assets				
Receivables from Clearing Houses and broker-dealers	(496,114,002)	599,543,200	(496,114,002)	599,543,200
Securities and derivatives business receivables	1,076,831,921	617,360,226	1,076,831,921	617,360,226
Derivatives assets	760,980	1,714,320	760,980	1,714,320
Investments	219,329,382	322,411,800	229,339,382	324,167,052
Loan to employees	382,812	3,325,095	382,812	3,325,095
Other assets	5,695,424	15,013,992	(18,492,074)	(18,783,447)
Increase (decrease) in operating liabilities				
Payables to Clearing Houses and broker-dealers	(1,031,682,571)	19,990,762	(1,031,682,571)	19,990,762
Securities and derivatives business payables	672,617,518	(1,187,897,678)	672,617,518	(1,187,897,678)
Derivatives liabilities	(14,014,855)	(6,886,451)	(14,014,855)	(6,886,451)
Paid for long-term employee benefits	(1,001,040)	(6,766,175)	(1,001,040)	(922,424)
Other liabilities	(327,313,955)	(203,882,990)	(304,755,798)	(190,727,627)
Non-controlling interests of the subsidiary	-	(489,840)	-	-
Cash received from operating activities	50,903,063	304,838,971	36,325,272	301,968,620
Proceeds on interest income	112,920,353	69,708,614	121,292,348	78,314,731
Proceeds on dividend income	20,887,219	9,508,125	20,626,219	9,250,725
Cash paid for interest expense	(29,231,397)	(19,413,973)	(29,231,397)	(19,413,973)
Cash paid for income tax expense	(34,282,762)	(40,962,474)	(30,245,848)	(39,987,224)
Net cash provided by operating activities	121,196,476	323,679,263	118,766,594	330,132,879

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

Finansia Syrus Securities Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the six-month period ended 30 June 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash received (paid) from investing activities				
Acquisition of subsidiaries - net of cash acquired	-	(479,628,332)	-	(25,489,540)
Cash loan to subsidiary	-	-	-	(490,000,000)
Proceeds on disposals of equipment	17,147	264,123	12,150	298,123
Cash paid for purchases of equipment	(13,972,666)	(9,627,124)	(9,382,881)	(9,418,960)
Cash paid for purchases of intangible assets	(15,239,830)	(20,261,866)	(11,719,529)	(20,261,866)
Net cash used in investing activities	(29,195,349)	(509,253,199)	(21,090,260)	(544,872,243)
Cash flows from financing activities				
Cash received (paid) from financing activities				
Cash received from debt issued	-	465,400,000	-	465,400,000
Cash paid for liabilities under finance lease agreement	(31,804,958)	(31,500,781)	(29,285,291)	(31,090,205)
Dividend paid	(40,006,661)	(58,117,143)	(40,006,661)	(58,117,143)
Net cash provided by (used in) financing activities	(71,811,619)	375,782,076	(69,291,952)	376,192,652
Net increase in cash and cash equivalents	20,189,508	190,208,140	28,384,382	161,453,288
Cash and cash equivalents at the beginning of the period	461,154,719	185,987,239	388,879,681	162,366,660
Cash and cash equivalents at the ending of the period	481,344,227	376,195,379	417,264,063	323,819,948

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

Finansia Syrus Securities Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the six-month period ended 30 June 2023

1. General information

1.1 Company information

Finansia Syrus Securities Public Company Limited ("the Company") is a public company incorporated under Thai laws and domiciled in Thailand. Its major shareholders are Pilgrim Finansia Investment Holdings (Pte.) Ltd. which held shares in the Company at the rates of 29.29% of the Company's issued and paid-up share capital. The Company's registered address as at 30 June 2023 is located at No. 999/9, 18th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

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

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

As at 30 June 2023 and 31 December 2022, the Company had 23 branches and 23 branches, respectively.

1.2 The shareholding and management restructuring plan of the Group

On 29 April 2022, the 2022 Annual General Meeting of the Company's shareholders has resolved to approve as follows:

1.2.1) Approved the shareholding and management restructuring plan and other relevant arrangements (the "Restructuring Plan") and the transfer of subsidiary's shares held by the Company to a public limited company operating business as a holding company, which forms part of the Restructuring Plan as follows:

- Approved the establishment of a public limited company as a holding company under the name "Finansia X Public Company Limited" ("Hold Co."). In this regard, the establishment was duly completed on 23 March 2022.

1.2.2) Approved the delisting of the Company's shares from being listed securities on the Stock Exchange of Thailand (the "SET") and relevant matters, including after the Restructuring Plan has been initially approved by the SET and the Company have 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 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., under the condition that, in case 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. After completion of the tender offer for securities, however if the tender offer is more than 75 percent, 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. Upon 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, at the book value price based on the financial statements of each of such companies as of the closest ended date of the financial statements prior to the occurrence of the transfer of such subsidiary's shares, in order to shift the management of all companies in the group to be under the direct management of Hold Co.. Hold Co. has completed the incorporation of the Company, set up the organization structure, appointed the directors and determined the remuneration of director, and increased the registered capital of Hold Co. in order to accommodate the Shareholding and Management Restructuring Plan of the Company. In addition, on 10 January 2023, Hold Co. received the preliminary approval letter from the SET regarding the Shareholding and Management Restructuring Plan of the Company and the listing of the Company's new ordinary shares on the SET to substitute for the ordinary shares of the Company. In addition, the Registration Statement for Securities Offering together with Tender Offer for the Securities (Form 69/247-1) of Hold Co. has become effective on 10 June 2023, Hold Co. will make a tender offer for the existing securities of the Company, from 12 June 2023 until 16 August 2023, with a total 45 business days. The stated of tender offer period is final and will not be amended. After the tender offer period, Hold Co. expects that the transaction and the transfer of subsidiary's shares held by the Company to Hold Co. will complete within 2023.

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 subsidiaries:

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

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

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

2.3 Separate financial statements

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

3. Financial reporting standards that became effective in the current period

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

The adoption of these financial reporting standard does 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 classifies 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

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 assets.

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

Write-off

Debts that are determined to be irrecoverable are written-off in the period 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, loans to subsidiary 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 period 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 subsidiaries 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 subsidiaries and an associate are stated in the separate financial statements at cost net of allowance for impairment loss (if any).

4.12 Office condominium and equipment and depreciation

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

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

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

No depreciation is provided for assets under installation.

Depreciation is included in profit or loss.

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

4.13 Leases

At inception of contract, the 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	3 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 period 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 office condominium and equipment, other intangible assets and right-of-use assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.16 Income tax

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

Current tax

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

Deferred tax

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

The 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 Office condominium and equipment and depreciation

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

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

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

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

5.5 Estimating the incremental borrowing rate

The 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		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Cash, short-term deposits, short-term note receivables and short-term investments with original maturity periods of less than 3 months	1,377,070	1,679,117	1,312,979	1,606,842
Less: Cash deposits held for customers	(895,539)	(1,217,786)	(895,539)	(1,217,786)
Less: Allowance for expected credit loss	(187)	(176)	(176)	(176)
Cash and cash equivalents	481,344	461,155	417,264	388,880

Supplemental cash flows information

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2023	2022	2023	2022
Non-cash items:				
Purchase of equipment and intangible assets on credit	2,194	485	2,186	485
Increasing of right-of-use assets and lease liabilities	76,324	9,302	69,768	9,302

7. Receivables from Clearing House and broker-dealers

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	30 June 2023	31 December 2022
Receivables from Clearing House	1,536,203	1,126,431
Receivables from overseas securities companies	829,472	890,445
Receivables from securities company	2,103	-
Less: Receivables from Clearing House held for customers' account	(66,166)	(128,272)
Less: Receivables from overseas securities companies for customers' account	(745,713)	(844,257)
Receivables from Clearing House and broker-dealers	1,555,899	1,044,347

8. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	30 June 2023	31 December 2022
<u>Securities business receivables</u>		
Cash accounts	1,413,813	2,061,447
Credit balance accounts	1,859,278	2,236,872
Collateral receivables	17,170	58,016
Receivables under securities borrowing and lending business	8,701	5,895
Other receivables	8,761	12,208
Total securities business receivables	3,307,723	4,374,438
Add: Accrued interest receivables	10,733	12,170
Less: Allowance for expected credit losses	(8,761)	(8,761)
Securities business receivables	3,309,695	4,377,847
<u>Derivatives business receivables</u>		
Derivatives business receivables	7,911	18,028
Other receivables	5,911	5,911
Less: Allowance for expected credit losses	(8,911)	(8,911)
Derivatives business receivable	4,911	15,028
Securities and derivatives business receivables	3,314,606	4,392,875

8.1 Classification of securities and derivatives business receivables

As at 30 June 2023 and 31 December 2022, classification is as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	30 June 2023		
	Securities and derivatives business receivables and accrued interest	Exposure at default	Allowance for expected credit loss
<u>Securities business receivables</u>			
Performing loans	3,309,695	3,309,695	-
Under-performing loans	-	-	-
Credit impaired loans	8,761	8,761	(8,761)
Total securities business receivables	3,318,456	3,318,456	(8,761)
<u>Derivatives business receivables</u>			
Performing loans	7,911	7,911	(3,000)
Under-performing loans	-	-	-
Credit impaired loans	5,911	5,911	(5,911)
Total derivatives business receivables	13,822	13,822	(8,911)
Total securities and derivatives business receivables	3,332,278	3,332,278	(17,672)

(Unit: Thousand Baht)

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

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

Consolidated and separate financial statements				
30 June 2023				
<u>Type of risk</u>	Assets		Liabilities	
	Notional		Notional	
	Fair value	amount	Fair value	amount
Equity price				
- Derivatives warrants	-	-	1,459	383,464
- Futures ⁽¹⁾	-	163,409	-	33,282
Total	-	163,409	1,459	416,746

⁽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 30 June 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 18 million and Baht 1 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

Consolidated and separate financial statements				
31 December 2022				
<u>Type of risk</u>	Assets		Liabilities	
	Notional		Notional	
	Fair value	amount	Fair value	amount
Equity price				
- Derivatives warrants	-	-	46,912	368,676
- Futures ⁽¹⁾	-	292,898	-	193,033
- Options	330	30,145	4,098	43,355
Total	330	323,043	51,010	605,064

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

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

10. Investments

10.1 Cost and fair value

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		30 June 2023	31 December 2022
		Fair value/ Amortised cost	Fair value/ Amortised cost
Non-collateralised investments			
<u>Fair value</u>			
Investments measured at fair value through profit or loss			
Marketable equity instruments in domestic market at fair value	190,703	437,289	
Unit trusts	1,124	51,529	
Less: Investments held for customers	-	(50,208)	
Total	191,827	438,610	
Investments measured at fair value through other comprehensive income			
Non-marketable equity instruments in domestic market	12,904	12,691	
Total	12,904	12,691	
<u>Amortised cost</u>			
Investments measured at amortised cost			
Fixed deposits	2,020,097	2,610,097	
Bank of Thailand bond	4,986,424	4,909,151	
Less: Investments held for customers	(6,886,521)	(7,409,248)	
Less: Allowance for expected credit loss	(21)	-	
Total	119,979	110,000	
Investments	324,710	561,301	

(Unit: Thousand Baht)

	Separate financial statements	
	30 June 2023	31 December 2022
	Fair value/ Amortised cost	Fair value/ Amortised cost
Non-collateralised investments		
<u>Fair value</u>		
Investments measured at fair value through profit or loss		
Marketable equity instruments in domestic market at fair value	190,703	437,289
Unit trusts	-	50,208
Less: Investments held for customers	-	(50,208)
Total	190,703	437,289
Investments measured at fair value through other comprehensive income		
Non-marketable equity instruments in domestic market	3,316	3,274
Total	3,316	3,274
<u>Amortised cost</u>		
Investments measured at amortised cost		
Fixed deposits	1,900,097	2,500,097
Bank of Thailand bond	4,986,424	4,909,151
Less: Investments held for customers	(6,886,521)	(7,409,248)
Total	-	-
Investments	194,019	440,563

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

(Unit: Thousand Baht)

Consolidated financial statements				
30 June 2023				
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,020,097	-	-	2,020,097
Bank of Thailand bond	4,986,424	-	-	4,986,424
Less: Investments held for customers	(6,886,521)	-	-	(6,886,521)
Less: Allowance for expected credit loss	(21)	-	-	(21)
Total	119,979	-	-	119,979

(Unit: Thousand Baht)

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

(Unit: Thousand Baht)

Separate financial statements				
30 June 2023				
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	1,900,097	-	-	1,900,097
Bank of Thailand bond	4,986,424	-	-	4,986,424
Less: Investments held for customers	(6,886,521)	-	-	(6,886,521)
Total	-	-	-	-

(Unit: Thousand Baht)

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

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

(Unit: Thousand Baht)

Consolidated financial statements					
30 June 2023					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	12,046	321	-	-
Others	Intend to hold for long-term	858	-	-	-
Total		12,904	321	-	

(Unit: Thousand Baht)

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

(Unit: Thousand Baht)

Separate financial statements					
30 June 2023					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earnings or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to hold for long-term	2,458	60	-	-
Others	Intend to hold for long-term	858	-	-	-
Total		3,316	60	-	

(Unit: Thousand Baht)

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

11. Investments in subsidiaries and an associate

11.1 Details of investments in subsidiaries and an associate

Investments in subsidiaries and an associate as at 30 June 2023 and 31 December 2022 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	
				30 June	31 December	30 June	31 December
				2023	2022	2023	2022
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Associate							
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	20.01	20.01	146,684	141,955
Total Investment in an associate						146,684	141,955
Separate financial statements							
Company's name	Nature of business	Country of incorporation	Type of investment	Percentage of shareholding		Investment value under cost method	
				30 June	31 December	30 June	31 December
				2023	2022	2023	2022
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
Subsidiary							
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	Equity securities	100.00	100.00	8,190	8,190
Finansia Digital Asset Company Limited	Digital Asset Business	Thailand	Equity securities	100.00	100.00	50,000	50,000
Total Investment in subsidiaries						58,190	58,190
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 subsidiaries and an associate						163,652	163,652

11.2 Share of gain and dividend income from an associate

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of gain from investments in an associate for the three-month periods ended 30 June		Shares of other comprehensive income from investments in an associate for the three-month periods ended 30 June		Dividend received during the three-month periods ended 30 June	
	2023	2022	2023	2022	2023	2022
Associate						
SBI Royal Securities Plc.	631	397	5,061	6,507	-	-
Total	631	397	5,061	6,507	-	-

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of gain from investments in an associate for the six-month periods ended 30 June		Shares of other comprehensive income from investments in an associate for the six-month periods ended 30 June		Dividend received during the six-month periods ended 30 June	
	2023	2022	2023	2022	2023	2022
Associate						
SBI Royal Securities Plc.	1,143	935	3,586	5,210	-	-
Total	1,143	935	3,586	5,210	-	-

During the three-month and six-month periods ended 30 June 2023 and 2022, the Company recognised shares of gain from the associate under equity method based on financial information, as prepared by the associate's management which were unaudited by the associate's auditors. The Company already received the 2022 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.	
	30 June 2023	31 December 2022
Cash and cash equivalents	561	534
Other current assets	5	16
Non-current assets	40	36
Current liabilities	(4)	(7)
Net assets	602	579
Shareholding percentage	20.01	20.01
The Company's equity interest in the investments' net assets	121	116
Goodwill	25	25
Total investment values	146	141
Carrying values of investments in an associate (under equity method)	146	141

Summarised information from statements of comprehensive income

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	For the six-month periods ended 30 June	
	2023	2022
Revenues	17	14
Profit for the period	6	5
Total comprehensive income for the period	6	5

11.4 Investment in subsidiaries

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

a) Consideration transferred

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

	(Unit: Thousand Baht)
Cash paid	490,188
Total consideration transferred	490,188

b) The acquisition-related costs

Acquisition-related costs of Baht 2.70 million were included in the consolidated statement of comprehensive income for the six-month period ended 30 June 2022.

c) Fair value of the identifiable assets and liabilities

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

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

12. Allowance for expected credit losses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<u>Allowance for expected credit losses of accounts</u>				
Cash and cash equivalents	187	176	176	176
Securities and derivatives business receivables	17,672	17,672	17,672	17,672
Accrued fees and service income	1,926	1,926	-	-
Investments	21	-	-	-
Other assets	2,856	2,856	2,856	2,856
Total	22,662	22,630	20,704	20,704

As at 30 June 2023 and 31 December 2022, allowance for expected credit losses of securities and derivatives business receivables are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	30 June 2023			
	Allowance for expected credit losses			
		Lifetime ECL - not credit	Lifetime ECL - credit	
	12-month ECL	impaired	impaired	Total
Beginning balance	3,000	-	14,672	17,672
Changes from revaluation of expected credit losses	-	-	-	-
Ending balance	3,000	-	14,672	17,672

(Unit: Thousand Baht)

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

13. Office condominium and equipment

(Unit: Thousand Baht)

Consolidated financial statements						
	Office equipment	Furniture and fixtures	Office condominium and leasehold improvement	Motor vehicles	Equipment under installation	Total
Cost						
1 January 2022	289,027	152,761	40,842	2,140	1,664	486,434
Acquisitions of subsidiaries						
during the year	15,054	17,718	370,676	15,986	-	419,434
Additions	22,031	4,584	-	7,399	9,461	43,475
Disposals/write-off	(30,093)	(42,567)	(201)	(2,107)	-	(74,968)
Transfers in (out)	1,266	4,419	-	-	(5,685)	-
31 December 2022	297,285	136,915	411,317	23,418	5,440	874,375
Additions	10,200	2,728	-	-	1,063	13,991
Disposals/write-off	(3,082)	(1,228)	-	-	-	(4,310)
Transfer in (out)	-	4,750	-	-	(4,750)	-
30 June 2023	304,403	143,165	411,317	23,418	1,753	884,056
Accumulated depreciation						
1 January 2022	240,241	142,900	3,121	2,140	-	388,402
Acquisitions of subsidiaries						
during the year	12,212	11,866	4,642	6,415	-	35,135
Depreciation for the year	21,686	5,068	11,099	1,073	-	38,926
Accumulated depreciation on						
disposals/write-off	(29,615)	(42,078)	-	(2,107)	-	(73,800)
31 December 2022	244,524	117,756	18,862	7,521	-	388,663
Depreciation for the period	10,032	3,643	8,417	1,246	-	23,338
Accumulated depreciation on						
disposal/write-off	(3,061)	(1,228)	-	-	-	(4,289)
30 June 2023	251,495	120,171	27,279	8,767	-	407,712
Net book value						
31 December 2022	52,761	19,159	392,455	15,897	5,440	485,712
30 June 2023	52,908	22,994	384,038	14,651	1,753	476,344
Depreciation for the six-month periods ended 30 June						
2022						18,369
2023						23,338

(Unit: Thousand Baht)

Separate financial statements						
	Office equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Equipment under installation	Total
Cost						
1 January 2022	289,027	152,761	40,842	2,140	1,664	486,434
Additions	19,825	4,493	-	-	6,097	30,415
Disposals/write-off	(29,645)	(42,567)	(34)	(2,107)	-	(74,353)
Transfers in (out)	1,266	4,419	-	-	(5,685)	-
31 December 2022	280,473	119,106	40,808	33	2,076	442,496
Additions	7,408	983	-	-	1,001	9,392
Disposals/write-off	(3,082)	(1,228)	-	-	-	(4,310)
Transfer in (out)	-	1,385	-	-	(1,385)	-
30 June 2023	284,799	120,246	40,808	33	1,692	447,578
Accumulated depreciation						
1 January 2022	240,241	142,900	3,121	2,140	-	388,402
Depreciation for the year	21,070	3,889	2,912	-	-	27,871
Accumulated depreciation on disposals/write-off	(29,614)	(42,077)	-	(2,107)	-	(73,798)
31 December 2022	231,697	104,712	6,033	33	-	342,475
Depreciation for the period	9,243	2,348	1,445	-	-	13,036
Accumulated depreciation on disposal/write-off	(3,061)	(1,228)	-	-	-	(4,289)
30 June 2023	237,879	105,832	7,478	33	-	351,222
Net book value						
31 December 2022	48,776	14,394	34,775	-	2,076	100,021
30 June 2023	46,920	14,414	33,330	-	1,692	96,356
Depreciation for the six-month periods ended 30 June						
2022						14,568
2023						13,036

As at 30 June 2023, certain equipment items have been fully depreciated but are still in use. The original costs, before deducting accumulated depreciation and allowance for impairment loss, of these assets amounted to approximately Baht 311 million (separate financial statement: Baht 289 million) (31 December 2022: Baht 305 million in the consolidated financial statements and Baht 283 million in the separate financial statements).

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 six-month period ended 30 June 2023 and for the year ended 31 December 2022 are summarised.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2022	305,470	1,141	47,182	353,793
Acquisitions of subsidiaries during the year	-	-	4,086	4,086
Additions	13,920	130	8,635	22,685
Written-off	(17,138)	(1,019)	(1,238)	(19,395)
31 December 2022	302,252	252	58,665	361,169
Additions	74,164	126	2,034	76,324
Written-off	(143,696)	(252)	(5,335)	(149,283)
30 June 2023	232,720	126	55,364	288,210
Accumulated depreciation				
1 January 2022	84,509	872	18,960	104,341
Acquisitions of subsidiaries during the year	-	-	2,586	2,586
Depreciation for the year	55,309	270	14,261	69,840
Written-off	(14,225)	(1,019)	(1,238)	(16,482)
31 December 2022	125,593	123	34,569	160,285
Depreciation for the period	26,647	20	7,466	34,133
Written-off	(75,342)	(126)	(4,328)	(79,796)
30 June 2023	76,898	17	37,707	114,622
Net book value				
31 December 2022	176,659	129	24,096	200,884
30 June 2023	155,822	109	17,657	173,588

(Unit: Thousand Baht)

	Separate financial statements			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2022	305,470	1,141	45,968	352,579
Additions	13,754	-	7,463	21,217
Written-off	(16,972)	(889)	-	(17,861)
31 December 2022	302,252	252	53,431	355,935
Additions	69,240	127	401	69,768
Written-off	(143,696)	(253)	(4,121)	(148,070)
30 June 2023	227,796	126	49,711	277,633
Accumulated depreciation				
1 January 2022	84,509	872	18,499	103,880
Depreciation for the year	55,143	139	13,181	68,463
Written-off	(14,058)	(889)	-	(14,947)
31 December 2022	125,594	122	31,680	157,396
Depreciation for the period	25,972	21	6,804	32,797
Written-off	(75,342)	(126)	(3,465)	(78,933)
30 June 2023	76,224	17	35,019	111,260
Net book value				
31 December 2022	176,658	130	21,751	198,539
30 June 2023	151,572	109	14,692	166,373

14.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Lease Liabilities	103,036	128,921	96,390	126,342
Less: Deferred interest expenses	(5,428)	(7,321)	(5,029)	(7,200)
Total	97,608	121,600	91,361	119,142

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

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	34,133	33,994	32,797	33,576
Interest expense on lease liabilities	2,124	3,138	2,002	3,094
Expense relating to short-term leases	2,321	7,196	5,561	8,003
Total	38,578	44,328	40,360	44,673

The Group had total cash outflows for leases for the six-month period ended 30 June 2023 of Baht 31 million (separate financial statement: Baht 30 million) (30 June 2022: Baht 32 million in the consolidated financial statements and Baht 31 million in the separate financial statements).

15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements				
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	Total
Cost					
1 January 2022	6,605	6,384	425,763	8,607	447,359
Acquisitions of subsidiaries					
during the year	-	-	1,195	-	1,195
Additions	-	-	10,795	55,115	65,910
Write-off	-	-	(112)	-	(112)
Transfers in (out)	-	-	7,989	(7,989)	-
31 December 2022	6,605	6,384	445,630	55,733	514,352
Additions	-	-	880	11,364	12,244
Transfer in (out)	-	-	888	(888)	-
30 June 2023	6,605	6,384	447,398	66,209	526,596
Accumulated amortisation					
1 January 2022	5,000	6,384	250,548	-	261,932
Acquisitions of subsidiaries					
during the year	-	-	1,195	-	1,195
Amortisation for the year	-	-	38,890	-	38,890
Accumulated amortisation on disposal/write-off	-	-	(112)	-	(112)
31 December 2022	5,000	6,384	290,521	-	301,905
Amortisation for the period	-	-	15,244	-	15,244
30 June 2023	5,000	6,384	305,765	-	317,149
Net book value					
31 December 2022	1,605	-	155,109	55,733	212,447
30 June 2023	1,605	-	141,633	66,209	209,447
Amortisation for the six-month periods ended 30 June					
2022					19,423
2023					15,244

(Unit: Thousand Baht)

	Separate financial statements				
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	Total
Cost					
1 January 2022	6,605	6,384	425,763	8,607	447,359
Additions	-	-	10,685	51,381	62,066
Write-off	-	-	(105)	(11,600)	(11,705)
Transfers in (out)	-	-	7,989	(7,989)	-
31 December 2022	6,605	6,384	444,332	40,399	497,720
Additions	-	-	881	7,886	8,767
Transfer in (out)	-	-	845	(845)	-
30 June 2023	6,605	6,384	446,058	47,440	506,487
Accumulated amortisation					
1 January 2022	5,000	6,384	250,548	-	261,932
Amortisation for the year	-	-	38,881	-	38,881
Accumulated amortisation on disposal/write-off	-	-	(105)	-	(105)
31 December 2022	5,000	6,384	289,324	-	300,708
Amortisation for the period	-	-	15,229	-	15,229
30 June 2023	5,000	6,384	304,553	-	315,937
Net book value					
31 December 2022	1,605	-	155,008	40,399	197,012
30 June 2023	1,605	-	141,505	47,440	190,550
Amortisation for the six-month periods ended 30 June					
2022					19,423
2023					15,229

As at 30 June 2023, 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 180 million (separate financial statement: Baht 179 million (31 December 2022: Baht 165 million in the consolidated financial statements and Baht 164 million in the separate financial statements).

16. Deferred tax assets and income tax

16.1 Deferred tax assets

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

(Unit: Thousand Baht)

	Consolidated financial statements					
	Changes in deferred income taxes reported in the statements of comprehensive income					
	30 June 2023	31 December 2022	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
			2023	2022	2023	2022
Deferred tax assets arose from:						
Allowance for expected credit losses	3,569	3,569	(50)	46	-	94
Share of gain from investments in an associate	(8,244)	(7,298)	(1,138)	(1,381)	(946)	(1,229)
Provision for long-term employee benefits	28,001	26,402	730	(380)	1,599	151
Unrealised (gain) loss on revaluation of investments and derivatives	(1,847)	4,517	(2,345)	2,201	(6,364)	(447)
Others	22,354	20,255	775	630	2,099	2,194
Deferred tax assets	43,833	47,445	(2,028)	1,116	(3,612)	763
Recognised as income tax revenue (expenses):						
- Recognised in profit or loss			(978)	2,401	(2,852)	1,806
- Recognised in other comprehensive income			(1,050)	(1,285)	(760)	(1,043)
Total			(2,028)	1,116	(3,612)	763

(Unit: Thousand Baht)

	Separate financial statements					
	Changes in deferred income taxes reported in the statements of comprehensive income					
	30 June 2023	31 December 2022	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
			2023	2022	2023	2022
Deferred tax assets arose from:						
Allowance for expected credit losses	3,569	3,569	(50)	46	-	94
Provision for long-term employee benefits	19,630	18,487	505	625	1,143	1,113
Unrealised (gain) loss on revaluation of investments and derivatives	(1,847)	4,517	(2,345)	2,201	(6,364)	(447)
Others	22,672	20,620	767	555	2,052	2,117
Deferred tax assets	44,024	47,193	(1,123)	3,427	(3,169)	2,877
Recognised as income tax revenue (expenses):						
- Recognised in profit or loss			(1,119)	3,429	(3,161)	2,897
- Recognised in other comprehensive income			(4)	(2)	(8)	(20)
Total			(1,123)	3,427	(3,169)	2,877

16.2 Income tax

Income tax for the three-month and six-month periods ended 30 June 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2023	2022	2023	2022
Current income tax				
Current income tax charge	(2,317)	(4,786)	1,859	(10,161)
Adjustment of corporate income tax expenses of previous years	472	-	472	-
Deferred tax				
Relating to origination and reversal of temporary differences	(978)	2,401	(1,119)	3,429
Income (expense) tax reported in the statements of comprehensive income	(2,823)	(2,385)	1,212	(6,732)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Current income tax				
Current income tax charge	(4,177)	(26,583)	-	(31,958)
Adjustment of corporate income tax expenses of previous years	472	-	472	-
Deferred tax				
Relating to origination and reversal of temporary differences	(2,852)	1,806	(3,161)	2,897
Income (expense) tax reported in the statements of comprehensive income	(6,557)	(24,777)	(2,689)	(29,061)

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 six-month periods ended 30 June			
	2023	2022	2023	2022
Accounting profit before tax	8,121	125,026	6,054	141,675
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	(1,624)	(25,005)	(1,211)	(28,335)
Adjustment of corporate income tax expenses				
of previous years	472	-	472	-
Effects of:				
Revenue or expense that are not taxable				
or not deductible in determining				
taxable profits	(1,416)	388	(1,950)	(726)
Tax losses not recognised as deferred				
tax assets	(3,989)	(160)	-	-
Income (expense) tax reported in the				
statements of comprehensive income	(6,557)	(24,777)	(2,689)	(29,061)

As at 30 June 2023, the subsidiaries have unused tax losses totaling Baht 39 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 totaling Baht 39 million, will gradually expire by 2028.

17. Other assets

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Interest receivables	10,864	6,310	13,160	8,938
Prepaid expenses	38,321	37,884	34,898	34,872
Deposits	12,593	14,975	11,560	16,778
Contribution to the compensation fund for clearing and securities delivery system	168,987	153,639	168,987	153,639
Deposit asset for protecting the clearing system	5,000	4,951	5,000	4,951
Advances paid	3,802	3,847	3,802	3,839
Dividend receivables	238	241	238	241
Other receivable - related party	7,591	2,938	28,452	18,581
Withholding tax receivables	19,261	15,034	14,546	10,225
Deposit at bank for customer account frozen by order of AMLO	176,306	176,306	176,306	176,306
Others	17,041	20,254	14,956	18,156
Total	460,004	436,379	471,905	446,526
Less: Allowance for expected credit losses	(2,856)	(2,856)	(2,856)	(2,856)
Other assets	457,148	433,523	469,049	443,670

18. Payables to Clearing House and broker - dealers

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	30 June 2023	31 December 2022
Payables to Clearing House	-	993,580
Payables to overseas securities companies	20,266	58,369
Payables to Clearing House and broker - dealers	20,266	1,051,949

19. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	30 June 2023	31 December 2022
<u>Securities business payables</u>		
Cash accounts payable	2,816,914	2,166,933
Collateral payables	8,701	5,895
Securities borrowing and lending payables	17,170	52,093
Securities business payable	2,842,785	2,224,921
<u>Derivatives business payables</u>		
Derivatives business payables	69,709	17,644
Securities and derivatives business payables	2,912,494	2,242,565

On 14 November 2022, the Company delayed the delivery of cash settlement on customers' sell of More Return Public Company Limited securities in accordance with order of the Secretary-General of the Anti-Money Laundering Committee amounting to Baht 176 million, until the order is changed. The Company has already separated these deposits by placing them in a bank account of the Company held for customers, as stated in Note 17.

20. Debt issued

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	30 June 2023			
	Interest rate/discount per annum (percent)	Remaining period to maturity		
		Less than 1 year	1 - 5 years	More than 5 years Total
Debt issued				
Debentures	3.60	971,000	-	- 971,000
Total		971,000	-	- 971,000

(Unit: Thousand Baht)

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

21. Provisions

(Unit: Thousand Baht)

Consolidated financial statements				
	Allowance for			Total
	Decommissioning	expected	Others	
	cost	credit losses		
Balance as at 1 January 2022	28,130	4,093	2,000	34,223
Increase (decrease) during the year	400	(4,093)	17,000	13,307
Balance as at 31 December 2022	28,530	-	19,000	47,530
Increase (decrease) during the period	(255)	-	10,000	9,745
Balance as at 30 June 2023	28,275	-	29,000	57,275

(Unit: Thousand Baht)

Separate financial statements				
	Allowance for			Total
	Decommissioning	expected	Others	
	cost	credit losses		
Balance as at 1 January 2022	28,130	4,093	2,000	34,223
Increase (decrease) during the year	400	(4,093)	17,000	13,307
Balance as at 31 December 2022	28,530	-	19,000	47,530
Increase (decrease) during the period	(1,505)	-	10,000	8,495
Balance as at 30 June 2023	27,025	-	29,000	56,025

22. 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 six-month period ended 30 June 2023	For the year ended 31 December 2022	For the six-month period ended 30 June 2023	For the year ended 31 December 2022
Provision for long-term employee benefit at the beginning of the period/year	132,012	90,416	92,433	88,598
Acquisitions of subsidiaries during the year	-	40,574	-	-
Employee benefits for staff transferred	-	-	(3,490)	-
Included in profit or loss:				
Current service cost	7,500	13,986	5,512	11,073
Interest cost	1,495	1,780	1,206	1,432
Included in other comprehensive income:				
Actuarial gain arising from:				
Financial assumption changes	-	(7,000)	-	(6,770)
Benefits paid during the period/year	(1,001)	(7,744)	(1,001)	(1,900)
Provision for long-term employee benefit at the end of the period/year	140,006	132,012	94,660	92,433

As at 30 June 2023, the Group expects to pay Baht 5 million, of long-term employee benefits during the next year (the Company only: Baht 5 million).

As at 30 June 2023, the Group's weighted average durations of the liabilities for long-term employee benefit is 10 years (the Company only: 10 years).

Significant actuarial assumptions are summarised below:

(Unit: % per annum)

	Consolidated financial statements	
	30 June 2023	31 December 2022
Discount rate	1.22 - 5.23	1.22 - 5.23
Salary increase rate	1.2 - 7.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 30.0

(Unit: % per annum)

	Separate financial statements	
	30 June 2023	31 December 2022
Discount rate	1.41 - 5.23	1.41 - 5.23
Salary increase rate	1.2 - 7.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 30 June 2023 and 31 December 2022 are summarised below:

	Consolidated financial statements			
	30 June 2023			
	Provision for employee benefits were		Provision for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(9.8)	1.0	10.9
Salary increase rate	1.0	13.2	1.0	(11.9)
Turnover rate	20.0	(8.8)	20.0	10.2

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

	Separate financial statements			
	30 June 2023			
	Provision for employee benefits were		Provision for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(6.4)	1.0	7.1
Salary increase rate	1.0	8.7	1.0	(7.9)
Turnover rate	20.0	(7.0)	20.0	8.1

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

23. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Accrued expenses	144,650	454,091	131,487	415,804
Withholding tax payable	7,659	11,856	7,187	11,164
Value added tax payable	5,616	28,189	4,723	27,350
Other payables	1,354	1,380	4,964	2,937
Employee retention payables	2,250	3,202	2,250	3,202
Others	22,952	25,746	22,865	25,670
Total other liabilities	184,481	524,464	173,476	486,127

24. Statutory reserve

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

25. Brokerage fees income

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2023	2022	2023	2022
Brokerage fees from securities business	198,174	347,038	488,213	829,615
Brokerage fees from derivatives business	27,412	27,911	58,616	67,237
Other brokerage fees	-	-	-	2,842
Total	225,586	374,949	546,829	899,694

26. Fees and service income

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2023	2022	2023	2022
Underwriting fee	93,727	9,642	38,597	9,642
Financial advisory fee	10,475	8,750	4,775	1,550
Borrowing and lending fee	169	316	169	316
Research fee	950	879	950	879
Selling agent fee	2,264	4,814	2,264	3,506
Others	936	558	936	558
Total	108,521	24,959	47,691	16,451

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Underwriting fee	154,405	30,280	68,875	30,280
Financial advisory fee	26,350	11,700	6,350	4,500
Borrowing and lending fee	347	630	347	630
Research fee	1,624	1,669	1,624	1,669
Selling agent fee	4,977	7,404	4,977	6,096
Others	1,719	1,210	1,719	1,210
Total	189,422	52,893	83,892	44,385

27. Interest income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2023	2022	2023	2022
Interest income on margin loans	32,708	28,614	32,708	28,614
Interest income from deposits in financial institution and Bank of Thailand bonds	27,837	13,595	27,427	13,572
Others	52	-	4,450	2,851
Total	60,597	42,209	64,585	45,037

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Interest income on margin loans	65,992	58,992	65,992	58,992
Interest income from deposits in financial institution and Bank of Thailand bonds	49,864	25,061	49,156	25,025
Others	181	-	8,929	2,851
Total	116,037	84,053	124,077	86,868

28. Gain and return on financial instruments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2023	2022	2023	2022
Loss on investments	(21,600)	(35,875)	(21,525)	(35,880)
Gain on derivatives	19,382	50,046	19,382	50,046
Dividend income	20,136	4,073	19,902	3,815
Total	17,918	18,244	17,759	17,981

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Loss on investments	(23,015)	(51,198)	(22,808)	(51,203)
Gain on derivatives	40,334	95,315	40,334	95,315
Dividend income	20,884	9,508	20,623	9,251
Total	38,203	53,625	38,149	53,363

29. Interest expense

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2023	2022	2023	2022
Borrowings from financial institution	71	177	71	177
Debt issued	9,200	7,864	9,200	7,864
Lease liabilities	1,163	1,515	1,096	1,489
Customer's deposits	5,326	5,688	5,326	5,688
Total	15,760	15,244	15,693	15,218

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Borrowings from financial institution	333	1,506	333	1,506
Debt issued	18,299	12,668	18,299	12,668
Lease liabilities	2,124	3,138	2,002	3,094
Customer's deposits	10,653	10,708	10,653	10,708
Total	31,409	28,020	31,287	27,976

30. 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 six-month periods ended 30 June 2023 and 2022, the Group contributed Baht 14 million net of the contribution return on the part of the employees who did not meet the criteria in accordance with the fund rules to the fund (separate financial statement: Baht 11 million) (2022: Baht 11 million in the consolidated financial statement and Baht 10 million in the separate financial statement).

31. Earnings per share

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

32. Dividends

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

33. Related party transactions

33.1 The relationships

Name	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
Finansia Digital Asset Company Limited ⁽¹⁾	Subsidiary
Finansa Securities Company Limited. ⁽²⁾	Subsidiary of FSS International Investment Advisory Securities Company Limited
SBI Royal Securities Plc.	Associate
Pilgrim Finansia Investment Holdings (Pte.) Ltd.	Major shareholder of the Company
Finansia X Public Company Limited	Having common director
True Vision Group Public Company Limited	Having common director
Industrial and Commercial Bank of China (Thai) Public Company Limited	Shareholder

⁽¹⁾ Finansia Digital Asset Company Limited is subsidiary of the Company since 22 March 2022. The Company hold 100.00% of all issued and paid-up capital.

⁽²⁾ Finansa Securities Company Limited is subsidiary of FSS International Investment Advisory Securities Company Limited since 5 May 2022. The subsidiary hold 100.00% of all issued and paid-up capital.

33.2 Significant transactions during the periods

During the periods, 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 three-month periods ended 30 June				
	2023	2022	2023	2022	Transfer Pricing Policy
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Other income	-	-	2,100	900	Contract value
Interest income	-	-	4,398	2,851	Interest rate 3.6% per year
Rental and service expenses	-	-	2,255	1,078	Contract value
Other expenses	-	-	17,400	15,800	Contract value
<u>Transactions with related parties</u>					
Directors and executive employees					
Brokerage fees income	-	9	-	9	Similar rates charged to general customers
Related companies and person					
Brokerage fees income	-	3	-	3	Similar rates charged to general customers
Rental and service expenses	65	85	65	85	As mutually agreed
Dividend paid	11,919	17,027	11,919	17,027	As declared

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the six-month periods ended 30 June				
	2023	2022	2023	2022	Transfer Pricing Policy
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,700	1,800	Contract value
Interest income	-	-	8,748	2,851	Interest rate 3.6% per year
Rental and service expenses	-	-	4,532	1,078	Contract value
Other expenses	-	-	34,800	28,400	Contract value
<u>Transactions with related parties</u>					
Directors and executive employees					
Brokerage fees income	-	45	-	45	Similar rates charged to general customers
Related companies and person					
Brokerage fees income	11	1,715	11	1,715	Similar rates charged to general customers
Other income	-	119	-	119	Similar rates charged to general customers
Rental and service expenses	125	170	125	170	As mutually agreed
Dividend paid	11,919	17,027	11,919	17,027	As declared

33.3 Outstanding balances

The balances of accounts as at 30 June 2023 and 31 December 2022 between the Group and their related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Cash and cash equivalents				
Industrial and Commercial Bank of China (Thai) Public Company Limited	1,107	2,999	1,107	2,999
Other receivables				
FSS International Investment Advisory Securities Company Limited	-	-	2,851	2,853
Finansa Securities Company Limited	-	-	2,129	2,029
Finansia Digital Asset Company Limited	-	-	18,733	15,641
Finansia X Public Company Limited	7,591	2,938	7,591	2,938
Loans to subsidiary				
FSS International Investment Advisory Securities Company Limited	-	-	490,000	490,000
Accrued expenses				
FSS International Investment Advisory Securities Company Limited	-	-	-	1,500
Finansa Securities Company Limited	-	-	64	84
Other liabilities				
Finansa Securities Company Limited	-	-	57	57
FSS International Investment Advisory Securities Company Limited	-	-	3,490	-

33.4 Loans to subsidiary

As at 30 June 2023, the loans to related parties between the Company and the related company and the movement of loans are as follows:

(Unit: Million Baht)

Loans	Relationship	Balance as at 1 January 2023	Increase during the period	Balance as at 30 June 2023
FSS International Investment Advisory Securities Company Limited	Subsidiary	490	-	490
Total		490	-	490

33.5 Directors and key management's remunerations

During the three-month and six-month periods ended 30 June 2023 and 2022, 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 three-month periods ended 30 June			
	2023	2022	2023	2022
Short-term employee benefits	47	47	30	29
Post-employment benefits	3	3	2	2
Total	50	50	32	31

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended 30 June			
	2023	2022	2023	2022
Short-term employee benefits	100	78	63	57
Post-employment benefits	7	5	4	4
Total	107	83	67	61

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 30 June 2023, the Company had capital commitments of approximately Baht 241 million (31 December 2022: Baht 44 million) relating to the installation of software and equipment.

34.2 Contingent liabilities

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

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

34.3 Litigation

As at 30 June 2023, the Company was sued and demanded 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 9 million in the financial statements.

As at 30 June 2023, the Company was sued in a civil lawsuit for violating the Securities and Exchange Act B.E. 2535, revoking bills of exchange, revoking mortgage contracts, revoking debt acknowledgement letters, and committing infringement. In this regard, the plaintiff demanded that the Company as the tenth defendant together with other defendants (24 defendants in total), pay the claim amount totaling Baht 1,432 million (the value of bills of exchange sold by the Company is Baht 430 million). Currently, all of the defendants are in the process of filing their statements and the final judgement has not been reached in respect of this case. However, the management of the Company, based on legal opinion, believes that no material losses will be incurred to the financial statements.

35. Segment information

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

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

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

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

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

The following table presents information by operating segment for the three-month and six-month periods ended 30 June 2023 and 2022:

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of Inter-segment transactions		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external	280	440	98	12	10	7	(21)	(15)	367	444
Profit (loss) from operating by segment	68	148	36	(13)	2	1	(21)	(15)	85	121
Unallocated income and expenses:										
Interest income									24	17
Other income									32	23
Operating expenses									(140)	(143)
Income tax expenses									(3)	(3)
Profit (loss) for the period attributable to the Company									(2)	15

(Unit: Million Baht)

	For the six-month periods ended 30 June									
	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment transactions		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external	661	1,024	167	17	18	21	(51)	(28)	795	1,034
Profit (loss) from operating by segment	195	375	45	(13)	3	4	(51)	(28)	192	338
Unallocated income and expenses:										
Interest income									50	28
Other income									77	61
Operating expenses									(311)	(302)
Income tax expenses									(6)	(25)
Profits for the period attributable to the Company									2	100

The following table presents segment assets, classified by operating segments, as at 30 June 2023 and 31 December 2022:

(Unit: Million Baht)

	Securities and derivatives brokerages segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
Segment assets						
30 June 2023	4,871	11	325	5,207	1,990	7,197
31 December 2022	5,437	32	561	6,030	1,987	8,017

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 six-month periods ended 30 June 2023 and 2022, the Group does not have revenue generated from any customer more than 10 percent of the consolidated revenues.

36. 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 subsidiary, 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.

36.1 Credit risk

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

The Group is exposed to credit risk primarily with respect to securities and derivatives business receivables, accrued fee and service income, deposits with banks and financial institutions, receivables from clearing house and brokers, investments in debt instruments and loans to subsidiary. 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.

36.2 Market risk

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

36.2.1 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 30 June 2023 and 31 December 2022 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements									
30 June 2023									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate (% p.a.)		
	Floating interest rate	Repricing or maturity dates			Non-performing receivables	Non-interest bearing			
		At call	Less than 1 year	1 - 5 years					
Financial assets									
Cash and cash equivalents	426	-	-	-	-	55	481	0.05 - 1.15	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	1,556	1,556	-	-
Securities and derivatives									
business receivables	1,859	17	-	-	15	1,441	3,332	5.50 - 7.00	-
Investments - fixed deposits	-	-	120	-	-	-	120	-	0.85 - 1.40
Loans to employees	3	-	-	-	-	-	3	2.47 - 3.40	-
Financial liabilities									
Payables to Clearing House									
and broker - dealers	-	-	-	-	-	20	20	-	-
Securities and derivatives									
business payables	-	9	-	-	-	2,903	2,912	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	1	1	-	-
Debt issued	-	-	971	-	-	-	971	-	3.60

(Unit: Million Baht)

Consolidated financial statements

31 December 2022

Outstanding balances of financial instruments

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

(Unit: Million Baht)

Separate financial statements

30 June 2023

Outstanding balances of financial instruments

	Floating interest rate	Fixed interest rate			Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
		Repricing or maturity dates						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<u>Financial assets</u>									
Cash and cash equivalents	383	-	-	-	-	34	417	0.05 - 1.15	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	1,556	1,556	-	-
Securities and derivatives									
business receivables	1,859	17	-	-	15	1,441	3,332	5.50 - 7.00	-
Loans to subsidiary	-	-	490	-	-	-	490	-	3.60
Loans to employees	3	-	-	-	-	-	3	2.47 - 3.40	-
<u>Financial liabilities</u>									
Payables to Clearing House									
and broker - dealers	-	-	-	-	-	20	20	-	-
Securities and derivatives									
business payables	-	9	-	-	-	2,903	2,912	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	1	1	-	-
Debt issued	-	-	971	-	-	-	971	-	3.60

(Unit: Million Baht)

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

Interest rate sensitivity

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 30 June 2023 and 2022, with all other variables held constant for 1 year.

	2023		2022	
	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%	4,648	0.25%	4,505
	(0.25%)	(4,648)	(0.25%)	(4,505)

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

36.2.2 Foreign exchange risk

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

The significant balances of financial assets and liabilities denominated in foreign currencies as at 30 June 2023 and 31 December 2022 are summarised below:

(Unit: Million unit)

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	30 June	31 December	30 June	31 December	30 June	31 December
	2023	2022	2023	2022	2023	2022
	(Baht per 1 foreign currency unit)					
Vietnamese dong	149,595.0	158,086.0	130,654.9	140,293.8	0.0015	0.0015
Hong Kong dollar	74.9	110.7	72.1	108.7	4.5418	4.4340
United States dollar	7.7	6.7	7.3	6.4	35.5893	34.5624

In addition to the above, as of 30 June 2023 and 31 December 2022, the Company has no foreign forward contract.

36.2.3 Equity instruments price risk

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

36.3 Liquidity risk

Liquidity risk is the risk that the 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 30 June 2023 and 31 December 2022, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

	Consolidated financial statements						
	30 June 2023						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets							
Cash and cash equivalents	481	-	-	-	-	-	481
Receivables from Clearing House and broker - dealers	-	1,556	-	-	-	-	1,556
Securities and derivatives business receivables	17	1,441	-	-	1,859	15	3,332
Investments - fixed deposits	-	120	-	-	-	-	120
Loans to employees	3	-	-	-	-	-	3
Financial liabilities							
Payables to Clearing House and broker - dealers	-	20	-	-	-	-	20
Securities and derivatives business payables	9	2,903	-	-	-	-	2,912
Derivatives liabilities	-	1	-	-	-	-	1
Debt issued	-	971	-	-	-	-	971
Leased liabilities	-	44	54	-	-	-	98

(Unit: Million Baht)

Consolidated financial statements							
31 December 2022							
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets							
Cash and cash equivalents	461	-	-	-	-	-	461
Receivables from Clearing House and broker - dealers	-	1,044	-	-	-	-	1,044
Securities and derivatives business receivables	58	2,098	-	-	2,237	18	4,411
Investments - fixed deposits	-	110	-	-	-	-	110
Loans to employees	3	-	-	-	-	-	3
Financial liabilities							
Payables to Clearing House and broker - dealers	-	1,052	-	-	-	-	1,052
Securities and derivatives business payables	6	2,237	-	-	-	-	2,243
Investments – fixed deposits	-	51	-	-	-	-	51
Debt issued	-	506	465	-	-	-	971
Leased liabilities	-	55	67	-	-	-	122

(Unit: Million Baht)

Separate financial statements							
30 June 2023							
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets							
Cash and cash equivalents	417	-	-	-	-	-	417
Receivables from Clearing House and broker - dealers	-	1,556	-	-	-	-	1,556
Securities and derivatives business receivables	17	1,441	-	-	1,859	15	3,332
Loans to subsidiary	-	490	-	-	-	-	490
Loans to employees	3	-	-	-	-	-	3
Financial liabilities							
Payables to Clearing House and broker - dealers	-	20	-	-	-	-	20
Securities and derivatives business payables	9	2,903	-	-	-	-	2,912
Derivatives liabilities	-	1	-	-	-	-	1
Debt issued	-	971	-	-	-	-	971
Leased liabilities	-	41	50	-	-	-	91

(Unit: Million Baht)

Separate financial statements							
31 December 2022							
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
Financial assets							
Cash and cash equivalents	389	-	-	-	-	-	389
Receivables from Clearing House and broker - dealers	-	1,044	-	-	-	-	1,044
Securities and derivatives business receivables	58	2,098	-	-	2,237	18	4,411
Loans to subsidiary	-	-	490	-	-	-	490
Loans to employees	3	-	-	-	-	-	3
Financial liabilities							
Payables to Clearing House and broker - dealers	-	1,052	-	-	-	-	1,052
Securities and derivatives business payables	6	2,237	-	-	-	-	2,243
Derivatives liabilities	-	51	-	-	-	-	51
Debt issued	-	506	465	-	-	-	971
Leased liabilities	-	53	66	-	-	-	119

37. Fair value measurement of financial instruments

37.1 Fair value of financial instruments

As of 30 June 2023 and 31 December 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	30 June 2023				
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and					
lending business	9	9	-	-	9
Investments					
Marketable equity instruments in domestic					
market	191	191	-	-	191
Unit trusts	1	-	1	-	1
Non-marketable equity instruments in					
domestic market	13	-	-	13	13
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and					
lending business	17	17	-	-	17
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	1	1	-	-	1

⁽¹⁾ In addition, futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 30 June 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 18 million and Baht 1 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

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

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

(Unit: Million Baht)

Separate financial statements					
30 June 2023					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	9	9	-	-	9
Investments					
Marketable equity instruments in domestic market	191	191	-	-	191
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	17	17	-	-	17
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	1	1	-	-	1

⁽¹⁾ In addition, futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 30 June 2023; the fair value of derivative assets and liabilities for futures contracts are Baht 18 million and Baht 1 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

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

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

During the current period, 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 values are estimated approximate their carrying amounts in the statement of financial position.

38. Capital management

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

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 18 August 2023.